Azadi Ka Amrit Mahotsav

GUJARAT GAS

GGL/SEC/1044/2022 4th August, 2022

BSE Limited,	National Stock Exchange of India Ltd.
Phiroze Jijibhoy Tower, Dalal Street, Mumbai	Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
Company Code: BSE-GUJGAS	**Company Code: NSE-GUJGASLTD**

Sub: Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Notice of 10th Annual General Meeting (AGM) alongwith Annual Report of Gujarat Gas Limited for the Financial Year 2021 – 22.

Respected Sir/ Madam,

This is further to our Letter dated 3rd August, 2022, wherein, the Company had informed that the 10th Annual General Meeting is scheduled to be held on **Monday, 29th August, 2022 at 11.30 A.M.** through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

In terms of the requirement of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company including the Notice of AGM for the Financial Year 2021–22. The Company has sent the same today through electronic mode to the Members who have registered their E-Mail IDs with the Company's R&TA/Depository Participant.

The Notice of AGM along with the Annual Report for the Financial Year 2021 - 22 is also available on the website of the Company viz. www.gujaratgas.com. Further, the Notice of AGM will also be available on the website of Central Depository Services (India) Limited at www.evotingindia.com.

You are requested to kindly take the above information on record.

Thanking You.

For Gujarat Gas Limited

Sandeep Dave
Company Secretary

Rohan

GUJARAT GAS LIMITED (A GSPC Group Company - Government of Gujarat Undertaking) (Formerly known as GSPC Distribution Networks Limited)
Corporate Office : 2, Shanti Sadan Society, Near Parimal Garden, Ellisbridge, Ahmedabad - 380 006, Gujarat, India.
Tel.: +91-79-26462980, 26460095 Fax : +91-79-26466249
Registered Office : Gujarat Gas CNG Station, Sector-5/C, Gandhinagar - 382 006, Gujarat, India. Tel.: +91-79-23264777, 23264999
Website : www.gujaratgas.com, www.gspcgroup.com CIN : L40200GJ2012SGC069118

GUJARAT GAS

10th ANNUAL REPORT

2021-22

www.gujaratgas.com

GUJARAT GAS

GUJARAT GAS LIMITED

CIN-L40200GJ2012SGC069118

BOARD OF DIRECTORS

Shri Pankaj Kumar, IAS, Chairman (w.e.f. 08/09/2021)

Shri Raj Kumar, IAS (w.e.f. 21/07/2022)

Shri Milind Torawane, IAS (w.e.f. 10/08/2017)

Shri Balwant Singh, IAS, Retd (w.e.f. 20/04/2022)

Prof. Yogesh Singh (w.e.f. 15/08/2021)

Shri Bhadresh Mehta (w.e.f. 15/08/2021)

Dr. Rekha Jain (w.e.f. 20/04/2022)

Shri Sanjeev Kumar, IAS, Managing Director (w.e.f. 18/12/2019)

Shri Anil Mukim, IAS (upto 03/09/2021)

Dr. Manjula Subramaniam, IAS (Retd.) (upto 28/01/2022)

Shri K.D. Chatterjee (upto 20/04/2022)

Shri Jal Patel (upto 20/04/2022)

Dr. Rajiv Kumar Gupta, IAS (upto 08/06/2022)

CHIEF FINANCIAL OFFICER

Mr. Nitesh Bhandari

COMPANY SECRETARY

Mr. Sandeep Dave

INTERNAL AUDITORS

Deloitte Haskins & Sells LLP

SECRETARIAL AUDITORS

Manoj Hurkat & Associates

REGISTRAR & SHARE TRANSFER AGENT

M/s KFin Technologies Limited, Hyderabad

BANKERS & FINANCIAL INSTITUTION

Axis Bank

Bank of Baroda

Federal Bank

HDFC Bank

ICICI Bank

IDBI Bank

IndusInd Bank

Kotak Mahindra Bank

Punjab National Bank

RBL Bank

State Bank of India

Union Bank of India

Yes Bank

STATUTORY AUDITORS

Manubhai & Shah LLP, Chartered Accountants, G-4, Capstone,
Opp. Chirag Motors, Sheth Mangaldas Road, Ellisbridge,
Ahmedabad – 380006, Gujarat, India.

COST AUDITORS

Ashish Bhavsar & Associates, Cost Accountants,
916, Shiromani Complex, Opp. Ocean Park, Nehrunagar,
Satellite Road, Ahmedabad - 380015, Gujarat, India.

REGISTERED OFFICE

Gujarat Gas CNG Station, Sector 5/C,
Gandhinagar – 382 006, Gujarat, India.

CORPORATE OFFICE

2, Shanti Sadan Society, Near Parimal Garden, Ellisbridge,
Ahmedabad – 380 006, Gujarat, India

10th ANNUAL REPORT 2021 - 22

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GUJARAT GAS LIMITED
Registered Office: Gujarat Gas CNG Station, Sector 5/C, Gandhinagar – 382006, Gujarat
Tel: +91-79-26462980 Fax + 91-79-26466249
website: www.gujaratgas.com,
E-mail Id: Investors@GUJARATGAS.com
CIN: L40200GJ2012SGC069118

NOTICE OF 10TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 10th (Tenth) Annual General Meeting of the Members of Gujarat Gas Limited will be held on Monday, 29th August, 2022 at 11:30 AM, through Video Conference ("VC') / Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Company for the Financial Year ended 31st March, 2022 and the Reports of the Board of Directors together with the Reports of Statutory Auditors and Comments of the Comptroller & Auditor General of India.
2. To declare Dividend on equity shares for the Financial Year 2021-22.
3. To re-appoint Shri. Milind Torawane, IAS, (DIN: 03632394), who retires by rotation and being eligible offers himself for re-appointment.
4. To authorise the Board of Directors of the Company to fix remuneration of Statutory Auditors of the Company for Financial Year 2022-23, in terms of the provisions of Section 142 of Companies Act, 2013.

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 Shri. Raj Kumar, IAS, (DIN: 00294527) who was appointed as an Additional Director pursuant to provisions of Sections 149,152, 161 of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force] 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 Companies Act, 2013, from a Member proposing his candidature for the office of the Director be and is hereby appointed as a Director of the Company till further orders by Government of Gujarat in this regard, who shall be liable to retire by rotation."

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

   "RESOLVED THAT pursuant to the provisions of the Section 148 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, if any, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of M/s. Ashish Bhavsar & Associates, Cost Accountants, (firm registration No. 000387) the Cost Auditors of the Company, (whose appointment and remuneration has been recommended by the Audit Committee and approved by the Board of Directors), for conducting the audit of the cost records maintained by the Company for the Financial Year 2022-23, i.e. Rs. 1,30,000/- (Rupees One Lac Thirty Thousands only) + GST and out of pocket expenses, is hereby ratified.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and to take such steps as may be necessary, proper and expedient to give effect to this resolution."

By Order of the Board
For Gujarat Gas Limited

Sandeep Dave
Company Secretary

Date: 3rd August, 2022
Place: Ahmedabad

Registered Office : Gujarat Gas CNG Station, Sector 5/C, Gandhinagar – 382006, Gujarat
Tel: +91-79-26462980 **Fax** + 91-79 26466249 **website:** www.gujaratgas.com **E-mail:** Investors@GUJARATGAS.com

Notes:

1. Considering the CoVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has vide its circular dated 5th May, 2020 read with Circulars dated 8th April, 2020 and 13th April, 2020, Circular dated 13th January, 2021, Circular dated 14th December, 2021 and Circular dated 5th May, 2022 (collectively referred as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular dated 12th May, 2020, circular dated 15th January, 2021 and circular dated 13th May, 2022 (collectively referred to as "SEBI Circulars") permitted convening of the Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of the members at the common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be Registered Office of the Company. The Central Depository Services (India) Limited will be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the Meeting through VC/OAVM is explained in later part of Notes.
2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of himself and the proxy need not be a member of the Company. Since this AGM shall be conducted through VC/OAVM, the facility for appointment of proxy by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip including the Route Map are not annexed hereto.
3. Corporate Members are requested to send a scanned copy of its Board Resolution authorizing its representative to attend the AGM through VC/OAVM and to vote at the AGM pursuant to Section 113 of the Companies Act, 2013 to the scrutiniser at **manojhurkat@hotmail.com**.
4. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to the special business to be transacted at the AGM and the relevant details of the Directors seeking appointment/re-appointment at the AGM as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) 2015 is annexed thereto. The Board of Directors have considered and decided to include the Item No. 5 to 6 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.
5. The Company has fixed Monday, 22nd August, 2022 as "Record Date" for determining entitlement of Final Dividend of Rs. 2/- (i.e. 100%) per Share for the Financial Year ended on 31st March, 2022.

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT/LOGIN CREDENTIALS FOR E-VOTING

6. In Compliance with the aforesaid MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 stating that owning to the difficulties involved in dispatching of physical copies of the financial statements (including the Report of Board of Directors, Auditor's Report and other documents required to be annexed therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose E-mail addresses are registered with the Company or the Depository Participant(s).
7. Members who have not updated their E-mail addresses and mobile number with the Company/ R&TA KFin Technologies Limited/respective Depository Participants are requested to follow the below procedure to get their E-mail addresses updated to obtain the copy of Annual Report and Login Credentials for attending AGM/casting votes through E-voting at **www.evotingindia.com**:

- **Shareholders holding Shares in physical mode:** The Shareholders are requested to update their email addresses by sending following documents by E-mail at **einward.ris@kfintech.com** or by writing to R&TA at Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032:
  a) A signed request letter mentioning your name, folio number and complete address;
  b) Self attested scanned copy of the PAN Card; and
  c) Self attested scanned copy of any document (such as AADHAR Card, Driving Licence, Passport) in support of the address of the Member as registered with the Company.
- **Shareholders holding Shares in Demat mode:** The Shareholders are requested to provide the following details by E-mail at **einward.ris@kfintech.com** or by writing to R&TA at Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032:
  a) Name and Demat account details (CDSL - 16 digit beneficiary ID or NSDL - 16 digit DP ID + Client ID)
  b) Client Master or copy of Consolidated Account statement
  c) Self attested scanned copy of the PAN Card; and
  d) Self attested scanned copy of any document (such as AADHAR Card, Driving Licence, Passport) in support of the address of the Member as registered with the Company.

Shareholders holding Shares in Demat mode are also requested to update their E-mail addresses and mobile number with their Depository Participants.

- **For Individual Demat shareholders –** Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

  If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to **helpdesk.evoting@cdslindia.com** or contact at toll free no. 1800 22 55 33. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

8. Notice of the AGM along with the Annual Report 2021 – 22 is also available on the website of the Company i.e. **www.gujaratgas.com**, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange Limited at **https://www.bseindia.com/** and **https://www.nseindia.com/** respectively. Further, the AGM Notice will also be available on the website of CDSL www.evotingindia.com.

PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM

9. The Company will provide facility of VC/OAVM to its member for participating at the AGM.

   The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

10. Members attending the AGM through VC/ OAVM shall be counted for purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING AGM

11. In compliance with provisions of Section 108 of the Companies Act, 2013 and 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 provide facility to the Members to exercise their right to vote by electronic means in respect of the Resolution(s) contained in this Notice. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the Authorised Agency to provide remote e-voting facility (i.e. the facility of casting votes by a Member by using an electronic voting system from a place other than the venue of a General Meeting) as well as e-voting facility during the AGM.

12. The cut off date for the purpose of e-voting (including remote e-voting) is Monday, 22nd August, 2022. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories at the close of business hours on Monday, 22nd August, 2022 shall be entitled to vote on the resolutions proposed to be passed at the AGM by electronic means. The Voting rights of the members shall be in proportion of the paid-up value of their shares in the equity capital of the Company as on the cut off date for the purpose of the e-voting.

13. The Members may cast their votes on electronic voting system from any place (remote e-voting). The remote e-voting will be available during the following period after which the portal shall forthwith be blocked and shall not be available:

Commencement of remote e-voting	09:00 A.M. (IST) on Friday, 26th August, 2022
End of remote e-voting	05:00 P.M. (IST) on Sunday, 28th August, 2022

14. The Board of Directors of the Company have appointed M/s Manoj Hurkat & Associates, Practising Company Secretary, as the Scrutinizer to scrutinize the entire e-voting process (i.e. remote e-voting and e-voting facility during AGM) in a fair and transparent manner.

15. The Scrutinizer shall submit, on or before 1st September, 2022 (11:30 A.M.), a consolidated Scrutinizer's Report (for votes casted during the AGM and votes casted through remote e-voting) of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or a person authorised by him, who shall declare the result forthwith.

16. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website **www.gujaratgas.com** and on the website of Central Depository Services (India) Limited immediately after the result is declared and shall be simultaneously communicated to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) where the Equity Shares of the Company are Listed.

17. **Information and instructions relating to e-voting are given as under:**

Remote E-voting:

(i) Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(ii) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to aforesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are **https://web.cdslindia.com/myeasi/home/login** or visit **www.cdslindia.com** and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also link provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KFIN/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at **https://web.cdslindia.com/myeasi/Registration/EasiRegistration** 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on **www.cdslindia.com** home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: **https://eservices.nsdl.com** either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at **https://eservices.nsdl.com**. Select "Register Online for IDeAS "Portal or click at **https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp** 3) 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at **helpdesk.evoting@cdslindia.com** or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at **evoting@nsdl.co.in** or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(iii) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

1) The shareholders should log on to the e-voting website **www.evotingindia.com**
2) Click on "Shareholders" module.
3) Now enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4) Next enter the Image Verification as displayed and Click on Login.
5) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier e-voting of any company, then your existing password is to be used.
6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number provided in the E-mail sent to the Shareholders.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

(iv) After entering these details appropriately, click on "SUBMIT" tab.

(v) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(vii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(viii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(ix) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(x) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xiii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xiv) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to **www.evotingindia.com** and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com.**
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; **manojhurkat@hotmail.com** , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at **Investors@GUJARATGAS.com.** The shareholders who do not wish to speak during the AGM but have queries may send their queries in **advance atleast 10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at **Investors@GUJARATGAS.com.** These queries will be replied to by the company suitably. It is to be noted that Company reserves the rights to restrict the number of questions and number of speakers, as appropriate for smooth conduct of AGM.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Further, the facility of e-voting will also be available at the AGM and the members who have not cast their vote by remote e-voting on all or any of the resolutions set out in the Notice can cast their vote at the Meeting. The Members who have 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 at the Annual General Meeting. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCEDURE FOR INSPECTION OF DOCUMENTS

18. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode on the basis of prior request. Members seeking to inspect such documents can send the e-mail to **Investors@GUJARATGAS.com**.

19. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act shall be available for inspection electronically by the Members during the E-AGM upon login CDSL e-voting system at **https://www.evotingindia.com**.

DIVIDEND RELATED INFORMATION:

20. Subject to approval of the Members at the AGM, the Dividend will be paid by the Company on or before 27th September, 2022 to the Members whose name appears on the Company's Register of Members as on the Record Date i.e. Monday, 22nd August, 2022 as Beneficial owners as at the close of business hours on Monday, 22nd August, 2022, as per the list to be furnished by the Depositories in respect of the shares held in electronic form and for physical shareholders after giving effect to all valid share transfer in physical form received as at the close of business hours on Monday, 22nd August, 2022.

21. It is to be noted that payment of Dividend shall be made through electronic mode to the shareholders who have updated their bank details. Dividend Warrants/Demand drafts will be dispatched to the registered address of the Shareholders who have not updated their bank details.

22. Members holding shares in Demat Form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their Demat accounts, will be used by the Company for the payment of Dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in Demat Form for any change of bank particulars. Such changes are to be intimated only to the Depository Participant(s) of the Members. Members holding shares in Demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.

23. Members holding shares in Physical Form are requested to register / update Bank Mandates by submitting following details / documents by E-mail at **einward.ris@kfintech.com** or by writing to our R&TA, KFin Technologies Limited (KFintech):
    a) Name and Branch of Bank in which Dividend is to be received and Bank Account Type;
    b) Bank Account Number allotted by your Bank after implementation of Core Banking Solutions;
    c) 11 digit IFSC Code; and
    d) Self attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case Shares are held jointly.
    e) Form ISR-2

24. **INFORMATION ON TDS ON DIVIDEND INCOME:**

    Members may note that the Income Tax Act, 1961, mandates that dividends paid or distributed by a Company shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of payment of dividend as per the provisions of the Income Tax Act, 1961.

FOR RESIDENT SHAREHOLDERS:

Category of shareholder	Tax Deduction Rate	Exemption applicability/ Documentation requirement
Resident Shareholder	10%	No TDS shall be deducted in the case where the total Dividend Income for FY 2022-23 to the Individual Shareholder from the respective entity paying the dividend does not exceed Rs. 5,000/-
Resident Individual submitting form 15G/15H	NIL	• Duly filled Form 15G (Individual with age less than 60 years) • Duly filled Form 15H (Individual with age 60 years or more) Blank Form 15G and 15H can be downloaded from GGL's website at **https://www.gujaratgas.com/investors/tds-on-dividend/**
Insurance Companies	NIL	• Self-Attested copy of PAN & IRDAI Registration Certificate • Duly signed self-declaration Declaration format can be downloaded from GGL's website at **https://www.gujaratgas.com/investors/tds-on-dividend/**
Mutual Funds	NIL	• Self-Attested copy of PAN & Registration Certificate • Duly signed self-declaration Declaration format can be downloaded from GGL's website at **https://www.gujaratgas.com/investors/tds-on-dividend/**

Alternative Investment Fund Category- I & II	NIL	• Self-Attested copy of PAN & Registration Certificate issued by SEBI • Self-Declaration that its income is exempt under section 10(23FBA) read with Section 115UB read with Section 197A(1F) of the Act.
Order u/s 197 of the Act	Rate provided in the order	• Valid Lower / NIL Withholding Tax Certificate obtained from Income Tax Authorities for the F.Y. 2022-23 • Self-attested copy of PAN Gujarat Gas Limited's tax deduction account number (TAN) which is required for applying lower/ nil TDS certificate is AHMG05349B.

FOR NON-RESIDENT SHAREHOLDERS

Category of shareholder	Tax Deduction Rate	Exemption applicability/ Documentation requirement
Non-Resident Shareholder including Foreign Institutional Investors / Foreign Portfolio Investors ('FII/FPI']	20% (plus applicable surcharge and cess) or Tax treaty rate (if the same is availed on the basis of submission of requisite documents and disclosures)	If Non-Resident Shareholder wishes to avail the benefits of Tax Treaty, they will have to submit the following: • Self-attested copy of Permanent Account Number (PAN Card), if any, allotted by the Indian income tax authorities; • Self-attested copy of Tax Residency Certificate (TRC) applicable for FY 2022-23 obtained from the tax authorities of the Country of which the Shareholder is resident. • Duly signed Form 10F with all the requisite details • Self-Declaration by the Non-Resident Shareholder of having no Permanent Establishment (No PE) /Fixed Base in India, beneficial ownership & compliance with provisions of Multilateral Instrument (MLI). The format for "Form 10F" and "Self Declaration by Non-Residents" can be downloaded from GGL's website at **https://www.gujaratgas.com/investors/tds-on-dividend/** The Company is not obligated to apply the beneficial DTAA rates at the time of Tax deduction / withholding on Dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident Shareholder.
Submitting Order under section 197 or 195 of the Act.	Rate provided in the order	• Valid Lower / NIL Withholding Tax Certificate obtained from Income Tax Authorities for the F.Y. 2022-23 • Self-attested copy of PAN Gujarat Gas Limited's tax deduction account number (TAN) which is required for applying lower/ nil TDS certificate is AHMG05349B.

The Shareholders holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

Application of TDS rate is subject to necessary due diligence and verification by the Company of the shareholder details as available in register of members on the record date and any other additional documents that may be submitted.

In the event of any Income Tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the Shareholder(s), such Shareholder(s) will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.

It may be further noted that in case the tax on said dividend is deducted at a higher rate, in absence of receipt of the aforementioned details / documents from residential shareholders, there would still be an option available to the shareholder to claim the appropriate refund at the time of filing the return of income as per eligibility. No claim shall lie against the Company for such taxes deducted.

Kindly note that the aforementioned documents are required to be submitted by uploading the same at **https://ris.kfintech.com/form15** or by E-mail at **einward.ris@kfintech.com** or may submit the physical documents to M/s. KFintech technologies Ltd, Unit: Gujarat Gas Limited, Selenium Tower B, Plot 31-32, Financial District, GachiBowli, Serilingampally Mandal, Nanakramguda, Hyderabad - 500032 Telangana Toll free no.: 1800 309 4001 **on or before two days post record date fixed for the purpose of dividend** in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax Rate. No communication on the Tax determination / deduction shall be entertained post the aforementioned timeline.

The Company vide separate email have sent detailed communication for deduction of Tax at Source on dividend on 22nd July, 2022, Further, the said communication is also available at Company's website at **https://www.gujaratgas.com/investors/tds-on-dividend/**.

IEPF RELATED INFORMATION:

25. The erstwhile Gujarat Gas Company Limited and Gujarat Gas Financial Services Limited had paid dividends to its shareholders and pursuant to the Companies Act, 2013, the amount of such dividends pertaining to 2013-14 (i.e. From 01-01-2013 to 31-03-2014), that was unclaimed/ unpaid have been transferred to the Investor Education and Protection Fund (IEPF) of the Government. Members who have not encashed their dividend warrants pertaining to FY 2014-15 to FY 2020-21, may approach the Company or its Registrar & Share Transfer Agent for obtaining payment thereof mentioning the relevant folio number or DPID/ Client ID, for issuance of duplicate / revalidated dividend warrant(s).

    Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred all the Shares in respect of which Dividend has not been paid or claimed by the Shareholders for seven consecutive years or more to the Demat account of the Investor Education and Protection Fund Authority (IEPF).

    The Company has been sending reminders to those members having unpaid/unclaimed dividends before transfer of such dividend(s) to IEPF. The Company has uploaded full details (Name, Folio no/DP id/Client id) of such shareholders on its website **www.gujaratgas.com**. Members who have not encashed their dividend pertaining to the FY 2014-15 to FY 2020-21 are advised to write to the Company or KFin Technologies Limited (KFin), the Registrar and Share Transfer Agent, at Selenium Tower B, Plot 31- 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, Toll free no.: 1800 309 4001 or e-mail: **einward.ris@kfintech.com** immediately for obtaining payment thereof mentioning the relevant Folio number or DP ID and Client ID along with bank details.

    The aforesaid Rules provides for the manner of transfer of the unpaid and unclaimed dividends to IEPF and the manner of transfer of shares in case any dividend has not been encashed by the shareholders on such shares during the last seven years to the designated demat account of the IEPF Authority. As per the requirement, the Company had sent information to all the shareholders who had not claimed/encashed dividends in the last seven years intimating, amongst other things, the requirements of the aforesaid rules with regard to transfer of shares and that in the event those shareholders do not claim any unclaimed/unpaid dividends for the past seven years, the Company will be required to transfer the respective shares to the IEPF demat Account by the due date prescribed as per the aforesaid rules and as amended from time to time. The Company had also simultaneously published notice in the leading newspaper in English and regional language having wide circulation as per statutory requirement and uploaded on the "Investors Section" of the Website of the Company viz. **www.gujaratgas.com** giving details of such shareholders and shares due to be transferred. In case valid claim is not received, the respective shares will be credited to the demat account of the IEPF Authority.

26. Members may note that they can claim back the Shares as well as unclaimed Dividends transferred to the IEPF Authority. Concerned Members/Investors are advised to visit the weblink **http://www.iepf.gov.in/IEPF/refund.html** or contact R&TA for lodging claim for refund of Shares and/or Dividend from the IEPF Authority.

OTHER INFORMATION:

27. As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Securities of listed companies can be transferred only in Dematerialized Form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, members holding shares in Physical Form are requested to consider converting their holdings to Dematerialized Form.
28. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Accordingly, if not submitted, Members holding Shares in electronic mode are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Further, the Members holding Shares in physical form can submit their PAN details to KFin Technologies Limited.
29. SEBI with an objective to streamline and strengthen the procedures and processes with regard to handling and maintenance of records, transfer of securities etc. issued Guidelines, wherein, it requires companies to take special efforts to collect copy of PAN and bank account details of the physical shareholders. Accordingly, physical shareholders who have not submitted, are requested to provide/submit the self attested copy of PAN Card, Original Cheque leaf duly cancelled with name of 1st holder/sole holder (if name is not printed, self-attested copy of first and last page of recently updated pass book of 1st holder) to the R&TA.
30. As stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, profile of Directors seeking re-appointment / appointment is separately annexed herewith.
31. The Resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of requisite number of votes in favour of the Resolutions.
32. Shareholders are requested to refer Communication addressed to shareholders uploaded at **https://www.gujaratgas.com/resources/downloads/investor-service-procedure-for-physical-shareholders-29122021.pdf** and submit requisite documents in line with statutory requirements.

For Gujarat Gas Limited

Date: 3rd August, 2022
Place: Ahmedabad

Sandeep Dave
Company Secretary

Registered Office : Gujarat Gas CNG Station, Sector 5/C, Gandhinagar – 382006, Gujarat
Tel: +91-79-26462980 **Fax** + 91-79 26466249 **website:** www.gujaratgas.com **E-mail:** Investors@GUJARATGAS.com

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (2) OF THE COMPANIES ACT, 2013

Item No. 5 Appointment of Shri Raj Kumar, IAS as Director liable to retire by rotation.

Shri Raj Kumar, IAS, had been appointed as an Additional Director by the Board of Directors effective from 21st July, 2022, in view of communication no - MIS/15-2014/1345/E dated 20/07/2022 received from Energy and Petrochemicals Department, Government of Gujarat. He and his relatives hold nil shares of the Company.

As per the provisions of section 161 of the Companies Act, 2013, and the Articles of Association of the Company, he holds the office of Director till the conclusion of this Annual General Meeting. A notice under section 160 of the Companies Act, 2013, has been received from a shareholder, signifying the intention to propose his candidature for appointment as the Director of the Company.

Accordingly, the Board recommends the said resolution in relation to his appointment as Director liable to retire by rotation, for your approval by passing an ordinary resolution.

His brief profile, the nature of his expertise in specific functional areas, disclosure of relationships between directors, inter-se, names of companies in which he holds Directorship, Committee Memberships/ Chairmanships, his shareholding etc and other information is annexed to this Explanatory Statement.

Copy of aforesaid communication from Energy and Petrochemicals Department would be available for inspection through electronic mode.

None of the Directors/Promoters or Key Managerial Personnel (KMP) or relatives of Directors/Promoters and KMPs, except Shri Raj Kumar, IAS, is concerned or interested in the Resolution at Item No. 5 of the Notice. Shri Raj Kumar, IAS and his relatives, if any, are interested or concerned in the Resolution concerning his appointment proposed at Item No. 5.

Item No. 6 Ratification of remuneration of Cost Auditors for FY 2022-23.

The Board of Directors at its Meeting held on 3rd August, 2022, on the recommendation of the Audit Committee, appointed M/s Ashish Bhavsar & Associates, (firm Registration No. 000387) as the Cost Auditors to conduct the Audit of the cost accounts / records maintained by the Company for the Financial Year 2022-23 at the remuneration of Rs 1,30,000/- (Rupees One Lac Thirty Thousands only) + GST and out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, the said remuneration payable for FY 2022-23 to M/s Ashish Bhavsar & Associates, Cost Accountants as Cost Auditor is required to be ratified by the Members of the Company.

Therefore, the Directors recommend the Resolution at Item No. 6 of this Notice for your ratification / approval.

None of the Directors/Promoters or Key Managerial Personnel (KMP) or relatives of Directors/Promoters and KMPs is / are, in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution No. 6 of this Notice.

ANNEXURE TO THE EXPLANATORY STATEMENT

Information pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings(SS-2) of Directors seeking appointment / re-appointment / continuation of appointment at the forthcoming Annual General Meeting

Name of Director	**Shri Milind Torawane, IAS**	**Shri Raj Kumar, IAS**
DIN No	03632394	00294527
Date of Birth	30/08/1972	06/01/1965
Date of the first appointment on the Board	10th August, 2017	21st July, 2022
Qualifications	B.E. (Electronic & Tele Communication)	B. Tech (Elec. Engg), Master in Public Policy.
Nature of Expertise / Experience	He has held various important positions in Government of Gujarat (GoG) like Municipal Commissioner-Surat Municipal Corporation, Secretary-Housing & Nirmal Gujarat, Additional Chief Executive-Gujarat Urban Development Mission, Director-Diamond Research & Mercantile City Limited, etc. Lastly, he was Managing Director-Gujarat Urban Development Company Limited.	He is a Gujarat Cadre officer of Indian Administrative Services belonging to 1987 batch. He possesses a degree of B.Tech. in Electrical Engineering and M. Sc. in Public Policy. He commands a very vast and varied experience. As an IAS officer, he has worked in various capacities covering a very wide spectrum of Government departments, both at State and Central level. Presently, he is the Additional Chief Secretary, Home Department, Government of Gujarat. Before being appointed as ACS (Home), he served as Secretary, Department of Defence Production, Ministry of Defence, Govt of India. He has been Chairman/Managing Director/ Director in many Central & State PSUs, during his tenure in government service. During his long spanning career, he has also participated in various national and international training programmes covering a wide range of topics. He has received many awards during his career in recognition of excellence in service and he also has several publications to his credit.
Terms and Conditions of Appointment and details of Remuneration	Nominee Director. He does not draw any remuneration from Company except out of pocket expenses for attending meeting of Board / Committee of Directors.	Nominee Director. He does not draw any remuneration from Company except out of pocket expenses for attending meeting of Board / Committee of Directors.
Names of other Companies in which the person also holds the directorship including listed entities	Gujarat Mineral Development Corporation Limited Gujarat Gas Limited GSPC LNG Limited Gujarat State Electricity Corporation Limited Gujarat Urja Vikas Nigam Limited Gujarat State Financial Services Ltd Gujarat State Investment Limited	Gujarat State Police Housing Corporation Limited Dahej Sez Limited Gujarat State Petroleum Corporation Limited Gandhinagar Railway and Urban Development Corporation Limited Gujarat Rail Infrastructure Development Corporation Limited Gujarat Gas Limited Gujarat Mineral Development Corporation Limited Gujarat State Petronet Limited
No. of Share held including shareholding as beneficial owner	Nil	Nil
Memberships/ Chairmanships of committees of Board of Directors of Company	Audit Committee- Member Stakeholder Relationship Committee- Member Risk Management Committee- Chairman Project Committee- Chairman Corporate Social Responsibility- Member	Nil

ANNEXURE TO THE EXPLANATORY STATEMENT

Chairman/ Member of the Committees of other Companies including listed entities	Gujarat Mineral Development Corporation Limited Audit Committee- Member Stakeholder Relationship Committee- Member	Dahej SEZ Limited Corporate Social Responsibility Committee-Chairman Gujarat State Petronet Limited Stakeholder Relationship Committee- Member Project Management Committee-Member Personnel Committee-Member Gujarat Mineral Development Corporation Limited Tender Committee- Chairman Gujarat State Petroleum Corporation Limited Corporate Social Responsibility Committee-Member GSPC Committee of Directors for Financial Restructuring-Member GSPC Committee of Directors for Onshore Blocks-Member HR Committee-Member Project Committee-Member Nomination & Remuneration Committee-Member Gujarat State Police Housing Corporation Limited Finance and Tender Committee Chairman
Names of listed entities from which a person has resigned in the past three years	Gujarat Alkalies and Chemicals Limited Gujarat Industries Power Company Limited	Nil
No. of Meetings of the Board attended during the Financial Year (2021-22)	4	0 (appointed w.e.f. 21st July, 2022)
Disclosure of relationship between directors inter-se	NA	NA

By Order of the Board
For Gujarat Gas Limited

Sandeep Dave
Company Secretary

Date: 3rd August, 2022
Place: Ahmedabad

Registered Office : Gujarat Gas CNG Station, Sector 5/C, Gandhinagar – 382006, Gujarat
Tel: +91-79-26462980 **Fax** + 91-79 26466249 **website:** www.gujaratgas.com **E-mail:** Investors@GUJARATGAS.com

BOARD'S REPORT

Dear Members,
Gujarat Gas Limited

Your Directors have pleasure in presenting the 10th Annual Report and the Audited Financial Statements for the Financial Year ended on 31st March 2022.

Financial Highlights

(₹ in Crores)

Particulars	Standalone Financials		Consolidated Financials	
	12 Months ended 31/03/2022	12 Months ended 31/03/2021	12 Months ended 31/03/2022	12 Months ended 31/03/2021
Revenue from Operations	16,787.35	10,057.10	16,787.35	10,057.10
Other income	90.74	71.44	90.87	71.58
Total income	16,878.09	10,128.54	16,878.22	10,128.68
Profit before interest, depreciation and tax	**2,155.14**	**2,155.63**	**2,155.27**	**2,155.77**
Less: Interest	56.82	116.76	56.82	116.76
Depreciation	384.91	343.57	384.91	343.57
Profit before tax	**1,713.41**	**1,695.30**	**1,713.54**	**1,695.44**
Share of Profit from equity accounted investee	-	-	1.62	2.11
Minority Interest	-	-	-	-
Profit/(Loss) Before Tax and share of profit of associate	**1,713.41**	**1,695.30**	**1,715.16**	**1,697.55**
Tax expenses	427.77	427.15	427.79	427.18
Net Profit after tax for the period	**1,285.64**	**1,268.15**	**1,287.37**	**1,270.37**
Other Comprehensive Income (after tax)(OCI) -Equity Instruments through OCI	2.12	1.96	2.12	1.96
- Remeasurements of post-employment benefit obligation, net of tax	0.57	0.61	0.57	0.61
Share of Other comprehensive income of equity accounted investee	-	-	(0.01)	(0.03)
Total Comprehensive Income	**1,288.33**	**1,270.72**	**1,290.05**	**1,272.91**
RETAIN EARNINGS:				
Profit carried to retained earnings	1,285.64	1,268.15	1,287.37	1,270.37
Retained earning (Accumulated loss) from business combination transaction	-	(2.68)	-	(2.68)
Other Comprehensive Income carried to retained earnings	0.57	0.61	0.56	0.58
Add: Undistributed profit /(loss) of earlier years	3,562.38	2,382.35	3,591.30	2,409.08
Balance available for Appropriation	**4,848.59**	**3,648.43**	**4,879.23**	**3,677.35**
Less: Appropriations:				
Equity dividend	(137.68)	(86.05)	(137.68)	(86.05)
Surplus / (Deficit) retained	**4,710.91**	**3,562.38**	**4,741.55**	**3,591.30**
Earnings per Share (Face value of Rs. 2 each) (Basic & Diluted)	18.68	18.42	18.70	18.45

BOARD'S REPORT

PERFORMANCE HIGHLIGHTS

1. **Gujarat Gas,** has been honoured with **BT-PwC India's Best CEO Award** in the Emerging Companies category.
2. Your Company has been ranked No.1 (Best Performer) in three different Investor Relations (IR) categories (Best ESG, Best IR Program and Best IR Professional) by Institutional Investor in the 2022 All Asia (ex-Japan) Executive Team rankings in Power (Electric, Gas, and Water) sector.
3. Highest annual turnover of Rs 16,787.35 crores, increase by 67 % compared to previous year alongwith marginal increase in PBT levels.
4. Highest ever 153 CNG stations in FY 2021-22; 2 LNG stations in Thane (150 CNG stations & 1 LNG station in Narmada in FY 2020-21).
5. More than 1.54 Lakh Domestic customers commissioned in FY22 – highest ever (50% higher than 1.02 Lakh in FY 21).
6. Managed unprecedented surge in spot prices by balancing the volumes and limiting price increases via continued engagement with customers / stakeholders.
7. GGL signed an agreement with NTPC to blend Green Hydrogen in Piped Natural Gas, to be provided at NTPC Kawas Township, first of its kind project in India.
8. Prepayment of term loans of Rs 327 crores during FY 22 through internal accruals bringing the debt levels at less than Rs 500 crores as on year end.
9. Successful in ensuring uninterrupted gas supplies to its customers during Covid 19 pandemic and ensuing lockdown.
10. Integrated QHSE Management System of the Company has been assessed and certified as complying with the requirements of International Standards for Quality Management System - ISO 9001:2015, Environment Management System - ISO 14001:2015 and Occupational Health & Safety Management System - ISO 45001:2018

DIVIDEND

Your Directors recommend for consideration of the shareholders at the 10th Annual General Meeting, the Dividend of Rs. 2/- per fully paid up equity share of Rs. 2/- each (100%) on 68,83,90,125 equity shares for the Financial Year 2021-22 . The weblink for Dividend Distribution Policy is available at https://www.gujaratgas.com/resources/downloads/policy-on-dividend-distribution.pdf

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Your Company does not have any subsidiary and joint venture. Guj Info Petro Limited is the Associate of your Company and the statement containing salient features of financial statements of Guj Info Petro Limited under first proviso to sub section (3) of section 129 in form AOC-1 is attached at **Annexure-5.**

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company represents consolidation of Financial Statements of Guj Info Petro Limited (GIPL), the associate company and Gujarat Gas Limited Employees Welfare Stock Option Trust (ESOP Trust), in accordance with IND AS. The Audited Consolidated Financial Statements are provided in the Annual Report.

DEPOSITS

During the year under review, your Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees, Securities and Investments, if any covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. A statement giving details of all Related Party Transactions is placed before the Audit Committee for approval/ ratification on a quarterly basis, as the case may be. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is uploaded on the Company's Website. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company. The particulars of contracts or arrangements with Related Parties referred to in Section 188 (1) of the Companies Act, 2013, as prescribed in Form AOC - 2 of the Companies (Accounts) Rules, 2014 is enclosed herewith as **Annexure -4** to this Report.

BOARD'S REPORT

Disclosures of transactions of the Company with person or entity belonging to the Promoter/Promoter Group which hold(s) 10% or more shareholding in the Company

(₹ in Crores)

Name of Related Party	Relationship	Nature of Transactions & Balances	For Year ended 31st March 2022	For Year ended 31st March 2021
Gujarat State Petronet Limited - GSPL	Holding Company	Gas Transmission Expense	542.13	459.86
		Purchase of Natural Gas	2.23	0.31
		Right of Way Expense (ROW)	0.10	0.21
		Business Transfer- CGD Business of Amritsar & Bhatinda from GSPL to GGL (Refer footnote no.2)	153.86	-
		Reimbursement of Expenses	0.28	0.10
		Dividend Paid	74.57	46.61
		Rent Expense	2.27	1.92
		Recharge of Salary - Expense	0.04	0.31
		Compression Charges	2.87	1.29
		Purchase of Material	-	0.17
		O&M Charges - Income	0.04	0.05
		Rent - Income	0.03	0.03
		Reimbursement of Expenses - Income	10.01	4.60
		Recharge of Salary - Income	1.03	0.69
		Sale of Material - Income	0.23	-
		Deposit Given - Paid / (Refund)	3.99	15.94
		Supervision Charges -Income	0.01	0.01
		Interest On Late Payment	0.01	-
		Balance at the period end Amount Receivable/(Payable)	(19.36)	(5.03)
		Deposits Asset / (Liability) – Net	41.35	37.36
		Bank Guarantee by GGL to GSPL	52.92	52.92
		Letter of Credit by GGL to GSPL	0.10	0.10

1. All transactions amount disclosed above are inclusive of tax.
2. Pursuant to the approval by the Board of Directors on 1st June 2021, the Company had executed Business Transfer Agreement (BTA) on 26th October 2021 to transfer / purchase of City Gas Distribution (CGD) Business of Amritsar and Bhatinda Geographical Areas from Gujarat State Petronet Limited (GSPL, holding company) to Gujarat Gas Limited (GGL, the Company) by way of slump sale and the Company has completed the above transfer of business as per BTA.

STATEMENT ON COMPLIANCES OF APPLICABLE SECRETARIAL STANDARDS

Your Directors hereby confirm that during the year, the Company has been compliant with the applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

BOARD'S REPORT

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and and Companies (CSR Policy) Amendment Rules, 2021. Pursuant to provisions of Section 135 of the Companies Act, 2013, the Company has also formulated a Corporate Social Responsibility Policy which is available on the website of the Company at http://www.gujaratgas.com/corporate-governance/policies/. The Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Companies (CSR Policy) Amendment Rules, 2021 is enclosed herewith as Annexure - 2 to this Report.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment and Resignation of Directors

Shri Pankaj Kumar, IAS, Chief Secretary, Government of Gujarat had been appointed as Additional Director and Chairman with effect from 8th September, 2021. His appointment had been regularized by the shareholders in the 9th AGM held on 28th September, 2021. Shri Anil Mukim, IAS (Retd.) has ceased to be the Director and Chairman of the Company with effect from 3rd September, 2021, upon superannuation. Your Directors wish to place on record, appreciation for the services rendered by him as the Chairman of the Company.

Prof. Yogesh Singh and Shri Bhadresh Mehta had been appointed as Independent Directors with effect from 15th August, 2021 for a first tenure of 5 years, their appointment had been approved by the shareholders in the 9th AGM held on 28th September, 2021. Shri Balwant Singh, IAS (Retd.) had been appointed as Independent Director and Dr. Rekha Jain had been appointed as Independent Woman Director with effect from 20th April, 2022 for the first tenure of 5 years. In the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI (LODR) 2015 and are Independent of the Management. The Shareholders vide special resolution approved appointment of Shri Balwant Singh, IAS (Retd.) as Independent Director and Dr. Rekha Jain as Independent Woman Director by postal ballot effective from 15th July, 2022 (with majority of 99.9968% and 99.9973% respectively). The Board of Directors of the Company had appointed C S Manoj Hurkat as the Scrutinizer for conducting Postal Ballot through E-voting process.

Smt. Sunaina Tomar, IAS has ceased to be the Director of the Company with effect from 5th July, 2021, on account of her transfer from Energy and Petrochemicals Department, Government of Gujarat. Your Directors wish to place on record, appreciation for the services rendered by her as the Director of the Company.

Prof. P.K. Sinha and Prof. Vishal Gupta have ceased to be Independent Directors of the Company with effect from 15th August, 2021, on account of expiry of their second tenure as Independent Directors of the Company. Your Directors wish to place on record, appreciation for the services rendered by them as Independent Directors of the Company.

Dr. Manjula Subramaniam, IAS (Retd.) resigned as Independent Woman Director with effect from 28th January, 2022 on account of her preoccupation. Your Directors wish to place on record, appreciation for the services rendered by her as the Independent Woman Director of the Company.

Shri Jal Patel and Shri KD. Chatterjee ceased to be Independent Directors of the Company with effect from 20th April, 2022 on account of expiry of their second tenure. Your Directors wish to place on record, appreciation for the services rendered by them as Independent Directors of the Company.

Dr. Rajiv Kumar Gupta, IAS has ceased to be Director of the Company with effect from 8th June, 2022, on account of his superannuation as Additional Chief Secretary Industries & Mines Department, Government of Gujarat. Your Directors wish to place on record, appreciation for the services rendered by him as Director of the Company.

Shri Raj Kumar, IAS, Additional Chief Secretary, Home Department, Government of Gujarat had been appointed as Additional Director with effect from 21st July, 2022 in place of Dr. Rajiv Kumar Gupta, IAS. It is proposed to appoint Shri Raj Kumar, IAS at the ensuing Annual General Meeting.

Shri Milind Torawane, IAS, will retire by rotation and it is proposed to reappoint him as the Director of the Company in the ensuing 10th Annual General Meeting.

A brief resume of the Directors to be appointed at the ensuing Annual General Meeting, nature of expertise in specific functional areas and details regarding the Companies in which the Directorship is held together with the Membership / Chairmanship of Committees of the Board is given in the Explanatory Statement forming part of the Notice of the 10th Annual General Meeting.

DIRECTORS INDEPENDENCE

Pursuant to the applicable provisions of Section 149 (6) of the Companies Act, 2013, the Independent Directors of the Company have given confirmation/declaration to the Board that they meet with the criteria of Independence and are Independent in terms of applicable provisions of Section 149 (6) of the Companies Act, 2013. Further, they have also given the confirmations on independence as per provisions of Regulation 16(1)(b) and 25 (8) of the Listing Regulations.

BOARD'S REPORT

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the performance evaluation of the Board, Committees and individual Directors for FY 2021-22 was carried out as per the terms and conditions of their appointment based on the various parameters.

MEETINGS OF THE BOARD OF DIRECTORS

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Board / Committee Meetings are pre-scheduled to enable the Directors to plan their schedule and to ensure meaningful participation in the Meetings. However, in case of a special and urgent business need, approval is taken by passing resolutions through circulation to the Directors, as permitted by law, which are noted in the subsequent Board/Committee Meetings.

During the period beginning from 1st April, 2021 to 31st March, 2022, 4 (Four) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

AUDITORS

As your Company is a Government Company, the Statutory Auditors are appointed by the Comptroller & Auditor General of India (C&AG). Accordingly, the C&AG had appointed M/s. Manubhai & Shah LLP, Chartered Accountants as the Statutory Auditors of the Company for the Financial Year 2021-22. Auditors' Report for FY 2021-22 of M/s. Manubhai & Shah LLP, Chartered Accountants are self-explanatory in nature and form part of financial statements of the Company.

C&AG has carried out supplementary audit of the Financial Statements of your Company for the Financial Year 2021-22 pursuant to provisions of Section 143 (6) (a) of the Companies Act, 2013. The C&AG has issued the Nil Comment Report on the Financial Statements of the Company for the FY 2021-22 and form part of financial statements of the Company.

ANNUAL ACCOUNTS

The Audit Committee at its Meeting held on 10th May, 2022, approved the Financial Statements for the Financial Year ended on 31st March, 2022 and recommended the same for approval of the Board which had been subsequently approved by the Board of Directors at its meeting held on 10th May, 2022.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s Manoj Hurkat and Associates, Practicing Company Secretaries to conduct the Secretarial Audit of the Company for the Financial Year 2021-22. The Report of Secretarial Auditor on Company's Secretarial Audit for the Financial Year 2021-22 is enclosed herewith as Annexure-3 to this Report. The Secretarial Audit Report is self explanatory in nature.

COST AUDITOR

Your Company is required to carry out Cost Audit pursuant to Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014.

Your Company had appointed M/s Ashish Bhavsar & Associates, Cost Accountants as Cost Auditors for the FY 2021-22. Accordingly, your Company has got the Cost Audit carried out for the Financial Year 2021-22. The Cost Audit Report for FY 2021-22 will be submitted to the Central Government in the prescribed format within stipulated time period.

The Board of Directors has, on the recommendation of the Audit Committee, appointed M/s Ashish Bhavsar & Associates, Cost Accountants, as the Cost Auditor to audit the Cost Accounts of the Company for financial year 2022-23 for remuneration of Rs. 1,30,000/- (Rupees One Lac Thirty Thousands only) + GST and out of pocket expenses.

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in General Meeting for their ratification. Accordingly, necessary resolution seeking Member's ratification for the remuneration payable to the Cost Auditors for FY 2022-23 is included in the Notice convening the 10th Annual General Meeting.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

Risk Management

The Company has a well-defined Risk Management Framework for reviewing the major Risks and has adopted a Business Risk Management Policy. Further, pursuant to the requirement of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted a Risk Management Committee inter-alia to monitor the Risk Management Plan of the Company.

Internal Control System

The Company has a proper and adequate system of Internal Controls commensurate with its size of operations and nature of business. These are regularly tested and certified by Auditors. Significant audit observations of audit team and follow up actions thereon are reported to the Audit Committee. The details about the identification of elements of Risk and Internal Control Systems are provided in detail in the Management Discussion & Analysis Report forming part of this Board's Report.

BOARD'S REPORT

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls, with reference to financial statement. The internal financial controls have been documented in the business processes. Such controls have been assessed during the year under review and were operating effectively.

VIGIL MECHANISM

The Company has established a Vigil Mechanism to report genuine concerns, details of which have been given in the Corporate Governance Report forming part of this Boards' Report.

HEALTH, SAFETY AND ENVIRONMENT (HSE)

Health, Safety and Environment (HSE) is a core value in GGL. GGL believes that outstanding business performance requires outstanding HSE performance. GGL recognizes that HSE is everyone's responsibility and every individual has a duty to intervene and prevent unsafe actions and to reinforce safe behaviors.

GGL recognizes that the protection of the health and safety of all those involved in its operation and public at large and protection of the environment is the prime responsibility of company and its' management at every level.

GGL operations are driven by the goal of zero injuries, with the aim to ensure that every individual working for and on behalf of the company returns home safely at the end of each working day.

QHSE commitment & Certification

GGL ensures that all its management decisions reflect its Quality, Health, Safety & Environment (QHSE) intentions and QHSE management systems reflect best industry practices and are properly resourced. GGL is India's largest City Gas Distribution (CGD) Company in terms of sales volume and aims to continue as an industry leader in City Gas Distribution business through its QHSE performance. GGL has established its Quality, Occupational Health, Safety & Environment (QHSE) management system with reference to international standards ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 and successfully completed its recertification audit as per mentioned ISO standards. The certifications demonstrate sustenance and company's continued commitment to quality, health, safety and environment management and customer satisfaction which is the key to sustainable business performance.

