

Wider Reach, Greener Impact



SAFE • RELIABLE • SUSTAINABLE ENERGY SOLUTIONS

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Growth, if guided by the pursuit to power positive development, is bound to usher in winds of change. Leveraging the potential of natural gas is not just the need of the hour, but also the need of the Nation.

Key Highlights FY19

Sales Volume increased by **13%** in FY 2019 to **541** MMSCM vs 479 MMSCM in FY 2018

Robust Volume Growth **14%** in PNG and **12%** in CNG

Operating EBIDTA Increased by **25%** in FY 2019 to ₹ **455** Cr. vs. ₹ 365 Cr. in FY 2018

PNG Segment Volume Growth **17%** in Domestic Sector **14%** in Commercial Sector **14%** in Industrial Sector

3.8 lakh Households (cumulative) **484** Industrial and Commercial Customers added

Revenue from Operations increased by **32%** in FY 2019 to ₹ **1,823** Cr. vs ₹ 1,385 Cr. in the FY 2018

9 New CNG Stations operationalised totalling to 82 CNG stations

15 New GAs added to the Portfolio

Market cap stood at ₹ **144** billion as of March 31, 2019

The cover design has a strong human and asset imagery along with illustration of a 'green city', highlighting not only the Company's service spectrum but also emphasising the clear focus on responsible growth.



Building a nation is not just about impressive infrastructural or industrial development. That's there, but what truly 'builds' a nation is the value that is created in the lives of the people living in it.

This has always been the core line of thought of all of us at Adani, which has led to value creation being our primary point of focus, as we move across various industries and strategically contribute to India's development. We have left our footprint in areas that have helped accelerate India's potential growth, and thereby we have created value – for our employees, our stakeholders, and our fellow Indians!

Our priorities are simple – to create value, consistently. Our goal is singular – to empower the Nation!

About Adani Group

Adani Group is one of the leading business conglomerates and the largest integrated player in infrastructure and energy space in India. Over three decades, the Group has emerged as a global player with business operations spread across key sectors like energy, resources, logistics, and agro, amongst others. Since inception, the Group has focused on serving the diverse needs of people, delivering strong value propositions and contributing to the Nation building.

At Adani, we have reformulated our Vision 2020 and synced it with our natural philosophy of Growth with Goodness. We envision emerging as a globally admired leader in integrated infrastructure businesses. Our belief of 'Scaling Business' is driven by our ambition for scale, speed of execution and quality of operation.

Adani Group – Global Scale Infrastructure Operator

- Massive Scale across infrastructure Verticals (\$29bn+ of assets under management contract)
- Proven execution capabilities and track record (Delivered India's largest single location Port, Thermal & Solar Manufacturing Plant)
- Operational excellence with productivity, low-cost operations (Focus on margins and shareholder returns)
- Successful track record of integrating acquisitions (Acquired, turned around and integrated \$2.5b+ assets)
- Deep management experience in regulated environments (Sponsor family supported by professional management team)
- Strong and consistent financial performance (2 Investment Grade Rated Companies)

Business spread across India's Core Sectors



Coal & Mining



Ports & Logistics



Power



Renewables



Gas Distribution



Transmission



Solar Manufacturing



Defence & Aerospace



Agriculture



Real Estate



Financial Services

Chairman's Message



Dear Shareholders,

Greetings! We live in interesting times. India continues to be the World's fastest growing economy. We are expected to become the World's fifth largest economy by the end of this year. Our country is expected to see an investment of a trillion dollars in infrastructure, split evenly between public and private sector resources and is on its way to becoming a five trillion dollar economy over the next five years.

India at an Inflection Point

In the recent elections, the mandate received by the Government is an indication that the citizens of our country have voted for stability in support of a vision that addresses large segments of the society in a fashion and scale that will radically change India's development trajectory. In an analysis published earlier this year, the World Economic Forum predicted that India would have lifted 2.5 crore more households out of poverty over the next decade, thereby reducing the share to households below the poverty line to 5%. For a size of our country, these are staggering statistics and a harbinger of hope and optimism for the entire nation. Undoubtedly, there will be challenges and not all programs may get executed to perfection, but there cannot be any denying the fact that the ambitions of our nation are taking shape in a fashion that is transformative and exciting and India is at an inflection point.

The Transformation of the Adani Group

For the Adani Group FY18-19 has also been a year of inflexion. Each one of

our six publicly traded Group Companies delivered record financial performance and made tangible progress in further consolidating their positions as industry leaders in every segment we operate in. Every one of the Group Companies are now growth platforms that, while mutually independent, draw upon the management and leadership synergies that exist in the Group.

India - Increasingly a Gas-based Economy

Natural gas is globally recognised as the transition fuel of the future. It is the fastest growing energy source, second only to renewable energy. In line with the series of strategic reforms that have been rolled out across the Country over the past 5 years, the Pradhan Mantri Ujjwala Yojana is a path-breaking government scheme to introduce cleaner LPG fuel to over 7 crore underprivileged homes. Therefore, the opportunity to introduce a cleaner cooking and fuel alternative to millions of Indians is a responsibility we are grateful to be able to fulfil.

Adani Gas - A Memorable Year

The synchronisation of our timing of spinning out our gas business from Adani Enterprises and the transition of India to a gas-based economy could not have been better. We spun out our Piped Natural Gas and City Gas Distribution business from Adani Enterprises and listed it as an independent publicly traded business under the brand of Adani Gas Limited. This business, along with our power distribution and food business presents one of the deepest platforms to reach end-customers across our country, thereby opening up potential for further leveraging B2C business opportunities.

Businesswise, Adani Gas emerged as the largest private player to have won the highest number of licenses catering to 38 Geographical Areas, which account for about 8% of the population in India. We expect this momentum to continue as we integrate it into the LPG and LNG terminal business being nurtured as part of our ports business.

On the execution front, our gas business is shaping up well as a result of proactive adoption of technology-driven innovations,

advanced safety mechanisms and cutting-edge customer experience. The plans ranging from enhancing the network infrastructure, introducing flexible commercial models, focusing on access-enabling technologies and strengthening the supply-chain integration with new terminals are all significant differentiators that are being put in place to help drive the operational excellence the Group is known for.

Environment, Social Responsibility & Governance

Along with our focus on the financial and operational performance, we are equally committed to continue to strengthen our corporate governance practices. In line with this, we have implemented a strict policy for related party transactions. To ensure transparency, that all transactions are arm's length, we will include assessments by internal business teams, review through an external agency and a due diligence by an Executive Committee consisting of Board of Directors. These steps are in addition to the existing regulatory requirements.

Adani Foundation continues to go about its business of making a difference to the lives of various communities the Group touches. Our foundation initiatives now reach across 18 states and 2,250 villages and towns; touching over 5, 00,000 families. Along with the growth of business, it is this goodness that makes our efforts meaningful.

Growth with Goodness

In closing, I thank all our stakeholders for their continued support and conviction in our philosophy of Growth with Goodness. We are committed to continue our exciting journey of growth with the support and guidance of our Customers, Employees, Shareholders, Bankers, Governments and the Board. We shall continue to remain an active contributor to nation building, adding value to our product portfolio and exploring new opportunities that contribute to the growth of our business and the nation.

Regards,

Gautam Adani

Chairman - Adani Group

CEO's Message



Dear Shareholders,

The Financial Year 2018-19 was truly a milestone year for City Gas Distribution (CGD) Sector in India. The progress made during 2018-19 is in line with the Government's vision to raise the share of Natural Gas from 6.2% to 15% by the year 2030. The Petroleum and Natural Gas Regulatory Board (PNGRB) authorised 136 Geographical Areas (GAs) during 9th and 10th bidding rounds. This will cater to the 70% of India's population living across 402 Districts in 27 States.

Over the next 8 years, the CGD Sector is expected to witness a quantum leap in infrastructure development. The defining change will provide the benefits of Piped Natural Gas to another 5 crore homes and add 10,000 CNG stations. The transformation would not just empower customers with wider choice of options but also push CGD Companies to improve the overall retail experience. Given the large interests at stake, I am hopeful that the process would fast-track the development of CGD Infrastructure in the Country.

AGL - A Year of Achieving Milestones FY 2018-19 was also a significant year for us at Adani Gas Limited, as we continued to accomplish several milestones. Firstly, we became a listed entity, which is perhaps one of the most noteworthy points in our journey. In a short span we have become the largest CGD Company in India. Among other milestones were the highest sales volume since inception at 541 MMSCM, surge in CNG volume by 12%, PNG volume by 14 % and total volume by 13% over the same period last year. The performance also reflects in the Profit before Tax which rose by 38% (PBT for the FY 2018-19 was INR 357 Cr.) over the previous year.

We also took strong strides in expanding our national footprints with authorisation to develop CGD networks in 15 additional GAs. In addition, our JV with Indian Oil Corporation (IOCL)

named IOAGPL also received authorisation for additional 10 GAs, taking our total tally to 38 GAs, which comprises of 71 districts, 68 large towns in 15 states covering 8% of the population. These 38 GAs are inclusive of 13 GAs which are already operational. It should be noted that the 13 operational GAs comprise of 5 GAs managed by AGL and 8 managed by IOAGPL.

We ended the financial year with 82 CNG Stations, over 380,000 homes, 2,550+ commercial & 1,300+ industrial customers and over 200,000 vehicles enjoying the benefits of Natural Gas.

Smart Customer Care through Digitisation and Automation

With focus on customer centricity, connectivity, technology excellence, speed, precision, safety and quality of implementation, we are fully geared to expand our operations across India. As we remain armed with the wherewithal to reach new geographies, set new benchmarks, embrace new technologies and ramp up new capacities, we also remain rooted to Adani Group's guiding philosophy of fueling the Growth of the Nation with Goodness that Clean and Green Natural Gas footprints in various cities all over India will bring.

In order to streamline a host of execution boosters, the Company has planned an ambitious Smart CGD approach to achieve Operational Excellence and Safe Gas Handling. Focused approach adopted will lead to faster implementation of Steel Pipeline Infrastructure in a three year time frame. This will bring us closer to Domestic, Commercial, Industrial and CNG Markets earlier than envisaged.

We have enhanced customer experience through seamless partner engagement and automation aspects of operations. We will be launching a unique integrated Mobile and Web Application for the customers, partners, contractors and employees for self-service information, update and reporting. As a part of digitisation we will be effectively utilising chat-bots for resolving service related challenges faced by customers. This will act as a, huge enabler for exchanging information in real time, while delivering cost benefits to all channel partners.

Integrated SCADA

With the expansion of our presence throughout the Nation, we will extend the already successfully implemented integrated SCADA. Following the successful introduction of SCADA in operating cities of AGL, integrated SCADA is further ready to be launched reinforcing our commitment towards AGL 2.0 – "A vision to be a Lean,

Technology-driven, Modern and Smart Utility Company".

Spot Billing, AMR and Digitally Signed Bills

To ease the process of billing, we have implemented spot billing for domestic units. Billing of commercial and industrial units was a tedious exercise. We have now introduced Automated Meter Reading (AMR) for commercial and industrial units. The excise bills are now digitally signed. These steps have effectively reduced the cost, while improving the cash flow cycle and enhancing customer experience.

Safety First

Our vision with regard to creating a dependable CGD Network follows our Policy to keep Safety First, Productivity First and Quality First in all our decision making and roll-out plans. In continuation to our un-flinching commitment towards Safety, Quality, Occupational Health and Environmental Compliances, we are pleased to put on record that AGL is also accredited for the ISO 9001 Quality Management System, ISO 140001 Environmental Management Systems and BS OHSAS 180001 Occupational Health and Safety Assessment Series.

Empowering Community

Adani Gas Mitra (AGM), an App is our unique initiative involving students, housewives and senior citizens, who are addressed as Adani Gas Mitras. In a way they are the brand ambassadors of Adani Gas, who productively utilise social media platform to increase the outreach of Adani Gas. Their support and efforts are appropriately rewarded under this programme, thus making them self-reliant while they spread awareness about Adani Gas.

Committed to Synergise Growth with Goodness

Our commitment to our communities remain as steadfast as our accountability to our shareholders. We unlock value for all our stakeholders and pursue growth in synergy with goodness. 'Behaviour Change' is the tool deployed by our CSR arm, Adani Foundation to trigger substantial outcomes in four core areas of interventions – Education, Health, Sustainable Livelihood Development, and Community Infrastructure Development.

I look forward to continued support of all our stakeholders in our determination to take Adani Gas to newer heights while ensuring a greener impact across the Nation.

Regards,

Suresh P Manglani

Chief Executive Officer



Adani Gas Business Overview

Adani Gas Limited is the City Gas Distribution arm of the Adani Group and is well on its way to become one of the biggest and most dense City Gas Distribution Networks in the Country by winning authorisation for 25 Geographical Areas (GAs) in the financial year.

Adani Gas Ltd. develops and operates City Gas Distribution (CGD) Networks to supply Piped Natural Gas (PNG) to industrial, commercial and domestic (residential) customers and Compressed Natural Gas (CNG) to the transport sector. Natural Gas is a convenient, reliable and environment friendly fuel that allows customers to enjoy a high level of safety, convenience and economic efficiency.

Headquartered in Ahmedabad, India, the Company has already set up City Gas Distribution Networks in Ahmedabad and Vadodara in Gujarat, Faridabad and Palwal in Haryana and Khurja in Uttar Pradesh.

In 2018-19, the Company transformed to an independent entity with an objective to unlock the value of Gas Sourcing and Distribution business by eliminating the holding company discount and providing financial flexibility for raising capital for sustainable growth of Gas Sourcing and Distribution business.

Vision, Values & Value Propositions

Core 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

Guiding Philosophy

Enrich lives, harness cleaner & greener resources, build state-of-the-art infrastructure, contribute to nation building, and thereby drive growth with goodness.

Core Propositions



Safety First



Socially Responsible



Reliable



Committed



Smart



Forward-looking Footprint

From a fragmented regional market, Natural Gas has now become a global commodity. Keeping pace with the growth of the sector, Adani Gas Limited too remains on a strong footing in terms of transforming from being a regional player to a national player.



15 years of operational track record, a vast network of pipelines in excess of 6000 kms, a steep increase in authorisations to the tune of 38 GAs, a CGD presence in over 15 states with strategic partnership with IOCL complemented by strategic advantages like economies of scale, escalated development of infrastructure network, high standards of quality and customer centricity - the Company is optimistic to penetrate deeper in the market, both in Gujarat and NCR territories and further ahead strengthen the pan-India CGD presence.

* Except Areas Already Authorised # Part District

Growth Drivers

Domestic PNG

Domestic customers use Natural Gas for cooking and heating water in gas geysers

Industrial PNG

Natural Gas is used for Boilers, Thermic Fluid Heaters, Direct Fired Dryers, Textile Processing, Heat Treatment, Wire Drawing, Casting and Forging Applications in industries

Commercial PNG

Natural Gas finds commercial customers in form of Hotels, Restaurants, Fast Food Joints, Hospitals, Corporate Offices as well as Canteens and Pantries

Adani CNG

Adani Gas has a large number of CNG Stations in operation to fuel CNG vehicles in four cities, where the demand is high in the transport sector



Business Highlights

With the future portfolio, together with our JV Partner IOAGPL, standing at 38 GAs, Adani Gas has emerged as the largest CGD Company of the Country. With a customer base spread across segments and cities, Adani is a name to reckon with in supply of eco-friendly, cost-effective and reliable Natural Gas for Industrial, Commercial, Domestic and Vehicular Customers.

AGL is poised for to be part of a million growth stories and success stories from all over India.

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



5

Operational Cities

71

Districts



82

CNG
Stations



6,500+

Kms Pipeline
Network



1,300+

Industrial Customers

2,500+

Commercial Customers



380,000+

Residential
Customers

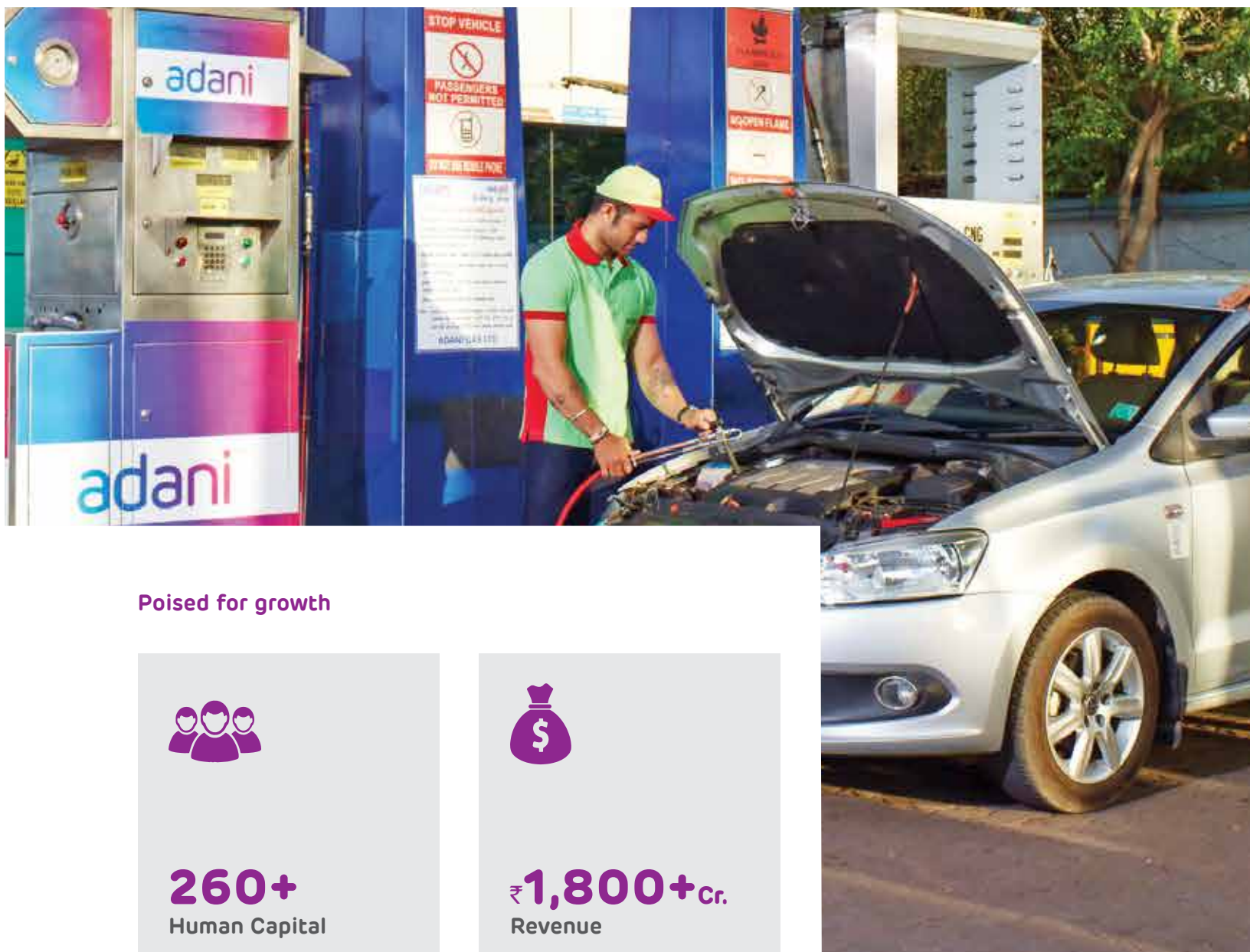


1.5

mmscmd Gas Supply

12%

CAGR in last 3 years



Poised for growth



260+
Human Capital



₹1,800+ Cr.
Revenue



₹541 Cr.
EBITDA



20%+
RoE

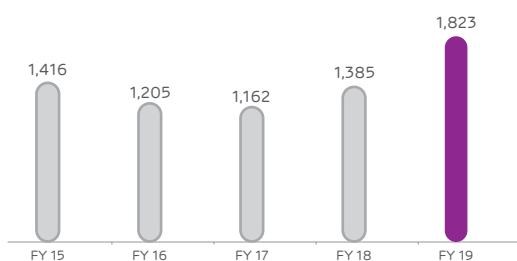


A+
Domestic Rating

Financial Highlights

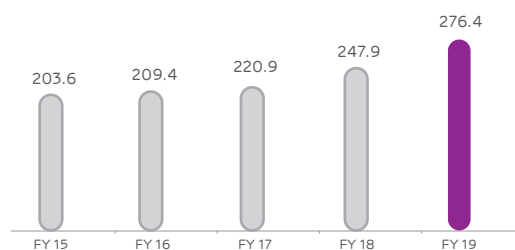
Revenue from Operations (₹ Cr.)

1,823 (₹ Cr.)



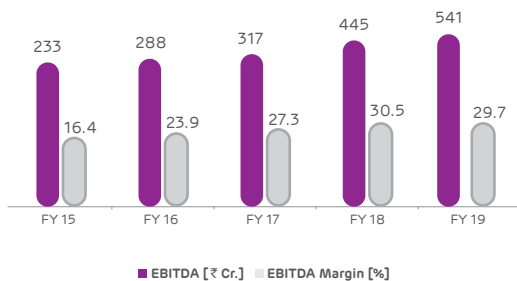
CNG Sales Volume Growth (In MMSCM)

276.4 (In MMSCM)



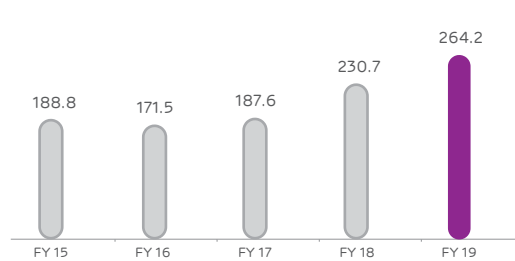
EBITDA (₹ Cr.)

541 (₹ Cr.)



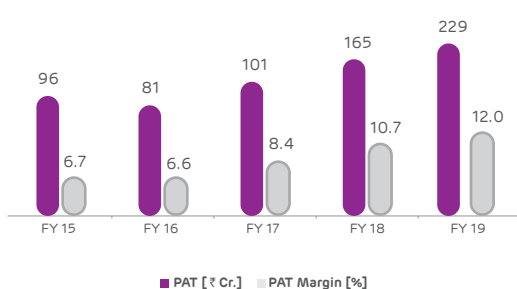
PNG Sales Volume Growth (In MMSCM)

264.2 (In MMSCM)



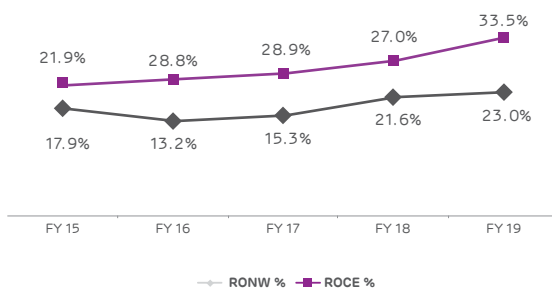
PAT (₹ Cr.)

229 (₹ Cr.)



Financial Ratios (%)

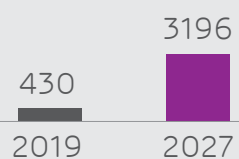
RONW 23.0% | ROCE 33.5%



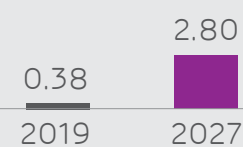
Future Outlook



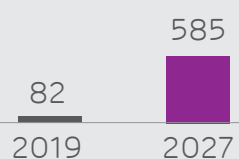
Steel Pipeline Network (Kms)



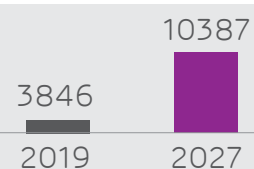
Households (Millions)



CNG Retail Outlets



Industrial / Commercial Customers



Board of Directors



Gautam Adani
Chairman

Mr. Gautam Adani, Chairman and Founder of the Adani Group, has more than 35 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.



Pranav Adani
Director

Mr. Pranav Adani has been active in the Group since 1999. He has been instrumental in initiating and building numerous new business opportunities across multiple sectors. He has spearheaded the Joint Venture with Wilmar Group of Singapore and transformed it from a single refinery edible oil business into a pan-India Food Company. He also leads the Oil & Gas, City Gas Distribution and Agri Infrastructure Businesses of the Group. His astute understanding of the economic environment has helped the Group in scaling up the businesses multi-fold.

Mr. Pranav Adani is a Bachelor of Science in Business Administration from the Boston University, USA. He is also an alumnus of the Owners / President Management Program of the Harvard Business School, USA.

Mr. Pranav Adani has been conferred with several awards; Globoil Man of the Year Award 2009 being one of them.



Suresh P Manglani
Executive Director

Mr. Suresh P Manglani is the Chief Executive Officer & Executive Director of Adani Gas Limited (AGL). He is also the nominee Director of AGL on the Board of Indian Oil Adani Gas Private Limited (IOAGPL). He joined AGL in September 2018.

Mr. Suresh P Manglani is a seasoned professional with diverse experience in Oil & Gas Industry of over 30 years. He has served in Senior Management roles for around 24 years and worked in JVs of British Gas (BG) and BP for over 19 years.

Prior to joining AGL, Mr. Suresh P Manglani was with Reliance Industries Limited (RIL) as Sr. Vice President & CFO for Refinery & Marketing Division (Retail Petroleum Business). He has worked in RIL for over 10 years in CGD, Gas Marketing, Retail Petroleum and RLNG Business (in RIL-BP JV) and has been the part of leader's family of RIL.

Before RIL, Mr. Suresh P Manglani had spent over 13 years in Mahanagar Gas Limited (MGL) – A JV of GAIL and British Gas (now Shell).

Prior to MGL, Mr. Suresh P Manglani was with GAIL for around 5 years and before that he was with Kelvinator (Now Whirlpool India).

Mr. Suresh P Manglani has done his M.COM, LL.B, ACMA and FCS. He is also the current Chairman of ASSOCHAM National Council on Hydro Carbon & Petrochemicals.

**Maheswar Sahu**

Independent and Non-Executive Director

**Naresh Nayyar**

Independent and Non-Executive Director

**Chandra Iyengar**

Independent and Non-Executive Director

Mr. Maheswar Sahu has done B.Sc. (Engg.) in Electrical in 1977 from NIT, Rourkela and M.Sc. from University of Birmingham in 1994. He joined Indian Administrative Service (IAS) in 1980. He has served the Government of India and Government of Gujarat in various capacities for more than three decades before retiring as Additional Chief Secretary, Government of Gujarat in 2014. His career span includes more than 20 years of service in industry and more than 10 years of active involvement in PSU management. He had worked for more than 3 years in United Nations Industrial Development Organisation. He was instrumental in organising four Vibrant Gujarat Events. He has served as Director of many CPSEs. He was also Chairman / Director of many State PSUs. At present, he is Chairman of GIFT SEZ, IRM Energy and Independent Director in many companies. His area of specialisation includes strategic management, public administration, corporate governance, etc.

Mr. Naresh Nayyar has over 42 years of experience in the Energy Sector globally. He has vast experience in development of multi-billion dollar projects, turn down and transformation of stressed companies, development of new markets and global operations in Oil and Gas Industry.

He is a Chartered Accountant and is an alumnus of IIM-Ahmedabad. He has also attended Advance Financial Management Programme in Oil and Gas from University of Texas, Dallas (USA).

He was the Chief Executive Officer and Managing Director of Essar Oil Limited (India's second largest private oil company) and also served as Chief Executive Officer of Essar Energy Plc UK (UK Listed FTSE 100 energy company), Chief Executive Officer and Executive Chairman of Essar Oil UK Limited, UK (UK based oil refining and marketing company), Director (Planning & Business Development) of Indian Oil Corporation Limited and Chief Executive Officer of ONGC Mittal Energy Ltd, UK. He has also served as Non-Independent Director of prominent Energy companies including Oil & Natural Gas Corporation Limited, IBP Ltd, Petronet LNG Limited, Essar Power limited, Lanka IOC Limited - Sri Lanka, Kenya Petroleum Refinery Limited - Kenya.

Mrs. Chandra Iyengar holds degree in MA from Miranda House, New Delhi and is an officer of the 1973 batch of the Indian Administrative Services (IAS). Over the course of her career, she has led several departments in the Government of Maharashtra and the Government of India; such as Women & Child Development, Higher & Technical Education, Rural Development, and Health. As the Secretary for Women & Child Development for the Government of Maharashtra, she was responsible for drafting and implementing the first-ever state policy for women's empowerment in India.

She has served as Additional Chief Secretary – Home Ministry for the Government of Maharashtra and as a Director on the Board of Bharat Heavy Electricals Limited (BHEL) and also as Chairperson for the Maharashtra Energy Regulatory Commission (MERC).

Operational Excellence

Natural Gas has preceded our existence by millions of years. What we have been doing since 2005 is to facilitate sustainable supply of this untapped resource.

In the financial year, we expanded our footprint by growing 12.96% in overall sales (YoY) and adding 64,164 domestic household connections in one year. This

accomplishment can largely be attributed three factors: technological innovations, strategic planning & execution and customer centricity.

The Company has adopted 'S M A R T CGD' as an approach not only to achieve excellence in operations, but also to expedite its expansion plans. 'S M A R T CGD' is

an interconnected system of predominantly underground Gas Pipelines & associated equipment used for transporting / supplying gas from a bulk supply high pressure transmission main to the small service pipes supplying gas to domestic, commercial, industrial and CNG premises situated entirely within a local distribution zone.



Technological Innovations

Being the first movers in the technological innovations in India's energy sector, operational excellence is a continually evolving goalpost at AGL. Our policies and processes are aided through a series of state-of-the-art platforms.



AGL 2.0: Digital Transformation at AGL

AGL's growth story has been marked by timely adoption of technology and new-age mediums of communication. We aim to take this forward in our next journey – AGL 2.0. Improvement in the digital footprint and automation are key focus areas. The four major projects under AGL 2.0 will be:

- 1. Adani Delight:** Focuses on the Customer Experience, Partner Engagement and Automation aspects of Operations.
- 2. MyAGL:** A unique integrated Mobile and Web Application for the Customers, Partners, Contractors and Employees for self-service information, update

and reporting. Currently it is under implementation and once it is completed within this year, it will bring a lot of cultural change and cost benefits to all channel partners using the technology.

- 3. Touchless Revenue Management:** One of the major

digitisation projects under the umbrella of AGL 2.0, implementation of this platform will be powered by features like smart AI logics, auto invoices, E-payments, auto meter reading, etc. These measures will eliminate the need of human reading and customer premise entry.

SCADA

Supervisory Control and Data Acquisition (SCADA) Systems was implemented at AGL with the objective of ensuring more efficient, reliable and safer operations. We're happy to report that SCADA has been implemented at Ahmedabad, Vadodara and Faridabad.

SCADA enables us to:

- Monitor and control CNG & PNG Stations in real-time through SCADA servers
- Controls flow and pressure parameters at City Gate Stations to ensure proper pressure and flow rate for our farthest customer

- Generate automated reports
- Provide automatic meter reading facility for industrial and commercial customers
- Create CNG station billing online via SAP

At the core of SCADA systems is automation. It allows an organisation to carefully study and

anticipate the optimal response to measured conditions and execute those responses automatically every time. **This technology is scalable and can be replicated at all 15 Geographical Areas (GAs) for better operations and performance monitoring of CGD business.**

SAP

AGL has been using SAP as core business application for business operations. Besides the common back office functions and operation & maintenance modules, we are using Industry Specific Utilities Module for the metering and billing.

We have also incorporated Modules like:

- SAP Multichannel Foundation (MCF) as Single Platform Channel for Customer Support Services
- SAP Syclo for Maintenance Services on mobile for engineers

- Spot Billing System to generate the invoice at customers' doorstep
- Internal Documents Approval Workflow through Adobe Ecosign to speed up the internal approvals

These Modules have empowered our customers to switch to self-service, enabled engineers to address the service requests at faster pace, reduced operational expenses and streamlined processes.

Customer Centricity

We ended FY 2018-19 with a base of 3.81 lakh domestic customers, 2,500+ commercial customers and 1,300+ industrial customers. This large and diverse customer base makes it imperative for us to remain customer-facing in everything we do. Towards this, we are leveraging various digitisation and automation practices.

Spot Billing: To ease the process of billing we have implemented spot billing for domestic units.

Automated Meter Reading (AMR): To avoid tedious exercise of taking physical reading from commercial and industrial units we have implemented Automated Meter Reading for direct billing

Digitally Signed Bills: The excise bills are now digitally signed. These steps have effectively reduced the cost, while improving the cash flow cycle and enhancing customer experience.



Empowering Community: Adani Gas Mitra (AGM), an App is our unique initiative involving students, housewives, and senior citizens; who are addressed as Adani Gas Mitras. In a way they are the brand ambassadors of Adani Gas, who productively utilise social media platform to increase the outreach of Adani Gas.



24x7 Customer Care: Customer centricity being one of our core values, our endeavour is to develop and deliver various services which make things easy for our customers. With the same goal, we have introduced 'Ask Adani Mitra' a chat bot to answer in real time queries, suggestions, feedback and complaints related to any of our offerings.



Employee-centricity

AGL is as much a human resource company and a social resource company as it is a natural resource company. We fuel the economy by taking Natural Gas to the last mile – the end customer; and we are today India's largest CGD Network because of the empowered

employees who work with us and a progressive society that gives us the license to operate. Quid pro quo, we have always strived to give our employees a happier, safer and more fulfilling work environment; and the society, means to achieve its needs.

The Adani Group has been driven by one core philosophy – Nation Building. We are focused on helping build world-class integrated infrastructure capabilities that India needs to accelerate its growth.

Statistical Speak FY 2018-19

- Recognised as one of India's Best Workplaces in Manufacturing by Great Place to Work
- Imparted 14,000+ man-hours of training to Employees and Stakeholders
- Upgraded to ISO 14001:2015 for Environment Management System

Every achievement of AGL in the last 15 years can be attributed to the will, courage and determination of the Employees who have tread on uncharted territory to ensure that the Company always has a wider operational footprint. Employee-centricity encompasses the entire Employee Lifecycle at AGL – right from induction to learning and development programmes for career progression. Here is a snapshot of some of the HR Activities conducted during the year.

Induction

'Prarambh': An Induction Programme that recognises and celebrates the Graduate Engineer Trainees (GETs) and Management Trainees (MTs) who join AGL every year. Right from giving a welcome kit to the Trainees and their Families on day 1, to celebrating their first salary – the idea of Prarambh is to create a remembrance in their minds and establish a long-term human bond with the organisation.

The Induction Programme is followed by a specialised 5-day CGD Sector Programme conducted by Petroleum Institute. Additionally, we also host a customised Campus to Corporate Outbound Programme for the GETs and MTs. After an on-the-job training of 6 months, the Trainees undergo a technical test and their

further course of career progression is decided basis these test results.

Learning and Development

- **'eVidyalaya':** As part of AGL's ongoing commitment to employees' ongoing development, eVidyalaya, an Online eLearning Platform of Adani Group, was introduced in 2014. The platform, designed in association with knowledge partner Skillsoft and Harvard ManageMentor, provides a wide range of courses and modules for the Employees to access as per their own convenience.
- **'Essence of Life':** It is a 1,000-days Respect and Dignity Initiative which educates the Team at AGL on different aspects of behaviour and how it

impacts corporate culture and performance. The initiative aims at gradually changing behaviour in due course of time through subtle and continuous flow of informative content through various non-traditional corporate channels.

Employee Engagement and Wellness:

AGL has instituted a wide array of Reward & Recognition Platforms to motivate and encourage the talented workforce:

- **Employee of the Quarter Award:** This includes a trophy, a star badge, certificate and cash reward presented by Asset Head / CEO. The same is also highlighted in the internal newsletter and on the notice board.

- **Annual Awards:** Celebrates employee performance across 7 categories ranging from Emerging Professional and Emerging Leader to Best Customer Service Excellence, Star Supervisor, etc.
- **Celebrating the Spouses:** In appreciation of the tremendous support shown by the employees' family in ensuring their productivity, we have also constituted a 'Spouse of the Year' Award. Every employee's spouse is invited for a one-day out-of-home activity that involves health awareness and successful parenting sessions as well as various fun games and laurels.

This year, we have also extended the celebrations to include any philanthropic activity done by employee's spouse / family. The Management reviews these initiatives and the most noble ones are appreciated and rewarded.

- **Engineers Wissen:** Engineers' Day is celebrated across AGL. Eminent speakers and experts are invited for various sessions and AGL employees internally present papers, create projects and are accordingly adjudged by an external jury.
- **CARE:** A health and wellness drive by Adani Gas Ltd. to spread wellness and create a fitness regime. Through CARE, we facilitate quality work-life balance and healthy lifestyle among employees. Each AGL employee is assessed vis-a-vis the previous year upon 4 health parameters and based upon the improvement, is rewarded.
- **Off Field:** A unique initiative through tie-up with local Sports

Academies to infuse a sporty lifestyle and spread vigour and vitality. We do quarterly tie-ups with certain Sports Academies for Swimming, Golf, Badminton, Cricket and Lawn Tennis. Employee can avail these free benefits in the morning or evening as per their convenience.

Focus:

Engagement through Communication. One of the best ways to ensure that the employees remain engaged, is to have open channels of communication. This serves multiple benefits – it ensures that the grapevines and rumor mills remain in check and it also gives the management an opportunity to show the larger picture to the employees. We have in place a number of such communication means:

- **AskHR:** It is a simple, easy-to-use Helpdesk Platform allowing employees to raise their HCM related queries via email and voice calls, which are resolved satisfactorily by the team.
- **Kaleidoscope:** A powerful tool facilitating open and transparent communication across the business, Kaleidoscope is AGL's Quarterly Newsletter showcasing various events, employee's articles & spouse's recipes.
- **Meet the CEO:** An Open and Objective Platform to share ideas, inputs and suggestions directly with CEO. All suggestions, ideas or inputs received are documented and actionable points are identified and implemented.
- **Quarterly Meets:** To enhance

transparency and trust of employees towards the Organisation Quarterly Meets are organised. To raise the team spirits and motivate them to go full-throttle, a quarterly meeting with the entire team is conducted. The entire quarter's achievements, activities and way ahead is shared openly with all employees.