Projects with highest level of Safety & Risk levels at ALARP

GGL has embarked into new areas in terms of geography with inclusion of new Geographical Areas in the states of Punjab, Haryana, Madhya Pradesh & Rajasthan and into new business areas in terms of faster reaching customers in our operational areas by supplying of Natural Gas using regasification of LNG, decompression of CNG for areas where pipeline laying project may take significant time. GGL takes extra HSE precautions for all such new areas of geography and business. Risk assessment through safety engineering studies has been at the fore-front of all such projects where we conduct studies like Hazard Operability (HAZOP), Hazard Identification (HAZID), Quantitative Risk assessment (QRA), Escape Muster Evacuation & Rescue Analysis (EMERA) and Hazardous Area Classification (HAC) for all types of Gas installations at the planning stage itself and compliance to recommendations of these studies so that risks can be mitigated. GGL assets have been designed, constructed, commissioned, operated and maintained, such that the risks to personnel & public / society are reduced to as low as reasonably practicable (ALARP).

After successfully establishing Gujarat's first LCNG station at Narmada district last FY, this year (FY 2021-22), Gujarat Gas Limited (GGL) has commissioned two new LCNG stations at Thane GA in the state of Maharashtra. One of them is located in Vasai-Virar area having CNG Mother Facility to cater surrounding CNG Daughter/ Daughter Booster Stations and also provision to cater PNG domestic customers. Another LCNG Station has been setup in Padgha location of Thane GA having highest compression capacity amongst GGL CNG Stations. All 3 LCNG stations have now been remotely connected to GGL Master control room. Liquefied Natural Gas (LNG) is natural gas, predominantly methane (CH_4) that have been liquefied for ease of storage and transportation. Liquefied Natural Gas (LNG) is being transported through Cryogenic Road Tankers from source LNG Terminal to GGL LNG /LCNG Stations. This LNG is pressurized & re-gasified through ambient vaporizers for dispensing to customer vehicles as an automotive fuel and Piped natural gas to domestic, commercial & industrial customers on priority in areas far away from gas supply point of transportation pipeline. GGL has taken utmost precaution in establishment of these LCNG station, in terms of quality, safety & environmental compliance.

GGL carries out Environmental impact assessment for pipeline projects passing through environmental/ecological sensitive areas/zones to determine the potential environmental, social effects of the proposed project. The results of these study indicate no negative significant impact on environment and the same has been presented to authorities for obtaining permission for such projects.

GGL this year made special focus on safety aspects at projects especially at new Geographical areas with implementation of HSE management system at new GAs relevant to project requirement, trainings, visits & meetings by management team members focusing on safety requirements. GGL delivered pipe laying projects and CNG projects safely at new GA of MP & Rajasthan with zero recordable injury cases.

HSE Compliance Assurance & Audits

GGL conducts its business in a safe and responsible manner and ensures compliance with the all legal and regulatory requirements. Compliance assurance of the same is confirmed through audits / inspections with respect to all applicable Petroleum and Natural Gas Regulatory Board (PNGRB) regulations and other standards covering all geographical areas of GGL every year including this financial year.

BOARD'S REPORT

GGL has successfully conducted periodic compliance audits & applicable recertification audits with respect to below listed PNGRB regulations through PNGRB approved Third Party Inspection Agency (TPIA) for Geographical Areas as per PNGRB defined periodicity of TPIA audits against each regulations;

- 13 GA (Geographical Areas) have successfully completed & their ERDMP document has been re-certified in line with PNGRB Codes of Practices for Emergency Response and Disaster Management Plan, regulations in FY 2021-22.
- 16 GA (Geographical Areas) have completed their periodic audit in line with PNGRB Technical Standards and Specifications including Safety Standards (T4S), regulations in FY 2021-22.
- 4 GA (Geographical Areas) have completed their periodic audit in line with PNGRB Integrity Management System (IMS), regulations in FY 2021-22.
- GGL's Transmission pipeline (Hazira Ankleshwar Pipeline) was successfully audited in line with
  - o PNGRB Technical Standards and Specifications including Safety Standards (T4S) regulations
  - o PNGRB Integrity management System (IMS) regulations
  - o PNGRB Codes of Practices for Emergency Response and Disaster Management Plan, regulations along with re-certification of its ERDMP document

No major non-compliances were observed during above mentioned audits, most of the observations arising out of these audits have been addressed on priority basis to attend to the gaps & implement recommendations, few balance actions are being taken up in time bound manner.

Key Safety Index

The safe delivery of projects and safe operations of assets is a critical success factor for the company's business. GGL sets HSE argets and closely monitors it to achieve continual improvement in QHSE performance.

GGL recognizes that leadership commitment is fundamental for continual improvement in HSE performance. GGL management team members review HSE performance on regular basis.

GGL is committed to protect Safety, Health and Well-being of people working for the organization. Lost Time Injury Frequency (LTIF) is the industry standard key indicator which is used to measure GGL's occupational safety performance.

- GGL has achieved Lost Time Injury Frequency of 0.155 for the FY 2021-22.
- Total man-hours of GGL in FY 2021-22 is 25.75 Million.

Mock-drills

GGL has a well-developed and certified Emergency Response and Disaster Management Plan through PNGRB approved Third Party Inspection agency (TPIA) for each of its operational Geographical Areas. GGL conducts mock-drills at defined intervals to check adequacy of preparedness against various anticipated emergency scenarios across all locations.

In FY 2021-22, GGL carried out

- Level-1 Mock-drills – 91 numbers
- Level-2 Mock-drills involving local emergency services/mutual aid partners - 43 numbers
- Level-3 Mock-drills including participation in the offsite mock drills organized by District authorities – 27 numbers

GGL Lifesaver Rules & Compliances

GGL has well defined Lifesavers rules for work related to safety critical areas such as Excavation, Working at Height, Lifting, Confined Space Entry, Driving, Gas Escape Handling etc. In FY 2021-22, GGL has introduced new Lifesaver areas

- "LNG Handling" to focus on risks mitigation and compliance in this new business area
- "CNG Handling" with rules based on years of learnings from incidents, near-miss and best industrial practices.

All critical activities are covered under these defined 10 lifesaver areas which are monitored throughout the year using Lifesaver compliance / Work place inspection checklists defined based on lifesaver rules. In FY 2021-22, GGL has achieved close to 93% compliance to lifesavers rules.

HSE Initiatives

To improve HSE performance, various HSE initiatives and programs are implemented as part of HSE improvement plan such as Safety tours by Management, awareness sessions with frontline workers, and supervisors on various aspects of Safety, Utility coordination, Safety awareness workshops at local schools across operational areas, campaign activities related to lifesaver areas etc. In FY 2021-22, GGL has achieved more than 96% compliance to its HSE improvement plan.

BOARD'S REPORT

GGL encourages participation and involvement of its employees and contractor staff in HSE related activities through monthly HSE committee meetings, Hazard and Near miss reporting, monthly quiz, risk assessment, work place inspections, various campaigns and celebration of HSE events and numerous safety awareness programs.

GGL has also established a system for evaluating contractor performance on monthly basis. Quality & HSE performance has been made an essential part of this performance evaluation with pre-defined key indicators.

HSE Awareness & Trainings

GGL always ensures that safety training programs are conducted periodically for employees and contractor staff. GGL also organizes various safety awareness programs including awareness regarding Natural Gas related safety for its customers, general public, employees, contractors and other stakeholders such as third-party utility. In FY 2021-22

- 1295 numbers of Safety & Technical Competency Training programs have been conducted which includes Basic Safety, Practical Fire-fighting, First Aid Treatment, Defensive Driving, Working at height, and other Technical Competency trainings in various areas such as GI Plumbing, CNG filling, Welding, CGD O&M, LCNG O&M etc.
- 1211 numbers of Safety Awareness Programs have been conducted for employees and contractors
- 388 numbers of Natural Gas safety awareness program have also been conducted for general public, customers and other utility companies.

GGL also educates and influences various third-party utility companies and their contractors who undertake digging/excavation/drilling activities on or near the underground GGL gas pipeline network. This is done to focus on the safety risks and environmental impact of the release of Natural gas which can occur as a result of damaging GGL's natural gas pipelines while digging/excavation/drilling operations. The third parties are urged to dial in to GGL to confirm the location prior to starting any digging/excavation/drilling activities so that damage to Natural gas pipeline network can be prevented.

Celebrating HSE Events at GGL

GGL, being a prudent organization, celebrates various HSE related events like National Safety Week and World Environment Day.

GGL celebrated National Safety Week in March 2022 organizing various initiatives such as display of custom banners, Health & Safety Pledge ceremony at all offices, Spot quiz with awards for winner across all locations & offices, Hazard Hunt activity in teams at Projects sites & Gas Installation facilities.

Focusing on this year's theme "Nurture Young Minds Develop Safety Culture", three special activities were planned

- Safety Awareness session for School/College students or Children at Societies
- Safety poster competition for "Children of GGL employee"
- Safety Talk by GGL management with young employees of the organization.

GGL celebrated World Environment Day by organizing various initiatives such as display of custom banners, sapling distribution & plantation by GGL employees across all locations of GGL, Online quiz on Environment related aspects, poster competition for employees and their family members on "Ecosystem Restoration / Environment Conservation" and Engagement (online sessions) with frontline supervisors on appropriate methodology for waste collection, handling and disposal.

All of these activities were done with an aim to involve employees, contractors, society at large and enhance their awareness regarding importance of HSE and related best practices

HSE Rewards & Recognition at GGL

With an intention to motivate and foster a positive HSE culture and step-up HSE-AI compliance and performance, GGL has put in place HSE reward and recognition scheme to acknowledge significant HSE contribution of employees and contractor staff and to boost their confidence. Under this scheme,

- HSE contributor of the month among employees and contractor staff have been identified on monthly basis at each geographical area and are rewarded by GA management during monthly HSE committee meeting.
- Monthly Best Hazard & Best Near miss carefully selected based on quality and safety criticality and rewarded
- Best HSE Performer amongst all employees in every quarter for each operations area
- Best HSE Performer amongst all employees for Financial year for each operations area

GGL also conducts monthly online HSE Quiz based on HSE focus area to raise awareness amongst employees across GGL & winners of this quiz result are awarded each month.

BOARD'S REPORT

GGL against COVID

To safeguard the life of its employee, contractor staff, customers and other stakeholders against COVID-19, GGL has developed and implemented various guidelines for precautions to be taken against COVID-19, while continuing emergency and customer services operations. GGL supported its employees with alternate on-off working days during the COVID crisis and with providing leaves related to COVID sickness of self and/or any family members. GGL also supported its employees with medical support including related to hospital admissions during the worst COVID crisis last year. GGL has been compliant with the COVID guidelines at offices and operation & project sites including travel throughout the Financial Year.

Step up with Environmental, Social and Governance - ESG system

ESG is a system for how to measure the sustainability of a company or investment in three specific categories: environmental, social and governance. With intentions to grow & reduce costs in the long run and instill a sense of trust amongst consumers & stakeholders, GGL has decided to step up its HSE scorecard to align with ESG requirements. In that line, GGL has identified additional performance indicators and initiated data recording for ESG baseline assessment. GGL is working towards improvising systems and process with the resolve to implement all essential & identified leadership indicators relevant to GGL business & operations in financial year 2022-23 and thereafter.

MANAGEMENT DISCUSSION & ANALYSIS

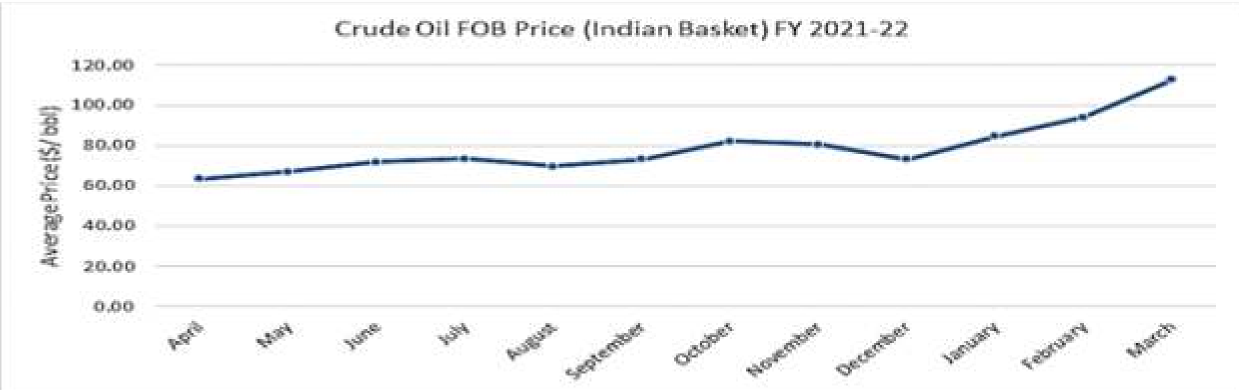
The Management Discussion & Analysis is as under:

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

Natural Gas is the cleanest and most efficient of the fossil fuels. It is the only fossil fuel whose share of the primary energy mix is expected to grow, as it has the potential to play an important role in the world's transition to a cleaner, more affordable and secure energy future due to its high energy content, which results in lower emissions of carbon and volatile organic compounds (VOCs) at combustion, relative to coal and oil. These characteristics of gas provide substantial environmental benefits such as improved air quality and reduced CO2 emissions.

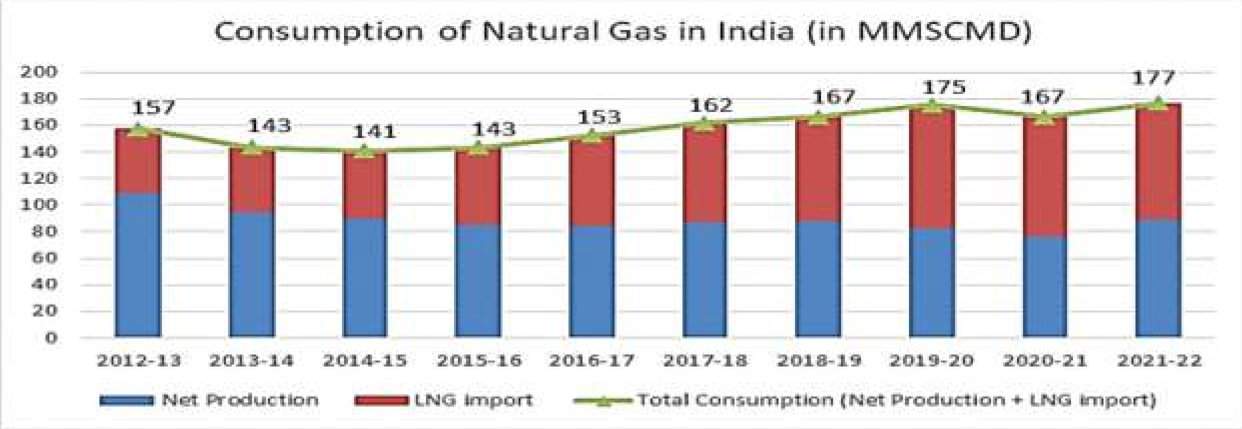
World energy demand rebounded sharply during FY 2021-22. The strong demand growth was driven by the economic recovery that followed the previous year's lockdowns. The combination of demand growth and lower-than-expected natural gas supply led to the extremely tight gas market situation that prevailed during most part of the year. The year ended with all-time high natural gas prices in the main importing markets in Europe and in Asia.

Crude Oil prices have always been at the forefront for all energy prices including Natural Gas. The crude oil prices increased drastically during the 2nd half of FY 2021-22. The Crude Oil prices crossed $100/bbl in the last quarter of the Financial Year.



India's natural gas consumption has increased by nearly 7% in FY 2021-22 as compared to the previous year. This was led by the city gas segment (~ 24% of total natural gas consumption), where a strong recovery from previous year's lockdowns and the continuing rollout of new distribution networks boosted demand. In 2022 the demand growth is expected to accelerate by nearly 8% on the back of strong GDP growth, expanding infrastructure and a supportive policy environment. However, high LNG prices could present continuing headwinds to India's gas demand recovery in 2022.

BOARD'S REPORT



2. OPPORTUNITIES AND THREATS

The Government is promoting the usages of clean and green fuel, i.e. Piped Natural Gas ("PNG") and Compressed Natural Gas ("CNG") by expanding the coverage of CGD network in the country. In order to promote the natural gas usage in the country, the Government has issued guidelines for making available Domestic Gas to the CGD entities for meeting the entire requirement of CNG for transport sector and PNG for Domestic. However, owing to significant increase in demand for CNG and PNG (Domestic) categories, the Domestic Gas allocated is insufficient to meet the demand. The shortfall is being filled by sourcing RLNG at market rates. The above factors has led to significant increase in prices in CNG & PNG (Domestic) categories; however the impact on demand in these categories may be limited as prices of alternate fuels has also increased significantly.

During the year, PNGRB announced the 11 th and 11 A CGD Bidding Round comprising of 71 Geographical Areas covering 235 districts spread over 19 States and 2 Union Territory (UT). With completion of this CGD bidding round 96% of India's population and 86% of India's area spread over 600 districts in 28 States/ UTs would have access to CGD networks.

The Honourable Supreme Court vide its order dated September 28, 2021 in the matter of Adani Gas Limited (AGL) v. UOI & Ors (SLP(c) 28192-93 of 2018) had upheld the authorization awarded to your Company for the Geographical Area of Ahmedabad District (Excluding Areas Already Authorized).

Similar to any other business, the Company faces challenges in the form of stiff competition from other conventional fossil fuels due to accessibility and availability. The fuel also faces threat in the form of disparity in the tax structure compared to alternate fuels as PNG and CNG are still out of GST ambit. Notwithstanding these, your Company shall continue to focus placing environmentally clean Natural Gas to affordable markets for sustainable growth.

In addition, during the FY 2020-21, the sector regulator Petroleum and Natural Gas Regulatory Board (PNGRB) notified regulations enabling open access to CGD business in India. In January 2021 your company had challenged the said regulation and other related regulations at Honourable High Court of Delhi. Your company was able to obtain favourable interim order stating that the PNGRB shall not take any coercive actions against Your Company. The matter is presently sub-judiced. While this may have some impact on GGL's business; it shall also allow GGL to access other CGD markets too. Hence the net impact on account of the open access regulations may be minimal in the foreseeable future.

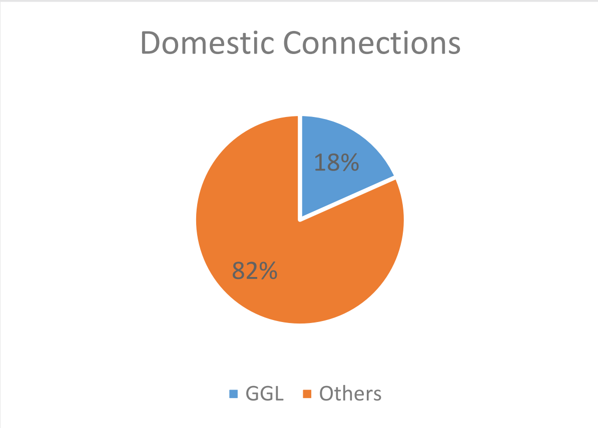
Further, due to the Covid-19 worldwide pandemic outbreak, your company has faced various challenges in executing its CGD development activity across different geographies due to which there was delay in achieving the Minimum Work Program (MWP) awarded by the PNGRB. In this regards, your company has filed Review petitions with the PNGRB seeking extension of exclusivity period and shifting of year wise MWP targets by the PNGRB on account of Force Majeure event i.e. Covid-19 pandemic.

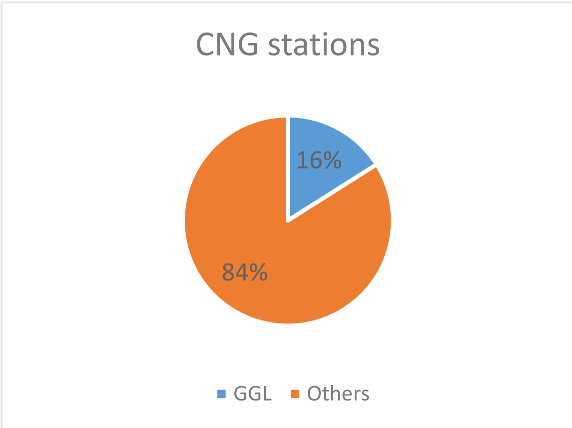
3. SALES AND MARKET PERFORMANCE

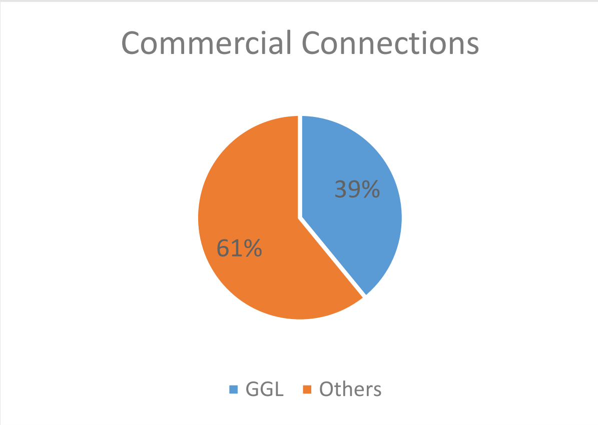
Your Company as on date has total 27 CGD licenses and operates in 44 districts across six states and one Union territory which accounts to c. 9% of total CGD licenses and c. 6% of total areas authorised by PNGRB in India and one transportation pipeline license.

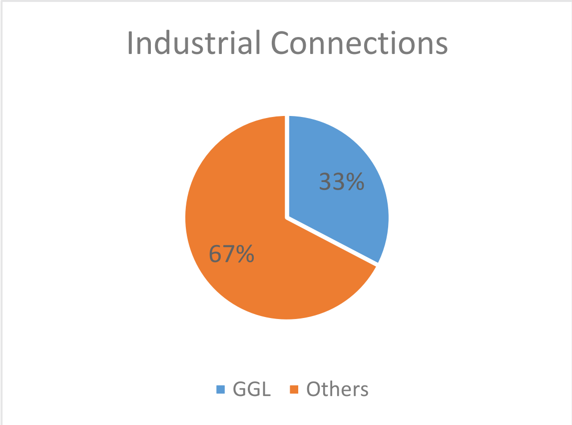
Your Company has an expanse of around 1,75,700 square kilometres of licensed area under its umbrella and continues to hold the leadership position of being the largest CGD Company in terms of sales volume. Your company supplies natural gas to more than 17 lakh residential consumers, over 13,400 commercial customer and has erected / commissioned 711 CNG stations for vehicular consumers and provides clean energy solutions to over 4,300 industrial units through its wide spread operations with more than 32,800 kilometres of Natural Gas pipeline network.

BOARD'S REPORT









Source : Petroleum Planning and Analysis cell's report for the month of March, 2022

Your company has achieved a moderate growth of 7% in industrial sales compared to previous year. The CNG & Commercial category volumes have increased by 52% each. The CNG and commercial category volumes have recovered during the second half of FY 2021-22. Your Company has continued its focused efforts for developing and growing PNG (Domestic) and CNG business. Your Company added more than 1,54,000 residential customers and erected / commissioned 153 new CNG stations and 2 new LNG Station during the year.

4. OUTLOOK

The future outlook for natural gas in India depends on the growth in demand, the evolution of the pricing regime, and the pace of gas infrastructure expansion. The demand will steadily rise with opening of the economy after the pandemic.

Your company has already adopted digitization of its critical processes and going forward also, your company shall leverage its endeavors for more digitization and aims to set benchmark in the CGD industry for complete E-Office, benefiting all the stakeholders viz. consumers, vendors, suppliers and employees.

India's Natural Gas supply and demand outlook is changing. The Government of India (GoI) wants to make India a gas-based economy by boosting domestic production. India has set a target to raise the share of gas in its primary energy mix to 15% by 2030. To improve the share of Natural Gas and promote a gas-based and clean fuel economy, the GoI has adopted a systematic approach to focus on all aspects of the gas sector viz upstream, midstream and downstream including CGD network development.

Your Company has been continuously growing and expanding its horizon by venturing into new geographic areas and is committed to reach every possible Natural Gas user across its licensed expanse of around 1,75,700 square kilometres through its ever growing pipeline network spread across 44 districts in six states and one UT. Your Company shall continue to focus on growing the penetration in the current operating areas by increasing the PNG connections and additional CNG stations while tapping the untapped potential by expeditious rollout of distribution network in its operating Areas. With this focused endeavour Your Company shall continue its efforts in providing clean fuel solutions across all operational area to augment an energetic top-line and bottom-line in coming years.

5. RISKS AND CONCERNS

The Brent crude oil spot price averaged $115 per barrel in March 2022, an increase of 100% as compared to April 2021. The war between Ukraine and Russia has been a key contributor in increase of Crude Oil prices during the latter part of the Financial Year.

The crude oil prices are expected to be over $100 per barrel for most part of FY 2022-23. However, this price forecast is highly uncertain and will depend on various factors including how long the war between Ukraine and Russia lasts.

BOARD'S REPORT

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has a proper and adequate system of Internal Controls commensurate with its size of operations and nature of business. The Company's Internal Control Systems are further supplemented by extensive programs of audits, i.e. Internal Audit, Proprietary Audit by the Comptroller & Auditor General of India (C&AG) and Statutory Audit by Statutory Auditors appointed by the C&AG. The Internal Control System is designed to ensure that all financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets and compliance with statutory requirements. The Company has mapped a number of business processes on to SAP system, thereby leading to significantly improved controls & transparency. Your Company also continues to invest in Information Technology to support various business processes and automating controls.

FINANCIAL AND OPERATIONAL PERFORMANCE

The stand-alone net profit after tax (Total comprehensive income) for the current financial year 2021-22 increased to Rs 1288.33 Crores from Rs 1270.72 Crores in the previous year. The Company had a healthy net cash inflows from operations of Rs. 1661.76Crores during the financial year 2021-22. During the year, the Company also prepaid loans amounting to Rs 327 Crores from internal accruals bringing down the total debt level to Rs 478 Crores at the end of financial year.

Investments were made in extension of pipeline network to reach new areas and in reinforcements and upgradation of existing network as required. Investments were also made to connect residential customers and augmenting the CNG infrastructure. Investments were also made to upgrade the IT infrastructure and integrate SAP to enhance reliability and enable scalability. Appropriate provisions have been made in the accounts wherever necessary for contingencies, bad debts and diminution in value of investments. No amount has been transferred to the General Reserve during the year.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:

Particulars	FY 2021-2022	FY 2020-2021	Remarks	Reason for changes
Debtors Turnover	18.66	13.95	Net Credit Sales / Average Trade Receivable	Increase in trade receivables is lower than increase in turnover
Inventory turnover	924.77	591.67	Cost of goods sold or sales / Average Inventory (Natural Gas)	While average inventory levels have remained in line with last year, higher cost of gas has led to increased turnover ratio.
Interest Coverage Ratio	48.57	16.87	Earning for Debt Service / Interest for borrowing [Earning for Debt Service = Net Profit after taxes + Non-cash expenses/adjustment + Interest -Lease payments]	Interest Coverage Ratio is improved due to reduction in borrowings cost on account of prepayments/ repayments of loans during FY 2021-22 and reduction in interest rates
Current Ratio	1.17	1.08	Current assets / Current liabilities net of customer deposit	NA
Debt Equity	0.09	0.20	Total Borrowing / Total Equity	Debt Equity ratio has improved due to prepayments/ repayment of Borrowings during the year and increase in total equity due to current year profits.
Operating Profit Margin (%)	12.76%	21.29%	Operating income / Revenue from operations	While Operating profit is at par with last year, it has reduced in %age terms, due to increase in turnover.
Net Profit Margin (%)	7.66%	12.61%	PAT / Revenue from operations	While Net profit is at par with last year, it has reduced in %age terms, due to increase in turnover.
Return on Net Worth	25.05%	31.97%	PAT / Average net worth	NA

- Previous year's ratios have been reclassified wherever necessary to confirm to the current period's presentation.

BOARD'S REPORT

IMPACT OF COVID-19

In view of the pandemic relating to Coronavirus (COVID-19), the Company has considered the impact of COVID19 as evident so far in the above financial results. The Company will continue to monitor any material changes to future economic conditions which necessitate any further modifications.

HUMAN RELATIONS AND PARTICULARS OF EMPLOYEES

Your Company employed 1034 employees as on 31st March 2022. Your Company has a focus on building capabilities and developing competencies of its employees. The Company believes that training and development is of vital importance to create a climate where people maximize their technical skills and inner potential which can help the Company in capitalizing the emerging business opportunities through their involvement. Considering the pandemic situation, during the year, employees were facilitated for various training programs and seminars (including virtual mode) to enhance their skills/knowledge. Your Company has in place an attractive policy of performance linked incentive to encourage and reward employee performance.

There was no strike or lock-out during the year under review.

CORPORATE GOVERNANCE

The Company believes that good governance can deliver continuous good business performance. The particulars on Corporate Governance as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is incorporated as a part of this Board's Report at **Annexure - 1.**

ANNUAL RETURN

The Annual Return of the Company in the Form MGT – 7 is available on the website of the Company at https://www.gujaratgas.com/GGL/annual-return/

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

The details about conservation of energy, technology absorption, foreign exchange earnings and outgo is attached at **Annexure – 6.**

Foreign Exchange Earnings and Outgo-

The Company has incurred expenditure in Foreign Exchange to the extent of Rs. 0.62 Crores during FY 2021-22 (Previous year FY 2020-21 Rs. 0.49 Crores) and the Foreign Exchange Earnings during FY 2021-22 were Rs. NIL (Previous year FY 2020-21 Rs. NIL).

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/Courts during the year, which would impact the going concern status of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a. that in the preparation of the annual accounts, financial statements for the year ended 31st March, 2022, the applicable accounting standards have been followed and no material departures have been made from the same;

b. that accounting policies have been selected and applied consistently and judgment 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, 2022 and of the profit of the Company for the year ended on that date;

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

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

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

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

ACKNOWLEDGEMENTS

The Directors place on record their deep appreciation to employees of the Company at all levels for their hard work, dedication and commitment. The Directors are extremely grateful for all the support given by the Government of Gujarat at all levels. The Directors place on record their sincere thanks to the Promoters, Shareholders, Suppliers, Lenders and Customers for their valuable support, trust and confidence reposed in the Company.

For and on behalf of the Board of Directors

Date: 3rd August, 2022 — **Pankaj Kumar, IAS**

Place : Gandhinagar — **Chairman**

ANNEXURE – 1
A REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance as on 31st March, 2022.

1. GGL's philosophy on Corporate Governance

Your Company believes that Corporate Governance is driven by the core values of the Company. Your Company promotes the values of customer orientation, team work, commitment, growth and trust. These reflect the Company's approach to all its stakeholders in the course of carrying out its business. The Company's values are portrayed in a set of strong Business Principles. These Business Principles are continuously communicated and reinforced with employees and contractors. The Company seeks to comply with all applicable legal, regulatory and license requirements and strives to work constructively with regulatory bodies.

2. Board of Directors

The Board has eight (8) Directors, 7 of whom are Non-Executive Directors (NEDs) and 1 Executive Director (ED). Four (4) of these are Independent Directors, which is in compliance with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of composition of the Board as on 31st March, 2022, category as well as their Directorships on Board and Memberships in committees of companies, are given below:

Sr. No.	Name of Director	Position/Category	*No. of Directorship including Gujarat Gas Ltd.	No. of Membership/ Chairmanship in Board Committees in which Chairman / Member**	
				+Membership	Chairmanship
1	Shri Pankaj Kumar, IAS	Promoter and Non-Executive Director	8	0	2
2	Dr. Rajiv Kumar Gupta, IAS	Promoter and Non-Executive Director	8	1	0
3	Shri Sanjeev Kumar, IAS	Promoter and Executive Director	9	4	0
4	Shri Milind Torawane, IAS	Promoter and Non- Executive Director	9	2	0
5	Shri Jal Patel	Non-Executive and Independent Director	4	2	3
6	Shri K.D. Chatterjee		2	2	1
7	Prof. Yogesh Singh		4	3	1
8	Shri Bhadresh Mehta		4	2	0

* Including Directorship held in Private Limited Companies and Section 8 Companies.

** The above details represent Membership/ Chairmanship of Audit Committee and Stakeholders Relationship Committee as per Regulation 18 and 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including details of GGL).

+ Membership does not include Chairmanship.

Names of Listed Entities where Directorship is held along with category of Directorship

Sr No.	Name of Director	Name of Listed Entities	Category of Directorship
1	Shri Pankaj Kumar, IAS	Gujarat Alkalies and Chemicals Limited Gujarat Narmada Valley Fertilizers &Chemicals Limited Gujarat State Petronet Limited Gujarat Gas Limited Gujarat State Fertilizers & Chemicals Limited	Chairman Chairman Chairman & Managing Director Chairman Chairman
2	Dr. Rajiv Kumar Gupta, IAS	Gujarat Mineral Development Corporation Limited Gujarat State Petronet Limited Gujarat Gas Limited	Chairman Director Director
3	Shri Sanjeev Kumar, IAS	Gujarat Gas Limited Gujarat State Petronet Limited Petronet LNG Limited	Managing Director Jt. Managing Director Director
4	Shri Milind Torawane, IAS	Gujarat Mineral Development Corporation Limited Gujarat Gas Limited Gujarat Industries Power Company Limited	Director Director Nominee Director
5	Shri Jal Patel	Elecon Engineering Company Limited Munjal Auto Industries Limited Gujarat Gas Limited	Director Director Independent Director
6	Shri K.D. Chatterjee	Gujarat Gas Limited	Independent Director
7	Prof. Yogesh Singh	Gujarat State Petronet Limited Gujarat Gas Limited	Independent Director Independent Director
8	Shri Bhadresh Mehta	Gujarat Gas Limited Gujarat State Petronet Limited Gujarat Narmada Valley Fertilizers &Chemicals Limited	Independent Director Independent Director Independent Director

The details of attendance of the Directors at the Board Meetings for the Period from 1st April, 2021 up to 31st March, 2022 and at the last Annual General Meeting is given below:

Names of the Directors	Number of Board Meetings held while holding office	Number of board meetings attended while holding office	Attendance at the last AGM
Shri Pankaj Kumar, IAS	2	1	Yes
Dr. Rajiv Kumar Gupta, IAS	3	1	No
Shri Sanjeev Kumar, IAS	4	5	Yes
Shri Milind Torawane, IAS	4	4	No
Shri Jal Patel	4	4	Yes
Shri K. D. Chatterjee	4	4	Yes
Prof. Yogesh Singh	2	2	Yes
Shri Bhadresh Mehta	2	2	Yes

Note: 1. None of the Directors are related inter se

2. No. of Shares held by Non Executive & Executive Director: Nil

3. Weblink for familiarization programme: https://www.gujaratgas.com/resources/downloads/details-of-familiarization-programme-22072022.pdf

The Board Meetings are generally held in Gandhinagar, including an option of virtual attendance considering the current pandemic situation. The Board meets at regular intervals to discuss and decide on various issues including strategy related matters pertaining to the business/Company.

The Board meets at least once a quarter with a gap between two meetings not exceeding 120 days. It has remained the practice of the Company to place before the Board, all the matters listed in Part A of Schedule II of Regulation 17 (7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The board agenda papers and other explanatory notes are circulated to the Directors in advance. The draft minutes of the meetings of the Board of Directors and its Committees are circulated to the Directors for their comments before being recorded in the Minute Books. Apart from this, approval of the Board is obtained through circulation of resolution to all the Directors in case some urgent/special situation arises. Such Circular Resolution is also noted in the next Board Meeting. The Directors also have access to all the information about the Company and are free to recommend inclusion of any matter in the agenda for discussion. Senior Management Personnel are invited to attend the Board Meetings to provide clarifications as and when required by the Board.

The Board Meetings were held as follows:

Sr No.	Date of Board Meeting
1	1st June, 2021
2	5th August, 2021
3	28th October, 2021
4	8th February, 2022

Disclosure regarding appointment/ reappointment of Director(s)

Information as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to the Notice of the Annual General Meeting.

3. Audit Committee

The composition of the Audit Committee on 31st March, 2022 is as follows:

1.	Shri Jal Patel	Chairman
2.	Shri Sanjeev Kumar, IAS	Member
3.	Shri Milind Torawane, IAS	Member
4.	Shri K. D. Chatterjee	Member
5.	Prof. Yogesh Singh	Member
6.	Shri Bhadresh Mehta	Member

Mr Sandeep Dave, Company Secretary acts as the Secretary of the Audit Committee. Mr Sanjeev Kumar, IAS is an Executive Director and remaining all the members of the Committee are Non-executive Directors. Mr. Jal Patel, Mr. K. D. Chatterjee, Prof. Yogesh Singh and Shri Bhadresh Mehta are Independent Directors. All the members of the Committee are qualified professionals and have accounting or related financial management expertise. The quorum of the Committee is two (2) members, with presence of at least 2 Independent Directors.

Terms of reference / scope of Audit Committee is in line with the provisions of section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 further the Audit Committee acts in accordance with the terms of reference, as specified in writing by the Board, which inter alia, includes;

(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 clause (c) of sub-section (3) of Section 134 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 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) Reviewing and monitoring 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, 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 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 vigil 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 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.

The audit committee shall mandatorily review the following information:

(1) Management discussion and analysis of financial condition and results of operations;

(2) Statement of significant related party transactions (as defined by the audit committee), 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 shall be subject to review by the audit committee.

(6) Statement of deviations: (a)quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32 (1) (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Details of meetings of Audit Committee during the period from 1st April, 2021 up to 31st March, 2022 and attendance is as under:

Sr.No.	Date of Meeting	Number of Members	Attendance
1	31st May, 2021	6	6
2	1st June, 2021	6	6
3	4th August, 2021	6	6
4	5th August, 2021	6	5
5	27th October, 2021	6	5
6	28th October, 2021	6	6
7	7th February, 2022	6	6
8	8th February, 2022	6	6

4. Nomination and Remuneration Committee

The composition of the Nomination and Remuneration Committee (NRC) as on 31st March, 2022, is as follows:

1.	Mr. K. D. Chatterjee	Chairman
2.	Shri Jal Patel	Member
3.	Shri Bhadresh Mehta	Member

Mr. Sandeep Dave, Company Secretary acts as Secretary of the Nomination and Remuneration Committee. All the members of the Committee are Non-executive Directors. Shri. K. D. Chatterjee, Shri. Jal Patel and Shri Bhadresh Mehta are Independent Directors. All the members of the Committee are qualified professionals. The quorum of the Committee is two (2) members with presence of at least 1 Independent Director.

The scope of this Committee is as under:

(1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

(2) formulation of criteria for evaluation of performance of independent directors and the board of directors;

(3) devising a policy on diversity of board of directors;

(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 of directors their appointment and removal.

(5) whether 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) recommend to the board, all remuneration, in whatever form, payable to senior management.

The performance evaluation criteria of Independent Director is in accordance with the Nomination and Remuneration Policy.

Details of meetings of NRC are as below:

Sr.No.	Date of Meeting	Number of Members	Attendance
1	27th October, 2021	3	3

The Nomination and Remuneration Policy of the Company is framed pursuant to requirements of Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

5. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the performance evaluation of individual Directors for FY 2021-22 was carried out as per the terms and conditions of their appointment based on the various parameters.

6. **Remuneration to Directors**

Apart from Sitting fees no other remuneration is paid to any Directors. Sitting fees of Rs. 7500/- per meeting are paid to the non-executive Directors for attending meetings of the Board of Directors and its Committees. The sitting fees for the Promoter-Directors is deposited in to the treasury of the State Government.

During the Financial Year 2021-2022 sitting fees of Rs. 8,55,000/- had been paid to directors for meeting of Board or its Committees, sitting fees of Government Directors had been deposited in Government treasury.

7. **Stakeholders Relationship Committee, Business Responsibility Committee and Risk Management Committee**

The Stakeholders Relationship Committee (SRC) has been constituted to approve share transfers, transmissions, consolidation, sub-division, etc. and for redressal of complaints/requests received from the shareholders.

The Company had received 41 letters of various types of requests, inquiries and complaints during the FY 2021-22. All the complaints were resolved to the satisfaction of the shareholders.

The composition of this Committee as on 31st March, 2022, is as under:

1.	Mr. KD Chatterjee	Chairman
2.	Mr. Milind Torawane, IAS	Member
3.	Mr. Jal Patel	Member

Details of meetings of Stakeholders' Relationship Committee are as below:

Sr.No.	Date of Meeting	Number of Members	Attendance
1	31st May, 2021	3	3
2	4th August, 2021	3	2
3	27th October, 2021	3	2
4	7th February, 2022	3	3

Mr Sandeep Dave, Company Secretary acts as the Secretary of the Committee. The quorum of the Committee is two (2) members.

Business Responsibility Report (BRR) Committee

The SEBI vide its Circular dated 4th November, 2015, had mandated that the Annual Report shall contain a Business Responsibility Report (BRR) describing the initiatives taken by the Company from an Environmental, Social and Governance perspective, in the format as specified by SEBI in the aforesaid Circular. Accordingly, the BRR containing the general information about the Company, financial details of the Company, other details like BR information, principle wise performance etc. forms part of this Annual report. The Board of Directors have constituted the Business Responsibility Committee comprising of the below members for matters pertaining to the Business Responsibility:

1	Mr. K. D. Chatterjee, Member
2	Mr. Jal Patel, Member

Any two (2) Directors shall form the Quorum of the Committee.

The Company Secretary acts as the Secretary of the Committee.

Risk Management Committee (RMC)

The RMC has been constituted with below mentioned scope of work:

(1) To formulate a detailed Risk Management Policy which shall include:

   (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   (b) Measures for risk mitigation including systems and processes for internal control of identified risks.

   (c) Business Continuity Plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee.

The composition of this Committee as on 31st March, 2022, is as under:

	Risk Management Committee	
1	Shri Milind Torawane, IAS	Chairman
2	Shri Jal Patel	Member
3	Shri K.D. Chatterjee	Member
4	Shri Sanjeev Kumar, IAS, MD	Member
5	Shri Nitesh Bhandari, CFO	Member

Details of meetings of RMC are as below:

Sr. No.	Date of Meeting	Number of Members	Attendance
1	1st June, 2021	5	4
2	4th August, 2021	5	5
3	27th October, 2021	5	4
4	7th February, 2022	5	5

Mr Sandeep Dave, Company Secretary acts as the Secretary of the Committee. The quorum of the Committee is three (3) members.

8. General Body Meetings:

Location and time of last three AGMs.

Annual General Meeting

Date	Time	Venue
*28th September, 2021	12:00 P.M	Gujarat Gas CNG Station, Sector 5/C, Gandhinagar – 382 006, Gujarat.
*24th September, 2020	12:00 P.M.	Gujarat Gas CNG Station, Sector 5/C, Gandhinagar – 382 006, Gujarat.
20th September, 2019	12:00 P.M.	Seminar Hall - 2 (SR2), Gate No. 1, Mahatma Mandir, Gandhinagar, Gujarat

* AGM held through electronic platform

In the last three Annual General Meetings, the following special resolutions were passed as per details given below:

Annual General Meeting held on 28th September, 2021

No Special Resolution was passed at the Annual General Meeting held on 28th September, 2021.

Annual General Meeting held on 24th September, 2020

No Special Resolution was passed at the Annual General Meeting held on 24th September, 2020.

Annual General Meeting held on 20th September, 2019

1. Re-Appointment of Prof. Piyush Kumar Sinha as an Independent Director for the second term.
2. Re-Appointment of Prof. Vishal Gupta as an Independent Director for the second term.
3. To approve enhancement of the Borrowing Powers of the Board under Section 180(1)(c) of the Companies Act, 2013.

9. Disclosures

There are certain transactions with Related Parties which have been disclosed at the relevant place in the Notes to the Financial Statements. No such Related Party Transactions may have potential conflict with the interests of the Company at large. There is no non-compliance on any capital market related matter for FY 2021-22 on Stock Exchanges. Further, no penalty has been imposed either by SEBI or Stock Exchanges or any Statutory Authority on any capital market related matter during the last three years.

10. Means of Communication

The Quarterly and Annual Financial Results of the Company are normally published in one National Newspaper (English) and one Regional Newspaper. These results can also be viewed from the Company's website www.gujaratgas.com. Further, the Quarterly and Annual Financial Results and other required filings of the Company can also be viewed on the website of The National Stock Exchange of India Limited (www.nseindia.com) and The BSE Limited (www.bseindia.com). Further no presentation was made to institutional investors or analysts during the year.

11. Code of Conduct

Code of Conduct for Directors and Senior Management

The Board of Directors of the Company has adopted a Code of Conduct and made it applicable to the Board Members and Senior Management of the Company, who have complied with the same during FY 2021-22. The Code of Conduct has also been posted on the website of the Company.

Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and immediate relatives of Designated Persons

Pursuant to the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The Company Secretary acts as the Compliance Officer. This Code of Conduct is applicable to the Designated Person(s) and the Immediate Relative(s) of such Designated Persons of the Company who can have access to Unpublished Price Sensitive Information relating to the Company. It is also informed to the shareholders that the Code of Conduct has been updated/amended in line with SEBI Regulations from time to time.

12. Vigil Mechanism

Pursuant to Section 177 (9) and (10) of the Companies Act, 2013 and the regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a Vigil Mechanism to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Code of Conduct of GGL. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Management affirms that no personnel of the Company was denied access to the Audit Committee. The Company has provided the details of the said Policy on the website of the Company at https://www.gujaratgas.com/resources/downloads/vigil-mechanism-policy-08052020.pdf

13. Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions

As required under regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Related Party Transactions Policy which has been disclosed on the website of the Company at https://www.gujaratgas.com/resources/downloads/policy-on-related-party-transaction-8-2-2022-23022022.pdf on Materiality of Related Party Transactions and dealing with Related Party Transactions.

14. Appointment of Independent Directors

The Company has issued formal letter of appointment to Independent Directors in the manner as provided in the Companies Act, 2013. The terms and conditions of appointment have also been disclosed on the website of the Company at https://www.gujaratgas.com/pdf/terms-and-conditions-of-appointment-of-independent-directors.pdf The Board of Directors confirm that in the opinion of the board, the Independent Directors fulfill the conditions specified in SEBI (LODR) 2015 and are independent of the management.

A chart or a matrix setting out the skills/expertise/competence of the board of directors specifying the following:

List of core skills/ expertise/ competencies identified by the Board of Directors	Directors who possess those skills
Skills and expertise relating to energy, petrochemicals, oil and gas industry Strategic thinking, advisory skills and Governance	**1. Shri Pankaj Kumar, IAS** **2. Dr. Rajiv Kumar Gupta, IAS** **3. Shri Milind Torawane, IAS** **4. Shri Jal Patel** **5. Shri K. D. Chatterjee** **6. Prof. Yogesh Singh** **7. Shri Bhadresh Mehta** **8. Shri Sanjeev Kumar, IAS**
Policy development	
Embrace the shared vision of the Company	
honesty and integrity leader and team objective	

The aforementioned skills are available with the Directors of Gujarat Gas Limited.

15. Compliance of Discretionary Requirements as specified in Part E of Schedule-II

The financial Statements for the financial year 2021-22 are with unmodified audit opinion.

16. Compliance of clause (b) to (i) of sub regulation 2 of Regulation 46

The Company has complied with (b) to (i) of sub regulation 2 of Regulation 46.

17. Compliance

Certificate regarding compliance with the Corporate Governance Code for the FY 2021-22 is annexed to this report.

Certificate from a Company Secretary in practice on Non Disqualification of Directors from appointment as Directors of the Company:

The Company has obtained a certificate from M/s Manoj Hurkat & Associates, Company Secretary in Practice that none of the Directors of Company are disqualified from being appointed/ continuing as Director of the Company.

18. General Shareholder Information

A. Schedule & Venue of the 10th Annual General Meeting of the Company:

Day & Date	Monday 29th August, 2022
Time	11:30 A.M.
Venue	AGM through VC/eAGM

B. Financial Year:

The Financial Year of the Company starts on 1st April and ends on 31st March every Year.

C. Record Date:

The Record Date for the purpose of payment of Dividend is 22nd August, 2022.

D. Dividend Payment:

Dividend if approved by the shareholders at the 10th Annual General Meeting will be paid on or before 27th September, 2022.

E. Listing on Stock Exchanges and Stock Code (w.e.f. 15th September 2015)

Details of listing of equity shares of your Company are given below along with stock codes:

National Stock Exchange of India Limited	GUJGASLTD
Bombay Stock Exchange Limited	GUJGAS -539336

Address of Stock Exchanges where Equity Shares of Gujarat Gas Limited are Listed:

National Stock Exchange of India Ltd, Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400 001

Your Company's equity shares have been listed and trading on BSE Limited (BSE), National Stock Exchange of India Limited (NSE), Ahmedabad Stock Exchange Limited (ASE) and Vadodara Stock Exchange (VSE) with effect from 15th September, 2015. The ISIN of Equity Shares is INE844O01030. Further it is brought to the notice of Shareholders that SEBI vide its Order

No. WTM/RKA/MRD/144/2015, dated 9th November, 2015, had provided the exit to Vadodara Stock Exchange Limited and in view thereof, the Company is no longer listed on VSE. It is also brought to the notice of the Shareholders that the Company had received a letter dated 11/01/2017, from Ahmedabad Stock Exchange Limited, wherein it has been informed that Ahmedabad Stock Exchange Limited (ASEL) is undergoing its exit policy and because of that all the Companies listed with ASEL are shifted to NSE, BSE, or dissemination Board, NSE, so the Company is requested to do all the Compliance with relevant exchanges where the Company is further listed or with Dissemination Board, NSE and not with ASEL. As your Company is already listed with NSE and BSE, no additional compliance is required.