This year, we created 'MyAGL', a customised Mobile App that gives real-time information to a wide variety of stakeholders. For the employees, this App provides services like attendance login, sales performance reports, team management, activity management and vendor performance, etc.

AGL: Training Snapshot

No. of Training Programmes	12
Total Training (in Man-days)	80
Total Training Hours	640



Health, Safety and Environment

What is energy for an industry or a home, can become fuel for fire. The nature of our business and product makes it imperative that we give paramount importance to safety – not just for the environment and the end-user but also for the Employees and Workers.

We are determined to conduct our operations with proper regard for the environment and the health and safety of all those involved in our operation and the public at large. This is demonstrated through our Quality, Occupational Health, Safety & Environmental (QHSE) Management which is updated on a regular basis.

We have established the QHSE Management System and are accredited for the ISO 9001 Quality Management Systems, ISO 14001 Environmental Management Systems and BS OHSAS 18001 Occupational Health and Safety Assessment Series.



AGL is accredited to OHSAS 18001:2007 for Occupational Health and Safety Management Systems and during the year its ISO 14001:2008 Standards have been upgraded to ISO 14001:2015 for Environmental Management Systems and ISO 9001:2015 for Quality Management Systems

HSE at AGL

All external and internal process issues relevant to our purpose and strategic condition are continuously monitored via a sophisticated and robust system.

- We monitor and review information about the interested parties and their requirement that are relevant to QHSE.
- We have identified and mobilised the resources needed for the establishment, implementation, maintenance and continual improvement of the QHSE Management System through Process Chart, QHSE System Procedure and Management Programme as required.
- We have also established, implemented and maintained the processes needed to prepare for and respond to potential emergency situation identified; including actions to address risks and opportunities.

Industrial accidents can never be predicted, but crisis preparedness and response can surely be amplified. AGL has established procedures to ensure that there is an appropriate response to unexpected or accidental incidents.

- We have Area Emergency Offices at 17 locations that are working round-the-clock with our Customer Care Team and are equipped with all resources for timely response to any type of emergency.
- Emergency Response Drills are conducted periodically and lessons are communicated and corrective actions are ensured. Emergency Response and

Disaster Management Plan (ERDMP) is updated as per PNGRB requirements.

- AGL is having third-party certification as per PNGRB for Emergency Response and Disaster Management Plan (ERDMP) and Integrity Management System (IMS)
- AGL has conducted HAZOP and QRA studies for its CGD Business through PNGRB approved third-party. It aims to pro-actively identify hazards and take actions to prevent and mitigate the risks.

AGL complies with Adani Group OHS Procedures and Safety Management System (SMS). As a part of SMS requirement, AGL has framed 10 Life Saving Safety Rules based on Business specific high risk and past incident data. Rules are framed to target and reinforce critical behaviours and processes that ensure safety performance, particularly in high-risk areas of the Business.

Institutionalising Safety

Safety, when systematically embedded in everyday processes, becomes second nature. We actively participate in celebrations like National Safety Week, Road Safety Week, Environment Day, Fire Safety Week, etc. to increase awareness among employees, contractors and stakeholders. Every year, theme based campaigns are organised like Sapling Distribution, Beat the Plastic Pollution, Risk Assessment, Fire Prevention, etc.

AGL is having well-structured training programme for different stakeholders. Safety induction training is imparted to all employees and contractors.

Employees are also trained based on training need identification on all high-risk activities. Safety, Technical and Operation Competency (STOC) training is given to all contractor employees. PETZL Rope Access System Training is imparted to plumbers doing high-risk riser job at height.

AGL implemented structured behaviour based Safety Programme "Suraksha Samwaad" in FY 2018-19 to achieve positive change in people's behaviour towards safety.

AGL also increases safety awareness of its customers by organising Industrial Safety Awareness Programme, sharing CNG Safety Tips, distributing Do's and Don'ts collaterals for Domestic Safety. Special Awareness Drives are also conducted through social media and radio.

During FY 2018-19, AGL imparted 23839 man-hours of training to employees and stakeholders.



Swachhagraha Awareness



Tulsi Sapling Distribution on World Environment Day

Corporate Social Responsibility

The Company's CSR commitment gets actioned through Adani Foundation - the CSR, Sustainability and Community Outreach Arm of Adani Group.

Adani Foundation has been working relentlessly across 2250 villages across 18 states to uplift the lives

of 3.2 million people every year with a multi-faceted intervention approach in four key areas – Education, Health, Sustainable Livelihood Development and Community Infrastructure Development; with emphasis on bringing behaviour change.

Education

Education is the stepping stone towards making a better society and a prosperous nation.

Impart Free of Cost Quality Education to more than 2,100 Students annually

Provide Subsidised Quality Education to more than 2,600 Students annually

Ensure Quality Education for 100,000 Children through 600 Schools and Balwadis.



Mentioned below are key initiatives that the Foundation pursued in the financial year:

NABET Accreditation for Adani Schools: NABET, under Quality Council of India (QCI), certified Adani VidyaMandir, Ahmedabad and Adani Public School, Mundra as the 'NABET-Accredited School'; making them the first cost-free schools in India and the first private schools in the region to achieve this feat.

Project Utthan: The Government of Gujarat approved Adani

Foundation's proposal to adopt 17 Government Primary Schools in Mundra Taluka in Gujarat covering seven villages. As of now, 2598 Students are the direct beneficiaries for the academic year 2018-19.

Gyanodaya Project: Launched in 2018 with an aim to promote e-Learning, the Project offers smart classes to 157 Government Schools of Godda District of Jharkhand, reaching out to 65,000 Secondary Education Students.



Community Health

Good health can directly result in economic growth, not only of any individual but also of the Nation.

17 Mobile Health Care Units aiding 3,20,000+ Patients annually

12 Rural Clinics treating 30,000+ Patients annually

Health Camps for diagnostic and treatment facilities to 51,000+ Patients annually

Treatment provided to 4,00,000+ People annually



Health Cards: Senior Citizens with family income of less than INR 2,00,000 per annum are provided with Green Cards through which they can avail free healthcare services amounting to INR 50,000 for a period of three years. This scheme is currently offered at Mundra, Gujarat and 10,161 treatments were availed by 8,599 Cardholders.

Medical Camps: Various general and specialised Medical Camps are conducted in and around our operational locations wherein Gynaecologists, Orthopaedic

Surgeons, Heart Specialists, Skin Specialists, Paediatricians, Ophthalmologists and ENT Surgeons treat the Community members at no cost.

Gujarat Adani Institute of Medical Sciences (GAIMS) and G. K. General Hospital (GKGH): In these Hospitals, approximately 1700+ Patients take medical benefits every day. In order to spread awareness about the Hospitals, 11 awareness camps and 293 village level meetings were organised in rural Kutch.



Sustainable Livelihood Development

The key cog to steer India's inclusive growth index is economic empowerment of the nation's rural populace. Adani Foundation's Sustainable Livelihood Development Programme envisages opening vistas to economic independence through multiple community-based interventions.

Build local partnerships

Provide diverse livelihood avenues

Inculcate the attitude to establish savings

Equip individuals to earn

Update local skills by making use of existing resources to encourage self-reliant lifestyles



- Quality of life of 10,650 Fisherfolk Families improved
- Over 40,000 person-days of work provided as supplementary livelihood opportunity to Fisherfolk Families
- 5100 Farmers benefited from the SRI Technique covering 9,200 acres of land, 900 Vermi Compost Beds, 200 Home BioGas Plants and 600 Farmers supported through Drip Irrigation covering 1600 Ha. of land
- More than 800 Women from 114 SHGs are earning their livelihood through various income generation activities

Women's Co-operative: A Rural Co-operative whose members include 250 Women from 10 Villages of Parsa in Surguja District of Chhattisgarh. Women connected with the Co-operative

are trained and supported through various livelihood-earning activities such as mushroom cultivation, stitching and mid-day meals preparation.

Animal Husbandry: This project started with an objective of improving the breed of cattle through services including artificial insemination, infertility treatment and vaccination. A total of 6 Livestock Development Centres have been established to reach out to Rural Cattle Breeders covering more than 10,000 Families across 4 Locations.

Football Academy: This residential academy provides free of cost training, coaching and medical facilities, so the youth from underprivileged backgrounds get an opportunity to excel in football at District level, State level and National level.



Community Infrastructure Development

Community infrastructure bears a direct impact on the standard of living and the microeconomy of the Community.

20 Check Dams built and 320 Ponds deepened, increasing Water Storage Capacity to 34,39,235 cubic metres

8 Schools constructed and numerous Government Schools' Infrastructure upgraded

More than 683 Residential Units constructed and repaired for BPL Families and Fisher Folk Community

Around 330 Potable Water Facilities made available to Villagers

UDAAN: A learning-based initiative; an exposure tour is organised for school children, giving them a chance to visit Adani Group facilities such as Adani Port to get an insight into the large-scale business operations and thus get inspired to dream big in life. Around 3,00,000 young students have so far visited our facilities across all locations.

SAKSHAM: The Adani Skill Development Centre (ASDC) is a not-for-profit organisation to focus on skill development activities to contribute towards nation building by bridging the skill gap demand and supply, in the line with Government of India's Skill India Mission. ASDC has trained more than 31,030 youth (20,800 in 2018-19) in over 40 courses at 65 centres across 8 States of the Nation.



SAKSHAM UDYAMIYTA KENDRA: These centres provide tailoring techniques to the enrolled members of the sewing group with the support from Adani Foundation. During the year these groups have made a turnover of ₹ 1.76 Lakhs from tailoring.

SWACHHAGRAHA: Inspired by the Satyagraha movement, Swachhagraha is a project dedicated towards creating a culture of cleanliness. 80,000 members spread the message of cleanliness to 26,50,000 students.

SUPOSHAN: A multi-pronged approach to tackle the issue of malnutrition; currently 588 volunteers are working in 1,209 villages and municipal wards across the Country and providing services to 3,00,750 households. In the financial year, it was decided to double the coverage areas adding six more locations.



Awards and Recognitions

- Adani Skill Development Centre received the Special Jury Recognition Award at the Indian Chamber of Commerce Social Impact Awards
- GAIMS, Bhuj, received the Kayakalp Award by the Health and Family Welfare Department, Government of Gujarat
- SuPoshan won the BSNL Dainik Jagran CSR Award and was awarded with the esteemed Public Affairs Asia (PAA) Gold Standard Award for Corporate Citizenship (Community Relations)



ANNUAL REPORT 2018-19

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Gautam S. Adani, Chairman
 Mr. Pranav V. Adani, Director
 Mr. Suresh P. Manglani, Executive Director
 Mr. Maheswar Sahu, Independent Director
 Mr. Naresh Kumar Nayyar, Independent Director
 Mrs. Chandra Iyengar, Independent Director

COMPANY SECRETARY

Mr. Gunjan Taunk

AUDITORS

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

REGISTERED OFFICE

"Adani House"
 Near Mithakhali Six Roads, Navrangpura,
 Ahmedabad 380 009, Gujarat, India
 CIN: U40100GJ2005PLC046553

BANKERS / FINANCIAL INSTITUTIONS

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

REGISTRAR AND SHARE 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

IndianOil-Adani Gas Private Limited (IOAGPL)

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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 14th Annual Report along with the Audited Financial Statements of your Company for the financial year ended on 31st March, 2019.

FINANCIAL PERFORMANCE

The summarised financial highlight is depicted below:

(₹ In Crores)

Particulars	Consolidated Results		Standalone Results	
	2018-19	2017-18	2018-19	2017-18
FINANCIAL RESULTS				
Total Revenue	1,910.17	1,537.71	1,910.17	1,537.71
Total Expenditure other than Financial Costs and Depreciation	1,368.85	1,092.40	1,368.85	1,092.40
Profit before Depreciation, Finance Costs and Tax	541.32	445.31	541.32	445.31
Finance Costs	89.85	125.33	89.85	125.33
Depreciation, Amortisation and Impairment Expense	67.31	61.01	67.31	61.01
Profit / (Loss) for the year before Exceptional Items and Tax	384.16	258.97	384.16	258.97
Add / (Less) Exceptional Items	27.64	-	27.64	-
Profit / (Loss) for the year before Taxation	356.52	258.97	356.52	258.97
Total Tax Expenses	127.81	94.39	127.81	94.39
Net Profit / (Loss) for the year from Continuing Operations	228.71	164.58	228.71	164.58
Net profit / (Loss) for the year from Discontinuing Operations	-	-	-	-
Profit for the year	228.71	164.58	228.71	164.58
Add / (Less) Share in Joint Venture & Associates	(0.01)	(2.61)	-	-
Net Profit / (Loss) after Joint Venture & Associates (A)	228.70	161.97	228.71	164.58
Add / (Less) Other Comprehensive Income (after tax) classified to Reserve & Surplus (B)	(0.61)	0.16	(0.60)	0.15
Add / (Less) Other Comprehensive Income (after tax) classified to Foreign Currency Translation Reserve	-	-	-	-
Total Comprehensive Income for the year	(0.61)	0.16	(0.60)	0.15
Add / (Less) Share of Minority Interest (C)	-	-	-	-
Net Profit / (Loss) for the year after Minority Interest (A+B+C)	228.09	162.13	228.11	164.73
APPROPRIATIONS	-	-	-	-
Net Profit / (Loss) for the year after Minority Interest (A+B+C)	228.09	162.13	228.11	164.73
Balance brought forward from previous year Profit / (Loss)	759.43	597.30	768.94	604.21
Add / (Less) : On account of Consolidation Adjustments	-	-	-	-
Add : Transition adjustment on account of Ind AS 115	4.45	-	4.45	-
Amount available for appropriations	991.97	759.43	1,001.50	768.94
Less : Appropriations	-	-	-	-
Proposed Dividend on Equity Shares	-	-	-	-
Tax on Dividend (Including surcharge) (net of credit)	-	-	-	-
Transfer to General Reserve	-	-	-	-
Balance carried to Balance Sheet	991.97	759.43	1,001.50	768.94

- 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, 2019, 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 2018-19 are as follows:

Operational Highlights:

- The Company has registered a growth of 12.95% Y-o-Y basis in terms of overall sales volume as compared to previous year.
- The growth can be attributed to growth in sales volume of CNG by 11.53% and growth in sales volume of PNG by 14.49% on Y-o-Y basis.
- Along with its JV, the Company is now operational in 13 GAs.

Financial Highlights:

- FY 19 Revenue from Operations increased 32% Y-o-Y to ₹1,823 Crores vs. ₹1,385 Crores*.
- FY 19 Operating EBITDA has also increased 25% Y-o-Y to ₹455 Crores vs. ₹365 Crores.

*excluding effect of restatement in last year as per Ind AS103

Standalone Financial Results:

On standalone basis, your Company registered total revenue of ₹1,910.17 Crore and PAT of ₹228.71 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 Directors have recommended a dividend of 25% (₹0.25/- per Equity Share of ₹1 each) on the Equity Shares out of the profits of the Company for the financial year 2018-19. The said dividend, if approved by the shareholders, would involve a cash outflow of ₹33.15 Crore including tax thereon.

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 2018-19. The said dividend, if approved by the shareholders, would involve a cash outflow of ₹0.60 Lakhs including tax thereon.

Your Directors also approved an enabling resolution for redemption of 10% Cumulative Redeemable Preference Shares of ₹10/- each along with interim dividend upto the date of redemption.

LISTING OF EQUITY SHARES OF THE COMPANY

We are pleased to inform that during the period under review, the Equity Shares of your Company got listed on 5th November, 2018 on both the recognised Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited pursuant to Scheme of Arrangement.

AWARD OF NEW PROJECT UNDER 9TH AND 10TH ROUND OF CGD

- During the year, the Company won **15 additional Geographical Areas (GA)** in ninth and tenth rounds of bidding for developing CGD Networks.
- The Company, along with its joint venture with Indian Oil Corporation Limited (IOCL), is now authorised to develop CGD networks in 38 GAs.

STATUS OF THE COMPOSITE SCHEME OF ARRANGEMENTS

The Composite Scheme of Arrangement among Adani Gas Holdings Limited ('AGHL') and Adani Gas Limited ('AGL') and Adani Enterprises Limited ('AEL') and their respective Shareholders and Creditors.

During the year under review, the Hon'ble National Company Law Tribunal, Bench at Ahmedabad ('NCLT') had, vide its order dated 3rd August, 2018 sanctioned the Composite Scheme of Arrangement among Adani Gas Holdings Limited ('AGHL') and Adani Gas Limited ('AGL') and Adani Enterprises Limited ('AEL') and their respective Shareholders and Creditors. The scheme was approved by the shareholders, secured and unsecured creditors of the Company with requisite majority on 3rd July, 2018. The Scheme inter-alia provided for:-

- a. amalgamation of AGHL with AGL ("**Part II of the Scheme**"); and
 - i. Upon the effectiveness of Part II of the Scheme and in consideration of the amalgamation of the AGHL with AGL -
 - a. 1 (One) equity share of ₹10/- (Rupees Ten only) each of the AGL credited as fully paid-up for

every 1 (One) compulsorily convertible preference share of ₹ 10/- (Rupees Ten only) each to the compulsorily convertible preference shareholder of AGHL.

- b. 1 (One) Preference Share of ₹ 10/- (Rupees Ten only) each of the AGL credited as fully paid-up for every 1 (One) equity share of ₹ 10/- (Rupees Ten only) to the equity shareholder of AGHL.

The Company had fixed 26th August, 2018 as the record date to determine its shareholders who would be entitled to the shares of the Company as aforesaid, pursuant to the Part II of the Scheme.

Accordingly, the Board of Directors of the Company had on 26th August, 2018 allotted Equity Shares and Preference Shares to those shareholders of AGHL whose names appeared in the Register of Members as on the Record Date in the above mentioned ratio.

- b. subject to satisfactory fulfilment of (a) above, demerger of the Demerged Undertaking (as defined in the Composite Scheme of Arrangement) of AEL and transfer of the same to the AGL (**"Part III of the Scheme"**).
 - i. Upon the effectiveness of Part III of the Scheme and in consideration of the transfer and vesting of the Demerged Undertaking into the Resulting Company:-
 - a. 1 (One) equity share of ₹ 1/- (Rupee One only) each of the AGL credited as fully paid up for every 1 (One) equity share of ₹ 1/- (Rupee One only) each to the equity shareholder of AEL.

AEL had fixed 7th September, 2018 as the record date to determine its shareholders who would be entitled to the shares of the Company as aforesaid, pursuant to the Scheme.

Accordingly, the Board of Directors of the Company had on 9th September, 2018 allotted Equity Shares to those shareholders of AEL whose names appeared in the Register of Members as on the Record Date in the above mentioned ratio.

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 exempt 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

During the year under review, pursuant to composite scheme of arrangement, the Company has ceased as step-down subsidiary of Adani Enterprises Limited and as subsidiary of Adani Gas Holdings Limited.

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 joint ventures 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 company 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 Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Mr. Rajesh S. Adani (DIN: 00006322) and Mr. Rajeev Sharma (DIN: 00084188), resigned as Directors of the Company w.e.f. 22nd October, 2018 due to their pre-occupation.

The Board places on record its deep appreciation of the valuable services rendered as well as advice and guidance provided by Mr. Rajesh S. Adani and Mr. Rajeev Sharma during their tenure.

Mr. Gautam S. Adani (DIN: 00006273) was appointed as an Additional Director (Non-Executive) by the Board at its meeting held on 22nd October, 2018.

Mr. Suresh P Manglani (DIN: 00165062) was appointed as an Additional Director by the Board at its meeting held on 22nd October, 2018. He was also appointed as an Executive Director of the Company for a period of five years i.e. upto 21st October, 2023 subject to approval of members at the ensuing Annual General Meeting. Terms and conditions for his appointment are contained in the Explanatory Statement forming part of the notice of the ensuing Annual General Meeting.

Mr. Maheswar Sahu (DIN: 00034051), Mr. Naresh Kumar Nayyar (DIN: 00045395) and Mrs. Chandra Iyengar (DIN: 02821294) were appointed as Additional Directors (Non-Executive, Independent) of the Company w.e.f. 22nd October, 2018.

As Additional Directors, Mr. Gautam S. Adani, Mr. Suresh P Manglani, Mr. Maheswar Sahu, Mr. Naresh Kumar Nayyar and Mrs. Chandra Iyengar hold office upto the ensuing Annual General Meeting. The Company has received notice from a member under Section 160 of the Companies Act, 2013 proposing their appointment as Directors of the Company.

In accordance with the provisions of Section 149 of the Companies Act, 2013, Mr. Maheswar Sahu, Mr. Naresh Kumar Nayyar and Mrs. Chandra Iyengar are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the ensuing Annual General Meeting 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. Naresh Poddar resigned as Chief Financial Officer of the Company w.e.f. 31st January, 2019, in his desire for exploring new professional opportunities.

Mr. Hardik Sanghvi resigned as Company Secretary of the Company w.e.f. 8th August, 2018 due to personal reasons. Further, Mr. Gunjan Taunk was appointed as Company Secretary w.e.f. 26th August, 2018.

Pursuant to the requirements of the Companies Act, 2013 and Articles of Association of the Company, Mr. Pranav V. Adani (DIN: 00008457) is liable to retire by rotation and being eligible offer 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 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:

- 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;
- 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, 2019 and of the profit of the Company for the year ended on that date;
- 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;
- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial control were adequate and were operating effectively;
- 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 Corporate Social Responsibility Policy; Nomination and Remuneration Policy of Directors, Business Responsibility Policy; Key Managerial Personnel and Other Employees; Related Party Transaction Policy; Vigil Mechanism/Whistle Blower Policy; Code of Conduct for Board of Directors and Senior Management of the Company; Material Events Policy; Policy on Preservation of Documents; Dividend Distribution Policy; Website Content Archival Policy 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 6 (six) 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 13th February, 2019, 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 provision 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 Secretary 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, 2019 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 2018-19 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, 2020. The Cost Audit Report for the year 2017-18 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: 27.05.2019
Place: Ahmedabad

ANNEXURE "A" TO THE DIRECTORS' REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31st March, 2019

[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	:	U40100GJ2005PLC046553
Registration Date	:	5 th 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	98.83

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
IndianOil-Adani Gas Private Limited Howe India House, 81 Nehru Place, 2 nd Floor New Delhi 110019	U40300DL2013PTC258690	Joint Venture	50%	2(6)

IV. SHARE HOLDING PATTERN (EQUITY CAPITAL BREAK-UP AS PERCENTAGE OF TOTAL EQUITY AS ON 31st MARCH, 2019)

i) Category-wise Share Holding*:

Sr. No.	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	0.02
b)	Central Government	-	-	-	-	-	-	-	-	-
c)	State Government(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corporate	256740720	1320	256742040	100%	99491719	-	99491719	9.05	9.05
e)	Banks/FI	-	-	-	-	-	-	-	-	-
f)	Any Others	-	-	-	-	-	-	-	-	-
	Family Trust	-	-	-	-	628534660	-	628534660	57.14	57.14
	Sub Total(A)(1)	256740720	1320	256742040	100%	728226381	-	728226381	66.21	66.21
2	Foreign									
a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)	Other-Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	-	-	-	-	94437100	-	94437100	8.59	8.59
d)	Banks/FI	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
	Sub Total(A)(2)	-	-	-	-	94437100	-	94437100	8.59	8.59
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	256740720	1320	256742040	100%	822663481	-	822663481	74.80	74.80
B.	Public shareholding									
1	Institutions									
a)	Mutual Funds/ UTI	-	-	-	-	-	-	-	-	-
b)	Banks/FI	-	-	-	-	5261966	-	5261966	0.48	0.48
c)	Central Govt.	-	-	-	-	-	-	-	-	-
d)	State Govt.	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FII	-	-	-	-	156521	-	156521	0.01	0.01
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Any Other	-	-	-	-	-	-	-	-	-
	Foreign Portfolio Investor (Corporate)	-	-	-	-	237470569	-	237470569	21.59	21.59
	Sub-Total (B)(1)	-	-	-	-	242889056	-	242889056	22.08	22.08
2	Non-institutions									
a)	Bodies Corporate	-	-	-	-	-	-	-	-	-
i	Indian	-	-	-	-	4351615	-	4351615	0.40	0.40
ii	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals	-	-	-	-	-	-	-	-	-
i	Individuals shareholders holding nominal share capital up to ₹ 1 lakh	-	-	-	-	21938691	355418	22294109	2.02	2.02
ii	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	-	-	-	-	4924798	-	4924798	0.44	0.44
c)	Other (specify)	-	-	-	-	-	-	-	-	-
i	NBFCs registered with RBI	-	-	-	-	3621	-	3621	0.00	0.00
ii	Clearing Member	-	-	-	-	629582	-	629582	0.06	0.06
iii	Non Resident Indian (Repatriate)	-	-	-	-	803999	-	803999	0.07	0.07
iv	Non Resident Indian (Non Repatriate)	-	-	-	-	239322	-	239322	0.02	0.02
v	Foreign Nationals	-	-	-	-	10000	-	10000	0.00	0.00
vi	Corp. Body - Foreign Bodies	-	-	-	-	-	-	-	-	-
vii	Trust	-	-	-	-	1600	-	1600	0.00	0.00
viii	Hindu Undivided Family	-	-	-	-	1127814	26562	1154376	0.11	0.11
ix	IEPF Authority	-	-	-	-	44524	-	44524	0.00	0.00
	Sub-Total (B)(2)	-	-	-	-	33875566	381980	34257546	3.12	3.12
	Total Public Shareholding (B)= (B)(1)+(B)(2)	-	-	-	-	276764622	381980	277146602	25.20	25.20
C.	Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	256740720	1320	256742040	100%	1099428103	381980	1099810083	100.00	100.00

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.	Adani Gas Holding Limited along with its Nominees	256742040	100.00	-	-	-	-	-
2.	Shri Gautambhai Shantilal Adani	-	-	-	1	-	-	-
3.	Shri Rajeshbhai Shantilal Adani	-	-	-	1	-	-	-
4.	Ms. Rahi Rajesh Adani	-	-	-	100000	0.01	-	0.01
5.	Ms. Vanshi Rajesh Adani	-	-	-	100000	0.01	-	0.01
6.	Shri Gautam S. Adani / Smt. Priti G. Adani (on behalf of GSAFT) ²	-	-	-	8836750	0.80	-	0.80
7.	Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of SBAFT) ³	-	-	-	619697910	56.35	-	56.35
8.	Adani Properties Private Limited	-	-	-	-	-	-	-
9.	Adani Tradeline LLP	-	-	-	99491719	9.05	-	9.05
10.	Pan Asia Trade & Investment Private Limited ⁴	-	-	-	-	-	-	-
11.	Flourishing Trade and Investment Limited ⁴	-	-	-	3688000	0.34	-	0.34
12.	Afro Asia Trade and Investment Limited	-	-	-	30249700	2.75	-	2.75
13.	Universal Trade and Investment Limited	-	-	-	30249700	2.75	-	2.75
14.	Worldwide Emerging Market Holding Limited	-	-	-	30249700	2.75	-	2.75

1. Adani Gas Holdings Limited merged with the Company pursuant to the scheme of arrangement.

2. Gautam S. Adani Family Trust

3. S.B. Adani Family Trust

4. Flourishing Trade and Investment Limited has acquired Equity Shares of the Company pursuant to amalgamation of Pan Asia Trade & Investment Private Limited with Flourishing Trade and Investment Limited w.e.f. 19th February, 2019.

iii) Change in Promoters' 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	Please refer Note.			
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
At the end of the year				

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	-	54005288	4.91
Cresta Fund Ltd	-	-	39696780	-	39696780	3.61
Albula Investment Fund Ltd	-	-	31827038	-	31827038	2.89
APMS Investment Fund Ltd	-	-	26543252	-	26543252	2.41
Vespera Fund Limited	-	-	20523239	-	20523239	1.87
LTS Investment Fund Ltd	-	-	17580568	-	17580568	1.60
Nomura Singapore Limited	-	-	8811682	-	8811682	0.80
Asia Investment Corporation (Mauritius) Ltd	-	-	8146853	-	8146853	0.74
Marshal Global Capital Fund Ltd.	-	-	6650267	161947	6488320	0.59
Life Insurance Corporation of India	-	-	5750103	752836	4997267	0.45

* 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
Mr. Gautam S. Adani ^{18, 2 & 3}	-	-	1	-	1	-
Mr. Rajesh S. Adani ⁴	-	-	1	-	1	-
Mr. Pranav V. Adani	-	-	-	-	-	-
Mr. Rajeev Sharma ⁴	-	-	-	-	-	-
Mr. Suresh P Manglani ⁵	-	-	100	-	100	-
Mr. Maheswar Sahu ⁶	-	-	-	-	-	-
Mr. Naresh Kumar Nayar ⁶	-	-	-	-	-	-

v) Shareholding of Directors and Key Managerial Personnel (Contd...)

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
Mrs. Chandra Iyengar ⁶	-	-	-	-	-	-
Key Managerial Personnel						
Mr. Naresh Poddar ⁷ Chief Financial Officer	100	-	-	-	-	-
Mr. Gunjan Taunk ⁸ Company Secretary	220	-	-	-	-	-
Mr. Hardik Sanghvi ⁹ Company Secretary	220	-	-	-	-	-

- Gautam S. Adani/ Rajesh S. Adani (on behalf of S.B. Adani Family Trust) hold 61,96,97,910 (56.35%) shares of the Company.
- Gautam S. Adani/ Priti G. Adani (on behalf of Gautam S. Adani Family Trust) holds 88,36,750 (0.80%) shares of the Company.
- Mr. Gautam S. Adani appointed as an Additional Director (Non-Executive) of the Company w.e.f. 22nd October, 2018.
- Mr. Rajesh S. Adani and Mr. Rajeev Sharma resigned as Directors of the Company w.e.f. 22nd October, 2018 due to their pre-occupation.
- Mr. Suresh P Manglani appointed as an Additional Director (Executive) of the Company w.e.f. 22nd October, 2018.
- Mr. Maheswar Sahu, Mr. Naresh Kumar Nayyar and Mrs Chandra Iyengar appointed as Additional Directors (Non-Executive, Independent) of the Company w.e.f. 22nd October, 2018.
- Mr. Naresh Poddar resigned as Chief Financial Officer of the Company w.e.f. 31st January, 2019 in his wish to move on. He hold Equity Shares as Nominee of Adani Gas Holdings Limited.
- Mr. Gunjan Taunk appointed as Company Secretary of the Company w.e.f. 26th August, 2018. He hold Equity Shares as Nominee of Adani Gas Holdings Limited.
- Mr. Hardik Sanghvi resigned as Company Secretary of the Company w.e.f. 8th August, 2018 due to pre-occupation. He hold Equity Shares as Nominee of Adani Gas Holdings Limited.

***Note:** Please refer this note for Sr. No. IV - during the year under review, pursuant to the Composite scheme of arrangements among Adani Gas Holding Limited and Adani Gas Limited and Adani Enterprises Limited and their respective shareholders and creditors, a fresh shares are issued and allotted, therefore the shareholding pattern at the beginning and at the end of the year are changed. To know more details about the Composite Scheme, please refer paragraph pertaining to Status of the Composite Scheme of Arrangements to the Directors' Report.

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	347.63	-	-	347.63
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1.02	-	-	1.02
Total (i+ii+iii)	348.65	-	-	348.65
Change in Indebtedness during the financial year				
• Addition (Principal & Interest)	94.50	150.00	18.00	262.50
• Reduction(Principal & Interest)	49.23	150.00	18.00	217.23
Net Change	45.27	-	-	45.27

V. INDEBTEDNESS (Contd...)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the end of the financial year				
i) Principal Amount	393.92	-	-	393.92
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2.97	-	-	2.97
Total (i+ii+iii)	396.89	-	-	396.89

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. Rajeev Sharma, Wholtime Director ¹	Mr. Suresh P Manglani, Executive Director ²	Total Amount
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2.16	0.61	2.77
	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	0.08	0.05	0.13
	Total (A)	2.24	0.66	2.80
	Ceiling as per the Act	₹ 17.80 Crores (@ 5% of profit calculated as per Section 198 of the Companies Act, 2013)		

1. Mr. Rajeev Sharma resigned as a Director of the Company w.e.f. 22nd October, 2018.
2. Mr. Suresh P Manglani Appointed as an Additional Director (Executive) of the Company w.e.f. 22nd October, 2018.

B. Remuneration to other Directors:

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Mr. Maheswar Sahu ¹	Mr. Naresh Kumar Nayyar ¹	Mrs. Chandra Iyengar ¹	Total Amount
1.	Independent Directors				
a)	Fee for attending board, committee meetings	1.75	1.50	1.50	4.75
b)	Commission	5.32	5.32	5.32	15.96
c)	Others, please specify	-	-	-	
	Total (1)	7.07	6.82	6.82	20.71
2.	Other Non-Executive Director: N.A.				

1. Mr. Maheswar Sahu, Mr. Naresh Kumar Nayyar and Mrs Chandra Iyengar were appointed as an Additional Directors (Non-Executive, Independent) of the Company w.e.f. 22nd October, 2018.
2. Mr. Gautam S. Adani was appointed as an Additional Director (Non-Executive) of the Company w.e.f. 22nd October, 2018.
3. Mr. Rajesh S. Adani resigned as Director of the Company w.e.f. 22nd October, 2018.
4. During the period under review, no remuneration was paid to Mr. Gautam S. Adani, Mr. Rajesh S. Adani and Mr. Pranav V. Adani as Directors of the Company.

C. Remuneration to key managerial personnel other than MD/Manager/WTD (₹ in Crores)

Sr. No.	Particulars of Remuneration	Mr. Naresh Poddar ¹ CFO	Total Amount
1	Gross salary		
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.86	0.86
	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	0.05	0.05
	Total	0.91	0.91

- Mr. Naresh Poddar resigned as Chief Financial Officer of the Company w.e.f. 31st January, 2019.
- Mr. Hardik Sanghvi resigned as Company Secretary of the Company w.e.f. 8th August, 2018 and Mr. Gunjan Taunk appointed as Company Secretary of the Company w.e.f. 26th August, 2018. During the year under review Mr. Hardik Sanghvi and Mr. Gunjan Taunk have not drawn 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, 2019

[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 during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 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, 2019 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. Central Ground Water Authority Guidelines dated 15.11.2012

2. The Air (Prevention and Control of Pollution) Act, 1981.
3. The Environment (Protection) Act, 1986.
4. The Explosives Act, 1884.
5. The Gujarat State Disaster Management Act, 2003.
6. The Petroleum and Natural Gas Regulatory Board Act, 2006.

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 Alteration of Articles of Association of the Company.
2. Passed a special resolution to Borrow in excess of the paid up share capital and free reserves
3. Passed a special resolution to make investment, give loans and /or guarantees and provide securities pursuant to section 186 of the Companies Act, 2013.
4. Passed a special resolution to raise funds for a sum not exceed ₹3,000 Crores.
5. Passed a special resolution to issue non convertible debentures on private placement basis.
6. Passed a special resolution for making of loans and/or giving of guarantees, and/or providing of securities in connection with any loan taken/ to be taken by Indianoil Adani Gas Private Limited

CS Ashwin Shah

Date: 27.05.2019
Place: Ahmedabad

Company Secretary
C. P. No. 1640

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 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.

Date: 27.05.2019
Place: Ahmedabad

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

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 2018-19 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2018-19:**

Name of Directors/ KMP	Ratio of remuneration to median remuneration of Employees	% increase in remuneration in the financial year
Executive Directors		
Mr. Rajeev Sharma ¹	24.01 : 1	-
Mr. Suresh P Manglani ²	7.05 : 1	-
Non-Executive Directors		
Mr. Gautam S. Adani ³	-	-
Mr. Rajesh S. Adani ¹	-	-
Mr. Pranav V. Adani	-	-
Mr. Maheswar Sahu ^{4B5}	0.76 : 1	-
Mr. Naresh Kumar Nayyar ^{4B5}	0.73 : 1	-
Mrs. Chandra Iyengar ^{4B5}	0.73 : 1	-
Key Managerial Personnel		
Mr. Naresh Poddar ⁶	9.70 : 1	21%
Mr. Gunjan Taunk ⁷	-	-
Mr. Hardik Sanghvi ⁸	-	-

1. Resigned as Directors w.e.f. 22nd October, 2018.
2. Appointed as an Additional Director (Executive) w.e.f. 22nd October, 2018.
3. Appointed as an Additional Director (Non-Executive) w.e.f. 22nd October, 2018.
4. Appointed as Additional Directors (Non-Executive, Independent) w.e.f. 22nd October, 2018.
5. Reflects sitting fees and commission.
6. Resigned as Chief Financial Officer w.e.f. 31st January, 2019.
7. Appointed as Company Secretary w.e.f. 26th August, 2018.
8. Resigned as Company Secretary w.e.f. 8th August, 2018.

- ii) **The percentage increase in the median remuneration of employees in the financial year:** 21%

- iii) **The number of permanent employees on the rolls of Company:** 259 as on 31st March, 2019.

- 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: 7.69%.
- Average increase in remuneration of KMPs: 21%
- 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:
The Company has replaced existing electric lamps to LED lamps during the financial year. All electric lamps will be replaced with LED in the next financial year. The Company has used energy efficient electric motors for all compressors and has used energy efficient fittings for all operations.
- (ii) Steps taken by the company for utilizing alternate sources of energy:
The Company is exploring the possibility of using solar based CNG stations.
- (iii) Capital investment on energy conservation equipment: Not Applicable

(B) Technology Absorption:

- (i) The efforts made towards technology absorption;
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.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution;
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: N.A.
 - (b) the year of import: N.A.
 - (c) whether the technology been fully absorbed: N.A.
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.
- (iv) the expenditure incurred on Research and Development: N.A.

(C) Foreign Exchange Earnings and Outgo:

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

Particulars	(₹ in Crores)	
	2018-19	2017-18
Foreign exchange earned	-	-
Foreign exchange outgo (including import of goods on CIF basis)	1.49	5.22

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
- Mrs. Chandra Iyengar, Member

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

Average net profit: ₹186.47 Crore

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

The Company was required to spend ₹3.73 Crores towards CSR.

- 5. Details of CSR spend for the financial year:**

- Total amount spent for the financial year: ₹3.73 Crores
- Amount unspent, if any: Nil
- Manner in which the amount spent during the financial year is detailed below:

(₹ In Crore)

Sr. No.	Projects/ Activities Sector	Sector	Location	Amount Outlay (Budget) Project or Programs wise	Amount Spent on the project or programs		Cumulative Expenditure Up to reporting period	Amount spent: Direct or through implementing agency
					Direct expenditure on projects or programs	Overheads		
1	Adani Vidya Mandir - Ahmedabad	Education	Ahmedabad, Gujarat	3.75	3.73	-	10.82	Through Adani Foundation
2	Municipal School Empowerment Program			-	-	-	1.00	
3	G-Auto Project	Sustainable Livelihood		-	-	-	0.26	
4	Medical Support to very Needy People	Community Health		-	-	-	0.40	
	Total			3.75	3.73	-	12.48	

- 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. 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. It has been working across

2250 villages in 18 states, to uplift the lives of 3.2 million individuals a year with a multi-faceted approach.

Adani Foundation works in four key areas – Education, Healthcare, Sustainable Livelihood Development and Community Infrastructure Development, while aligning with the Sustainable Development Goals. Focusing on inclusive and sustainable growth of society,

Adani Foundation emphasizes on long-term behaviour change processes through special projects namely SuPoshan, Swachhagraha, Saksham, and Udaan, Keeping its focus in the areas of inclusive growth and sustainable development of the rural and urban communities in the process, Adani Foundation plays a role in nation-building.

Adani Gas Limited has contributed ₹ 3.73 Crores towards Corporate Social Responsibility (CSR) activities during the year 2018-19. On behalf of the Company, Adani Foundation implemented the CSR initiative through one of its flagship initiatives, Adani Vidya Mandir, Ahmedabad.

The CSR Initiatives

Adani Gas Limited and Adani Foundation believe that Education is the stepping stone to lead a life of dignity and quality, especially for the under served and the vulnerable. The main objective behind the educational initiative is to provide 'quality' education with a unique learning experience to the young minds.

Adani Vidya Mandir (AVM) Schools, run by Adani Foundation, have been providing completely cost-free quality education to meritorious students from economically weaker sections of the society. The first Adani Vidya Mandir was commissioned in the year 2008 in Ahmedabad. As of today, three AVMs are operational in Ahmedabad (Gujarat), Bhadrashwar (Gujarat) and Surguja (Chhattisgarh) catering to 2,100 students.

The students are provided with free of cost transportation, uniform, textbooks, notebooks and meals among others.

A number of community-based programmes and activities, coupled with a value-based curriculum, help students attain academic excellence while remaining rooted to their family structure at the same time.

Introduction of 'Coding' curriculum in AVM-A

The Cambridge University Press, UK came forward to partner with Adani Foundation and as a result 'Coding Sandpit' was introduced in Adani Vidya Mandir, Ahmedabad.

The letter of Intent for the same was signed between Dr Priti G. Adani, Adani Foundation Chairperson, and Mr. Peter Phillips, Chief Executive of Cambridge University Press. Officially, Coding Sandpit was rolled out in the school on 11th July, 2018.

This is the first time in India that a structured coding curriculum has been launched in any school. The objective of this programme is to make the students develop flexible, accurate, automatic execution of standard algorithms and use these computational competencies to solve problems.

Students, who can think computationally, are able to conceptualize, understand and use technology better, helping them to be better prepared for the dynamic future.

Accreditation by NABET

The National Accreditation Board for Education and Training (NABET), under the Quality Council of India (QCI) certified Adani Vidya Mandir, Ahmedabad (AVMA) as the 'NABET Accredited School' during the year.

Adani Vidya Mandir, Ahmedabad has now become the first cost-free school in India and the first private school in Ahmedabad city to achieve this feat. AVM-A is gradually is now becoming a symbol of academic and human excellence amongst all schools, despite being a cost-free institution. This will also inspire many other schools and educational institutions to aim for excellence in child education and thus play a role in the process of nation building.

Gautam S. Adani
Chairman

Maheswar Sahu
Chairman- CSR Committee

ANNEXURE TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management's views on the Company's performance and outlook are discussed below:

ECONOMIC OUTLOOK

(a) Global Natural Gas Business

As the current world population of 7.6 billion grows to reach 8.6 billion by 2030, the world is likely to be using at least 50% more energy than it does today as people seek to improve their quality of life. Globally energy demand is increasing at a CAGR of 1% and Natural Gas remains the fastest growing fuel having registered annual growth of 4.6% in 2018.

Global natural gas industry is undergoing a deep transformation -

First, China is now the largest importer of natural gas overtaking Japan driven primarily by the continuous high growth and strong policy push of Government and conscious shift to cleaner fuels to curb air pollution. China is the third largest consumer of natural gas after US and Russia. Share of Natural Gas in energy mix of China is set to rise as it shifts millions of homes and industries from coal to natural gas in a effort to clean up the air.

Secondly, riding the massive shale revolution, US have emerged as the third largest exporter of LNG after Australia and Qatar; Its LNG, termed as "freedom gas", now has reached 33 countries and is expanding rapidly.

But the most important and genetic shift witnessed is the rise of the industry sector especially the process and manufacturing units as the key consumer overtaking the power sector and emerging as the key driver for natural gas demand.

Going forward the price competitiveness and market reforms will be critical to sustaining natural gas demand growth especially in the emerging markets such as India. Half of the increase in global consumption increase is expected to come from the emerging Asian markets which require adequate market reforms to open their own domestic gas markets and introduce market-based natural gas pricing mechanisms.

(b) Indian Gas Economy

India's population is expected to reach approximately 1.4 billion people by 2022 thereby surpassing China's population to become world's largest populated country. As India's population and economy grows, so does its energy needs. India is

likely to be the third largest energy consumer by 2022 after China and USA.

The per capita annual income in India is estimated to be approx. ₹ 1,12,835 (~1600USD). Though a crude indicator of the prosperity, it does indicate the huge potential the country has in store as the economic activities expand in the country and its impact touches the lives of people.

Of the total population, approximately 69% of the population is based in rural areas which lack infrastructure and facilities. For example, there exist only 2 Retail Outlets per 100 sq meters of land area and less than 6 Retail Outlets per 1 lac of population. Today the per capita consumption of MS is less than 2 Kg/Month which seems abysmally low.

Low energy consumption is an outcome of lack of infrastructure, low per capital income.

Indian energy use is dominated by coal, which accounts for 58% of India's total energy consumption. This is followed by oil at 28%. In contrast, natural gas accounts for only 7% of India's energy consumption.

Natural gas accounts for only 6% of China's energy mix but it uses almost four times as much natural gas as India.

India is investing significantly in expanding its infrastructure for natural gas, which had previously been almost exclusively configured for coal and oil. India's natural gas demand is forecasted to grow at about 6% annually over the next five years, due to increases in domestic production and falling LNG import prices, growth in pipeline infrastructure and proliferation of City Gas Networks.

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%.

(c) CGD Sector Outlook

Currently, India's CO₂ emission from energy is the fourth highest in the world. India's emissions are likely to rise by 91-98% over the 2012 levels by 2030.

City Gas is an important tool in hands of Government to achieve its ambitious targets of cleanliness, campaign for deforestation and to reduce the per capita emission levels. It is an important campaign in journey for into low carbon regime.

City Gas touches lives of smallest end user. It removes the dirty fuel such as kerosene and coal from kitchens and makes the last mile delivery mechanism of these fuels redundant which otherwise is an important contributor to the adulteration, spillage and high emissions at the end user level. Supply of cleaner fuel also helps contain the deforestation and helps improve the health of rural population especially the women.

In 2014, only 66 districts were covered by the CGD network. With the 9th & 10th Rounds, the potential coverage of the CGD network has expanded to about 70% of population spread over 475 districts of the country. Currently about 48 lakh households and 32 lakh CNG vehicles are availing the benefit of clean fuel through the existing CGD networks. As per the commitment made by various entities in the 9th & 10th Rounds, around 4 crores PNG (domestic) connections and 10000 CNG stations are expected to be installed by 2026-27 across the country.

Based on the commitments made in 9th & 10th Rounds, gas requirement is estimated to rise to 30 MMSCMD. This will be 20% addition to the existing demand of approx 150 MMSCMD. An investment expected to be in excess of ₹ 70000 Crores in next few years in this sector shall have a significant contribution to the Govt's aim of increasing the share of natural gas in energy mix to 15%.

Regulatory & Policy support

With a massive campaign unleashed by Government to expand the gas infrastructure to the end user, there is a need to have reality check on the ground related to the challenges which may impede the growth of the infrastructure creating the gap between the intent and results.

In order to achieve the massive roll out and bring out the real benefits of CGD, there is need to evolve policies beyond the conventional boundaries such as "One Nation - One Policy" on lines of GST model and for formulation of CGD Development Council comprising of all stake holders to deliberate and formulate policies for fast track development of CGD Infrastructure.

Company Overview

The Company is in City Gas Distribution (CGD) business supplying natural gas to transport, domestic, commercial and industrial consumers. The Operations of AGL is spread across Ahmedabad, Vadodara, Faridabad and Khurja Location. The Company is having 82 CNG filling stations (as on March 31, 2019) with compression

capacity of 2.0 million Kg/day, thus providing the gas to ~ million vehicles. It also supplies PNG to more than 0.38 million domestic customers, 2500 commercial customers and 1300 industrial customers through a connected pipeline network over 6661 km including 430 km of steel and 6231 km of polyethylene pipeline.

Financial Performance

During the FY 2019, the revenue from operations grew by 31.62% to ₹ 1,823.49 Crores from ₹ 1,385.44 Crores (excluding effect of restatement in last year as per Ind AS 103) in the previous year. The growth in revenue was supported by a strong volume growth in overall sales volume by 12.95% over a previous year with a growth in CNG volume by 11.53% and PNG volume by 14.49%.

Operating EBITDA and Operating EBITDA Margin

During the financial year 2019, the Operating EBITDA increased by 24.47% to ₹ 455 Crores in comparison to ₹ 365 Crores in FY 2018. Moreover the Operating EBITDA margin remains flat YoY at 36.44%

PBT

The Company registered a rise in profit before tax by 37.67% to ₹ 357 Cr in FY 2019 from ₹ 259 Cr in FY 2018 owing to growth in Sales Volume and Profit Margins.

PAT and PAT Margin

The Company registered a robust growth in PAT by 38.97% to ₹ 228.71 Crores in FY 2019 from ₹ 164.58 Crores during FY 2018. The PAT margin grew to 11.97% in FY 2019 from 10.70% in FY 2019.

EPS

The company recorded earnings per share of ₹ 2.08 in FY 2019 as compared to ₹ 1.47 per share in FY 2018.

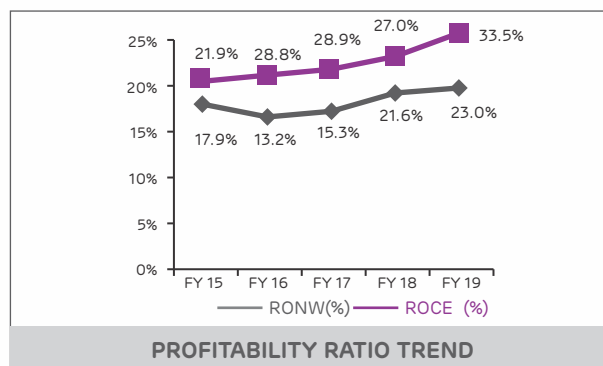
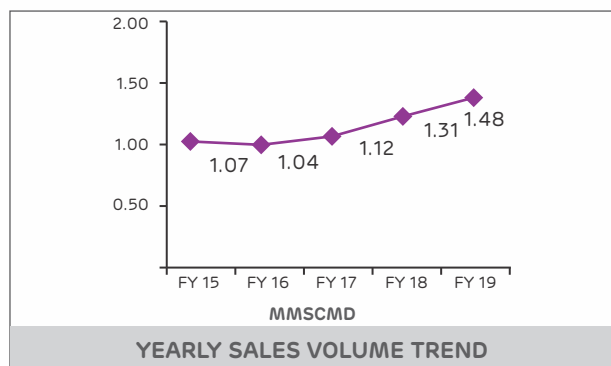
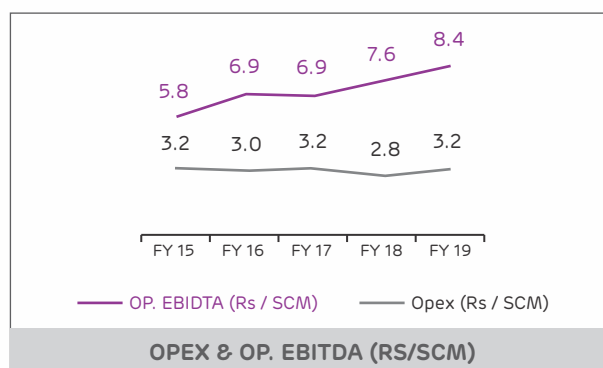
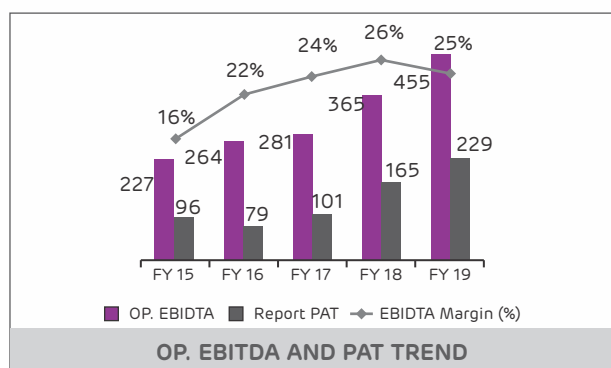
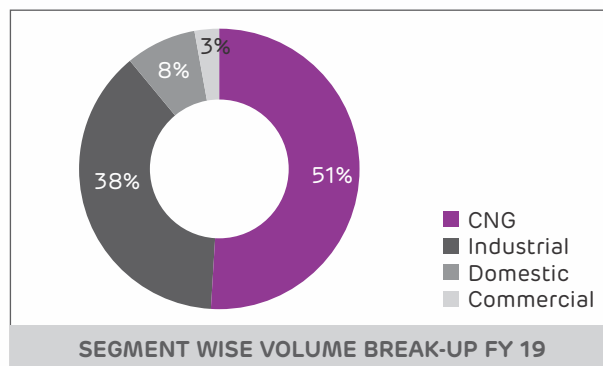
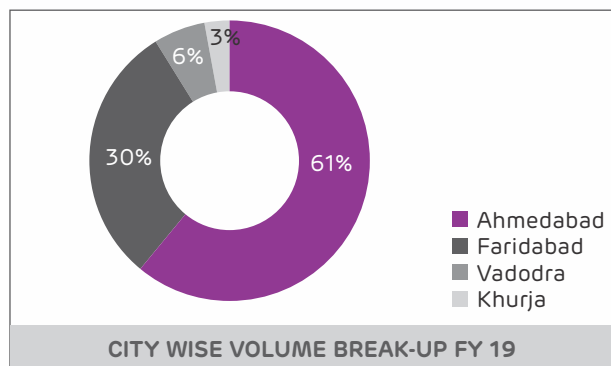
The summarized consolidated financial highlight is depicted below

Particulars	Year ended	
	31 st March, 2019	31 st March, 2018
Revenue from Operations	1823	1458
Operating Expenses	1197	957
Administrative & other Expenses	172	135
Total Expenditure	1369	1092
Operating EBIDTA	455	365
Other Income	87	80
EBIDTA	541	445
Interest Expenses	90	125
Depreciation & Amortization Expenses	67	61
Profit before Tax	384	259
Exceptional Item	28	0
Income Tax accrued	128	94
Profit After Tax	229	165
Share in Profit/ (Loss) from Joint Venture	0	-3
Other Comprehensive Income	-1	0
Total Comprehensive Income	228	162
Earnings Per Share (In ₹)	2.08	1.47

Operational Performance

The company has registered overall sales volume of 541 MMSCM with a growth of 12.95% YoY basis as compared to previous year. The growth can be attributed to growth in sales volume of CNG by 11.53% YoY basis. The company also experienced growth in sales volume in other segments: the domestic sector grew by 17.30%, commercial sector grew by 13.82% and the industrial sector grew by 13.95%.

During the year the Company was able to connect more than 64,000 domestic households to PNG thereby having a cumulative customer base of more than 0.38 million households. Additionally, the company has added more than 480 Industrial and commercial customers, totalling to a customer base of more than 3,800 industrial and commercial units. The company was also successful in supplementing its current CNG network of 73 stations with 9 more CNG stations.



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

- During the year under review our Joint Venture Company IOAGPL has won authorization for 9 GAs in 9th Round of CGD Bidding and won 1 GA in 10th Round of CGD Bidding.
- On Operation front 2 GAs namely Udham Singh Nagar and Dharwad is commissioned in FY 19 to sum-up total 7 GAs in operation out of 19 GAs.
- During the FY 2019, the revenue from operations grew by 428% Y-o-Y to ₹149 Crores vs. ₹28 Crores in the previous year. EBITDA has increased by 416% Y-o-Y to ₹31 Crores vs. ₹7 Crores in the previous year.
- The Joint Venture Company IOAGPL has registered total sales volume of 50.8 MMSCM.

Details of Significant Changes in the Key Financial Ratios & Return on Net Worth

Pursuant to amendment made in Schedule V to the Listing Regulations, details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios and any changes in Return on Net Worth of the Company (on standalone basis) including explanations therefor are given below:

Particulars	FY Ended 31 st March, 2019	FY Ended 31 st March, 2018	YoY Growth (%)	Explanation
Debtors Turnover	15.35	13.92	10.29%	NA
Inventory Turnover	25.38	21.60	17.49%	NA
Interest Coverage Ratio	6.02	3.55	69.56%	Higher due to effect of Restatement in Last year as per INDAS 103
Interest Coverage Ratio (L-F-L)	7.08	7.21	-1.80%	NA
Current Ratio	3.03	1.79	69.78%	Higher due to effect of Restatement in Last year as per INDAS 103
Current Ratio (L-F-L)	3.03	2.23	35.90%	Due to reduction in Current Liability
Debt Equity Ratio	0.36	1.55	-76.88%	Higher due to effect of Restatement in Last year as per INDAS 103
Debt Equity Ratio (L-F-L)	0.36	0.40	-10.59%	NA
Operating Profit Margin (%)	24.9%	25.8%	-3.30%	NA
Net Profit Margin (%)	12.0%	10.5%	13.67%	NA
Return on Net worth (%)	23.0%	21.6%	6.48%	NA

Note: Like for Like (L-F-L) figures are calculated without effect of Restatement in Last Year Financial

KEY BUSINESS HIGHLIGHTS

CGD Bidding:

Company has participated in **9th and 10th Round of CGD Bidding** conducted by the Petroleum and Natural Gas Regulatory Board (PNGRB), Government of India and won **15 new GAs** to expand its city gas footprint.

The Company is poised to become the largest private CGD player in India with **38 GAs** together with our Joint venture Company IOAGPL.

Listing:

Company got listed on NSE and BSE on 5th November 2018, Market Capitalization as on 31-Mar-19 is ₹14,115 Crore

New GA Development Plan

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. The Minimum Work Program for over period of 8 years committed to PNGRB in these 15 Geographical Areas is briefly summarized below:

Particulars	PNG (Domestic) Connections	CNG Retail Outlets	Inch- Kilometer
Surendranagar District (Except areas already authorized), Gujarat	87,005	20	839
Kheda (Except areas already authorized) & Mahisagar Districts, Gujarat	1,75,007	30	1,010
Barwala & Ranpur Talukas, Gujarat	12,098	4	209
Navsari (Except areas already authorized), Surat (Except areas already authorized), Tapi (Except areas already authorized) & The Dangs Districts, Gujarat	90,191	25	1,010
Porbandar District, Gujarat	60,464	12	704
Chittorgarh (Other than Rawatbhata) & Udaipur Districts, Rajasthan	4,00,583	70	1,568

Particulars	PNG (Domestic) Connections	CNG Retail Outlets	Inch-Kilometer
Bhilwara & Bundi Districts, Rajasthan	2,70,056	25	659
Bhiwani, Charkhi Dadri and Mahendragarh Districts, Haryana	1,50,464	60	1,010
Nuh and Palwal Districts, Haryana	1,81,019	60	803
Balasore, Bhadrak & Mayurbhanj Districts, Odhisha	1,50,464	20	506
Udupi District, Karnataka	1,10,099	11	569
Cuddalore, Nagapatinam & Tiruvarur Districts, Tamilnadu	3,00,089	40	839
Tiruppur District, Tamilnadu	3,75,005	75	829
Total – 9th Bidding Round	23,62,544	452	10,555
Anuppur, Bilaspur and Korba Districts	77,033	20	1289
Jhansi (Except area already authorized) District, Bhind, Jalaun, Lalitpur and Datia Districts	1,10,099	29	1,568
Total – 10th Bidding Round	1,87,132	49	2,857
Grand Total of 9th & 10th Bidding Round	25,49,676	501	13,412

Even cursory look to above commitment seems very ambitious and comprehensive strategy needs to be developed and meticulously implemented for successful execution. We have therefore adopted multipronged strategy for developing a successful implement action plan. The salient features of execution strategy are as detailed below:-

1. Focused Approach – Advancing for Markets

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.

2. 3 Year Focus – Going Beyond MWP

This will advance reach of Adani Gas Limited 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.

3. LCNG/LPNG Route – Filling The Pipeline Gap

In some of the GAs awarded to AGL where tap-off from gas transmission pipeline is more than 70 to 80 km away from major market areas and laying is difficult & costly because of terrain, we have planned alternatives. We will therefore setup LCNG/LPNG plants and feed from LNG plants to CNG Stations and PNG network reaching identified market towns even in absence of connectivity.

4. CNG Roll Out – Delinking Pipeline Progress

For early CNG Roll out we will setup mother stations

at respective CGS location/LCNG Location and immediately start Daughter and Daughter booster stations at OMC locations. This is to advance CNG Stations operations before pipeline network reaches and connects to co-located OMC stations identified.

5. Early Monetization – Bottom Line

Whereas MWP has its own significance, focus will be on making operations cash positive at EBIDTA level. 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 positive at EBIDTA level from 1st year of operation itself & progressively shifting focus to ROCE & ROE over period of 8 years. Early monetization strategy focusing on encasing monetary gains from existing market and eco system and generate early revenue.

6. Manpower – Hiring the Helping Hands

Key to this ambitious MWP roll out strategy is manpower requirement. Adani Gas Limited is better placed in this regard. Company have well trained & experienced manpower at existing operations, whereas aggressive recruitment plan is formalized by dividing the 15 GAs in to four categories and developing org structure and manpower need for each GA, it will take some time to for this additional manpower to be available. Adani Gas has therefore planned to leverage the existing manpower with stretched target to do all basic ground work such as route survey, demand assessment, EIA study, basic engineering and prepare Bill Of Material for its first 3 year aggressive roll out strategies for all GAs. Accordingly all the ground work is done by leveraging existing manpower for initiating inquiries for procurement on all fronts.

7. Regional Structures – For Execution Focus

All 15 awarded GAs were divided in to different Region with various cluster heads for Project roll out and efficient operations.

Experienced senior level people from existing manpower were identified to head these regions.

8. Corporate Strengthening – Sustained Support

From project execution point of view 3 key reinforcement identified for effective MWP roll outs at corporate level are:

- a) Strengthening Techno-commercial i.e. contracts and procurement department. Senior resource from Adani group for this function was identified and placed in AGL. Similarly he has identified useful Techno-commercial resource from group and they all were transferred from Adani Group to Techno-commercial department of Adani Gas. He has initiated innovative and aggressive way for finalizing all MWP related material, equipment & contract needs for cost effective & time bound manner to meet MWP roll out needs.
- b) Bracing up Human Resources - As for ambitious roll out across all GAs massive recruitment drive and HR resources reinforcement required all across GAs a very senior HR person from Adani Group is identified and placed in Adani Gas. He has also brought in recruitment specialist from Adani Group to expedite massive recruitment needs for Project.
- c) Center of Excellence (Technical) - For standardization of processes, specifications, it was required to form Center of Excellence team-Technical. Expert in the Technical domain is recruited to oversee this function and benchmark to standardize technical requirements across all GAs.

Thus, it can be seen that, after award of 13th 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 ground work is ready for launching MWP roll out.

SCADA

AGL is pioneer in implicating SCADA in CGD. SCADA is already implemented at Ahmedabad, Vadodara and Faridabad and has following functions.

- Monitoring and Controlling of CNG station through SCADA server. It helps in controlling and monitoring of:
 - CNG compressor
 - CNG Dispenser
 - Unmanned CNG operations
 - CNG Rate change facility through control room

- Isolation of Gas and Electrical supply in CNG station
- Real time data monitoring of PNG station data in SCADA server. it helps in controlling and monitoring of:
 - Inlet pressure
 - Outlet pressure
 - SSV valve status
 - Meter consumption data
- Automated report generated in SCADA server.
- Automatic Meter Reading facility for Industrial and commercial customer.
- CNG station billing is online in SAP.
- Monitoring of City Gate Station flow data in Master control room.
- Real time data display, alarming, trending, and reporting from remote equipment.
- Fire and gas detection system

It is scalable and now can be replicate for all 15 GA's for better operations and performance monitoring of CGD business. Give the access rights to GA office on client Authorization (login): ranging from Read-Only to Read/Write, all asset access profile and access rights configurable per user, or always read-only for all users regardless of login credentials. AGL will implicate the Integrated Command and Control Center and that brings all AGL 15 GA's data for event reporting and response together on a single platform. Simplify everyday workflows and operating procedures empowering emergency control room, safety and security operators to manage their everyday tasks and unexpected events from Control Room in Ahmedabad.

SCADA is an acronym for Supervisory Control and Data Acquisition system. 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.

Overall Benefits of System

- Real time data monitoring
- Increased compliance with regulatory agencies through automated report generating.
- Increased life of the equipment being used by through immediate knowledge of system performance.
- By using the SCADA to provide access to real-time data display, alarming, trending, and reporting from remote equipment.
- Reduced labor costs required for troubleshooting or service.
- Data storage & Retrieval
- Revenue linkage- Online billing to SAP

The importance of SCADA systems is automation. It allows an organization to carefully study and anticipate the optimal response to measured conditions and execute those responses automatically every time. Relying on precise machine control for monitoring equipment and processes virtually eliminates human error. More importantly, it automates common, tedious, routine tasks once performed by a human, which further increases productivity, improves management of critical machine failure in real-time, and minimizes the possibility of controllable environmental disasters.

It will be replicate for all 15 GA's for better operations and performance monitoring of CGD business our system.

Automation & Technology

Being the first report after listing, We wish to bring in the technology deployment updates at AGL.

AGL is using SAP as core business application for business operations. Besides the common back office functions and Operation & Maintenance modules, It is using Industry Specific Utilities module for the metering and billing. The SAP's Customer Interaction Center based single window application is extensively supporting the Customer Care Centers and Call center. It has all customer related information from billing; payment, service request etc. are available at finger tips to the Customer Care executives.

AGL, is keen in digital implementation and had adopted the technology as key enabler. AGL is using couple of extended SAP modules like Multichannel Foundation (MCF) as Single platform channel for customer support services and Syclo for Maintenance Services on mobile for engineers. This has helped customers on self-service reducing the foot print at customer care offices and enabled engineers to address the

service request at faster pace. AGL have also implemented Spot billing system to generate the invoice at customer door step reducing billing and postage cost. It has also implemented internal documents approval workflow through Adobe Ecosign to speed up the internal approvals.

AGL, is driving it's next journey – AGL 2.0, on digitization and automation, through its aimed projects "Adani Delight" and "MyAGL". Adani Delight is focusing on the Customer Experience, Partner Engagement and automation aspects of operations. Improving the digital footprint is key focus through these two projects and automation through LoRA and NB-IoT technologies, Smart and Prepaid meters. Touchless Revenue Management is also one of the major digitization projects under this umbrella of AGL 2.0.

With the wide spread of Geographic Area development and keep the project implementation schedules under control, AGL has selected Oracle Prime as a Project Management tool, which will enable project updates from site and Management will have better view of Project Progress.

MyAGL, a unique integrated mobile application for the Customers, Partners, Contractors, Employees for self-service information, update and reporting. Currently it is under implementation and once it is completed by this year, it will bring a lot of cultural change and cost benefits to all channel partners using technology.

With AGL 2.0, it is aimed to be a Lean Technology driven modern and smart Utility Company.

Safety Performance

AGL is committed to ensure continuity of natural gas supply & reliability of services to its customers and also 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. 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 Legatrix system.

AGL has established its QHSE management system & accredited for the ISO 9001 Quality Management System, ISO 14001 Environmental Management System and BS OHSAS 18001 Occupational Health and Safety assessment Series.

AGL is also complying with Adani Group OHS Procedures & Safety Management System (SMS). AGL has defined 10 "Life Saving Safety Rules" based on Business specific high risk & past incident history. Rules are framed to target and reinforce critical behaviors and processes that ensure safety performance, particularly in high risk areas of the business.

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 conducted 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.

Asset Integrity - AGL ensures that our 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 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. We have 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 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 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 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. During FY 2018-19, AGL imparted 23839 man-hours of training to its people & stakeholders.

AGL implemented structured behavior based Safety program "Suraksha Samwaad" in FY 2018-19 to achieve positive change in people's behavior towards safety.

AGL encourages all its employees and stakeholders to report safety concerns/hazards/near misses & other incidents through Mobile/web based Incident reporting system.

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.

Human Resource Strategy

In Adani Gas, a Culture of Meritocracy has been engrained, where performance and merit is recognized and rewarded, paving a way to become a High Performing organization. AGL has set new benchmarks by becoming the largest CGD Company in India w.r.t geographical areas. New automation projects like GIS, SAP – SYCLO have been adopted at AGL. We aim to set-up world class touchless revenue management system and process optimization to achieve excellence.

A winning philosophy with inclusiveness, Ownership, PRIDE & respect is harnessed to increase intrinsic employee motivation and engagement.

Re-engineering human capital and refreshing the organization's culture through right practices by people manager's has been the bedrock behind all endeavors at Adani Gas. Such ideology harnesses a climate of TRUST and certitude. AGL strongly believes that acknowledging the vital performance of employees in achieving organization objectives and bridging the gap between the organization and their families, inspires them to give their personal best, making AGL a Dream Company to Work for.

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 specialized expertise in – Organization development / effectiveness, Talent Management, Learning & Development and Talent Acquisition.

Incessant behavioral and leadership capability enhancement programs at AGL enhance employees' knowledge and skill. Institutionalizing e-learning has further augmented in instilling a learning culture across AGL.

With our CSR wing, Adani Foundation, we ensure that development and progress are sustainable and all-encompassing; for the people and the environment, alike. We believe in delivering benefits that transcends its immediate stakeholders.

Leader's demonstrate a greater ownership and passion and emphasize on transparent communication, building a robust eco-system full of fairness and camaraderie which is high on integrity and reliability building a welcoming atmosphere.

Opportunity and Threat

Opportunity

Seeking opportunities for growth in new markets

We will explore the 15 newly allotted GA under 9th and 10th round of CGD Bidding by PNGRB to max of its potential and seek to enter into new markets by participating in the bidding process for new CGD areas as well as through inorganic growth.

Increase penetration

We intend to increase penetration in Ahmedabad, Faridabad, Khurja and Vadodara by reaching out to new

customers for CNG, domestic PNG, commercial PNG and industrial PNG use. We shall commence project activities in the newly acquired 15 GAs and propose to quickly lay, build and develop infrastructure in these new GAs. We believe that we are strategically positioned to capture the benefits of the growing demand for CNG and PNG in our areas of operation.

Threat

- **Competition following the Expiry of Marketing Exclusivity**

Once the marketing exclusivity period ends (five years from the date of authorization for old GAs and 8 years for the GAs awarded in 9th Round and 10th Round), other entities under "OPEN ACCESS" can enter the area awarded to CGD companies and begin operations. This represents a threat on one side to the existing CGD companies in terms of switchover of existing customers and other side as opportunity for enrolment of untapped customers.

- **Promotion of "Only EV" Policy in India:**

Electric cars are at nascent stage in India and if Government is promoting "Only EV" policy in India, in medium to long term, these cars may pose a potential threat to CNG run vehicles. The Company is preparing itself for meeting the challenge by becoming a part of value chain in electric car business.

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 have an adverse impact on the Company.

- **Non-availability of Natural Gas:**

Our natural gas supply requirements for CNG and Domestic are met by the allocation of domestic natural gas from the MoPNG at a price determined in accordance with the New Domestic Natural Gas Pricing Guidelines 2014 ("Pricing Guidelines"). Any increase in the cost price of natural gas or any reduction in allocation amount 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 we purchase is denominated in United States dollars, while the selling price is in Indian Rupees. In the event that we are unable to pass on the cost of any devaluation of the Indian Rupee to our customers on a timely basis, or at all, 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 fuels if there is a cost advantage. If such a scenario arises then it would impact Company's business. CNG constitutes around 75% of the total sales volume of the Company and is very much competitive compared to alternate fuels i.e. petrol and diesel.

- **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 empaneled 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 which carries out extensive audit throughout the year, across all functional areas and submits its 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 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.
- 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 in 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 stand by 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 endeavour 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, 2019 board comprises 6 (Six) Directors out of which 2 (Two) Directors are Executive Directors and 1 (One) Director is 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 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, 2019.

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, 2019 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 ⁴ Chairman (DIN: 00006273)	Promoter Non-Executive	5	-	-
Mr. Pranav V. Adani Director (DIN: 00008457)	Promoter Executive	7	-	-
Mr. Suresh P Manglani ⁴ Executive Director (DIN: 00165062)	Executive	-	-	-
Mr. Maheswar Sahu ⁴ Director (DIN: 00034051)	Non-Executive (Independent)	9	2	2
Mr. Naresh Kumar Nayyar ⁴ Director (DIN: 00045395)	Non-Executive (Independent)	-	-	-
Mrs. Chandra Iyengar ⁴ 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, 2019, none of the Directors of the Company were related to each other.
4. Appointed as Additional Directors of the Company w.e.f. 22nd October, 2018.
5. During the year under review, Mr. Rajesh S. Adani and Mr. Rajeev Sharma resigned as Directors of the Company w.e.f. 22nd October, 2018 due to their pre-occupation

Details of name of other listed entities where Directors of the Company are Directors and the category of Directorship as on 31st March, 2019 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. Suresh P Manglani	-	-
Mr. Maheswar Sahu	National Aluminium Co Ltd	Non-Executive & Independent
	YES Bank Limited	Non-Executive & Independent
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 informations 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.

6 (Six) Board Meetings were held during the financial year 2018-19. 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 2018-19 are as follows:

10th May, 2018, 16th June, 2018, 26th August, 2018, 9th September, 2018, 22nd October, 2018 and 13th February, 2019.

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 2018-19		Attended Last AGM
	Held during the tenure	Attended	
Mr. Gautam S. Adani ¹	2	2	N.A.
Mr. Rajesh S. Adani ²	5	4	Yes
Mr. Pranav V. Adani	6	5	Yes
Mr. Suresh P Manglani ¹	2	2	N.A.
Mr. Rajeev Sharma ²	5	4	Yes
Mr. Maheswar Sahu ¹	1	1	N.A.
Mr. Naresh Kumar Nayyar ¹	1	1	N.A.
Mrs. Chandra Iyengar ¹	1	1	N.A.

1. Appointed as Additional Directors of the Company w.e.f. 22nd October, 2018.

2. Resigned as Directors of the Company w.e.f. 22nd October, 2018.

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 Corporate Social Responsibility policy; Nomination and Remuneration Policy of Directors, Business Responsibility Policy; Key Managerial Personnel and Other Employees; Related Party Transaction Policy; Vigil Mechanism / Whistle Blower Policy; Code of Conduct for Board of Directors and Senior Management of the Company; Material Events Policy; Policy on Preservation of Documents; Dividend Distribution Policy; Website Content Archival Policy 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:

1. Embrace the shared vision, mission and values of the organisation;
2. Knowledge of industry / sector, policies, major risks / threats and potential opportunities in which the Company operates;
3. Technical skills / experience in accounting / finance / government or public policy / economy / human resource management / strategy development and implementation / Capital planning;
4. Governance competencies like Director in large organisation, compliance focus, leadership, risk management experience, Business judgement.

Confirmation as regards independence of Independent Directors

In the opinion of the Board, the Independent Directors, fulfil the conditions specified in the Listing Regulations and are independent to 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

During the year under review, the board of directors at its meeting held on 22nd October, 2018 has constituted Audit Committee in compliance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

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 2018-19, one meeting of the Audit Committee was held on 13th February, 2019.

The details of the Audit Committee meetings attended by its members during FY 2018-19 are given below:

Sr. No	Name	Designation(s)	Category	Number of meetings held during FY 2018-19	
				Held during the tenure	Attended
1	Mr. Maheswar Sahu ¹	Chairman	Non-Executive & Independent	1	1
2	Mr. Naresh Kumar Nayyar ¹	Member	Non-Executive & Independent	1	1
3	Mrs. Chandra Iyengar ¹	Member	Non-Executive & Independent	1	1
4	Mr. Suresh P Manglani ¹	Member	Executive	1	1

1. Appointed as Members of Audit Committee w.e.f. 22nd October, 2018.

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.

B. Nomination and Remuneration Committee

During the year under review, the board of directors at its meeting held on 22nd October, 2018 has constituted Nomination and Remuneration Committee in compliance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

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 FY 2018-19, one meeting of the Nomination & Remuneration Committee was held on 13th February, 2019.