In view of the aforesaid, it is also informed to the Shareholders that Ahmedabad Stock Exchange Limited has not charged listing fees for FY 2017-18, FY 2018-19, FY 2019-20, FY 2020-21 and FY 2021-22 and is not providing the trading platform to the shareholders of the Company and there is not valid contract/agreement with the Company, in view of which your Company is no longer listed with Ahmedabad Stock Exchange Limited.

Listing fees have been paid for the financial year 2021-22 and 2022-23 as per the requirements with the respective Stock Exchanges.

The Company has also entered into a tripartite agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The ISIN no. for Company's securities is INE844O01030.

F. Market Price Data

The Market price data on the BSE and NSE for the FY 2021-22 is given below:

Equity Share Price on BSE			BSE Sensex		Equity Share Price on NSE		NSE Nifty	
Month	High Price	Low Price	High Price	Low Price	High Price	Low Price	High Price	Low Price
April-2021	580	510.5	50,375.77	47,204.50	580.5	510.3	15044.35	14151.4
May-2021	552.45	496.45	52,013.22	48,028.07	548.85	497	15606.35	14416.25
June-2021	704.3	534.95	53,126.73	51,450.58	704.5	535	15915.65	15450.9
July-2021	742	656.05	53,290.81	51,802.73	742.8	656	15962.25	15513.45
August-2021	786.65	690.2	57,625.26	52,804.08	786	690	17153.5	15834.65
September-2021	728.7	566	60,412.32	57,263.90	729.3	607.3	17947.65	17055.05
October-2021	672	577.2	62,245.43	58,551.14	671.95	577.2	18604.45	17452.9
November-2021	684	615	61,036.56	56,382.93	684	614.05	18210.15	16782.4
December-2021	696	593	59,203.37	55,132.68	696	592	17639.5	16410.2
January-2022	721.15	633.05	61,475.15	56,409.63	721.8	635	18350.95	16836.8
February-2022	701.45	564.9	59,618.51	54,383.20	702.2	565.25	17794.6	16203.25
March-2022	583.8	478.15	58,890.92	52,260.82	582.9	478.05	17559.8	15671.45

G. Distribution of shareholding

The Distribution of Shareholding as on 31/03/2022 is given below:

Distribution Schedule - Consolidated As on 31/03/2021					
Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1-5000	185,295	97.597653	18,083,307	36,166,614	2.626898
5001 - 10000	3,375	1.777663	15,086,840	30,173,680	2.191612
10001 - 20000	603	0.317609	4,557,149	9,114,298	0.662001
20001 - 30000	147	0.077427	1,909,004	3,818,008	0.277314
30001 - 40000	63	0.033183	1,121,511	2,243,022	0.162918
40001 - 50000	57	0.030023	1,313,337	2,626,674	0.190784
50001 - 100000	95	0.050038	3,484,331	6,968,662	0.506156
100001 & Above	221	0.116404	642,834,646	1,285,669,292	93.382317
Total	**189,856**	**100.00**	**688,390,125**	**1,376,780,250**	**100.00**

H. Your Company does not have any GDRs/ADRs/Warrants or any other convertible instruments.

I. Geographical Areas

Sr No.	Name of the Geographical Area
1	Surat- Bharuch- Ankleshwar
2	Nadiad
3	Navsari
4	Rajkot
5	Surendranagar
6	Jamnagar
7	Bhavnagar
8	Hazira
9	Kutch (West)
10	Valsad
11	Union Territory of Dadra & Nagar Haveli
12	Palghar District and Thane Rural
13	Amreli District
14	Dahej- Vagra Taluka
15	Ahmedabad District (excluding area already authorized)
16	Dahod District
17	Anand District (excluding area already authorized)
18	Panchmahal District
19	Narmada (Rajpipla) District
20	Sirsa, Fatehabad and Mansa (Punjab) Districts
21	Ujjain (Except area already authorized) District, Dewas (Except area already authorized) District and Indore (Except area already authorized) District
22	Jhabua, Banswara, Ratlam and Dungarpur Districts
23	Ferozepur, Faridkot and Sri Muktsar Sahib Districts
24	Hoshiarpur and Gurdaspur Districts
25	Jalore and Sirohi Districts
26	Amritsar District
27	Bhatinda District

J. Fees paid to the Statutory Auditors :

During the financial year 2021–22, the Statutory Auditors of the Company were paid fees for audit and providing other services as per below details:

Name of the Company	Feed paid				Total (Rs.)
	Name of Auditor	For Statutory Audit (Rs.)	For Quarterly Limited review (Rs. *3 qtr)	For providing other services (Rs.)	
Gujarat Gas Limited	M/s Manubhai & Shah LLP	18,30,000	6,00,000 (for Q2 and Q3)	-	24,30,000
Gujarat Gas Limited	M/s S.R. Goyal & Company	-	2,62,500 (for Q1)	10,000	2,72,500

K. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has always believed that appropriate standard of conduct should be maintained by the employees in their conduct and that there should be a safe, indiscriminatory and harassment-free (including free of sexual harassment) work environment for every individual working in the Company. The Company has in place a Policy on Prevention of Sexual Harassment at workplace as a part of its Human Resource Policy. It aims at prevention of harassment of employees and lays down the guidelines for reporting and prevention of sexual harassment. During the year ended 31st March, 2022, NIL complaint has been received pertaining to sexual harassment. The Company has constituted internal complaint committee and has also complied with all applicable provisions of the said Act.

19. Details of Registrar & Share Transfer Agent

KFin Technologies Limited, Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032. Toll free No.: 1800-309-4001

20. Dematerialisation of Shares and Share Transfer System

About 99.57% of the equity shares of the Company are in electronic form. Shri Sanjeev Kumar, IAS, Managing Director of the Company is authorized to approve Share Transfer/Transmission/Deletion of Name/Change of Name etc.

It is also informed to the Shareholders that Securities and Exchange Board of India had issued SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, vide Notification dated 8th June, 2018, where in it has amended Regulation 40 – Transfer or Transmission or Transposition of Securities and has mandated that transfer of securities would be carried out in dematerialized form only w.e.f December 5, 2018 and except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.

In order to implement the aforementioned Amendment in the Regulation and as advised by SEBI, the Company had sent letter under Registered/Speed post to the holders of physical certificates appraising them about the amendment and sensitise them about the impact of the regulation on the transfer of shares held by them in physical form w.e.f December 5, 2018.

The Company had also placed information on its website intimating the investors about the proposed change and has provided appropriate guidance on how to dematerialize their shares.

Subsequently, on 3rd December, 2018, SEBI extended the time limit and clarified that the aforesaid requirement of transfer of securities only in demat form will come into force from 1st April, 2019.

Further on 27th March, 2019, SEBI also clarified that decision does not prohibit the investor from holding the shares in physical form; investor has the option of holding shares in physical form even after 1st April, 2019. Any investor, who is desirous of transferring shares (which are held in physical form) after 1st April, 2019 can do so only after the shares are dematerialized. The transfer deed(s) once lodged prior to deadline and returned due to deficiency in the document may be re-lodged for transfer even after the deadline of 1st April, 2019.

The above decision of SEBI is not applicable for demat of shares, transmission (i.e. transfer of title of shares by way of inheritance / succession) and transposition (i.e. re-arrangement / interchanging of the order of name of shareholders) cases.

Further SEBI vide Circular dated 7th September, 2020 has clarified that it has been decided to fix 31st March, 2021 as the cut-off date for re-lodgement of transfer deeds. Further, the shares that are re-lodged for transfer (including those request that are pending with the listed Company / RTA, as on date) shall henceforth be issued only in demat mode.

21. Summary of Shareholding as on 31/03/2022

Summary of Shareholding As on 31/03/2022			
Category	**No. of Holders**	**Total Shares**	**% to Equity**
PHYSICAL	679	3,007,630	0.436908
N S D L	59,411	621,025,923	90.214241
C D S L	129,766	64,356,572	9.348852
Total	189,856	688,390,125	100.00

22. Address of Correspondence

Gujarat Gas Limited, 2, Shantisadan Society, Nr. Parimal Garden, Ellis Bridge, Ahmedabad - 380006, India. Telephone Numbers: +91-79- 26462980, +91-79-26460095, Fax: +91-79- 26466249.

23. Details of Credit Rating for Bank loan facilities:

Rating Agency	Instrument Type	Rating Type	Rating/Outlook As on 31-Mar-2022	Date of rating document
CRISIL Ratings Limited	Bank Loan Facilities	Long-term	CRISIL AA+ / Positive (Outlook revised from 'Stable' and rating reaffirmed on 30-09-2021)	30/09/2021
CARE Ratings Limited	Bank Facilities	Long-term/ Short-term	CARE AA +/ Positive / CARE A1+ (Reaffirmed; Outlook revised from Stable on 15-09-2021)	15/09/2021
India Ratings and Research Pvt Ltd	Bank Loans	Long-term/ Short-term	IND AA +/ Positive / IND A1+ (Affirmed; Outlook revised to Positive from Stable on 28-04-2021)	28/04/2021
	Commercial paper	Short-term	IND A1+ (Affirmed on 28-04-2021)	28/04/2021

24. Non-Mandatory requirements of regulation 27 (1) & Part E of Schedule II of the Listing Regulations:

i) The Company has a Non–Executive Chairman.

ii) The quarterly / half yearly results are not sent to the shareholders. However, the same are published in the newspapers and are also posted on the Company's website.

iii) The internal auditors report to the Audit Committee.

25. Resignation of Independent Woman Director

Dr. Manjula Subramaniam, IAS (Retd.) resigned as Independent Woman Director with effect from 28th January, 2022 on account of her preoccupation.

For and on behalf of the Board of Directors

Pankaj Kumar, IAS
Chairman

Date: 6th June, 2022
Place: Gandhinagar

ANNEXURE – 2
ANNUAL REPORT ON CSR ACTIVITIES

1. **Brief Outline on CSR Policy of the Company:**

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and the amendments thereto. Pursuant to provisions of Section 135 of the Companies Act, 2013, the Company has also formulated a Corporate Social Responsibility Policy which is available on the website of the Company at https://www.gujaratgas.com/resources/downloads/csr_policy_15062021.pdf This Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed as Annexure - 2 to the Board's Report.

2. **Composition of CSR Committee:**

Corporate Social Responsible Committee		
1.	Mr. Balwant Singh, IAS (Retd.)	Chairperson
2.	Mr. Milind Torawane, IAS	Member
3.	Mr. Bhadresh Mehta	Member
4.	Mr. Sanjeev Kumar, IAS	Member
Any two Directors shall form the Quorum of the Committee.		

3. **Provide web link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:**

The Company has framed a CSR Policy in compliance with the provisions of section 135 of the Companies Act, 2013 and the same is placed on the website of the Company and the web link for the same is www.gujaratgas.com

4. **Provide the Details of impact assessment of CSR Projects out in pursuance of sub-rule (3)of rule 8 of the companies (Corporate Social responsibility Policy) Rules, 2014 if applicable (attach the report) –**

Not Applicable

5. **Detail of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the (Companies Corporate Social Responsibility Policy) rule 2014, and amount required for set off for the financial year, if any:**

Sr. No.	Financial Year	Amount available for set-off from preceding financial year (in Rs.)	Amount required to be set off for financial year, if any (in Rs.)
1	2021-22	NIL	NIL
	TOTAL		

6. **Average net profit of the Company as per section 135(5):**

Average net profit of the company for last three financial years: INR 1177.00 Crores

7. (a) **Two percent of average net profit of the Company as per section 135(5):** INR 23.54 Crores

(b) **Surplus arising out of the CSR Projects or Programs or Activities of the previous financial years: NIL**

(c) **Amount required to be set-off for the financial year, if any: NIL**

(d) **Total CSR Obligation for the Financial Year [7a+7b-7c]: INR 23.54 Crores**

8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount spent for the financial year (in Rs.)	Amount Unspent (in Rs.)				
	Total amount transferred to unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of fund	Amount	Date of Transfer
19,13,84,363/-	*4,90,50,000/-	29th April 2022	Not Applicable	Not Applicable	Not Applicable

*Shortfall for the unspent amount of CSR for current year (FY 2021-22) was Rs 440.15 Lakhs which is in respect of an on-going project details of which are given at Clause 8(b) of this report. The Company has transferred total amount of Rs 490.50 Lakhs (Comprising of Rs. 440.15 Lakhs being unspent CSR expenditure for 2021-22 and Rs. 50.35 lakhs to be spent for FY 2022-23 for that on-going project) to the Unspent CSR expenditure Account the details of which are given at Clause 8 (a) of this report

(b) details of CSR amount spent against on-going projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl No.	Name of project	Items from the list of Activities in Schedule VII to the Act.	Local Area	Location of project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR account for the project as per Section 135(6) (in Rs.)	Mode of implement-tation -Direct (in Rs.)	Mode of implementation through implementation agency	
				State	District						Name	CSR Registration number
1	Radio Diagnostic Services in Gujarat	Preventive Healthcare	Yes	Gujarat	Operational district of the company	Till 14th Sept 2022	4,40,14,723/-	Nil	4,40,14,723/-		GCSRA	CSR00002979
	Total						4,40,14,723/-	Nil	4,40,14,723/-			

* Implementing Agencies includes various NGOs/Trusts.

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl No.	Name of the project	Items from the list of activities in schedule VII to the act.	Local area Y/N	Location of project		Amount spent for the project (in Rs.)	Mode of implementation -Direct (Yes/No)	Mode of implementation through implementation agency	
				State	District			Name	CSR Registration number.
1	Dhanvantri Covid Hospital	Preventive Healthcare/Disaster Management	Yes	Gujarat	Ahmedabad	10,00,00,000/-	No	GUCF	CSR00002281
2	PSA Oxygen Plants for GMERS operated Government Hospitals	Preventive Healthcare/Disaster Management	Yes	Gujarat	Various districts of Gujarat	3,00,00,000/-	No	GCSRA	CSR00002979
3	Mobile Healthcare van	Preventive Healthcare	Yes	Gujarat	Narmada	7,63,673/-	No	Keshvi Charitable Trust	CSR00008306

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
4	Free Gas supply to Crematoriums	Environment	Yes	Gujarat	Operational districts of the company	6,05,20,809/-	Yes	-	-
5	Nodhara No Aadhar – free gas supply to centralised kitchen	Eradication of hunger/Malnutrition	Yes	Gujarat	Narmada	99,881/-	Yes	-	-
	TOTAL					19,13,84,363/-			

(d) Amount Spent in Administrative Overhead: NIL

(e) Amount spent on Impact assessment, if applicable: NIL

(f) Total amount spent for the financial year [8b+8c+8d+8e]: INR 19,13,84,363/-

(g)*Excess amount for set off, if any:

Sl No.	Particulars	Amount (in Rs.)
(I)	Two percent of average net profit of the company as per section 135(5)	Rs. 23,53,99,086
(ii)	Total amount spent for the financial year	Rs. 19,13,84,363
(iii)	Excess amount spent for the financial year[(ii)-(I)]	Nil
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial year, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii) (iv)]	Nil

*Shortfall for the unspent amount of CSR for current year (FY 2021-22) was Rs 440.15 Lakhs which is in respect of an on-going project details of which are given at Clause 8(b) of this report. The Company has transferred total amount of Rs 490.50 Lakhs (Comprising of Rs. 440.15 Lakhs being unspent CSR expenditure for 2021-22 and Rs. 50.35 lakhs to be spent for FY 2022-23 for that on-going project) to the Unspent CSR expenditure Account the details of which are given at Clause 8 (a) of this report.

9. (a) details of Unspent CSR Amount for the preceding three financial years:

There is no unspent CSR amount from the preceding three financial years.

Sl No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section135(6) (in Rs.)	Amount spent in the reporting Financial year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding Financial year (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1	2018-2019	-	-	-	-	-	-
2	2019-2020	-	-	-	-	-	-
3	2020- 2021	-	-	-	-	-	-
	TOTAL						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial years(s):

Not Applicable. There are no ongoing projects of preceding financial years.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl No.	Project ID	Name of The project	Project Duration	Total amount allocated for the project (in Rs.)	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial year (in Rs.)	Cumulative amount spent at the end of the reporting Financial Year (in Rs)	Status of the project- Completed/ Ongoing
	Not Applicable							
	Total							

10. In case of creation or acquisition of capital assets, furnish the details relating to the assets so created or acquired through CSR spent in the financial year:

(asset-wise details)

(a) Date of acquisition of the capital asset(s): Nil

(b) Amount of CSR spent for creation or acquisition of capital assets: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital assets is registered, their address etc.: Nil

(d) Provide details of the capital assets(s) created or acquired (including complete address and location of the capital assets): Nil

11. Specify the reason(s), if the company has failed to spend two percent of the net profit as per section 135(5):

Not applicable as the company has transferred Rs 490.50 Lakhs (Comprising of Rs.440.15 Lakhs being unspent CSR expenditure for 2021-22 and Rs.50.35 Lakhs to be spent for FY 2022-23 for that on-going project) to unspent CSR Account as per section 135(6) for ongoing project towards Radio Diagnostic Services in Gujarat.

Shri Sanjeev Kumar, IAS
Managing Director

Shri. Balwant Singh, IAS (Retd.)
Chairperson, CSR Committee

Date: 6th June, 2022

ANNEXURE – 3
SECRETARIAL AUDIT REPORT

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

To,
The Members of
GUJARAT GAS LIMITED
(CIN: L40200GJ2012SGC069118)
(Formerly known as GSPC Distribution Networks Limited)
Gujarat Gas CNG Station,
Sector 5/C, Gandhinagar - 382006 (Gujarat)

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 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. The 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')** to the extent applicable to the Company:

   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, 2018;

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (upto 12th August, 2021); The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equities) Regulations, 2021 (w.e.f. 13th August, 2021);

   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (upto 15th August, 2021); The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (w.e.f. 16th August, 2021);

   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 (upto 9th June, 2021); The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (w.e.f. 10th June, 2021); and

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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

   I. Secretarial Standards issued by The Institute of Company Secretaries of India;

   II. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI-LODR);

We hereby report that during the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

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

a) The Petroleum and Natural Gas Regulatory Board Act, 2006

b) The Petroleum Act, 1934

c) The Explosives Act, 1884

d) The Inflammable Substances Act, 1952

We further report that:

a) The Board of Directors of the Company was 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.

b) Adequate notice was given to all Directors to schedule the Board Meetings at least seven days in advance. Agenda and detailed notes on agenda were also sent to all the Directors 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.

c) Majority decisions were carried through while the dissenting members' views, if any were captured and recorded as part of the minutes.

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

We further report that during the audit period, there are no material events/actions taken place which have major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For, MANOJ HURKAT AND ASSOCIATES
Practicing Company Secretaries
FRN: P2011 GJ025800
PR Certificate No.: 600/2019

MANOJ R HURKAT
Partner
FCS No.: 4287, C P No.: 2574
UDIN: F004287D000269420

Place: Ahmedabad
Date: 10th May, 2022

Note: This Report is to be read with our letter of even date which is annexed as **Annexure A** and form an integral part of this Report.

ANNEXURE – A

To,
The Members of
GUJARAT GAS LIMITED
(CIN: L40200GJ2012SGC069118)
(Formerly known as GSPC Distribution Networks Limited)
Gujarat Gas CNG Station,
Sector 5/C, Gandhinagar - 382006 (Gujarat)

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 and Cost records of the Company.
4. We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual position which cannot be otherwise verified etc. wherever required or necessary.
5. The compliance of the provision of corporate laws and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of the same 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.
7. The Secretarial audit was conducted in accordance with Auditing Standards issued by the Institute of Company Secretaries of India and in a manner which evolved such examinations and verifications as considered necessary and adequate for the said purpose.

For, MANOJ HURKAT AND ASSOCIATES
Practicing Company Secretaries
FRN: P2011 GJ025800
PR Certificate No.: 600/2019

MANOJ R HURKAT
Partner
FCS No.: 4287, C P No.: 2574
UDIN: F004287D000269420

Place: Ahmedabad
Date: 10th May, 2022

ANNEXURE – 4
FORM No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis :

Name of the Related Party & Nature of Relationship	Nature of Contracts/ Arrangements/ transactions	Duration of Contracts/ Arrangements/ Transactions	Salient terms of Contracts/ Arrangements/ Transactions including value, if any	Justification for entering into such Contracts/ Arrangements/ Transactions	Date of Approval by the Board	Amount paid as advances, if any	Date of passing Special Resolution
-------------------N.A.--------------------							

2. Details of material contracts or arrangement or transactions at arm's length basis for the FY.2021-22:

Name of the Related Party & Nature of Relationship	Nature of Contracts / Arrangements / transactions	Duration of Contracts / Arrangements / Transactions	Salient terms of Contracts /Arrangements / Transactions including value, if any	Date of Approval by the Board, if any	Amount paid as advances, if any
Gujarat State Petroleum Corporation Limited – GSPC – Intermediate Holding Company	Purchase of Natural Gas	Regular	Rs. 13769.21 Crores #	NA	NA
Gujarat State Financial Services Limited – GSFS – Associate of Ultimate Holding Company	Deposit - Placed/ Renewed	Regular	Rs. 11342.25 Crores #	NA	NA
	Deposit - Withdrawn / Redeemed	Regular	Rs. 11603.25 Crores #	NA	NA

Definition of Material Related Party Transactions (as disclosed in Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions): "Material Related Party Transaction" In accordance with Regulation 23 of the Listing Regulations, shall mean any related party transaction/transactions, to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

For and on behalf of the Board of Directors

Shri Pankaj Kumar, IAS
Chairman

Place: Gandhinagar
Date: 6th June, 2022

ANNEXURE-5
AOC-1
Statement Pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures
Part "B": Associates

(Rs in Crores)

Name of Associates	Guj Info Petro Limited
1. Latest audited Balance Sheet Date	31/03/2022
2. Shares of Associate held by the company on the year end	25,000
Amount of Investment in Associate	0.03
Extend of Holding %	49.94%
3. Description of how there is significant influence	Through voting power
4. Reason why the associate is not consolidated	NA
5. Networth attributable to Shareholding as per latest audited Balance Sheet	As per Ind-AS-28 equity method is followed
6. Profit / (Loss) for the year	
I. Considered in Consolidation	1.61
ii. Not Considered in Consolidation	-

For and on behalf of Board of Directors

Pankaj Kumar, IAS
Chairman
DIN - 00267528

Sanjeev Kumar, IAS
Managing Director
DIN - 03600655

Balwant Singh, IAS (Retd.)
Director
DIN- 00023872

Nitesh Bhandari
Chief Financial Officer

Sandeep Dave
Company Secretary

Place: Gandhinagar
Date: 10th May, 2022

ANNEXURE-6

(A) Conservation of Energy-

(i) The steps taken or impact on conservation of energy;

- Started usage of LED light fixtures instead of CFL/MH type in Street lighting/Offices – 1260 nos.
- Implemented design of outdoor lighting system for CNG station with high mast lighting, which reduced installation of light poles/fixtures – 04 nos.
- Optimise the power requirement and reduced contract demand at few CNG stations
- Controlled power usage during peak time as specified in power tariff-DISCOM by changing refilling time of mobile CNG vehicles
- By use of LNG/LCNG as a product which help to reduce the electrical consumption-(Reduce Electrical consumption-0.15KWH/kg = 1500 unit/day energy saving)
- By setting up LCNG station, the CNG gas transport through vehicle is reduced 1500 km/day at Thane GA which help to reduce the number of trip of mobile truck and reduce the fuel consumption accordingly.
- Instead of steel cascade cylinder (3000/4500WLC capacity), we are using light weight composite cylinder (8800WLC - 91 nos., 6600WLC - 88nos.) during transport for higher volume of gas which will help to reduce the number of trip by half of mobile truck and reduce the fuel consumption accordingly.

(ii) The steps taken by the company for utilizing alternate sources of energy;

- Maximised usage of VRF (Variable refrigerant flow) & VRV (Variable refrigerant Variant) & Invertor based AC systems instead of conventional DX (direct expansion) type for new offices
- Gas engine driven compressors at CNG stations- 5 nos.
- GGL through various outsourced agencies are running more than 600 CNG Mobile Cascade Vehicle (MCV) for transporting CNG from Mother CNG stations to Daughter / Daughter booster CNG stations. These MCVs are now being run on CNG as fuel instead of Diesel.

(iii) The capital investment on energy conservation equipment's- **Nil**

(B) Technology Absorption-

(i) the efforts made towards technology absorption:

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

1.0 Setting up LCNG hubs at Palghar & Thane GA: Liquefied natural gas (LNG) is natural gas, predominantly methane (CH4) that have been liquefied for ease of storage or transportation. In absence of natural gas source point in proximity of the area, this Liquefied Natural Gas (LNG) is being transported through Cryogenic Road Tanker from source LNG Terminal to GGL LNG / LCNG Stations. This LNG is pressurized & re-gasified through ambient vaporizer and odorized and dispensed to customer vehicles as automobile fuel and Piped natural gas to domestic commercial & industrial customers on priority.

2.0 Setting up Virtual Pipeline Network: In absence of natural gas source point in proximity of the area. Natural Gas is transported using Mobile Cascade vehicle to remote locations with Virtual pipeline facility of two models:

- o Line pack model: MCV after catering to Daughter booster CNG Station, residual gas of MCV is tops-up / feds steel pipeline laid to act as storage. This line pack at its downstream is connected to DRS which is used to reduce the 40 bar pressure to medium 4 bar pressure which is supplied to customer through PE pipeline – 4 nos. with one at Thane, two at Punjab & one at Madhya Pradesh
- o DCS model: Fully filled MCV with CNG pressure (240 bar) is reduced to medium pressure 4 bar through use of decompression skid with heater system for further supply to customer connections.

3.0 Mobile Refuelling Unit (MRU): Nowadays CNG is considered to be most environment friendly fuel for auto sector in India. Considering the increased demand of CNG as automotive fuel and to make it available to all customers, MoPNG has initiated innovation in energy retailing and making it mobile and delivering at the doorsteps of customers. MoPNG has introduced a concept called Mobile refueling unit (MRU). This will help to increase mobility of fuel availability through the deployment at various demand locations.

As per the present design the MRU consists of one storage cascade up to maximum 8800 WLC, one typical booster compressor and one dispenser unit with single arm (one filling hose). All these three units are mounted on one vehicle which will provide below mentioned benefits:

1. MRU is low cost option and it will reduce CNG construction cost, construction time and electrical works/ Tubing work at CNG station.
2. Less space requirement considering compact design of MRU.

ANNEXURE-6

GGL has evaluated the aspects of this technology of Mobile refueling Unit internally for implementation and is progressing with initiating tendering for hiring / procurement of the same.

4.0 Integrated CNG Unit: Integrated CNG unit contain 1 compressor, 2 of CNG dispensing hose and 750 WLC CNG Storage Cascade. Integrated Compressor Unit shall be installed in forecourt area which required lesser space compared to conventional/current CNG stations. Compact design of integrated compressor is suitable for Catering the CNG demand in city where less space is available in the existing OMC RO's. It also reduce leakage points in SS tube and fitting in addition to lesser construction time as well as electrification work.

GGL has evaluated the aspects of this technology of Integrated CNG Unit internally for implementation and is progressing with initiating tendering for hiring / procurement of the same.

5.0 Remote operation of CNG compressors: Remotely operated CNG compressor will be operated by operator from remote control room. Introduction of this technology will help to improve monitoring & control of overall CNG compressor operation and to reduce operation cost. Remote operation of CNG Compressor is already been implemented in new CNG stations where electric driven compressor are installed.

6.0 Hydrogen Blending with Natural Gas for CGD: Hydrogen is not a greenhouse gas (GHG), nor does it produce GHGs when burned, making it a potential substitute for reducing the carbon intensity or pollution of some energy or fuel applications. Hydrogen is relevant to GGL through its use as a fuel when blended with natural gas. GGL has a unique opportunity to leverage the nature of its integrated natural gas business to explore applications for hydrogen as part of its push to reduce GHG emissions.

To start the Hydrogen Blending project, GGL & NTPC have signed an agreement where NTPC will supply the required Hydrogen which will be blended with Natural Gas and GGL will distribute this blended gas. The cluster identified for this pilot project is at one of the NTPC townships and end use application is domestic cooking.

7.0 GPRS / IOT based communication for Remote monitoring & meter reading data collection: Majority of GGL sites today connects remotely over GSM network and meter reading data, gas distribution network related process parameters, movement of MCVs across different locations of GGL and many more such applications utilize legacy GSM dialing based communication for data gathering, processing and varied purposes. Over the period of time more communication technologies have evolved and so does the hardware capability which supports these latest communication types. These advanced communication technologies not only offer fast time to connect sites to the control room, the speed of data transfer has also multiplied many folds. To keep pace with these technology advancements, GPRS / IOT based communication option is currently under testing phase and required capability in gas meters and other allied instrumentation devices is being incorporated which will help GGL in achieving better monitoring and control of overall operations across different customers categories.

8.0 GGL part in Government technological initiatives such as Gati Shakti: Gati Shakti - National Master Plan for Multi-modal Connectivity, essentially a digital platform to bring 16 Ministries including Railways and Roadways together for integrated planning and coordinated implementation of infrastructure connectivity projects. GGL has already associated with Energy & Petrochemicals Department (EPD) and Bhaskaracharya National Institute for Space Applications and Geo-informatics (BISAG) for collating all the relevant infrastructure data (Natural gas Pipeline – Transmission, Distribution, City Gate Station (CGS), CNG stations) for uploading in the centralized Gati-Shakti portal for seamless access and permission approval process for different infrastructure related projects/activities through single window. All GGL related data & information has successfully been uploaded and are now available for all Gati Shakti portal users.

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

(a) the details of technology imported;

(b) the year of import;

(c) whether the technology been fully absorbed;

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

(iv) the expenditure incurred on Research and Development. **Nil**

(C) Foreign Exchange Earnings and Outgo-

The Company has incurred expenditure in Foreign Exchange to the extent of Rs. 0.62 Crores during FY 2021-22 (Previous year FY 2020-21 Rs. 0.49 Crores) and the Foreign Exchange Earnings during FY 2021-22 were Rs. NIL (Previous year FY 2020-21 Rs. NIL).

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members
GUJARAT GAS LIMITED
(CIN: L40200GJ2012SGC069118)
(Formerly known as GSPC Distribution Networks Limited)
Gujarat Gas CNG Station, Sector 5/C,
Gandhinagar - 382006 (Gujarat)

We have examined all relevant records of GUJARAT GAS LIMITED ("Company") for the purpose of certifying compliance of the conditions of Corporate Governance as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the financial year ended on 31st March, 2022. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with all the mandatory conditions of the Corporate Governance, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and Paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended on 31st March, 2022.

This certificate 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.

For, MANOJ HURKAT AND ASSOCIATES
Practicing Company Secretaries
FRN: P2011GJ025800

MANOJ R HURKAT
Partner
FCS No. : 4287, C P No.: 2574
UDIN: F004287D000269398

Place: Ahmedabad
Date: 10th May, 2022

CERTIFICATE OF NON DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members
GUJARAT GAS LIMITED
(CIN: L40200GJ2012SGC069118)
(Formerly known as GSPC Distribution Networks Limited)
Gujarat Gas CNG Station,
Sector 5/C, Gandhinagar - 382006 (Gujarat)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of GUJARAT GAS LIMITED ("Company") produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In our opinion and to the best of our information and according to the verifications (including Director Identification Number [DIN] status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or such other statutory authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1.	Shri Jal Patel	00065021	21/04/2015
2.	Shri Krishnadas Chatterjee	00421999	21/04/2015
3.	Shri Milind Torawane, IAS	03632394	10/08/2017
4.	Shri Sanjeev Kumar, IAS	03600655	04/09/2019
5.	Shri Rajiv kumar Gupta, IAS	03575316	05/07/2021
6.	Shri Bhadresh V. Mehta	02625115	15/08/2021
7.	Prof. Yogesh Singh	06600055	15/08/2021
8.	Shri Pankaj Kumar, IAS	00267528	08/09/2021
9.	Shri Anil Mukim, IAS (upto 03/09/2021)	02842064	01/04/2020
10.	Smt. Sunaina Tomar, IAS (upto 05/07/2021)	03435543	08/01/2020
11.	Prof. Piyush Kumar Sinha (upto 15/08/2021)	00484132	16/08/2017
12.	Prof. Vishal Gupta (upto 15/08/2021)	06405808	16/08/2017
13.	Dr. Majula Subramaniam, IAS (Retd.) (upto 28/01/2022)	00085783	28/08/2020

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

For, MANOJ HURKAT & ASSOCIATES
Practicing Company Secretaries
FRN: P2011GJ025800

MANOJ R HURKAT
Partner
FCS No.: 4287, C P No.: 2574
UDIN: F004287D000269376

Date: 10th May, 2022
Place: Ahmedabad

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

To,
The Shareholders,
Gujarat Gas Limited

Gujarat Gas Limited has in place a Code of Conduct ("the code") for its Board of Directors and Senior Management Personnel. I report that the code has been complied with by the Board of Directors and Senior Management of the Company for FY 2021-22.

For, Gujarat Gas Limited
Sanjeev Kumar, IAS
Managing Director

Date: 30/04/2022
Place: Ahmedabad

BUSINESS RESPONSIBILITY REPORT
Financial Year 2021-22

Section A : General Information about the Company

1. **Corporate Identity Number (CIN) of the Company:**
   L40200GJ2012SGC069118
2. **Name of the Company:**
   Gujarat Gas Limited
3. **Registered Address:**
   Gujarat Gas CNG Station, Sector 5/C, Gandhinagar – 382006, Gujarat.
4. **Website:**
   www.gujaratgas.com
5. **E-mail id:**
   contactbrr@gujaratgas.com
6. **Financial Year Reported:**
   Financial Year 2021-22
7. **Sector(s) that the Company is engaged in (industrial activity code-wise)**
   The NIC Code is 3520. The Company is engaged in City Gas Distribution including sale, purchase, supply, distribution, transport, trading in Natural Gas, CNG, LNG, LPG & other Gaseous form through Pipelines, Trucks/Trains or such other suitable mode for transportation/distribution of Natural Gas, CNG, LNG, LPG & other Gaseous Form.
8. **List three key products/services that the Company manufactures/provides (as in balance sheet)**
   Natural Gas
9. **Total number of locations where business activity is undertaken by the Company:**
   The Company has total 27 CGD licenses and operates in 21 districts or part thereof in the State of Gujarat, 9 districts or part thereof in the State of Punjab, 5 districts or part thereof in the State of Madhya Pradesh, 4 districts or part thereof in the State of Rajasthan, 2 districts or part thereof in the State of Maharashtra, 2 districts or part thereof in the State of Haryana and is also operating in Dadra and Nagar Haveli in the Union Territory of Dadra & Nagar Haveli and Daman & Diu.
10. **Markets served by the Company – local/state/national/international:**
    The Company operates its business in the States of Gujarat, Maharashtra, Punjab, Madhya Pradesh, Rajasthan, Haryana and also in the UT of Dadra & Nagar Haveli and Daman & Diu.

Section B: Financial Details of the Company

1. **Paid Up Capital (INR)**	₹ 137.68 Crores
2. **Total Turnover (INR)**	₹ 16,787.35 Crores
3. **Total Profit after Taxes (INR)**	₹ 1,285.64 Crores
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%)**	₹ *19.14 Crores (1.49 % of PAT)

* In addition, the Company has transferred total amount of ₹ 490.50 Lakhs (Comprising of ₹ 440.15 Lakhs for 2021-22 and ₹ 50.35 lakhs for FY 2022-23) for the on-going project to a separate escrow bank account.

5. **List of activities in which the expenditure in 4 above has been incurred / committed.**
   a. GGL helped in setting up of makeshift covid care hospital (Dhanvantri Covid Hospital) with the facility of 900 beds (including 150 ICU beds) at Gujarat University Convention Centre, Ahmedabad to treat affected patients during the second covid wave – ₹ 1000 lakhs
   b. GGL supported in setting up of PSA Oxygen plants at various locations in GMERS operated Government Hospitals of Gujarat critical to meet the increasing demand of oxygen and for future preparedness – ₹ 300 lakhs
   c. Supply of free natural gas to crematoriums across operating locations of the company – ₹ 605 lakhs.
   d. Under its preventive healthcare initiative, GGL runs a Mobile Health Screening Van operating in small villages in tribal district of Narmada. Under the scheme, free preventive medical checkup and basic medicines are provided free of cost – ₹ 7.64 lakhs

BUSINESS RESPONSIBILITY REPORT
Financial Year 2021-22

e. 'Nodhara No Aadhar' is a scheme of Narmada district administration of providing free food to homeless, destitute, orphans, etc. GGL is supplying free gas to kitchen operated by district administration in Narmada - an aspirational tribal district – ₹ 1 lakh

f. To support the strengthening of Radio Diagnostic Services for the treatment, especially for the post covid complications, GGL is setting up latest CT scan/MRI scan units in hospitals and medical colleges of the state – This is an ongoing project. We have entered into contract for providing CSR support in this regard and deposited ₹ 490.50 Lakhs (₹ 440.15 Lakhs out of CSR Budget of FY 2021-22 and ₹ 50.35 lakhs out of CSR Budget of 2022-23) in a separate escrow bank account as per CSR Rules.

g. Others activities – NA

Section C : Other Details

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

   Gujarat Gas Limited (GGL) has no Subsidiary Company.

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

   GGL has no Subsidiary Company, hence this question is not applicable to the Company.

3. **Do any other entity / entities (e.g. Supplier, distributor etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes indicate the percentage of such entities? (Less than 30%, 30 – 60% and More than 60%)**

   No other entity/entities have taken part in BR initiative of GGL.

Section D: BR Information

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

a) The Board of Directors have constituted Business Responsibility Committee for reviewing and recommending the Business Responsibility Report to the Board of Directors, the committee consist of following members:		
Name	DIN Number	Designation
Shri Balwant Singh, IAS (Retd.)	00023872	Independent Director
Shri Bhadresh Mehta	02625115	Independent Director
Prof. Yogesh Singh	06600055	Independent Director
b) Details of the Business Responsibility Head		
DIN Number (if applicable)	03600655	
Name	Shri Sanjeev Kumar, IAS	
Designation	Managing Director	
Telephone number	079-26462980	
e-mail id	md@gujaratgas.com	

BUSINESS RESPONSIBILITY REPORT
Financial Year 2021-22

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

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

SR. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
		P1: Work Place Behavior Policy, Ethical Behavior & Vigil Mechanism Policy P2: HSE Policy, Sustainable Development Policy, Work Place Behavior Policy P3: Work Place Behavior Policy, Human Rights Policy, HSE Policy, Harassment Policy P4: Sustainable Development Policy P5: Human Rights Policy P6: HSE Policy, Sustainable Development Policy P7: Sustainable Development Policy P8: CSR Policy, Sustainable Development Policy P9: Sustainable Development Policy								
2	Has the policy been formulated in consultation with relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		All the policies have been formulated in consultation with the Management of the Company.								
3	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies are based on good corporate practices.								
4	Has the policy been approved by the Board? If yes, has it been signed by the MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		All the policies have been signed.								
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	The BRR Committee of the Board of Directors will oversee the implementation of the Policy.								
6	Indicate the link to view the policy online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		http://www.gujaratgas.com/corporate-governance/policies/								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement its 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 policy/policies?	The queries regarding BR polices can be sent to contactbrr@gujaratgas.com								
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

BUSINESS RESPONSIBILITY REPORT
Financial Year 2021-22

b) If answer 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 principles	GGL Integrated Management System (IMS) is re-certified by certification body with reference to the requirements of International Standards for Quality management System - ISO 9001:2015, Environmental Management System - ISO 14001:2015 and Occupational Health & Safety Management System - ISO 45001:2018. The Company has a regular process of recertification and the entire process of auditing & recertification involves successful implementation of IMS by all functions and Geographic Areas.								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done in the next 6 months									
5	It is planned to be done in the next year									
6	Any other reason (please specify)									

3. Governance related to BR

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

BR related performance is reviewed annually by the Board of Directors of GGL.

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

The BR report is being published along with our Annual Report for FY 2021-22. Hyperlink https://www.gujaratgas.com/investors/annual-reports/

Section E: Principle Wise Performance

Principle 1: Businesses 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 policy relating to ethics, bribery and corruption covers GGL and the same is expected to be complied by all concerned.

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.

The Company had received 41 letters of various types of request, inquiries and complaints from its equity shareholders during FY 2021-22, which had been resolved and settled to the satisfaction of the shareholders.

The Company strives to resolve any complaint received from its stakeholders.

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

1. List up to 3 products or services whose design has incorporated social or environmental concerns, risks, and/or opportunities.

GGL is engaged in "Natural Gas" distribution to Domestic, Commercial, Industrial and Transport customers. Natural Gas being inherently a cleaner fuel is an environmental friendly fuel.

GGL services do not have any major environmental impacts however GGL has identified Environmental aspects related to each of the business activities / processes – pipeline construction, maintenance, natural gas compression etc. and assessed Environmental Impacts related to these aspects and have taken ample mitigation steps in order to ensure that residual risks are as low as reasonably practicable or acceptable levels.

2. For each product, provide the following details in respect of resources (energy, water, raw material etc.) per unit of product.

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

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

GGL always encourages and aggressively promotes use of PNG and CNG over conventional energy resources which generates high GHG emission.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Provide details thereof, in about 50 words or so.**

   Natural gas reduces around 50% greenhouse gas (GHG) emissions compared to coal used in various industrial applications including ceramic and tiles industry. It can also be transported through pipelines to various places replacing the carbon footprint generated by transporting liquid fuel/coal through roads.

   GGL has also started replacing its diesel driven transport vehicles with CNG (Compressed Natural Gas) as a fuel.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

   If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   GGL considers "Local" as PAN India and believes in providing equal opportunity to all suppliers/vendors across India. To avoid any discrimination in awarding the project, we hire all our contractors through our online bidding process. This ensures that selection is totally on the basis of merit.

5. **Does the company have mechanism to recycle products and waste? If yes, what is the percentage of recycling waste and products?**

   GGL is solely involved in distribution of Natural Gas through network of pipelines designated as PNG and also in compressed form for use in transport sector designated as CNG. These services generally do not have significant waste generation.

   However GGL has established, implemented and maintained a system of proper Waste Management:

   - to avoid, reduce or control (separately or in combination) the creation or discharge of any type of waste in order to reduce adverse environmental impacts
   - to reuse, refurbishing, recycle and dispose the waste
   - to handle the waste from generation to disposal stage effectively in order to comply with legal & statutory requirements
   - to protect the environment

   Waste generated in form of used batteries, electronic waste, used oil from equipment such as compressor at GGL are sent to pollution control board approved vendors for either recycling or environment friendly disposal.

Principle 3: Businesses should promote the wellbeing of all employees

1. **Please indicate the total number of employees-**

   Total number of employees as on 31st March, 2022 is 1034.

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

   Total number of Fix-term contract employees as on 31st March, 2022 is 27.

3. **Please indicate the number of permanent women employees –**

   Total number of permanent women employees as on 31st March, 2022 is 55.

4. **Please indicate the number of permanent employees with disability –**

   Total number of permanent employees with disability as on 31st March, 2022 is 8.

5. **Do you have an employee association that is recognized by management?**

   GGL believes in providing the freedom of association to the employees and the same is done through two of our management recognized unions, GGL Staff Union and GGL Employees Union.

6. **What percentage of your permanent employees are a member of this recognized employee association?**

   About 12.37 % of the employees are members of the above mentioned association.

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

   GGL has a policy on prevention of sexual harassment under which a Committee is formed that is dedicated to cases against sexual harassment in the Company. There has been no complaint received in the FY 2021-22. Due to stringent mechanisms in place for prevention and addressing issues related to sexual harassment, further "NO" such complaint is pending as on the end of financial year.

   Similarly, all the work orders issued to contractors have clear instructions regarding compliance to all labour laws, including the prohibition of child labour. As a result of this, there have been "NO" complaints related to forced labour and child labour.

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

GGL has a well defined safety & functional induction training program for its new joining employees.

GGL always ensures that safety training programs are conducted periodically for employees and contractor staff which includes Basic safety, practical fire-fighting, first aid, defensive driving, Training for emergency preparedness for its Emergency Response Team and other technical competency trainings in various areas such as plumbing, CNG filling, Welding, Working at height etc. More than 1328 Safety & Technical competency training programs have been conducted during FY 2021-22.

GGL also carries out various trainings in order to upgrade skills of its existing employees through organizing or nominating employees for various skill up-gradation online programs/e-conferences including technical, functional, behavioral, health & safety training programs, covering majority of employees.

GGL continuously endeavors to make employees aware about various safety practices through means of frequent mock-drill, safety instructions via sign boards, etc.

Principle 4: Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantage vulnerable, and marginalized.

1. **Has the company mapped its internal and external stakeholders? Yes/No**

GGL has identified and mapped all its stakeholders and same are mentioned below;

a) Employees

b) Shareholders

c) Customers

d) Vendors/Suppliers/ Contractors

e) Government/ Statutory authorities

f) Banks (Lenders)

g) Community

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

GGL has identified its disadvantaged, vulnerable and marginalized stakeholders and same are mentioned below;

a) Women

b) Youth

c) Rural Communities

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable, and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

GGL has taken special initiatives for its identified disadvantaged, vulnerable and marginalized stakeholders, few such initiatives are mentioned below;

a) For Women in rural areas

GGL has supported the government initiative for providing natural gas supply in rural areas as burning of wood and coal affects health of women and causes health issues such as lung cancer, asthma and others. Under this initiative, GGL has gone extra mile for implementation of PNG in rural areas of Gujarat state and has covered more than 1,000 villages successfully.

b) For Youth in rural areas

GGL has identified various locations in the state of Gujarat for implementation of CNG stations for vehicles and successfully installed them. This activity has helped the local youth on employment issues faced by them previously.

Principle 5:Businesses should respect and promote human rights

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

GGL has Human Rights Policy in place which covers all its employees and business associates.

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

The Company has not received any complaints from stakeholders with respect to violation of human rights.

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

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

   The policy related to Principle 6 covers the Company and its contractors and vendors.

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

Promoting Natural Gas as Cleaner Environment Friendly fuel

PNG: GGL by way of its business deals with distribution of Natural Gas as a cleaner environment friendly fuel for Domestic, industrial & commercial purposes. GGL through its pipeline infrastructure is supplying Natural Gas to industries as a cleaner alternate fuel with regards to polluting fuel such as coal. GGL by virtue of its Natural Gas sales to its industrial customers is replacing burning of approximately 15,000 Metric Ton of coal per day.

CNG: GGL is influencing the automobile users in its operational areas through various campaigns to use Compressed Natural Gas as a clean automotive fuel. GGL has a dedicated business focus to increase CNG transportation and dispensing infrastructure and facilities. across GGL operational areas, total of 153 new CNG stations and 2 LNG Station have been commissioned and 34 stations have been upgraded to increase their capacity in FY 2021-22. CNG is an attractive alternative fuel due to its clean burning characteristic and very low amount of exhaust pollution. Natural Gas helps for the reduction of environmental impact caused by vehicular emission due to use of other polluting fuels such as Petrol & Diesel. GGL by virtue of its CNG sales is replacing burning of approximately 2,250 Kilo-Liters of petrol per day.

GGL, as a responsible organization, recognizes and understands the various global challenges with respect to environmental degradation and climate change. Building awareness among the employees and community about these challenges is an effective way of addressing these challenges. GGL put efforts to do so through following initiatives;

Celebration of Environmental Day

In June 2021 GGL celebrated the World Environment Day by organizing various initiatives such as display of custom banners, sapling distribution & plantation by GGL employees across all locations of GGL, Online quiz on Environment related aspects, poster competition for employees and their family members on “Ecosystem Restoration / Environment Conservation” and Engagement (online sessions) with frontline supervisors on appropriate methodology for waste collection, handling and disposal.

Reduction of Natural Gas emission:

GGL endeavors to reduce Natural gas emission from its operations. Natural gas gets emitted into the atmosphere either as part of planned release or unplanned release. While major part of these emissions is due to un-planned release which is caused by network damage by third party. Planned release emissions also contribute to a small part of these emissions and are notably during network or equipment commissioning or preventive maintenance activities. GGL in its bid to reduce these emissions, focuses on various educational programs, utility coordination & campaigns such as dial before dig (detailed below) for third parties working in the same area of GGL underground natural gas pipeline network. GGL has also put in penalization mechanism for each network damage against third parties causing the same as a deterrent to prevent damages. Apart from this GGL also takes various actions/improvements to reduce emissions, few are listed below:

- Fast emergency response to reported damage cases for prompt isolation of the damaged section
- Isolation valves to reduce emissions post isolation
- Effective Preventive maintenance plan and compliance to same to reduce breakdown instances
- Efficient commissioning procedure to reduce natural gas emissions etc.
- To minimize gas pressure to the lowest possible level to reduce the gas volume vented from the pipeline section & storage cascade for testing & maintenance purpose.

GGL monitors Natural Gas emission per 10,000 SCM of gas purchase cumulative month on month in comparison to the last financial year.

Dial Before Dig Campaign

In this campaign, GGL educates and influences stakeholders such as local municipal authorities, other utilities, their contractors and their field staff including heavy machine like JCB, HDD operators etc.) who undertake digging & horizontal directional drilling (HDD) activities as part of their laying or construction activity. The campaign is done to bring their focus on safety and environmental risks of natural gas release in the atmosphere which can occur as a result of damage to GGL’s natural gas pipeline network during their digging & HDD operations. The third parties are urged to dial in to GGL to confirm the location prior to starting any digging / excavation / HDD activities so that damage to Natural gas pipeline network can be prevented through effective coordination.

Other Initiatives and compliances

GGL ensures that all its vehicles have timely PUC re-certifications. Awareness regarding regular servicing and proper maintenance of vehicle is also given due importance through awareness activities.

GGL ensures that all relevant equipment are maintained as per defined frequency and monitored for emission levels to be within prescribed limits of Pollution Control Board authorization.

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

GGL has developed its environmental management system in line with ISO 14001:2015 standard and got the same certified by third party certification body. GGL has identified Environmental aspects related to each of the business activities / processes and assessed Environmental Impacts related to these aspects.

GGL has established **Environmental Aspect-Impact register** comprising of environmental risks arising from its construction, operations & maintenance activities and impacts covered in this register are mentioned below:

a) Air pollution

b) Water pollution

c) Noise pollution

d) Land contamination

e) Health effects

f) Others

This environmental aspect impact register is being reviewed at regular intervals.

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

GGL has not undertaken any projects related to Clean Development Mechanism.

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

GGL 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) Hydrogen Blending with Natural Gas for CGD: Hydrogen is not a greenhouse gas (GHG), nor does it produce GHGs when burned, making it a potential substitute for reducing the carbon intensity or pollution of some energy or fuel applications. Hydrogen is relevant to GGL through its use as a fuel when blended with natural gas. GGL has a unique opportunity to leverage the nature of its integrated natural gas business to explore applications for hydrogen as part of its push to reduce GHG emissions.

To start the Hydrogen Blending project, GGL & NTPC have signed an agreement where NTPC will supply the required Hydrogen which will be blended with Natural Gas and GGL will distribute this blended gas. The cluster identified for this pilot project is at one of the NTPC townships and end use application is domestic cooking.

b) With a motive to contribute to energy conservation and make a move towards Digital India initiative, GGL has initiated concept of Paperless office and is continuously working in this direction by introducing online platform for formats under various policies and approvals

c) Utilization of energy efficient lighting

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

Yes. Environment monitoring activities are carried out at all relevant installations by SPCB approved agencies and compliance to permissible limits given by SPCB are closely monitored and ensured. All the emissions and waste generated by GGL are within the permissible limits of CPCB/SPCB. The compliance reports of the same are regularly submitted to SPCB.

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

There were no show cause or legal notices received from CPCB/SPCB in FY 2021-22.

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

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

   GGL is a member of Association of CGD entities (ACE) and Confederation of Indian Industry (CII).

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

   ACE is a company/ an association working with an objective to promote, aid, help, encourage, develop, protect and secure the interests of the companies engaged in the CGD downstream sector in India and other related entities. They also promote awareness about the latest developments in the CGD industry and disseminate knowledge amongst its members and general public regarding such development. They also make representations to various authorities taking into consideration the common concerns of the CGD entities and also provide common platform for exchange of different ideas to innovate and adopt best practices. They also undertake studies to evolve best practices for the industry.

   CII being a national body, takes up various initiatives of public good from time to time. GGL supports such initiatives.

Principle 8: Businesses should support inclusive growth and equitable development

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

   GGL has undertaken many initiatives in the field of community development, especially along the lines of skill up-gradation. While keeping the activities aligned to the priorities identified by the Government, the relevance of the activities to the business is also considered.

   Indigenous people around the areas of our operations are trained and taken on as contractors which not only helps the Company in achieving lower attrition rates of workers but also provides them a means of livelihood.

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

   Based on the type of program and the feasibility of its execution, implementation is carried out in multiple forms like engaging with NGOs, hiring external agencies, or making use of in-house capabilities as well.

3. **Have you done any impact assessment of your initiative?**

   Prior to beginning any activity, the relevance and the need for it is assessed by one or more employees who visits the location and gauges the need of the community. In this manner, the Company can select the best programs for execution which would be relevant and effective.

4. **What is your company's direct contribution to community development projects Amount in INR and the details of the projects undertaken.**

   GGL has incurred a total expenditure of Rs 19,13,84,363 for its CSR activities during FY 2021 – 2022. Details of these activities are mentioned below:

   1. GGL helped in setting up of makeshift covid care hospital (Dhanvantri Covid Hospital) with the facility of 900 beds (including 150 ICU beds) at Gujarat University Convention Centre, Ahmedabad to treat affected patients during the second covid wave – Rs. 1000 lakhs
   2. GGL supported in setting up of PSA Oxygen plants at various locations in GMERS operated Government Hospitals of Gujarat critical to meet the increasing demand of oxygen and for future preparedness – Rs. 300 lakhs
   3. Supply of free natural gas to crematoriums across operating locations of the company – Rs. 605 lakhs.
   4. Under its preventive healthcare initiative, GGL runs a Mobile Health Screening Van operating in small villages in tribal district of Narmada. Under the scheme, free preventive medical checkup and basic medicines are provided free of cost– Rs. 7.64 lakhs
   5. 'Nodhara No Aadhar' is a scheme of Narmada district administration of providing free food to homeless, destitute, orphans, etc. GGL is supplying free gas to kitchen operated by district administration in Narmada - an aspirational tribal district– Rs. 1 lakh

6. To support the strengthening of Radio Diagnostic Services for the treatment, especially for the post covid complications, GGL is setting up of latest CT scan/MRI scan units in hospitals and medical colleges of the state – This is an ongoing project. We have entered into contract for providing CSR support in this regard and deposited Rs 490.50 Lakhs (Rs 440.15 Lakhs out of CSR Budget of FY 2021-22 and Rs 50.35 lakhs out of CSR Budget of 2022-23) in a separate escrow bank account as per CSR Rules.
7. Others activities – NA

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

The initiatives by GGL are based upon identification of the needs. Through the aforementioned initiatives in the form of support for setting up of Dhanvantri Covid Hospital, purchase & installation of PSA Oxygen plants in GMERS operated government hospitals of Gujarat, operating health screening van in villages of tribal district of Narmada, supporting Nodhara no Aadhar in Narmada district, supplying free gas to crematoriums across its operating areas, the company is supporting the community through these initiatives.

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

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

The pending complaints in all customer categories for disposal are 9268 out of overall complaint of 1,55,155 i.e. 5.97% as on 31st March 2022 as per the requirement of the SLA under the Quality of Services obligations of the Petroleum and Natural Gas Regulatory Board.

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)

GGL as a service provider holds a special responsibility inherently on providing proper and correct information of the services to its customers from various sectors including Industries, Domestic, Commercial and Transport.

In regards to this, GGL always discloses details of its services to its customer through documents such as "Registration forms" for domestic customers, and "Gas Sale Agreement (GSC)" for Industrial and commercial customers before providing the services. The basic concept behind these documents is to provide all details of services by GGL to its customers and brief content of the same is provided below;

a) Applicable laws
b) Facilities to customer
c) Contract and its details
d) Delivery point
e) Metering point
f) Title and Risk
g) Contracted quantity details
h) Expiry date
i) Health, Safety, Security and Environmental norms
j) Intellectual property
k) Price
l) Applicable taxes

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 on end of financial year. If so, provide details thereof, in about 50 words or so.

NIL.

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

On account of COVID-19 pandemic, GGL was unable to carry out any cosumer survey during the FY of 2021-22. GGL has initiated the process of conducting customer satisfaction survey in its operating areas.

Top management of GGL also regularly conducts customer meets with its key customers. During such meetings, the issues faced by the customers are highlighted and GGL tries to rectify them and resolve them at the earliest.

For, Gujarat Gas Limited
Sanjeev Kumar, IAS
Managing Director

Date: 6th June, 2022

Standalone Financial Statements

REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF GUJARAT GAS LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of standalone financial statements of Gujarat Gas Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the companies Act, 2013 (Act) is the responsibility of the Management of the Company. The Statutory Auditors appointed by the comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 10 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the standalone financial statements of Gujarat Gas Limited for the year ended 31 March 2022 under Section 143 (6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

On the Basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 143(6)(b) of the Act.

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

(H. K. Dharmadarshi)
Principal Accountant General (Audit II), Gujarat

Place : Ahmedabad

Date : 26/07/2022

INDEPENDENT AUDITOR'S REPORT

To The Members of
Gujarat Gas Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Gujarat Gas Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2022,** 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 ended on that date, and notes to the Standalone Financial Statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "the 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 (hereinafter referred to as "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, (hereinafter referred to as "Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, 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 (hereinafter referred to as "SAs") specified under section 143(10) of the Act. 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 (hereinafter referred to as "ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, 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 Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone 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.

INDEPENDENT AUDITOR'S REPORT

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue recognition** The Company is in the business of distribution of natural gas. The Company has major types of customers such as industrial, oil marketing companies, commercial, non-commercial, domestic and CNG. Revenue from sale of natural gas is considered as key audit matter as there is a risk of accuracy of recognition and measurement of gas sales in the Standalone Financial Statements considering following aspects: - Different pricing structure for different types of customers and frequency of price change - Voluminous number of customers - Capturing Gas Consumption data in billing - Estimating unbilled revenue at the year-end - Extensive use of SAP and other IT systems for managing the billing operation	**Principal audit procedure :** Our approach was a combination of test of internal controls, analytical and substantive procedures which included the following: - Evaluated the design of internal control - For evaluation of operative effectiveness of internal control: • Verified samples of gas sales invoices with relevant agreements executed with the customers, accuracy of pricing, consumption quantity, tax amount of invoices of major types of customers. • Visited site to understand actual operations - Performed analytical procedures to verify number of bills generated during the year for each major type of customers as per their respective billing cycle - On sample basis, verified: • Updation of Daily Contracted Quantity of gas of Industrial customers in the billing system. • Updation of prices of gas for all major types of customers in the billing system. • Sales invoices - Verified subsequent realisation of invoices generated for the month of March 2022. - Evaluated the appropriateness of accounting policies, related disclosure made and overall presentation in the Standalone Financial Statements in terms of Ind AS 115.
2	**Contingent Liabilities:** Contingent Liabilities are for ongoing litigations and claims with various authorities and third parties. These relate to direct tax, indirect tax, claims and legal proceedings. Contingent liabilities are considered as key audit matters as the amount involved is significant and it also involves significant management judgement to determine possible outcome and future cash outflows of these disputes.	**Principal audit procedure:** - Obtained details of disputed claims as on March 31, 2022 from the management. - Discussed with the management about the significant judgment considered in determining possible outcome and future cash outflows of these disputes. - Verified relevant documents related to disputes. - Evaluated the appropriateness of accounting policies, related disclosure made and overall presentation in the Standalone Financial Statements in terms of Ind AS 37.

INDEPENDENT AUDITOR'S REPORT

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's 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 consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained during the course of our 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.

When we read the Final Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

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 Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 Standalone 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 skepticism 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.

INDEPENDENT AUDITOR'S REPORT

- 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 standalone the 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 Standalone 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 Matter

The Standalone Financial Statements of the Company for the year ended March 31, 2021, were audited by predecessor auditor whose report dated June 01, 2021 expressed an unmodified opinion on those Standalone Financial Statements..

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure – A"**, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows 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 Ind AS specified under Section 133 of the Act.
   e) As the company is a Government Company, in terms of notification no. G.S.R. 463(E) dated 5th June 2015, issued by the Ministry of Corporate Affairs, the sub-section (2) of section 164 of the Act is not applicable to the company.
   f) With respect to the adequacy of internal financial control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B'.** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting.
   g) As the company is a Government Company, in terms of notification no. G.S.R. 463(E) dated 5th June 2015, issued by the Ministry of Corporate Affairs, the sub-section (16) of section 197 of the Act is not applicable to the company.
   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. Refer Note 43 to the Standalone Ind AS Financial Statements.

INDEPENDENT AUDITOR'S REPORT

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

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

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), which the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement.

v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

3. In terms of section 143(5) of the Act, we give our report in **"Annexure – C"** by taking in to consideration the information, explanations and written representations received from the management on the matters specified in the directions and sub directions issued under the aforesaid section by the Comptroller and Auditor General of India.

For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136

K. B. Solanki
Partner
Membership No. 110299
UDIN: 22110299AISTAR4367

Place: Gandhinagar
Date : May 10, 2022

INDEPENDENT AUDITOR'S REPORT

ANNEXURE – A

TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of the Company

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

b) The Property, Plant and Equipment have been physically verified by the Management according to a phased programme designed to cover all the items, other than underground gas pipelines which are not physically verifiable, over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain property, plant and equipment have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements are held in the name of the Company as at the balance sheet date except in respect of following immovable properties :

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of the Company
PPE – Freehold Land	Rs. 15.88 Crore	Government of Gujarat	Promoter	Held since May 01, 1999	Disputed
PPE – Freehold Land	Re. 1/-	Government of Gujarat	Promoter	Held since April 05, 2002	Disputed
PPE – Freehold Land	Rs. 21.35 Crore	Gujarat State Petroleum Corporation Limited	Promoter	Held since April 01, 2006	Acquired through demerger scheme. Name transfer yet not completed.
Investment Property – Freehold Land	Rs. 1.30 Crore	Gujarat State Petroleum Corporation Limited	Promoter	Held since April 01, 2006	Acquired through demerger scheme. Name transfer yet not completed.
ROU – Leasehold Land	Rs. 3.45 Crore	Gujarat State Petronet Limited	Promoter	Held since November 01, 2021	Acquired through business transfer agreement. Name transfer is in process.
ROU – Leasehold Land	Rs. 0.81 Crore	Gujarat State Petronet Limited	Promoter	Held since November 01, 2021	Acquired through business transfer agreement. Name transfer is in process.
ROU – Leasehold Land	Rs. 1.60 Crore	Gujarat State Petronet Limited	Promoter	Held since November 01, 2021	Acquired through business transfer agreement. Name transfer is in process.

INDEPENDENT AUDITOR'S REPORT

d) The company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.

e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder

ii. In respect of Inventories:

a) The inventories, other than natural gas in pipelines / cascades / tanks which are not physically verifiable, have been physically verified by the management at reasonable intervals. In our opinion the coverage and procedure of such physical verification by the management is appropriate. No material discrepancies noticed on such physical verification.

b) The company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, at any point of time during the year, from bank on the basis of security of current assets and hence reporting under clause 3(ii) (b) of the Order is not applicable.

iii. In respect of investment made, guarantee or security provided and granted any loans or advances in nature of loans:

During the year, the Company has not made any investment in, provided any guarantee or security to companies, firms, limited liability partnerships or any other parties. During the year, the Company has granted unsecured loans to other parties in respect of which:

a) During the year, the Company has provided any loans to other parties in respect of which:

i. Aggregate amount of loan provided to associate is Rs. Nil and balance outstanding at the balance sheet date is Rs. Nil.

ii. During the year, aggregate amount of loan provided to other parties (Employees) is Rs. 5.25 crores and balance outstanding at the balance sheet date is Rs. 6.41 crores.

b) In our opinion, terms and conditions of grant of loans, during the year, prima facie, not prejudicial to the interest of the Company.

c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest, wherever applicable, have been stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per stipulation.

d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

iv. In respect of compliance of section 185 and 186 of the Act:

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v. In respect of deposits:

The Company has not accepted any deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. In respect of maintenance of cost records:

We have broadly reviewed the books of account maintained by the Company in respect of products (Natural Gas) pursuant to the rules made by the Central Government of India, where the maintenance of cost records has been prescribed under subsection (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including goods and service tax, value added tax, excise, provident fund, employee's state insurance, income tax, and other material statutory dues, as applicable, with appropriate authorities. As explained to us, the Company did not have any dues on account of duty of customs.

INDEPENDENT AUDITOR'S REPORT

b) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, no undisputed amounts payable as applicable were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable except value added tax of Rs. 5.20 crore.

c) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of goods and service tax, duty of customs and cess which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2022 which have not been deposited on account of dispute, are as follows:

Sr. No.	Name of statute	Nature of dues	Rs. in Crores	Period to which the amount relates	Forum where the dispute is pending
1.	Income Tax Act, 1961	Income Tax & Interest thereon	0.07	Financial Year 2007 – 08	Assessing Officer
2.	Income Tax Act, 1961	Income Tax & Interest thereon	0.00(*)	Financial Year 2011 – 12	Assessing Officer
3.	Income Tax Act, 1961	Income Tax & Interest thereon	0.04	Financial Year 2012 – 13	Assessing Officer
4.	Wealth Tax Act, 1957	Wealth Tax	0.02	Financial Year 2013 – 14	Assessing Officer
5.	Income Tax Act, 1961	Income Tax & Interest thereon	1.29	Financial Year 2016 – 17	Assessing Officer
6.	Income Tax Act, 1961	Income Tax & Interest thereon	0.00(*)	Financial Year 2017 – 18	Assessing Officer
7.	Central Excise Act, 1944	Service Tax and Duty of Excise	7.72	Financial Years 2010 – 11 to 2014 – 15	The Customs, Excise and Service Tax Appellate Tribunal
8.	Central Excise Act, 1944	Service Tax and Duty of Excise	3.25	Financial Years 2009-10 to 2014-15 (up to Aug-2014)	The Customs, Excise and Service Tax Appellate Tribunal
9.	Central Excise Act, 1944	Service Tax and Duty of Excise	0.85	Sept-2014 to 14th May-2015	The Customs, Excise and Service Tax Appellate Tribunal
10.	Central Excise Act, 1944	Service Tax and Duty of Excise	1.62	May'10 (2010-11) to Feb-2016 (up to 02.02.2016)	Excise and Service Tax commissioner
11.	Finance Act, 1944	Service Tax and Duty of Excise	0.12	Financial Years 2006-07 and 2007-08	The Customs, Excise and Service Tax Appellate Tribunal
12.	Finance Act, 1944	Service Tax and Duty of Excise	0.08	Financial Years 2006-07 to 2009-10	The Customs, Excise and Service Tax Appellate Tribunal
13.	Finance Act, 1944	Service Tax and Duty of Excise	24.65	Financial Years 2005-06 to 2012-13	The Customs, Excise and Service Tax Appellate Tribunal
14.	Finance Act, 1944	Service Tax and Duty of Excise	0.38	Financial Years 2006-07 to 2011-12	The Customs, Excise and Service Tax Appellate Tribunal

* Figures in Rs. 0.00 denotes amount less than Rs. 50,000/-

viii. In respect of unrecorded incomes:

The Company does not have any transactions related to previously unrecorded income in the books of the account that have been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.

ix. In respect of loans, borrowings, and funds:

a) The Company has not defaulted in repayment of loan and payment of interest thereon to the lender.

b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

c) The Company has not taken any term loan during the year and therefore, reporting under clause 3(ix)(c) of the Order is not applicable.

INDEPENDENT AUDITOR'S REPORT

d) On an overall examination of the Standalone Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company. According to the information and explanation given to us, as Company is engaged in the business of supply of natural gas, being public utility, security deposits from the customers, though shown as current liability, the company does not consider the same as short-term funds.

e) On an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate.

f) The Company has not raised any loans during the year on pledge of securities held in its associate and therefore reporting on clause3(ix)(f) of the Order is not applicable.

x. In respect of money raised by way of public offer, preferential allotment and private placement:

a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, paragraph 3 (x)(a) of the Order is not applicable.

b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. In respect of fraud:

a) According to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b) No report under sub-section 12 of section 143 of the Act has been filed in Form ADT – 4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government of India, during the year and up to the date of this report.

c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing, and extent of our audit procedures.

xii. In respect of Nidhi company:

In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. In respect of transactions with related parties in compliance of sections 177 and 188 of the Act and its disclosures:

In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

xiv. In respect of Internal audit:

a) In our opinion the Company has adequate internal audit system commensurate with size and nature of its business.

b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year till date, in determining the nature, timing and extent of our audit procedures.

xv. In respect of non-cash transactions with directors or persons connected with him:

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. In respect of company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934:

a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

b) The Group does not have more than one CIC as part of the group.

xvii. In respect of cash losses:

The company has not incurred any cash losses during the financial year covered by our audit and immediately preceding financial year.

INDEPENDENT AUDITOR'S REPORT

xviii. In respect of resignation by statutory auditor:

There has been no resignation of the statutory auditors of the Company during the year.

xix. In respect of ratios, ageing, realisation of financial assets and payments of financial liabilities:

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. In respect of CSR:

a) There are no unspent amounts towards Corporate Social Responsibility (herein after referred as "CSR") on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

b) In respect of ongoing projects, the Company has transferred unspent CSR amount as at the end of the previous financial year, to a special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136

K. B. Solanki
Partner
Membership No. 110299
UDIN: 22110299AISTAR4367

Place: Gandhinagar
Date : May 10, 2022

INDEPENDENT AUDITOR'S REPORT

ANNEXURE – B

TO INDEPENDENT AUDITOR'S REPORT

(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 Act.

We have audited the internal financial controls over financial reporting of **Gujarat Gas Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 Act.

Auditor's 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 SA prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 Standalone Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

INDEPENDENT AUDITOR'S REPORT

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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.

For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136

K. B. Solanki
Partner
Membership No. 110299
UDIN: 22110299AISTAR4367

Place: Gandhinagar
Date : May 10, 2022

INDEPENDENT AUDITOR'S REPORT

ANNEXURE – C
TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

Sr. No.	Directions / Sub- Directions Issued by Comptroller and Auditor General of India	Response
	Directions	
(1)	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company has system in place to process all the accounting transactions through IT System i.e. SAP. All the financial transactions including customer related transactions are integrated in SAP system. We have not come across any accounting transaction outside the SAP system.
(2)	Whether there is any restructuring of an existing loan or cases of waiver / write off of debts / loans / interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	There are no cases of restructuring of any existing loan or any waiver of loan / debt / interest during the year.
(3)	Whether funds received / receivable for specific scheme from Central / State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Funds received / receivable for specific schemes from central / state agencies, if any, were properly accounted for / utilized as per its term and conditions.
	Sub – directions – Service Sector	
(4)	Whether the Company's pricing policy absorbs all fixed and variable cost of production and the overheads allocated at the time of fixation of price?	In our opinion and according to the information and explanations given to us, the Company has a pricing policy and the Company's pricing policy is considering all fixed and variable cost of production and the overheads allocated at the time of fixation of price.
(5)	Whether the Company recovers commission for work executed on behalf of Government / other organizations that is properly recorded in the books of accounts? Whether the Company has an efficient system for billing and collection of revenue?	The Company has not undertaken any work or project executed on behalf of Government / other organizations and recovery of commission for the same. The Company has SAP system in place for billing and accounting for collection of revenue. The Company has a policy and procedures in place for effective monitoring of credit exposure and recovery of dues from its customers in respect of its sales activities.
(6)	Whether the Company regularly monitors timely receipt of subsidy from Government and it is properly recording them in its books?	In our opinion and according to the information and explanations given to us, there are no cases of receipt of subsidy from Government.
(7)	Whether interest earned on parking of funds received for specific projects from Government was properly accounted for?	In our opinion and according to the information and explanations given to us, there are no cases of receipt of fund for any projects from Government.
(8)	Whether the Company has entered into Memorandum of understanding with its Administrative Ministry, if so, whether the impact thereof has been properly dealt with in the financial statements?	During the year, the Company has not entered into Memorandum of understanding with its Administrative Ministry.

INDEPENDENT AUDITOR'S REPORT

Sr. No.	Directions / Sub- Directions Issued by Comptroller and Auditor General of India	Response
	Sub – Directions – Trading	
(9)	Whether the company has an effective system for recovery of dues in respect of its sales activities and the dues outstanding and recoveries there against have been properly recorded in the books of accounts?	The Company has a policy and procedure for effective monitoring of credit exposure and recovery of dues from its customers in respect of its sales activities. In our opinion and according to the information and explanation given to us, the recoveries against the dues have been properly recorded in the books of accounts.
(10)	Whether the company has effective system for physical verification, valuation of stock, treatment of non-moving items and accounting the effect of shortage / excess noticed during physical verification?	In our opinion and according to the information and explanations given to us, the procedures and systems, in relation to physical verification of inventories, valuation of stock, treatment of non-moving items and accounting the effect of shortage / excess noticed during physical verification, are reasonable and adequate in relation to the size of the Company and the nature of its business.
(11)	The effectiveness of the system followed in recovery of dues in respect of sale activities may be examined and reported.	In our opinion and according to the information and explanations given to us, the Company has a policy and procedure for effective monitoring of credit exposure and recovery of dues from its customers in respect of its sales activities. There are no significant instances of its failure observed for the year under audit. Allowance for bad and doubtful debts as on March 31, 2022 is Rs 13.64 Crore based on expected credit loss model.

For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136

K. B. Solanki
Partner
Membership No. 110299
UDIN: 22110299AISTAR4367

Place: Gandhinagar
Date : May 10, 2022

STANDALONE BALANCE SHEET AS AT 31ST MARCH 2022

(₹ in Crores)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
I. ASSETS			
1 Non-Current Assets			
(a) Property, plant and equipment	3.1	5,967.76	5,488.26
(b) Capital work in progress	3.2	965.91	707.47
(c) Investment property	4	1.30	1.30
(d) Intangible assets	5.1	403.92	377.94
(e) Intangible assets under development	5.2	26.39	24.01
(f) Right-of-use assets	5.3	258.22	172.82
(g) Financial assets			
(i) Investment in associates	6	0.03	0.03
(ii) Investments	7	22.36	19.74
(iii) Loans	8	3.56	2.17
(iv) Other financial assets	9	81.27	74.75
(h) Other non-current assets	10	436.94	301.97
Total Non-Current Assets		**8,167.66**	**7,170.46**
2 Current Assets			
(a) Inventories	11	53.39	52.48
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade receivables	12	930.05	774.74
(iii) Cash and cash equivalents	13	19.59	276.66
(iv) Bank balances other than (iii) above	14	1.52	42.23
(v) Loans	15	2.91	1.29
(vi) Other financial assets	16	16.82	5.54
(c) Other current assets	17	363.34	185.27
Total Current Assets		**1,387.62**	**1,338.21**
TOTAL ASSETS		**9,555.28**	**8,508.67**
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	18	137.68	137.68
(b) Other Equity	19	5,461.62	4,310.96
Total Equity		**5,599.30**	**4,448.64**
2 Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	390.97	769.95
(ii) Lease Liabilities	21	125.33	70.36
(b) Provisions	22	53.78	51.77
(c) Deferred tax liabilities (Net)	23	807.72	792.52
(d) Other non-current liabilities	24	68.83	62.94
Total Non-Current Liabilities		**1,446.63**	**1,747.54**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	90.10	127.31
(ii) Lease Liabilities	21	22.45	14.96
(iii) Trade payables	26		
Total outstanding dues of micro enterprises and small enterprises		21.36	9.15
Total outstanding dues of creditors other than micro enterprises and small enterprises		424.27	438.17
(iv) Other financial liabilities	27	1,841.96	1,641.27
(b) Other current liabilities	28	76.29	57.09
(c) Provisions	29	32.92	24.54
(d) Current Tax Liabilities (Net)	30	-	-
Total Current Liabilities		**2,509.35**	**2,312.49**
Total Liabilities		**3,955.98**	**4,060.03**
TOTAL EQUITY AND LIABILITIES		**9,555.28**	**8,508.67**
See accompanying notes to the financial statements (1-60)			

As per our report attached
For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Reg. No. – 106041W/W100136

Krishnakant Solanki
Partner
M. No.: 110299

Place : Gandhinagar
Date : 10th May, 2022

For and on behalf of Board of Directors

Pankaj Kumar, IAS
Chairman
DIN - 00267528

Sanjeev Kumar, IAS
Managing Director
DIN - 03600655

Balwant Singh, IAS (Retd.)
Director
DIN- 00023872

Nitesh Bhandari
Chief Financial Officer

Sandeep Dave
Company Secretary
Place : Gandhinagar
Date : 10th May, 2022

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Crores)

Particulars	Note No.	For the year ended 31st March 2022	For the year ended 31st March 2021
Revenue			
I. Revenue from Operations	31	16,787.35	10,057.10
II. Other income	32	90.74	71.44
III. Total Income (I+II)		**16,878.09**	**10,128.54**
IV. Expenses			
Cost of materials consumed	33	13,444.11	6,998.01
Changes in inventories of natural gas	34	(7.24)	(1.48)
Employee Benefits Expenses	35	190.88	177.49
Finance Costs	36	56.82	116.76
Depreciation and Amortization Expenses	37	384.91	343.57
Excise Duty		331.13	190.66
Other Expenses	38	752.17	608.23
Total Expenses (IV)		**15,152.78**	**8,433.24**
V. Profit Before Exceptional Items and Tax(III-IV)		1,725.31	1,695.30
VI. Exceptional Items	39	11.90	-
VII. Profit Before Tax (V-VI)		**1,713.41**	**1,695.30**
VIII. Tax expense:	40		
Current Tax		416.03	421.21
Deferred Tax		11.74	5.94
Total Tax Expense (VIII)		**427.77**	**427.15**
IX. Profit for the period (VII-VIII)		**1,285.64**	**1,268.15**
X. Other comprehensive income	41		
(i) Items that will not be reclassified to profit or loss		3.38	3.33
(ii) Income tax related to items that will not be reclassified to profit or loss		(0.69)	(0.76)
Total other comprehensive income (X)		**2.69**	**2.57**
XI. Total comprehensive income for the period(IX+X)		**1,288.33**	**1,270.72**
Earnings per equity share of Face Value of ₹ 2 each	42		
Basic		18.68	18.42
Diluted		18.68	18.42
See accompanying notes to the financial statements (1-60)			

As per our report attached
For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Reg. No 106041W/W100136

Krishnakant Solanki
Partner
M. No. : 110299

Place : Gandhinagar
Date : 10th May, 2022

For and on behalf of Board of Directors

Pankaj Kumar, IAS
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Director
DIN- 00023872

Nitesh Bhandari
Chief Financial Officer

Sandeep Dave
Company Secretary
Place : Gandhinagar
Date : 10th May, 2022

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

(₹ in Crores)

	Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit Before Tax	1,713.41	1,695.30
	Adjustments for:		
	Depreciation and Amortization Expenses	384.91	343.57
	Loss on sale/disposal of Property, plant and equipment	1.49	3.41
	(Profit)/Loss on sale as scrap and diminution in Capital Inventory	1.71	7.00
	Bad Debts Written Off	-	0.01
	Provision for Doubtful Trade Receivables / Advances / Deposits etc.	3.71	1.58
	Finance Costs	56.82	116.76
	Provision/liability no longer required written back	(20.78)	(6.77)
	Interest Income	(33.67)	(41.71)
	Operating Profit before Working Capital Changes	**2,107.60**	**2,119.15**
	Adjustments for changes in Working Capital		
	(Increase)/Decrease in Trade Receivables	(159.09)	(195.06)
	(Increase)/Decrease in Other - Non Current Assets	(50.36)	(24.99)
	(Increase)/Decrease in Other financial assets-Non-current	(3.26)	(6.62)
	(Increase)/Decrease in Loans and Advances-Current	(1.62)	(0.37)
	(Increase)/Decrease in Other Current Assets	(178.07)	(77.57)
	(Increase)/Decrease in Other financial assets-Current	(11.28)	(3.80)
	(Increase)/Decrease in Inventories	(0.91)	(6.10)
	(Increase)/Decrease in Loan and advances-Non current	(1.39)	(1.96)
	Changes in Trade and Other Receivables	**(405.98)**	**(316.47)**
	Increase/(Decrease) in Trade Payables	1.42	104.22
	Increase/(Decrease) in Other financial liabilities-Current	342.11	158.02
	Increase/(Decrease) in Other current liabilities	31.50	9.66
	Increase/(Decrease) in Other Non current Liabilities	5.89	(0.66)
	Increase/(Decrease) in Short-term provisions	13.54	(4.94)
	Increase/(Decrease) in Long-term provisions	2.01	6.44
	Changes in Trade and Other Payables	**396.47**	**272.74**
	Cash Generated from Operations	**2,098.09**	**2,075.42**
	Income tax refund	1.33	1.18
	Income tax paid	(437.66)	(417.79)
	Net Cash from Operating Activities	**1,661.76**	**1,658.81**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Payments for Property, plant and equipments/Intangible assets including capital work in progress and capital advances.	(1,366.30)	(755.58)
	Other Bank balances in Earmark funds	39.79	0.28
	Investment in Fixed Deposits with bank and financial institutions (net)	-	99.55
	Interest received	32.94	43.19
	Proceeds from sale of Property, plant and equipments	0.03	0.16
	Dividend received	-	-
	Net Cash used in Investing Activities	**(1,293.54)**	**(612.40)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Payments of lease liabilities	(18.55)	(13.43)
	Proceeds /(Repayment) of Long-term borrowings (Net) [Refer footnote (iv)]	(419.28)	(1,101.61)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest Paid (including interest on lease liability)	(53.14)	(116.54)
Dividend Paid (including tax thereon)	(137.47)	(86.33)
Net Cash from/(used in) Financing Activities	**(628.44)**	**(1,317.91)**
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**(260.22)**	**(271.50)**
Cash and Cash Equivalents at the beginning of the year	276.66	548.16
Cash and Cash Equivalents at the end of the year	16.44	276.66
Details of Closing Cash and Cash Equivalents and reconciliation with Balance sheet:		
(A) Cash and Cash Equivalents (Refer note 13)		
Cash in hand	1.61	1.11
Balances with Banks	17.98	14.53
Balances in Fixed / Liquid Deposits	-	261.02
(B) Balances in Bank Overdraft / Cash Credit (Refer note 25)	(3.15)	-
Total (A+B)	**16.44**	**276.66**

Notes to Cash Flow Statement:

(i) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard IND AS - 7 on Cash Flow Statements.

(ii) Purchase of Property, plant and equipments and other Intangible assets are stated inclusive of movements of capital work in progress, assets under development and capital advances.

(iii) Interest received is classified as investing cash flows and considered and presented as 'cash flows from investing activities' to the extent, it represents time value of money.

(iv) Disclosure of changes in liabilities arising from financing activities, including changes arising from cash flows and non cash changes:

Cash flown from Proceeds /(Repayment) of Long-term borrowings (Net):-	For the year ended 31st March 2022	For the year ended 31st March 2021
Proceeds from Long-term borrowings	-	-
Loan Swapping/ Refinance -[New loan]	-	586.45
Loan Swapping/ Refinance [Old loan]	-	(586.45)
(Repayment) of Long-term borrowings	(419.28)	(1,101.61)
Net Proceeds /(Repayment) of Long-term borrowings	**(419.28)**	**(1,101.61)**

Change in Liability arising from finance activity	For the year ended 31st March 2022	For the year ended 31st March 2021
Opening Balance- Long term borrowings (Including current portion)	897.26	1,998.34
Cash flow (Net)	(419.28)	(1,101.61)
Loan Swapping/ Refinance -[New loan]	-	586.45
Loan Swapping/ Refinance [Old loan]	-	(586.45)
Non Cash movement	(0.06)	0.53
Closing Balance Long term borrowings (Including current portion)	**477.92**	**897.26**

Refer Note 50 for reconciliation of lease liability under financing activities

(v) Previous year figures have been regrouped and reclassified wherever considered necessary to conform to the current year's figures.

As per our report attached
For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Reg. No 106041W/W100136

Krishnakant Solanki
Partner
M. No. : 110299

Place : Gandhinagar
Date : 10th May, 2022

For and on behalf of Board of Directors

Pankaj Kumar, IAS
Chairman
DIN - 00267528

Sanjeev Kumar, IAS
Managing Director
DIN - 03600655

Balwant Singh, IAS (Retd.)
Director
DIN- 00023872

Nitesh Bhandari
Chief Financial Officer

Sandeep Dave
Company Secretary
Place : Gandhinagar
Date : 10th May, 2022

STANDALONE STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED 31ST MARCH 2022

(A) Equity Share Capital

(₹ in Crores)

Equity share capital	As at 31st March 2022	As at 31st March 2021
Balance at the beginning of the reporting period	137.68	137.68
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the reporting period	137.68	137.68
Changes in equity share capital during the year	-	-
Balance at the end of the reporting period	**137.68**	**137.68**

(B) Other equity

(₹ in Crores)

Other equity	Attributable to the equity holders of the Company					Total Other Equity
	Reserves & Surplus				Items of Other Comprehensive Income	
	Amalgamation & Arrangement Reserve	Capital Reserve **	General Reserve	Retained Earnings	Equity Instruments through OCI	
Balance at April 1, 2021	**879.59**	**(23.98)**	**2.72**	**3,562.38**	**(109.75)**	**4,310.96**
Changes in accounting policy / prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period (a)	**879.59**	**(23.98)**	**2.72**	**3,562.38**	**(109.75)**	**4,310.96**
Profit for the year	-	-	-	1,285.64	-	1,285.64
Other comprehensive income for the year	-	-	-	-	2.12	2.12
Items of OCI recognised directly in retained earnings :						
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	0.57	-	0.57
Total comprehensive income for the year (b)	**-**	**-**	**-**	**1,286.21**	**2.12**	**1,288.33**
Dividend (c)	-	-	-	(137.68)	-	(137.68)
Balance at March 31, 2022 (a+b+c)	**879.59**	**(23.98)**	**2.72**	**4,710.91**	**(107.63)**	**5,461.62**
Balance at April 1, 2020	**879.59**	**-**	**2.72**	**2,382.35**	**(111.71)**	**3,152.95**
Retained earning/ Capital reserve from business combination transaction(Refer note 56)	-	(23.98)	-	(2.68)	-	(26.66)
Restated balance at the beginning of the reporting period (d)	**879.59**	**(23.98)**	**2.72**	**2,379.67**	**(111.71)**	**3,126.29**
Profit for the year	-	-	-	1,268.15	-	1,268.15
Other comprehensive income for the year	-	-	-	-	1.96	1.96
Items of OCI recognised directly in retained earnings :						
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	0.61	-	0.61
Total comprehensive income for the year (e)	**-**	**-**	**-**	**1,268.76**	**1.96**	**1,270.72**
Dividend (f)	-	-	-	(86.05)	-	(86.05)
Balance at March 31, 2021 (d+e+f)	**879.59**	**(23.98)**	**2.72**	**3,562.38**	**(109.75)**	**4,310.96**

** Capital Reserve is created on account of Business combination transaction (Refer note no. 56)

Note (i) : The "Amalgamation and Arrangement Reserve" created pursuant to scheme of amalgamation and arrangement is treated as free reserve based on the judgment of Honourable Gujarat High Court dated 18th April 2015 read with relevant other court decisions.

Note (ii) : The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve.

Note (iii) : Accumulated balance of Remeasurements of post-employment benefit obligation, Gain/(Loss) net of tax, recognised in retained earnings is ₹ (9.61) Crores (Previous year ₹ (10.18) Crores).

Note (iv): Nature and purpose of each reserve is disclosed under note no. 19 -'Other equity'

As per our report attached

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Reg. No 106041W/W100136

Krishnakant Solanki
Partner
M. No. : 110299

Place : Gandhinagar
Date : 10th May, 2022

For and on behalf of Board of Directors

Pankaj Kumar, IAS
Chairman
DIN - 00267528

Sanjeev Kumar, IAS
Managing Director
DIN - 03600655

Balwant Singh, IAS (Retd.)
Director
DIN- 00023872

Nitesh Bhandari
Chief Financial Officer

Sandeep Dave
Company Secretary
Place : Gandhinagar
Date : 10th May, 2022

Notes to Standalone Financial statements for the year ended 31st March, 2022

Note 1 – Corporate Information

1. Corporate Information

a) Gujarat Gas Limited (GGL or "Company") (CIN : L40200GJ2012SGC069118) formerly known as GSPC Distribution Networks Limited (GDNL) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. GGL is a Government Company u/s 2(45) of Companies Act 2013. Its shares are listed on Bombay Stock Exchange and National Stock Exchange in India.

The registered office is located at Gujarat Gas CNG Station, Sector 5/C, Gandhinagar - 382006.

The Company is engaged in Natural Gas Business in India. Natural gas business involves distribution of gas from sources of supply to centres of demand and to the end customers.

The scheme of amalgamation and arrangement was sanctioned by the Hon'ble Gujarat High Court at Ahmedabad vide its order dated 30th March 2015 between the following transferor companies -

1. GSPC Gas Company Limited (GSPC Gas)
2. Gujarat Gas Company Limited (GGCL)
3. Gujarat Gas Financial Services Limited (GFSL)
4. Gujarat Gas Trading Company Limited (GTCL)

(Collectively called Transferor Companies)

with Gujarat Gas Limited (formerly known as GSPC Distribution Networks Limited-GDNL) (the transferee) under the Scheme of Amalgamation and Arrangement with an appointed date of 1st April, 2013. Subsequently, the company's name has been changed from GSPC Distribution Networks Limited to Gujarat Gas Limited (GGL) with effect from 15th May 2015.

b) Authorization of financial statements

The Standalone Financial Statements were approved and authorized for issue in accordance with a resolution passed in meeting of Board of the Directors held on 10th May, 2022.

c) Functional and Presentation Currency

The financial statements are presented in Indian rupee ₹ (INR), which is the functional and presentation currency of the Company.

Note 2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation

(i) Statement of Compliance with Ind AS

The standalone financial statements has been prepared in accordance and comply in all material aspects with Indian Accounting Standards (Ind AS) notified and applicable under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act and read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and Companies (Indian Accounting Standards) Amendment Rules, 2016 and relevant amendment rules issued thereafter.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2022, the Statement of Profit and Loss for the year ended 31 March 2022, the Statement of Cash Flows for the year ended 31 March 2022 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements' or 'financial statements').

All 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 the Schedule III to the Companies Act, 2013.

(ii) Historical cost convention

The financial statements are prepared on accrual basis of accounting under historical cost convention, except for the following:

- certain financial instruments measured at fair value;
- defined benefit plans - plan assets measured at fair value; and

Use of estimates and judgements

The presentation of the financial statements are in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 3.1 & 5.1:	Useful lives of property, plant and equipment and intangible assets
Note 12:	Recognition and measurement of unbilled gas sales revenue
Note 26, 27,28 &29:	Recognition and measurement of other provisions
Note 40:	Current/deferred tax expense (Including estimates for Uncertain tax treatments)
Note 43:	Contingent liabilities and assets
Note 45:	Expected credit loss for receivables
Note 45:	Fair valuation of unlisted securities
Note 47:	Measurement of defined benefit obligations
Note 5.3 & 50:	Definition of Lease, lease term and discount rate

(a) Property, Plant and Equipment

Property plant and equipment are stated at their cost of acquisition / construction less depreciation and impairment, if any. The cost comprises of the purchase price and any attributable cost for bringing the asset to its working condition for its intended use; like freight, duties, taxes and other incidental expenses, net of CENVAT or Goods and service tax (GST) credit.

The Company capitalises to project assets all the cost directly attributable and ascertainable, to completing the project. These costs include expenditure of pipelines, plant and machinery, cost of laying of pipeline, cost of survey, commissioning and testing charge, detailed engineering and interest on borrowings attributable to acquisition of such assets. The gas distribution networks are treated as commissioned when supply of gas commences to the customer(s).

Subsequent expenditures, including replacement costs where applicable, incurred for an item Property plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Component accounting of assets: If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The Company has identified, reviewed, tested and determined the componentisation of the significant assets.

Assets installed at customer premises, including meters and regulators where applicable, are recognised as property plant and equipment if they meet the definition provided under Ind AS 16 subject to materiality as determined by the management and followed consistently.

Any item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is charged to revenue in the income statement when the asset is derecognised.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset.

On transition to Ind AS, the Company had elected to carry forward the previous GAAP net carrying value of all its property, plant and equipment recognized as at 1st April, 2015 as the deemed cost.

Capital work in Progress:

Capital Work in Progress includes expenditure incurred on assets, which are yet to be commissioned and capital inventory, which comprises stock of capital items/construction materials at respective city gas network.

All the directly identifiable and ascertainable expenditure, incidental and related to construction incurred during the period of construction on a project, till it is commissioned, are kept as Capital work in progress (CWIP) and disclosed under 'Capital work-in-progress' and after commissioning the same is transferred / allocated to the respective category of property, plant and equipment.

Further, advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as capital advances under other non- current assets.

(b) Investment Properties

Investment properties comprises of free hold or lease hold land that are held for rental yield and/or capital appreciation.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed as and when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

On transition to Ind AS, the Company had elected to carry forward the previous GAAP net carrying value of all its investment property recognized as at 1st April, 2015 as the deemed cost.

(c) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible Assets includes amount paid towards obtaining the Right of Use (ROU) of land and Right of Way (ROW) permissions for laying the gas pipeline network and cost of developing software for internal use. The Company capitalises software as Intangible Asset where it is expected to provide future enduring economic benefits. Cost associated with maintaining software programmes are recognised as expenses as and when incurred.

Any item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the intangible asset) is charged to revenue in the income statement when the intangible asset is derecognised.

On transition to Ind AS, the Company had elected to carry forward the previous GAAP net carrying value of all its intangible assets recognized as at 1st April, 2015 as the deemed cost.

(d) Depreciation and amortisation methods, estimated useful lives and residual values

Depreciation is calculated to systematically allocate the cost of property, plant and equipment, intangible asset and investment property net of the estimated residual values over the estimated useful life. Freehold land is not depreciated. Depreciation is computed using Straight Line Method (SLM) over the useful lives of the assets as specified in Schedule II to the Companies Act, 2013, read with the following notes:

i. The Schedule specifies useful life of Pipelines as 30 years for those used in exploration, production and refining of oil and gas. The Company has considered the useful life of 30 years for the pipelines used in city gas distribution business.

ii. City gas stations, skids, pressure regulating stations, meters and regulators are estimated to have useful life of 18 years based on technical assessment made by technical expert and management.

iii. Cost of mobile phones, are expensed off in the year of purchase.

iv. Temporary building structures are estimated to have useful life of 1 year.

The management believes that these useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The useful lives are reviewed by the management at each financial year end and revised, if appropriate. In case of a revision, the unamortised depreciable amount (remaining net value of assets) is charged over the revised remaining useful lives.

Based on management estimate, residual value of 5% is considered for respective tangible assets except for the Pipeline Network assets where the residual value is considered to be NIL as the said assets technically and commercially not feasible to extract from underground.

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

Component accounting of assets: If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment and accordingly depreciated at the useful lives specified as above.

Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

Investment properties, if any, are depreciated based on the useful life prescribed in Schedule II to the Companies Act, 2013.

Intangible assets are amortized over their individual estimated useful lives on a Straight Line basis, commencing from the year in which the same are available to the company for its intended use. The useful lives as estimated by the management for the intangible assets are as follows:

I. Right of Way (ROW) Permissions 30 Years

(Considered more than 10 years as inextricably linked and dependent on the useful life of pipeline networks as referred above for which the Right of Way has been obtained).

II. Software 6 Years.

No amortisation is charged on Right of Use (RoU) of land being perpetual in nature. The same is tested for impairment based on principles of Ind AS 36.

The Company has constructed / installed CNG stations' buildings and machineries, on land taken on lease from various lessor under lease deed for periods ranging from 35 years to 99 years. However, assets constructed / installed on such land have been depreciated at useful lives as referred above.

Capital assets /facilities installed at the customers' premises on the land of the customers/CNG franchisee whose ownership is not with the company have been depreciated at the useful lives specified as above.

(e) Impairment of Non-Financial Assets

In accordance with Ind AS 36 on "Impairment of Assets" at the balance sheet date, non-financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

(f) Revenue recognition

i) Revenue from operation

Revenue is measured at fair value of the consideration received or receivable for goods and services sold, net of trade discounts/quantity discounts and rebates, in the normal course of the Company's activities. Income is recognized in the income statement when the control of the goods or services has been transferred. The amount recognised as revenue is stated inclusive of excise duty and exclusive of sales tax /value added tax (VAT) and Goods and service tax (GST).

Revenue from sale of Natural Gas is recognized at the point in time when control is transferred to the customer, generally on delivery of the gas on metered/assessed measurements facility. Sales are billed bi-monthly for domestic customers, monthly/fortnightly for commercial and non-commercial customers and fortnightly / 10 days basis for industrial customers.

Revenue from sale of Compressed Natural Gas (CNG) is recognized at the point in time when control is transferred to the customer, generally on delivery of the gas to consumers from retail outlets and is billed weekly / fortnightly cycle in case of OMC customers.

Revenue recognised towards supply of natural gas already occurred for the period from the end of the last billing date to the Balance Sheet date has been reflected under "Trade receivables "(which refer as unbilled revenue) which is calculated based on customer wise previous average consumption.

Gas transmission income is recognized over the period in which the related volumes of gas are delivered to the customers.

Commitments (take or pay charges) income from customers for gas sales and gas transmission is recognized on accrual basis in the period to which it relates to.

In case of industrial customers, non-refundable charges for initial or additional gas connection collected from the customers is deferred over the period of contract with respective customers and in case of domestic & commercial customers is deferred over the useful life of the asset.

ii) Other income

Revenue in respect of interest/ late payment charges on delayed realizations from customers and cheque bounce charges, if any, is recognized on grounds of prudence and on the basis of certainty of collection.

Liquidated damages, if any are recognized at the time of recording the purchase of materials in books of accounts and the matter is considered settled by the management.

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is recognised using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividend income is recognised, when the right to receive the dividend is established by the reporting date.

Investment property rental income is recognised as revenue on accrual basis as per the terms of the underlying contract.

Other operating income and misc. income are accounted on accrual basis as and when the right to receive arises.