The details of the Nomination & Remuneration Committee meeting attended by its members during FY 2018-19 are given below:

Sr. No	Name	Designation(s)	Category	Number of meetings held during FY 2018-19	
				Held during the tenure	Attended
1	Mr. Maheswar Sahu ¹	Chairman	Non-Executive & Independent	1	1
2	Mr. Naresh Kumar Nayyar ¹	Member	Non-Executive & Independent	1	1
3	Mrs. Chandra Iyengar ¹	Member	Non-Executive & Independent	1	1
4	Mr. Gautam S. Adani ¹	Member	Non-Executive Promoter	1	1

1. Appointed as Member of Nomination & Remuneration Committee w.e.f. 22nd October, 2018.

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.

The Company Secretary acts as Secretary to 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 endeavours to attract, retain, develop and motivate the high-calibre 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 proposed for the

approval of the Members at the ensuing Annual General Meeting of the Company, 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 2018-19 are as under:

(₹ in Lakhs)

Name of the Director	Sitting Fees paid during FY 2018-19		Commission	Total
	Board Meetings	Committee Meetings		
Mr. Maheswar Sahu ¹	0.50	1.25	5.32	7.07
Mr. Naresh Kumar Nayyar ¹	0.50	1.00	5.32	6.82
Mrs. Chandra Iyengar ¹	0.50	1.00	5.32	6.82

1. Appointed as Non-Executive & Independent Directors of the Company w.e.f. 22nd October, 2018
2. Non 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. Rajesh S. Adani and Mr. Pranav V. Adani as Directors of the Company.

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for independent directors is determined by the Nomination & 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 organisations 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 2018-19 are as under:

(₹ in Crores)

Name & Designation of Directors	Salary	Perquisites & Allowances	Commission	Total
Mr. Rajeev Sharma Whole-time Director ¹	2.16	0.08	-	2.24
Mr. Suresh P Manglani Executive Director ²	0.61	0.05	-	0.66

1. Resigned as Director w.e.f. 22nd October, 2018.
2. Appointed as Executive Director w.e.f. 22nd October, 2018.

There is no separate provision for payment of severance fees under the resolutions governing the appointment of 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 61,96,97,910 and 88,36,750 Equity Shares of the Company respectively. Mr. Gautam S. Adani and Mr. Suresh P Manglani hold 1 and 100 Equity Shares of the Company respectively.

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

During the year under review, the board of directors at its meeting held on 22nd October, 2018 has constituted Stakeholders' Relationship Committee in compliance with the regulation of the SEBI Listing Regulations.

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 2018-19, one meeting of the said Committee was held on 13th February, 2019.

The details of the Stakeholders' Relationship Committee meetings attended by its members during FY 2018-19 are given below:

Sr. No	Name	Designation(s)	Category	Number of meetings held during FY 2018-19	
				Held during the tenure	Attended
1	Mr. Maheswar Sahu ¹	Chairman	Non-Executive & Independent	1	1
2	Mr. Naresh Kumar Nayyar ¹	Member	Non-Executive & Independent	1	1
3.	Mr. Pranav V. Adani ¹	Member	Executive Promoter	1	1

1. Appointed as Member of Stakeholders' Relationship Committee w.e.f. 22nd October, 2018.

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 endeavours to implement suggestions as and when received from the investors.

During the year under review, only 1 investors' complaint was received. There was no unattended or pending investor grievance as on 31st March, 2019.

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.

CSR Policy

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

Composition, Meetings and Attendance of CSR Committee

During the year under review, two CSR Committee Meetings were held on 10th May, 2018 and 13th February, 2019.

The details of the CSR Committee meetings attended by its members during Financial Year 2018-19 are given below:

Sr. No	Name	Designation(s)	Category	Number of meetings held during FY 2018-19	
				Held during the tenure	Attended
1	Mr. Maheswar Sahu ¹	Chairman	Non-Executive & Independent	1	1
2	Mrs. Chandra Iyengar ¹	Member	Non-Executive & Independent	1	1
3.	Mr. Pranav V. Adani	Member	Executive Promoter	2	2
4.	Mr. Rajesh S. Adani ²	Member	Executive Promoter	1	1
5.	Mr. Rajeev Sharma ²	Chairman (upto 22.10.2018)	Executive	1	1

1. Appointed as Member of CSR Committee w.e.f. 22nd October, 2018.
2. Resigned as Directors of the Company w.e.f. 22nd October, 2018. Accordingly, ceased as Members of CSR Committee w.e.f. the said date.

Quorum of the Committee is of two members.

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

The Company Secretary acts as a Secretary to the Committee.

E. Risk Management Committee:

During the year under review, the board of directors at its meeting held on 13th February, 2019 has constituted Risk Management Committee in compliance with the regulation of the SEBI Listing Regulations.

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 minimisation 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, analysed 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

No meeting of Risk Management Committee was held during the year under review.

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

The Quorum of the Committee is of two members.

The Company Secretary acts as a Secretary to 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, 2019 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 In time 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,
Navrangpura, 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
2015-16	Friday, 5 th August, 2016	Adani House, Near Mithakhali Six Road, Navrangpura, Ahmedabad - 380009	12.00 noon	-
2016-17	Tuesday, 8 th August, 2017	Adani House, Near Mithakhali Six Road, Navrangpura, Ahmedabad - 380009	3.00 p.m.	1
2017-18	Monday, 6 th August, 2018	Adani House, Near Mithakhali Six Road, Navrangpura, Ahmedabad - 380009	10.30 a.m.	1

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

There were no special resolutions passed through postal ballot during FY 2018-19.

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

No Resolution is proposed to be passed by way of Postal Ballot at the ensuing Annual General Meeting.

d) Procedure for postal ballot:

Prescribed procedure for postal ballot as per the provisions contained in this behalf in the Companies Act, 2013 read with rules made there under as amended from time to time shall be complied with whenever necessary.

5. SUBSIDIARY COMPANIES

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

6. DIVIDEND HISTORY (POST LISTING OF EQUITY SHARES)

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

^ Subject to approval of shareholders. # 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 post listing of equity shares.

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 Executive Director 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, 2019.

Place: Ahmedabad
Date: 27th May, 2019

Suresh P Manglani
Executive Director

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 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 whenever applicable.

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 Standards.****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 Regulations. 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 14th AGM to be held on 6th August, 2019.**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, if any, 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 2018-19
Audit Fees		10.62
Total		10.62

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 U40100GJ2005PLC046553.

B. Annual General Meeting:

Day and Date	Time	Venue
Tuesday, 6 th August, 2019	11.30 a.m.	H. T. Parekh Hall, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015

C. Registered Office:

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

D. Financial Calendar for 2019-20: (tentative schedule, subject to change)

Period	: Approval of Quarterly results
Quarter ending 30 th June, 2019.	: Mid August, 2019
Quarter and half year ending 30 th September, 2019.	: Mid November, 2019
Quarter ending 31 st December, 2019.	: Mid February, 2019
The year ending 31 st March, 2020.	: End May, 2020.

E. Date of Book Closure:

Tuesday, 30th July, 2019 to Tuesday, 6th August, 2019 (both days inclusive) for the purpose of 14th Annual General Meeting and determining entitlement for dividend.

F. Dividend Payment:

Final dividend of ₹ 0.25 per share (25%) will be paid on or after Wednesday, 7th August, 2019, if approved by the members in the ensuing Annual General Meeting.

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 400051	(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**.

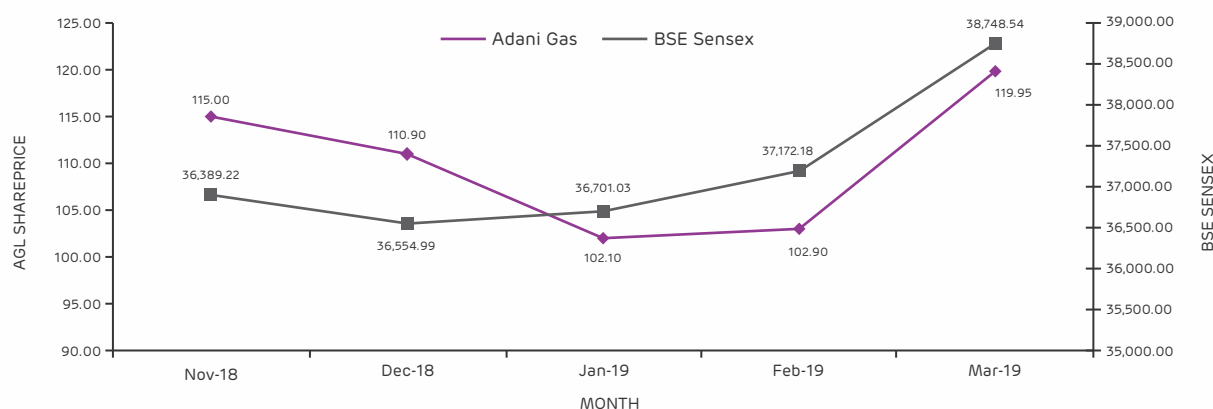
Annual Listing fee has been paid to the BSE & NSE and Annual Custody / Issuer fee for the year 2019-20 will be paid by the Company to NSDL & CDSL on receipt of the invoices.

I. Market Price Data: High, Low during each month in Financial Year 2018-19.
Monthly share price movement during the year 2018-19 at BSE &NSE:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of shares)	High (₹)	Low (₹)	Volume (No. of shares)
November, 2018	115.00	70.20	9946868	115.40	72.00	62006659
December, 2018	110.90	91.00	6648346	110.70	91.00	29287334
January, 2019	102.10	87.75	2198180	103.50	88.30	13379700
February, 2019	102.90	85.00	1604046	103.90	84.00	10391496
March, 2019	119.95	102.00	2535390	135.50	100.60	14937368

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

The Share of the Company were listed on Stock Exchanges on 5th November, 2018.

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 400083
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, 2019 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 Practising 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 31st March, 2019 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, 2019, 109,94,28,103 (constituting 99.96%) 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, 2019 is as follows:

Number of shares	Number of shareholders		Equity Shares held in each category	
	Holders	% of Total	Total Shares	% of Total
1 to 500	69051	91.31	6693547	0.61
501 to 1000	3217	4.25	2614040	0.24
1001 to 2000	1541	2.04	2374173	0.22
2001 to 3000	529	0.70	1348252	0.12
3001 to 4000	315	0.42	1144606	0.10
4001 to 5000	193	0.26	908924	0.08
5001 to 10000	401	0.53	2920648	0.27
Above 10000	377	0.50	1081805893	98.36
TOTAL	75624	100.00	1099810083	100.00

O. Shareholding Pattern as on 31st March, 2019 is as follows:

Category	No. of Shares held	(%) of total
Promoters and Promoter Group	822663481	74.80
Foreign Portfolio Investors / Institutional Investors	237627090	21.60
Mutual Funds, Financial Institutions / Banks	5261966	0.48
N.R.I., Foreign National and Foreign Bodies	1053321	0.09
Private Bodies Corporate	4351615	0.40
Indian Public and others	28178504	2.57
Clearing Members (Shares in Transit)	629582	0.06
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, 2019.

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. It

manages its exposure to these risks through derivative financial instruments. The Company's risk management activities are subject to the management, direction and control of Treasury Team of the Company under the framework of Risk Management Policy for Currency and Interest rate risk 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. The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored.

R. Major 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,
Navangpura, Ahmedabad 380 009
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+ (Stable)
	Short Term Loan	ICRA A1+
CARE Ratings Ltd.	Commercial Paper	CARE 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.adanigas.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 a Executive Director and CEO 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.

CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO)

I have reviewed the financial statements and the cash flow statements for the year ended 31st March, 2019 and that to the best of my 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, 2019 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: 27/05/2019
Place: Ahmedabad

Suresh P. Manglani
Executive Director

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C sub-clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

Adani Gas Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Adani Gas Limited having CIN U40100GJ2005PLC046553 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 & 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, 2019 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. Suresh P Manglani	00165062	22/10/2018
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 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.

Date: 27/05/2019

Place: Ahmedabad

For, Chirag Shah and Associates

Chirag Shah

Partner

FCS No.: 5545

CP No.: 3498

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of

Adani Gas Limited

We have examined the compliance of Corporate Governance by Adani Gas Limited ("the Company") for the year ended 31st March, 2019 as stipulated in applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said 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.

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.

Date: 27/05/2019

Place: Ahmedabad

For, Chirag Shah and Associates

Chirag Shah

Partner

FCS No.: 5545

CP No.: 3498

ANNEXURE TO THE DIRECTORS' REPORT

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

Sr. No	Particulars	Informations			
1.	Corporate Identity Number (CIN):	U40100GJ2005PLC046553			
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:	01.04.2018 to 31.03.2019			
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	35202	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: 32 (including offices)			
10.	Markets served by the Company:	State and National.			

Section B: Financial Details of the Company

Sr. No	Particulars	Informations
1.	Paid up capital (INR):	₹ 110.03 Crores
2.	Total turnover (INR):	₹ 1,823.49 Crores
3.	Total Profit After Taxes (INR):	₹ 228.71 Crores
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax:	The Company carries its CSR activities through its dedicated CSR wing i.e. Adani Foundation. During FY 2018-19, the Company has spent ₹ 3.73 Crores towards CSR activities which is 1.63% 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 and Rural 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: 00165062
- Name: Mr. Suresh P Manglani
- Designation: Executive Director & CEO

a) Details of the BR head:

Sr. No	Particulars	Details
1	DIN Number(if applicable)	00165062
2	Name	Mr. Suresh P Manglani
3	Designation	Executive Director & CEO
4	Telephone Number	(079) 2555 6204
5	E mail Id	sureshp.manglani@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

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
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 Sr. 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 CEO / Executive Director 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 1st Business Responsibility Report as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business (NVE). 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 a 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.**

No stakeholder complaints pertaining to the above Codes were received in the past financial year.

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.

- 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 APM and PMT Gas from GAIL and GSPC at a price determined by the Government of India from meeting the entire requirement of transportation and PNG domestic sector. The requirement of gas for Commercial and Industrial sector are met through various sources i.e GAIL, IGL, GSPC and others. With concrete efforts the Company has shown operational efficiency by reducing the Gas Loss over a period of time.

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%.

- 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 domestic sector. The Company has firm supply of gas for transportation and domestic households from Government of India to meet its entire requirement. The percentage of CNG and PNG domestic sector constitute approx 60% of total sales volume of the Company. The Company is sourcing gas through long term contracts and on spot basis for meeting the requirement of commercial and industrial customers based on the requirement from time to time. Substantial portion of the raw material sourced by the Company is transported through the installed pipelines, which is clean and sustainable mode of transportation.

- 4. Has the Company 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?**

We source natural gas from GAIL and other supplier as mentioned above. Besides sourcing of gas, the Company procures various materials and services for its day to day operations for which we engage with local suppliers. The Company's procurement

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

- 5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? (Separately as < 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 259 employees as of 31st March 2019.

- 2. Please indicate total number of employees hired on temporary/contractual/casual basis:**

The Company has a total 148 employees hired on contractual basis as of 31st March 2019.

- 3. Please indicate the number of permanent women employees:**

The Company has 11 women employees as of 31st March 2019.

- 4. Please indicate the number of permanent employees with disabilities.**

The Company has no permanent employee with disabilities as of 31st March 2019.

- 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 2018-19, Company imparted 23839 man-hours of training to its people & stakeholders.

Skill upgradation:

In the current year the organisation has done 12 No of Programme which involves 640 Training Hours and 80 man-days of training at each grade & all the contractual or sourced staff was also provided similar opportunities.

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. 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. It has been working across 2250 villages in 18 states, to uplift the lives of 3.2 million individuals a year with a multi-faceted approach.

Adani Foundation works in four key areas – Education, Healthcare, Sustainable Livelihood Development and Community Infrastructure Development, while aligning with the Sustainable Development Goals. Focusing on inclusive and sustainable growth of society,

Adani Foundation emphasizes on long-term behaviour change processes through special projects namely SuPoshan, Swachhagraha, Saksham, and Udaan, Keeping its focus in the areas of inclusive growth and sustainable development of the rural and urban communities in the process, Adani Foundation plays a role in nation-building.

Adani Gas Limited has contributed ₹ 3.73 Crores towards Corporate Social Responsibility (CSR) activities during the year 2018-19. On behalf of the Company, Adani Foundation implemented the CSR initiative through one of its flagship initiatives, Adani Vidya Mandir, Ahmedabad.

The CSR Initiatives

Adani Gas Limited and Adani Foundation believe that Education is the stepping stone to lead a life of dignity and quality, especially for the under served and the vulnerable. The main objective behind the educational initiative is to provide 'quality' education with a unique learning experience to the young minds.

Adani Vidya Mandir (AVM) Schools, run by Adani Foundation, have been providing completely cost-free quality education to meritorious students from economically weaker sections of the society. The first Adani Vidya Mandir was commissioned in the year 2008 in Ahmedabad. As of today, three AVMs are operational in Ahmedabad (Gujarat), Bhadrashwar (Gujarat) and Surguja (Chhattisgarh) catering to 2,100 students.

The students are provided with free of cost transportation, uniform, textbooks, notebooks and meals among others.

A number of community-based programmes and

activities, coupled with a value-based curriculum, help students attain academic excellence while remaining rooted to their family structure at the same time.

Introduction of 'Coding' curriculum in AVM-A

The Cambridge University Press, UK came forward to partner with Adani Foundation and as a result 'Coding Sandpit' was introduced in Adani Vidya Mandir, Ahmedabad.

The letter of Intent for the same was signed between Dr Priti G. Adani, Adani Foundation Chairperson, and Mr. Peter Phillips, Chief Executive of Cambridge University Press. Officially, Coding Sandpit was rolled out in the school on 11th July, 2018.

This is the first time in India that a structured coding curriculum has been launched in any school. The objective of this programme is to make the students develop flexible, accurate, automatic execution of standard algorithms and use these computational competencies to solve problems.

Students, who can think computationally, are able to conceptualize, understand and use technology better, helping them to be better prepared for the dynamic future.

Accreditation by NABET

The National Accreditation Board for Education and Training (NABET), under the Quality Council of India (QCI) certified Adani Vidya Mandir, Ahmedabad (AVMA) as the 'NABET Accredited School' during the year.

Adani Vidya Mandir, Ahmedabad has now become the first cost-free school in India and the first private school in Ahmedabad city to achieve this feat. AVM-A is gradually is now becoming a symbol of academic and human excellence amongst all schools, despite being a cost-free institution. This will also inspire many other schools and educational institutions to aim for excellence in child education and thus play a role in the process of nation building.

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 has put in place a Human Rights Policy applicable to all Adani Group of Companies. The Company's commitment to follow the basic principles of human rights is embedded in "Code of Conduct" adopted by the Company. The Company strictly 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 web page 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 association:

- (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 Policies, 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 gave 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 2250 villages in 18 states of India, creating meaningful impact in the lives of 3.2 million individuals a year. Its core areas of focus have been on Education, Community Health, Sustainable Livelihood 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 2018-19 was ₹ 3.73 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 2018-19?

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, 1.32 % of Customer Complaints and 1 consumer case pending as on end of financial year 2018-19.

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 2018-19?

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.

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 balance sheet as at 31st March 2019, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the 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, 2019, 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 independence 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 Matters	Procedures performed and Auditor's Response
1	Accuracy for measurement of expected credit losses for receivables - domestic consumers of Piped Natural Gas	<p>The Company follows 'simplified approach' for recognition of impairment for 'recoverable' from the domestic consumers of Piped Natural Gas (PNG). Under the simplified approach, the Company recognises impairment allowance based on lifetime expected credit loss.</p> <p>The objective of the impairment is to recognise lifetime expected credit losses for the recoverable for which there have been significant increases in credit risk since initial recognition, whether assessed on an individual or collective basis, considering all reasonable and supportable information.</p> <p>A recoverable is checked for impairment at each reporting period. There are various assessment parameters designed and adopted by the Company on which recoveries from a move-in consumer is considered for impairment which includes but does not limit to, identification of customers to initiate litigations for recovery and for temporary disconnection.</p> <p>We have reviewed the amounts recoverable from the domestic consumers of PNG and their likelihood of recovery. The Company has provided in full for the balances recoverable outstanding from move-in</p>

Sr. No.	Key Audit Matters	Procedures performed and Auditor's Response
		domestic consumers of PNG for more than a year, for recoveries with ongoing or proposed legal matters and customers identified for temporary disconnection. We have tested the appropriateness of controls established by recovery department of the Company.
2	Appropriateness of Classification under Contingent Liability	<p>The Company has material uncertain tax positions in relation to tax matters which involves significant judgment to determine the possible outcome of the litigation.</p> <p>We have obtained complete details of tax assessments and demands pending as on 31st March, 2019 from management. There are certain grounds of appeals yet to be decided by courts, which are already decided in favour of the Company for subsequent years by lower appellate authorities.</p> <p>As the revenue has not escalated to courts for the same matter in subsequent years as on the date of financial statements, therefore it can be said that there is no dispute alive with respect to the same. We have considered favourable legal precedence and rulings in Company's own cases against lower appellate authorities and have taken a view that there is no contingent liability outstanding with regards to the same.</p>

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 Company's annual report, 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 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 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 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 Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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".
- 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 37 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)

Place : Ahmedabad
Date : 27th May, 2019

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.
- (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 land.
- (ii) The inventory, other than stocks lying with third parties, has been physically verified by the management during the year. 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 2019 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no material dues of provident fund, employees' state insurance, wealth tax, value added tax, cess 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, 1994	Excise Duty	Assessing Authority	15.40	0.22	2006-07 to 2015-16
		Appellate Tribunal	5.65	0.21	2008-09 to 2013-14
		High Court	6.32	3.16	2006-07 & 2007-08
Finance Act, 1994	Service Tax	Assessing Authority	1.32	Nil	2008-09 to 2016-17
		Appellate Authority upto Commissioner's Level	0.05	0.00#	2008-09 to 2012-13
		Appellate Tribunal	24.24	3.01	2005-06, 2008-09 to 2011-12
Income Tax Act	Income Tax	Assessing Authority	0.30	0.25	2008-09 & 2012-13
		Appellate Authority upto Commissioner's Level	0.37	0.07	2015-16
		Appellate Tribunal	0.65	0.03	2014-15
		High Court	0.88	0.88	2007-08
Sales Tax Act	Sales Tax	Appellate Authority upto Commissioner's Level	0.08	Nil	2012-13
		Appellate Tribunal	6.75	Nil	2009-10
Municipal Corporation	Property Tax	Supreme Court	29.16	29.16	2010-11 to 2018-19

(*) 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) Based upon the audit procedures performed, the Company has not raised moneys by way of initial public offer or further public offer. In our opinion and as per the information and explanations given by the management, the Funds raised through debt instruments and term loans have been applied for the purpose they were raised.

(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)

Place : Ahmedabad
Date : 27th May, 2019

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 the Company as of 31st March, 2019 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, 2019, 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)

Place : Ahmedabad
Date : 27th May, 2019

BALANCE SHEET as at 31st March, 2019

(₹ in Crores)

Particulars	Notes	AS AT 31 st March, 2019	AS AT 31 st March, 2018
ASSETS			
I NON-CURRENT ASSETS			
(a) Property, Plant & Equipment	3	950.80	868.16
(b) Capital Work-In-Progress	4	190.47	101.83
(c) Goodwill		25.49	25.49
(d) Other Intangible Assets	3	3.89	3.07
(e) Financial Assets			
(i) Investment	5	185.50	124.00
(ii) Loans	6	-	1,000.86
(iii) Other Financial Assets	7	9.20	21.01
(f) Income Tax Assets (net)	8	11.26	10.15
(g) Other Non-Current Assets	9	7.47	6.52
		1,384.08	2,161.09
II CURRENT ASSETS			
(a) Inventories	10	43.96	42.16
(b) Financial Assets			
(i) Investments	11	-	65.25
(ii) Trade Receivables	12	82.79	141.16
(iii) Cash and Cash Equivalents	13	159.25	24.03
(iv) Bank Balances Other Than (iii) above	14	0.51	0.45
(v) Loans	15	359.22	359.16
(vi) Other Financial Assets	16	17.33	3.86
(c) Other Current Assets	17	10.50	14.89
		673.56	650.96
TOTAL ASSETS		2,057.64	2,812.05
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	18	109.98	109.98
(b) Other Equity		1,001.50	768.94
TOTAL EQUITY		1,111.48	878.92
LIABILITIES			
I NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	19	345.76	1,234.26
(ii) Other Financial Liabilities	20	273.20	232.52
(b) Provisions	21	3.06	2.31
(c) Deferred Tax Liabilities (net)	35	102.02	99.59
		724.04	1,568.68
II CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Trade Payables	22		
Total outstanding dues of micro and small enterprises		7.35	-
Total outstanding dues of creditors other than micro and small enterprises		96.50	137.15
(ii) Other Financial Liabilities	23	98.51	215.60
(b) Provisions	24	3.59	3.36
(c) Other Current Liabilities	25	10.16	6.08
(d) Income Tax Liabilities (net)	26	6.01	2.26
		222.12	364.45
TOTAL EQUITY AND LIABILITIES		2,057.64	2,812.05

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 : 27th May, 2019

For and on behalf of the Board
ADANI GAS LIMITED

GAUTAM S. ADANI
Chairman
DIN 00006273
GUNJAN TAUNK
Company Secretary

SURESH P MANGLANI
Executive Director
DIN 00165062

Place : Ahmedabad
Date : 27th May, 2019

STATEMENT OF PROFIT & LOSS

for the year ended 31st March, 2019

(₹ in Crores)

Particulars	Notes	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Revenue from Operations	27	1,823.49	1,457.65
Other Income	28	86.68	80.06
Total Income		1,910.17	1,537.71
Expenses			
Cost of Natural Gas and Traded Items	29	1,087.21	872.40
Changes in Inventories	30	5.44	0.64
Excise Duty on Sale of Compressed Natural Gas		104.53	83.99
Employee Benefits Expense	31	42.00	38.90
Finance Costs	32	89.85	125.33
Depreciation and Amortization Expense	3	67.31	61.01
Other Expenses	33	129.67	96.47
Total Expenses		1,526.01	1,278.74
Profit for the year before Exceptional Items & Tax		384.16	258.97
Less: Exceptional Items	34	27.64	-
Profit before Tax		356.52	258.97
Tax Expense:			
(1) Current Tax		123.66	82.82
(2) Adjustment of earlier years		1.40	0.45
(3) Deferred Tax		2.75	11.12
Total Tax Expenses		127.81	94.39
Profit for the year		228.71	164.58
Other Comprehensive Income			
- Items that will be reclassified to Profit & Loss		-	-
- Items that will not be reclassified to Profit & Loss			
(a) Remeasurement of employee benefit obligations		(0.92)	0.19
(b) Income tax relating to these items		0.32	(0.04)
Total Other Comprehensive Income		(0.60)	0.15
Total Comprehensive Income for the Year		228.11	164.73
Earnings per Equity Share of ₹ 1/- each :	39		
- Basic		2.08	1.50
- Diluted		2.08	1.50

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 : 27th May, 2019

For and on behalf of the Board
ADANI GAS LIMITED

GAUTAM S. ADANI
Chairman
DIN 00006273

GUNJAN TAUNK
Company Secretary

Place : Ahmedabad
Date : 27th May, 2019

SURESH P MANGLANI
Executive Director
DIN 00165062

STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2019

A. Equity Share Capital

(₹ in Crores)

Particulars	Amount
As at 1st April, 2017	256.74
Add/(Less) : Changes in the Equity Share Capital due to Scheme of Arrangement	(146.76)
As at 31st March, 2018	109.98
Add: Changes in the Equity Share Capital	-
As at 31st March, 2019	109.98

B. Other Equity

(₹ in Crores)

Particulars	Reserve and Surplus		Total
	Capital Reserve	Retained Earnings	
Balance as at 1st April, 2017	146.21	458.00	604.21
Add : Profit for the year	-	164.58	164.58
Other Comprehensive Income			
Remeasurement of defined benefit plan as per P&L	-	0.15	0.15
As at 31st March, 2018	146.21	622.73	768.94
Balance as at 1st April 2018	146.21	622.73	768.94
Add : Transition adjustment on account of Ind AS 115	-	4.45	4.45
Add : Profit for the year	-	228.71	228.71
Other Comprehensive Income			
Remeasurement of defined benefit plan as per P&L	-	(0.60)	(0.60)
As at 31st March, 2019	146.21	855.29	1,001.50

Nature and purpose of each reserve :

a) 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.

b) 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.

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 : 27th May, 2019

For and on behalf of the Board

ADANI GAS LIMITED

GAUTAM S. ADANI

Chairman

DIN 00006273

GUNJAN TAUNK

Company Secretary

Place : Ahmedabad

Date : 27th May, 2019

SURESH P MANGLANI

Executive Director

DIN 00165062

CASH FLOW STATEMENT

for the year ended 31st March, 2019

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
A CASHFLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	356.52	258.97
Adjustment for:		
Depreciation and Amortization Expense	67.31	61.01
Transition adjustment on account of Ind AS 115 (net impact directly recognised in retained earnings)	4.45	-
Finance Cost	89.85	125.33
Interest Income	(71.34)	(71.06)
(Gain)/Loss from Sale of Current Investments	(11.28)	(5.67)
Loss on Sale of Property, Plant & Equipment	0.33	0.29
Allowance for Credit Losses	0.94	(0.39)
Liabilities No Longer Required	(0.05)	(0.10)
Amortization of ancillary cost of borrowing	3.30	(4.98)
Write-off for Doubtful Debt, Loans & Advances	-	1.90
Exceptional Item	27.64	-
Total Adjustments to Net Profit	111.15	106.33
Operating Profit Before Working Capital Changes	467.67	365.30
Adjustment for:		
(Increase)/Decrease in Trade and Other Receivables	43.92	(87.58)
(Increase)/Decrease in Inventories	(1.80)	(3.47)
(Increase)/Decrease in Other Financial Assets	2.01	(3.74)
(Increase)/Decrease in Other Non Financial Assets	4.39	19.47
Increase/(Decrease) in Trade Payables	(60.89)	84.43
Increase/(Decrease) in Provisions	0.06	0.01
Increase/(Decrease) in Other Financial Liabilities	19.08	(8.28)
Increase/(Decrease) in Other Non Financial Liabilities	4.08	(0.54)
Total Working Capital Changes	10.85	0.30
Cash Generated From Operations	478.52	365.60
Direct Tax (Paid)/ Refund	(122.42)	(88.74)
Net Cash from Operating Activities	356.10	276.86
B CASHFLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment and Intangible Assets (including Capital Work in Progress and capital advances)	(240.69)	(140.07)
Investment in Deposits	(0.06)	(0.43)
Interest Received	71.23	70.89
Purchase of Non Current Investments	(51.50)	(49.00)
Gain on sale of Current Investments	11.28	5.67
Loans (given to) / received back from Related Party	1,000.75	(874.71)
Net Cash from / (used in) Investing Activities	791.01	(987.65)
C CASHFLOW FROM FINANCING ACTIVITIES		
Proceeds of Non Current Borrowings	94.50	1,245.30
Repayment of Non Current Borrowings	(1,048.53)	(274.77)
Proceeds / (Repayment) of Current Borrowings	-	(170.00)
Finance Cost Paid	(161.08)	(51.96)

CASH FLOW STATEMENTfor the year ended 31st March, 2019 (Contd...)

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2019
Security Deposit from Customer & Contractors	37.97	30.27
Net Cash from / (used in) Financing Activities	(1,077.14)	778.84
D Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	69.97	68.05
Cash and Cash Equivalents at the beginning of the year (Note: iii)	89.28	21.23
Cash and Cash Equivalents at the end of the year	159.25	89.28

Notes to Cash Flow Statement:

- (I) Reconciliation of Cash and Cash Equivalents with the Balance Sheet:

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Current Investment (Refer note 11)	-	65.25
Cash and Cash Equivalents (Refer note 13)	159.25	24.03
Total	159.25	89.28

- (ii) The Statement of Cash Flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash Flows'
- (iii) The previous year figures includes ₹ 0.06 crores of AGHL pursuant to restatement as per Ind AS 103 'Business Combination'.
- (iv) Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

As at 31st March, 2019 :

(₹ in Crores)

Particulars	AS AT 31 st March, 2018	Cash Flows	Amortization of ancillary cost of borrowing	AS AT 31 st 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

As at 31st March, 2018 :

(₹ in Crores)

Particulars	AS AT 31 st March, 2017	Cash Flows	Amortization of ancillary cost of borrowing	AS AT 31 st March, 2018
Non - Current borrowings	320.72	918.28	(4.74)	1,234.26
Current maturity of Non-Current borrowings	58.43	52.25	(0.24)	110.44
Current Borrowing	170.00	(170.00)	-	-
Total	549.15	800.53	(4.98)	1,344.70

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. 183083Place : Ahmedabad
Date : 27th May, 2019**For and on behalf of the Board
ADANI GAS LIMITED****GAUTAM S. ADANI**Chairman
DIN 00006273**GUNJAN TAUNK**

Company Secretary

Place : Ahmedabad
Date : 27th May, 2019**SURESH P MANGLANI**Executive Director
DIN 00165062

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

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. During the year under review, equity shares of the Company are listed on both the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited on 5th November, 2018. AGL is engaged in City Gas Distribution ("CGD") business and supplies natural gas to domestic, commercial, industrial and vehicle users in 5 geographical areas. Recently, the Company has won authorisation for expanding its business footprint to 15 new geographical areas.

2 SIGNIFICANT ACCOUNTING POLICIES

i) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

A) 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.

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.

B) 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.

Estimates and assumptions are required in particular for:

i) Useful life 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.

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

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 other provisions:

The 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.

C) CURRENT & NON-CURRENT CLASSIFICATION

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of activities and time between the activities performed and their subsequent realization in cash or cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

II) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) INVENTORIES

- i) Inventories are valued at lower of Cost or Net Realisable Value (NRV).

- ii) Stores and Spares are valued at cost or NRV whichever is less. Cost is determined on Weighted Average basis and comprises of expenditure incurred in the normal course of business in bringing inventories to their location and condition including appropriate overheads.

- 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.

B) CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short-term balances (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 and which are subject to insignificant risk of changes in value.

C) CASH FLOW STATEMENT

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

D) REVENUE RECOGNITION

Effective 1st April, 2018, the Company has adopted Ind AS 115 'Revenue from Contracts with Customers' using the cumulative effect method. Accordingly, the standard is applied only to the contracts that were not completed as at 1st April, 2018 and the comparative information in the statement of profit and loss is not restated. The impact of adoption of the standard on the financial statements of the Company is disclosed separately in notes.

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

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.

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.

- i) 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.
- ii) Revenue on sale of Compressed Natural Gas (CNG) is recognized on sale of gas to customers from CNG stations.
- iii) Gas Transportation Income is recognized in the same period in which the related volumes of gas are delivered to the customers.
- iv) Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- v) Dividend income from investments is recognised when the Company's right to receive payment is established.

Contract Assets

The Company recognises a contract asset corresponding to the revenue recognised when it has performed its obligation under contract, but consideration is not due. 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.

Contract Liability

The Company recognises a contract liability when consideration is received or due from customer, but the Company is yet to perform its obligations under the contract. The same is disclosed as "Advance from Customers" under Other Current Liabilities.

E) PROPERTY, PLANT & EQUIPMENTS

- i) 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.
- ii) Property, Plant and Equipments, including Capital Work in Progress, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses and net of taxes (Cenvat and VAT credit wherever applicable). The cost of assets not put to use before the year end and Capital Inventory, are disclosed under Capital Work in Progress.
- iii) 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.
- iv) 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.
- v) 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. However cost of day to day servicing are recognized in profit or loss as incurred. Cost of day to day service primarily include costs of labor, consumables and cost of small spare parts.
- vi) Leasehold land is carried at Cost, comprising of Lease Premium and expenses on acquisition thereof, as reduced by accumulated amortization.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

- vii) The Natural Gas distribution systems for PNG connections are commissioned on commencement of supply of gas to the individual consumers.
- viii) The CNG outlets are commissioned on commencement of sale of CNG to the customers.
- ix) 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.
- x) 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.
- xi) 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. Leasehold land and leasehold improvements are amortised over the period of the lease.
- xii) 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	8 years
Dispensers	8 years
Canopy	10 years
Cascades	15 years
Steel Pipes & Fittings	20 years
PE pipes & Fittings	20 Years

F) INTANGIBLE ASSETS

- i) 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.

- ii) Goodwill acquired as a result of demerger of CGD business from Adani Energy Ltd is measured at net value as at 31st March, 2015. Goodwill is not amortized but will be checked for impairment at regular intervals of time when there are certain indications that recoverable amount of cash generating unit is less than its carrying amount.
- iii) 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
Right of Use of Land	Over the period of Rights

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

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 measurement of financial assets depends on their classification, as described below:

1) At amortised cost

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

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, 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.

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:

- 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

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

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

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:

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.

At Fair Value through Profit or Loss (FVTPL)

Financial liabilities at FVTPL 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

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

H) FOREIGN CURRENCY TRANSACTIONS

i) Functional and Presentation currency

The financial statements are presented in Indian Rupee (INR), which is entity's functional and presentation currency.

ii) 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.

I) 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

i) 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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

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.

ii) 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.

iii) Other Long-Term Employee Benefits

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.

J) BORROWING COSTS

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. Borrowing costs consist of interest and other costs

that an entity incurs in connection with the borrowing of funds. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

K) 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, 2019 as determined by Chief Operational Decision Maker, in accordance with Ind-AS 108 Operating Segment

L) LEASES

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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rentals expense from operating lease is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

M) EARNING PER SHARE

Basic EPS 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 EPS 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.

N) INCOME 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, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

i) CURRENT INCOME 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.

ii) DEFERRED TAXATION

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.

O) IMPAIRMENT OF TANGIBLE 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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

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 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.

P) PROVISIONS, CONTINGENT LAIBILITIES & 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 being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more future events not wholly in control of the Company are not recognised in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the financial statements.

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.

Q) BUSINESS COMBINATIONS

Business combination involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities / business are reflected at their carrying value.

Purchase consideration paid in excess / shortfall of the fair value of identifiable assets and liabilities including contingent liabilities and contingent assets, is recognised as goodwill / capital reserve respectively, except in case where different accounting treatment specified in the scheme approved by regulatory authority.