(g) Borrowing

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings –interest bearing loans are subsequently measured at amortised cost by using the effective interest method (EIR method). Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of borrowing using the effective interest method (EIR). The EIR Amortization is included as Finance Costs in the statement of profit and loss.

Fees paid on the establishment of loan facilities are recognised as transaction costs of loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is deferred as a payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or other expenses as well as through the EIR amortization process.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

(h) Borrowing Cost

The Company is capitalising general and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying asset up to the date of commissioning. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. The Expenses incurred in connection with the arrangement of specific borrowings are capitalized over the period of the borrowing and every year such cost is apportioned to assets based on the actual amount borrowed during the year. All other borrowing costs are recognized as expense in the period in which they are incurred and charged to the statement of profit and loss.

Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(i) Investment in associate

The Company accounts for the investment in associate at cost.

(j) 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 Asset

Initial Recognition

A financial asset or a financial liability is recognised in the balance sheet only when, the Company becomes party to the contractual provisions of the instrument.

Initial Measurement

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent Measurement

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

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

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

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

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

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

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

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

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

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

Equity Investments:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company is transferred the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

De-recognition

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Embedded foreign currency derivative

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract,
- the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,

- a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency).

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss. The Company currently does not have any such derivatives which are not closely related.

Impairment of Financial Assets

The Company assesses impairment based on expected credit loss (ECL) model to the following:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Under the simplified approach, the Company is not required to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs together with appropriate management estimates for credit loss at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost and contractual revenue receivables - ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.
- Financial assets measured at FVTOCI - Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as accumulated impairment amount in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loan and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

- Financial liabilities measured at amortised cost
- Financial liabilities subsequently measured at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Profit and Loss. However, the Company is transferred the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Loan and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or 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.

Derecognition

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

(k) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

(l) Fair Value Measurement

The Company measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The management comprises of the Managing Director and Chief Financial Officer.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually and approval by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes. (Refer note 45)

1. Disclosures for valuation methods, significant estimates and assumptions.
2. Quantitative disclosures of fair value measurement hierarchy.
3. Investment in unquoted equity shares.
4. Financial instruments (including those carried at amortised cost).

(m) Inventories

Inventory of Gas (including inventory in pipeline and CNG cascades) is valued at lower of cost and net realizable value. Cost is determined on weighted average cost method.

Stores, spares and consumables are valued at lower of cost and net realizable value. Cost is determined on moving weighted average basis.

Inventories of Project materials (capital Inventory) are valued at cost on moving weighted average basis.

(n) Non-current assets held for sale and discontinued operation

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

A discontinued operation is a component of the Company that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

(o) Foreign Currency Transactions

(i) Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the functional and presentation currency of the Company.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are generally recognised in profit or loss.

All foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income or other expenses.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(p) Employee Benefits

Employees Benefits are provided in the books as per Ind AS - 19 on "Employee Benefits" in the following manner:

A. Post-employment benefit plans

I. Defined Contribution Plan

Contribution towards provident fund for eligible employees are accrued in accordance with applicable statutes and deposited with the regulatory provident fund authorities (Government administered provident fund scheme). The Company does not carry any other obligation apart from the monthly contribution.

The Company contributes under the National Pension System scheme for eligible employees at a rate specified in the rules of the scheme and deposited with concerned agency/authority.

The Company's contribution is recognised as an expenses in the statement of Profit and Loss during the period in which the employee renders the related service.

II. Defined benefit plan

The company provides for gratuity, a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity Act, 1972, through an approved Gratuity Fund. The Gratuity Fund is separately administered through a Trust/Scheme. Contributions in respect of gratuity are made to the approved Gratuity Fund.

The Company's liability is actuarially determined by qualified actuary (using the Projected Unit Credit method) at the end of each year and is recognized in the Balance sheet as reduced by the fair value of Gratuity Fund. Actuarial losses/ gains are recognized in the Statement of Other Comprehensive Income in the year in which they arise.

III. Long term employee benefits

The liability in respect of accrued leave benefits which are expected to be availed or en-cashed beyond 12 months from the end of the year, is treated as long term employee benefits.

The Company's liability for leave benefits are actuarially determined by qualified actuary at balance sheet date by using the Projected Unit Credit method. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

B. Other Long Term Service benefits

- Long Service Award (LSA):

On completion of specified period of service with the company, employees are rewarded with Cash Reward of different amount based on the duration of service completed.

The Company's liability is actuarially determined by qualified actuary at balance sheet date at the present value of the amount payable for the same. Actuarial losses/ gains are recognized in the Statement of profit and loss in the year in which they arise.

C. Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the services. Short term employee benefits includes salary and wages, bonus, incentive, ex-gratia,death compensation and also includes accrued leave benefits, which are expected to be availed or en-cashed within 12 months from the end of the year.

D. Employee Stock Option Plan

Share-based compensation benefits are provided to employees via Employee Stock Option Plan. For the stock options granted, the fair value as of the date of grant of option is recognised as employee benefit expenses with a corresponding increase in Stock Options Outstanding Account. The total expense is recognised on straight line basis over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

(q) Leases

The Company's leased asset classes primarily consist of leases for land, buildings, plant & machinery equipment's and vehicles.

Under Ind AS 116, the Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether :

- the contract involves the use of identified asset;
- the Company has substantially all of the economic benefits from the use of the asset through the period of lease; and
- the Company has right to direct the use of the asset.

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals/termination options) and the applicable discount rate.

Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Certain lease arrangement includes the options to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities includes these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the ROU asset. Any gain or loss on modification is recognized in the Statement of Profit & Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

Lease liability and ROU lease asset have been separately presented in the Balance Sheet and lease payments have been classified as cash flows from financing activities.

Short-term leases, low-value assets and others:

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases.

The Company recognises the lease payments associated with leases assets that have lease period of 12 month or less, remaining lease period of 12 months or less as on transition date, rental charges of low value assets, component of taxes of ROU lease charges, non- lease component viz. manpower, fuel cost, repair and maintenance is recognised as an expense in the Statement of Profit and Loss over the lease term. The related cash flows are classified as operating activities.

As a lessor

Finance lease

Leases for which the Company is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

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

Operating lease

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the term of the relevant lease. In case of modification of contractual terms, the same is accounted as a new lease, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

(r) Taxation

Income tax expenses comprises current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income tax expenses are recognised in statement of profit or loss except tax expenses related to items recognised directly in reserves (including statement of other comprehensive income) which are recognised with the underlying items.

Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961 , as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation including amount expected to be paid / recovered for uncertain tax positions. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

Deferred Taxes

Deferred tax is provided in full on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in financial statements at the reporting date. Deferred tax are recognised in respect of deductible temporary differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods., the carry forward of unused tax losses and the carry forward of unused tax credits.

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

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

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(s) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the company's earnings per share is the net profit for the period after deducting preference dividends, if any, and any attributable distribution tax thereto for the period.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision for contractual obligation is disclosed based on management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

Provisions are not recognised for future operating losses. Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period and are not discounted to present value. The estimates of outcome and financial effect are determined by the judgment of the management, supplemented by experience of similar transactions and, in some cases, reports from independent experts.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

Contingent liability is disclosed in the case of:

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

Contingent liabilities are not provided for and if material, are disclosed by way of notes to financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, Contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

A contingent asset is disclosed by way of notes to financial statements, where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

(u) Segment Reporting

The Company primarily operates in the segment of Natural Gas Business. Natural gas business involves distribution of gas from sources of supply to centres of demand and to the end customers. The Managing Director of the Company allocate resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a single segment, hence no separate segment needs to be disclosed.

(v) Cash and Cash Equivalents

Cash and cash equivalents comprise cash and deposits with banks and corporations. The Company considers all highly liquid investments with original maturities of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(w) Statement of Cash Flows

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

(x) Dividends

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorised and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(y) Insurance Claims

The company accounts for insurance claims when there is certainty that the claims are realizable and acknowledged by insurance company and amount recognized in books of accounts is as under:

- In case of loss of asset /goods by transferring, either the carrying cost of the relevant asset / goods or insurance value (subject to deductibles), whichever is lower under the head "Claims Recoverable-Insurance".
- In case insurance claim is, less than carrying cost the difference is charged to Profit and Loss statement. As and when claims are finally received from insurer, the difference, if any, between Claims Recoverable-Insurance and claims received is adjusted to Profit and Loss statement.

(z) Events occurring after the Reporting Date

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

(aa) Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

(ab) Prior Period Adjustments and Pre-paid Expenses.

Income / expenditure in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively. Prepaid expenses up to threshold limit in each case, are charged to revenue as and when incurred.

(ac) Rounding off

All amounts disclosed / presented in Indian Rupees (INR) in the financial statements and notes have been rounded off to the nearest two decimals of Crores as per the requirements of Schedule III, unless otherwise stated.

(ad) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendment specifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes to Standalone financial statements for the year ended on 31st March, 2022

Note 3.1 PROPERTY, PLANT AND EQUIPMENT (PPE)

Property, Plant and Equipment (PPE) as at 31st March 2022

(₹ in Crores)

Particulars	Gross Block					Depreciation and Amortization				Net Block	
	As at 1st April 2021	Addition	Disposal/ Adjustment	Other Adjustments	As at 31st March 2022	As at 1st April 2021	For the year	Disposal/ Adjustment	As at 31st March 2022	As at 31st March 2022	As at 31st March 2021
Freehold Land	389.38	2.92	-	(29.31)	362.99	-	-	-	-	362.99	389.38
Buildings	204.29	16.49	-	-	220.78	28.97	4.14	(0.03)	33.14	187.64	175.32
Plant and Equipments	6,825.56	825.57	3.95	-	7,647.18	1,930.92	326.21	2.63	2,254.50	5,392.68	4,894.64
Furniture and Fixture	19.64	0.71	0.55	-	19.80	12.14	1.32	0.51	12.95	6.85	7.50
Computer Equipment	47.23	0.94	3.13	-	45.04	31.88	4.67	2.98	33.57	11.47	15.35
Office Equipments	21.93	1.54	1.04	-	22.43	17.47	1.33	0.98	17.82	4.61	4.46
Vehicles	9.05	0.26	0.10	-	9.21	7.44	0.35	0.10	7.69	1.52	1.61
Books and Periodicals	0.10	-	-	-	0.10	0.10	-	-	0.10	-	-
Total PPE	**7,517.18**	**848.43**	**8.77**	**(29.31)**	**8,327.53**	**2,028.92**	**338.02**	**7.17**	**2,359.77**	**5,967.76**	**5,488.26**

Property, Plant and Equipment (PPE) as at 31st March 2021

(₹ in Crores)

Particulars	Gross Block					Depreciation and Amortization				Net Block	
	As at 1st April 2020	Addition	Disposal/ Adjustment	Other Adjustments	As at 31st March 2021	As at 1st April 2020	For the year	Disposal/ Adjustment	As at 31st March 2021	As at 31st March 2021	As at 1st April 2020
Freehold Land	386.59	2.79	-		389.38	-	-	-	-	389.38	386.59
Buildings	193.54	10.75	-	-	204.29	25.15	3.82	-	28.97	175.32	168.39
Plant and Equipments	6,199.20	634.91	8.55		6,825.56	1,638.93	297.00	5.01	1,930.92	4,894.64	4,560.27
Furniture and Fixture	19.30	0.75	0.41	-	19.64	11.13	1.37	0.36	12.14	7.50	8.17
Computer Equipment	46.58	2.79	2.14	-	47.23	29.75	4.20	2.07	31.88	15.35	16.83
Office Equipments	21.14	1.26	0.47	-	21.93	16.55	1.36	0.44	17.47	4.46	4.59
Vehicles	9.05	-	-	-	9.05	7.06	0.38	-	7.44	1.61	1.99
Books and Periodicals	0.10	-	-	-	0.10	0.10	-	-	0.10	-	-
Total PPE	**6,875.50**	**653.25**	**11.57**	**-**	**7,517.18**	**1,728.67**	**308.13**	**7.88**	**2,028.92**	**5,488.26**	**5,146.83**

Note 3.1.1 - Impairment of Assets: There is no impairment of any assets in terms of Ind AS - 36 on "Impairment of Assets". Based on the review, the management is of the opinion that there are no impairment indicators that necessitate any adjustments to the carrying value of PPE.

Note 3.1.2 - The company has not carried out revaluation of PPE.

Note 3.1.3 - The company has elected to measure all its PPE at the previous GAAP carrying amount i.e. March 31, 2015 as its deemed cost on the date of transition to Ind AS i.e. April 01, 2015.

Note 3.1.4 - Security Pledge of Assets: Refer to Note 20 on borrowings for details in terms of pledge of assets as security.

Note 3.1.5 - Refer to note 43 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to Standalone financial statements for the year ended on 31st March, 2022

Note 3.1 PROPERTY, PLANT AND EQUIPMENT (PPE) (Continued...) (₹ in Crores)

Note 3.1.6 - There is no restriction on the title of property, plant and equipments.

Note 3.1.7 - 'Other Adjustments' in current financial year 2021-22 is on account of change in presentation from freehold land to ROU assets (Lease hold land).-Refer note 5.3

Note 3.1.8 - Above note 3.1 includes following assets acquired through Business combination transaction (Refer note 56):

(₹ in Crores)

Particulars	Gross Block					Depreciation and Amortization				Net Block	
	As at 1st April 2021	Addition	Disposal/ Adjustment	Other Adjustments	As at 1st November 2021	As at 1st April 2021	For the year	Disposal/ Adjustment	As at 1st November 2021	As at 1st November 2021	As at 31st March 2021
Freehold Land	1.17	-	-	-	1.17	-	-	-	-	1.17	1.17
Plant and Equipments	45.43	37.55	-	-	82.98	3.52	1.52	-	5.04	77.94	41.91
Total	**46.60**	**37.55**	**-**	**-**	**84.15**	**3.52**	**1.52**	**-**	**5.04**	**79.11**	**43.08**

(₹ in Crores)

Particulars	Gross Block					Depreciation and Amortization				Net Block	
	As at 1st April 2020	Addition	Disposal/ Adjustment	Other Adjustments	As at 31st March 2021	As at 1st April 2020	For the year	Disposal/ Adjustment	As at 31st March 2021	As at 31st March 2021	As at 1st April 2020
Freehold Land	1.17		-	-	1.17	-	-	-	-	1.17	1.17
Plant and Equipments	44.94	0.49	-	-	45.43	1.82	1.70	-	3.52	41.91	43.12
Total	**46.11**	**0.49**	**-**	**-**	**46.60**	**1.82**	**1.70**	**-**	**3.52**	**43.08**	**44.29**

Notes to Standalone financial statements for the year ended on 31st March, 2022

Note 3.1 **PROPERTY, PLANT AND EQUIPMENT (PPE) (Continued...)**

Note 3.1.9 - Details of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) whose title deeds are not held in the name of the Company.

Title Deeds of Immovable Properties:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value as on 31 March 2022	Gross carrying value as on 31 March 2021	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company	Disputed?
Property, Plant & Equipment - Freehold Land	Land-Survey No. 306-A-/1 paiki 3, Post-Hazira, Taluka Choryasi, District-Surat (13,057 Sq. Mtrs)	₹ 15.88 Crores	₹ 15.88 Crores	Government of Gujarat	Promoter	01-05-1999	The legal dispute between the Government and Hazira Apbal Ganotiya Sahakari Mandali Ltd.(seller) regarding transfer or sale of land to private parties (including GGL) without necessary permission and breached the condition of utilization of land and in one of the order issued by Deputy Collector Choryasi Prant Surat dated 7th August 2009 clearly states that there is no breach of condition in case of GGL and land owners as Government has given permission to allocate land to Gujarat Gas subject to necessary payment of premium etc.	Yes
	Land-Survey No. 150 Mora village District-Surat (13,557 Sq. Mtrs)	₹ 1/-.	₹ 1/-.	Government of Gujarat	Promoter	05-04-2002	Land belongs to the Government and allotted under Navi sharat to private parties (seller) from whom GGL brought the land and later on land was made khalsa on 18.04.2002. In April 2010, Mamlatdar Office Choryasi had given revised letter to submit consent for making the 2.5 times premium of the value to regularize the land to Gujarat Gas that may be decided by the District Valuation Committee.	Yes
	Survey No. 896 and 913/2 Vil Ichchhapur Hazira 6,559 Sq. Mtrs	₹ 21.35/- Crores	₹ 21.35/- Crores	Gujarat State Petroleum Corporation Limited	Promoter	01-04-2006	Acquired through demerger scheme and transfer of name yet not completed.	No

Notes to Standalone financial statements for the year ended on 31st March, 2022

NOTE 3.2 CAPITAL WORK IN PROGRESS **(₹ in Crores)**

Capital work in progress	As at 31st March 2022	As at 31st March2021
Capital Inventory	375.46	243.00
Capital Work-in-Progress (project under construction)	590.45	464.47
Total	**965.91**	**707.47**

Note:- Security Pledge of Assets : Refer to Note 20 on borrowings for details of security pledge of assets.

Note:- Note 3.2.1 Ageing Schedule
As on 31 March 2022: **(₹ in Crores)**

Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	779.54	111.81	25.96	45.11	962.42
Projects temporarily suspended	0.02	0.00	2.17	1.29	3.49
Total	**779.56**	**111.81**	**28.13**	**46.40**	**965.91**

As on 31 March 2021: **(₹ in Crores)**

Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	542.95	70.89	45.45	41.11	700.40
Projects temporarily suspended	0.35	2.74	0.56	3.43	7.08
Total	**543.30**	**73.63**	**46.00**	**44.54**	**707.47**

The Company is engaged in the business of City Gas Distribution (CGD) in India which involves distribution of gas from sources of supply to the end user customers. The CGD project is designed considering demand, supply and future requirements based on the facilities envisaged for CGD network in authorised areas for 25 years on the basis of authorization from Petroleum and Natural Gas Regulatory Board (PNGRB) to lay, build, operate or expand city or local natural gas distribution network. On the basis of demand projections, the CGD network is planned. Project execution plans are modulated on the basis of continuous ongoing expansion and all the projects are executed and expanded on ongoing basis as per rolling annual plan. Hence, it is considered that there is no project whose completion is overdue or has exceed its cost compared to its original plan.

Note 3.2.2 - Above note 3.2 includes following assets acquired through Business combination transaction (Refer note 56)
(₹ in Crores)

Capital work in progress	As at 1st November 2021	As at 31st March 2021	As at 1st April 2020
Capital Inventory	0.14	0.18	0.25
Capital Work-in-Progress (project under construction)	4.23	41.74	32.22
Total	**4.37**	**41.92**	**32.47**

NOTE 4 - INVESTMENT PROPERTY **(₹ in Crores)**

Investment property	As at 31st March 2022	As at 31st March 2021
Freehold land		
Balance at the beginning of the period	1.30	1.30
Add:- Acquisition during the year	-	-
Less:- Deletion during the year	-	-
Balance at the end of the period	**1.30**	**1.30**

Notes to Standalone financial statements for the year ended on 31st March, 2022

(i) Amount recognised in profit and loss for investment properties **(₹ in Crores)**

Particulars	As at 31st March 2022	As at 31st March 2021
Rental Income	0.20	0.20
Profit from investment properties	**0.20**	**0.20**

The Company had recognized the rental - facilitation fees on Investment property for the financial year 2016-17 and 2017-18 on the basis of provisional working of rental -facilitation fees submitted by tenants. The company is contesting the issue of valuation of land for rental -facilitation fees with tenants which has not been agreed between both the parties (company & tenants) till end of the financial year.

On similar lines, company has recognized rental -facilitation fees on Investment property for the financial year 2018-19, 2019-20, 2020-21 and 2021-22 on the basis of previous years working, as no further working of rental -facilitation fees has been submitted by tenants post FY 2017-18.

(ii) Contractual Obligations

The Company has no contractual obligations to purchase, construct or develop investment property or for its repair, maintenance or enhancements.

(iii) Leasing Arrangements

The investment property is leased to tenants under long term operating leases with rentals payable annually as per the formula given in the agreement executed by both the parties. The lease period is 10 years(extendable as mutually agreed). Either party can terminate the agreement by giving 6 months notice(Non cancellable period). The future minimum lease payments receivables for 6 months can not be determined as the amount of rent is dependent on various other factors.

(iv) Fair Value **(₹ in Crores)**

Particulars	As at 31st March 2022	As at 31st March 2021
Investment Properties	3.20	3.20

Estimation of Fair Value

The fair value of investment property is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

The Company obtains independent valuations for its investment properties once in every three to five years interval. Last fair valuation was done on 31st March 2021.

(v) Security Pledge : Refer to Note 20 on borrowings for details in terms of pledge of assets as security.

(vi) There is no restriction on the title and realisability of investment property or remittance of income and proceeds of disposals.

Note 4.1. Details of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) whose title deeds are not held in the name of the Company.

Title Deeds of Immovable Properties :

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value as on 31 March 2022	Gross carrying value as on 31 March 2021	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company	Disputed?
Investment Property - Freehold Land	Survey No. 477 Village Dasarath, District-Vadodara 2,002 Sq. Mtrs	₹ 1.30 Crores	₹ 1.30 Crores	Gujarat State Petroleum Corporation Limited	Promoter	01-04-2006	Acquired through demerger scheme and transfer of name yet not completed.	No

Notes to Standalone financial statements for the year ended on 31st March, 2022

Note 5.1 INTANGIBLE ASSETS

Intangible assets as at 31st March 2022 (₹ in Crores)

Particulars	Gross Block				Amortization				Net Block	
	As at 1st April 2021	Addition	Disposal/ Adjustment	As at 31st March2022	As at 1st April 2021	For the Year	Disposal/ Adjustment	As at 31st March2022	As at 31st March 2022	As at 31st March 2021
ROW Permissions	400.91	40.54	-	441.45	62.22	14.04	-	76.26	365.19	338.69
ROU	14.98	0.12	0.86	14.24	-	-	-	-	14.24	14.98
Software and other Intangibles	97.99	8.15	0.88	105.26	73.72	7.93	0.88	80.77	24.49	24.27
Total Intangible Assets	**513.88**	**48.81**	**1.74**	**560.95**	**135.94**	**21.97**	**0.88**	**157.03**	**403.92**	**377.94**

Intangible assets as at 31st March 2021 (₹ in Crores)

Particulars	Gross Block				Amortization				Net Block	
	As at 1st April 2020	Addition	Disposal/ Adjustment	As at 31st March2021	As at 1st April 2020	For the Year	Disposal/ Adjustment	As at 31st March 2021	As at 31st March 2021	As at 1st April 2020
ROW Permissions	360.52	40.39	-	400.91	49.40	12.82	-	62.22	338.69	311.12
ROU	14.65	0.33	-	14.98	-	-	-	-	14.98	14.65
Software and other Intangibles	92.46	5.68	0.15	97.99	65.79	8.08	0.15	73.72	24.27	26.67
Total Intangible Assets	**467.63**	**46.40**	**0.15**	**513.88**	**115.19**	**20.90**	**0.15**	**135.94**	**377.94**	**352.44**

Note 5.1.1.- Right of Way (ROW) Permissions: The useful lives of Right of Way (ROW) Permissions as estimated by the management for the amortization is 30 years. The useful lives of ROW Permission are inextricably linked with the pipeline networks being laid, which corresponds with the useful life of 30 years of Plant and Machinery - Pipelines network for which the Right of Way (ROW) Permission has been obtained. The Useful life of 30 years of the Right of Way (ROW) Permissions is dependent on the useful life of Plant and Machinery - Pipelines i.e. Pipeline network of the company.

Note 5.1.2.- Right of Use (ROU): The company acquires the 'Right of Use' (hereinafter referred to as 'ROU') for the purpose of laying and maintenance of the underground pipeline and vests in the company and the company has the right to use the same in the manner for which it has been acquired. The acquisition of ROU is governed by the legal process as per the Act, the company has paid the compensation /consideration of the ROU -land determined by the competent authority under the Act and any person authorised by the company, have unrestricted right of entry and lay pipeline or do any other act necessary for the purpose of laying of pipeline.

The company has disclosed the cost incurred for acquisition of ROU as 'Right of Use' in the Intangible Asset schedule. Since the ROU does not have a defined life, it is perpetual in nature. Accordingly based on requirements of Ind AS 38 – Intangible Assets, the same is tested for impairment and not amortised.

Note 5.1.3- Impairment of Assets: There is no impairment of any assets in terms of Ind AS - 36 on "Impairment of Assets". Based on the review, the management is of the opinion that there are no impairment indicators that necessitate any adjustments to the carrying value of intangible assets.

Note 5.1.4.- Security Pledge of Assets: Refer to Note 20 on borrowings for details in terms of pledge of assets as security.

Note 5.1.5.- Refer to note 43 for disclosure of contractual commitments for the acquisition of intangible assets.

Note 5.1.6.- The company has not carried out revaluation of Intangible assets.

Note 5.1.7.- The company has elected to measure all its Intangible assets at the previous GAAP carrying amount i.e. March 31, 2015 as its deemed cost on the date of transition to Ind AS i.e. April 01, 2015.

Note 5.1.8.- There is no restriction on the title of intangible assets.

Note 5.1.9.- Above note 5.1 includes following assets acquired through Business combination transaction (Refer note 56): (₹ in Crores)

Particulars	Gross Block				Amortization				Net Block	
	As at 1st April 2021	Addition	Disposal/ Adjustment	As at 1st November 2021	As at 1st April 2021	For the Year	Disposal/ Adjustment	As at 1st November 2021	As at 1st November 2021	As at 31st March 2021
ROW Permissions	27.68	1.73	-	29.41	1.36	0.57	-	1.92	27.49	26.32
Total	**27.68**	**1.73**	**-**	**29.41**	**1.36**	**0.57**	**-**	**1.92**	**27.49**	**26.32**

Notes to Standalone financial statements for the year ended on 31st March, 2022

Note 5.1 INTANGIBLE ASSETS (Continued...)

Note 5.1.9.- (Continued...)

(₹ in Crores)

Particulars	Gross Block				Amortization				Net Block	
	As at 1st April 2020	Addition	Disposal/ Adjustment	As at 31st March 2021	As at 1st April 2020	For the Year	Disposal/ Adjustment	As at 31st March 2021	As at 31st March 2021	As at 1st April 2020
ROW Permissions	17.78	9.90	-	27.68	0.48	0.88	-	1.36	26.32	17.30
Total	**17.78**	**9.90**	**-**	**27.68**	**0.48**	**0.88**	**-**	**1.36**	**26.32**	**17.30**

Note 5.2. INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Crores)

Intangible assets under development	As at 31st March 2022	As at 31st March 2021
Right of Use (ROU)	0.06	0.23
Right of Way (ROW) Permissions	25.86	23.72
SAP SuccessFactors Implementation Project	0.47	0.06
Total	**26.39**	**24.01**

Note 5.2.1 Ageing Schedule

As on 31 March 2022:

(₹ in Crores)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	11.53	10.08	1.73	0.58	23.93
Projects temporarily suspended	-	0.00	0.86	1.60	2.46
Total	**11.53**	**10.08**	**2.60**	**2.18**	**26.39**

As on 31 March 2021:

(₹ in Crores)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	15.01	2.97	1.64	0.94	20.57
Projects temporarily suspended	0.37	1.19	0.20	1.67	3.44
Total	**15.38**	**4.17**	**1.85**	**2.61**	**24.01**

The Company is engaged in the business of City Gas Distribution (CGD) in India which involves distribution of gas from sources of supply to the end user customers. The CGD project is designed considering demand, supply and future requirements based on the facilities envisaged for CGD network in authorised areas for 25 years on the basis of authorization from Petroleum and Natural Gas Regulatory Board (PNGRB) to lay, build, operate or expand city or local natural gas distribution network. On the basis of demand projections, the CGD network is planned. Project execution plans are modulated on the basis of continuous ongoing expansion and all the projects are executed and expanded on ongoing basis as per rolling annual plan. Hence, it is considered that there is no project whose completion is overdue or has exceed its cost compared to its original plan.

Note 5.2.2 - Above note 5.2 includes following assets acquired through Business combination transaction (Refer note 56)

(₹ in Crores)

Intangible assets under development	As at 1st November 2021	As at 31st March 2021	As at 1st April 2020
Right of Way (ROW) Permissions	-	1.73	1.73
Total	**-**	**1.73**	**1.73**

Notes to Standalone financial statements for the year ended on 31st March, 2022

Note 5.3.- RIGHT-OF-USE ASSETS

Right-of-use assets (Leases) as at 31st March 2022

(₹ in Crores)

Particulars	Gross Block					Amortization					Net Block	
	As at 1st April 2021	Addition	Disposal/ Adjustment	Other Adjustments/ Reassessment	As at 31st March2022	As at 1st April 2021	For the Year	Disposal/ Adjustment	Other Adjustments/ Reassessment	As at 31st March2022	As at 31st March 2022	As at 31st March 2021
Land	124.15	3.62	0.33	29.65	157.09	6.29	5.87	0.20	0.33	12.29	144.80	117.86
Buildings	7.24	-	0.40	-	6.84	2.53	1.36	0.35	-	3.54	3.30	4.71
Plant and Equipments	31.31	-	-	-	31.31	3.89	2.09	-	-	5.98	25.33	27.42
Vehicles	26.21	77.56	8.88	-	94.89	3.38	15.60	8.88	-	10.10	84.79	22.83
Total	**188.91**	**81.18**	**9.61**	**29.65**	**290.13**	**16.09**	**24.92**	**9.43**	**0.33**	**31.91**	**258.22**	**172.82**

Right-of-use assets (Leases) as at 31st March 2021

(₹ in Crores)

Particulars	Gross Block					Amortization					Net Block	
	As at 1st April 2020	Addition	Disposal/ Adjustment	Other Adjustments/ Reassessment	As at 31st March2021	As at 1st April 2020	For the Year	Disposal/ Adjustment	Other Adjustments/ Reassessment	As at 31st March2021	As at 31st March 2021	As at 1st April 2020
Land	115.22	9.09	0.21	0.05	124.15	4.18	2.32	0.21	-	6.29	117.86	-
Buildings	7.02	0.50	0.27		7.25	1.41	1.40	0.27	-	2.54	4.71	5.61
Plant and Equipments	31.30	-	-		31.30	1.79	2.09	-	-	3.88	27.42	29.51
Vehicles	12.47	26.21	12.47		26.21	7.12	8.73	12.47	-	3.38	22.83	5.35
Total	**166.01**	**35.80**	**12.95**	**0.05**	**188.91**	**14.50**	**14.54**	**12.95**	**-**	**16.09**	**172.82**	**40.47**

Note 5.3.1 - "Other adjustment" in current financial year 2021-22 includes change from freehold land to ROU assets (Lease hold land) ₹ 29.31 Crores. Consequent to this, effect of amortisation, which is not significant, is given in this financial year.

Note 5.3.2 - The company has not carried out revaluation of ROU assets.

Note 5.3.3 - Above note 5.3 includes following assets acquired through Business combination transaction (Refer note 56):

(₹ in Crores)

Particulars	Gross Block					Amortization					Net Block	
	As at 1st April 2021	Addition	Disposal/ Adjustment	Other Adjustments/ Reassessment	As at 1st November 2021	As at 1st April 2020	For the Year	Disposal/ Adjustment	Other Adjustments/ Reassessment	As at 1st November 2021	As at 1st November 2021	As at 31st March 2021
Land	5.54	-	-	-	5.54	0.32	-	-	-	0.32	5.22	5.22
Total	**5.54**	**-**	**-**	**-**	**5.54**	**0.32**	**-**	**-**	**-**	**0.32**	**5.22**	**5.22**

(₹ in Crores)

Particulars	Gross Block					Amortization					Net Block	
	As at 1st April 2020	Addition	Disposal/ Adjustment	Other Adjustments/ Reassessment	As at 31st March 2021	As at 1st April 2020	For the Year	Disposal/ Adjustment	Other Adjustments/ Reassessment	As at 31st March 2021	As at 31st March 2021	As at 1st April 2020
Land	5.59	-		(0.05)	5.54	0.17	0.15			0.32	5.22	5.42
Total	**5.59**	**-**	**-**	**(0.05)**	**5.54**	**0.17**	**0.15**	**-**	**-**	**0.32**	**5.22**	**5.42**

Notes to Standalone financial statements for the year ended on 31st March, 2022

Note 5.3.4. Details of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) whose title deeds are not held in the name of the Company.

Title Deeds of Immovable Properties:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value as on 31 March 2022	Gross carrying value as on 31 March 2021*	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company	Disputed?
Right-of-use assets (Leases)- Land	Indian Red Cross Society, District branch, Bhathinda	₹ 3.45 Crores	NA	Gujarat State Petronet Limited	Promoter	Business transfer agreement effective from 01.11.2021. (Refer Note 56)	Acquired through business transfer agreement effective from 01.11.2021. Transfer of name is in process.	No
	Survey no - 593 Village Sivian HB no. 72 Tehsil and District Bhathinda	₹ 0.81 Crores						
	Revenue Survey no. Khasra no. 51/4, 51/5, 51/6 and 51/7, Village - Fatehpur Rajputana, Tehsil Amritsar-1, District - Amritsar	₹ 1.60 Crores						

* Refer note 56 for details of business transfer agreement.

NOTE 6 NON- CURRENT FINANCIAL ASSETS : INVESTMENT IN ASSOCIATE **(₹ in Crores)**

Particulars	As at 31st March 2022	As at 31st March 2021
Investments in equity shares carried at cost (fully paid) **Unquoted Equity Shares** 25000 (Previous year: 25,000) Fully Paid up Equity Shares of ₹ 10 each of Guj Info Petro Limited	0.03	0.03
Total	**0.03**	**0.03**
Extent of Holding Place of business/ country of incorporation Description of method used to account for the investments (Cost or fair value)	49.94% India At Cost	49.94% India At Cost

Other information:-

(a) Aggregate amount of quoted investments and market value thereof;	Nil	Nil
(b) Aggregate amount of unquoted investments; and	0.03	0.03
(c) Aggregate amount of impairment in value of investments.	Nil	Nil

NOTE 7 NON- CURRENT FINANCIAL ASSETS : INVESTMENTS **(₹ in Crores)**

Particulars	As at 31st March 2022	As at 31st March 2021
Investments in equity shares accounted through OCI (fully paid) **Unquoted Equity Shares**		
2,00,00,000 (Previous year: 2,00,00,000) Fully Paid Up Equity Shares of ₹ 1 each of Gujarat State Petroleum Corporation Limited	22.36	19.74
200 (Previous year: 200) Fully Paid Up Equity Shares of ₹ 25 each of Kalupur Co Op Comm Bank Limited [₹ 5000 (Previous year ₹ 5000)]	0.00	0.00
Total	**22.36**	**19.74**

Figures INR 0.00 denotes amount less than INR 50,000/-.

Notes to Standalone financial statements for the year ended on 31st March, 2022

NOTE 7 NON- CURRENT FINANCIAL ASSETS : INVESTMENTS (Continued...)

(₹ in Crores)

Particulars	Extent of Holding	
	31st March 2022	31st March 2021
(a) Aggregate amount of quoted investments and market value thereof;	Nil	Nil
(b) Aggregate amount of unquoted investments; and	22.36	19.74
(c) Aggregate amount of impairment in value of investments.	Nil	Nil

Refer Note no. 45 for financial Instruments, fair value and measurements

NOTE 8 NON- CURRENT FINANCIAL ASSETS : LOANS

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March2021
Loan to Employees [Unsecured, considered good]	3.56	2.17
Total	**3.56**	**2.17**

Refer Note 45 for financial Instruments, fair value and measurements

Refer Note 20 on borrowings for details in terms of pledge of assets as security.

Refer Note 51 for Loans to Promoters, Directors, KMPs and Related parties

NOTE 9 NON- CURRENT FINANCIAL ASSETS : OTHERS

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Security Deposits (Refer Note 9.1)		
To Related Parties [Unsecured, considered good]	79.96	75.78
Less :Security Deposits adjustment for amortised cost -Related party	(63.27)	(61.31)
Net Security deposits to related parties	**16.69**	**14.47**
To Others [Unsecured, considered good]	64.04	59.40
To Others [Credit impaired]	11.78	13.38
Less: Allowance for bad and doubtful	(11.78)	(13.38)
Total Security Deposits	**80.73**	**73.87**
Receivable from employee [Unsecured, considered good]	0.54	0.88
Other Receivable [Considered Doubtful]	0.36	0.36
Less: Allowance for bad and doubtful	(0.36)	(0.36)
Total	**81.27**	**74.75**

Note no. 9.1: The Company has given refundable security deposits in form of fixed bank deposits to various project authorities to be held in their name and custody. It will be refunded after satisfactory completion of work. The company has therefore shown these fixed bank deposits amounting ₹ 38.66 Crores (Previous Year ₹ 34.05 Crores) and interest accrued on such fixed bank deposits ₹ 7.81 Crores (Previous Year ₹ 6.99 Crores), till they are in custody with project authorities as "Security Deposits" under the Note- "Non- Current Financial Assets : Others" in the balance sheet.

Refer Note 45 for financial Instruments, fair value and measurements

Refer Note 20 on borrowings for details in terms of pledge of assets as security.

Notes to Standalone financial statements for the year ended on 31st March, 2022

NOTE 10 OTHER NON- CURRENT ASSETS

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Capital advances		
Capital advances [Unsecured, considered good]	142.54	76.12
Capital advances [Credit Impaired]	3.63	2.11
	146.17	78.23
Less: Allowance for bad and doubtful	(3.63)	(2.11)
Total	**142.54**	**76.12**
Advance against expenses		
Other advances - [Unsecured, considered good]	1.30	0.78
Advance payment of income tax [Net of provisions] (Refer Note 30)	45.26	27.07
Prepaid Expenses	109.26	115.59
Balances with Government authorities for Litigations	18.11	18.11
Balances with Government authorities - VAT credit refundable	117.57	59.85
Deferred employee benefit cost	2.87	4.42
Other non-current assets	0.03	0.03
Total	**436.94**	**301.97**

Refer Note 48 for Related party balances
Refer Note 20 on borrowings for details in terms of pledge of assets as security.

NOTE 11 INVENTORIES

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Natural Gas	14.16	6.92
Stores and spares	39.23	37.58
Deferred delivery-Natural Gas (Goods in transit)	-	7.98
Total	**53.39**	**52.48**

For Valuation- Refer note 2(m)
Refer Note 20 on borrowings for details in terms of pledge of assets as security.

NOTE 12 CURRENT FINANCIAL ASSETS : TRADE RECEIVABLES

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Trade Receivables (A)		
Trade Receivables considered good - Secured	271.80	175.73
Trade Receivables considered good - Unsecured (Backed by Bank guarantee)	430.07	473.59
Trade Receivables considered good - Unsecured (Others)	153.88	72.24
Trade Receivables - credit impaired	13.64	9.85
Total	**869.39**	**731.41**
Less: Allowance for bad and doubtful	13.64	9.85
Total (A)	**855.75**	**721.56**
Unbilled Revenue (B)	74.30	53.18
Total (A+B)	**930.05**	**774.74**

Refer Note 45 for financial Instruments, fair value and measurements
Refer Note 48 for Related party balances
Refer Note 20 on borrowings for details in terms of pledge of assets as security.

Notes to Standalone financial statements for the year ended on 31st March, 2022

NOTE 12.1 Trade Receivable ageing schedule:
As on 31 March 2022: (₹ in Crores)

Particulars	Outstanding for following period from due date of payment							Total
	Unbilled	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	-	739.39	102.54	5.14	2.08	0.62	1.22	850.97
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	1.50	2.79	1.14	0.95	0.35	1.92	8.65
(iv) Disputed Trade Receivables - Considered Good	-	0.05	0.93	0.30	0.56	0.54	2.39	4.77
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	0.00	0.20	0.35	0.68	0.61	3.14	4.99
(vii) Unbilled	74.30	-	-	-	-	-	-	74.30
Total	**74.30**	**740.93**	**106.46**	**6.93**	**4.27**	**2.13**	**8.67**	**943.69**
Less: Allowance for bad and doubtful								
(viii) Allowance for doubtful - Undisputed Trade receivables	-	(1.50)	(2.79)	(1.14)	(0.95)	(0.35)	(1.92)	(8.65)
(ix) Allowance for doubtful - Disputed Trade receivables	-	(0.00)	(0.20)	(0.35)	(0.68)	(0.61)	(3.14)	(4.99)
Net Trade Receivables	**74.30**	**739.43**	**103.47**	**5.44**	**2.63**	**1.17**	**3.61**	**930.05**

As on 31 March 2021: (₹ in Crores)

Particulars	Outstanding for following period from due date of payment							Total
	Unbilled	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	-	646.54	64.91	2.62	1.83	0.48	1.17	717.54
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	0.68	1.12	1.17	0.71	0.40	1.79	5.87
(iv) Disputed Trade Receivables - Considered Good	-	0.02	0.46	0.30	0.60	0.63	2.01	4.02
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	0.00	0.06	0.22	0.60	0.60	2.50	3.98
(vii) Unbilled	53.18	-	-	-	-	-	-	53.18
Total	**53.18**	**647.24**	**66.55**	**4.30**	**3.73**	**2.11**	**7.47**	**784.59**
Less: Allowance for bad and doubtful								
(viii) Allowance for doubtful - Undisputed Trade receivables	-	(0.68)	(1.12)	(1.17)	(0.71)	(0.40)	(1.79)	(5.87)
(ix) Allowance for doubtful - Disputed Trade receivables	-	(0.00)	(0.06)	(0.22)	(0.60)	(0.60)	(2.50)	(3.98)
Net Trade Receivables	**53.18**	**646.56**	**65.37**	**2.92**	**2.42**	**1.11**	**3.18**	**774.74**

Notes to Standalone financial statements for the year ended on 31st March, 2022

NOTE 13 CURRENT FINANCIAL ASSETS : CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
(a) Balance with banks		
Balance in bank account [with Sweep -In deposit facility]	17.98	14.53
(b) Balance with financial Institutions		
Deposits with maturity of less than three months :		
Intercorporate deposits/ Liquid deposits with Gujarat State Financial Services Ltd	-	261.02
(c) Cash on hand	1.61	1.11
Total	**19.59**	**276.66**

Refer Note 45 for financial Instruments, fair value and measurements
Refer Note 48 for Related party balances
Refer Note 20 on borrowings for details in terms of pledge of assets as security.

NOTE 14 CURRENT FINANCIAL ASSETS : OTHER BANK BALANCES

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Earmarked balances in unclaimed dividend accounts (Refer Note 14.1)	1.52	1.31
Margin money or security against borrowings & guarantees	-	40.00
Deposits (with banks/ financial Institutions) with maturity having more than 3 months but less than 12 months	-	0.92
Total	**1.52**	**42.23**

Note 14.1 : The balances in dividend accounts are not available for use by the Company and the money remaining unpaid will be deposited in the Investor Protection and Education Fund after the expiry of 7 years from the date they became due for payment. No amount is due at the end of the period for credit to Investor Protection and Education fund.

Refer Note 45 for financial Instruments, fair value and measurements
Refer Note 20 on borrowings for details in terms of pledge of assets as security.

NOTE 15 CURRENT FINANCIAL ASSETS : LOANS

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Loans to employees [Unsecured, considered good]	2.91	1.29
Total	**2.91**	**1.29**

Refer Note 20 on borrowings for details in terms of pledge of assets as security.
Refer Note 45 for financial Instruments, fair value and measurements
Refer Note 51 for Loans to Promoters, Directors, KMPs and Related parties

NOTE 16 CURRENT FINANCIAL ASSETS : OTHERS

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Other Bank Balances*	0.02	0.02
Unbilled Receivables-Other Income	0.99	1.93
Insurance claim receivable	0.05	-
Staff - Employee Advance	-	0.01
Receivable from employee	0.64	0.59
Other receivables [Unsecured, considered good]:-		
From Related parties	6.25	0.23
From Others	8.87	2.76
Total	**16.82**	**5.54**

* Includes Margin money or security against borrowings & guarantees ₹ 0.02 Crores (Previous year ₹ 0.02 Crores)
Refer Note 20 on borrowings for details in terms of pledge of assets as security.
Refer Note 45 for financial Instruments, fair value and measurements
Refer Note 48 for Related party balances

Notes to Standalone financial statements for the year ended on 31st March, 2022

Note 17 CURRENT ASSETS : OTHERS **(₹ in Crores)**

Particulars	As at 31st March 2022	As at 31st March 2021
Advances for expenses[Unsecured, considered good]		
To Related parties	-	0.02
To Others	10.79	10.85
	10.79	10.87
Prepaid Expenses	27.78	31.25
Indirect Tax credit receivable (Excise, VAT, GST etc.)	29.18	18.06
Balances with Government authorities - VAT credit refundable	292.46	122.20
Deferred employee benefit cost	3.13	2.89
Total	**363.34**	**185.27**

Refer Note 20 on borrowings for details in terms of pledge of assets as security.
Refer Note 45 for financial Instruments, fair value and measurements
Refer Note 48 for Related party balances

NOTE 18 SHARE CAPITAL
Note 18.1 Authorised, issued, subscribed, fully paid up share capital **(₹ in Crores)**

Particulars	As at 31st March 2022		As at 31st March 2021	
	No. of shares	Amount	No. of shares	Amount
Authorised				
Equity Shares of ₹ 2 each	8,67,55,00,000	1,735.10	8,67,55,00,000	1,735.10
7.5% Redeemable preference Shares of ₹ 10 each	1,70,00,000	17.00	1,70,00,000	17.00
Preference shares of ₹ 10 each	50,00,000	5.00	50,00,000	5.00
Issued, Subscribed and Paid up Equity Shares of ₹ 2 each (fully paid-up)	68,83,90,125	137.68	68,83,90,125	137.68
Total	68,83,90,125	137.68	68,83,90,125	137.68

NOTE 18.2 Reconciliation of shares outstanding at the beginning and at the end of the reporting period **(₹ in crores)**

Particulars	As at 31st March 2022		As at 31st March 2021	
	Equity Shares of ₹ 2 each fully paid		Equity Shares of ₹ 2 each fully paid	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the period	68,83,90,125	137.68	68,83,90,125	137.68
Add: Shares issued during the period	-	-	-	-
Less: Changes during the period	-	-	-	-
Shares outstanding at the end of the period	**68,83,90,125**	**137.68**	**68,83,90,125**	**137.68**

Note 18.3 : Terms/ rights attached to equity shares

The company has only one class of equity shares having a face value of ₹ 2 per share (previous year ₹ 2 each). Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive residual assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to Standalone financial statements for the year ended 31st March 2022

Note 18.4 Share holding by prescribed entities

Out of Equity shares issued by the company, shares held by its holding company and their subsidiaries and associates are as under: **(₹ in Crores)**

Share Holder (Nature of Relationship)	As at 31st March 2022		As at 31st March 2021	
	No. of Equity Shares of ₹ 2 each fully paid	Amount	No. of Equity Shares of ₹ 2 each fully paid	Amount
(i) Gujarat State Petronet Limited (current year :- Holding Company and previous year :- Holding Company)	37,28,73,995	74.57	37,28,73,995	74.57
(ii) Gujarat State Energy Generation Limited (current year :- Associate of Intermediate Holding Company and previous year :- Associate of Intermediate Holding Company)	13,32,235	0.27	13,32,235	0.27
(iii) Gujarat State Fertilizers and Chemicals Limited (current year :- Associate of Ultimate Holding Company and previous year :- Associate of Ultimate Holding Company)	4,69,14,475	9.38	4,69,14,475	9.38
(iv) Gujarat Alkalies & Chemicals Limited (current year :- Associate of Ultimate Holding Company and previous year :- Associate of Ultimate Holding Company)	2,13,15,785	4.26	2,13,15,785	4.26
(v) Gujarat Narmada Vally Fertilizers and Chemicals Limited (current year :-Associate of Ultimate Holding Company and previous year :- Associate of Ultimate Holding Company)	2,66,445	0.05	2,66,445	0.05

Note 18.5 Shareholders holding more than 5 % of total share capital

Name of Shareholder	As at 31st March 2022		As at 31st March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
	Equity Shares of ₹ 2 each fully paid		Equity Shares of ₹ 2 each fully paid	
Gujarat State Petronet Limited	37,28,73,995	54.17%	37,28,73,995	54.17%
Gujarat State Fertilizers and Chemicals Limited	4,69,14,475	6.82%	4,69,14,475	6.82%
Government of Gujarat	4,49,77,310	6.53%	4,49,77,310	6.53%

Note 18.6 Disclosures of Shareholding of Promoters - Shares held by the Promoters:

Promoter name	Class of Shares	As at 31st March 2022		As at 31st March 2021		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
Gujarat State Petroleum Corporation Limited	Equity	-	-	-	-	-
Gujarat State Petronet Limited	Equity	37,28,73,995	54.17%	37,28,73,995	54.17%	0.00%
Government of Gujarat	Equity	4,49,77,310	6.53%	4,49,77,310	6.53%	0.00%
Gujarat State Energy Generation Limited	Equity	13,32,235	0.19%	13,32,235	0.19%	0.00%
Total		**41,91,83,540**	**60.89%**	**41,91,83,540**	**60.89%**	

Note 18.7 Details of Bought back of shares, Bonus Shares and Shares issue without payment being received in Cash:

The company has not bought back any equity shares, has not allotted any shares as fully paid up pursuant to contracts without payment being received in cash and has not allotted bonus shares during the period of five years immediately preceding the date of balance sheet. Further, there are no shares which are reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.