R) 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 for the year ended 31st March, 2019

3 PROPERTY, PLANT & EQUIPMENTS & INTANGIBLE ASSETS

(₹ in Crores)

PARTICULARS	Property, Plant & Equipments								Intangible Assets			
	Free-hold Land	Lease-hold Land	Building	Office Equip-ments	Computer	Vehicles	Furniture	Plant & Machi-nery	Total	Computer Software	Right of Use of Land	Total
Year Ended 31 st March 2018												
Gross Carrying Value												
Opening Gross Carrying Amount	16.53	43.52	52.45	4.03	3.11	0.36	8.72	777.93	906.65	7.66	0.12	7.78
Addition during the Year	-	-	1.06	0.47	2.70	-	0.37	121.50	126.10	0.12	-	0.12
Deduction during the Year	-	-	-	0.00	0.00	0.10	-	1.11	1.21	-	-	-
Transfer	-	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Value	16.53	43.52	53.51	4.49	5.80	0.26	9.09	898.32	1,031.54	7.78	0.12	7.90
Accumulated Depreciation												
Opening Accumulated Depreciation	-	0.98	1.85	1.54	0.93	0.14	3.49	95.82	104.75	3.26	0.10	3.36
Depreciation during the year	-	0.49	1.20	0.77	0.93	0.07	1.35	54.74	59.55	1.46	0.01	1.47
Deduction during the Year	-	-	-	0.00	0.00	0.07	-	0.85	0.92	-	-	-
Transfer	-	-	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	1.47	3.05	2.31	1.86	0.14	4.84	149.71	163.38	4.72	0.11	4.83
Net Carrying Amount	16.53	42.05	50.46	2.20	3.95	0.12	4.25	748.61	868.16	3.06	0.01	3.07
Year Ended 31 st 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	4.84	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

Notes:

- Lease hold land is amortised over a period of lease. Amount of amortisation for the current year is shown in depreciation column.
- Refer note 19 for Securities
- Management has carried out a review, of the carrying value of assets as March 31, 2019 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 upon by the auditor.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

4 CAPITAL WORK IN PROGRESS

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Capital Work in Progress (Refer note below)	85.61	49.42
Capital Inventory	104.86	52.41
	190.47	101.83

Note:

Includes expenditure directly attributable to construction period of ₹ 26.07 Crores (31st March, 2018 : ₹ 14.85 Crores) (Refer note 45)

5 NON CURRENT INVESTMENT

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Unquoted Investments (All fully paid)		
Investments in Equity Instruments (Face value of ₹ 10 each)		
In Joint Venture (measured at cost)		
IndianOil-Adani Gas Private Limited		
18,55,00,000 Shares (31 st March, 2018: 12,40,00,000 Shares)	185.50	124.00
	185.50	124.00
Aggregate value of unquoted investments	185.50	124.00

6 NON CURRENT LOANS (Unsecured, considered good)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Loans to related parties	-	1,000.86
	-	1,000.86

Note: Refer note 42 for Related Party Balances

7 OTHER NON CURRENT FINANCIAL ASSETS (Unsecured, considered good)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Security Deposits		
- With Government	1.96	4.21
- With Others	5.27	4.98
Interest accrued and due on deposits	1.94	1.79
Interest accrued but not due on deposits	0.03	0.03
Share application money pending allotment		
JV-IndianOil-Adani Gas Private Limited	-	10.00
	9.20	21.01

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

8 INCOME TAX ASSETS (net)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Advance Payment of Income Tax (net of provision)	11.26	10.15
	11.26	10.15

9 OTHER NON CURRENT ASSETS (Unsecured, Considered Good)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Capital Advances	1.34	0.39
Balance with Government Authorities	6.13	6.13
	7.47	6.52

Note: Refer note 42 for Related Party Balances

10 INVENTORIES (At lower of cost or net realisable value)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Stock of Natural Gas	1.31	6.75
Stores and spares	42.65	35.41
	43.96	42.16

Note: Refer note 19 for security / hypothecation

11 CURRENT INVESTMENTS

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Investment in Unquoted Mutual Funds (measured at fair value)		
NIL (31st March, 2018: 28,885.899) Units in Indiabulls Liquid Fund Direct Plan Growth (LFG1) of ₹ 1000 each	-	4.91
NIL (31st March, 2018: 7,944.246) Units in LIC Nomura MF Liquid Fund Direct Plan - Growth of ₹ 1000 each	-	2.50
NIL (31st March, 2018: 26,668.891) Units in Peerless Liquid Fund Direct Plan - Growth of ₹ 1000 each	-	5.10
NIL (31st March, 2018: 3,256.297) Units in LIC MF Liquid Fund Direct Plan - Growth of ₹ 1000 each	-	1.03
NIL (31st March, 2018: 189,805.715) Units in SBI Premier Liquid Fund Direct Plan - Growth of ₹ 1000 each	-	51.71
	-	65.25
Aggregate value of unquoted investments	-	65.25

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

12 TRADE RECEIVABLES

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
(i) Unsecured, considered good	82.79	141.16
(ii) Considered Doubtful	1.28	0.34
	84.07	141.50
Allowances for Credit Losses	(1.28)	(0.34)
	82.79	141.16

Note: Refer note 19 for security

13 CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
i) Balances with Banks		
- In Current Accounts	136.36	8.30
- Deposit with original maturity of less than 3 months	22.85	15.65
ii) Cash on Hand	0.04	0.08
	159.25	24.03

14 OTHER BANK BALANCES

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Deposits with original maturity over 3 months but less than 12 months	0.51	0.45
	0.51	0.45

15 CURRENT LOANS (Unsecured, considered good)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Loans to related parties	359.02	358.91
Loan to employees	0.20	0.25
	359.22	359.16

Note: Refer note no:42 for Related Party Balances

16 OTHER CURRENT FINANCIAL ASSETS (Unsecured, considered good)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Unbilled Receivable	13.70	-
Interest Accrued but not due on deposit	0.04	0.08
Other Receivables from Related Parties	3.59	3.78
	17.33	3.86

Note: Refer note no:42 for Related Party Balances

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

17 OTHER CURRENT ASSETS (Unsecured, considered good)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Advance against expenses	1.92	1.03
Balance with Government Authorities	7.74	13.74
Prepaid Expenses	0.84	0.12
	10.50	14.89

Note: Refer note 42 for Related Party Balances

18 EQUITY SHARE CAPITAL

PARTICULARS	AS AT 31 st March, 2019		AS AT 31 st March, 2018	
	No. of Share	(₹ in Crores)	No. of Share	(₹ in Crores)
AUTHORISED				
Equity Shares of ₹ 1 each (previous year ₹10 each)	5,099,500,000	509.95	260,000,000	260.00
	5,099,500,000	509.95	260,000,000	260.00
ISSUED, SUBSCRIBED & PAID-UP				
Equity Shares of ₹ 1 each (previous year ₹10 each)	1,099,810,083	109.98	256,742,040	256.74
	1,099,810,083	109.98	256,742,040	256.74
Share Capital Suspense Account (Scheme of Arrangement) (Refer note : (a) below)	-	-	-	(146.76)
	1,099,810,083	109.98	256,742,040	109.98

Note:

(a) Share Capital Suspense Account as at 31st March, 2018 represents, difference between equity shares cancelled and allotted to the shareholders of Adani Enterprise Limited (AEL) in swap ratio of 1 equity shares of the Company for every 1 equity shares held by shareholders of AEL.

(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

PARTICULARS	AS AT 31 st March, 2019		AS AT 31 st March, 2018	
	No. of Share	(₹ in Crores)	No. of Share	(₹ in Crores)
At the beginning of the year of ₹ 10 each	256,742,040	256.74	256,742,040	256.74
Less : Shares Cancelled during the year of ₹10 each (Refer note 43)	(256,742,040)	(256.74)	-	-
Add : Shares Issued during the period of ₹10 each (Refer note 43)	233,600,000	233.60	-	-
Less : Shares Cancelled during the year of ₹10 each (Refer note 43)	(233,600,000)	(233.60)	-	-
Add : Shares Issued during the period of ₹1 each (Refer note 43)	1,099,810,083	109.98	-	-
Outstanding at the end of the year of ₹ 1 each	1,099,810,083	109.98	256,742,040	256.74

(c) 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 shareholders. The Company declares and pays dividends in Indian rupees. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

(d) Details of shareholders holding more than 5% shares in the Company

Name of Share Holders	AS AT 31 st March, 2019		AS AT 31 st March, 2018	
	No. of Share	% holding the Class	No. of Share	% holding the Class
Adani Gas Holdings Limited along with its Nominee	-	-	256,742,040	100%
Shri Gautam S. Adani/Shri Rajesh S. Adani (on behalf S. B. Adani Family Trust)	619,697,910	56.35%	-	-
Adani Tradeline LLP	99,491,719	9.05%	-	-

19 NON CURRENT BORROWINGS

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Secured		
Term Loans from Banks (refer note a & b)	345.71	309.92
Non Convertible Debentures	-	924.29
Unsecured		
10% Cumulative Redeemable Preference Share(refer note c)	0.05	0.05
	345.76	1,234.26

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 present & future current assets of the Company, uncalled capital present and future, goodwill, cash flows, receivables, book debt and revenue of Adani Gas Limited.

b) Repayment terms:

- Long Term Rupee Term Loan of ₹ 208.40 Crores is repayable in 12 Quarterly Instalments of ₹ 6.51 Crores each from FY 20 to FY 22, 11 Quarterly Instalments of ₹ 10.42 Crores each from FY 23 to Q3 FY 25 and final instalment of ₹ 15.63 Crores in Q4 FY 25 and said loan carries interest rate equal to the benchmark rate, presently @ 8.8% and is payable on monthly basis.
- Long Term Rupee Term Loan of ₹ 117.81 Crores is repayable at 13 Quarterly Instalments of ₹ 3.57 Crores each from FY 20 to Q1 FY 23, 10 Quarterly Instalments of ₹ 5.71 Crores each from Q2 FY 23 to Q3 FY 25 and instalment of ₹ 7.85 Crores in Q4 FY 25 and final instalment of ₹ 6.43 Crores in Q1 FY 26 and said loan carries interest rate equal to the benchmark rate, presently @ 8.80% and is payable on monthly basis.
- Long Term Rupee Term Loan of ₹ 69.70 Crores is repayable in 14 Quarterly Instalments of ₹ 2.05 Crores each from FY 20 to Q2 FY 23, 8 Quarterly Instalments of ₹ 3.28 Crores each from Q3 FY 23 to Q2 FY 25 and 4 Quarterly Instalments of ₹ 3.69 Crores each from Q3 FY 25 to Q2 FY 26 and said loan carries interest rate equal to the benchmark rate, presently @ 8.75% and is payable on monthly basis.
- For current maturities of long term borrowing, refer note 23 "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.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

20 OTHER NON CURRENT FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Retention Money	3.48	0.84
Security Deposit From Customers	269.72	231.68
	273.20	232.52

Note :

- Deposits from all customers of natural gas refundable on termination / alteration of the gas sales agreements are considered as non current liabilities.
- Retention Money is considered as non current liabilities considering the long term contracts with contractors.

21 NON CURRENT PROVISIONS

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Provision for Leave benefits (Refer note 41)	3.06	2.31
	3.06	2.31

22 TRADE PAYABLE

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Trade payables		
- Total outstanding dues of micro and small enterprise	7.35	-
- Total outstanding dues of creditors other than micro and small enterprises	96.50	137.15
	103.85	137.15

Note

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
a) Refer note 42 for Related Party Balances		
b) Disclosures required under Section 22 of the Micro, Small and Medium Enterprise Development Act, 2006		
i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	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	-	-

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

23 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Current maturities of long term debt (Refer note 19 for security)		
- Non Convertible Debentures	-	72.73
- Term Loan from Banks	48.21	37.71
	48.21	110.44
Interest accrued but not due on borrowings	2.97	74.20
Security Deposit from Contractors	0.95	1.02
Other payables		
- Capital Creditors	26.54	20.95
- Retention Money	19.84	8.99
	98.51	215.60

24 CURRENT PROVISIONS

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Provision for Gratuity (Refer note 41)	2.78	2.54
Provision for Leave benefits (Refer note 41)	0.81	0.82
	3.59	3.36

25 OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Statutory Dues Payable (includes TDS, GST, VAT, PF etc.)	9.02	4.29
Customer Advances	1.14	1.79
	10.16	6.08

26 INCOME TAX LIABILITIES (net)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Provision for Tax (net of advance tax and tax deducted at source)	6.01	2.26
	6.01	2.26

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

27 REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Sale of Goods		
- CNG Sales	851.74	683.41
- PNG Sales	950.42	685.86
- Others	-	72.21
Sale of Services		
- Connection Income	9.31	7.50
- Transportation Income	2.43	2.36
Other Operating Revenues	9.59	6.31
	1,823.49	1,457.65

28 OTHER INCOME

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Interest Income		
- Inter Corporate Loans	68.51	69.48
- Bank Deposits	2.64	1.40
- Others	0.19	0.18
Foreign Exchange Fluctuation	0.08	-
Net Gain on Sale of Current Investments	11.28	5.67
Liabilities no longer required written back	0.05	0.10
Sale of Stores and Spares	0.73	0.19
Corporate Guarantee Income	2.60	2.47
Other non-operating income	0.60	0.57
	86.68	80.06

29 COST OF NATURAL GAS AND TRADED ITEMS

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Cost of natural gas	1,087.21	800.22
Purchase of traded goods	-	72.18
	1,087.21	872.40

30 CHANGES IN INVENTORIES

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Opening Stock of Finished Goods / Stock in Trade	6.75	7.39
Less: Closing Stock of Finished Goods / Stock in Trade	1.31	6.75
	5.44	0.64

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

31 EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Salaries, Wages and Allowances	37.54	34.19
Contribution to provident and other funds	2.13	2.16
Staff Welfare Expenses	2.33	2.55
	42.00	38.90

32 FINANCE COSTS

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
I. Interest		
Interest on Term Loan	37.77	31.85
Interest on Security Deposit	3.46	2.83
Interest on Commercial Paper	2.68	8.43
Interest on Income Tax	0.81	0.04
Interest on Debentures	25.61	73.18
Interest Others	0.03	1.10
II. Other Borrowing Costs		
Bank & Other Finance Charges	19.49	7.90
	89.85	125.33

Note: During the year, Company has capitalised finance cost of ₹ 1.82 Crores to the assets.

33 OTHER EXPENSES

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Consumption of stores and spare parts	10.29	9.61
Power and fuel	32.29	26.80
Transportation Charges	3.81	3.33
Foreign Exchange Fluctuation	-	0.09
Security Expenses	2.45	2.04
Facilitation Fees	0.91	-
Commission & Brokerage	1.37	1.22
Rent (Refer note 38)	3.20	2.40
Repairs to Buildings	0.82	1.63
Repairs to Machinery	20.56	16.61
Repairs to Others	1.57	1.61
Insurance	0.51	0.36
Rates and taxes	3.61	3.55
Legal and Professional Fees	18.16	8.78
Travelling and Conveyance Expenses	7.63	3.97
Advertisement and Business Promotion Expenses	7.91	1.65
Office Expenses	1.29	0.81
Communication & IT Expenses	5.74	4.64

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

33 OTHER EXPENSES (Contd...)

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Printing and Stationery Expenses	0.92	1.04
Donation	0.65	0.26
Corporate Social Responsibility Expenses (Refer note 40)	3.73	2.83
Director Sitting Fees	0.07	0.01
Commission to Non Executive Directors	0.19	-
Payment to Auditors		
Statutory Audit Fees	0.11	0.10
Miscellaneous expenses	0.61	1.33
Allowances for Credit Losses	0.94	(0.39)
Write-off for Doubtful Debt, Loans & Advances	-	1.90
Loss on Sale of Property, Plant & Equipment	0.33	0.29
	129.67	96.47

34 EXCEPTIONAL ITEMS

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Expenses on account of Composite Scheme of Arrangement		
- Stamp Duty Expense	27.34	-
- Other Expenses	0.30	-

35 INCOME TAX EXPENSE

a) Calculation of Deferred Tax Liability / (Asset)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Deferred Tax Liabilities on account of		
Property, Plant & Equipment and Intangible Assets	112.95	102.06
Gross Deferred Tax Liabilities	112.95	102.06
Deferred Tax Assets on account of		
Employee Benefits Liability	2.75	2.35
Allowances for Credit Losses	0.45	0.12
Expenses on account of Scheme of Arrangement	7.73	-
Gross Deferred Tax Assets	10.93	2.47
Net Deferred Tax Liabilities	102.02	99.59

b) Reconciliation of Income Tax Expense and the Accounting Profit multiplied by India's tax rate :

This note presents the reconciliation of Income Tax charged as per the Tax Rate specified in Income Tax Act, 1961 & the actual provision made in the Financial Statements for the year ended 31st March 2019 & 31st March 2018 with breakup of differences in Profit as per the Financial Statements & as per Income Tax Act, 1961.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

b) Reconciliation of Income Tax Expense and the Accounting Profit multiplied by India's tax rate : (Contd...) (₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Profit Before Tax	356.52	258.97
Tax Rate for Corporate Entity as per Income Tax Act, 1961	34.94%	34.61%
Tax Expense as per Income Tax Act, 1961	124.58	89.63
Effect of restatement as per Ind AS 103	(0.21)	2.88
Tax Effect of Non Deductible Items under Income Tax Act	1.05	0.55
Change in Tax Rate	-	0.96
Adjustments of earlier years	1.40	0.45
Others	0.99	(0.08)
Tax Expense as per Profit & Loss Account	127.81	94.39

36 FINANCIAL INSTRUMENTS AND RISK REVIEW

a) Accounting Classification and Fair Value Hierarchy

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.

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.

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, 2019 :

(₹ in Crores)

Particulars	Fair Value through profit or loss (Level-2)	Amortised cost	Total
Financial Assets			
Cash and cash equivalents	-	159.25	159.25
Other Bank balances	-	0.51	0.51
Trade Receivables	-	82.79	82.79
Loans	-	359.22	359.22
Other Financial Assets	-	26.53	26.53
Total	-	628.30	628.30
Financial Liabilities			
Borrowings	-	393.97	393.97
Trade Payables	-	103.85	103.85
Other Financial Liabilities	-	323.50	323.50
Total	-	821.32	821.32

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

36 FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd...)

As at 31st March, 2018 :

(₹ in Crores)

Particulars	Fair Value through profit or loss (Level-2)	Amortised cost	Total
Financial Assets			
Cash and cash equivalents	-	24.03	24.03
Other Bank balances	-	0.45	0.45
Investments	65.25	-	65.25
Trade Receivables	-	141.16	141.16
Loans	-	1,360.02	1,360.02
Other Financial Assets	-	24.87	24.87
Total	65.25	1,550.53	1,615.78
Financial Liabilities			
Borrowings	-	1,344.70	1,344.70
Trade Payables	-	137.15	137.15
Other Financial Liabilities	-	337.68	337.68
Total	-	1,819.53	1,819.53

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.

b) Financial Risk Management Objective and Policies :

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.

Interest rate risk

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.

In case of fluctuation in interest rates by 50 basis points and all other variables were held constant, the Company's profit for the year would increase or decrease as follows :

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Impact on profit for the year	1.98	1.75

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

36 FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd...)

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.

Liquidity risk

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 the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at 31st March, 2019 :

(₹ in Crores)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	48.21	246.52	99.24	393.97
Other Non Current Financial Liabilities	-	3.48	269.72	273.20
Other Current Financial Liabilities	50.30	-	-	50.30
Trade Payables	103.85	-	-	103.85
Total	202.36	250.00	368.96	821.32

As at 31st March, 2018 :

(₹ in Crores)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	110.44	1,093.36	140.85	1,344.65
Other Non Current Financial Liabilities	-	0.84	231.68	232.52
Other Current Financial Liabilities	105.16	-	-	105.16
Trade Payables	137.15	-	-	137.15
Total	352.75	1,094.20	372.53	1,819.48

c) 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 monitors capital using gearing ratio, which is net debt divided by total capital plus debt.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

36 FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd...)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Total Borrowings (Refer notes 19 and 23)	393.97	1,344.70
Less: Cash and bank balance (Refer notes 13 and 14)	159.76	24.48
Net Debt (A)	234.21	1,320.22
Total Equity (B)	1,111.48	878.92
Total Equity and Net Debt (C=A+B)	1,345.69	2,199.14
Gearing Ratio	17%	60%

Management monitors the return on capital, as well as the level of dividends to equity shareholders. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2019 and 31st March, 2018.

37 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
A) Contingent Liabilities		
a) Pending labour matters contested in various courts	0.95	0.66
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	59.58	52.95
e) In respect of Income Tax	2.20	3.53
f) Special Civil Suits	0.25	0.25
g) Corporate Guarantee on behalf of JV Company	3,471.94	2,471.38
h) Case pending in CCI	25.67	25.67
Total (A)	3,560.70	2,554.56
B) Commitments		
Estimated amount of contracts on capital account to be executed and not provided for (net of advances)	59.36	11.47
Total (B)	59.36	11.47
Total (A+B)	3,620.06	2,566.03

C) 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.

38 OPERATING LEASES

Disclosure as required by the Ind AS 17, "Leases" as prescribed under Companies (Indian Accounting Standard) Rules, 2015 (as amended) are given below:

- The aggregate lease rentals payable are charged to the Statement of Profit and Loss as Rent in Note 33
- The leasing arrangements which are cancellable at any time on month to month basis and in some cases between 11 months to 5 years are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally interest free refundable deposits have been given.
- Disclosure in respect of leasing arrangements which are non cancellable for a period exceeding 5 years is as under :

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

38 OPERATING LEASES (Contd...)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Total of future minimum lease payment under non-cancellable operating lease for each of the following periods :		
Not later than one year	3.16	2.50
Later than one year and not later than five years	8.56	8.10
Later than five years	9.56	11.68
Lease payment recognised in Statement of Profit & Loss	3.20	2.40

39 EARNING PER SHARE

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Net Profit attributable to Equity Shareholders (₹ in Crores)	228.71	164.58
Weighted Average Number of shares	1,099,810,083	1,099,810,083
Face Value (in ₹)	1.00	1.00
Earning per Share		
Basic (in ₹)	2.08	1.50
Diluted (in ₹)	2.08	1.50

Note :

Since business combination under the Scheme of Arrangement has been accounted for as a common control transaction (refer note 18 & 43) and the financial information in respect of previous periods have been restated, number of equity shares have also been restated for the purpose of EPS calculation to ensure comparability.

40 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 ₹ 3.73 Crores (31st March, 2018 : ₹ 2.83 Crores) as per requirement of Section 135 of Companies Act, 2013 and had spent ₹ 3.73 Crores (31st March, 2018 : ₹ 2.83 Crores) for the year.

(₹ in Crores)

Particulars	Amount Contributed	Amount yet to be contributed	Total
a) Construction/acquisition of any assets	-	-	-
b) On purpose other than (a) above	3.73	-	3.73
Total	3.73	-	3.73

41 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:

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Provident Fund	1.17	1.18
Super Annuation Fund	0.06	0.08
Total	1.23	1.26

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

(b) Defined Benefit Obligations :

The Company provides for gratuity for eligible employees in India as per the Payment of Gratuity Act, 1972, 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. Liability in respect of Gratuity is determined based on actuarial valuation done by actuary as at the balance sheet date. Disclosures in respect of the defined benefit obligation (i.e. Gratuity) are as follows.

Particulars	(₹ in Crores)	
	AS AT 31 st March, 2019	AS AT 31 st March, 2018
i) Change in Present Value of the defined benefit obligation		
Defined benefit obligation as at the beginning of period	6.35	5.60
Current Service Cost	0.79	0.62
Interest cost	0.51	0.42
Actuarial loss/(gain) - Due to change in Demographic Assumptions	-	0.02
Actuarial loss/(gain) - Due to change in Financial Assumptions	0.20	(0.15)
Actuarial loss/(gain) - Due to Experience	0.81	(0.06)
Acquisition Adjustment	0.25	-
Benefits paid	(0.44)	(0.10)
Defined benefit obligation as at end of the period	8.47	6.35
ii) Change in Fair Value of Plan Assets		
Fair value of plan assets as at the beginning of period	3.82	3.04
Expected return on plan assets	0.29	0.23
Employer's Contributions	1.93	0.65
Actuarial (loss)/gain	0.09	-
Benefit paid	(0.44)	(0.10)
Fair value of plan assets as at end of the period	5.69	3.82
iii) Net Asset / (Liability) recognised in the Balance Sheet		
Present value of defined obligation	8.47	6.35
Fair Value of Plan Assets	5.69	3.82
Net Asset / (Liability)	(2.78)	(2.53)
iv) The major categories of plan assets as a percentage of fair value of total plan assets are as follows:		
Policy of Insurance	100%	100%
v) Expense recognised in the Statement of Profit and Loss		
Current Service Cost	0.79	0.62
Interest cost	0.51	0.42
Expected return on the plan assets	(0.29)	(0.23)
	1.01	0.81
vi) Expense recognised in Other Comprehensive Income		
Actuarial (Gains) / Losses	1.01	(0.19)
Return on plan assets, excluding amount recognised in net interest expense	0.09	-
	0.92	(0.19)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

vii) Actuarial Assumptions & Sensitivity Analysis

The principal actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, turnover rate and mortality. The same are shown below :

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Discount Rate	7.60%	7.80%
Mortality	IALM(2006-08)	IALM(2006-08)
Attrition Rate	1.00%	1.00%
Rate of Escalation in Salary (p.a.)	8.00%	8.00%

The sensitivity analysis below has 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 :

Particulars	Increase in assumptions		Decrease in assumptions	
	AS AT 31 st March, 2019	AS AT 31 st March, 2018	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Discount Rate (- / + 1%)	7.52	5.66	9.60	7.18
Salary Growth Rate (- / + 1%)	9.58	7.17	7.52	5.66
Attrition Rate (- / + 1%)	8.45	6.34	8.49	6.36
Mortality Rate (- / + 1%)	8.47	6.35	8.47	6.35

viii) Effect of Plan on Entity's Future Cash Flows

a) Funding Arrangement

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 ₹ 3.59 Crores

c) Maturity Profile of Defined Benefit Obligation

The average duration of the defined benefit plan obligation at the end of the reporting period is 13 years (31 March 2018: 12 years). The expected maturity analysis of gratuity benefits is as follows :

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Less than a year	0.86	1.05
Between 2 to 5 years	1.35	0.92
Between 6 to 10 years	3.30	2.05
Beyond 10 years	20.91	16.34
	26.43	20.37

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

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) Other Long Term Employee Benefits :

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, 2019 is ₹ 3.87 Crores (31st March 2018: ₹3.12 Crores).

42 RELATED PARTY TRANSACTIONS

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set below. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company.

i) Name of related parties & description of relationship

a) Ultimate Holding Entity

S. B. Adani Family Trust (SBAFT) (w.e.f. 29.08.2018)

Adani Enterprises Limited (upto 28.08.2018)

b) Holding Entity

Adani Gas Holding Limited (upto 10.08.2018)

c) Joint Venture

IndianOil-Adani Gas Private Limited

d) Entities on which one or more KMP have a significant influence/control with whom transaction done during the year:

Adani Enterprises Limited (w.e.f. 29.08.2018)

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 Ports and Special Economic Zone Limited

e) Key Managerial Personnel

Mr. Gautam S. Adani (w.e.f. 22.10.2018)

Mr. Rajesh S. Adani (upto 22.10.2018)

Mr. Pranav V. Adani, Director

Mr. Rajeev Sharma, Whole-time Director (upto 22.10.2018)

Mr. Suresh P Manglani, Executive Director (w.e.f. 22.10.2018)

Mr. Naresh Poddar, CFO (upto 31.01.2019)

Mr. Hardik Sanghvi, Company Secretary (upto 08.08.2018)

Mr. Gunjan Taunk, Company Secretary (w.e.f. 26.08.2018)

f) Non Executive Directors

Mr Maheshwar Sahu (w.e.f. 22.10.2018)

Mrs Chandra Iyengar (w.e.f. 22.10.2018)

Mr Naresh Kumar Nayyar (w.e.f. 22.10.2018)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

ii) Transactions with Related parties

(0.00 denotes amount less than ₹50000)

(₹ in Crores)

Related Party	Relation	Nature of Transaction	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Adani Enterprises Limited	Entities on which one or more KMP have a significant influence /control	Loan Given	176.30	1,003.03
		Loan Received back	1,177.06	2.18
		Transfer of Employee Liabilities	0.48	0.00
		Transfer of Employee Loans and Advances	0.00	-
		Receipt of Interest on Loan	68.51	69.48
		Purchase of Inventories	12.53	9.22
		Services Availed	8.22	4.71
		Issue of Preference Shares	-	233.60
Adani Energy Limited		Advances Written Off	-	1.90
Adani Power (Mundra) Limited		Transfer of Employee Liabilities	-	0.01
Adani Power Limited		Purchase of Fixed Asset	0.01	-
Adani Foundation		Donation	3.73	2.83
Karnavati Aviation Private Limited		Services Availed	2.40	-
Belvedere Golf and Country Club Private Limited		Services Availed	0.05	0.01
Adani Properties Private Limited		Rent Expense	-	0.10
Shantikrupa Estates Private Limited		Services Availed	3.47	1.70
Adani Township & Real Estate Company Private Limited		Services Availed	0.00	0.00
Adani Ports and Special Economic Zone Limited	Joint Venture	Transfer of Employee Liabilities	-	0.01
		Rent Expense	0.43	-
Adani Wilmar Limited		Purchase of Goods	-	65.09
Adani Agri Fresh Limited		Interest expense	-	1.08
	Joint Venture	Borrowings repaid during the year	-	232.56
IndianOil-Adani Gas Private Limited		Sale of Inventory	0.06	1.46
		Services Rendered	2.79	3.93
		Corporate Guarantee Commission	2.60	2.47
		Investment in Equity	51.50	32.50
Rajeev Sharma	Whole Time Director	Short-term Benefits	2.25	0.18
Shridhar Tambraparni	Whole Time Director	Short-term Benefits	-	1.25
Suresh P Manglani	Executive Director	Short-term Benefits	0.69	-
Naresh Poddar	CFO	Short-term Benefits	0.91	0.65
Mr Maheshwar Sahu	Non Executive Directors	Director Sitting Fees	0.02	-
		Commission	0.05	-
Mrs Chandra Iyengar		Director Sitting Fees	0.02	-
		Commission	0.05	-
Mr Naresh Kumar Nayyar		Director Sitting Fees	0.02	-
		Commission	0.05	-

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

Terms and conditions of transactions with related parties

- (1) 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.
- (2) 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
- (3) All above figures are net of taxes wherever applicable.

iii) Balances with Related Parties

(0.00 denotes amount less than ₹50000)

(₹ in Crores)

Related Party	Relation	Nature of Transaction	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Adani Enterprises Limited	Entities on which one or more KMP have a significant influence/control	Trade Payables	3.39	3.63
		Other Current Financial Assets	-	0.00
		Other Non Current Financial Assets	-	0.00
		Other Non Current Assets	-	0.65
		Other Current Assets	-	2.00
		Non Current Loans	-	1,000.86
		Current Loans	359.02	358.91
Adani Ports and Special Economic Zone Limited		Trade Payables	0.47	-
Adani Power (Mundra) Limited	Joint Venture	Other Current Financial Assets	0.01	0.01
Belvedere Golf and Country Club Private Limited		Trade Payables	0.01	-
Adani Township & Real Estate Company Private Limited		Trade Payables	0.00	-
Adani Properties Private Limited		Trade Payables	-	0.11
Karnavati Aviation Private Limited		Trade Payables	0.27	-
Shantikrupa Estates Private Limited		Trade Payables	0.67	0.52
		Other Non Current Assets	1.06	0.24
Adani Wilmar Limited		Trade Payables	-	68.35
IndianOil-Adani Gas Private Limited		Other Non Current Financial Assets	-	10.00
		Corporate Guarantee	3,471.94	2,471.38
		Other Current Financial Assets	3.88	3.77

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

- iv) 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) Regulations, 2015, as amended

(₹ in Crores)

Sr No	Name of Entity	Closing Balance AS AT 31 st March, 2019	Maximum amount outstanding during the year
1	Adani Enterprises Limited		
	(C.Y.)	359.02	1,359.87
	(P.Y.)	1,359.77	1,485.92

43 BUSINESS COMBINATION

- A) The Board of Directors of Adani Enterprises Limited (hereinafter referred as "AEL"), the Board of Directors of Adani Gas Holdings Limited (hereinafter referred as "AGHL") and the Board of Directors of the Company had approved the Composite Scheme of Arrangement ("the Scheme") among AEL, AGHL and the Company and their respective shareholders and creditors. The Scheme was approved by National Company Law Tribunal ("NCLT") bench at Ahmedabad vide its order dated 3rd August, 2018. Pursuant to the sanction of the Scheme, AGHL has been amalgamated with the Company with the appointed date of 10th August, 2018 and the Gas Sourcing and Distribution business of AEL has been demerged to the Company with the appointed date of 28th August, 2018.

Since the above transactions qualify as common control business combinations under Ind AS 103 - "Business Combinations", the previous period comparative figures have been restated as if the business combination had occurred with effect from 1st April, 2017 and accordingly, Goodwill / Capital reserve is calculated based on the net assets as on 1st April, 2017. Total income and net profit after tax for the year ended 31st March, 2018 have been restated by ₹144.13 Crs and ₹8.32 Crs respectively.

Also, as per the Scheme, following effects have also been considered in the books of accounts of the Company.

- Existing 25,67,42,040 equity shares of ₹ 10/- each held by AGHL in the Company stands cancelled, and are ultimately replaced by 109,98,10,083 equity shares of ₹ 1/- each, issued to the shareholders of AEL in swap ratio of 1 equity share of the Company for each equity share held by shareholders of AEL.
 - The transfer and vesting of Gas Sourcing and Distribution business qualifies as a common control transaction as per Ind AS 103 "Business Combinations" and is accordingly accounted for using the "Pooling of Interest Method".
 - The excess of value from cancellation of existing share capital and the book value of assets and liabilities transferred over the value of fresh equity shares allotted has been recorded as Capital Reserve.
- B) As per Ind AS 103, previous period figures have been restated and following is the impact on Balance Sheet, Statement of Profit and Loss and Cash Flow Statement of the Company due to this restatement.

Reconciliation of Balance sheet as on 31st March, 2018:

(₹ in Crores)

Particulars	As at 31 st March, 2018		
	Before restatement	Impact of restatement	Restated
ASSETS			
Non-current Assets			
Property, Plant and Equipment	868.16	-	868.16
Capital Work-In-Progress	101.83	-	101.83
Goodwill	25.49	-	25.49

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

Reconciliation of Balance sheet as on 31st March, 2018: (Contd...)

(₹ in Crores)

Particulars	AS AT 31 st March, 2018		
	Before restatement	Impact of restatement	Restated
Other Intangible Assets	3.07	-	3.07
Financial Assets			
(i) Investment	124.00	-	124.00
(ii) Loans	-	1,000.86	1,000.86
(iii) Other Financial Assets	19.02	1.99	21.01
Income Tax Assets (net)	3.17	6.98	10.15
Other Non-current Assets	7.17	(0.65)	6.52
Current Assets			
Inventories	42.16	-	42.16
Financial Assets			
(i) Investments	12.51	52.74	65.25
(ii) Trade Receivables	64.27	76.89	141.16
(iii) Cash & cash equivalents	23.83	0.20	24.03
(iv) Bank Balances other than (iii)	0.45	-	0.45
(v) Loans	359.16	-	359.16
(vi) Other Financial Assets	3.86	-	3.86
Other Current Assets	16.72	(1.83)	14.89
Total Assets	1,674.87	1,137.18	2,812.05
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	256.74	(146.76)	109.98
Other Equity	631.15	137.79	768.94
Liabilities			
Non-current Liabilities			
Financial Liabilities			
(i) Borrowings	309.92	924.34	1,234.26
(ii) Other Financial Liabilities	232.52	-	232.52
Provisions	2.31	-	2.31
Deferred Tax Liabilities (net)	99.59	-	99.59
Current Liabilities			
Financial Liabilities			
(i) Trade Payables	60.68	76.47	137.15
(ii) Other Financial Liabilities	70.29	145.31	215.60
Provisions	3.36	-	3.36
Other Current Liabilities	6.05	0.03	6.08
Income Tax Liabilities (net)	2.26	-	2.26
Total Equity and Liabilities	1,674.87	1,137.18	2,812.05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

Reconciliation of Profit and Loss account for the year ended 31st March, 2018:

(₹ in Crores)

Particulars	For the year ended 31 st March, 2018		
	Before restatement	Impact of restatement	Restated
Income			
Revenue from Operations	1,385.30	72.35	1,457.65
Other Income	8.28	71.78	80.06
Total Income	1,393.58	144.13	1,537.71
Expenses			
Cost of Natural Gas and Traded Items	800.29	72.11	872.40
Changes In Inventories	0.64	-	0.64
Excise Duty on Sale of Compressed Natural Gas	83.99	-	83.99
Employee benefits expense	38.28	0.62	38.90
Finance costs	45.22	80.11	125.33
Depreciation and amortization expense	61.01	-	61.01
Other expenses	96.85	(0.38)	96.47
Total Expenses	1,126.28	152.45	1,278.74
Profit before Tax	267.30	(8.32)	258.97
Tax Expense:			
(1) Current Tax	82.82	-	82.82
(2) Adjustment of earlier years	0.45	-	0.45
(3) Deferred Tax	11.12	-	11.12
Total Tax Expenses	94.39	-	94.39
Profit after Tax	172.91	(8.32)	164.58

Reconciliation of Component of Cash flow statement for the year ended 31st March, 2018:

(₹ in Crores)

Particulars	For the year ended 31 st March, 2018		
	Before restatement	Impact of restatement	Restated
Net cash (used)/ generated from operating activities (A)	289.90	(13.04)	276.86
Net cash (used) / generated from investing activities (B)	(58.50)	(929.15)	(987.65)
Net cash (used) / generated from financing activities (C)	(216.23)	995.07	778.84
Net increase in cash and cash equivalents (A)+(B)+(C)	15.17	52.88	68.05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

- C) Also, as per Ind AS 103, Statement of Profit and Loss for the year ended 31st March, 2019 has been restated to include effect of transactions prior to respective appointment dates, when AGHL and the Gas Undertaking of AEL were operating as separate legal entity or unit. Excluding effect of such restatement, the Statement of Profit and Loss for the current year would appear as below.