Note 18.8 Proposed Dividend:

The Board of Directors, in its meeting on 10th May, 2022, have proposed a final dividend of ₹ 2.00 per equity share (Face value of ₹ 2/- each) for the financial year ended on 31st March,2022. The proposal is subject to the approval of shareholders at the Annual General Meeting and, if approved, would result in a cash outflow of ₹ 137.68 crores.

The Board of Directors, in its meeting on 1st June, 2021, had proposed a final dividend of ₹ 2.00 per equity share (Face value of ₹ 2/- each) for the financial year ended on 31st March,2021.The proposal was approved by shareholders at the Annual General Meeting and this resulted in a cash outflow of ₹ 137.68 crores.

Notes to Standalone financial statements for the year ended 31st March 2022

Note-19 OTHER EQUITY **(₹ in Crores)**

Particulars	As at 31st March 2022	As at 31st March 2021
(A) Reserves & Surplus		
General Reserve		
Opening Balance	2.72	2.72
Add/Less : Adjustment during the year	-	-
Closing Balance	**2.72**	**2.72**
Amalgamation and arrangement Reserve		
Opening Balance	879.59	879.59
Add/Less : Adjustment during the year	-	-
Closing Balance	**879.59**	**879.59**
Capital Reserve (Refer note 56)		
Opening Balance	(23.98)	-
Add : Capital Reserve from business combination transaction	-	(23.98)
Closing Balance	**(23.98)**	**(23.98)**
Retained Earnings		
Opening balance	3,562.38	2,382.35
Retained earning from business combination transaction (Refer note 56)	-	(2.68)
Restated balance at the beginning	3,562.38	2,379.67
Add: Profit during the year	1,285.64	1,268.15
Remeasurement of post employment benefit obligation (net of tax)	0.57	0.61
Total	4,848.59	3,648.43
Less : Appropriations		
Dividend	(137.68)	(86.05)
Closing Balance	**4,710.91**	**3,562.38**
Total (A)	**5,569.24**	**4,420.71**
(B) Equity instrument through OCI		
Opening Balance	(109.75)	(111.71)
Add/Less : Change in fair value of equity instrument	2.62	2.52
Add/Less : Income tax relating to above item	(0.50)	(0.56)
Closing Balance (B)	**(107.63)**	**(109.75)**
Total other equity (A+B)	**5,461.62**	**4,310.96**

Nature and purpose of reserves :

General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purpose. As the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit and loss.

Amalgamation and Arrangement Reserve

The "Amalgamation and Arrangement Reserve", created pursuant to scheme of amalgamation and arrangement, is treated as free reserve based on the judgment of Honourable Gujarat High Court dated 18th April 2015 read with relevant other court decisions.

Retained Earnings

Retained earnings represents surplus / accumulated earnings of the company available for distribution to shareholders.

Capital Reserve

Capital Reserve not available for distribution of dividend and expected to remain invested permanently.

Negative capital reserve represents difference between the consideration and carrying amount of net assets/liabilities acquired as per business transfer agreement for transactions among entities under common control.

Equity instrument through OCI

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Equity instrument through OCI reserve within equity.

Notes to Standalone financial statements for the year ended 31st March 2022

NOTE 20 NON- CURRENT FINANCIAL LIABILITIES: BORROWINGS

(₹ in Crores)

	As at 31st March 2022		As at 31st March 2021	
Secured borrowings	**Non-Current**	**Current***	**Non-Current**	**Current***
Term Loan from Banks (Refer Note 20.1)	390.97	86.95	769.95	127.31
Total secured borrowings	**390.97**	**86.95**	**769.95**	**127.31**

*For current maturities of long term borrowing amount disclosed under the head "Current Financial Liabilities: Borrowings" (Note 25)
The Company does not have any defaults in repayment of loans and interest as at the reporting date.

20.1 Term Loan from Banks

(₹ in Crores)

Name of lender	Terms of repayment	Current Interest Rate $	Maturity	As at 31st March 2022		As at 31st March 2021	
				Non-Current	Current	Non-Current	Current
From banks							
HDFC Bank Term Loan I #	NA (for Previous year : Quarterly Installment from March 2018 to December 2027)	NA	NA	-	-	292.10	40.43
HDFC Bank Term Loan II	Quarterly Installment from March 2021 to September 2027	5.50% p.a	Sep-27	390.97	86.95	477.85	86.88
Total				**390.97**	**86.95**	**769.95**	**127.31**

\# During this financial year 2021-22, Company made pre-payment of term loans of ₹ 327.47 Crores out of internal accruals of the company.(HDFC Bank Term Loan I)
$ Interest rate is as on balance sheet date and interest on borrowing is payable on monthly basis.
Refer Note 45 for financial Instruments, fair value measurements.

The details of security given for all loans are as under :

Type of Loan	As at 31st March 2022	As at 31st March 2021
Secured Borrowings	For HDFC Bank RTL II: A first ranking pari passu charge over movable fixed assets (both present and future) of the Borrower (except any ROU, ROW, any immovable fixed assets, lease assets and all other assets which are not permitted to be transferred in the name of the Borrower and/or creation of charge is not permissible in favor of the Bank).	For HDFC Bank Rupee Term Loan I: 1. A first pari passu charge on the fixed assets (movable and immovable properties) of the Borrower, both present and future (except for ROU/ROW rights). 2. A second pari passu charge on current assets, both present and future with other secured term lenders of the Borrower. The working capital lenders will have first pari passu charge on the above current assets. For HDFC Bank Rupee Term Loan II: A first ranking pari passu charge over moveable fixed assets (both present and future) of the Borrower (except any ROU, ROW, any immovable fixed assets, lease assets and all other assets which are not permitted to be transferred in the name of the Borrower and/or creation of charge is not permissible in favor of the Bank).
Guarantee by Directors or others	None of the loan has been guaranteed by the directors or others	None of the loan has been guaranteed by the directors or others
Loan from related party	None of the loan has been taken from the related party(ies)	None of the loan has been taken from the related party(ies)

NOTE 20.2 The Company has obtained various borrowings from banks on basis of above security wherein submission of the quarterly returns/ statements of current assets is not required as per sanction letter.

Notes to Standalone financial statements for the year ended on 31st March 2022

NOTE 21 LEASE LIABILITIES

(₹ in Crores)

Particulars	As at 31st March 2022		As at 31st March 2021	
	Non-Current	Current	Non-Current	Current
Lease Liabilities (Refer note 50)	125.33	22.45	70.36	14.96
Total	**125.33**	**22.45**	**70.36**	**14.96**

NOTE 22 NON-CURRENT PROVISIONS

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for employee benefits (Refer note 47)		
Provision for Long service benefits	0.93	0.90
Provision for leave encashment	52.75	50.77
Provision for Superannuation	0.10	0.10
Total	**53.78**	**51.77**

NOTE 23 DEFERRED TAX LIABILITIES (Net)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
A. Deferred tax Liabilities		
Tax effect of items constituting :		
Property, plant and equipment & Intangible assets	858.81	834.34
Investments	4.39	3.90
Total - A	**863.20**	**838.24**
B. Deferred tax asset		
Tax effect of items constituting :		
Employee benefits	14.90	13.28
Provisions	18.14	12.67
Other items*	22.44	19.77
Total - B	**55.48**	**45.72**
Deferred tax Liabilities (Net) (A-B)	**807.72**	**792.52**

*Other items includes effects of Leases (IND AS 116), Deferred revenue (IND AS115), financial instruments measurement etc.

(a) Deferred tax balances and movement for FY 2021-22

(₹ in Crores)

Particulars	Net balance 1st April 2021	Recognised in profit or loss		Recognised in OCI	Other Adjustments	As at 31st March 2022
		Restatement	Others			
Deferred tax Liabilities - Tax effect of items constituting -						
Property, plant and equipment & Intangible assets	834.34	-	24.47	-	-	858.81
Investments	3.90	-	-	0.50	-	4.39
Total	**838.24**	**-**	**24.47**	**0.50**	**-**	**863.20**
Deferred tax asset- Tax effect of items constituting -						
Employee benefits	13.28	-	1.81	(0.19)	-	14.90
Provisions	12.67	-	5.47	-	-	18.14
Other items	19.77	-	2.67	-	-	22.44
Total	**45.72**	**-**	**9.95**	**(0.19)**	**-**	**55.48**
Restatement of Previous year (Refer Note 56)	-	(2.77)	-	-	-	-
Net deferred tax Liabilities	**792.52**	**(2.77)**	**14.52**	**0.69**	**-**	**807.72**

Notes to Standalone financial statements for the year ended on 31st March 2022

(b) Deferred tax balances and movement for FY 2020-21 (₹ in Crores)

Particulars	Net balance 1st April 2020	Recognised in profit or loss		Recognised in OCI	Other Adjustments/ Capital Reserve*	As at 31st March 2021
		Restatement	Others			
Deferred tax Liabilities - Tax effect of items constituting -						
Property, plant and equipment & Intangible assets	833.58	-	14.22	-	(13.46)	834.34
Investments	3.34	-	-	0.56	-	3.90
Loans and borrowings	0.14	-	(0.14)	-	-	-
Total	**837.06**	**-**	**14.08**	**0.56**	**(13.46)**	**838.24**
Deferred tax asset - Tax effect of items constituting -						
Employee benefits	11.62	-	1.86	(0.20)	-	13.28
Provisions	7.52	-	5.15	-	-	12.67
Other items	17.43	-	2.01	-	0.33	19.77
Total	**36.57**	**-**	**9.02**	**(0.20)**	**0.33**	**45.72**
Restatement of Previous year (Refer Note 56)	-	0.88	-	-	-	-
Net deferred tax Liabilities	**800.49**	**0.88**	**5.06**	**0.76**	**(13.79)**	**792.52**

* Refer Note 56 for deferred tax asset created on account of business combination transactions

Notes:

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

(c) Tax losses carried forward

Particulars	As at 31st March 2022	Expiry date	As at 31st March 2021	Expiry date
Expire	Nil	NA	Nil	NA
Never Expire	Nil	NA	Nil	NA

NOTE 24 OTHER NON-CURRENT LIABILITIES (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Deferred Revenue (Refer Note 49)	68.83	62.94
Total	**68.83**	**62.94**

NOTE 25 CURRENT FINANCIAL LIABILITIES : BORROWINGS (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Current maturities of long term borrowings - (Refer Note 20):-		
Term Loan		
-From Banks (Secured)	86.95	127.31
Total (A)	**86.95**	**127.31**
Loans Repayable on demand (Unsecured)		
-From Banks (Bank Overdraft)	3.15	-
Total (B)	**3.15**	**-**
Total	**90.10**	**127.31**

The Company does not have any defaults in repayment of loans and interest as at the reporting date.
The Company has obtained unsecured working capital Overdraft facilities wherein submission of the quarterly returns/ statements of current assets is not applicable.
Refer Note 45 for financial Instruments, fair value and measurements

Notes to Standalone financial statements for the year ended on 31st March 2022

NOTE 26 CURRENT FINANCIAL LIABILITIES : TRADE PAYABLES (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Total outstanding dues of micro enterprises and small enterprises -		
Trade payables others (Refer Note 44)	**21.36**	**9.15**
Total outstanding dues of creditors other than micro enterprises and small enterprises:-		
Trade payables - Gas Purchase / Transmission	292.63	315.88
Trade payables - Others	31.27	34.25
Unbilled dues	100.37	88.04
Total	**424.27**	**438.17**
Total	**445.63**	**447.32**

Refer Note 45 for financial Instruments, fair value and measurements
Refer Note 48 for Related party balances

Note 26.1: Trade Payable ageing schedule:

As on 31 March 2022: (₹ in Crores)

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	21.07	0.29	-	-	-	21.36
(ii) Others	-	316.35	4.53	0.09	0.11	0.54	321.63
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	1.48	-	-	0.12	0.66	2.26
(v) Unbilled	100.37	-	-	-	-	-	100.37
Total	**100.37**	**338.91**	**4.83**	**0.09**	**0.23**	**1.20**	**445.63**

As on 31 March 2021: (₹ in Crores)

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	9.02	0.12	-	-	-	9.15
(ii) Others	-	341.46	5.48	0.14	0.06	0.59	347.74
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	1.63	0.09	0.06	0.60	-	2.39
(v) Unbilled	88.04	-	-	-	-	-	88.04
Total	**88.04**	**352.12**	**5.70**	**0.20**	**0.66**	**0.59**	**447.32**

Note 27 CURRENT FINANCIAL LIABILITIES : OTHERS (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Capital creditors and other payables (Including retentions):-		
- Total outstanding dues of micro enterprises and small enterprises (Refer note 44)	90.03	42.72
- Total outstanding other than dues of micro enterprises and small enterprises	197.45	230.75
	287.48	**273.47**
Business combination transaction liability (Refer Note 56)	-	159.38
Security Deposits from customers	1,326.45	1,071.61
Interest accrued on security deposits from customers	11.86	8.02
Security Deposit from customers towards MGO	151.85	76.51
Security Deposit from collection centres and others	4.82	5.12
Security Deposits from Suppliers	52.55	44.25
Unclaimed dividend (Refer Note 27.1)	1.52	1.31

Notes to Standalone financial statements for the year ended 31st March 2022

Note 27 CURRENT FINANCIAL LIABILITIES : OTHERS (Continued...) **(₹ in Crores)**

Particulars	As at 31st March 2022	As at 31st March 2021
Others:		
BG Asia Pacific Holdings Limited	-	464.78
Less : Amount deposited in Escrow Account with Citi Bank (Refer Note 27.2)	-	(464.78)
Net Payable	-	-
Other current financial liabilities	5.43	1.60
Total	**1,841.96**	**1,641.27**

Refer Note 45 for financial Instruments, fair value and measurements
Refer Note 48 for Related party balances

Note 27.1: The balance with the bank for unpaid dividend is not available for use by the Company and the money remaining unpaid will be deposited in Investor Protection and Education Fund u/s 124(5) of Companies Act, 2013 after the expiry of seven years from the date of declaration of dividend. No amount is due at the end of the period for credit to Investors education and protection fund.

Note 27.2: The Company deposited ₹ 464.78 crores on 12th June, 2013 into the escrow account ("named BG Asia Pacific Holdings Pte. Limited GSPC Distribution Networks Limited Escrow Account") opened with Citibank N.A., acting as the escrow agent, pursuant to the escrow agreement executed between the BG Asia Pacific Holdings Pte. Limited (the Seller), Gujarat Gas Limited (Formerly known as GSPC Distribution Networks Limited) (the Purchaser) and Citibank N.A. The Payment of said amount into Escrow Account was to be utilized to meet future tax withholding liability (if any) based on outcome of the applications to the Authority for Advance Rulings or otherwise to be remitted to BG Asia Pacific Holdings Pte. Limited (the Seller) directly.

The Company has received the ruling from the Hon'ble Authority for Advance Ruling ("AAR"), vide consolidated ruling order dated 25th February 2021 wherein the Hon'ble AAR has held that the transaction Price is not subject to any tax withholding in India and the Purchaser is not required to withhold tax since the capital gains is not subject to tax in India in view of Article 13(4) of the India Singapore Tax Treaty under India Singapore Double Tax Avoidance Agreement in the hands of the Seller. Pursuant to the ruling of the Hon'ble AAR and as per the terms of the Escrow Agreement, amount of ₹ 464.78 crores kept in Escrow Account had been remitted to the BG Singapore on 7th April 2021.

During the year, Commissioner of Income Tax (International Taxation) – 3 (CIT), has filed Civil Misc. Writ Petition against BG Singapore, challenging the AAR Ruling before the Hon'ble High Court of Uttarakhand at Nainital on 22.09.2021. CIT has also filed Impleadment /Amendment Application in Civil Misc. Writ Petition before the Hon'ble High Court of Uttarakhand at Nainital on 08.01.2022 for amendment of cause title of the petition and added Commissioner of Income Tax (IT & TP), Ahmedabad as Petitioner No. 2 and GGL as Respondent No. 2. Currently, the Impleadment /Amendment Application is in process for admission with Hon'ble High Court of Uttarakhand.

As per the clause 12.3 & 12.4 of the Share purchase agreement, the Seller had agreed to indemnify, defend and hold harmless the Purchaser from and against any Tax claim notice receives on or prior to the expiry of 10 years from the Closing date (i.e. up to 11th June, 2023) in respect of Seller's sale of shares to the Purchaser

In view of this, there is no possibility of any outflow in this matter and hence, the same has not been considered as Contingent Liability.

Note 28 CURRENT LIABILITIES : OTHERS **(₹ in Crores)**

Particulars	As at 31st March 2022	As at 31st March 2021
Advances from customer	30.33	22.97
Deferred Revenue (Refer Note 49)	10.59	9.30
Statutory dues payable (Includes Excise duty,VAT,GST,TDS,PF etc.)	35.11	24.71
Other Current Liabilities	0.26	0.11
Total	**76.29**	**57.09**

Note 29 CURRENT PROVISIONS **(₹ in Crores)**

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for employee benefits (Refer note 47)		
Provision for gratuity	0.16	0.52
Provision for leave encashment	2.65	1.28
Provision for bonus & incentives	22.59	22.68
Provision for other employee benefits	3.12	0.06
Provision for CSR (Refer note 54)	4.40	-
Total	**32.92**	**24.54**

Notes to Standalone financial statements for the year ended 31st March 2022

Note 30 CURRENT TAX LIABILITIES (NET)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Current income tax liabilities (Net of advance tax, TDS and TCS)	-	-
Total	**-**	**-**

INCOME TAX ASSETS AND LIABILITIES (NET)
Details of Income tax assets and income tax liabilities

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
(a) Income tax assets (Refer Note 10)	45.26	27.07
(b) Current income tax liabilities	-	-
Net Asset (a-b) (Refer Note 10)	**45.26**	**27.07**

Movement in income tax asset/(liability)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Net current income tax asset/(liability) at the beginning of the period	27.07	34.61
Movement during the year on account of :		
Income tax paid for the year	437.54	417.61
Provision for Income tax for the year (Refer Note 40(a))	(417.01)	(415.07)
Prior year tax paid /refund adjusted with tax / other items	(1.13)	(9.07)
Prior year tax paid	0.11	0.17
Income tax refund received	(1.33)	(1.18)
Net current income tax asset/(liability) at the end of the period	**45.26**	**27.07**

Note 31 REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Sale of Product (Including excise duty)		
Natural Gas	**16,710.32**	**10,012.46**
Other operating revenue		
Gas transmission / Compression income (Including excise duty)	5.26	1.89
Contract Renewal Charges	23.21	14.46
Take or Pay Income	21.90	10.21
Connection, Service and Fitting Income	24.64	16.52
Other Operating Income	2.02	1.56
	77.03	**44.64**
Total	**16,787.35**	**10,057.10**

Notes to Standalone financial statements for the year ended 31st March 2022

Note 32 OTHER INCOME **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest Income		
From Deposits with Banks/Financial Institutions*	14.54	25.72
From Customers on delayed payments	17.56	11.07
From Other financial assets at amortised cost (EIR)	0.99	0.77
Others (including interest on tax refunds Current year Nil, Previous year ₹ 3.52 Crores)**	0.58	4.15
Total	**33.67**	**41.71**
Dividend on Investments	0.00	-
Late payment charges	10.79	8.15
Provisions no longer required written back	20.78	6.77
Profit on sale as scrap and diminution in Capital Inventory	1.03	0.24
Other Non-Operating Income	24.47	14.57
Total	**90.74**	**71.44**

*Includes interest Income on Security deposits in form of fixed/ liquid deposits with banks/ financial institutions
**Includes interest income on deposits, staff advances and employee loans
Figures INR 0.00 denotes amount less than INR 50,000/-.

Note 33 COST OF MATERIALS CONSUMED **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Natural Gas - Purchase	12,853.62	6,524.29
Gas Transportation Charges	582.51	478.40
Change in Deferred delivery of natural gas (GIT):-		
Add :- Opening balance	7.98	3.31
Less:- Closing balance	-	(7.98)
Net Change in Deferred delivery of natural gas (GIT)	**7.98**	**(4.68)**
Total	**13,444.11**	**6,998.01**

Note 34 CHANGES IN INVENTORIES OF NATURAL GAS **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Changes in inventories of finished goods, stock in trade and work in progress - Natural Gas		
Inventory at the beginning of the year	6.92	5.44
Less: Inventory at the end of the year	14.16	6.92
Total	**(7.24)**	**(1.48)**

Note 35 EMPLOYEE BENEFIT EXPENSE **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Salaries and Wages	153.19	142.13
Contribution to Provident and Other Funds- Gratuity(Refer note 47)	19.99	19.06
Leave Encashment & Other benefits	10.27	10.05
Staff Welfare Expenses	13.06	12.02
	196.51	183.26
Less: Amount capitalised during the period*	(5.63)	(5.77)
Total	**190.88**	**177.49**

*Salary & wages of employees directly involved in capital projects are capitalised in Property, plant and equipment (PPE).

Notes to Standalone financial statements for the year ended 31st March 2022

Note 36 FINANCE COSTS **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March2021
Interest on Borrowings	35.27	102.17
Interest on Security Deposits & Others	13.45	8.96
Interest expenses on lease liability (Refer note 50)	7.25	5.22
Interest on Income Tax	0.85	0.41
Total	**56.82**	**116.76**

Note 37 DEPRECIATION AND AMORTISATION EXPENSE **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March2021
Depreciation of property, plant and equipment (Refer note 3.1)	338.02	308.13
Amortisation of intangible assets (Refer note 5.1)	21.97	20.90
Amortisation of ROU assets (Refer note 5.3)	24.92	14.54
Total	**384.91**	**343.57**

Note 38 OTHER EXPENSES **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March2021
Consumption of Stores & Spares Parts	17.58	15.19
Power and Fuel	119.28	75.60
Repairs and Maintenance:		
- Buildings	2.47	2.56
- Plant and Machinery	237.13	193.47
- Others	13.45	13.88
Lease Charges-Others (Refer Note 38.1)	33.80	24.60
LCV/HCV Hiring, Operating and Maintenance Charges (Refer Note 38.1)	50.40	48.96
Franchisee and other Commission	45.69	29.08
Agency & Contract Staff Expenses	31.40	28.22
Legal and Professional Charges	32.01	27.42
ROW Running Charges	54.67	48.98
Loss on sale / write-off of Fixed Assets (net)	1.49	3.41
Bank Charges	24.86	17.56
Billing and Collection Expenses	11.39	9.66
Vehicles Expenses	6.61	5.45
Office Expenses	9.32	8.22
Postage and Telephone Expenses	4.51	4.18
Allowance for Doubtful Trade Receivables/Advances/Deposits(net)	3.71	1.58
Business Promotion Expenses	3.63	6.26
Insurance	10.36	10.21
Rates, taxes and duties	1.41	1.39
Travelling and Conveyance	0.98	0.62
Stationery and Printing Expenses	1.57	1.80
Corporate Social Responsibility Expenses (Refer Note no. 54)	23.54	15.01
Payment to Auditors (Refer Note 38.2)	0.32	0.29
Diminution in Capital Inventory/Loss on sale as scrap	2.74	7.24
Miscellaneous Expenses	7.84	7.38
Net loss on foreign currency transaction(Refer Note 38.3)	0.01	0.01
Total	**752.17**	**608.23**

Note 38.1 Leases charges-Others includes rental charges of all assets that have lease period of 12 month or less, rental charges of low value assets, variable lease payments and component of taxes of ROU lease charges.

LCV/HCV Hiring, Operating and Maintenance Charges includes non lease component viz. manpower, fuel cost, repair and maintenance and rental charges of LCV/HCV lease assets that have lease period of 12 month or less.

(Refer note 50).

Notes to Standalone financial statements for the year ended 31st March 2022

Note 38.2 Payment to Auditors **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
For Statutory Audit	0.32	0.29
For Out of pocket expenses	0.00	0.00
For Other services	0.00	0.00
Total	**0.33**	**0.29**

Figures INR 0.00 denotes amount less than INR 50,000/-.

Note 38.3 Net (gain) or loss on foreign currency transaction **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Loss on foreign currency transaction	0.01	0.01
Gain on foreign currency transaction	0.00	0.00
Net (gain) or loss on foreign currency transaction	**0.01**	**0.01**

Figures INR 0.00 denotes amount less than INR 50,000/-.

Note 39 EXCEPTIONAL ITEMS **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March2021
Exceptional item	11.90	-
Total	**11.90**	**-**

Note 39.1 Exceptional item pertains to payment of stamp duty with regards to the Business Transfer Agreement (BTA) & conveyance deed executed for transfer / purchase of City Gas Distribution (CGD) Business of Amritsar and Bhatinda Geographical Areas from Gujarat State Petronet Limited (a holding company) to Gujarat Gas Limited for cash consideration. (Refer Note 56)

Note 40 TAX EXPENSE
(a) Amounts recognised in statement of profit and loss **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Income Tax Expenses		
Current Tax		
(a) Current income tax	414.90	412.14
(b) Short/(Excess) provision of income tax in respect of previous years	1.13	9.07
Total (A)	**416.03**	**421.21**
Deferred tax		
Deferred tax expense / (Income)- net		
(a) In respect of current year, Origination and reversal of temporary differences	12.88	15.04
(b) Short/(Excess) provision of income tax in respect of previous years	(1.14)	(9.10)
Total (B)	**11.74**	**5.94**
Tax expense for the year (A+B)	**427.77**	**427.15**

Notes to Standalone financial statements for the year ended 31st March 2022

(b) Reconciliation of effective tax rate and tax expense with accounting profit **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Profit before tax	**1,713.41**	**1,695.30**
Tax using the Company's domestic tax rate (Current year 25.17% and Previous Year 25.17%)	431.23	426.67
Tax effect on account of:		
Expenses not deductible or disallowances for tax purposes - Interest u/s. 234B / 234C , donation etc.	6.14	1.36
Other items	1.65	0.53
Impact of Long Term Capital Gain on Land	(8.53)	(1.71)
Tax impact on Losses of GSPL (Amritsar & Bhatinda GA) on account of restatement (Refer note 56)	(2.71)	0.33
Impact of (Excess)/Short provisions of earlier year taxes	(0.01)	(0.03)
Total	**427.77**	**427.15**

Note 41 STATEMENT OF OTHER COMPREHENSIVE INCOME **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Items that will not be reclassified to profit or loss		
I. Equity Instruments through Other Comprehensive Income		
Fair value of unquoted investments - gain	2.62	2.52
Tax impact on unquoted investments	(0.50)	(0.56)
II. Remeasurement gains/ (losses) on defined employee benefit plans		
Actuarial gains	0.76	0.81
Tax impact on actuarial gains	(0.19)	(0.20)
Total of Items that will not be reclassified to profit or loss	**3.38**	**3.33**
Total Tax impact	**(0.69)**	**(0.76)**
Total	**2.69**	**2.57**

Note 42 EARNING PER SHARE (EPS)

EARNINGS PER EQUITY SHARE- FACE VALUE OF ₹ 2 EACH

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit for the year (Profit attributable to equity shareholders (₹ in Crores)	1,285.64	1,268.15
Weighted average number of ordinary equity shares for Basic EPS (in Nos.)	68,83,90,125	68,83,90,125
Weighted average number of ordinary equity shares for Diluted EPS (in Nos.)	68,83,90,125	68,83,90,125
Face Value of equity share (₹)	2.00	2.00
Basic EPS (₹)	18.68	18.42
Diluted EPS (₹)	18.68	18.42

Note:- Basic EPS amounts are calculated 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 amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company remain the same.

Notes to Standalone financial statements for the year ended 31st March 2022

Note 43 CONTINGENT LIABILITIES & CONTINGENT ASSETS
(A) CONTINGENT LIABILITIES **(₹ in Crores)**

Contingent liabilities and commitments (to the extent not provided for)	As at 31st March 2022	As at 31st March 2021
Contingent Liabilities		
(a) Contingent Liabilities - Statutory claims (Refer Note 43.1)	64.32	78.24
(b) Claims against the company not acknowledged as debt(Refer Note 43.2)	459.01	716.24
Total	**523.34**	**794.48**

The Company has reviewed all its pending claims, litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The company does not expect the outcome of these claims, litigations and proceedings to have a materially adverse effect on its financial position.

Note 43.1 - Contingent Liabilities - Statutory claims **(₹ in Crores)**

Sr.	Particulars	As at 31st March 2022	As at 31st March 2021
1	Disputed statutory dues in respect of which Appeals are filed against / by company :		
	(a) Excise Duty	18.90	18.58
	(b) Income Tax	4.29	18.66
	(c) Service Tax	41.13	41.00
	TOTAL	**64.32**	**78.24**

The company is contesting the demands and the management including its advisors believe that its position is likely to be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

Note 43.2 - Claims against the company not acknowledged as debt includes the following major matters:

(i) UPL Limited (UPL) a customer of erstwhile Gujarat Gas Company Limited (GGCL) (now known as Gujarat Gas Limited) had filed a complaint before Petroleum and Natural Gas Regulatory Board (PNGRB) against erstwhile GGCL alleging charging of tariff illegally under the City Gas Network Distribution Agreement entered into between the parties and filed claim of approx. ₹ 76.98 Crores. The matter was decided against the company by PNGRB vide its Order dated 20.10.2014. The company had preferred an appeal at Appellate Tribunal for Electricity (APTEL) against the aforementioned PNGRB Order. APTEL has delivered final judgement on 10.03.2021 in favour of the Company by setting aside the aforementioned PNGRB Order, and has recorded that invocation of HAPI tariff by PNGRB for the negotiated arrangement between the parties was not only against the letter and spirit of regulations defining tariff zone but also tantamount to rewriting of contract.

UPL has preferred an appeal before the Hon'ble Supreme Court of India against the order of APTEL dated 10.03.2021. Presently, the matter is pending before Hon'ble Supreme Court of India.

(ii) Erstwhile Gujarat Gas Company Limited and Erstwhile GSPC Gas Company Limited (Now collectively known as Gujarat Gas Limited "GGL") had signed Gas supply agreement with Gujarat State Petroleum Corporation Limited (GSPCL) for purchase of Re-gasified liquefied natural gas (RLNG). As per the provision of said agreement, GGL has to pay interconnectivity charges to GSPCL for the supply and purchase of RLNG at Delivery point which is charged to GSPCL by their supplier i.e. PLL Off takers (GAIL India, BPCL, IOCL).

PGNRB had vide its order dated 13.09.2011 and the majority members of PNGRB (three member panel of Board) had vide its order dated 10.10.2011 held that GAIL had adopted Restrictive Trade Practices by blocking off direct connectivity to GSPCL and further, directed Respondents (PLL Off takers -GAIL India, BPCL, IOCL) to immediately give direct connectivity to GSPCL at Dahej Terminal.

The PLL Offtakers (GAIL) filed appeals against the said PNGRB orders before the Appellate Tribunal for Electricity (APTEL). On 23.02.2012 APTEL had issued an interim order for shifting the Delivery Point from GAIL-GSPL Delivery Point to GSPL-PLL Delivery Point. On 18.12.2013 APTEL issued its judgment and required GSPCL to pay the amount of the difference between ₹ 8.74/MMBTU (exclusive of Service Tax) – earlier connectivity charges and ₹ 19.83/MMBTU (Exclusive of Service Tax) – HVJ/DVPL Zone-1 tariff to GAIL for the period from 20th November 2008 to 29th February 2012.

Notes to Standalone financial statements for the year ended 31st March 2022

GSPCL had filed an appeal against the APTEL's above referred judgment before Hon'ble Supreme Court of India (GSPCL vs. GAIL & Others, Civil Appeal No. 2473-2476 of 2014) and the Hon'ble Supreme Court of India had passed the Interim Order on 28th February 2014. The Court has stated that the ends of justice would be met if as a matter of interim arrangement, the appellant is directed to pay interconnectivity charges at the rate of ₹ 12.00 per MMBTU (exclusive of Taxes). The Company has already provided and paid interconnectivity charges at the rate of ₹ 12.00 per MMBTU (exclusive of Taxes).

GGL has not received any bill / demand note for the amount over and above ₹ 12.00 per MMBTU from supplier till date. As the final liability would only be determined post the final order of the court, quantification of any amount as contingent liability in the interim is inappropriate due to the uncertainty involved and hence the same is not mentioned / disclosed in the financial statement.

(iii) One of the gas suppliers of the Company has submitted claims of ₹ 189.59 Crores (P. Y. ₹ 523.82 Crores), for use of allocated gas for other than specified purpose, related to FY 2013-14 to FY 2020-21 and no claim received from supplier for FY 2021-22. The company has refuted this erroneous claim and also there is no contractual provisions of the agreement executed with GGL that allow such claim. The management is of the firm view that the company is not liable to pay any such claim. The company has already taken up the matter with concerned party to withdraw the claim.

(iv) The company has initiated an arbitration proceeding against one of the franchisees claiming compensation for loss of revenue While replying to the claim, the said franchisee has also filed a counter claim of ₹ 177.14 Crores (P. Y. ₹ 177.14 Crores) against the company claiming compensation for various losses. The company has filed necessary rejoinder to the counter claim strongly refuting the same mainly on the grounds that the counter claims are wrong and without merits and as are not flowing from the same agreement under which the arbitral tribunal has been constituted. Currently arbitral proceedings of this matter is pending before the sole arbitrator.

(B) CONTINGENT ASSETS

(i) The Company has raised claim of ₹ 43.08 crores (Previous year ₹ 43.08 crores) for net credit of natural gas pipeline tariff as per PNGRB Order with one of the suppliers and supplier is disputing company's claim and indicating for adjusting the partial claim of ₹ 30.72 crores (Previous year ₹ 30.72 crores) out of total claim ₹ 43.08 crores (Previous year ₹ 43.08 crores) against disputed liability for use of allocated gas other than specified purpose, against demand in earlier year (Refer Point 43 A-(iii) above).

(ii) The Company has filed an appeal before the Appellate Tribunal for Electricity (APTEL) against the PNGRB order related to the matter held that the Gas Swapping Arrangement Guidelines of PNGRB is applied erroneously. APTEL has issued the order in favour of GGL. The said supplier has filed appeal at Hon'ble Supreme Court of India against the order of APTEL.

Presently, the matter is pending in Hon'ble Supreme Court of India. Currently, GGL is paying ₹ 19.83 per mmbtu as transmission charges for domestic gas being purchased and delivered by GAIL at one of the delivery points . If verdict is in favour of GGL, GGL will get refund of ₹ 193.65 Crores (Previous year ₹ 173.27 Crores) from December 2013 till March 2022 and the company shall be required to pass on the benefit to its customers as per relevant order of the Court.

(iii) The Company is having other certain claims, litigations and proceedings which are pursuing through legal processes. The management believe that probable outcome in all such claims, litigations and proceedings are uncertain. Hence, the disclosure of such claims, litigations and proceedings is not required in the financial statements.

(C) COMMITMENTS **(₹ in Crores)**

Sr No.	Commitments (to the extent not provided for)	As at 31st March 2022	As at 31st March 2021
1	Estimated amount of contracts remaining to be executed on capital account and not provided for	976.83	1,196.42
2	Estimated amount of contracts remaining to be executed on revenue account and not provided for	1,163.69	1,077.30
	Total	**2,140.52**	**2,273.73**

Other commitments

All term contracts for purchase of natural gas with suppliers, has contractual volume off take obligation of "Take or Pay" (ToP) as specified in individual contracts. Quantification of ToP amount is dependent on various factors like actual purchase quantity, gas purchase prices of respective contract etc. As these factors are not predictable, ToP commitment amount is not quantifiable.

Notes to Standalone financial statements for the year ended 31st March 2022

Note 44 DISCLOSURE AS REQUIRED BY THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

(₹ in Crores)

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
1	The principal amount outstanding as at the end of accounting year.		
	a) Trade payable	21.36	9.15
	b) Capital creditors	90.03	42.72
2	Principal amount due and remaining unpaid as at the end of accounting year.	-	-
3	Interest paid by the company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during accounting year.	-	-
4	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
5	Interest accrued and remaining unpaid at the end of accounting year (Refer Note below).	-	-
6	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note: No interest has been paid by the Company to the enterprises covered under Micro, Small and Medium Enterprises Development Act, 2006 according to the terms agreed with the enterprises.

The above information regarding micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 45 FINANCIAL INSTRUMENTS (FAIR VALUE MEASUREMENTS) AND FINANCIAL RISK MANAGEMENT

The Company has various financial assets and liabilities. The disclosures regarding the classification, fair value hierarch markets risk, credit risks and liquidity risks are as follows:

A. ACCOUNTING CLASSIFICATION AND FAIR VALUES

(₹ in Crores)

	Carrying amount				Fair value#			
March 31, 2022	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1 - Quoted price in active markets**	**Level -2 Significant observable inputs**	**Level 3 - Significant unobservable inputs**	**Total**
Financial assets								
Investments	-	22.36	-	22.36	-	-	22.36	22.36
Financial assets measured at amortised cost								
Loans (Non-current)	-	-	3.56	3.56	-	-	-	-
Loans (Current)	-	-	2.91	2.91	-	-	-	-
Other financial assets(Non-current)	-	-	81.27	81.27	-	-	-	-
Other financial assets (Current)	-	-	16.82	16.82	-	-	-	-
Trade receivables	-	-	930.05	930.05	-	-	-	-
Cash and cash equivalents	-	-	19.59	19.59	-	-	-	-
Other bank balances	-	-	1.52	1.52	-	-	-	-
Total	**-**	**22.36**	**1,055.72**	**1,078.08**	**-**	**-**	**22.36**	**22.36**
Financial liabilities measured at amortised cost								
Non current borrowings	-	-	390.97	390.97	-	-	-	-
Current borrowings	-	-	90.10	90.10	-	-	-	-
Non current-Lease Liabilities	-	-	125.33	125.33	-	-	-	-
Current -Lease Liabilities			22.45	22.45	-	-	-	-
Non current financial liabilities-Others	-	-	-	-	-	-	-	-
Trade payables	-	-	445.63	445.63	-	-	-	-
Other financial liabilities	-	-	1,841.96	1,841.96	-	-	-	-
Total	**-**	**-**	**2,916.44**	**2,916.44**	**-**	**-**	**-**	**-**

Notes to Standalone financial statements for the year ended 31st March 2022

Note 45 FINANCIAL INSTRUMENTS (FAIR VALUE MEASUREMENTS) AND FINANCIAL RISK MANAGEMENT (Continued...)

(₹ in Crores)

	Carrying amount				Fair value#			
March 31, 2021	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1 - Quoted price in active markets**	**Level -2 Significant observable inputs**	**Level 3 - Significant unobservable inputs**	**Total**
Financial assets								
Investments	-	19.74	-	19.74	-	-	19.74	19.74
Financial assets measured at amortised cost								
Loans (Non-current)	-	-	2.17	2.17	-	-	-	-
Loans (Current)	-	-	1.29	1.29	-	-	-	-
Other financial assets (Non-current)	-	-	74.75	74.75	-	-	-	-
Other financial assets (Current)	-	-	5.54	5.54	-	-	-	-
Trade receivables	-	-	774.74	774.74	-	-	-	-
Cash and cash equivalents	-	-	276.66	276.66	-	-	-	-
Other bank balances	-	-	42.23	42.23	-	-	-	-
Total	**-**	**19.74**	**1,177.38**	**1,197.12**	**-**	**-**	**19.74**	**19.74**
Financial liabilities measured at amortised cost								
Non current borrowings	-	-	769.95	769.95	-	-	-	-
Current borrowings	-	-	127.31	127.31	-	-	-	-
Non current-Lease Liabilities	-	-	70.36	70.36	-	-	-	-
Current -Lease Liabilities			14.96	14.96	-	-	-	-
Non current financial liabilities-Others	-	-	-	-	-	-	-	-
Trade payables	-	-	447.32	447.32	-	-	-	-
Other financial liabilities	-	-	1,641.27	1,641.27	-	-	-	-
Total	**-**	**-**	**3,071.17**	**3,071.17**	**-**	**-**	**-**	**-**

Fair Value Hierarchy of Financial Assets and Liabilities :

Investment in equity accounted investee i.e.. Guj Info Petro Limited (GIPL) carried at cost.

Fair value of financial assets and liabilities which are measured at amortised cost is not materially different from the carrying value (ie..amortised cost). Accordingly, the fair value has not been disclosed separately.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

B. MEASUREMENT OF FAIR VALUES

i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Notes to Standalone financial statements for the year ended 31st March 2022

Note 45 FINANCIAL INSTRUMENTS (FAIR VALUE MEASUREMENTS) AND FINANCIAL RISK MANAGEMENT (continued)

Financial instruments measured at fair value - FVTOCI in unquoted equity shares

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Market comparison technique: The valuation model is based on three approaches: **- 1. Market approach :** This approach uses information generated by market transactions of the Company being valued or the transactions of comparable companies. The following market-linked information may be used for determining valuation under this approach. - Quoted price of the company being valued, - Past transaction value of the company being valued, - Listed comparable companies' trading multiples like price to earning ratio, enterprise value to earning before interest, tax, depreciation and amortisation, enterprise value to sales etc. - Transactions multiples for investment / M & A transaction of comparable companies. The valuation arrived at based on the market approach reflects the current value of the Company perceived in the active market. However, as the valuation arrived at using market multiples is based on the past/current transaction or traded values of comparable companies/businesses, it may not reflect the possible changes in future trend of cash flows being generated by a business. **2. Income approach -** The income approach reflects present value of future cash flows. For valuing a business, the discounted cash flow (DCF) methodology is used under this approach. This methodology works on the premise that the value of a business is measured in terms of future cash flow streams, discounted to the present time at an appropriate discount rate. This method is used to determine the present value of business on a going concern assumption. The DCF technique recognizes the time value of money. The value of the firm is arrived at by estimating the Free Cash Flow to Firm (FCFF) and discounting the same at the Weighted Average Cost of Capital (WACC). FCFF is estimated by forecasting free cash flows available to the firm (which are derived on the basis of the likely future earnings of the company). **3. Cost approach -** The cost approach essentially estimates the cost of replacing the tangible assets of the business. The replacement cost takes into account the market value of various assets or the expenditure required to create the infrastructure exactly similar to that of a company being valued.	Comparable unobservable entity has been taken as a base for the valuation of unquoted equity shares and its management's own assumptions for arriving at a fair value such as projected cash flows used to value a business etc. As stated , highest priority is given to unadjusted quoted price of listed entities and lowest priority to non-market linked inputs such as future cash flows used in income approach.	The estimated fair value would increase (decrease) if: There is a change in pricing multiple owing to change in earnings of the entity. Considering the diverse asset and investment base of the Company with differing risk/return profiles, a sum of the parts approach has been adopted for the valuation. Under this method, the value of each distinct business/asset/investment has been arrived at separately and total value estimate for the Company presented as the sum of all its business / investments /assets.

ii) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods.

iii) Level 3 fair values

Movements in the values of unquoted equity instruments for the period ended 31st March 2022 and 31st March 2021 is as below:

Notes to Standalone financial statements for the year ended 31st March 2022

Note 45 FINANCIAL INSTRUMENTS (FAIR VALUE MEASUREMENTS) AND FINANCIAL RISK MANAGEMENT (continued)

(₹ in Crores)

Particulars	Amount
As at 1 April 2020	**17.22**
Acquisitions/ (disposals	-
Gains/ (losses) recognised in other comprehensive income	2.52
Gains/ (losses) recognised in statement of profit or loss	-
Closing Balance as at 31 March 2021	**19.74**
Acquisitions/ (disposals)	-
Gains/ (losses) recognised in other comprehensive income	2.62
Gains/ (losses) recognised in statement of profit or loss	-
Closing Balance as at 31 March 2022	**22.36**

Equity Instrument:- Fair value of investment in GSPC shares is based on Market approach, Income approach and cost approach.

Transfer out of Level 3

There were no movement in level 3 in either directions during the year ended 31st March 2022 and the year ended 31st March 2021.

Ind AS 101 allows an entity to designate certain investments in equity instruments as fair valued through the OCI on the basis of the facts and circumstances at the transition date to Ind AS.

The Company has elected to apply this exemption for its investment in equity shares.

Sensitivity analysis

Based on the valuation report for investments in unquoted shares, the sensitivity as on 31st March 2022 is provided below.

(₹ in Crores)

Significant observable inputs	OCI	
	10% Increase	10% Decrease
Equity securities in unquoted investments measured through OCI		
Impact of variation in fluctuation in the market prices of subsidiary companies / Gas marketing business of investee company		
As on 31st March 2022	3.04	(3.04)
As on 31st March 2021	2.79	(2.79)

C. FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company has a well-defined Risk Management framework for reviewing the major risks and has adopted a Business Risk Management Policy which also takes care of all the financial risks. Further, pursuant to the requirement of Regulation 21 of SEBI (Listing obligation and disclosure Requirements) Regulation, 2015, the company has constituted a Risk Management Committee inter - alia to monitor the Risk Management Plan of the Company.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

ii. Credit risk

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

Notes to Standalone financial statements for the year ended 31st March 2022

Note 45 FINANCIAL INSTRUMENTS (FAIR VALUE MEASUREMENTS) AND FINANCIAL RISK MANAGEMENT (continued)

The carrying amount of following financial assets represents the maximum credit exposure:

(a) Other financial assets

The company maintains its Cash and cash equivalents and deposits with banks / financial institutions having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

(b) Trade and other receivables

The Company's exposure to credit Risk is the exposure that Company has on account of goods sold or services rendered to a contractual counterparty or counterparties, whether with collateral or otherwise for which the contracted consideration is yet to be received. The Company's customer base are Industrial, Commercial-Non Commercial, Domestic and CNG.

The Commercial and Marketing department has established a credit policy for each category of customer viz. industrial, domestic and commercial.

The Company raises the invoice for quantities sold based on periodicity as per the agreement. Sales are subject to security deposit and/or bank guarantee clauses to ensure that in the event of non-payment the company's receivables are secured. In case of short/non receipt of security deposit/or bank guarantee, the Company is exposed to credit risk to that extent.

For sales to domestic customers for household purposes like cooking, geyser application, etc., invoices are raised periodically. Security deposits along with connection deposits are taken for mitigation of potential credit risk arising in the event of non-payment of invoices. Company is exposed to credit risk beyond the value of deposits.

CNG sales made through operators of the CNG stations owned by the Company and CNG Franchises outlet are exposed to credit risk as amounts so collected is deposited/transferred in company bank account on next working day. Bank Guarantee / Security Deposit is taken to mitigate the credit risk. In case of short/non receipt of security deposit/or bank guarantee, the Company is exposed to credit risk to that extent.

For CNG sales made through Oil Marketing Companies (OMCs), the Company raises the invoice for quantities sold based on periodicity as per the agreement. The OMCs are well established companies viz. HPCL, BPCL, IOCL, Nayara Energy (e-Essar Oil Ltd.) where no significant credit risk is anticipated.

The Company provides for allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. All trade receivables are reviewed and assessed for default on regular basis. Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low. Credit risk is considered high when the counter party fails to make contractual payment within 180 days of when they fall due. The risk is determined by considering the business environment in which the company operates and other macro economic factors.

Assets are written off when there are no reasonable expectation of recovery such as debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where receivables have been written off the company continues to engage in enforcement activity to attempt to recover the receivables. where recoveries are made, these are recognised in profit and loss.

The maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

(₹ in Crores)

Particulars	Carrying amount	
	31st March 2022	31st March 2021
India	869.39	731.41
Other regions	-	-
Total	**869.39**	**731.41**

Expected credit loss for Trade receivables under Simplified Approach **(₹ in Crores)**

	Carrying amount	
Particulars	**31st March 2022**	**31st March 2021**
Neither past due nor impaired	740.94	647.24
Past due 1–90 days	93.32	61.44
Past due 91–180 days	13.13	5.12
Past due 181 to 1095 days	13.33	10.15
Greater than 1095 days	8.67	7.47
	869.39	731.41
Less: Expected credit losses (Allowance for bad and doubtful)	13.64	9.85
Carrying amount of Trade Receivable (net of impairment)	**855.75**	**721.56**

In addition to the historical pattern of credit loss, the Company has considered the likelihood of increased credit risk and consequential defaults considering emerging economic situations. The assessment is based on management estimates considering the nature of receivables and the market conditions.

Notes to Standalone financial statements for the year ended 31st March 2022

Note 45 FINANCIAL INSTRUMENTS (FAIR VALUE MEASUREMENTS) AND FINANCIAL RISK MANAGEMENT (continued)

Movement in Allowance for bad and doubtful Trade receivable **(₹ in Crores)**

Particulars	31st March, 2022	31st March, 2021
Opening Allowance for bad and doubtful Trade receivable	9.85	8.27
Add: Provision during the year	3.79	1.59
Less: Write off during the year	-	0.01
Closing Allowance for bad and doubtful Trade receivable	**13.64**	**9.85**

The impairment provisions above are based on management judgment / assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history as well as forward looking estimates at the end of each reporting period.

(c) Security deposits

Company has given security deposit to various government authorities (like Municipal corporation, Nagarpalika, Grampanchayat, Road & building division and Irrigation department -of Govt. of Gujarat etc.) for the permission related to work of executing / laying pipeline network in their premises / jurisdiction. Being government authorities, the Company has no exposure to any credit risk.

Movement in Allowance for bad and doubtful Security deposits-Project authority **(₹ in Crores)**

Particulars	31st March, 2022	31st March, 2021
Opening Allowance for bad and doubtful Security deposits	13.38	13.62
Provision during the year	1.33	1.95
Recovery/Adjustment during the year	(2.93)	(2.19)
Write off during the year	-	-
Closing Allowance for bad and doubtful Security deposits	**11.78**	**13.38**

The impairment provisions for financial assets - Security Deposit as disclosed above are based on management judgment / assumptions about risk of performance default . The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history as well as forward looking estimates at the end of each reporting period.

iii. Liquidity risk

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

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Short term liquidity requirements comprises mainly of trade payables arising in the normal course of business and is managed primarily through internal accruals and/or short term borrowings. Long term liquidity requirement is assessed by the management on periodical basis and managed through internal accruals as well as from undrawn borrowing facilities.

Financing arrangement

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in Crores)

Particulars	31st March, 2022	31st March, 2021
Floating rate		
Expiring within one year (working capital, bank overdraft and other facilities)	557.47	73.02
Expiring beyond one year (working capital, bank overdraft and other facilities)	-	-
Total	**557.47**	**73.02**

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Notes to Standalone financial statements for the year ended 31st March 2022

Note 45 FINANCIAL INSTRUMENTS (FAIR VALUE MEASUREMENTS) AND FINANCIAL RISK MANAGEMENT (continued)

(₹ in Crores)

31st March, 2022	Carrying amount	Undiscounted Contractual cash flows				
		Total	Less than 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non current borrowings	390.97	390.97	-	86.88	260.64	43.45
Non current-Lease Liabilities	189.52	189.52	-	30.07	74.73	84.72
Current Borrowings	90.10	90.10	90.10	-	-	-
Lease Liabilities	29.96	29.96	29.96	-	-	-
Trade and other payables	445.63	445.63	445.63	-	-	-
Other current financial liabilities	1,841.96	1,841.96	1,841.96	-	-	-
	2,988.14	**2,988.14**	**2,407.65**	**116.95**	**335.37**	**128.17**

Other current financial liabilities include customer deposits which are considered repayable on demand.

(₹ in Crores)

31st March, 2021	Carrying amount	Undiscounted Contractual cash flows				
		Total	Less than 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non current borrowings	769.95	769.95	-	127.17	413.75	229.03
Non current-Lease Liabilities	132.11	132.11	-	12.41	34.83	84.87
Current Borrowings	127.31	127.31	127.31	-	-	-
Lease Liabilities	19.12	19.12	19.12	-	-	-
Trade and other payables	447.32	447.32	447.32	-	-	-
Other current financial liabilities	1,641.27	1,641.27	1,641.27	-	-	-
	3,137.08	**3,137.08**	**2,235.02**	**139.58**	**448.58**	**313.90**

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to non-derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

iv. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits and FVTOCI investments.

a) Currency risk

The functional currency of the Company is Indian Rupee (₹). The Company's transactions are majorly denominated in INR and the quantum of the foreign currency transactions being immaterial, the company is not exposed to currency risk on account of payables and receivables in foreign currency. The company does not have any exports. Import amount to 0.84% (Previous Year 0.85%) of total consumption of stores and spares, this is not perceived to be a major risk.

b) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

On period under review the Company do not have any borrowings at fixed rate and has not entered into interest rate swaps for its exposure to long term borrowings at floating rate.

(₹ in Crores)

Term Loan	31st March, 2022	31st March, 2021
Non current - Borrowings	390.97	769.95
Current portion of Long term borrowings	86.95	127.31
Total	**477.92**	**897.26**

Notes to Standalone financial statements for the year ended 31st March 2022

Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates.

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the Company does not have any designate derivatives (interest rate swaps) . Therefore, a change in interest rates at the reporting date would not affect profit or loss.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) Equity and Profit or Loss by the amount shown below:

(₹ in Crores)

Particulars	Profit or (Loss)		Equity (net of tax)	
	100 bp Increase	100 bp decrease	100 bp Increase	100 bp decrease
31st March 2022				
Non current - Borrowings	(3.91)	3.91	(2.93)	2.93
Current portion of Long term borrowings	(0.87)	0.87	(0.65)	0.65
Total	**(4.78)**	**4.78**	**(3.58)**	**3.58**
31st March 2021				
Non current - Borrowings	(7.70)	7.70	(5.76)	5.76
Current portion of Long term borrowings	(1.27)	1.27	(0.95)	0.95
Total	**(8.97)**	**8.97**	**(6.71)**	**6.71**

c) Commodity Price Risk

Risk arising on account of fluctuations in price of natural gas is mitigated by ability to pass on the fluctuations in prices to customers over period of time. The company monitors movements in the prices closely on regular basis.

d) Equity Price Risk

The Company do not have any investment in quoted equity shares hence not exposed to equity price risk.

Note 46 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to:

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

The Company seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The management monitors the return on capital as well as the level of dividends to shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash and bank balances. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio is as follows.

Particulars	(₹ in Crores) As at 31st March 2022	As at 31st March 2021
Long term borrowings	477.92	897.26
Total equity	5,599.30	4,448.64
Debt equity ratio	**0.09**	**0.20**
Long term borrowings	477.92	897.26
Short term borrowings	3.15	-
Interest bearing borrowings	481.07	897.26
Less : Cash and bank balances	21.11	318.89
Adjusted net debt	**459.96**	**578.37**
Adjusted net debt to adjusted equity ratio	**0.08**	**0.13**

Notes to Standalone financial statements for the year ended 31st March 2022

Note 47 DISCLOSURE OF EMPLOYEE BENEFITS

The Company has implemented Ind AS - 19 on "Employee Benefits".

(a) Contributions to Defined Contribution Plan, recognised as expense for the year are as under: **(₹ in Crores)**

Sr.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(i)	Provident Fund	9.81	9.19
(ii)	National Pension Scheme	4.42	3.72

(b) Gratuity and Leave Encashment - Defined Benefit Plans (payable in future)

Provision has been made for gratuity and leave encashment as per actuarial valuation. The principal assumptions used in actuarial valuation and necessary disclosures are as below:

(₹ in Crores)

		31st March 2022		31st March 2021	
	Assumptions	**Gratuity**	**Leave Encashment**	**Gratuity**	**Leave Encashment**
A.	Discount rate	7.00%	7.00%	6.45%	6.45%
	Rate of return on plan assets	7.00%	N.A.	6.45%	N.A.
	Salary Escalation	10.00%	10.00%	10.00%	10.00%
B.	**Change in Defined Benefit Obligations**				
	Liability at the beginning of the year	76.37	52.05	67.96	45.54
	Transfer in/(out) obligation	(0.07)			
	Interest Cost	4.84	3.32	4.58	3.08
	Current Service Cost	6.09	3.98	5.68	3.97
	Benefits Paid	(3.17)	(3.03)	(3.03)	(3.47)
	Actuarial loss/ (gain) due to experience adjustment	4.40	3.36	(2.39)	0.10
	Actuarial (Gain) / Loss due to change in financial estimate	(5.45)	(4.28)	3.56	2.83
	Total Liability at the end of the year	**83.01**	**55.40**	**76.37**	**52.05**
C.	**Change in Fair Value of plan Assets**				
	Opening fair Value of plan assets	75.85	-	56.19	-
	Transfer in/(out) plan assets	(0.07)	-	-	-
	Expected return on plan assets	5.00	-	3.96	-
	Return on plan assets excluding amounts included in interest income	(0.29)	-	1.98	-
	Contributions by employer	5.52	-	16.74	-
	Benefits Paid	(3.17)	-	(3.03)	-
	Closing fair Value of plan assets	**82.85**	**-**	**75.85**	**-**
D.	**Expenses Recognised in the Profit and Loss Statement**				
	Current Service Cost	6.09	3.98	5.68	3.97
	Interest Cost	4.84	3.32	4.58	3.08
	Expected return on plan assets	(5.00)	-	(3.96)	-
	Actuarial (Gain) / Loss	(0.76)	(0.91)	(0.81)	2.93
	Exps. charged to Statement of Profit & Loss	**5.16**	**6.38**	**5.49**	**9.97**
E.	**Balance Sheet Reconciliation**				
	Opening Net Liability	0.52	52.05	11.77	45.54
	Employee Benefit Expense	5.93	6.38	6.29	9.97
	Amounts recognized in Other Comprehensive Income	(0.76)	-	(0.81)	-
	Contributions by employer	(5.52)	-	(16.74)	-
	Benefits Paid	-	(3.03)	-	(3.47)
	Closing Liability	**0.16**	**55.40**	**0.52**	**52.05**
F.	**Current/Non-Current Liability :**				
	Current*	**0.16**	**2.65**	**0.52**	**1.28**
	Non-Current	**-**	**52.75**	**-**	**50.77**

*The Company expects that total outstanding gratuity liability payable as on 31.03.2022 will be paid to the gratuity trust within next 12 months.

Notes to Standalone financial statements for the year ended 31st March 2022

(c) Amounts recognised in current year and previous four years **(₹ in Crores)**

		As at 31st March 2022	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
A.	**Gratuity**					
	Present value of Defined Benefit Obligation	83.01	76.37	67.96	55.28	46.80
	Fair value of Plan Assets	82.85	75.85	56.19	47.91	42.88
	(Surplus) / Deficit in the plan	0.16	0.52	11.77	7.37	3.92
	Actuarial (Gain) / Loss on Plan Obligation	(5.45)	3.56	5.34	3.69	(2.27)
	Actuarial Gain / (Loss) on Plan Assets	(0.29)	1.98	(0.05)	(0.24)	(0.46)
B.	**Earned Leave**					
	Present value of Defined Benefit Obligation	55.40	52.05	45.54	39.71	33.17
	Actuarial (Gain) / Loss on Plan Obligation	(4.28)	2.83	4.16	3.10	(1.89)
C.	**Long Service Award**					
	Present value of Defined Benefit Obligation	1.00	0.97	0.89	0.81	0.83
	Actuarial (Gain) / Loss on Plan Obligation	-	-	-	-	-

(d) Sensitivity analysis

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

(₹ in Crores)

Particulars	As at 31st March 2022			
	Increase		Decrease	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate (0.5% movement)	78.49	51.88	87.94	59.27
Salary growth rate (0.5% movement)	87.96	59.27	78.42	51.84

(₹ in Crores)

Particulars	As at 31st March 2021			
	Increase		Decrease	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate (0.5% movement)	71.96	48.54	81.21	55.92
Salary growth rate (0.5% movement)	81.02	55.78	72.09	48.64

(e) Gratuity Benefits Plan:

The benefit is governed by the Payment of Gratuity Act, 1972 (as amended). The Key features are as under:

Features of the defined benefit plan	Remarks
Benefit offered	15 / 26 × Salary × Duration of Service
Salary definition	Basic Salary including Dearness Allowance (if any)
Benefit ceiling	No ceiling
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	60 years

(i) Entity's responsibilities for the governance of the plan:

Risk to the Plan

Following are the risk to which the plan exposes the entity : :

A Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

-Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

-Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

-Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Notes to Standalone financial statements for the year ended 31st March 2022

B Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

D Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

(ii) The company has participated in Group Gratuity Scheme Plan with Life Insurance Corporation of India (LIC), HDFC Life Insurance Co. Ltd, Aditya Birla Sun Life Insurance Co. Ltd, ICICI Prudential Life Insurance Co. Ltd, SBI Life Insurance Co. Ltd., Bajaj Allianz Life Insurance Company Ltd, Kotak Mahindra Life Insurance Co. Ltd and Reliance Nippon Life Insurance Co. Ltd (collectively referred as Insurance Co. / Fund Managers) through Gratuity Trust to meet its gratuity liability. The present value of the plan assets represents the balance available at the end of the year. The total value of plan assets is as certified by the various Insurance Co./ fund managers.

(a) Composition of the plan assets: -

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at31st March, 2020
Bank balance	0.00%	0.00%	0.25%
Policy of insurance	100.00%	100.00%	99.73%
Others	0.00%	0.00%	0.02%

(b) The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

(c) Expected benefit payments for gratuity as on 31st March 2022.

Particulars	1-3 years	4-5 years	6 year & Above
Cash flow (₹ in Crores)	13.70	10.65	193.27
Distribution (in %)	6.30%	4.80%	88.90%

(f) Expected benefit payments as on 31st March 2022 for Privilege Leave encashment benefits.

Particulars	1-3 years	4-5 years	6 year & Above
Cash flow (₹ in Crores)	6.75	5.44	156.67
Distribution (in %)	4.00%	3.20%	92.80%

(g) Other Notes:

(i) The expected rate of return on Plan Assets is determined considering several applicable factors, mainly the composition of Plan Assets held, assessed risks, historical results of return on Plan Assets and the Company's policy for the Plan Assets management.

(ii) The actuarial valuation takes into account the estimates of future salary increases, inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The management has relied on the overall actuarial valuation conducted by the actuary.

(iii) The company has provided long service award benefits to its employees who completed 15/20/25 Years of employment with company. Accordingly company has provided ₹ 1.00 Crores (Previous year ₹ 0.97 crores) on account of Long service award benefit. Current Liability as at 31st March 2022 is ₹ 0.07 Crores (Previous year ₹ 0.07 Crores) and Non- Current Liability is ₹ 0.93 Crores(Previous year ₹ 0.90 Crores) Discount rate considered for current year is 7% (previous year 6.45%).

Notes to Standalone financial statements for the year ended 31st March 2022

(iv) The Company has provided ₹ 3.85 Crores during the year on account of death compensation benefits and current provision as on 31st March 2022 is ₹ 3.05 Crores.

(v) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come in to effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effectiv.

(vi) Employee Stock Option Plan : There are no options outstanding as on 31st March 2022, 31st March 2021.

NOTE 48 RELATED PARTY TRANSACTIONS

As per the Indian Accounting Standard-24 on "Related Party Disclosures", list of parent & subsidiary of the Company are as follows.

(a) Parent Entity

Gujarat State Investment Limited (GSIL) - Ultimate Holding Company
Gujarat State Petroleum Corporation Limited (GSPC) -Intermediate Holding Company
Gujarat State Petronet Limited (GSPL) - Holding Company

(b) Subsidiary / Associate / Enterprise Controlled by the Company

Guj Info Petro Limited- GIPL - Associate
Gujarat Gas Limited Employee Stock Option Welfare Trust - Enterprise controlled by the company
Gujarat Gas Limited Employees Group Gratuity Scheme - Enterprise controlled by the company

Related Party Transactions for the year ended 31st March,2022 **(₹ in Crores)**

Sr. no.	Name of Related Party	Relationship	Nature of Transactions & Balances	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Gujarat State Petroleum Corporation Limited - GSPC	Intermediate Holding Company	Purchase of Natural Gas	13,769.21	6,881.40
			Rent Expense	0.00	0.03
			Reimbursement of Expenses	0.69	0.05
			Recharge of Salary - Expense	0.63	0.47
			Income from Material sale	0.01	0.02
			Reimbursement of expenses - Income	-	0.07
			Deposit Given - Paid / (Refund)	0.02	-
			Balance at the period end		
			Amount Receivable/(Payable)	(212.27)	(239.16)
			Investment at Period end	22.36	19.74
			Deposits Asset / (Liability) - Net	0.02	-
			Bank Guarantee by GGL to GSPC	1,326.92	642.30
			Letter of Credit - by GGL to GSPC	-	109.79
2	Gujarat State Petronet Limited - GSPL	Holding Company	Gas Transmission Expense	542.13	459.86
			Purchase of Natural Gas	2.23	0.31
			Right of Way Expense - Exps / (Refund)	0.10	0.21
			Business Transfer- CGD Business of Amritsar & Bhatinda from GSPL to GGL (Refer footnote no.3)	153.86	159.38
			Reimbursement of Expenses	0.28	0.10
			Dividend Paid	74.57	46.61
			Rent Expense	2.27	1.92
			Recharge of Salary - Expense	0.04	0.31
			Compression Charges	2.87	1.29
			Purchase of Material	-	0.17
			O&M Charges - Income	0.04	0.05
			Rent - Income	0.03	0.03
			Reimbursement of Expenses - Income	10.01	4.60
			Recharge of Salary - Income	1.03	0.69
			Sale of Material - Income	0.23	-
			Deposit Given - Paid / (Refund)	3.99	15.94
			Supervision Charges -Income	0.01	0.01
			Interest On Late Payment	0.01	-

Notes to Standalone financial statements for the year ended 31st March 2022

Note 48 Related Party Transactions for the year ended 31st March, 2022 (Continued .....) **(₹ in Crores)**

Sr. no.	Name of Related Party	Relationship	Nature of Transactions & Balances	For the year ended 31st March, 2022	For the year ended 31st March, 2021
			Balance at the period end		
			Amount Receivable/(Payable)	(19.36)	(5.03)
			Deposits Asset / (Liability) - Net	41.35	37.36
			Bank Guarantee - by GGL to GSPL	52.92	52.92
			Letter of Credit - by GGL to GSPL	0.10	0.10
3	Sabarmati Gas Limited - SGL	Associate of Holding Company	Gas Transportation Expense	0.68	0.58
			Compression Charges	1.70	0.01
			Purchase of Material	-	2.27
			Supervision Charges Expense	0.04	0.01
			Gas Transportation Charges - Income	0.35	0.06
			Consulting Charges - Income	0.24	0.03
			Income from Material sale	0.78	0.90
			Deposit Given - Paid / (Received)	0.04	0.02
			Balance at the period end		
			Amount Receivable/(Payable)	0.30	0.06
			Deposits Asset / (Liability) - Net	0.06	0.02
			Bank Guarantee - by GGL to SGL	0.16	0.08
4	Guj Info Petro Limited- GIPL	Associate	Web Development / Bandwidth Charges	0.02	0.00
			Software Maintenance Expenses	-	0.05
			Reimbursement of Expenses - Income	-	0.02
			Balance at the period end		
			Investment at Period end	0.03	0.03
5	Gujarat State Energy Generation Limited - GSEG	Associate of Intermediate Holding Company	Dividend Paid	0.27	0.17
			Balance at the period end		
			Amount Receivable/(Payable)	-	0.00
			Deposits Asset / (Liability) - Net	(0.10)	(0.10)
6	GSPL India Gasnet Limited - GIGL	Joint Venture of Holding Company	Rent Expenses	0.65	0.65
			Gas Transportation Expense	0.48	0.06
			Right of Way Expense (ROW)	0.09	-
			Reimbursement of Expenses - Income	-	0.05
			O&M Charges	0.07	-
			Deposit Given - Paid / (Refund)	10.29	8.00
			Balance at the period end		
			Amount Receivable/(Payable)	(0.04)	(0.01)
			Deposits Asset / (Liability) - Net	38.39	28.10
			Bank Guarantee - by GGL to GIGL	0.06	0.01
7	GSPL India Transco Limited - GITL	Joint Venture of Holding Company	Recharge of Salary - Income	-	0.56
			Reimbursement of Exp -Income	0.00	0.01
			Rent Expenses	0.04	0.04
8	Gujarat State Fertilizers & Chemicals Limited	Associate of Ultimate Holding Company	Rent Paid	0.53	0.52
			Dividend Paid	9.38	5.86
			Maintenance Charges Paid	0.07	0.07
			Balance at the period end		
			Deposits Asset / (Liability) - Net	0.09	0.09

Notes to Standalone financial statements for the year ended 31st March 2022

Note 48 Related Party Transactions for the year ended 31st March, 2022 (Continued .....) **(₹ in Crores)**

Sr. no.	Name of Related Party	Relationship	Nature of Transactions & Balances	For the year ended 31st March, 2022	For the year ended 31st March, 2021
9	Gujarat Alkalies & Chemicals Limited	Associate of Ultimate Holding Company	Dividend Paid	4.26	2.66
			Deposit Given / (Received)	(0.02)	(0.02)
			Supervision Charges -Income	0.01	-
			Balance at the period end		
			Deposits Asset / (Liability) - Net	(0.04)	(0.02)
10	Gujarat Narmada Valley Fertilizers & Chemicals Limited	Associate of Ultimate Holding Company	Rent Paid	0.07	0.05
			Technology Services	0.14	0.13
			Dividend Paid	0.05	0.03
			Balance at the period end		
			Amount Receivable/(Payable)	(0.02)	(0.01)
11	GSPC Pipavav Power Company Ltd.	Subsidiary of Intermediate Holding Company	Reimbursement of Expenses-Income	-	0.01
12	Gujarat State Financial Services Limited - GSFS	Associate of Ultimate Holding Company	Interest received - Income	12.22	23.35
			Deposit - Placed/ Renewed	11,342.25	7,899.13
			Deposit - Withdrawn / Redeemed	11,603.25	8,244.41
			Balance at the period end		
			Deposits Asset / (Liability) - Net	-	261.00
13	Gujarat Gas Limited Employees Group Gratuity Scheme	Enterprise controlled by the company	Gratuity Contribution Paid	5.36	16.61
14	Shri. Sanjeev Kumar, IAS - Managing Director	Key Managerial Person	Sitting Fees (deposited in Govt. Treasury Account) - Nil (Previous Year- Nil) Out of Pocket Expenses - Nil (Previous Year - ₹ Nil)	-	-

Notes

1 All transactions with related parties were carried out in the ordinary course of business and at arm's length.

2 All transactions amount disclosed above are inclusive of tax.

3 Pursuant to the approval by the Board of Directors on 1st June 2021, the Company had executed Business Transfer Agreement (BTA) on 26th October 2021 to transfer / purchase of City Gas Distribution (CGD) Business of Amritsar and Bhatinda Geographical Areas from Gujarat State Petronet Limited (GSPL, holding company) to Gujarat Gas Limited (GGL, the Company) by way of slump sale for cash consideration of INR ₹ 153.86 Crores (₹ 164.58 Crores Business valuation determined based on an independent valuation less ₹ 10.72 Crores working capital adjustment) and the Company has completed the above transfer of business as per BTA with effect from 1st November 2021.

4 The company sells natural gas to domestic, commercial, industrial and CNG consumers. The above related party transaction do not include the transactions of Gas sales to the related parties in ordinary course of business, as all such transactions are done at arm's length basis. 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.

5 The company deals on regular basis with entities directly or indirectly controlled by the State Government of Gujarat through government authorities, agencies, affiliations and other organizations (collectively referred as "Government related entities").

Apart from transactions with its group companies, the Company has transactions with such Government related entities including but not limited to the followings:

- Sale and Purchase of Natural Gas
- Rendering and Receiving Services
- Payment of Rent
- Use of Public Utilities

These transactions are conducted in the ordinary course of the business and at arm's length.

Notes to Standalone financial statements for the year ended 31st March 2022

Note 48 Related Party Transactions for the year ended 31st March, 2022 (Continued .....)

6. In compliance to the provisions of Section 2(51) of Companies Act 2013, the following are the details of remuneration paid/payable to KMP - Chief Financial Officer & Company Secretary

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Shri. Nitesh Bhandari – Chief Financial Officer Short Term Benefits – ₹1.19 Crores (P.Y. ₹1.01 Crores) Post-Employment Benefits – ₹ 0.17 Crores (P.Y. ₹ 0.13 Crores)	1.36	1.14
Shri. Sandeep Dave – Company Secretary* Short Term Benefits – ₹ 0.46 Crores (P.Y. ₹ 0.33 Crores) Post-Employment Benefits – ₹ 0.08 Crores (P.Y. ₹ 0.06 Crores) *Reimbursed to GSPC	0.54	0.39

Remuneration to Key Managerial Personnel does not include provision for leave encashment as it is provided in the books of accounts on the basis of actuarial valuation for the company as a whole and hence individual figures cannot be identified.

7. Details of Sitting Fees & Out of Pocket Expenses (in total) paid to Directors other then Managing Director **(₹ in Crores)**

Sr. No.	Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
1.	Shri. Anil Mukim, IAS - Chairman (upto 03.09.2021) #	0.00	0.01
2.	Smt. Sunaina Tomar, IAS (upto 05.07.2021) #	0.00	0.01
3.	Dr. Manjula Subramanium, IAS (Retd.) (upto 28.01.2022)	0.00	0.00
4.	Shri. Milind Torawane, IAS #	0.02	0.02
5.	Shri. K. D. Chatterjee	0.04	0.04
6.	Shri. Jal Patel	0.03	0.03
7.	Prof. Piyush Kumar Sinha (upto 15.08.2021)	0.01	0.02
8.	Prof. Vishal Gupta (upto 15.08.2021)	0.01	0.03
9.	Prof. Yogesh Singh (w.e.f 15.08.2021)	0.01	-
10.	Shri Bhadresh Mehta (w.e.f 15.08.2021)	0.01	-
11.	Dr. Rajiv Kumar Gupta, IAS (w.e.f. 05.07.2021) #	0.00	-
12.	Shri Pankaj Kumar, IAS (w.e.f. 08.09.2021) #	0.00	-

Sitting fees payable to directors are deposited in Government Treasury Account

8 Figures INR 0.00 denotes amount less than INR 50,000/-.

Note 49 RECEIVABLES, CONTRACT ASSETS AND CONTRACT LIABILITIES

(WITH REFERENCE TO IND AS 115 - REVENUE FROM CONTRACTS WITH CUSTOMERS)

Revenue recognised in the statement of profit and loss:

Revenue from contracts with customers (refer note 31):

Sale of Natural gas is the main activity of city gas distribution business and other operating income is incidental to sale of natural gas. Company sells and distributes natural gas in India.

Sale of natural gas includes excise duty but excludes VAT and GST collected from the customers on behalf of the Government. All the revenue mentioned above are earned by transfer of goods or services at a point of time.

Reconciliation of the amount of revenue recognised in the statement of Profit and Loss with the contracted price

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Revenue as per contracted price	16,814.40	10,064.15
Adjustments :		
Provision for revenue contract price	(27.05)	(7.05)
Revenue from contract with customers	16,787.35	10,057.10

Notes to Standalone financial statements for the year ended 31st March 2022

The following table provides information about receivables, contract assets and contract liabilities from contract with customers: (₹ in Crores)

Sr. No.	Particulars	31st March 2022	31st March 2021
(i)	**Receivables**		
	Trade receivables	930.05	774.74
	Total Trade receivables	**930.05**	**774.74**
(ii)	**Contract liabilities (Current Financial Liabilities – Others)**		
	Security Deposits from customers	1,326.45	1,071.61
	Security Deposit from customers towards MGO	151.85	76.51
	Interest accrued on security deposits from customers	11.86	8.02
	Total contract liabilities (Current Financial Liabilities – Others)	**1,490.16**	**1,156.14**
(iii)	**Contract liabilities (Current Liabilities – Others)**		
	Advance from customers	30.33	22.97
	Total contract liabilities (Current Liabilities – Others)	**30.33**	**22.97**
(iv)	**Deferred Revenue**		
	Non Current	68.83	62.94
	Current	10.59	9.30
	Total Deferred Revenue	**79.42**	**72.24**
(v)	Income recognised during the year out of opening balance of deferred revenue	9.85	8.79

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

Performance obligations -Connection, Service and Fitting Income

Connection charges from customers deferred over the period when the performance obligation is satisfied:

Industrial Customers: The performance obligations as per the contractual arrangement with the customer is to deliver gas over the tenure of the contract. Consequently, the connection charges is to be deferred over the contract period.

Domestic Customer: The connection charges is to be deferred over the period of delivery of gas. It is reasonably expected by the Company that the gas is procured by the customer and supplied by the Company on a perpetual basis. Consequently the connection charges are to be deferred over the useful life of the connection facility (i.e. 18 years).

NOTE 50 LEASES (Ind AS 116)

The Company has adopted Ind AS 116 'Leases', effective from 1st April, 2019, using modified retrospective approach.

Note 50.1 The Company as a lessee

The Company has taken various assets on lease primarily consist of leases for land, buildings, vehicles and Plant & machinery. Under Ind AS 116, the Company recognises right-of-use assets and lease liabilities.

The weighted average incremental borrowing rate of 8.59% p.a. has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

The weighted average incremental borrowing rate of 5.50 % p.a. has been applied to lease liabilities recognised in the balance sheet during the year.

50.1.1 The Company used a number of practical expedients summarised here below:

1) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
2) Applied the exemption not to recognize right-of-use assets and liabilities for leases of low value assets.

50.1.2 Nature of the lease transaction:

Land Leases

The Company has taken several plots of land on lease for setting up CNG, City Gas Station, CPRS/DPRS station and for site office purpose. The lease term mentioned in the agreements ranges from 11 months to 99 years. Lease agreements are renewable on mutually agreed terms and do not contain any non-cancellable period. In certain contacts, the Company is restricted from assigning and subletting the leased assets.

Notes to Standalone financial statements for the year ended 31st March 2022

Building Leases

The Company has taken various office/warehouse buildings on lease with monthly and annual payment terms. The lease term mentioned in the agreements ranges from 11 months to 9 years. Most of the agreements are renewable on mutually agreed terms, some of them are having non - cancellable period whereas few agreements are silent on renewal. In certain contacts, the Company is restricted from assigning and subletting the leased assets.

Other Leases

The Company has also taken various commercial vehicles, CNG Cascade, booster compressor and other equipments, IT equipment etc. on lease. The lease term mentioned in the agreements ranges from 6 months to 10 years. Some portion of the lease rentals is based on usage of the equipment considered as variable lease payment. Lease rentals include lease and non lease component viz. manpower, fuel cost, repair and maintenance etc. and only hiring portion is considered for ROU accounting.

50.1.3 The following is the carrying amounts of Company's Right of use assets and the movement in lease liabilities during the year ended March 31, 2022.

(₹ in Crores)

A

Particulars	Lease Assets*	
	2021-22	**2020-21**
Gross Carrying Value		
Opening balance	188.91	166.01
Addition during the year	81.18	35.80
Other adjustment/ Reassessment	29.65	0.05
Deduction during the year	9.61	12.95
Closing Balance (A)	**290.13**	**188.91**
Accumulated amortization		
Opening balance	16.09	14.50
Addition during the year	24.92	14.54
Other adjustment/ Reassessment	0.33	-
Deduction during the year	9.43	12.95
Closing Balance (B)	**31.91**	**16.09**
Net Block (A-B)	**258.22**	**172.82**

* Refer note 5.3

B Movement in Lease liability with Current/Non current break up:- **(₹ in Crores)**

Particulars	Lease liabilities*	
	2021-22	**2020-21**
Opening balance	85.32	62.69
Addition during the year	81.18	35.80
Adjustment on account of reassessment /modification	(0.17)	0.05
Add: Interest Expenses	7.25	5.22
Less: Payments	(25.80)	(18.44)
Closing Balance	**147.78**	**85.32**
Current	22.45	14.96
Non current	125.33	70.36

* Refer note 21

50.1.4 Amounts recognized in profit or loss **(₹ in Crores)**

Particulars	2021-22	2020-21
Lease charges-Others* (Refer Note 38)	33.80	24.60
Interest expenses (Refer Note 36)	7.25	5.22
Depreciation charge for right-of-use assets (Refer Note 37)	24.92	14.54

*Leases charges-Others includes rental charges of all assets that have lease period of 12 month or less, remaining lease period of 12 months or less as on transition date, rental charges of low value assets, variable lease payments and component of taxes of ROU lease charges.

**LCV/HCV Hiring, Operating and Maintenance Charges includes lease component viz. rental charges of LCV/HCV lease assets that have lease period of 12 month or less.

Notes to Standalone financial statements for the year ended 31st March 2022

50.1.5 The total Cash outflow for ROU assets is ₹ 18.55 Crores (Previous year ₹ 13.43 Crores) for the year ended 31st March, 2022 (excluding interest)

50.1.6 Contractual maturity analysis of undiscounted lease liabilities is given below:
Maturity Analysis of lease liabilities (undiscounted): **(₹ in Crores)**

Particulars	As at 31st March 2022	As at 31st March 2021
Less than one year	29.96	19.12
One to two years	30.07	12.41
two to five years	74.73	34.83
More than five years	84.72	84.87
Total	**219.48**	**151.23**

50.2 The Company as a lessor
The Company accounted for its leases in accordance with Ind AS 116.

Note 51 ADDITIONAL REGULATORY INFORMATION DISCLOSURES

Note 51.1 Loans and advances granted to specified person:

(A) Loans / Advance in the nature of loan – Repayable on Demand: **(₹ in Crores)**

Sr. No	Type of Borrowers	As on 31st March 2022		As on 31st March 2021	
		Amount Outstanding – Gross Carrying Amount	% of Total Loan and Advance in the Nature of Loan	Amount Outstanding – Gross Carrying Amount	% of Total Loan and Advance in the Nature of Loan
1	Promoters	-	-	-	-
2	Directors	-	-	-	-
3	KMPs	-	-	-	-
4	Related Parties	-	-	-	-
	Total	**-**	**-**	**-**	**-**

(B) Loans / Advance in the nature of loan – without specifying any terms or period of repayment: **(₹ in Crores)**

Sr. No	Type of Borrowers	As on 31st March 2022		As on 31st March 2021	
		Amount Outstanding – Gross Carrying Amount	% of Total Loan and Advance in the Nature of Loan	Amount Outstanding – Gross Carrying Amount	% of Total Loan and Advance in the Nature of Loan
1	Promoters	-	-	-	-
2	Directors	-	-	-	-
3	KMPs	-	-	-	-
4	Related Parties	-	-	-	-
	Total	**-**	**-**	**-**	**-**

Note 51.2 Relationship with struck off companies:

Based on the information available with the company, the required disclosures are given below:

Sr. No	Name of struck of companies	Nature of transaction	Balance Outstanding	Relationship with struck off company if any
As on 31st March 2022:				
1	Investment in securities	NA	Nil	NA
2	Receivables	NA	Nil	NA
3	Payables	NA	Nil	NA
4	Shares held by struck off Company	NA	Nil	NA
5	Other outstanding balances (to be specified)	NA	Nil	NA
As on 31st March 2021:				
1	Investment in securities	NA	Nil	NA
2	Receivables	NA	Nil	NA
3	Payables	NA	Nil	NA
4	Shares held by struck off Company	NA	Nil	NA
5	Other outstanding balances (to be specified)	NA	Nil	NA

Notes to Standalone financial statements for the year ended 31st March 2022

Note 51.3 Willful Defaulter

The company is not declared as willful defaulter by any bank or financial institution or other lender.

Note 51.4 Utilisation of borrowed funds

The company has used the borrowings from banks for the specific purpose for which it was taken. The company has not taken any borrowings from financial institution.

Note 51.5 Registration of charges or satisfaction with Registrar of Companies (ROC)

The company has registered charge and satisfaction with ROC within statutory time period.

Note 51.6 Details of Benami Property held

The company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, hence no proceedings initiated or pending against the company under the said Act and Rules.

Note 51.7 Utilisation of borrowed funds, share premium and other funds

The Company has not given any advance or loan or invested funds from borrowed funds or share premium or any other sources with the understanding that intermediary would directly or indirectly lend or invest in other person or equity identified in any manner whatsoever by or on behalf of the company as ultimate beneficiaries or provide any guarantee or security or the like to on behalf of ultimate beneficiaries.

The Company has not received any fund from any person or entity with the understanding that the Company would directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiary) or provided any guarantee or security or the like on behalf of the ultimate beneficiary.

Note 51.8 Compliance with number of layers of companies

As the company is a Government Company, in terms of section 2(45) of the Companies Act, compliance with number of layers of the companies as per section 2(87) of the Companies Act read with Companies (Restriction on number of Layers) Rules 2017, is not applicable.

Note 52 ADDITIONAL DISCLOSURES

Note 52.1 Details of Crypto Currency or Virtual Currency

The company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 52.2 Undisclosed Income

There is no transaction, which has not been recorded in books of accounts, that has been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961.

Note 53 RATIO ANALYSIS

Sr. No	Particulars	Numerator	Denominator	FY 2021-22	FY 2020-21	Variance %	Reason for significant variance(25% or more)
1	Current Ratio (times)	Current Assets	Current Liabilities (Excl. Customer deposits)	1.17	1.08	9%	-
2	Debt-Equity Ratio (times)	Debt consists of borrowings	Shareholder's Equity	0.09	0.20	-58%	Debt Equity ratio has improved due to prepayments / repayment of Borrowings during the year and increase in total equity due to current year profits.
3	Debt Service Coverage Ratio (times)	Earning for Debt Service = Net Profit after taxes + Non -cash expenses/adjustment + Interest - Lease payments	Interest on borrowings + Principal Repayments (routine installments)	13.48	8.00	69%	Debt Equity ratio has improved due to prepayments/repayment of Borrowings during the year and reduction in interest rates.
4	Net profit ratio (%)	Net Profit after tax	Revenue from operations	8%	13%	-39%	While Net profit is at par with last year, it has reduced in %age terms, due to increase in turnover.

Notes to Standalone financial statements for the year ended 31st March 2022

Sr. No	Particulars	Numerator	Denominator	FY 2021-22	FY 2020-21	Variance %	Reason for significant variance(25% or more)
5	Return on Equity Ratio (%)	Net Profits after taxes-Preference Dividend (if any)	Average Shareholder's Equity	26%	33%	-22%	-
6	Return on Capital employed (%)	Profit before tax + Interest on borrowings	Avg. Capital Employed=Tangible Net Worth + Total Debt + Deferred Tax Liability	28%	31%	-9%	-
7	Return on investment (%)- unquoted	Income generated from investments	Average investment	12%	14%	-9%	-
8	Inventory turnover ratio	Cost of goods sold or sales	Average Inventory (Natural Gas)	924.77	591.67	56%	While average inventory levels have remained in line with last year, higher cost of gas has led to increased turnover ratio.
9	Trade Receivables turnover ratio	Net Credit Sales	Average Trade Receivable	18.66	13.95	34%	Increase in trade receivables is lower than increase in turnover
10	Trade payables turnover ratio	Net Credit Purchases (Gas purchase + Transmission)	Average Trade Payables (Gas Purchase+ Transmission)	44.16	25.33	74%	Increase in trade payables is lower than increase in gas purchase cost
11	Net capital turnover ratio	Revenue from operations	Working Capital	82.00	103.33	-21%	-

Note 54 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

As per Section 135 of the Companies Act, 2013, a company needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. CSR expenditure is contain the following:

(₹ in Crores)

Sr. No	Particulars	FY 2021-22	FY 2020-21
1	Gross amount required to be spent by the company during the year.	23.54	14.96
2	Amount approved by the Board to be spent during the year	23.54	15.01
3	Amount of expenditure incurred on:		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purposes other than (I) above	19.14	15.01
4	The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	4.40	-
5	The total of previous years' shortfall amounts	-	-
6	The reason for above shortfalls (if any)	Pertains to an ongoing project of Radio Diagnostic Services	NA
7	Details of related party transactions in relation to CSR expenditure	-	-
8	Nature of CSR activities undertaken by the Company	Preventive Health care / Disaster management, Health Care, Environment, Community Development, Eradication of Hunger / Malnutrition	Disaster Relief /management, Education, Medical, Preventive Health Care, Health, Environment, Community Development
9	**Provision for CSR Expenses:**		
	Opening Balance	-	-
	Add: Provision created during the period	4.40	-
	Less: Provision utilised during the period	-	-
	Closing Balance	4.40	-
	Total amount recognised in Statement of Profit and Loss (3+9)	**23.54**	**15.01**

Notes to Standalone financial statements for the year ended 31st March 2022

Details of expenditure incurred for CSR activities : **(₹ in Crores)**

Sr. No	Particulars	FY 2021-22	FY 2020-21
1	Contribution to Gujarat University Consultancy Foundation to support Covid care hospital (Preventive Healthcare / Disaster Management)	10.00	-
2	Contribution to Gujarat CSR Authority to support Oxygen plant (Preventive Healthcare / Disaster Management)	3.00	-
3	Providing gas(in kind) to Crematoriums (Environment / Community Development)	6.05	1.77
4	Providing gas(in kind) towards Nondhara no aadhar project (Community Development, Eradication of Hunger / Malnutrition)	0.01	-
5	Contribution to support Mobile Health screening van (Preventive Healthcare)	0.08	0.03
6	Contribution to support Smart class room project (Education)	-	0.90
7	Contribution to Chief Minister Relief Fund, Government of Gujarat (Preventive Healthcare / Disaster Management for COVID-19)*	-	10.00
8	Tree Plantation (Environment)	-	1.00
9	Mid Day Meal (Health)	-	1.15
10	Blind People's Association (Education, Health Care, Community Development)	-	0.16
	Total	**19.14**	**15.01**

*MCA issued clarification dated 23rd March, 2020 stated that "Keeping in view the spread of novel corona virus (COVID-19) in India, its declaration as pandemic by the world health organisation (WHO), and decision of Government of India to treat this as a notified disaster, it is hereby clarified that spending of CSR Funds for COVID-19 is eligible CSR activity. Accordingly, spending on various activities related to Covid – 19 will be considered as CSR under item No. (i) and (xii) of Schedule VII of the Companies Act, 2013 relating to promotion of health care, including preventive health care and sanitation and Disaster Management. Considering this, the Company has obtained approval of CSR committee and contributed ₹ 10 Crores on 1st April,2020 to "Chief Minister Relief Fund, Government of Gujarat" with special objective in the situation of Disaster Relief for helping COVID 19 affected areas. Hence, Contribution of ₹ 10 crores made in Chief Minister Relief Fund is covered & eligible under CSR activities as per MCA Circular dated 23rd March, 2020. Subsequently on 10th April, 2020, MCA had issued COVID-19 related Frequently Asked Questions (FAQs) on Corporate Social Responsibility (CSR) where in it was clarified that "'Chief Minister's Relief Fund' or 'State Relief Fund for COVID-19' is not included in Schedule VII of the Companies Act, 2013 and therefore any contribution to such funds shall not qualify as admissible CSR expenditure. The Company has made representation to Government for considering contribution to CM Relief Fund as eligible CSR expenditure. It may be noted that the Company had made contribution of ₹ 10 crores on 1st April 2020 (cheque cleared on 2nd April 2020) to Gujarat State CM Relief Fund for the financial year 2020-21 under CSR activities prior to the FAQs dated 10th April, 2020, issued by MCA.

Note 55 SEGMENT REPORTING

The Company primarily operates in the segment of Natural Gas Business. Natural gas business involves distribution of gas from sources of supply to centres of demand and to the end customers. The Managing Director of the Company allocate resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a one, hence no separate segment needs to be disclosed.

Information about products and service:

The Company is in a single line of business of Sale of Natural Gas.

Information about geographical areas:

1. The Company does not have geographical distribution of revenue outside India and hence segmentwise disclosure is not applicable to the Company.
2. None of the Company's assets are located outside India hence segmentwise disclosure is not applicable to the Company.

Information about major customers:

None of the customer account for more than 10% of the total revenue of the Company.

Note 56 ACCOUNTING FOR BUSINESS COMBINATION TRANSACTIONS

BUSINESS TRANSFER AGREEMENT FOR GEOGRAPHICAL AREAS OF AMRITSAR AND BHATINDA (PUNJAB)

Pursuant to the approval by the Board of Directors on 1st June 2021, the Company had executed Business Transfer Agreement (BTA) on 26th October 2021 to transfer / purchase of City Gas Distribution (CGD) Business of Amritsar and Bhatinda Geographical Areas from Gujarat State Petronet Limited (GSPL, a holding company) to Gujarat Gas Limited (GGL, the Company) for cash consideration of ₹ 153.86 Crores (₹ 164.58 Crore Business valuation determined based on an independent valuation less ₹ 10.72 Crore working capital adjustment) and the Company has completed the above transfer of business as per BTA with effect from 1st November 2021.

Notes to Standalone financial statements for the year ended 31st March 2022

Note 56.1 Accounting treatment of the Business transfer arrangement

Business combination transaction between the common control entities, GSPL (Holding Company) and GGL (Subsidiary Company) has been recorded in the books of the Company in accordance with Appendix C – 'Business combinations of entities under common control' of Ind AS 103 – 'Business Combinations' using the pooling of interests method which involves the following:-

1. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, business combinations is accounted with effect from 1st April, 2020. Accordingly figures for the year ended March 31 2021 are reinstated after giving effect to the Business transfer arrangement. The obligation to pay consideration in cash is recognised as a liability in the comparative financial year.
2. The Company has recorded the asset, liabilities and accumulated losses of the City Gas Distribution (CGD) Business of GSPL pursuant to this arrangement at the respective book values appearing in the books of GSPL.
3. No adjustments are made to reflect fair values and only adjustments are recorded to harmonise accounting policies and intercompany eliminations.
4. The difference between aggregated book value of net assets acquired, accumulated loss of the CGD business and deferred tax recognised on acquisition and consideration paid by the Company to GSPL is transferred to negative capital reserve. Detailed working of the same is given hereunder:

Note 56.2 Summary of purchase consideration and assets taken over accounted in the books is given:- **(₹ in Crores)**

Sr.no	Particulars	Amount
1	Purchase consideration Valuation of Assets (determined based on an independent valuation)	164.58
2	Net working capital adjustments	(10.72)
3	Net Purchase consideration after adjusting net working capital adjustments	153.86
4	Total net assets acquired	100.25
5	Excess of purchase consideration over net assets transferred Adjusted against below Reserves:-	53.61
	Retained Earnings (Accumulated Losses)	15.84
	Capital reserve (Negative) - Gross	37.77
	Capital reserve (Negative) - Net off Deferred tax assets of ₹ 13.79 Crores	23.98

Note 56.3 Impact of restatement on balance sheet as on 1st April 2020:- **(₹ in Crores)**

	Particulars	Balance before restatement	Impact of restatement	Balance after restatement
I.	**ASSETS**			
1	**Non-Current Assets**			
(a)	Property, plant and equipment	5,102.54	44.29	5,146.83
(b)	Capital work in progress	568.57	32.47	601.04
(c)	Investment property	1.30	-	1.30
(d)	Intangible assets	335.15	17.31	352.46
(e)	Intangible assets under development	0.92	1.73	2.65
(f)	Right-of-use assets	146.09	5.42	151.51
(g)	Investment in associates	0.03	-	0.03
(h)	Financial assets			
	(i) Investments	17.22	-	17.22
	(ii) Loans	0.21	-	0.21
	(iii) Other financial assets	62.18	4.72	66.90
(i)	Other non-current assets	224.99	7.96	232.95
	Total Non-Current Assets	**6,459.20**	**113.90**	**6,573.10**

Notes to Standalone financial statements for the year ended 31st March 2022

Note 56.3 Impact of restatement on balance sheet as on 1st April 2020 (Continued...) **(₹ in Crores)**

	Particulars	Balance before restatement	Impact of restatement	Balance after restatement
2	**Current Assets**			
(a)	Inventories	46.26	0.12	46.38
(b)	Financial Assets			
	(i) Investments	-		-
	(ii) Trade receivables	580.93	0.35	581.28
	(iii) Cash and cash equivalents	547.19	0.97	548.16
	(iv) Bank balances other than (iii) above	144.53	-	144.53
	(v) Loans	0.92	-	0.92
	(vi) Other financial assets(elimination)	5.63	(3.89)	1.74
(c)	Other current assets	107.36	0.35	107.71
	Total Current Assets	**1,432.82**	**(2.10)**	**1,430.72**
	TOTAL ASSETS	**7,892.02**	**111.80**	**8,003.82**
II.	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	137.68	-	137.68
	(b) Other Equity	3,152.94	(26.65)	3,126.29
	Total Equity	**3,290.62**	**(26.65)**	**3,263.97**
2	**Liabilities**			
	Non-Current Liabilities			
(a)	Financial Liabilities			
	(i) Borrowings	1,834.36	-	1,834.36
	(ii) Lease Liabilities	45.02	5.33	50.35
(b)	Provisions	45.33	-	45.33
(c)	Deferred tax liabilities (Net)	800.49	(13.79)	786.70
(d)	Other non-current liabilities	63.60	-	63.60
	Total Non-Current Liabilities	**2,788.80**	**(8.46)**	**2,780.34**
	Current Liabilities			
(a)	Financial Liabilities			
	(i) Borrowings	163.98	-	163.98
	(ii) Lease Liabilities	12.00	0.34	12.34
	(iii) Trade payables			
	Total outstanding dues of micro enterprises and small enterprises	7.51	-	7.51
	Total outstanding dues of creditors other than micro enterprises and small enterprises	336.64	0.27	336.91
	(iv) Other financial liabilities	1,209.60	146.01	1,355.61
(b)	Other current liabilities	47.14	0.29	47.43
(c)	Provisions	35.73	-	35.73
(d)	Current Tax Liabilities (Net)	-	-	-
	Total Current Liabilities	**1,812.60**	**146.91**	**1,959.51**
	Total Liabilities	**4,601.40**	**138.45**	**4,739.85**
TOTAL EQUITY AND LIABILITIES		**7,892.02**	**111.80**	**8,003.82**

Note 56.4 Impact of restatement on balance sheet as on 31st March 2021:- **(₹ in Crores)**

	Particulars	Balance before restatement	Impact of restatement	Balance after restatement
I.	**ASSETS**			
1	**Non-Current Assets**			
(a)	Property, plant and equipment	5,445.18	43.08	5,488.26
(b)	Capital work in progress	665.55	41.92	707.47
(c)	Investment property	1.30	-	1.30
(d)	Intangible assets	351.62	26.32	377.94
(e)	Intangible assets under development	22.28	1.73	24.01
(f)	Right-of-use assets	167.60	5.22	172.82
(g)	Investment in associates	0.03	-	0.03

Notes to Standalone financial statements for the year ended 31st March 2022

Note 56.4 Impact of restatement on balance sheet as on 31st March 2021 (Continued...) (₹ in Crores)

	Particulars	Balance before restatement	Impact of restatement	Balance after restatement
(h)	Financial assets			
	(i) Investments	19.74	-	19.74
	(ii) Loans	2.17	-	2.17
	(iii) Other financial assets	69.90	4.85	74.75
(i)	Other non-current assets	294.39	7.58	301.97
	Total Non-Current Assets	**7,039.76**	**130.70**	**7,170.46**
2	**Current Assets**			
(a)	Inventories	52.21	0.27	52.48
(b)	Financial Assets			
	(i) Investments	-		-
	(ii) Trade receivables	770.93	3.81	774.74
	(iii) Cash and cash equivalents	276.41	0.25	276.66
	(iv) Bank balances other than (iii) above	42.23	-	42.23
	(v) Loans	1.29	-	1.29
	(vi) Other financial assets(elimination)	18.94	(13.40)	5.54
(c)	Other current assets	184.91	0.36	185.27
	Total Current Assets	**1,346.92**	**(8.71)**	**1,338.21**
	TOTAL ASSETS	**8,386.68**	**121.99**	**8,508.67**
II.	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	137.68	-	137.68
	(b) Other Equity	4,344.94	(33.98)	4,310.96
	Total Equity	**4,482.62**	**(33.98)**	**4,448.64**
2	**Liabilities**			
	Non-Current Liabilities			
(a)	Financial Liabilities			
	(i) Borrowings	769.95	-	769.95
	(ii) Lease Liabilities	64.99	5.37	70.36
(b)	Provisions	51.77	-	51.77
(c)	Deferred tax liabilities (Net)	806.31	(13.79)	792.52
(d)	Other non-current liabilities	62.94	-	62.94
	Total Non-Current Liabilities	**1,755.96**	**(8.42)**	**1,747.54**
	Current Liabilities			
(a)	Financial Liabilities			
	(i) Borrowings	127.31	-	127.31
	(ii) Lease Liabilities	14.50	0.46	14.96
	(iii) Trade payables			
	Total outstanding dues of micro enterprises and small enterprises	9.15	-	9.15
	Total outstanding dues of creditors other than micro enterprises and small enterprises	436.51	1.66	438.17
	(iv) Other financial liabilities	1,479.41	161.86	1,641.27
(b)	Other current liabilities	56.68	0.41	57.09
(c)	Provisions	24.54	-	24.54
(d)	Current Tax Liabilities (Net)	-	-	-
	Total Current Liabilities	**2,148.10**	**164.39**	**2,312.49**
	Total Liabilities	**3,904.06**	**155.97**	**4,060.03**
	TOTAL EQUITY AND LIABILITIES	**8,386.68**	**121.99**	**8,508.67**

Notes to Standalone financial statements for the year ended 31st March 2022

Note 56.5 The following figures of revenue and directly attributable expenses of Amritsar & Bhatinda GA are included in Statement of profit and loss. **(₹ in Crores)**

Sr. No	Particulars	For the period from 1st April,2021 to 31st October, 2021	For the year ended 31st March 2021
1	**Revenue**		
(a)	Revenue from Operations	26.80	14.86
(b)	Other Income (Income Elimination)	(3.22)	(2.59)
	Total Income	**23.58**	**12.26**
2	**Expenses**		
(a)	Cost of materials consumed	17.57	6.92
(b)	Changes in inventories	(0.26)	(0.15)
(c)	Finance costs	0.27	0.45
(d)	Depreciation and Amortization Expenses	2.08	2.73
(e)	Excise duty expense	5.05	2.63
(f)	Other expenses	9.58	9.06
	Total Expenses	**34.29**	**21.63**
3	**Profit/(Loss) Before Tax**	**(10.71)**	**(9.37)**
4	**Tax expense**		
	Current Tax	(2.11)	(2.93)
	Deferred Tax	(2.77)	0.89
	Total Tax expenses	**(4.88)**	**(2.04)**
5	**Net Profit/(Loss) after tax**	**(5.83)**	**(7.33)**

Impact of restatement on Statement of profit and loss for the year ended 31st March 2021 :- **(₹ in Crores)**

Sr. No	Particulars	Balance before restatement	Impact of restatement	Balance after restatement
1	Profit/(Loss) Before Tax	1,704.70	(9.37)	1,695.30
2	Net Profit/(Loss) after tax	1,275.50	(7.33)	1,268.15
3	Total comprehensive income	1,278.07	(7.33)	1,270.72

Note 57 RECLASSIFICATION OF COMPARATIVE FIGURES

Certain reclassifications have been made to the comparative period's financial statements to:

- comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1st April 2021
- enhance comparability and ensure consistency with the current year's financial statements; and
- ensure compliance with the Guidance Note on Division II - Ind AS Schedule III to the Companies Act, 2013.