Profit and Loss account for the year ended 31st March, 2019 without restatement

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019
Income	
Revenue from Operations	1,823.24
Other Income	61.80
Total Income	1,885.04
Expenses	
Cost of Natural Gas and Traded Items	1,087.27
Changes In Inventories	5.43
Excise Duty on Sale of Compressed Natural Gas	104.53
Employee benefits expense	41.78
Finance costs	62.85
Depreciation and amortization expense	67.31
Other expenses	132.31
Total Expenses	1,501.48
Profit before Exceptional Item and Taxation	383.56
Exceptional items	(27.64)
Profit before Tax	355.92
Tax Expense:	
(1) Current Tax	123.66
(2) Adjustment of earlier years	1.40
(3) Deferred Tax	2.75
Total Tax Expenses	127.81
Profit after Tax	228.11

44 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 IndianOil-Adani Gas Private Limited, a Company incorporated under the Companies Act, 2013. As at 31st March, 2019, the Company has invested a sum of ₹ 185.50 Crores (31st March, 2018: ₹ 124.00 Crores)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2019

Assets, liabilities, income & expenditure, contingent liabilities and capital commitments of the Joint Venture are as given below:

(₹ in Crores)

Particulars	IndianOil-Adani Gas Private Limited	
Country of Incorporation	India	
% of ownership interest	50%	
	FY 2018-19	FY 2017-18
Current Assets	76.31	92.51
Non Current Assets	1,033.29	651.20
Current Liabilities	136.44	70.99
Non Current Liabilities	621.22	433.75
Income	167.67	33.39
Profit/(Loss) for the year	(0.03)	(5.21)
Other Comprehensive Income	(0.01)	0.03
Total Comprehensive Income	(0.04)	(5.18)
Contingent Liabilities	0.27	-
Capital Commitments	239.77	258.97

45 EXPENSES DIRECTLY ATTRIBUTABLE TO CONSTRUCTION PERIOD:

The following expenses including finance cost which are specifically attributable to construction of project are included in Capital Work-in-Progress (CWIP) :

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Employee Benefits Expense	8.64	2.29
Finance Cost	2.01	0.18
Operating and Other Expenses	10.07	4.36
Project Expenses	5.35	8.02
Total	26.07	14.85

46 RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

a) Transition to Ind AS 115 'Revenue from Contracts with Customers'

As mentioned in note 2(II)(d) on Accounting Policies, the Company has adopted new Ind AS 115 using the cumulative effect method and has not restated comparative information. It has credited net impact of Rs.4.45 Crs in Retained Earnings for the revenue on account of outstanding contracts that existed as at 1st April, 2018.

b) Standards issued but not yet effective

The Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 has notified the following new and amendments to existing standards. These amendments are effective for annual periods beginning from 1st April, 2019. The Company will adopt these new standards and amendments to existing standards once it become effective and are applicable to it.

Ind AS 116 – Leases

Ind AS 116 'Leases' replaces existing lease accounting guidance i.e. Ind AS 17 Leases. It sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessee to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its

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obligation to make lease payments. The accounting from Lessor perspective largely remain unchanged from the existing standard – i.e. lessor will continue to classify the leases as finance or operating leases.

Amendments to existing Ind AS:

The MCA has carried amendments to the following existing standards which will be effective from 1st April, 2019. The Company is not expecting any significant impact in the financial statements from these amendments. The quantitative impacts would be finalized based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options.

1. Ind AS 12 - Income Taxes
2. Ind AS 19 - Employee Benefits

47 OTHER DISCLOSURES

- a) 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.
- 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) Item of expenditure in Statement of Profit & Loss includes reimbursement to and by the Company, as agreed upon between group Companies.
- d) 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.
- e) 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.

The Fixed Assets/ Expenses of the Company is understated to the extent of the CENVAT credit taken by the Company and the same will be charged to respective assets / revenue if, the claim of the Company for CENVAT credit is not accepted by the department.

- f) Security Deposit include amount of ₹ 2.09 Crore and interest due thereon of ₹ 1.97 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.

- 48 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 42).

49 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 27th May, 2019, there are no subsequent events to be recognized or reported that are not already disclosed

- 50** The Board of Directors at its meeting held on 27th May, 2019 have recommended the payment of final dividend of ₹ 0.25 per equity share of the face value of ₹ 1 each for the financial year 2018-19. This proposed dividend is subject to approval of shareholders in the ensuing annual general meeting.

51 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the board of directors on 27th May, 2019.

52 PREVIOUS YEAR COMPARATIVES

Previous year's figures have been recast, regrouped and rearranged, wherever necessary to bring conformity to this year's classification. Further the figures have been rounded off to the nearest rupee in crores upto two decimals.

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 : 27th May, 2019

For and on behalf of the Board ADANI GAS LIMITED

GAUTAM S. ADANI

Chairman
DIN 00006273

SURESH P MANGLANI

Executive Director
DIN 00165062

GUNJAN TAUNK

Company Secretary

Place : Ahmedabad
Date : 27th May, 2019

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 2019, 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 consideration of the reports of the other auditors referred to below in the Other Matter section below, 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, 2019, 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 independence 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 Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated 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 Matters	Procedures performed and Auditor's Response
1	Accuracy for measurement of expected credit losses for receivables - domestic consumers of Piped Natural Gas	<p>The Parent Company provides impairment for 'recoverable' from the domestic consumers of Piped Natural Gas (PNG) on the basis of lifetime expected credit loss.</p> <p>The objective of the impairment is to recognise lifetime expected credit losses for the recoverable for which there have been significant increases in credit risk since initial recognition, whether assessed on an individual or collective basis, considering all reasonable and supportable information.</p> <p>A recoverable is checked for impairment at each reporting period. There are various assessment parameters designed and adopted by the parent company on which recoveries from a move-in consumer is considered for impairment which includes but does not limit to, identification of customers to initiate litigations for recovery and for temporary disconnection.</p>

Sr. No.	Key Audit Matters	Procedures performed and Auditor's Response
		We have reviewed the amounts recoverable from the domestic consumers of PNG and their likelihood of recovery. The Parent Company has provided in full for the balances recoverable outstanding from move-in domestic consumers of PNG for more than a year, for recoveries with ongoing or proposed legal matters and customers identified for temporary disconnection. We have tested the appropriateness of controls established by recovery department of the parent company.
2	Appropriateness of Classification under Contingent Liability	<p>The Parent Company has material uncertain tax positions in relation to tax matters which involves significant judgment to determine the possible outcome of the litigation.</p> <p>We have obtained complete details of tax assessments and demands pending as on March 31, 2019 from management. There are certain grounds of appeals yet to be decided by courts, which are already decided in favour of the parent company for subsequent years by lower appellate authorities.</p> <p>As the revenue has not escalated to courts for the same matter in subsequent years as on the date of consolidated financial statements, therefore it can be said that there is no dispute alive with respect to the same. We have considered favourable legal precedence and rulings in parent company's own cases against lower appellate authorities and have taken a view that there is no contingent liability outstanding with regards to the same.</p>

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 Group's annual report, but does not include the Consolidated 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, compare with the financial statement of the joint venture audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and 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. Other information so far as it relates to the joint venture, is traced from its financial statements audited by the other auditors.

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 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.

This responsibility also includes 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 Parent company, as aforesaid.

In preparing the Consolidated Financial Statements, the Board of Directors is responsible for assessing the Group'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 or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are 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 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 entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

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 Parent's share of Net Loss after tax (and other comprehensive income) of ₹ 0.01 Crores for the year ended 31st March, 2019, in respect of one Joint Ventures, which have been audited by other auditors, whose financial statements, other financial information and auditor's reports 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 joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint venture is based solely on the reports of the other auditors. 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 work done and the reports of the other auditors.

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 reports of other auditors on separate financial statements of joint venture, 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 and the reports of the other auditors;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement 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, 2019 taken on record by the Board of Directors, and the reports of the statutory auditors of its joint venture, none of the directors is disqualified as on 31st March, 2019 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 Parent Company 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 37 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)

Place : Ahmedabad
Date : 27th May, 2019

SHUBHAM ROHATGI
Partner
(Membership No.183083)

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

We have audited the internal financial controls over financial reporting of the Parent Company as of 31st March, 2019 in conjunction with our audit of the Consolidated Financial Statements of the company for the year ended on that date. In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of other auditors referred to in the Other Matters paragraph below, the Parent and its joint venture, 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, 2019 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 Parent Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent 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 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 Parent 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 Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the joint venture, in terms of their reports referred to in 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 joint venture.

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 one joint venture, is based on the corresponding report of the auditors of the joint venture.

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)

Place : Ahmedabad
Date : 27th May, 2019

SHUBHAM ROHATGI
Partner
(Membership No.183083)

CONSOLIDATED BALANCE SHEETas at 31st March, 2019

(₹ in Crores)

Particulars	Notes	AS AT 31 st March, 2019	AS AT 31 st March, 2018
ASSETS			
I NON-CURRENT ASSETS			
(a) Property, Plant & Equipment	3	950.80	868.16
(b) Capital Work-In-Progress	4	190.47	101.83
(c) Goodwill		25.49	25.49
(d) Other Intangible Assets	3	3.89	3.07
(e) Financial Assets			
(i) Investment	5	175.97	114.49
(ii) Loans	6	-	1,000.86
(iii) Other Financial Assets	7	9.20	21.01
(f) Income Tax Assets (net)	8	11.26	10.15
(g) Other Non-Current Assets	9	7.47	6.52
		1,374.55	2,151.58
II CURRENT ASSETS			
(a) Inventories	10	43.96	42.16
(b) Financial Assets			
(i) Investments	11	-	65.25
(ii) Trade Receivables	12	82.79	141.16
(iii) Cash and Cash Equivalents	13	159.25	24.03
(iv) Bank Balances Other Than (iii) above	14	0.51	0.45
(v) Loans	15	359.22	359.16
(vi) Other Financial Assets	16	17.33	3.86
(c) Other Current Assets	17	10.50	14.89
		673.56	650.96
TOTAL ASSETS		2,048.11	2,802.54
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	18	109.98	109.98
(b) Other Equity		991.97	759.43
TOTAL EQUITY		1,101.95	869.41
LIABILITIES			
I NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	19	345.76	1,234.26
(ii) Other Financial Liabilities	20	273.20	232.52
(b) Provisions	21	3.06	2.31
(c) Deferred Tax Liabilities (net)	35	102.02	99.59
		724.04	1,568.68
II CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Trade Payables	22		
Total outstanding dues of micro and small enterprises		7.35	-
Total outstanding dues of creditors other than micro and small enterprises		96.50	137.15
(ii) Other Financial Liabilities	23	98.51	215.60
(b) Provisions	24	3.59	3.36
(c) Other Current Liabilities	25	10.16	6.08
(d) Income Tax Liabilities (net)	26	6.01	2.26
		222.12	364.45
TOTAL EQUITY AND LIABILITIES		2,048.11	2,802.54

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 : 27th May, 2019

For and on behalf of the Board

ADANI GAS LIMITED**GAUTAM S. ADANI**

Chairman

DIN 00006273

GUNJAN TAUNK

Company Secretary

Place : Ahmedabad

Date : 27th May, 2019**SURESH P MANGLANI**

Executive Director

DIN 00165062

CONSOLIDATED STATEMENT OF PROFIT & LOSS

for the year ended 31st March, 2019

(₹ in Crores)

Particulars	Notes	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Revenue from Operations	27	1,823.49	1,457.65
Other Income	28	86.68	80.06
Total Income		1,910.17	1,537.71
Expenses			
Cost of Natural Gas and Traded Items	29	1,087.21	872.40
Changes In Inventories	30	5.44	0.64
Excise Duty on Sale of Compressed Natural Gas		104.53	83.99
Employee Benefits Expense	31	42.00	38.90
Finance Costs	32	89.85	125.33
Depreciation and Amortization Expense	3	67.31	61.01
Other Expenses	33	129.67	96.47
Total Expenses		1,526.01	1,278.74
Profit for the year before Exceptional Items & Tax		384.16	258.97
Less: Exceptional Items	34	27.64	-
Profit before Tax		356.52	258.97
Tax Expense:			
(1) Current Tax		123.66	82.82
(2) Adjustment of earlier years		1.40	0.45
(3) Deferred Tax		2.75	11.12
Total Tax Expenses		127.81	94.39
Profit for the period before share of profit /(loss) from joint venture		228.71	164.58
Share of profit / (loss) from joint venture		(0.01)	(2.61)
Profit / (Loss) for the year		228.70	161.97
Other Comprehensive Income			
- Items that will be reclassified to Profit & Loss		-	-
- Items that will not be reclassified to Profit & Loss			
(a) Remeasurement of employee benefit obligations		(0.93)	0.21
(b) Income tax relating to these items		0.32	(0.05)
Total Other Comprehensive Income		(0.61)	0.16
Total Comprehensive Income for the Year		228.09	162.13
Earnings per Equity Share of ₹ 1/- each :	39		
- Basic		2.08	1.47
- Diluted		2.08	1.47

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 : 27th May, 2019

**For and on behalf of the Board
ADANI GAS LIMITED**

GAUTAM S. ADANI
Chairman
DIN 00006273

GUNJAN TAUNK
Company Secretary

Place : Ahmedabad
Date : 27th May, 2019

SURESH P MANGLANI
Executive Director
DIN 00165062

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2019

A. Equity Share Capital

(₹ in Crores)

Particulars	Amount
As at 1 st April, 2017	256.74
Add/(Less) : Changes in the Equity Share Capital due to Scheme of Arrangement	(146.76)
As at 31 st March, 2018	109.98
Add/(Less) : Changes in the Equity Share Capital	-
As at 31 st March, 2019	109.98

B. Other Equity

(₹ in Crores)

Particulars	Reserve and Surplus		Total
	Capital Reserve	Retained Earnings	
Balance as at 1 st April, 2017	146.21	451.09	597.30
Add : Profit for the year	-	161.97	161.97
Other Comprehensive Income			
Remeasurement of defined benefit plan as per P&L	-	0.16	0.16
As at 31 st March, 2018	146.21	613.22	759.43
Balance as at 1 st April 2018	146.21	613.22	759.43
Add : Transition adjustment on account of Ind AS 115	-	4.45	4.45
Add : Profit for the year	-	228.70	228.70
Other Comprehensive Income			
Remeasurement of defined benefit plan as per P&L	-	(0.61)	(0.61)
As at 31 st March, 2019	146.21	845.76	991.97

Nature and purpose of each reserve :

a) 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.

b) 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.

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 : 27th May, 2019

For and on behalf of the Board

ADANI GAS LIMITED

GAUTAM S. ADANI

Chairman

DIN 00006273

GUNJAN TAUNK

Company Secretary

Place : Ahmedabad

Date : 27th May, 2019

SURESH P MANGLANI

Executive Director

DIN 00165062

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March, 2019

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
A CASHFLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	356.52	258.97
Adjustment for:		
Depreciation and Amortization Expense	67.31	61.01
Transition adjustment on account of Ind AS 115 (net impact directly recognised in retained earnings)	4.45	-
Finance Cost	89.85	125.33
Interest Income	(71.34)	(71.06)
(Gain)/Loss from Sale of Current Investments	(11.28)	(5.67)
Loss on Sale of Property, Plant & Equipment	0.33	0.29
Allowance for Credit Losses	0.94	(0.39)
Liabilities No Longer Required	(0.05)	(0.10)
Amortization of ancillary cost of borrowing	3.30	(4.98)
Write-off for Doubtful Debt, Loans & Advances	-	1.90
Exceptional Item	27.64	-
Total Adjustments to Net Profit	111.15	106.33
Operating Profit Before Working Capital Changes	467.67	365.30
Adjustment for:		
(Increase)/Decrease in Trade and Other Receivables	43.92	(87.58)
(Increase)/Decrease in Inventories	(1.80)	(3.47)
(Increase)/Decrease in Other Financial Assets	2.01	(3.74)
(Increase)/Decrease in Other Non Financial Assets	4.39	19.47
Increase/(Decrease) in Trade Payables	(60.89)	84.43
Increase/(Decrease) in Provisions	0.06	0.01
Increase/(Decrease) in Other Financial Liabilities	19.08	(8.28)
Increase/(Decrease) in Other Non Financial Liabilities	4.08	(0.54)
Total Working Capital Changes	10.85	0.30
Cash Generated From Operations	478.52	365.60
Direct Tax (Paid)/ Refund	(122.42)	(88.74)
Net Cash from Operating Activities	356.10	276.86
B CASHFLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment and Intangible Assets (including Capital Work in Progress and capital advances)	(240.69)	(140.07)
Investment in Deposits	(0.06)	(0.43)
Interest Received	71.23	70.89
Purchase of Non Current Investments	(51.50)	(49.00)
Gain on sale of Current Investments	11.28	5.67
Loans (given to) / received back from Related Party	1,000.75	(874.71)
Net Cash from / (used in) Investing Activities	791.01	(987.65)
C CASHFLOW FROM FINANCING ACTIVITIES		
Proceeds of Non Current Borrowings	94.50	1,245.30
Repayment of Non Current Borrowings	(1,048.53)	(274.77)
Proceeds / (Repayment) of Current Borrowings	-	(170.00)
Finance Cost Paid	(161.08)	(51.96)

CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended 31st March, 2019

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Security Deposit from Customer & Contractors	37.97	30.27
Net Cash from / (used in) Financing Activities	(1,077.14)	778.84
D Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	69.97	68.05
Cash and Cash Equivalents at the beginning of the year (Note: iii)	89.28	21.23
Cash and Cash Equivalents at the end of the year	159.25	89.28

Notes to Cash Flow Statement:

(I) Reconciliation of Cash and Cash Equivalents with the Balance Sheet:

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Current Investment (Refer note 11)	-	65.25
Cash and Cash Equivalents (Refer note 13)	159.25	24.03
Total	159.25	89.28

- (ii) The Consolidated Statement of Cash Flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash Flows'.
- (iii) The previous year figures includes ₹ 0.06 crores of AGHL pursuant to restatement as per Ind AS 103 'Business Combination'
- (iv) Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

As at 31st March, 2019 :

(₹ in Crores)

Particulars	AS AT 31 st March, 2018	Cash Flows	Amortization of ancillary cost of borrowing	AS AT 31 st 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

As at 31st March, 2018 :

(₹ in Crores)

Particulars	AS AT 31 st March, 2017	Cash Flows	Amortization of ancillary cost of borrowing	AS AT 31 st March, 2018
Non - Current borrowings	320.72	918.28	(4.74)	1,234.26
Current maturity of Non-Current borrowings	58.43	52.25	(0.24)	110.44
Current Borrowing	170.00	(170.00)	-	-
Total	549.15	800.53	(4.98)	1,344.70

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 : 27th May, 2019

For and on behalf of the Board
ADANI GAS LIMITED

GAUTAM S. ADANI

Chairman
DIN 00006273

GUNJAN TAUNK

Company Secretary

Place : Ahmedabad
Date : 27th May, 2019

SURESH P MANGLANI

Executive Director
DIN 00165062

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

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. During the year under review, equity shares of the Company are listed in India on both the stock exchanges i.e. BSE Limited and the National Stock Exchange of India Limited on 5th November, 2018. AGL, along with its joint venture, is engaged in City Gas Distribution ("CGD") business and supplies natural gas to domestic, commercial, industrial and vehicle users in 13 geographical areas. Recently, the Company and its joint venture have won authorisation for expanding its business footprint to 25 new geographical areas.

2 SIGNIFICANT ACCOUNTING POLICIES

I) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

A) 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.

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.

B) 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 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 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	
				31 st March 2019	31 st March 2018
1	IndianOil-Adani Gas Private Limited	India	Joint Venture	50% by AGL	50% by AGL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

C) 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.

Estimates and assumptions are required in particular for:

i) Useful life 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.

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 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 other provisions:

The 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.

D) CURRENT & NON-CURRENT CLASSIFICATION

All the assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of activities and time between the activities performed and their subsequent realization in cash or cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

II) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) INVENTORIES

- i) Inventories are valued at lower of Cost or Net Realisable Value (NRV).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

- ii) Stores and Spares are valued at cost or NRV whichever is less. Cost is determined on Weighted Average basis and comprises of expenditure incurred in the normal course of business in bringing inventories to their location and condition including appropriate overheads.
- 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.

B) CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short-term balances (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 and which are subject to insignificant risk of changes in value.

C) CONSOLIDATED CASH FLOW STATEMENT

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

D) REVENUE RECOGNITION

Effective 1st April, 2018, the Group has adopted Ind AS 115 'Revenue from Contracts with Customers' using the cumulative effect method. Accordingly, the standard is applied only to the contracts that were not completed as at 1st April, 2018 and the comparative information in the statement of profit and loss is not restated. The impact of adoption of the standard on the Consolidated financial statements of the Group is disclosed separately in notes.

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.

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.

- i) 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.
- ii) Revenue on sale of Compressed Natural Gas (CNG) is recognized on sale of gas to customers from CNG stations.
- iii) Gas Transportation Income is recognized in the same period in which the related volumes of gas are delivered to the customers.
- iv) Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- v) Dividend income from investments is recognised when the Company's right to receive payment is established.

Contract Assets

The Group recognises a contract asset corresponding to the revenue recognised when it has performed its obligation under contract, but consideration is not due. 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.

Contract Liability

The Group recognises a contract liability when consideration is received or due from customer, but the Group is yet to perform its obligations under the contract. The same is disclosed as "Advance from Customers" under Other Current Liabilities.

E) PROPERTY, PLANT & EQUIPMENTS

- i) 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

- ii) Property, Plant and Equipments, including Capital Work in Progress, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses and net of taxes (Cenvat and VAT credit wherever applicable). The cost of assets not put to use before the year end and Capital Inventory, are disclosed under Capital Work-in-Progress.
- iii) 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.
- iv) 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.
- v) 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. However cost of day to day servicing are recognized in profit or loss as incurred. Cost of day to day service primarily include costs of labor, consumables and cost of small spare parts.
- vi) Leasehold land is carried at Cost, comprising of Lease Premium and expenses on acquisition thereof, as reduced by accumulated amortization.
- vii) The Natural Gas distribution systems for PNG connections are commissioned on commencement of supply of gas to the individual consumers.
- viii) The CNG outlets are commissioned on commencement of sale of CNG to the customers.
- ix) 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.

- x) 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.
- xi) 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. Leasehold land and leasehold improvements are amortised over the period of the lease.
- xii) 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	8 years
Dispensers	8 years
Canopy	10 years
Cascades	15 years
Steel Pipes & Fittings	20 years
PE pipes & Fittings	20 Years

F) INTANGIBLE ASSETS

- i) 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.
- ii) Goodwill acquired as a result of demerger of CGD business from Adani Energy Ltd is measured at net value as at 31st March, 2015. Goodwill is not amortized but will be checked for impairment at regular intervals of time when there are certain indications that

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

recoverable amount of cash generating unit is less than its carrying amount.

- iii) 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
Right of Use of Land	Over the period of Rights

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 Consolidated 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 measurement of financial assets depends on their classification, as described below:

1) At amortised cost

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

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, 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.

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 Consolidated Statement of Profit and Loss. The losses arising from impairment are recognised in the Consolidated 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 Consolidated 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 recognition inconsistency (referred to as 'accounting mismatch').

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

Derecognition

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 Consolidated Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Consolidated 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

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:

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 Consolidated 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 Consolidated Statement of Profit and Loss.

At Fair Value through Profit or Loss (FVTPL)

Financial liabilities at FVTPL 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 Consolidated Statement of Profit and Loss.

Derecognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

H) FOREIGN CURRENCY TRANSACTIONS

i) Functional and Presentation currency

The Consolidated financial statements are presented in Indian Rupee (INR), which is entity's functional and presentation currency.

ii) 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 Consolidated 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.

I) 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

i) Defined Benefit Plans

The Group operates a defined benefit gratuity

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

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.

ii) 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.

iii) Other Long-Term Employee Benefits

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.

J) BORROWING COSTS

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. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

K) 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 Consolidated financial statements themselves as at and for the financial year ended 31st March, 2019 as determined by Chief Operational Decision Maker, in accordance with Ind-AS 108 "Operating Segment"

L) LEASES

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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Consolidated statement of profit and loss, unless they are directly

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rentals expense from operating lease is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

M) EARNING PER SHARE

Basic EPS is computed by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the year. Diluted EPS 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.

N) INCOME 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.

i) CURRENT INCOME 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.

ii) DEFERRED TAXATION

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 Consolidated 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.

O) IMPAIRMENT OF TANGIBLE 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

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.

P) PROVISIONS, CONTINGENT LAIBILITIES & 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.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more future events not wholly in control of the Group are not recognised in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the Consolidated financial statements.

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.

Q) BUSINESS COMBINATIONS

Business combination involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities / business are reflected at their carrying value.

Purchase consideration paid in excess / shortfall of the fair value of identifiable assets and liabilities including contingent liabilities and contingent assets, is recognised as goodwill / capital reserve respectively, except in case where different accounting treatment specified in the scheme approved by regulatory authority.

R) 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 for the year ended 31st March, 2019

3 PROPERTY, PLANT & EQUIPMENTS & INTANGIBLE ASSETS

(₹ in Crores)

PARTICULARS		Property, Plant & Equipments								Intangible Assets			
		Free-hold Land	Lease-hold Land	Building	Office Equip-ments	Computer	Vehicles	Furniture	Plant & Machi-nery	Total	Computer Software	Right of Use of Land	Total
Year Ended 31 st March, 2018													
Gross Carrying Value													
Opening Gross Carrying Amount		16.53	43.52	52.45	4.03	3.11	0.36	8.72	777.93	906.65	7.66	0.12	7.78
Addition during the Year		-	-	1.06	0.47	2.70	-	0.37	121.50	126.10	0.12	-	0.12
Deduction during the Year		-	-	-	0.00	0.00	0.10	-	1.11	1.21	-	-	-
Transfer		-	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Value		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
Accumulated Depreciation													
Opening Accumulated Depreciation		-	0.98	1.85	1.54	0.93	0.14	3.49	95.82	104.75	3.26	0.10	3.36
Depreciation during the year		-	0.49	1.20	0.77	0.93	0.07	1.35	54.74	59.55	1.46	0.01	1.47
Deduction during the Year		-	-	-	0.00	0.00	0.07	-	0.85	0.92	-	-	-
Transfer		-	-	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation		-	1.47	3.05	2.31	1.86	0.14	4.84	149.71	163.38	4.72	0.11	4.83
Net Carrying Amount		16.53	42.05	50.46	2.20	3.95	0.12	4.25	748.61	868.16	3.06	0.01	3.07
Year Ended 31 st 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

Notes:

- Lease hold land is amortised over a period of lease. Amount of amortisation for the current year is shown in depreciation column.
- Refer note 19 for Securities
- Management has carried out a review, of the carrying value of assets as March 31, 2019 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 upon by the auditor.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

4 CAPITAL WORK IN PROGRESS

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Capital Work in Progress (Refer note below)	85.61	49.42
Capital Inventory	104.86	52.41
	190.47	101.83

Note: Includes expenditure directly attributable to construction period of ₹ 26.07 Crores (31st March, 2018 : ₹ 14.85 Crores) (Refer note 46)

5 NON CURRENT INVESTMENT

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Unquoted Investments (All fully paid)		
Investments in Equity Instruments (Face value of ₹ 10 each)		
In Joint Venture (Accounted using Equity Method)		
IndianOil-Adani Gas Private Limited 18,55,00,000 Shares (31 st March, 2018: 12,40,00,000 Shares)	175.97	114.49
	175.97	114.49
Aggregate value of unquoted investments	175.97	114.49

6 NON CURRENT LOANS (Unsecured, considered good)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Loans to related parties	-	1,000.86
	-	1,000.86

Note: Refer note 42 for Related Party Balances

7 OTHER NON CURRENT FINANCIAL ASSETS (Unsecured, considered good)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Security Deposits		
- With Government	1.96	4.21
- With Others	5.27	4.98
Interest accrued and due on deposits	1.94	1.79
Interest accrued but not due on deposits	0.03	0.03
Share application money pending allotment		
JV-IndianOil-Adani Gas Private Limited	-	10.00
	9.20	21.01

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

8 INCOME TAX ASSETS (net)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Advance Payment of Income Tax (net of provision)	11.26	10.15
	11.26	10.15

9 OTHER NON CURRENT ASSETS (Unsecured, Considered Good)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Capital Advances	1.34	0.39
Balance with Government Authorities	6.13	6.13
	7.47	6.52

Note: Refer note 42 for Related Party Balances

10 INVENTORIES (At lower of cost or net realisable value)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Stock of Natural Gas	1.31	6.75
Stores and spares	42.65	35.41
	43.96	42.16

Note: Refer note 19 for security / hypothecation

11 CURRENT INVESTMENTS

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Investment in Unquoted Mutual Funds (measured at fair value)		
NIL (31 st March, 2018: 28,885,899) Units in Indiabulls Liquid Fund - Direct Plan Growth (LFG1) of ₹ 1000 each	-	4.91
NIL (31 st March, 2018: 7,944,246) Units in LIC Nomura MF Liquid Fund - Direct Plan - Growth of ₹ 1000 each	-	2.50
NIL (31 st March, 2018: 26,668,891) Units in Peerless Liquid Fund - Direct Plan - Growth of ₹ 1000 each	-	5.10
NIL (31 st March, 2018: 3,256,297) Units in LIC MF Liquid Fund - Direct Plan - Growth of ₹ 1000 each	-	1.03
NIL (31 st March, 2018: 189,805,715) Units in SBI Premier Liquid Fund - Direct Plan - Growth of ₹ 1000 each	-	51.71
	-	65.25
Aggregate value of unquoted investments	-	65.25

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

12 TRADE RECEIVABLES

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Unsecured, considered good	82.79	141.16
Considered Doubtful	1.28	0.34
	84.07	141.50
Allowances for Credit Losses	(1.28)	(0.34)
	82.79	141.16

Note: Refer note 19 for security

13 CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
i) Balances with Banks		
- In Current Accounts	136.36	8.30
- Deposit with original maturity of less than 3 months	22.85	15.65
ii) Cash on Hand	0.04	0.08
	159.25	24.03

14 OTHER BANK BALANCES

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Deposits with original maturity over 3 months but less than 12 months	0.51	0.45
	0.51	0.45

15 CURRENT LOANS (Unsecured, considered good)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Loans to related parties	359.02	358.91
Loan to employees	0.20	0.25
	359.22	359.16

Note: Refer note 42 for Related Party Balances

16 OTHER CURRENT FINANCIAL ASSETS (Unsecured, considered good)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Unbilled Receivable	13.70	-
Interest Accrued but not due on deposit	0.04	0.08
Other Receivables from Related Parties	3.59	3.78
	17.33	3.86

Note: Refer note 42 for Related Party Balances

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

17 OTHER CURRENT ASSETS (Unsecured, considered good)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Advance against expenses	1.92	1.03
Balance with Government Authorities	7.74	13.74
Prepaid Expenses	0.84	0.12
	10.50	14.89

Note: Refer note 42 for Related Party Balances

18 EQUITY SHARE CAPITAL

PARTICULARS	AS AT 31 st March, 2019		AS AT 31 st March, 2018	
	No. of Share	(₹ in Crores)	No. of Share	(₹ in Crores)
AUTHORISED				
Equity Shares of ₹ 1 each (previous year ₹10 each)	5,099,500,000	509.95	260,000,000	260.00
	5,099,500,000	509.95	260,000,000	260.00
ISSUED, SUBSCRIBED & PAID-UP				
Equity Shares of ₹ 1 each (previous year ₹10 each)	1,099,810,083	109.98	256,742,040	256.74
	1,099,810,083	109.98	256,742,040	256.74
Share Capital Suspense Account (Scheme of Arrangement) (Refer note : (a) below)	-	-	-	(146.76)
	1,099,810,083	109.98	256,742,040	109.98

(a) Share Capital Suspense Account as at 31st March, 2018 represents, difference between equity shares cancelled and allotted to the shareholders of Adani Enterprise Limited (AEL) in swap ratio of 1 equity shares of the Company for every 1 equity shares held by shareholders of AEL.

(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

PARTICULARS	AS AT 31 st March, 2019		AS AT 31 st March, 2018	
	No. of Share	(₹ in Crores)	No. of Share	(₹ in Crores)
At the beginning of the year of ₹ 10 each	256,742,040	256.74	256,742,040	256.74
Less : Shares Cancelled during the year of ₹10 each (Refer note 43)	(256,742,040)	(256.74)	-	-
Add : Shares Issued during the period of ₹10 each (Refer note 43)	233,600,000	233.60	-	-
Less : Shares Cancelled during the year of ₹10 each (Refer note 43)	(233,600,000)	(233.60)	-	-
Add : Shares Issued during the period of ₹1 each (Refer note 43)	1,099,810,083	109.98	-	-
Outstanding at the end of the year of ₹ 1 each	1,099,810,083	109.98	256,742,040	256.74

(c) 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 shareholders. The Company declares and pays dividends in Indian rupees. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

(d) Details of shareholders holding more than 5% shares in the Company

Name of Share Holders	AS AT 31 st March, 2019		AS AT 31 st March, 2018	
	No. of Share	% holding the Class	No. of Share	% holding the Class
Adani Gas Holdings Limited along with its Nominee	-	-	256,742,040	100%
Shri Gautam S. Adani/Shri Rajesh S. Adani (on behalf S. B. Adani Family Trust)	619,697,910	56.35%	-	-
Adani Tradeline LLP	99,491,719	9.05%	-	-

19 NON CURRENT BORROWINGS

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Secured		
Term Loans from Banks (refer note a & b)	345.71	309.92
Non Convertible Debentures	-	924.29
Unsecured		
10% Cumulative Redeemable Preference Share(refer note c)	0.05	0.05
	345.76	1,234.26

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 present & future current assets of the Company, uncalled capital present and future, goodwill, cash flows, receivables, book debt and revenue of Adani Gas Limited.

b) Repayment terms:

- Long Term Rupee Term Loan of ₹ 208.40 Crores is repayable in 12 Quarterly Instalments of ₹ 6.51 Crores each from FY 20 to FY 22, 11 Quarterly Instalments of ₹ 10.42 Crores each from FY 23 to Q3 FY 25 and final instalment of ₹ 15.63 Crores in Q4 FY 25 and said loan carries interest rate equal to the benchmark rate, presently @ 8.8% and is payable on monthly basis.
- Long Term Rupee Term Loan of ₹ 117.81 Crores is repayable at 13 Quarterly Instalments of ₹ 3.57 Crores each from FY 20 to Q1 FY 23, 10 Quarterly Instalments of ₹ 5.71 Crores each from Q2 FY 23 to Q3 FY 25 and instalment of ₹ 7.85 Crores in Q4 FY 25 and final instalment of ₹ 6.43 Crores in Q1 FY 26 and said loan carries interest rate equal to the benchmark rate, presently @ 8.80% and is payable on monthly basis.
- Long Term Rupee Term Loan of ₹ 69.70 Crores is repayable in 14 Quarterly Instalments of ₹ 2.05 Crores each from FY 20 to Q2 FY 23, 8 Quarterly Instalments of ₹ 3.28 Crores each from Q3 FY 23 to Q2 FY 25 and 4 Quarterly Instalments of ₹ 3.69 Crores each from Q3 FY 25 to Q2 FY 26 and said loan carries interest rate equal to the benchmark rate, presently @ 8.75% and is payable on monthly basis.
- For current maturities of long term borrowing, refer note 23 "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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

20 OTHER NON CURRENT FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Retention Money	3.48	0.84
Security Deposit From Customers	269.72	231.68
	273.20	232.52

Note:

- Deposits from all customers of natural gas refundable on termination / alteration of the gas sales agreements are considered as non current liabilities.
- Retention Money is considered as non current liabilities considering the long term contracts with contractors.

21 NON CURRENT PROVISIONS

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Provision for Leave benefits (Refer note 41)	3.06	2.31
	3.06	2.31

22 TRADE PAYABLE

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Trade payables		
- Total outstanding dues of micro and small enterprise	7.35	-
- Total outstanding dues of creditors other than micro and small enterprises	96.50	137.15
	103.85	137.15

Note

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
a) Refer note 42 for Related Party Balances		
b) Disclosures required under Section 22 of the Micro, Small and Medium Enterprise Development Act, 2006		
i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	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	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

23 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Current maturities of long term debt (Refer note 19 for security)		
- Non Convertible Debentures	-	72.73
- Term Loan from Banks	48.21	37.71
	48.21	110.44
Interest accrued but not due on borrowings	2.97	74.20
Security Deposit from Contractors	0.95	1.02
Other payables		
- Capital Creditors	26.54	20.95
- Retention Money	19.84	8.99
	98.51	215.60

24 CURRENT PROVISIONS

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Provision for Gratuity (Refer note 41)	2.78	2.54
Provision for Leave benefits (Refer note 41)	0.81	0.82
	3.59	3.36

25 OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Statutory Dues Payable (includes TDS, GST, VAT, PF etc.)	9.02	4.29
Customer Advances	1.14	1.79
	10.16	6.08

26 INCOME TAX LIABILITIES (net)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Provision for Tax (net of advance tax and tax deducted at source)	6.01	2.26
	6.01	2.26

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

27 REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Sale of Goods		
- CNG Sales	851.74	683.41
- PNG Sales	950.42	685.86
- Others	-	72.21
Sale of Services		
- Connection Income	9.31	7.50
- Transportation Income	2.43	2.36
Other Operating Revenues	9.59	6.31
	1,823.49	1,457.65

28 OTHER INCOME

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Interest Income		
- Inter Corporate Loans	68.51	69.48
- Bank Deposits	2.64	1.40
- Others	0.19	0.18
Foreign Exchange Fluctuation	0.08	-
Net Gain on Sale of Current Investments	11.28	5.67
Liabilities no longer required written back	0.05	0.10
Sale of Stores and Spares	0.73	0.19
Corporate Guarantee Income	2.60	2.47
Other non-operating income	0.60	0.57
	86.68	80.06

29 COST OF NATURAL GAS AND TRADED ITEMS

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Cost of natural gas	1,087.21	800.22
Purchase of traded goods	-	72.18
	1,087.21	872.40

30 CHANGES IN INVENTORIES

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Opening Stock of Finished Goods / Stock in Trade	6.75	7.39
Less: Closing Stock of Finished Goods / Stock in Trade	1.31	6.75
	5.44	0.64

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

31 EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Salaries, Wages and Allowances	37.54	34.19
Contribution to provident and other funds	2.13	2.16
Staff Welfare Expenses	2.33	2.55
	42.00	38.90

32 FINANCE COSTS

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
I. Interest		
Interest on Term Loan	37.77	31.85
Interest on Security Deposit	3.46	2.83
Interest on Commercial Paper	2.68	8.43
Interest on Income Tax	0.81	0.04
Interest on Debentures	25.61	73.18
Interest Others	0.03	1.10
II. Other Borrowing Costs		
Bank & Other Finance Charges	19.49	7.90
	89.85	125.33

Note: During the year, Company has capitalised finance cost of ₹1.82 Crores to the assets.

33 OTHER EXPENSES

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Consumption of stores and spare parts	10.29	9.61
Power and fuel	32.29	26.80
Transportation Charges	3.81	3.33
Foreign Exchange Fluctuation	-	0.09
Security Expenses	2.45	2.04
Facilitation Fees	0.91	-
Commission & Brokerage	1.37	1.22
Rent (Refer note 38)	3.20	2.40
Repairs to Buildings	0.82	1.63
Repairs to Machinery	20.56	16.61
Repairs to Others	1.57	1.61
Insurance	0.51	0.36
Rates and taxes	3.61	3.55
Legal and Professional Fees	18.16	8.78
Travelling and Conveyance Expenses	7.63	3.97
Advertisement and Business Promotion Expenses	7.91	1.65
Office Expenses	1.29	0.81

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

33 OTHER EXPENSES (Contd...)

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Communication & IT Expenses	5.74	4.64
Printing and Stationery Expenses	0.92	1.04
Donation	0.65	0.26
Corporate Social Responsibility Expenses (Refer note 40)	3.73	2.83
Director Sitting Fees	0.07	0.01
Commission to Non Executive Directors	0.19	-
Payment to Auditors		
Statutory Audit Fees	0.11	0.10
Miscellaneous expenses	0.61	1.33
Allowances for Credit Losses	0.94	(0.39)
Write-off for Doubtful Debt, Loans & Advances	-	1.90
Loss on Sale of Property, Plant & Equipment	0.33	0.29
	129.67	96.47

34 EXCEPTIONAL ITEMS

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Expenses on account of Composite Scheme of Arrangement		
- Stamp Duty Expense	27.34	-
- Other Expenses	0.30	-

35 TAX EXPENSE

a) Calculation of Deferred Tax Liability / (Asset)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Deferred Tax Liabilities on account of		
Property, Plant & Equipment and Intangible Assets	112.95	102.06
Gross Deferred Tax Liabilities	112.95	102.06
Deferred Tax Assets on account of		
Employee Benefits Liability	2.75	2.35
Allowances for Credit Losses	0.45	0.12
Expenses on account of Scheme of Arrangement	7.73	-
Gross Deferred Tax Assets	10.93	2.47
Net Deferred Tax Liabilities	102.02	99.59

b) Reconciliation of Income Tax Expense and the Accounting Profit multiplied by India's tax rate :

This note presents the reconciliation of Income Tax charged as per the Tax Rate specified in Income Tax Act, 1961 & the actual provision made in the Consolidated Financial Statements for the year ended 31st March 2019 & 31st March 2018 with breakup of differences in Profit as per the Consolidated Financial Statements & as per Income Tax Act, 1961.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

b) Reconciliation of Income Tax Expense and the Accounting Profit multiplied by India's tax rate : (Contd...) (₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Profit Before Tax	356.52	258.97
Tax Rate for Corporate Entity as per Income Tax Act, 1961	34.94%	34.61%
Tax Expense as per Income Tax Act, 1961	124.58	89.63
Effect of restatement as per Ind AS 103	(0.21)	2.88
Tax Effect of Non Deductible Items under Income Tax Act	1.05	0.55
Change in Tax Rate	-	0.96
Adjustments of earlier years	1.40	0.45
Others	0.99	(0.08)
Tax Expense as per Profit & Loss Account	127.81	94.39

36 FINANCIAL INSTRUMENTS AND RISK REVIEW

a) Accounting Classification and Fair Value Hierarchy

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.

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.

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, 2019 :

(₹ in Crores)

Particulars	Fair Value through profit or loss (Level-2)	Amortised cost	Total
Financial Assets			
Cash and cash equivalents	-	159.25	159.25
Other Bank balances	-	0.51	0.51
Trade Receivables	-	82.79	82.79
Loans	-	359.22	359.22
Other Financial Assets	-	26.53	26.53
Total	-	628.30	628.30
Financial Liabilities			
Borrowings	-	393.97	393.97
Trade Payables	-	103.85	103.85
Other Financial Liabilities	-	323.50	323.50
Total	-	821.32	821.32

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

36 FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd...)

As at 31st March, 2018 :

(₹ in Crores)

Particulars	Fair Value through profit or loss (Level-2)	Amortised cost	Total
Financial Assets			
Cash and cash equivalents	-	24.03	24.03
Other Bank balances	-	0.45	0.45
Investments	65.25	-	65.25
Trade Receivables	-	141.16	141.16
Loans	-	1,360.02	1,360.02
Other Financial Assets	-	24.87	24.87
Total	65.25	1,550.53	1,615.78
Financial Liabilities			
Borrowings	-	1,344.70	1,344.70
Trade Payables	-	137.15	137.15
Other Financial Liabilities	-	337.68	337.68
Total	-	1,819.53	1,819.53

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.

b) Financial Risk Management Objective and Policies :

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 Company. 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.

Interest rate risk

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.

In case of fluctuation in interest rates by 50 basis points and all other variables were held constant, the Parent Company's profit for the year would increase or decrease as follows :

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Impact on profit for the year	1.98	1.75

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

36 FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd...)

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.

Liquidity risk

The Parent 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 Parent 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 the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at 31st March, 2019 :

(₹ in Crores)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	48.21	246.52	99.24	393.97
Other Non Current Financial Liabilities	-	3.48	269.72	273.20
Other Current Financial Liabilities	50.30	-	-	50.30
Trade Payables	103.85	-	-	103.85
Total	202.36	250.00	368.96	821.32

As at 31st March, 2018 :

(₹ in Crores)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	110.44	1,093.36	140.85	1,344.65
Other Non Current Financial Liabilities	-	0.84	231.68	232.52
Other Current Financial Liabilities	105.16	-	-	105.16
Trade Payables	137.15	-	-	137.15
Total	352.75	1,094.20	372.53	1,819.48

c) 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 monitors capital using gearing ratio, which is net debt divided by total capital plus debt.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

36 FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd...)

Particulars	(₹ in Crores)	
	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Total Borrowings (Refer notes 19 and 23)	393.97	1,344.70
Less: Cash and bank balance (Refer notes 13 and 14)	159.76	24.48
Net Debt (A)	234.21	1,320.22
Total Equity (B)	1,101.95	869.41
Total Equity and Net Debt (C=A+B)	1,336.16	2,189.63
Gearing Ratio	18%	60%

Management monitors the return on capital, as well as the level of dividends to equity shareholders. The Parent Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2019 and 31st March, 2018.

37 CONTINGENT LIABILITIES AND COMMITMENTS:

Particulars	(₹ in Crores)	
	AS AT 31 st March, 2019	AS AT 31 st March, 2018
A) Contingent Liabilities		
a) Pending labour matters contested in various courts	0.95	0.66
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	59.58	52.95
e) In respect of Income Tax	2.20	3.53
f) Special Civil Suits	0.25	0.25
g) Corporate Guarantee on behalf of JV Company	3,471.94	2,471.38
h) Case pending in CCI	25.67	25.67
Total (A)	3,560.70	2,554.56
B) Commitments		
Estimated amount of contracts on capital account to be executed and not provided for (net of advances)	59.36	11.47
Total (B)	59.36	11.47
Total (A+B)	3,620.06	2,566.03

(C) 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.

38 OPERATING LEASES

Disclosure as required by the Ind AS 17, "Leases" as prescribed under Companies (Indian Accounting Standard) Rules, 2015 (as amended) are given below:

- The aggregate lease rentals payable are charged to the Statement of Profit and Loss as Rent in Note 33
- The leasing arrangements which are cancellable at any time on month to month basis and in some cases between 11 months to 5 years are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally interest free refundable deposits have been given.
- Disclosure in respect of leasing arrangements which are non cancellable for a period exceeding 5 years is as under :

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

38 OPERATING LEASES (Contd...)

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Total of future minimum lease payment under non-cancellable operating lease for each of the following periods :		
Not later than one year	3.16	2.50
Later than one year and not later than five years	8.56	8.10
Later than five years	9.56	11.68
Lease payment recognised in Statement of Profit & Loss	3.20	2.40

39 EARNING PER SHARE

Particulars	For the Year Ended 31 st March, 2019	For the Year Ended 31 st March, 2018
Net Profit attributable to Equity Shareholders (₹ in Crores)	228.70	161.97
Weighted Average Number of shares	1,099,810,083	1,099,810,083
Face Value (in ₹)	1.00	1.00
Earning per Share		
Basic (in ₹)	2.08	1.47
Diluted (in ₹)	2.08	1.47

Note :

Since business combination under the Scheme of Arrangement has been accounted for as a common control transaction (refer note 18 & 43) and the financial information in respect of previous periods have been restated, number of equity shares have also been restated for the purpose of EPS calculation to ensure comparability.

40 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Parent Company. The CSR activities of the Parent Company are generally being carried out through Adani Foundation, a Charitable Trust set up by the Group, whereby funds are allocated from the Parent Company. The Charitable Trust carries out the CSR activities as specified in Schedule VII to the Companies Act, 2013 on behalf of the Parent Company. During the year, Parent Company was required to spend CSR expense of ₹ 3.73 Crores (31st March, 2018 : ₹ 2.83 Crores) as per requirement of Section 135 of Companies Act, 2013 and had spent ₹ 3.73 Crores (31st March, 2018 : ₹ 2.83 Crores) for the year.

(₹ in Crores)

Particulars	Amount Contributed	Amount yet to be contributed	Total
a) Construction/acquisition of any assets	-	-	-
b) On purpose other than (a) above	3.73	-	3.73
Total	3.73	-	3.73

41 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:

Particulars	For the Year Ended 31 st March, 2019	For the Year Ended 31 st March, 2018
Provident Fund	1.17	1.18
Super Annuation Fund	0.06	0.08
Total	1.23	1.26

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for the year ended 31st March, 2019

(b) Defined Benefit Obligations :

The Company provides for gratuity for eligible employees in India as per the Payment of Gratuity Act, 1972, 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. Liability in respect of Gratuity is determined based on actuarial valuation done by actuary as at the balance sheet date. Disclosures in respect of the defined benefit obligation (i.e. Gratuity) are as follows.

(₹ in Crores)		
Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
i) Change in Present Value of the defined benefit obligation		
Defined benefit obligation as at the beginning of period	6.35	5.60
Current Service Cost	0.79	0.62
Interest cost	0.51	0.42
Actuarial loss/(gain) - Due to change in Demographic Assumptions	-	0.02
Actuarial loss/(gain) - Due to change in Financial Assumptions	0.20	(0.15)
Actuarial loss/(gain) - Due to Experience	0.81	(0.06)
Acquisition Adjustment	0.25	-
Benefits paid	(0.44)	(0.10)
Defined benefit obligation as at end of the period	8.47	6.35
ii) Change in Fair Value of Plan Assets		
Fair value of plan assets as at the beginning of period	3.82	3.04
Expected return on plan assets	0.29	0.23
Employer's Contributions	1.93	0.65
Actuarial (loss)/gain	0.09	-
Benefit paid	(0.44)	(0.10)
Fair value of plan assets as at end of the period	5.69	3.82
iii) Net Asset / (Liability) recognised in the Balance Sheet		
Present value of defined obligation	8.47	6.35
Fair Value of Plan Assets	5.69	3.82
Net Asset / (Liability)	(2.78)	(2.53)
iv) The major categories of plan assets as a percentage of fair value of total plan assets are as follows:		
Policy of Insurance	100%	100%
v) Expense recognised in the Statement of Profit and Loss		
Current Service Cost	0.79	0.62
Interest cost	0.51	0.42
Expected return on the plan assets	(0.29)	(0.23)
	1.01	0.81
vi) Expense recognised in Other Comprehensive Income		
Actuarial (Gains) / Losses	1.01	(0.19)
Return on plan assets, excluding amount recognised in net interest expense	0.09	-
	0.92	(0.19)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

vii) Acturial Assumptions and Sensitivity Analysis

The principal actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, turnover rate and mortality. The same are shown below :

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Discount Rate	7.60%	7.80%
Mortality	IALM(2006-08)	IALM(2006-08)
Attrition Rate	1.00%	1.00%
Rate of Escalation in Salary (p.a.)	8.00%	8.00%

The sensitivity analysis below has 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 :

Particulars	Increase in assumptions		Decrease in assumptions	
	AS AT 31 st March, 2019	AS AT 31 st March, 2018	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Discount Rate (- / + 1%)	7.52	5.66	9.60	7.18
Salary Growth Rate (- / + 1%)	9.58	7.17	7.52	5.66
Attrition Rate (- / + 1%)	8.45	6.34	8.49	6.36
Mortality Rate (- / + 1%)	8.47	6.35	8.47	6.35

viii) Effect of Plan on Entity's Future Cash Flows

a) Funding Arrangement

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 ₹ 3.59 Crores

c) Maturity Profile of Defined Benefit Obligation

The average duration of the defined benefit plan obligation at the end of the reporting period is 13 years (31 March 2018: 12 years). The expected maturity analysis of gratuity benefits is as follows :

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Less than a year	0.86	1.05
Between 2 to 5 years	1.35	0.92
Between 6 to 10 years	3.30	2.05
Beyond 10 years	20.91	16.34
	26.43	20.37

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

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for the year ended 31st March, 2019

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) Other Long Term Employee Benefits :

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, 2019 is ₹ 3.87 Crores (31st March 2018: ₹3.12 Crores).

42 RELATED PARTY TRANSACTIONS

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set below. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company.

i) Name of related parties & description of relationship

a) Ultimate Holding Entity

S. B. Adani Family Trust (SBAFT) (wef 29.08.2018)
Adani Enterprises Limited (upto 28.08.2018)

b) Holding Entity

Adani Gas Holding Limited (upto 10.08.2018)

c) Joint Venture

IndianOil-Adani Gas Private Limited

d) Entities on which one or more KMP have a significant influence/control with whom transaction done during the year:

Adani Enterprises Limited (wef 29.08.2018)
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 Ports and Special Economic Zone Limited

e) Key Managerial Personnel

Mr. Gautam S. Adani (w.e.f. 22.10.2018)
Mr. Rajesh S. Adani (upto 22.10.2018)
Mr. Pranav V. Adani, Director
Mr. Rajeev Sharma, Whole-time Director (upto 22.10.2018)
Mr. Suresh P Manglani, Executive Director (w.e.f. 22.10.2018)
Mr. Naresh Poddar, CFO (upto 31.01.2019)
Mr. Hardik Sanghvi, Company Secretary (upto 08.08.2018)
Mr. Gunjan Taunk, Company Secretary (w.e.f. 26.08.2018)

f) Non Executive Directors

Mr Maheshwar Sahu (w.e.f. 22.10.2018)
Mrs Chandra Iyengar (w.e.f. 22.10.2018)
Mr Naresh Kumar Nayyar (w.e.f. 22.10.2018)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

ii) Transactions with Related parties

(0.00 denotes amount less than ₹50000)

(₹ in Crores)

Related Party	Relation	Nature of Transaction	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Adani Enterprises Limited	Entities on which one or more KMP have a significant influence /control	Loan Given	176.30	1,003.03
		Loan Received back	1,177.06	2.18
		Transfer of Employee Liabilities	0.48	0.00
		Transfer of Employee Loans and Advances	0.00	-
		Receipt of Interest on Loan	68.51	69.48
		Purchase of Inventories	12.53	9.22
		Services Availed	8.22	4.71
		Issue of Preference Shares	-	233.60
Adani Energy Limited		Advances Written Off	-	1.90
Adani Power (Mundra) Limited		Transfer of Employee Liabilities	-	0.01
Adani Power Limited		Purchase of Fixed Asset	0.01	-
Adani Foundation		Donation	3.73	2.83
Karnavati Aviation Private Limited		Services Availed	2.40	-
Belvedere Golf and Country Club Private Limited		Services Availed	0.05	0.01
Adani Properties Private Limited		Rent Expense	-	0.10
Shantikrupa Estates Private Limited		Services Availed	3.47	1.70
Adani Township & Real Estate Company Private Limited		Services Availed	0.00	0.00
Adani Ports and Special Economic Zone Limited		Transfer of Employee Liabilities	-	0.01
		Rent Expense	0.43	-
Adani Wilmar Limited		Purchase of Goods	-	65.09
Adani Agri Fresh Limited		Interest expense	-	1.08
		Borrowings repaid during the year	-	232.56
IndianOil-Adani Gas Private Limited	Joint Venture	Sale of Inventory	0.06	1.46
		Services Rendered	2.79	3.93
		Corporate Guarantee Commission	2.60	2.47
		Investment in Equity	51.50	32.50
Rajeev Sharma	Whole Time Director	Short-term Benefits	2.25	0.18
Shridhar Tambraparni	Whole Time Director	Short-term Benefits	-	1.25
Suresh P Manglani	Executive Director	Short-term Benefits	0.69	-
Naresh Poddar	CFO	Short-term Benefits	0.91	0.65
Mr Maheshwar Sahu	Non Executive Directors	Director Sitting Fees	0.02	-
		Commission	0.05	-
Mrs Chandra Iyengar		Director Sitting Fees	0.02	-
		Commission	0.05	-
Mr Naresh Kumar Nayyar		Director Sitting Fees	0.02	-
		Commission	0.05	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

Terms and conditions of transactions with related parties

- (1) 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.
- (2) 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
- (3) All above figures are net of taxes wherever applicable.

iii) Balances with Related Parties

(0.00 denotes amount less than ₹50000)

(₹ in Crores)

Related Party	Relation	Nature of Transaction	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Adani Enterprises Limited	Entities on which one or more KMP have a significant influence/control	Trade Payables	3.39	3.63
		Other Current Financial Assets	-	0.00
		Other Non Current Financial Assets	-	0.00
		Other Non Current Assets	-	0.65
		Other Current Assets	-	2.00
		Non Current Loans	-	1,000.86
		Current Loans	359.02	358.91
Adani Ports and Special Economic Zone Limited		Trade Payables	0.47	-
Adani Power (Mundra) Limited		Other Current Financial Assets	0.01	0.01
Belvedere Golf and Country Club Private Limited		Trade Payables	0.01	-
Adani Township & Real Estate Company Private Limited		Trade Payables	0.00	-
Adani Properties Private Limited		Trade Payables	-	0.11
Karnavati Aviation Private Limited		Trade Payables	0.27	-
Shantikrupa Estates Private Limited		Trade Payables	0.67	0.52
		Other Non Current Assets	1.06	0.24
Adani Wilmar Limited		Trade Payables	-	68.35
IndianOil-Adani Gas Private Limited	Joint Venture	Other Non Current Financial Assets	-	10.00
		Corporate Guarantee	3,471.94	2,471.38
		Other Current Financial Assets	3.88	3.77

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

43 BUSINESS COMBINATION

A) The Board of Directors of Adani Enterprises Limited (hereinafter referred as "AEL"), the Board of Directors of Adani Gas Holdings Limited (hereinafter referred as "AGHL") and the Board of Directors of the Company had approved the Composite Scheme of Arrangement ("the Scheme") among AEL, AGHL and the Company and their respective shareholders and creditors. The Scheme was approved by National Company Law Tribunal ("NCLT") bench at Ahmedabad vide its order dated 3rd August, 2018. Pursuant to the sanction of the Scheme, AGHL has been amalgamated with the Company with the appointed date of 10th August, 2018 and the Gas Sourcing and Distribution business of AEL has been demerged and vested to the Company with the appointed date of 28th August, 2018.

Since the above transactions qualify as common control business combinations under Ind AS 103 - "Business Combinations", the previous period comparative figures have been restated as if the business combination had occurred with effect from 1st April, 2017 and accordingly, Goodwill / Capital reserve is calculated based on the net assets as on 1st April, 2017. Total income and net profit after tax for the year ended 31st March, 2018 have been restated by ₹144.13 Crs and ₹8.32 Crs respectively.

Also, as per the Scheme, following effects have also been considered in the books of accounts of the Company.

- Existing 25,67,42,040 equity shares of ₹10/- each held by AGHL in the Company stands cancelled, and are ultimately replaced by 109,98,10,083 equity shares of ₹1/- each, issued to the shareholders of AEL in swap ratio of 1 equity share of the Company for each equity share held by shareholders of AEL.
- The transfer and vesting of Gas Sourcing and Distribution business qualifies as a common control transaction as per Ind AS 103 "Business Combinations" and is accordingly accounted for using the "Pooling of Interest Method".
- The excess of value from cancellation of existing share capital and the book value of assets and liabilities transferred over the value of fresh equity shares allotted has been recorded as Capital Reserve.

B) As per Ind AS 103, previous period figures have been restated and following is the impact on Balance Sheet, Statement of Profit and Loss and Cash Flow Statement of the Company due to this restatement.

Reconciliation of Balance sheet as on 31st March, 2018:

Particulars	As at 31 st March, 2018		
	Before restatement	Impact of restatement	Restated
ASSETS			
Non-current Assets			
Property, Plant and Equipment	868.16	-	868.16
Capital Work-In-Progress	101.83	-	101.83
Goodwill	25.49	-	25.49
Other Intangible Assets	3.07	-	3.07
Financial Assets			
(i) Investment	114.49	-	114.49
(ii) Loans	-	1,000.86	1,000.86
(iii) Other Financial Assets	19.02	1.99	21.01
Income Tax Assets (net)	3.17	6.98	10.15
Other Non-current Assets	7.17	(0.65)	6.52

(₹ in Crores)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

Reconciliation of Balance sheet as on 31st March, 2018: (Contd...)

(₹ in Crores)

Particulars	AS AT 31 st March, 2018		
	Before restatement	Impact of restatement	Restated
Current Assets			
Inventories	42.16	-	42.16
Financial Assets			
(i) Investments	12.51	52.74	65.25
(ii) Trade Receivables	64.27	76.89	141.16
(iii) Cash & cash equivalents	23.83	0.20	24.03
(iv) Bank Balances other than (iii)	0.45	-	0.45
(v) Loans	359.16	-	359.16
(vi) Other Financial Assets	3.86	-	3.86
Other Current Assets	16.72	(1.83)	14.89
Total Assets	1,665.36	1,137.18	2,802.54
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	256.74	(146.76)	109.98
Other Equity	621.64	137.79	759.43
Liabilities			
Non-current Liabilities			
Financial Liabilities			
(i) Borrowings	309.92	924.34	1,234.26
(ii) Other Financial Liabilities	232.52	-	232.52
Provisions	2.31	-	2.31
Deferred Tax Liabilities (net)	99.59	-	99.59
Current Liabilities			
Financial Liabilities			
(i) Trade Payables	60.68	76.47	137.15
(ii) Other Financial Liabilities	70.29	145.31	215.60
Provisions	3.36	-	3.36
Other Current Liabilities	6.05	0.03	6.08
Income Tax Liabilities (net)	2.26	-	2.26
Total Equity and Liabilities	1,665.36	1,137.18	2,802.54

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

Reconciliation of Profit and Loss account for the year ended 31st March, 2018:

(₹ in Crores)

Particulars	For the year ended 31 st March, 2018		
	Before restatement	Impact of restatement	Restated
Income			
Revenue from Operations	1,385.30	72.35	1,457.65
Other Income	8.28	71.78	80.06
Total Income	1,393.58	144.13	1,537.71
Expenses			
Cost of Natural Gas and Traded Items	800.29	72.11	872.40
Changes In Inventories	0.64	-	0.64
Excise Duty on Sale of Compressed Natural Gas	83.99	-	83.99
Employee benefits expense	38.28	0.62	38.90
Finance costs	45.22	80.11	125.33
Depreciation and amortization expense	61.01	-	61.01
Other expenses	96.85	(0.38)	96.47
Total Expenses	1,126.28	152.45	1,278.74
Profit before Tax	267.30	(8.32)	258.97
Tax Expense:			
(1) Current Tax	82.82	-	82.82
(2) Adjustment of earlier years	0.45	-	0.45
(3) Deferred Tax	11.12	-	11.12
Total Tax Expenses	94.39	-	94.39
Profit for the year before share of profit / (loss) from joint venture	172.91	(8.32)	164.58
Share of profit / (loss) from joint venture	(2.61)		(2.61)
Profit / (Loss) for the year	170.30	(8.32)	161.97

Reconciliation of Component of Cash flow statement for the year ended 31st March, 2018:

(₹ in Crores)

Particulars	For the year ended 31 st March, 2018		
	Before restatement	Impact of restatement	Restated
Net cash (used)/ generated from operating activities (A)	289.90	(13.04)	276.86
Net cash (used) / generated from investing activities (B)	(58.50)	(929.15)	(987.65)
Net cash (used) / generated from financing activities (C)	(216.23)	995.07	778.84
Net increase in cash and cash equivalents (A)+(B)+(C)	15.17	52.88	68.05

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

- C) Also, as per Ind AS 103, Statement of Profit and Loss for the year ended 31st March, 2019 has been restated to include effect of transactions prior to respective appointment dates, when AGHL and the Gas Undertaking of AEL were operating as separate legal entity or unit. Excluding effect of such restatement, the Statement of Profit and Loss for the current year would appear as below.

Profit and Loss account for the year ended 31st March, 2019 without restatement

(₹ in Crores)

Particulars	For the Year ended 31 st March, 2019
Income	
Revenue from Operations	1,823.24
Other Income	61.80
Total Income	1,885.04
Expenses	
Cost of Natural Gas and Traded Items	1,087.27
Changes In Inventories	5.43
Excise Duty on Sale of Compressed Natural Gas	104.53
Employee benefits expense	41.78
Finance costs	62.85
Depreciation and amortization expense	67.31
Other expenses	132.31
Total Expenses	1,501.48
Profit before Exceptional Item and Taxation	383.56
Exceptional items	(27.64)
Profit before Tax	355.92
Tax Expense:	
(1) Current Tax	123.66
(2) Adjustment of earlier years	1.40
(3) Deferred Tax	2.75
Total Tax Expenses	127.81
Profit for the year before share of profit / (loss) from joint venture	228.11
Share of profit / (loss) from joint venture	(0.01)
Profit / (Loss) for the year	228.10

44 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 IndianOil-Adani Gas Private Limited, Company incorporated under the Companies Act, 2013. As at 31st March, 2019, the Parent Company has invested a sum of ₹ 185.50 Crores (31st March, 2018: ₹ 124.00 Crores)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

Assets, liabilities, income & expenditure, contingent liabilities and capital commitments of the Joint Venture are as given below:

(₹ in Crores)

Particulars	IndianOil-Adani Gas Private Limited	
Country of Incorporation	India	
% of ownership interest	50%	
	FY 2018-19	FY 2017-18
Current Assets	76.31	92.51
Non Current Assets	1,033.29	651.20
Current Liabilities	136.44	70.99
Non Current Liabilities	621.22	433.75
Income	167.67	33.39
Profit/(Loss) for the year	(0.03)	(5.21)
Other Comprehensive Income	(0.01)	0.03
Total Comprehensive Income	(0.04)	(5.18)
Contingent Liabilities	0.27	-
Capital Commitments	239.77	258.97

45 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.

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%	1,111.48	100%	228.71	99%	(0.60)	100%	228.11
Joint Ventures								
IndianOil-Adani Gas Private Limited	-1%	(9.53)	0%	(0.01)	1%	(0.01)	0%	(0.02)
Total	100%	1,101.95	100%	228.70	100%	(0.61)	100%	228.09

46 EXPENSES DIRECTLY ATTRIBUTABLE TO CONSTRUCTION PERIOD:

The following expenses including finance cost which are specifically attributable to construction of project are included in Capital Work-in-Progress (CWIP) :

(₹ in Crores)

Particulars	AS AT 31 st March, 2019	AS AT 31 st March, 2018
Employee Benefits Expense	8.64	2.29
Finance Cost	2.01	0.18
Operating and Other Expenses	10.07	4.36
Project Expenses	5.35	8.02
Total	26.07	14.85

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

47 RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

a) Transition to Ind AS 115 'Revenue from Contracts with Customers'

As mentioned in note 2(II)(d) on Accounting Policies, the Company has adopted new Ind AS 115 using the cumulative effect method and has not restated comparative information. It has credited net impact of Rs.4.45 Crs in Retained Earnings for the revenue on account of outstanding contracts that existed as at 1st April, 2018.

b) Standards issued but not yet effective

The Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 has notified the following new and amendments to existing standards. These amendments are effective for annual periods beginning from 1st April, 2019. The Group will adopt these new standards and amendments to existing standards once it become effective and are applicable to it.

Ind AS 116 – Leases

Ind AS 116 'Leases' replaces existing lease accounting guidance i.e. Ind AS 17 Leases. It sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessee to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The accounting from Lessor perspective largely remain unchanged from the existing standard – i.e. lessor will continue to classify the leases as finance or operating leases.

Amendments to existing Ind AS:

The MCA has carried amendments to the following existing standards which will be effective from 1st April, 2019. The Group is not expecting any significant impact in the financial statements from these amendments. The quantitative impacts would be finalized based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options.

1. Ind AS 12 - Income Taxes
2. Ind AS 19 - Employee Benefits

48 OTHER DISCLOSURES

- a) The information on Micro, Small and Medium Enterprises, to whom the Parent 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 Parent Company. This has been relied upon by the auditors.
- 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) Item of expenditure in Statement of Profit & Loss includes reimbursement to and by the Parent Company, as agreed upon between group Companies.
- d) The Parent 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.
- e) 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.

The Fixed Assets/ Expenses of the Parent Company is understated to the extent of the CENVAT credit taken by the Parent Company and the same will be charged to respective assets / revenue if, the claim of the Parent Company for CENVAT credit is not accepted by the department.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2019

- f) Security Deposit include amount of ₹ 2.09 Crore and interest due thereon of ₹ 1.97 Crore are outstanding for a substantial period of time. The Parent Company has been actively negotiating for recovery, periodic confirmation of balances are taken and the management is reasonably confident of recovery against the same.

49 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The Group 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 27th May, 2019, there are no subsequent events to be recognized or reported that are not already disclosed.

- 50 The Board of Directors at its meeting held on 27th May, 2019 have recommended the payment of final dividend of ₹ 0.25 per equity share of the face value of ₹ 1 each for the financial year 2018-19. This proposed dividend is subject to approval of shareholders in the ensuing annual general meeting.

51 APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved for issue by the board of directors on 27th May, 2019.

52 PREVIOUS YEAR COMPARATIVES

Previous year's figures have been recast, regrouped and rearranged, wherever necessary to bring conformity to this year's classification. Further the figures have been rounded off to the nearest rupee in crores upto two decimals.

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 : 27th May, 2019

For and on behalf of the Board ADANI GAS LIMITED

GAUTAM S. ADANI

Chairman
DIN 00006273

GUNJAN TAUNK

Company Secretary

Place : Ahmedabad
Date : 27th May, 2019

SURESH P MANGLANI

Executive Director
DIN 00165062

FORM 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 Ventures

(₹ in Crores)

Sr. No.	Name of Joint Venture	Latest Audited Balance Sheet Date	Share held by the company at the year end		Extend 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	IndianOil-Adani Gas Private Limited	31/03/2019	185,500,000	185.50	50%	Note-A	N.A.	175.97	(0.02)	-

Note:

A. There is significant influence due to percentage (%) of shareholding.

For and on behalf of the Board
ADANI GAS LIMITED

GAUTAM S. ADANI
Chairman
DIN 00006273

SURESH P MANGLANI
Executive Director
DIN 00165062

GUNJAN TAUNK
Company Secretary

Place : Ahmedabad
Date : 27th May, 2019

NOTICE

NOTICE is hereby given that the 14th Annual General Meeting of Adani Gas Limited will be held on Tuesday, 6th August, 2019 at 11.30 a.m. at H. T. Parekh Hall, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015 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, 2019 and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To confirm the payment of interim dividend and declare final dividend on Preference Shares.
4. To appoint a Director in place of Mr. Pranav V. Adani (DIN: 00008457), 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. Gautam S. Adani (DIN: 00006273), 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 office 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."

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

"RESOLVED THAT Mr. Suresh P. Manglani (DIN: 00165062), 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 office 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."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and also subject to approval of the Central Government, if required, the Company hereby accords its approval to the appointment of Mr. Suresh P. Manglani (DIN: 00165062) as an Executive Director of the Company for a period of 5 (Five) years w.e.f. 22nd October, 2018 on the terms and conditions including terms of remuneration as set out in the explanatory statement attached hereto and forming part of this notice with a liberty to Board of Directors to alter and vary the terms and conditions of the said appointment and/or remuneration so as the total remuneration payable to him shall not exceed the limits specified in Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the time being in force and as agreed by and between the Board of Directors and Mr. Suresh P. Manglani without any further reference to the Company in General Meeting.

RESOLVED FURTHER THAT notwithstanding anything contained to the contrary in the Companies Act, 2013, wherein any financial year the Company has no profits or has inadequate profit, Mr. Suresh P Manglani will be paid minimum remuneration as stated in the explanatory statement or such remuneration as may be approved by the Board within the ceiling prescribed under Schedule V of the Companies Act, 2013 or any modification or re-enactment thereof at relevant time.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Mr. Suresh P Manglani within such prescribed limit or ceiling and as agreed by and between the Company and Mr. Suresh P Manglani without any further reference to the Company in General Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this Resolution."

8. 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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the rules framed there under, read with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Maheswar Sahu (DIN: 00034051), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Act and Articles of Association of the Company and who holds office up to 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 an Independent Director (Non-Executive) of the Company to hold office for a period up to October, 2023."

9. 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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the rules framed thereunder, read with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Naresh Kumar Nayyar (DIN: 00045395), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Act and Articles of Association of the Company and who holds office up to 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 an Independent Director (Non-Executive) of the Company to hold office for a period up to October, 2023."

10. 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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the rules framed thereunder, read with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mrs. Chandra Iyengar (DIN: 02821294), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Act and Articles of Association of the Company and who holds office up to 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 her candidature for the office of Director, be and is hereby appointed as an Independent Director (Non-Executive) of the Company to hold office for a period up to October, 2023."

11. 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 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) (the "Companies Act"), the Foreign Exchange Management Act, 1999, as amended or restated ("FEMA"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended or restated (the "ICDR Regulations"), the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended or restated, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2000, as amended or restated, and subject to all other applicable laws, statutes, rules, circulars, notifications, regulations and guidelines of the Government of India, the Securities and Exchange Board of India (the "SEBI"), the Reserve Bank of India (the "RBI"), the relevant stock exchanges where the equity shares of the Company are listed (the "Stock Exchanges") and all other appropriate statutory and regulatory authorities, as may be applicable or relevant, whether in India or overseas (hereinafter collectively referred to as the "Appropriate Authorities"), the enabling provisions of the

Memorandum and Articles of Association of the Company, as amended, and the listing agreements entered into by the Company with the Stock Exchanges and subject to requisite approvals, consents, permissions and sanctions, if any, of the Appropriate Authorities and subject to such conditions and modifications as may be prescribed by any of them in granting any such approvals, consents, permissions, and sanctions (hereinafter referred as the "Requisite Approvals") which may be agreed to by the Board of Directors of the Company (hereinafter referred as the "Board" which term shall be deemed to include any committee constituted or to be constituted by the Board to exercise its powers including the powers conferred by this resolution, or any person(s) authorised by the Board or its committee for such purposes), consent of the Company be and is hereby accorded to the Board in its absolute discretion, to create, offer, issue and allot, from time to time in either one or more international offerings, in one or more foreign markets, in one or more tranches and/or in the course of one or more domestic offering(s) in India, such number of equity shares and/or any securities linked to, convertible into or exchangeable for equity shares including without limitation through Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and/or convertible preference shares and/or convertible debentures (compulsorily and/or optionally, fully and/or partly) and/or Commercial Papers and/or warrants with a right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously with the issue of non-convertible debentures and/or Foreign Currency Convertible Bonds ("FCCBs") and/or Foreign Currency Exchangeable Bonds ("FCEBs") and/or any other permitted fully and/or partly paid securities/instruments/ warrants, convertible into or exchangeable for equity shares at the option of the Company and/or holder(s) of the security(ies) and/or securities linked to equity shares (hereinafter collectively referred to as "Securities"), in registered or bearer form, secured or unsecured, listed on a recognized stock exchange in India or abroad whether rupee denominated or denominated in foreign currency, to such investors who are eligible to acquire such Securities in accordance with all applicable laws, rules, regulations, guidelines and approvals, through public issue(s), rights issue(s),

preferential issue(s), private placement(s) and / or qualified institutional placement in terms of Chapter VIII of the SEBI (ICDR) Regulations or any combinations thereof, through any prospectus, offer document, offer letter, offer circular, placement document or otherwise, at such time or times and at such price or prices subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, at a discount or premium to market price or prices in such manner and on such terms and conditions including as regards security, rate of interest, etc., as may be deemed appropriate by the Board in its absolute discretion, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, for an aggregate amount, not exceeding ₹ 3,000 Crores (Rupees Three Thousand Crores Only) or foreign currency equivalent thereof, at such premium as may from time to time be decided by the Board and the Board shall have the discretion to determine the categories of eligible investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of investors at the time of such offer, issue and allotment considering the prevailing market conditions and all other relevant factors and where necessary in consultation with advisor(s), lead manager(s), and underwriter(s) appointed by the Company.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue(s) of Securities may, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, have all or any terms, or combination of terms, in accordance with domestic and/or international practice, including, but not limited to, conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever and all other such terms as are provided in offerings of such nature including terms for issue of additional equity shares or variation of the conversion price of the Securities during the duration of the Securities.

RESOLVED FURTHER THAT in case of any offering of Securities, including without limitation any GDRs/ADRs/FCCBs/FCEBs/other securities convertible into equity shares, consent of the shareholders be and is hereby given to the Board to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion, redemption or cancellation of any such Securities

referred to above in accordance with the terms of issue/offering in respect of such Securities and such equity shares shall rank pari passu with the existing equity shares of the Company in all respects, except as may be provided otherwise under the terms of issue/offering and in the offer document and/or offer letter and/or offering circular and /or listing particulars.

RESOLVED FURTHER THAT the Board be and is hereby authorised to engage, appoint and to enter into and execute all such agreement(s)/ arrangement(s)/ MoUs / placement agreement(s)/ underwriting agreement(s)/ deposit agreement(s)/ trust deed(s)/ subscription agreement/ payment and conversion agency agreement / any other agreements or documents with any consultants, lead manager(s), co-lead manager(s), manager(s), advisor(s), underwriter(s), guarantor(s), depository(ies), custodian(s), registrar(s), agent(s) for service of process, authorised representatives, legal advisors / counsels, trustee(s), banker(s), merchant banker(s) and all such advisor(s), professional(s), intermediaries and agencies as may be required or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees and such other expenses as it deems fit, listing of Securities in one or more Indian/ International Stock Exchanges, authorizing any director(s) or any officer(s) of the Company, severally, to sign for and on behalf of the Company offer document(s), arrangement(s), application(s), authority letter(s), or any other related paper(s)/documents(s), give any undertaking(s), affidavit(s), certification(s), declaration(s) including without limitation the authority to amend or modify such document(s).

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, consent of the members of the Company be and is hereby accorded to the Board to do all such acts, deeds, matters and/or things, in its absolute discretion and including, but not limited to finalization and approval of the preliminary as well as final document(s), determining the form, terms, manner of issue, the number of the Securities to be allotted, timing of the issue(s)/ offering(s) including the investors to whom the Securities are to be allotted, issue price, face value, number of equity shares or other securities upon conversion or redemption or cancellation of the Securities, premium or discount on issue /conversion

/exchange of Securities, if any, rate of interest, period of conversion or redemption, listing on one or more stock exchanges in India and /or abroad and any other terms and conditions of the issue, including any amendments or modifications to the terms of the Securities and any agreement or document (including without limitation, any amendment or modification, after the issuance of the Securities), the execution of various transaction documents, creation of mortgage/charge in accordance with the provisions of the Companies Act and any other applicable laws or regulations in respect of any Securities, either on a pari passu basis or otherwise, fixing of record date or book closure and related or incidental matters as the Board in its absolute discretion deems fit and to settle all questions, difficulties or doubts that may arise in relation to the issue, offer or allotment of the Securities, accept any modifications in the proposal as may be required by the Appropriate Authorities in such issues in India and / or abroad and subject to applicable law, for the utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent and that the members shall be deemed to have given their approval thereto for all such acts, deeds, matters and/or things, expressly by the authority of this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board is authorised on behalf of the Company to take all actions and to do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid Securities and listing thereof with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the Securities, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Company and/or any agency or body authorised by the Company may, subject to compliance with all applicable laws, rules,

regulations, guidelines and approvals, issue certificates and/or depository receipts including global certificates representing the Securities with such features and attributes as are prevalent in international and/or domestic capital markets for instruments of such nature and to provide for the tradability or transferability thereof as per the international and/or domestic practices and regulations, and under the forms and practices prevalent in such international and/or domestic capital markets.

RESOLVED FURTHER THAT the Company may enter into any arrangement with any agency or body for the issue, upon conversion of the Securities, of equity shares of the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the international practices and/or domestic practices and regulations, and under the forms and practices prevalent in international and/or domestic capital markets.

RESOLVED FURTHER THAT the Securities may be redeemed and/or converted into and/or exchanged for the equity shares of the Company (or exchanged for equity shares of another company as permitted under applicable law), subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, in a manner as may be provided in the terms of their issue.

RESOLVED FURTHER THAT in case of a Qualified Institutional Placement (QIP) pursuant to Chapter VIII of the SEBI (ICDR) Regulations, the allotment of eligible securities within the meaning of Chapter VIII of the SEBI (ICDR) Regulations shall only be made to Qualified Institutional Buyers (QIBs) within the meaning of Chapter VIII of the SEBI (ICDR) Regulations, such securities shall be fully paid-up and the allotment of such securities shall be completed within 12 months from the date of the resolution approving the proposed issue by the members of the Company or such other time as may be allowed by SEBI (ICDR) Regulations from time to time and that the securities be applied to the National Securities Depository Limited and/or Central Depository Services (India) Limited for admission of the eligible securities to be allotted as per Chapter VIII of the SEBI (ICDR) Regulations.

RESOLVED FURTHER THAT the relevant date for the purpose of pricing of the Securities by way of QIP/GDRs/ADRs/FCCBs/FCEBs or by way of any other issue(s) shall be the date as specified under the applicable law or regulation or it shall be the date of the meeting in which the Board decides to open the issue.

RESOLVED FURTHER THAT the Board and other designated officers of the Company be and are hereby severally authorised to make all filings including as regards the requisite listing application/ prospectus/ offer document/ registration statement, or any draft(s) thereof, or any amendments or supplements thereof, and of any other relevant documents with the Stock Exchanges (in India or abroad), the RBI, the FIPB, the SEBI, the Registrar of Companies and such other authorities or institutions in India and/or abroad for this purpose and to do all such acts, deeds and things as may be necessary or incidental to give effect to the resolutions above and the Common Seal of the Company be affixed wherever necessary.

RESOLVED FURTHER THAT such of these Securities as are not subscribed may be disposed off by the Board in its absolute discretion in such manner, as the Board may deem fit and as permissible by law.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers conferred by this resolution on it, to any Committee of directors or the Executive Director or Directors or any other officer of the Company, in order to give effect to the above resolutions.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects."

12. 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 197 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company for payment of commission to the

non-executive director(s) including Independent Director(s) of the Company who is/are neither in the whole time employment nor Managing Director, in addition to sitting fees being paid to them for attending the meeting of the Board and its committees, a sum not exceeding 1% of the net profits of the Company per annum, calculated in accordance with the provisions of Section 198 of the Act, for a period of 5 years from 22nd October, 2018, in such manner and up to such extent as the Board of Directors of the Company may, from time to time, determine.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to take all actions and do all such deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

13. 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, 2020, be paid the remuneration as set out in the explanatory 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."

For and on behalf of the Board

Date : 27th May, 2019
Place : Ahmedabad

Gunjan Taunk
Company Secretary

Regd. Office:
"Adani House",
Near Mithakhali Six Roads,
Navrangpura,
Ahmedabad - 380 009
Gujarat, India.
CIN : U40100GJ2005PLC046553

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

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. The Register of members and share transfer books of the Company will remain closed from Tuesday, 30th July, 2019 to Tuesday, 6th August, 2019 (both days inclusive) to determine entitlement of the shareholders to receive dividend for the year 2018-19.

5. 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.

6. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the Registered Office of Company on all working days between 11.00 a.m. to 1.00 p.m. prior to date of Annual General Meeting.

7. Members are requested to bring their copy of Annual Report at the meeting

8. 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.

9. 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.

10. The route map showing directions to reach the venue of the fourteenth AGM is annexed.

11. Process and manner for members opting for voting through Electronic means:

i. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-voting platform of National Securities Depository Limited ("remote e-voting").

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. Tuesday, 30th July, 2019, shall be entitled to avail the facility of remote e-voting as well as voting at 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. Tuesday, 30th July, 2019, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper/electronic voting at the AGM by following the procedure mentioned in this part.

iv. The remote e-voting will commence on Friday, 2nd August, 2019 at 9.00 a.m. and will end on Monday, 5th August, 2019 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. Tuesday, 30th July, 2019, 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 facility for voting through Ballot Paper / electronic voting would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper / electronic voting. The members who have already cast their vote by remote e-voting prior to the meeting, may also attend the Meeting, but shall not be entitled to cast their vote again.
- vii. 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. Tuesday, 30th July, 2019.
- viii. The Company has appointed CS Chirag Shah, Practising Company Secretary (Membership No. FCS: 5545; CP No: 3498), to act as the Scrutinizer for conducting the remote e-voting process as well as the voting through Poll Paper at the AGM, in a fair and transparent manner.
- ix. 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 use 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, your 'initial password' is communicated to you on your postal address.
- Step 6: If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- 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.
 - Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - 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.
 - 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.

- The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.adanigas.com and on the website of NSDL i.e. www.evoting.nsdl.com within forty eight hours of the passing of the Resolutions at the 14th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.
- 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.

Contact Details:

Company	: Adani Gas Limited Regd. Office: "Adani House ", Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009, Gujarat, India CIN: U40100GJ2005PLC046553 E-mail ID: 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 Tel No.: +91 22 2499 4890
Scrutinizer	: CS Chirag Shah Practising Company Secretary E-mail ID: pcschirag@gmail.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 at its meeting held on 22nd October, 2018 appointed Mr. Gautam S. Adani as an Additional Director (Non-Executive) 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. Gautam S. Adani as a Director.

Mr. Gautam S. 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.

Mr. Gautam S. Adani is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Brief resume and other details of Mr. Gautam S. Adani 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. Gautam S. Adani 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 Nos. 6 & 7:

The Board of Directors at its meeting held on 22nd October, 2018 appointed Mr. Suresh P Manglani as an Additional Director 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. Suresh P Manglani as a Director liable to retire by rotation.

The Board, at its meeting held on the 22nd October, 2018, also appointed Mr. Suresh P Manglani as an Executive Director of the Company unanimously for a period of 5 (five) years w.e.f. 22nd October, 2018, on a remuneration of ₹ 1.75 Crores (Rupees One Crore Seventy Five Lakhs Only) gross per annum including salary, commission, perquisite, allowance etc. plus any increment in remuneration by way of bonus/incentive/performance linked incentive, if any, payable to Mr. Suresh P Manglani with a liberty to the Board of Directors or Nomination and Remuneration Committee to revise the remuneration without approval of Shareholders within the prescribed ceiling limit of Schedule V and other applicable provisions of the Companies Act, 2013.

Mr. Suresh P Manglani shall be liable to retire by rotation and shall not be paid any sitting fees for attending any meetings of Board or Committees thereof.

Mr. Suresh P Manglani is a Cost and Management Accountant, LLB and Company Secretary. He is a seasoned professional with 29 years of varied experience in diversified businesses. He started his career with Kelvinator (now Whirlpool India) in 1989 and subsequently worked with GAIL, Mahanagar Gas Ltd, India Gas Solutions. Prior to joining us, he was working with Reliance Industries Ltd. as Sr. Vice President & Head of Commercial (CFO) of petroleum retail business.

The Board of Directors felt that it is in interest of the Company to avail services of Mr. Suresh P Manglani as an Executive Director of the Company.

Mr. Suresh P Manglani is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Brief resume and other details of Mr. Suresh P Manglani 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. Suresh P Manglani 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.

The above may be treated as written memorandum setting out the terms of appointment of Mr. Suresh P Manglani under section 190 of the Companies Act, 2013.

For Item Nos. 8 & 9 & 10:

The Board of Directors at its meeting held on 22nd October, 2018, appointed Mr. Maheswar Sahu, Mr. Naresh Kumar Nayyar and Mrs. Chandra Iyengar as Additional Directors of the Company. According to the provisions of Section 161 of the Companies Act 2013, they hold office as Directors 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 appointments of Mr. Maheswar Sahu, Mr. Naresh Kumar Nayyar and Mrs. Chandra Iyengar as Directors.

• Profile of Mr. Maheswar Sahu

Mr. Maheswar Sahu has done B.Sc. (Engg.) in Electrical in 1977 from NIT, Rourkela and M.Sc. from University of Birmingham in 1994. He joined Indian Administrative Service (IAS) in 1980. He has served the Government of India and Government of Gujarat in various capacities for more than three decades before retiring as Additional Chief Secretary, Government of Gujarat in 2014. His career span includes more than 20 years of service in industry and more than 10 year of active involvement in PSU management. He had worked for more than 3 years in United Nations Industrial Development Organization. He was instrumental in organization four Vibrant Gujarat events. He served as Director in many CPSEs. He was also Chairman/ Director in many State PSUs. At present he is Chairman in GIFT SEZ, IRM Energy and Independent Director in many companies. His area of specialization includes strategic management, public administration and corporate governance etc.

• Profile of Mr. Naresh Kumar Nayyar

Mr. Naresh Kumar Nayyar has over 42 years of experience in the Energy sector globally. He has vast experience in development of multi-billion dollar projects, turn down and transformation of stressed companies, development

of new markets and global operations in oil and gas industry.

He is a Chartered Accountant and is an alumnus of IIM-Ahmedabad. He has also attended Advance Financial Management programme in Oil and Gas from University of Texas, Dallas (USA).

He was the Chief Executive Officer and Managing Director of Essar Oil Limited (India's second largest private oil company) and also served as Chief Executive Officer of Essar Energy Plc UK (UK Listed FTSE 100 energy company), Chief Executive Officer and Executive Chairman of Essar Oil UK Limited, UK (UK based oil Refining and Marketing Company), Director (Planning & Business Development) of Indian Oil Corporation Limited, Chief Executive Officer of ONGC Mittal Energy Ltd, UK. He has also served as Non Independent Director of prominent Energy companies including Oil & Natural Gas Corporation Limited, IBP Ltd, Petronet LNG Limited, Essar Power Limited, Lanka IOC Limited, Srilanka, Kenya Petroleum Refinery Limited, Kenya.

• Profile of Mrs. Chandra Iyengar

Mrs. Chandra Iyengar holds degree in M.A. from Miranda House, New Delhi and is an officer of the 1973 batch of the Indian Administrative Services (IAS). Over the course of her career, she has led several departments in the Government of Maharashtra and the Government of India, such as Women & Child Development, Higher & Technical Education, Rural Development, and Health. As a Secretary for Women & Child Development for the Government of Maharashtra, she was responsible for drafting and implementing the first-ever state policy for women's empowerment in India.

She has served as Additional Chief Secretary – Home Ministry for the Government of Maharashtra and as a Director on the Board of Bharat Heavy Electricals Limited (BHEL) and also as a Chairperson of the Maharashtra Energy Regulatory Commission (MERC).

Mr. Maheswar Sahu, Mr. Naresh Kumar Nayyar and Mrs. Chandra Iyengar have given declarations to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, they fulfill the conditions specified in the Act read with the rules made thereunder for appointment as Independent Directors and they are independent of the management.

Mr. Maheswar Sahu, Mr. Naresh Kumar Nayyar and Mrs. Chandra Iyengar are not disqualified from being

appointed as Directors in terms of Section 164 of the Act and has given their consent to act as Directors.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Maheswar Sahu, Mr. Naresh Kumar Nayyar and Mrs. Chandra Iyengar as Independent Directors are now being placed before the Members for their approval.

The terms and conditions for appointment of Mr. Maheswar Sahu, Mr. Naresh Kumar Nayyar and Mrs. Chandra Iyengar as Independent Directors of the Company shall be open for inspection by the members at the Registered Office of the Company during normal business hours on any working day.

Brief resume and other details of Mr. Maheswar Sahu, Mr. Naresh Kumar Nayyar and Mrs. Chandra Iyengar are provided in annexure to the Notice pursuant to the provisions 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 resolutions for your approval.

Mr. Maheswar Sahu, Mr. Naresh Kumar Nayyar and Mrs. Chandra Iyengar are deemed to be interested in the respective resolutions as it relates to their appointments.

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. 11:

The Company proposes to have flexibility to infuse additional capital, to tap capital markets and to raise additional long term resources, if necessary in order to sustain rapid growth in the business, for business expansion and to improve the financial leveraging strength of the Company. The proposed resolution seeks the enabling authorization of the members to the Board of Directors to raise funds to the extent of ₹3,000 Crores (Rupees Three Thousand Crores Only) or its equivalent in any one or more currencies, in one or more tranches, in such form, on such terms, in such manner, at such price and at such time as may be considered appropriate by the Board (inclusive at such premium as may be determined) by way of issuance of equity shares of the Company ("Equity Shares") and/or any instruments or securities including Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and/or convertible preference shares and/or convertible

debentures (compulsorily and/or optionally, fully and/or partly) and/or non-convertible debentures (or other securities) with warrants, and/or warrants with a right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously with the issue of Foreign Currency Convertible Bonds ("FCCBs") and/or Foreign Currency Exchangeable Bonds ("FCEBs") and/or any other combination of permitted fully and/or partly paid securities/ instruments/ warrants, convertible into or exchangeable for equity shares at the option of the Company and/or holder(s) of the security(ies) and/or securities linked to equity shares (hereinafter collectively referred to as "Securities"), in registered or bearer form, secured or unsecured, listed on a recognized stock exchange in India or abroad whether rupee denominated or denominated in foreign currency by way of private placement or otherwise.

The Special Resolution also seeks to empower the Board of Directors to undertake a Qualified Institutional Placement (QIP) with Qualified Institutional Buyers (QIBs) as defined by SEBI under Issue of Capital and Disclosure Requirements Regulations, 2009. The Board of Directors may in their discretion adopt this mechanism as prescribed under Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. Further in case the Company decides to issue eligible securities within the meaning of Chapter VIII of the SEBI Regulations to Qualified Institutional Investors, it will be subject to the provisions of Chapter VIII of the SEBI Regulations as amended from time to time. The aforesaid securities can be issued at a price after taking into consideration the pricing formula prescribed in Chapter VIII of the SEBI (ICDR) Regulations. Allotment of securities issued pursuant to Chapter VIII of SEBI Regulations shall be completed within twelve months from the date of passing of the resolution under Section 42 and 62 of the Companies Act, 2013. This Special Resolution gives (a) adequate flexibility and discretion to the Board to finalise the terms of the issue, in consultation with the Lead Managers, Underwriters, Legal Advisors and experts or such other authority or authorities as need to be consulted including in relation to the pricing of the Issue which will be a free market pricing and may be at premium or discount to the market price in accordance with the normal practice and (b) powers to issue and market any securities issued including the power to issue such Securities in such tranche or tranches with/without voting rights or with differential voting rights.

The detailed terms and conditions for the issue of Securities will be determined in consultation with the advisors, and such Authority/Authorities as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors.

The consent of the shareholders is being sought pursuant to the provisions of Section 42, 62 and other applicable provisions of the Companies Act, 2013 and in terms of the provisions of the listing agreement executed by the Company with Stock Exchanges where the Equity Shares of the Company are listed. Since the resolution involves issue of Equity Shares to persons other than existing shareholders, special resolution in terms of Section 42 and 62 of the Companies Act, 2013 is proposed for your approval. The amount proposed to be raised by the Company shall not exceed ₹ 3,000 Crores (Rupees Three Thousand Crores Only).

The Equity shares, which would be allotted, shall rank in all respects paripassu with the existing Equity Shares of the Company, except as may be provided otherwise under the terms of issue/offering and in the offer document and/or offer letter and/or offering circular and/or listing particulars.

The Board of Directors recommends the said 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. 12:

The board at its meeting held on 22nd October, 2018 approved the payment of remuneration by way of commission to Non-Executive Director(s), such remuneration not exceeding 1% of the net profits of the Company for each year for a period of five years commencing from 22nd October, 2018.

The resolution proposes to seek approval of members in accordance with Section 197 of the Companies Act, 2013 ("Act") in order to continue payment of commission to Non-Executive Director(s). The Board of Directors will determine the specific amount to be paid as commission to the Non-Executive Director(s), which shall not exceed 1% of the net profits of the Company for that year, as computed in the manner referred to in Section 198 of the Act.

The payment of commission would be in addition to the sitting fees payable for attending meetings of Board and Committees thereof, if any.

The Board of Directors recommends the said resolution for your approval.

All Non-Executive Director(s) of the Company may be deemed to be concerned or interested in this resolution to the extent of commission that may be payable to them from time to time and 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. 13:

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 2019-20, at a fee of ₹ 1,25,000/- plus applicable Taxes and reimbursement of out of pocket expenses, as remuneration for cost audit services for the FY 2019-20.

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. 13 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2020.

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 and on behalf of the Board

Date : 27th May, 2019
Place : Ahmedabad

Gunjan Taunk
Company Secretary

Regd. Office:
"Adani House",
Near Mithakhali Six Roads,
Navrangpura,
Ahmedabad - 380 009
Gujarat, India.
CIN : U40100GJ2005PLC046553

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/she holds directorship as on 31.03.2019	Name of committees in which he/she holds membership/ chairmanship as on 31.03.2019
Mr. Gautam S. Adani	56 years 24.06.1962 (1 Equity Share)	S.Y. B. Com	Mr Gautam S. 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.	<ul style="list-style-type: none"> 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] 	<ul style="list-style-type: none"> Adani Enterprises Limited^{^^} <ul style="list-style-type: none"> Nomination & Remuneration Committee (Member) Adani Gas Limited^{^^} <ul style="list-style-type: none"> Nomination & Remuneration Committee (Member)
Mr. Pranav V. Adani	40 years 09.08.1978 (Nil)	B.B.A.	Mr. Pranav V. Adani has been active in the group since 1999. He has been instrumental in initiating & building numerous new business opportunities across multiple sectors. He has spearheaded the Joint Venture with the Wilmar Group of Singapore and transformed it from a single refinery edible oil business into a pan India Food Company. He also leads the Oil & Gas, City Gas Distribution & Agri Infrastructure businesses of the Group. His astute understanding of the economic environment has helped the group in scaling up the businesses multi fold. Mr. Pranav Adani is a Bachelor of Science in Business Administration from the Boston University, USA. He is also an alumnus of the Owners/ President Management Program of the Harvard Business School, USA. Mr. Pranav Adani has been conferred with several awards, Globoil Man of the Year Award 2009 being one of them.	<ul style="list-style-type: none"> Adani Enterprises Limited^{^^} Adani Gas Limited^{^^} Adani Wilmar Limited Adani Welspun Exploration Limited Adani Synenergy Limited Adani Bunkering Private Limited Adani Properties Private Limited Adani Infrastructure and Developers Private Limited Adani Agri Fresh Limited Adani Agri Logistics Limited 	<ul style="list-style-type: none"> Adani Enterprises Limited^{^^} <ul style="list-style-type: none"> Risk Management Committee (Member) Stakeholders' Relationship Committee (Member) Corporate Social Responsibility Committee (Member) Adani Gas Limited^{^^} <ul style="list-style-type: none"> Risk Management Committee (Chairman) Corporate Social Responsibility Committee (Member) Stakeholders' Relationship Committee (Member) Adani Agri Fresh Limited <ul style="list-style-type: none"> Corporate Social Responsibility Committee (Chairman). Adani Bunkering Private Limited <ul style="list-style-type: none"> Corporate Social Responsibility Committee (Chairman) Adani Wilmar Limited <ul style="list-style-type: none"> Corporate Social Responsibility Committee (Chairman) Adani Properties Pvt. Ltd. <ul style="list-style-type: none"> Corporate Social Responsibility Committee (Chairman)

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/she holds directorship as on 31.03.2019	Name of committees in which he/she holds membership/ chairmanship as on 31.03.2019
Mr. Suresh P Manglani	53 years 08/10/1965 (100 Equity Shares)	CMA, CS & LLB	Mr. Suresh P Manglani is a Cost and Management Accountant, LLB and Company Secretary. He is a seasoned professional with 29 years of varied experience in diversified businesses. He started his career with Kelvinator (now Whirlpool India) in 1989 and subsequently worked with GAIL, Mahanagar Gas Ltd, India Gas Solutions. Prior to joining us, he was working with Reliance Industries Ltd. as Sr. Vice President & Head of Commercial (CFO) of petroleum retail business.	<ul style="list-style-type: none"> Adani Gas Limited^^ IndianOil-Adani Gas Private Limited 	<ul style="list-style-type: none"> Adani Gas Limited^^ <ul style="list-style-type: none"> Audit Committee (Member) Risk Management Committee (Member)
Mr. Maheswar Sahu	65 years 10/01/1954 (Nil)	Ex. IAS Officer	Mr. Maheswar Sahu has done B.Sc. (Engg.) in Electrical in 1977 from NIT, Rourkela and M.Sc. from University of Birmingham in 1994. He joined Indian Administrative Service (IAS) in 1980. He has served the Government of India and Government of Gujarat in various capacities for more than three decades before retiring as Additional Chief Secretary, Government of Gujarat in 2014. His career span includes more than 20 years of service in industry and more than 10 year of active involvement in PSU management. He had worked more than 3 years in United Nations Industrial Development Organization. He was instrumental in organization of four Vibrant Gujarat events. He served as Director in many CPSEs. He was also Chairman/ Director in many State PSUs. At present he is Chairman in GIFT SEZ, IRM Energy and Independent Director in many companies. His area of specialization includes strategic management, public administration, corporate governance etc	<ul style="list-style-type: none"> Adani Gas Limited^^ National Aluminium Co Limited^^ YES Bank Limited^^ Heubach Colour Private Limited Gold Plus Glass Industry Limited Mangalam Alloys Limited Powerica Limited IRM Energy Private Limited Gift SEZ Limited Mahindra World City (Jaipur) Limited GSEC Limited GVFL Limited Solvay Specialities India Private Limited Aspire Disruptive Skill Foundation [Section 8 Company] Sme Mavens Foundation [Section 8 Company] AIC-ISE Foundation [Section 8 Company] 	<ul style="list-style-type: none"> Adani Gas Limited^^ <ul style="list-style-type: none"> Audit Committee (Chairman) Nomination & Remuneration Committee (Chairman) Stakeholders' Relationship Committee (Chairman) Corporate Social Responsibility Committee (Chairman) Risk Management Committee (Member) National Aluminium Co Limited^^ <ul style="list-style-type: none"> Nomination & Remuneration Committee (Chairman) Corporate Social Responsibility Committee (Member) YES Bank Limited^^ <ul style="list-style-type: none"> Stakeholders' Relationship Committee (Chairman) Corporate Social Responsibility Committee (Member) Gold Plus Glass Industry Limited <ul style="list-style-type: none"> Audit Committee (Member) Nomination & Remuneration Committee (Member) Corporate Social Responsibility Committee (Chairman) Mahindra World City (Jaipur) Limited <ul style="list-style-type: none"> Audit Committee (Chairman) Nomination & Remuneration Committee (Chairman) Corporate Social Responsibility Committee (Member) GSEC Limited <ul style="list-style-type: none"> Audit Committee (Member) Heubach Colour Private Limited <ul style="list-style-type: none"> Corporate Social

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/she holds directorship as on 31.03.2019	Name of committees in which he/she holds membership/ chairmanship as on 31.03.2019
					Responsibility Committee (Member) • IRM Energy Private Limited o Audit Committee (Member) • Solvay Specialities India Private Limited o Corporate Social Responsibility Committee (Member)
Mr. Naresh Kumar Nayyar	67 years 26/03/1952 (Nil)	C. A.	<p>Mr. Naresh Kumar Nayyar has over 42 years of experience in the Energy sector globally. He has vast experience in development of multi-billion dollar projects, turn down and transformation of stressed companies, development of new markets and global operations in oil and gas industry.</p> <p>He is a Chartered Accountant and is an alumnus of IIM-Ahmadabad. He has also attended Advance Financial Management programme in Oil and Gas from University of Texas, Dallas (USA).</p> <p>He was the Chief Executive Officer and Managing Director of Essar Oil Limited (India's second largest private oil company) and also served as Chief Executive Officer of Essar Energy Plc UK (UK Listed FTSE 100 energy company), Chief Executive Officer and Executive Chairman of Essar Oil UK Limited, UK (UK based oil Refining and Marketing Company), Director (Planning & Business Development) of Indian Oil Corporation Limited, Chief Executive Officer of ONGC Mittal Energy Ltd, UK. He has also served as Non Independent Director of prominent Energy companies including Oil & Natural Gas Corporation Limited, IBP Ltd, Petronet LNG Limited, Essar Power limited, Lanka IOC Limited, Sri Lanka, Kenya Petroleum Refinery Limited, Kenya.</p>	• Adani Gas Limited^^ • SNS Creations Private Limited	• Adani Gas Limited^^ o Audit Committee (Member) o Nomination & Remuneration Committee (Member) o Stakeholders' Relationship Committee (Member)

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/she holds directorship as on 31.03.2019	Name of committees in which he/she holds membership/ chairmanship as on 31.03.2019
Mrs. Chandra Iyengar	68 years 10/11/1950 (Nil)	Ex. IAS Officer	Mrs. Chandra Iyengar holds degree in MA from Miranda House, New Delhi and is an officer of the 1973 batch of the Indian Administrative Services (IAS). Over the course of her career, she has led several departments in the Government of Maharashtra and the Government of India, such as Women & Child Development, Higher & Technical Education, Rural Development, and Health. As the Secretary for Women & Child Development for the Government of Maharashtra, she was responsible for drafting and implementing the first-ever state policy for women's empowerment in India. She has served as Additional Chief Secretary – Home Ministry for the Government of Maharashtra and as a Director on the Board of Bharat Heavy Electricals Limited (BHEL) and also as a Chairperson for the Maharashtra Energy Regulatory Commission (MERC).	<ul style="list-style-type: none"> Adani Gas Limited ^ ^ Shriram Asset Management Company Limited ^ ^ Aurangabad Industrial Township Limited Miracle Foundation India [Section 8 Company] 	<ul style="list-style-type: none"> Adani Gas Limited ^ ^ <ul style="list-style-type: none"> Audit Committee (Member) Nomination & Remuneration Committee (Member) Corporate Social Responsibility Committee (Member) Shriram Asset Management Company Limited <ul style="list-style-type: none"> Stakeholders' Relationship Committee (Member) Aurangabad Industrial Township Limited <ul style="list-style-type: none"> Audit Committee (Member) Nomination & Remuneration Committee (Chairman)

#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.

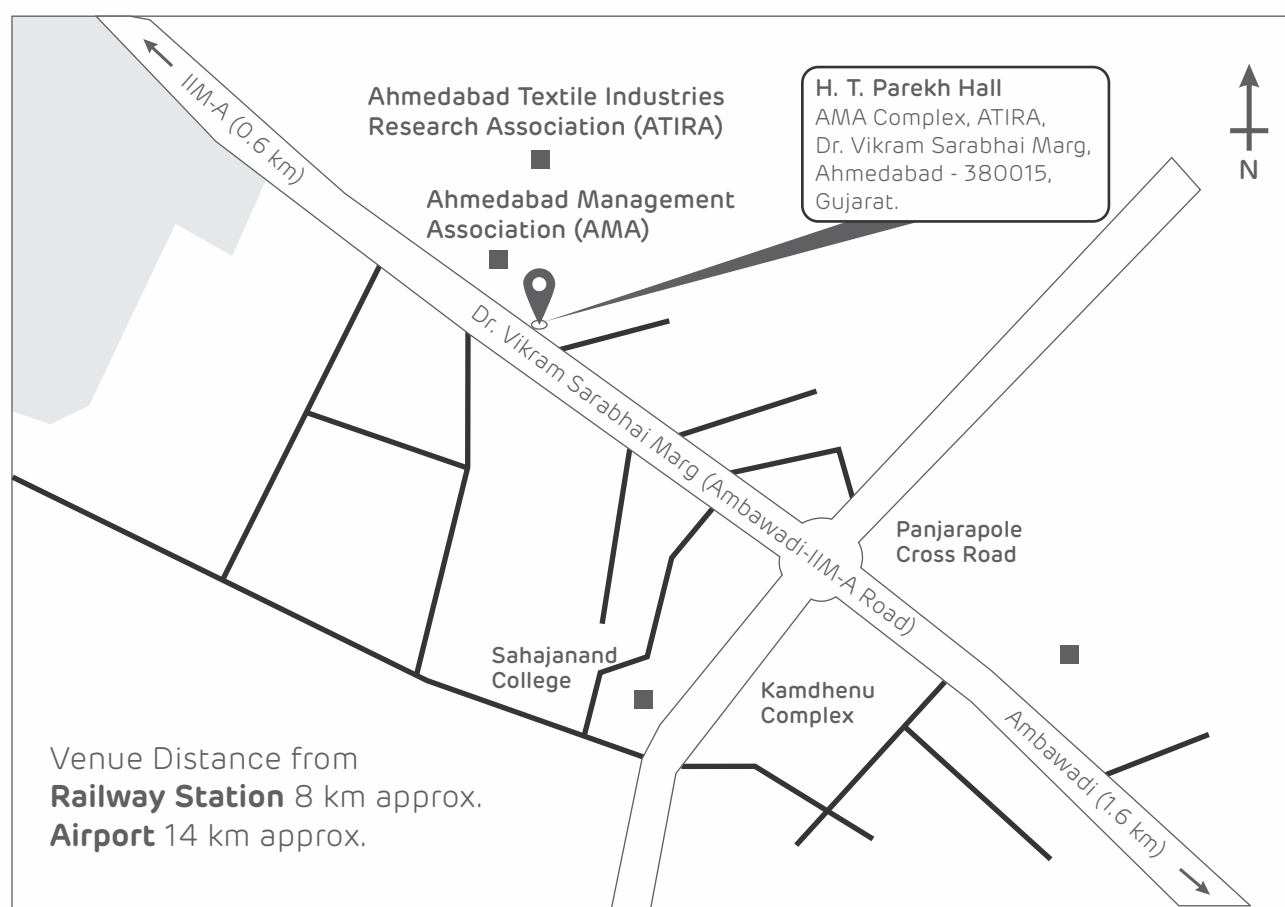
IMPORTANT COMMUNICATION TO MEMBERS

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.

ROUTE MAP TO THE VENUE OF THE 14th AGM TO BE HELD ON TUESDAY, 6th AUGUST, 2019

Venue : H. T. Parekh Hall, Ahmedabad Management Association,
AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg,
Ahmedabad - 380 015.

Landmark : Opposite Indian Institute of Management, Ahmedabad.





Adani Gas Limited

Regd. Office: "Adani House", Nr. Mithakhali Six Roads, Navrangpura,
Ahmedabad – 380 009, Gujarat, India
CIN: U40100GJ2005PLC046553

Form No. MGT-11

Proxy Form

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

CIN : U40100GJ2005PLC046553
Name of the company : Adani Gas Limited
Registered Office : "Adani House", Nr. Mithakhali Six Roads, Navrangpura Ahmedabad - 380 009

Name of the member(s) :

Registered Address :

Email ID :

Folio No/Client ID :

DP ID :

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

(1) Name: _____

Address: _____

E-mail id: _____

Signature : _____, or failing him;

(2) Name: _____

Address: _____

E-mail id: _____

Signature : _____, or failing him;

(3) Name: _____

Address: _____

E-mail id: _____

Signature : _____, or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 14th Annual General Meeting of the Company, to be held on Tuesday, 6th August, 2019 at 11:30 a.m. at H. T. Parekh Hall, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

1. Adoption of audited financial statements (including consolidate financial statements) for the financial year ended 31st March, 2019 (Ordinary Resolution).
2. Declaration of Dividend on Equity Shares (Ordinary Resolution).
3. Confirm the payment at interim dividend and declaration of final dividend on Preference Shares (Ordinary Resolution).
4. Re-appointment of Mr. Pranav V. Adani (DIN: 00008457), as a Director of the Company who retires by rotation (Ordinary Resolution).

Special Business:

5. Appointment of Mr. Gautam S. Adani (DIN: 00006273), as a Director (Ordinary Resolution).
6. Appointment of Mr. Suresh P Manglani (DIN: 00165062), as a Director (Ordinary Resolution).
7. Appointment of Mr. Suresh P Manglani (DIN: 00165062), as an Executive Director (Special Resolution).
8. Appointment of Mr. Maheswar Sahu (DIN: 00034051), as an Independent Director (Ordinary Resolution).
9. Appointment of Mr. Naresh Kumar Nayyar (DIN: 00045395), as an Independent Director (Ordinary Resolution).
10. Appointment of Mrs. Chandra Iyengar (DIN: 02821294), as an Independent Director (Ordinary Resolution).
11. Approval of offer or invitation to subscribe to Securities for an amount not exceeding ₹ 3,000 Crores (Special Resolution).
12. Approval for payment of commission to the Non-Executive Director(s) including Independent Director(s) of the Company (Ordinary Resolution).
13. Ratification of the Remuneration of the Cost Auditors (Ordinary Resolution).

Signed this _____ day of _____ 2019.

Signature of Shareholder: _____

Signature of Proxy holder(s): _____

Affix Re.1
Revenue
Stamp

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



Adani Gas Limited

Regd. Office: "Adani House", Nr. Mithakhali Six Roads, Navrangpura,
Ahmedabad – 380 009, Gujarat, India
CIN: U40100GJ2005PLC046553

Attendance Slip

Full name of the member attending : _____

Full name of the joint-holder : _____

(To be filled in if first named Joint- holder does not attend meeting)

Name of Proxy : _____

(To be filled in if Proxy Forms has been duly deposited with the Company)

I hereby record my presence at the 14th Annual General Meeting held at H. T. Parekh Hall, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015 on Tuesday, 6th August, 2019 at 11:30 a.m.

Folio No _____ DP ID No. * _____ Client ID No. * _____

*Applicable for members holding shares in electronic form.

No. of Share(s) held _____

Member's / Proxy's Signature

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ping@marshmallow.in



Adani Gas Limited

Adani House

Near Mithakhali Six Roads, Navrangpura,
Ahmedabad 380 009,
Gujarat, India

P : (079) 27541988

F : (079) 2754 2988

www.adanigas.com

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