The Company believes that such presentation is more relevant for understanding of the Company's performance. However, this does not have any impact on the profit, equity and cash flow statement for the comparative period.

Note 58 IMPACT OF COVID-19 PANDEMIC

In view of the pandemic relating to Coronavirus (COVID-19), the Company has considered the impact of COVID19 as evident so far in the above financial results. The Company will continue to monitor any material changes to future economic conditions which necessitate any further modifications.

Note 59 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 on date of approval of these financial statements, there are no subsequent events to be recognized or reported that are not already disclosed.

Notes to Standalone financial statements for the year ended 31st March 2022

Note 60 PREVIOUS YEAR FIGURES

Previous period figures have been re-grouped / re-classified wherever necessary, to conform to current period's presentation.

The Accompanying Notes (1-60) are an integral part of the financial Statements.
As per our report attached.

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Reg. No. – 106041W/W100136

Krishnakant Solanki
Partner
M. No. : 110299

Place : Gandhinagar
Date : 10th May, 2022

For and on behalf of Board of Directors

Pankaj Kumar, IAS	**Sanjeev Kumar, IAS**	**Balwant Singh, IAS (Retd.)**
Chairman	Managing Director	Director
DIN - 00267528	DIN - 03600655	DIN- 00023872
	Nitesh Bhandari	**Sandeep Dave**
	Chief Financial Officer	Company Secretary

Place : Gandhinagar
Date : 10th May, 2022

Consolidated Financial Statements

REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GUJARAT GAS LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of consolidated financial statements of Gujarat Gas Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the companies Act, 2013 (Act) is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under Section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 10 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Gujarat Gas Limited for the year ended 31 March 2022 under Section 143 (6) (a) read with Section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Gujarat Gas Limited, but did not conduct supplementary audit of the financial statements of Guj Info Petro Limited for the year ended on that date. Further, section 139(5) and 143 (6)(b) of the Act are not applicable to Gujarat Gas Limited Employees Welfare Stock Option Trust being private entities, neither for appointment of their Statutory Auditor nor for conduct of supplementary audit. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

On the Basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 143(6)(b) of the Act.

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

(H. K. Dharmadarshi)
Principal Accountant General (Audit II), Gujarat

Place : Ahmedabad

Date : 26/07/2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
Gujarat Gas Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Gujarat Gas Limited** ("the Holding Company") and its controlled trust (Holding Company and its controlled trust collectively referred to as "the Group"), and its associate company which comprise the consolidated Balance Sheet as at **March 31, 2022,** and 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 ended on that date, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (hereinafter referred to as "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, (hereinafter referred to as "Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2022, of 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 (hereinafter referred to as "SAs") specified under section 143(10) of the Act. 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 (hereinafter referred to as "ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, 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 Matter

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.

INDEPENDENT AUDITOR'S REPORT

<table>
<tr><th>Sr. No.</th><th>Key Audit Matter</th><th>Auditor's Response</th></tr>
<tr><td>1</td><td>Revenue recognition
The Holding Company is in the business of distribution of natural gas. The Holding Company has major types of customers such as industrial, oil marketing companies, commercial, non-commercial, domestic and CNG.
Revenue from sale of natural gas is considered as key audit matter as there is a risk of accuracy of recognition and measurement of gas sales in the Consolidated Financial Statements considering following aspects:
- Different pricing structure for different types of customers and frequency of price change
- Voluminous number of customers
- Capturing Gas Consumption data in billing
- Estimating unbilled revenue at the year-end
- Extensive use of SAP and other IT systems for managing the billing operation</td><td><u>Principal audit procedure:</u>
Our approach was a combination of test of internal controls, analytical and substantive procedures which included the following:
- Evaluated the design of internal control
- For evaluation of operative effectiveness of internal control:
• Verified samples of gas sales invoices with relevant agreements executed with the customers, accuracy of pricing, consumption quantity, tax amount of invoices of major types of customers.
• Visited site to understand actual operations
- Performed analytical procedures to verify number of bills generated during the year for each major type of customers as per their respective billing cycle
- On sample basis, verified:
• Updation of Daily Contracted Quantity of gas of Industrial customers in the billing system.
• Updation of prices of gas for all major types of customers in the billing system.
• Sales invoices
- Verified subsequent realisation of invoices generated for the month of March 2022.
- Evaluated the appropriateness of accounting policies, related disclosure made and overall presentation in the Consolidated Financial Statements in terms of Ind AS 115.</td></tr>
<tr><td>2</td><td>Contingent Liabilities
Contingent Liabilities are for ongoing litigations and claims with various authorities and third parties. These relate to direct tax, indirect tax, claims and legal proceedings.
Contingent liabilities are considered as key audit matters as the amount involved is significant and it also involves significant management judgement to determine possible outcome and future cash outflows of these disputes.</td><td><u>Principal audit procedure:</u>
- Obtained details of disputed claims as on March 31, 2022, from the management.
- Discussed with the management about the significant judgment considered in determining possible outcome and future cash outflows of these disputes.
- Verified relevant documents related to disputes.
- Evaluated the appropriateness of accounting policies, related disclosure made and overall presentation in the Consolidated Financial Statements in terms of Ind AS 37.</td></tr>
</table>

INDEPENDENT AUDITOR'S REPORT

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's 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 consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our 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.

When we read the Final Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for 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 the preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are 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 the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting of the Group.

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 skepticism 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.

INDEPENDENT AUDITOR'S REPORT

- 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 Holding 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 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 entity included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company 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 Matter

- We did not audit the financial statements of controlled trust; whose financial statements reflect total assets of Rs. 2.40 crore as at March 31, 2022, total revenues of Rs. 0.13 crore and net cash outflow is Nil (represents value less than Rs. 0.01 crore) for the year ended on that date, as considered in the consolidated financial statements. The Consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of Rs. 1.61 crore for the year ended March 31, 2022 as considered in the consolidated financial statements, in respect of associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the controlled trust and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid controlled trust and associate, is based solely on the report of the other auditor.

  Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors.
- The consolidated financial statements of the Holding Company for the year ended March 31, 2021, were audited by predecessor auditor whose report dated June 01, 2021 expressed an unmodified opinion on those Consolidated Financial Statements.

INDEPENDENT AUDITOR'S REPORT

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) As both the Holding Company and its Associate Company are Government Companies, in terms of notification no. G.S.R 463 (E) dated June 05, 2015, issued by Ministry of Corporate Affairs, the sub-section (2) of section 164 of the Act is not applicable.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in **"Annexure – A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.

   g) As both the Holding Company and its Associate Company are Government Companies, in terms of notification no. G.S.R 463 (E) dated June 05, 2015, issued by Ministry of Corporate Affairs, the sub-section (16) of section 197 of the Act is not applicable.

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

      i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note 43 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

      iv. (a) The Managements of the Holding Company has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (b) The Managements of the Holding Company has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

INDEPENDENT AUDITOR'S REPORT

v. (a) The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by other auditor of associate included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in this CARO report.

For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136

K. B. Solanki
Partner
Membership No. 110299
UDIN: 22110299AISTGA2850

Place: Gandhinagar
Date: May 10, 2022

INDEPENDENT AUDITOR'S REPORT

ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT

(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 Act

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of **Gujarat Gas Limited ("the Holding Company")** and its associate which is company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its associate, which is company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the these 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 ("ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding 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") issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 is sufficient and appropriate to provide a basis for our audit opinion on the Holding 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.

INDEPENDENT AUDITOR'S REPORT

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its associate, which is company 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 March 31, 2022, based on the internal control over financial reporting criteria established by these 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 ICAI.

For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136

K. B. Solanki
Partner
Membership No. 110299
UDIN: 22110299AISTGA2850

Place: Gandhinagar
Date: May 10, 2022

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022

(₹ in Crores)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
I. ASSETS			
1 Non-Current Assets			
(a) Property, plant and equipment	3.1	5,967.76	5,488.26
(b) Capital work in progress	3.2	965.91	707.47
(c) Investment property	4	1.30	1.30
(d) Intangible assets	5.1	403.92	377.94
(e) Intangible assets under development	5.2	26.39	24.01
(f) Right-of-use assets	5.3	258.22	172.82
(g) Investment in equity accounted investee	6	29.67	28.06
(h) Financial assets			
(i) Investments	7	22.36	19.74
(ii) Loans	8	3.56	2.17
(iii) Other financial assets	9	81.27	74.75
(i) Other non-current assets	10	436.94	301.97
Total Non-Current Assets		**8,197.30**	**7,198.49**
2 Current Assets			
(a) Inventories	11	53.39	52.48
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade receivables	12	930.05	774.74
(iii) Cash and cash equivalents	13	19.78	276.86
(iv) Bank balances other than (iii) above	14	1.52	44.34
(v) Loans	15	2.91	1.29
(vi) Other financial assets	16	19.04	5.54
(c) Other current assets	17	363.34	185.27
Total Current Assets		**1,390.03**	**1,340.52**
TOTAL ASSETS		**9,587.33**	**8,539.01**
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	18	137.68	137.68
(b) Other Equity	19	5,492.25	4,339.88
Total Equity		**5,629.93**	**4,477.56**
2 Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	390.97	769.95
(ii) Lease Liabilities	21	125.33	70.36
(b) Provisions	22	53.78	51.77
(c) Deferred tax liabilities (Net)	23	807.72	792.52
(d) Other non-current liabilities	24	68.83	62.94
Total Non-Current Liabilities		**1,446.63**	**1,747.54**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	90.10	127.31
(ii) Lease Liabilities	21	22.45	14.96
(iii) Trade payables	26		
Total outstanding dues of micro enterprises and small enterprises		21.36	9.15
Total outstanding dues of creditors other than micro enterprises and small enterprises		425.69	439.59
(iv) Other financial liabilities	27	1,841.96	1,641.27
(b) Other current liabilities	28	76.29	57.09
(c) Provisions	29	32.92	24.54
(d) Current Tax Liabilities (Net)	30	-	-
Total Current Liabilities		**2,510.77**	**2,313.91**
Total Liabilities		**3,957.40**	**4,061.45**
TOTAL EQUITY AND LIABILITIES		**9,587.33**	**8,539.01**
See accompanying notes to the financial statements (1-62)			

As per our report attached
For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Reg. No. - 106041W/W100136
Krishnakant Solanki
Partner
M. No. : 110299

Place : Gandhinagar
Date : 10th May, 2022

For and on behalf of Board of Directors

Pankaj Kumar, IAS
Chairman
DIN - 00267528

Sanjeev Kumar, IAS
Managing Director
DIN - 03600655

Balwant Singh, IAS (Retd.)
Director
DIN- 00023872

Nitesh Bhandari
Chief Financial Officer

Sandeep Dave
Company Secretary
Place : Gandhinagar
Date : 10th May, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Crores)

Particulars	Note No.	For the year ended 31st March 2022	For the year ended 31st March 2021
Revenue			
I. Revenue from Operations	31	16,787.35	10,057.10
II. Other income	32	90.87	71.58
III. Total Income (I+II)		**16,878.22**	**10,128.68**
IV. Expenses			
Cost of material consumed	33	13,444.11	6998.01
Changes in inventories of natural gas	34	(7.24)	(1.48)
Employee Benefits Expenses	35	190.88	177.49
Finance Costs	36	56.82	116.76
Depreciation and Amortization Expenses	37	384.91	343.57
Excise Duty		331.13	190.66
Other Expenses	38	752.17	608.23
Total Expenses (IV)		**15,152.78**	**8,433.24**
V. Profit Before Exceptional Items and Tax(III-IV)		1,725.44	1,695.44
VI. Exceptional Items	39	11.90	-
VII. Profit Before Tax (V-VI)		**1,713.54**	**1,695.44**
Add: Share of net profit of equity accounted investee		1.62	2.11
Profit Before Tax		**1,715.16**	**1,697.55**
VIII. Tax expense:	40		
Current Tax		416.05	421.24
Deferred Tax		11.74	5.94
Total Tax Expense (VIII)		**427.79**	**427.18**
IX.Profit for the period(VII-VIII)		**1,287.37**	**1,270.37**
X. Other comprehensive income	41		
A. (i) Items that will not be reclassified to profit or loss		3.38	3.33
(ii) Income tax related to items that will not be reclassified to profit or loss		(0.69)	(0.76)
B. Share of Other comprehensive income of equity accounted investee		(0.01)	(0.03)
Total other comprehensive income (X)		**2.68**	**2.54**
XI. Total comprehensive income for the period(IX+X)		**1,290.05**	**1,272.91**
Earnings per equity share of Face Value of ₹ 2 each	42		
Basic		18.70	18.45
Diluted		18.70	18.45
See accompanying notes to the financial statements (1-62)			

As per our report attached
For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Reg. No. - 106041W/W100136

For and on behalf of Board of Directors

Krishnakant Solanki
Partner
M. No. : 110299

Pankaj Kumar, IAS
Chairman
DIN - 00267528

Sanjeev Kumar, IAS
Managing Director
DIN - 03600655

Balwant Singh, IAS (Retd.)
Director
DIN- 00023872

Nitesh Bhandari
Chief Financial Officer

Sandeep Dave
Company Secretary

Place : Gandhinagar
Date : 10th May, 2022

Place : Gandhinagar
Date : 10th May, 2022

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	1,713.54	1,695.44
Adjustments for:		
Depreciation and Amortization Expenses	384.91	343.57
Loss on sale/disposal of Property, plant and equipment	1.49	3.41
(Profit)/Loss on sale as scrap and diminution in Capital Inventory	1.71	7.00
Bad Debts Written Off	-	0.01
Provision for Doubtful Trade Receivables / Advances / Deposits etc.	3.71	1.58
Finance Costs	56.82	116.76
Provision/liability no longer required written back	(20.78)	(6.77)
Interest Income	(33.80)	(41.85)
Operating Profit before Working Capital Changes	**2,107.60**	**2,119.15**
Adjustments for changes in Working Capital		
(Increase)/Decrease in Trade Receivables	(159.09)	(195.05)
(Increase)/Decrease in Other - Non Current Assets	(50.36)	(24.99)
(Increase)/Decrease in Other financial assets-Non-current	(3.26)	(6.62)
(Increase)/Decrease in Loans and Advances-Current	(1.62)	(0.38)
(Increase)/Decrease in Other Current Assets	(178.07)	(77.56)
(Increase)/Decrease in Other financial assets-Current	(11.28)	(3.80)
(Increase)/Decrease in Inventories	(0.91)	(6.10)
(Increase)/Decrease in Loan and advances-Non current	(1.39)	(1.96)
Changes in Trade and Other Receivables	**(405.98)**	**(316.46)**
Increase/(Decrease) in Trade Payables	1.42	104.21
Increase/(Decrease) in Other financial liabilities-Current	342.11	158.02
Increase/(Decrease) in Other current liabilities	31.50	9.66
Increase/(Decrease) in Other Non current Liabilities	5.89	(0.66)
Increase/(Decrease) in Short-term provisions	13.54	(4.94)
Increase/(Decrease) in Long-term provisions	2.01	6.44
Changes in Trade and Other Payables	**396.47**	**272.73**
Cash Generated from Operations	**2,098.09**	**2,075.42**
Income tax refund	1.33	1.18
Income tax paid	(437.68)	(417.82)
Net Cash from/(used in) Operating Activities	**1,661.74**	**1,658.78**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for Property, plant and equipments/Intangible assets including capital work in progress and capital advances.	(1,366.30)	(755.56)
Other Bank balances in Earmark funds	39.79	0.28
Investment in Fixed Deposits with bank and financial institutions (net)	(0.05)	97.44
Interest received	33.00	43.33
Proceeds from sale of Property, plant and equipments	0.03	0.16
Dividend received	-	-
Net Cash from/(used in) Investing Activities	**(1,293.53)**	**(614.35)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payments of lease liabilities	(18.55)	(13.43)
Proceeds/(Repayment) of Long-term borrowings (Net) [Refer footnote (iv)]	(419.28)	(1,101.61)
Interest Paid (including interest on lease liability)	(53.14)	(116.54)
Dividend Paid (including tax thereon)	(137.47)	(86.33)
Net Cash from/(used in) Financing Activities	**(628.44)**	**(1,317.91)**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**(260.23)**	**(273.48)**
Cash and Cash Equivalents at the beginning of the year	276.86	550.34
Cash and Cash Equivalents at the end of the year	16.63	276.86
Details of Closing Cash and Cash Equivalents and reconciliation with Balance sheet:		
(A) Cash and Cash Equivalents (Refer note 13)		
Cash in hand	1.61	1.11
Balances with Banks	18.17	14.73
Balances in Fixed / Liquid Deposits	-	261.02
(B) Balances in Bank Overdraft / Cash Credit (Refer note 25)	**(3.15)**	**-**
Total (A+B)	**16.63**	**276.86**

Notes to Cash Flow Statement:

(i) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard IND AS - 7 on Cash Flow Statements.

(ii) Purchase of Property, plant and equipments and other Intangible assets are stated inclusive of movements of capital work in progress, assets under development and capital advances.

(iii) Interest received is classified as investing cash flows and considered and presented as 'cash flows from investing activities' to the extent, it represents time value of money.

(iv) Disclosure of changes in liabilities arising from financing activities, including changes arising from cash flows and non cash changes:

Cash flown from Proceeds /(Repayment) of Long-term borrowings (Net):	For the year ended 31st March 2022	For the year ended 31st March 2021
Proceeds from Long-term borrowings	-	-
Loan Swapping/ Refinance -[New loan]	-	586.45
Loan Swapping/ Refinance [Old loan]	-	(586.45)
(Repayment) of Long-term borrowings	(419.28)	(1,101.61)
Net Proceeds /(Repayment) of Long-term borrowings	**(419.28)**	**(1,101.61)**

Change in Liability arising from finance activity	For the year ended 31st March 2022	For the year ended 31st March 2021
Opening Balance- Long term borrowings (Including current portion)	897.26	1,998.34
Cash flow (Net)	(419.28)	(1,101.61)
Loan Swapping/ Refinance -[New loan]	-	586.45
Loan Swapping/ Refinance [Old loan]	-	(586.45)
Non Cash movement	(0.06)	0.53
Closing Balance Long term borrowings (Including current portion)	**477.92**	**897.26**

Refer Note 50 for reconciliation of lease liability under financing activities

(v) Previous year figures have been regrouped and reclassified wherever considered necessary to conform to the current year's figures.

As per our report attached

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Reg. No. - 106041W/W100136
Krishnakant Solanki
Partner
M. No. : 110299

Place : Gandhinagar
Date : 10th May, 2022

For and on behalf of Board of Directors

Pankaj Kumar, IAS
Chairman
DIN - 00267528

Sanjeev Kumar, IAS
Managing Director
DIN - 03600655

Balwant Singh, IAS (Retd.)
Director
DIN- 00023872

Nitesh Bhandari
Chief Financial Officer

Sandeep Dave
Company Secretary

Place : Gandhinagar
Date : 10th May, 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED 31ST MARCH, 2022

(a) Equity Share Capital

(₹ in Crores)

Equity share capital	As at 31st March 2022	As at 31st March 2021
Balance at the beginning of the reporting period	137.68	137.68
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the reporting period	137.68	137.68
Changes in equity share capital during the year	-	-
Balance at the end of the reporting period	**137.68**	**137.68**

(b) Other equity

(₹ in Crores)

Other equity	Attributable to the equity holders of the Group				Items of Other Comprehensive Income	Total Other Equity
	Reserves & Surplus					
	Amalgamation & Arrangement Reserve	Capital Reserve **	General Reserve	Retained Earnings	Equity Instruments through OCI	
Balance at April 1, 2021	**879.59**	**(23.98)**	**2.72**	**3,591.30**	**(109.75)**	**4,339.88**
Changes in accounting policy / prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period (a)	**879.59**	**(23.98)**	**2.72**	**3,591.30**	**(109.75)**	**4,339.88**
Profit for the year	-	-	-	1,287.37	-	1,287.37
Other comprehensive income for the year	-	-	-	-	2.12	2.12
Items of OCI recognised directly in retained earnings :						
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	0.56	-	0.56
Total comprehensive income for the year (b)	**-**	**-**	**-**	**1,287.93**	**2.12**	**1,290.05**
Dividend (c)	**-**	**-**	**-**	**(137.68)**	**-**	**(137.68)**
Balance at March 31, 2022 (a+b+c)	**879.59**	**(23.98)**	**2.72**	**4,741.55**	**(107.63)**	**5,492.25**
Balance at April 1, 2020	**879.59**	**-**	**2.72**	**2,409.08**	**(111.71)**	**3,179.68**
Retained earning/ Capital reserve from business combination transaction(Refer note 56)	-	(23.98)	-	(2.68)	-	(26.66)
Restated balance at the beginning of the reporting period (d)	**879.59**	**(23.98)**	**2.72**	**2,406.40**	**(111.71)**	**3,153.02**
Profit for the year	-	-	-	1,270.37	-	1,270.37
Other comprehensive income for the year	-	-	-	-	1.96	1.96
Items of OCI recognised directly in retained earnings :						
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	0.58	-	0.58
Total comprehensive income for the year (e)	**-**	**-**	**-**	**1,270.95**	**1.96**	**1,272.91**
Dividend (f)	-	-	-	(86.05)	-	(86.05)
Total (f)		**-**	**-**	**(86.05)**	**-**	**(86.05)**
Balance at March 31, 2021 (d+e+f)	**879.59**	**(23.98)**	**2.72**	**3,591.30**	**(109.75)**	**4,339.88**

** Capital Reserve is created on account of Business combination transaction (Refer note no. 56)

Note (i): The "Amalgamation and Arrangement Reserve" created pursuant to scheme of amalgamation and arrangement is treated as free reserve based on the judgment of Honourable Gujarat High Court dated 18th April 2015 read with relevant other court decisions.

Note (ii): The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve.

Note (iii): Accumulated balance of Remeasurements of post-employment benefit obligation, Gain/(Loss) net of tax, recognised in retained earnings is ₹ (9.70) Crores (Previous year ₹ (10.26) Crores).

Note (iv): Nature and purpose of each reserve is disclosed under note no. 19 -'Other equity'

As per our report attached
For Manubhai & Shah LL
Chartered Accountants
ICAI Firm Reg. No. - 106041W/W100136
Krishnakant Solanki
Partner
M. No. : 110299

For and on behalf of Board of Directors

Pankaj Kumar, IAS
Chairman
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Managing Director
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Balwant Singh, IAS (Retd.)
Director
DIN- 00023872

Nitesh Bhandari
Chief Financial Officer

Sandeep Dave
Company Secretary

Date : 10th May, 2022
Place : Gandhinagar

Date : 10th May, 2022
Place : Gandhinagar

Notes to Consolidated Financial statements for the year ended 31st March, 2022

Note 1 – Corporate Information

1. Corporate Information

a) Gujarat Gas Limited (GGL or "Company") (CIN : L40200GJ2012SGC069118) formerly known as GSPC Distribution Networks Limited (GDNL) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. GGL is a Government Company u/s 2(45) of Companies Act 2013. Its shares are listed on Bombay Stock Exchange and National Stock Exchange in India.

The registered office is located at Gujarat Gas CNG Station, Sector 5/C, Gandhinagar - 382006.

The Company is engaged in Natural Gas Business in India. Natural gas business involves distribution of gas from sources of supply to centres of demand and to the end customers.

The scheme of amalgamation and arrangement was sanctioned by the Hon'ble Gujarat High Court at Ahmedabad vide its order dated 30th March 2015 between the following transferor companies -

1. GSPC Gas Company Limited (GSPC Gas)
2. Gujarat Gas Company Limited (GGCL)
3. Gujarat Gas Financial Services Limited (GFSL)
4. Gujarat Gas Trading Company Limited (GTCL)

(Collectively called Transferor Companies)

with Gujarat Gas Limited (formerly known as GSPC Distribution Networks Limited-GDNL) (the transferee) under the Scheme of Amalgamation and Arrangement with an appointed date of 1st April, 2013. Subsequently, the company's name has been changed from GSPC Distribution Networks Limited to Gujarat Gas Limited (GGL) with effect from 15th May 2015.

b) Authorization of financial statements

The Consolidated Financial Statements were approved and authorized for issue in accordance with a resolution passed in meeting of Board of the Directors held on 10th May 2022.

c) Functional and Presentation Currency

The financial statements are presented in Indian rupee ₹ (INR), which is the functional and presentation currency of the Group.

Note 2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation

(i) Statement of Compliance with Ind AS

The consolidated financial statements has been prepared in accordance and comply in all material aspects with Indian Accounting Standards (Ind AS) notified and applicable under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act and read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and Companies (Indian Accounting Standards) Amendment Rules, 2016 and relevant amendment rules issued thereafter.

Accordingly, the Group has prepared these Consolidated Financial Statements which comprise the Balance Sheet as at 31 March, 2022, the Statement of Profit and Loss for the year ended 31 March 2022, the Statement of Cash Flows for the year ended 31 March 2022 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Consolidated Financial Statements' or 'financial statements').

All 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 the Schedule III to the Companies Act, 2013.

(ii) Historical cost convention

The financial statements are prepared on accrual basis of accounting under historical cost convention, except for the following:

- certain financial instruments measured at fair value;
- defined benefit plans - plan assets measured at fair value; and

(iii) Principles of consolidation and equity accounting

The consolidated Financial Statements of the Group represents consolidation of Company's Financial Statements with Guj Info Petro Limited (GIPL), an associate company and Gujarat Gas Limited Employees Welfare Stock Option Trust, 100% Sole beneficiary (collectively referred to as 'the Group').

Name of the Undertaking	Relationship	Country of Incorporation	Proportionate beneficial ownership interest/voting power
Guj Info Petro Limited (GIPL)	Associate	India	49.94%
Gujarat Gas Limited Employees Welfare Stock Option Trust	100% Sole beneficiary	India	100%

Associates

Investment in associate has been accounted for using Equity Method in accordance with Ind AS 28 - Investments in Associates and Joint Ventures. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Any excess / short of the amount of Investment in an associate over the cost of acquisition at the date of Investment is considered as Capital Reserve and has been included in carrying amount of Investment and disclosed separately. The carrying amount of Investment is adjusted thereafter for the post acquisition changes in the Share of net Asset of associate.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The financial statements of associates are prepared up to the same reporting date as that of the company i.e. 31st March 2022 for the current year, 31st March 2021 for the comparative year.

100% Sole beneficiary entity

100% Sole beneficiary entities are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. 100% Sole beneficiary entities are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its 100% Sole beneficiary entity line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of 100% Sole beneficiary entity have been aligned where necessary.

Use of estimates and judgements

The presentation of the financial statements are in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 3.1 & 5.1:	Useful lives of property, plant and equipment and intangible assets
Note 12:	Recognition and measurement of unbilled gas sales revenue
Note 26, 27,28 &29:	Recognition and measurement of other provisions
Note 40:	Current/deferred tax expense (Including estimates for Uncertain tax treatments)
Note 43 :	Contingent liabilities and assets
Note 45:	Expected credit loss for receivables
Note 45:	Fair valuation of unlisted securities
Note 47:	Measurement of defined benefit obligations
Note 5.3 & 50:	Definition of Lease, lease term and discount rate

(a) Property, Plant and Equipment

Property plant and equipment are stated at their cost of acquisition / construction less depreciation and impairment, if any. The cost comprises of the purchase price and any attributable cost for bringing the asset to its working condition for its intended use; like freight, duties, taxes and other incidental expenses, net of CENVAT or Goods and service tax (GST) credit.

The Company capitalises to project assets all the cost directly attributable and ascertainable, to completing the project. These costs include expenditure of pipelines, plant and machinery, cost of laying of pipeline, cost of survey, commissioning and testing charge, detailed engineering and interest on borrowings attributable to acquisition of such assets. The gas distribution networks are treated as commissioned when supply of gas commences to the customer(s).

Subsequent expenditures, including replacement costs where applicable, incurred for an item Property plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Component accounting of assets: If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The Company has identified, reviewed, tested and determined the componentisation of the significant assets.

Assets installed at customer premises, including meters and regulators where applicable, are recognised as property plant and equipment if they meet the definition provided under Ind AS 16 subject to materiality as determined by the management and followed consistently.

Any item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is charged to revenue in the income statement when the asset is derecognised.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset.

On transition to Ind AS, the Company had elected to carry forward the previous GAAP net carrying value of all its property, plant and equipment recognized as at 1 st April, 2015 as the deemed cost.

Capital work in Progress:

Capital Work in Progress includes expenditure incurred on assets, which are yet to be commissioned and capital inventory, which comprises stock of capital items/construction materials at respective city gas network.

All the directly identifiable and ascertainable expenditure, incidental and related to construction incurred during the period of construction on a project, till it is commissioned, are kept as Capital work in progress (CWIP)and disclosed under 'Capital work-in-progress' and after commissioning the same is transferred / allocated to the respective category of property, plant and equipment.

Further, advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as capital advances under other non- current assets.

(b) Investment Properties

Investment properties comprises of free hold or lease hold land that are held for rental yield and/or capital appreciation.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed as and when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

On transition to Ind AS, the Company had elected to carry forward the previous GAAP net carrying value of all its investment property recognized as at 1st April, 2015 as the deemed cost.

(c) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible Assets includes amount paid towards obtaining the Right of Use (ROU) of land and Right of Way (ROW) permissions for laying the gas pipeline network and cost of developing software for internal use. The Company capitalises software as Intangible Asset where it is expected to provide future enduring economic benefits. Cost associated with maintaining software programmes are recognised as expenses as and when incurred.

Any item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the intangible asset) is charged to revenue in the income statement when the intangible asset is derecognised.

On transition to Ind AS, the Company had elected to carry forward the previous GAAP net carrying value of all its intangible assets recognized as at 1st April, 2015 as the deemed cost.

(d) Depreciation and amortisation methods, estimated useful lives and residual values

Depreciation is calculated to systematically allocate the cost of property, plant and equipment, intangible asset and investment property net of the estimated residual values over the estimated useful life. Freehold land is not depreciated. Depreciation is computed using Straight Line Method (SLM) over the useful lives of the assets as specified in Schedule II to the Companies Act, 2013, read with the following notes:

i. The Schedule specifies useful life of Pipelines as 30 years for those used in exploration, production and refining of oil and gas. The Company has considered the useful life of 30 years for the pipelines used in city gas distribution business.

ii. City gas stations, skids, pressure regulating stations, meters and regulators are estimated to have useful life of 18 years based on technical assessment made by technical expert and management.

iii. Cost of mobile phones, are expensed off in the year of purchase.

iv. Temporary building structures are estimated to have useful life of 1 year.

The management believes that these useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The useful lives are reviewed by the management at each financial year end and revised, if appropriate. In case of a revision, the unamortised depreciable amount (remaining net value of assets) is charged over the revised remaining useful lives.

Based on management estimate, residual value of 5% is considered for respective tangible assets except for the Pipeline Network assets where the residual value is considered to be NIL as the said assets technically and commercially not feasible to extract from underground.

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

Component accounting of assets: If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment and accordingly depreciated at the useful lives specified as above.

Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

Investment properties, if any, are depreciated based on the useful life prescribed in Schedule II to the Companies Act, 2013.

Intangible assets are amortized over their individual estimated useful lives on a Straight Line basis, commencing from the year in which the same are available to the company for its intended use. The useful lives as estimated by the management for the intangible assets are as follows:

I. Right of Way (ROW) Permissions 30 Years

(Considered more than 10 years as inextricably linked and dependent on the useful life of pipeline networks as referred above for which the Right of Way has been obtained).

II. Software 6 Years.

No amortisation is charged on Right of Use (RoU) of land being perpetual in nature. The same is tested for impairment based on principles of Ind AS 36.

The Company has constructed / installed CNG stations' buildings and machineries, on land taken on lease from various lessor under lease deed for periods ranging from 35 years to 99 years. However, assets constructed / installed on such land have been depreciated at useful lives as referred above.

Capital assets /facilities installed at the customers' premises on the land of the customers/CNG franchisee whose ownership is not with the company have been depreciated at the useful lives specified as above.

(e) Impairment of Non-Financial Assets

In accordance with Ind AS 36 on "Impairment of Assets" at the balance sheet date, non-financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

(f) Revenue recognition

i) Revenue from operation

Revenue is measured at fair value of the consideration received or receivable for goods and services sold, net of trade discounts/quantity discounts and rebates, in the normal course of the Company's activities. Income is recognized in the income statement when the control of the goods or services has been transferred. The amount recognised as revenue is stated inclusive of excise duty and exclusive of sales tax /value added tax (VAT) and Goods and service tax (GST).

Revenue from sale of Natural Gas is recognized at the point in time when control is transferred to the customer, generally on delivery of the gas on metered/assessed measurements facility. Sales are billed bi-monthly for domestic customers, monthly/fortnightly for commercial and non-commercial customers and fortnightly / 10 days basis for industrial customers.

Revenue from sale of Compressed Natural Gas (CNG) is recognized at the point in time when control is transferred to the customer, generally on delivery of the gas to consumers from retail outlets and is billed weekly / fortnightly cycle in case of OMC customers.

Revenue recognised towards supply of natural gas already occurred for the period from the end of the last billing date to the Balance Sheet date has been reflected under "Trade receivables"(which refer as unbilled revenue) which is calculated based on customer wise previous average consumption.

Gas transmission income is recognized over the period in which the related volumes of gas are delivered to the customers.

Commitments (take or pay charges) income from customers for gas sales and gas transmission is recognized on accrual basis in the period to which it relates to.

In case of industrial customers, non-refundable charges for initial or additional gas connection collected from the customers is deferred over the period of contract with respective customers and in case of domestic & commercial customers is deferred over the useful life of the asset.

ii) Other income

Revenue in respect of interest/ late payment charges on delayed realizations from customers and cheque bounce charges, if any, is recognized on grounds of prudence and on the basis of certainty of collection.

Liquidated damages, if any are recognized at the time of recording the purchase of materials in books of accounts and the matter is considered settled by the management.

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is recognised using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividend income is recognised, when the right to receive the dividend is established by the reporting date.

Investment property rental income is recognised as revenue on accrual basis as per the terms of the underlying contract.

Other operating income and misc. income are accounted on accrual basis as and when the right to receive arises.

(g) Borrowing

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings –interest bearing loans are subsequently measured at amortised cost by using the effective interest method (EIR method). Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of borrowing using the effective interest method (EIR). The EIR Amortization is included as Finance Costs in the statement of profit and loss.

Fees paid on the establishment of loan facilities are recognised as transaction costs of loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is deferred as a payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or other expenses as well as through the EIR amortization process.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of reporting period with the effect that the liability becomes payable on demand on the reporting date, the Group does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

(h) Borrowing Cost

The Group is capitalising general and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying asset up to the date of commissioning. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. The Expenses incurred in connection with the arrangement of specific borrowings are capitalized over the period of the borrowing and every year such cost is apportioned to assets based on the actual amount borrowed during the year. All other borrowing costs are recognized as expense in the period in which they are incurred and charged to the statement of profit and loss.

Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(i) 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 Asset

Initial Recognition

A financial asset or a financial liability is recognised in the balance sheet only when, the Company becomes party to the contractual provisions of the instrument.

Initial Measurement

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent Measurement

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

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

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

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

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

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

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

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

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

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

Equity Investments:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company is transferred the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

De-recognition

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

1. The contractual rights to the cash flows from the financial asset have expired, or
2. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

i) The Company has transferred substantially all the risks and rewards of the asset, or

ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Embedded foreign currency derivative

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract,
- the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,
- a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency).

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss. The Company currently does not have any such derivatives which are not closely related.

Impairment of Financial Assets

The Company assesses impairment based on expected credit loss (ECL) model to the following:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Under the simplified approach, the Company is not required to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs together with appropriate management estimates for credit loss at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost and contractual revenue receivables - ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.
- Financial assets measured at FVTOCI - Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as accumulated impairment amount in the OCI

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loan and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

- Financial liabilities measured at amortised cost
- Financial liabilities subsequently measured at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Profit and Loss. However, the Company is transferred the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Loan and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or 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.

Derecognition

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

(j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

(k) Fair Value Measurement

The Company measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The management comprises of the Managing Director and Chief Financial Officer.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually and approval by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes. (Refer note 45)

1. Disclosures for valuation methods, significant estimates and assumptions.
2. Quantitative disclosures of fair value measurement hierarchy.
3. Investment in unquoted equity shares.
4. Financial instruments (including those carried at amortised cost).

(l) Inventories

Inventory of Gas (including inventory in pipeline and CNG cascades) is valued at lower of cost and net realizable value. Cost is determined on weighted average cost method.

Stores, spares and consumables are valued at lower of cost and net realizable value. Cost is determined on moving weighted average basis.

Inventories of Project materials (capital Inventory) are valued at cost on moving weighted average basis.

(m) Non-current assets held for sale and discontinued operation

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

A discontinued operation is a component of the Company that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

(n) Foreign Currency Transactions

(i) Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the functional and presentation currency of the Company.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are generally recognised in profit or loss.

All foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income or other expenses.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(o) Employee Benefits

Employees Benefits are provided in the books as per Ind AS - 19 on "Employee Benefits" in the following manner:

A. Post-employment benefit plans

I. Defined Contribution Plan

Contribution towards provident fund for eligible employees are accrued in accordance with applicable statutes and deposited with the regulatory provident fund authorities (Government administered provident fund scheme). The Company does not carry any other obligation apart from the monthly contribution.

The Company contributes under the National Pension System scheme for eligible employees at a rate specified in the rules of the scheme and deposited with concerned agency/authority.

The Company's contribution is recognised as an expenses in the statement of Profit and Loss during the period in which the employee renders the related service.

II. Defined benefit plan

The company provides for gratuity, a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity Act, 1972, through an approved Gratuity Fund. The Gratuity Fund is separately administered through a Trust/Scheme. Contributions in respect of gratuity are made to the approved Gratuity Fund.

The Company's liability is actuarially determined by qualified actuary (using the Projected Unit Credit method) at the end of each year and is recognized in the Balance sheet as reduced by the fair value of Gratuity Fund. Actuarial losses/ gains are recognized in the Statement of Other Comprehensive Income in the year in which they arise.

III. Long term employee benefits

The liability in respect of accrued leave benefits which are expected to be availed or en-cashed beyond 12 months from the end of the year, is treated as long term employee benefits.

The Company's liability for leave benefits are actuarially determined by qualified actuary at balance sheet date by using the Projected Unit Credit method. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

B. Other Long Term Service benefits

- Long Service Award (LSA):

On completion of specified period of service with the company, employees are rewarded with Cash Reward of different amount based on the duration of service completed.

The Company's liability is actuarially determined by qualified actuary at balance sheet date at the present value of the amount payable for the same. Actuarial losses/ gains are recognized in the Statement of profit and loss in the year in which they arise.

C. Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the services. Short term employee benefits includes salary and wages, bonus, incentive, ex-gratia, death compensation andalso includes accrued leave benefits, which are expected to be availed or en-cashed within 12 months from the end of the year.

D. Employee Stock Option Plan

Share-based compensation benefits are provided to employees via Employee Stock Option Plan. For the stock options granted, the fair value as of the date of grant of option is recognised as employee benefit expenses with a corresponding increase in Stock Options Outstanding Account. The total expense is recognised on straight line basis over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

(p) Leases

The Company's leased asset classes primarily consist of leases for land, buildings, plant & machinery equipment's and vehicles.

Under Ind AS 116, the Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether

- the contract involves the use of identified asset;
- the Company has substantially all of the economic benefits from the use of the asset through the period of lease; and
- the Company has right to direct the use of the asset.

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals/termination options) and the applicable discount rate.

Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Certain lease arrangement includes the options to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities includes these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the ROU asset. Any gain or loss on modification is recognized in the Statement of Profit & Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

Lease liability and ROU lease asset have been separately presented in the Balance Sheet and lease payments have been classified as cash flows from financing activities.

Short-term leases, low-value assets and others:

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases.

The Company recognises the lease payments associated with leases assets that have lease period of 12 month or less, remaining lease period of 12 months or less as on transition date, rental charges of low value assets, component of taxes of ROU lease charges, non- lease component viz. manpower, fuel cost, repair and maintenance is recognised as an expense in the Statement of Profit and Loss over the lease term. The related cash flows are classified as operating activities.

As a lessor

Finance lease

Leases for which the Company is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

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

Operating lease

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the term of the relevant lease. In case of modification of contractual terms, the same is accounted as a new lease, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

(q) Taxation

Income tax expenses comprises current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income tax expenses are recognised in statement of profit or loss except tax expenses related to items recognised directly in reserves (including statement of other comprehensive income) which are recognised with the underlying items.

Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961 , as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation including amount expected to be paid / recovered for uncertain tax positions. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

Deferred Taxes

Deferred tax is provided in full on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in financial statements at the reporting date. Deferred tax are recognised in respect of deductible temporary differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods., the carry forward of unused tax losses and the carry forward of unused tax credits.

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

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

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(r) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period after deducting preference dividends, if any, and any attributable distribution tax thereto for the period.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Treasury Share

Treasury shares are not treated as outstanding ordinary equity shares and are therefore deducted from the number of equity shares outstanding during the period in consolidated financial statements.

(s) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision for contractual obligation is disclosed based on management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

Provisions are not recognised for future operating losses. Provisions for restructuring are recognised by the Group when it has developed a detailed formal plan for restructuring and has raised a valid expectation that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period and are not discounted to present value. The estimates of outcome and financial effect are determined by the judgment of the management, supplemented by experience of similar transactions and, in some cases, reports from independent experts.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Group.

Contingent liability is disclosed in the case of:

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

Contingent liabilities are not provided for and if material, are disclosed by way of notes to financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, Contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

A contingent asset is disclosed by way of notes to financial statements, where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

(t) Segment Reporting

The Company primarily operates in the segment of Natural Gas Business. Natural gas business involves distribution of gas from sources of supply to centres of demand and to the end customers. The Managing Director of the Company allocate resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a single segment, hence no separate segment needs to be disclosed.

(u) Cash and Cash Equivalents

Cash and cash equivalents comprise cash and deposits with banks and corporations. The Group considers all highly liquid investments with original maturities of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(v) Statement of Cash Flows

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

(w) Dividends

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorised and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(x) Insurance Claims

The company accounts for insurance claims when there is certainty that the claims are realizable and acknowledged by insurance company and amount recognized in books of accounts is as under:

- In case of loss of asset /goods by transferring, either the carrying cost of the relevant asset / goods or insurance value (subject to deductibles), whichever is lower under the head "Claims Recoverable-Insurance".
- In case insurance claim is, less than carrying cost the difference is charged to Profit and Loss statement. As and when claims are finally received from insurer, the difference, if any, between Claims Recoverable-Insurance and claims received is adjusted to Profit and Loss statement.

(y) Events occurring after the Reporting Date

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

(z) Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

(aa) Prior Period Adjustments and Pre-paid Expenses.

Income / expenditure in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively. Prepaid expenses up to threshold limit in each case, are charged to revenue as and when incurred.

(ab) Rounding off

All amounts disclosed / presented in Indian Rupees (INR) in the financial statements and notes have been rounded off to the nearest two decimals of Crores as per the requirements of Schedule III, unless otherwise stated.

(ac) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendment specifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes to Consolidated financial statements for the year ended on 31st March 2022

NOTE 3.1 PROPERTY, PLANT AND EQUIPMENT (PPE)

Property, Plant and Equipment (PPE) as at 31st March 2022 (₹ in Crores)

Particulars	Gross Block					Depreciation and Amortization					Net Block	
	As at 1st April 2021	Addition	Disposal/ Adjustment	Other Adjustments	As at 31st March 2022	As at 1st April 2021	For the Year	Disposal/ Adjustment	Other Adjustment	As at 31st March2022	As at 31st March 2022	As at 31st March 2021
Freehold Land	389.38	2.92	-	(29.31)	362.99	-	-	-	-	-	362.99	389.38
Buildings	204.29	16.49	-	-	220.78	28.97	4.14	(0.03)	-	33.14	187.64	175.32
Plant and Equipments	6,825.56	825.57	3.95	-	7,647.18	1,930.92	326.21	2.63	-	2,254.50	5,392.68	4,894.64
Furniture and Fixture	19.64	0.71	0.55	-	19.80	12.14	1.32	0.51	-	12.95	6.85	7.50
Computer Equipment	47.23	0.94	3.13	-	45.04	31.88	4.67	2.98	-	33.57	11.47	15.35
Office Equipments	21.93	1.54	1.04	-	22.43	17.47	1.33	0.98	-	17.82	4.61	4.46
Vehicles	9.05	0.26	0.10	-	9.21	7.44	0.35	0.10	-	7.69	1.52	1.61
Books and Periodicals	0.10	-	-	-	0.10	0.10	-	-	-	0.10	-	-
Total PPE	**7,517.18**	**848.43**	**8.77**	**(29.31)**	**8,327.53**	**2,028.92**	**338.02**	**7.17**	**-**	**2,359.77**	**5,967.76**	**5,488.26**

Property, Plant and Equipment (PPE) as at 31st March 2021 (₹ in Crores)

Particulars	Gross Block					Depreciation and Amortization					Net Block	
	As at 1st April 2020	Addition	Disposal/ Adjustment	Other Adjustments	As at 31st March 2021	As at 1st April 2020	For the Year	Disposal/ Adjustment	Other Adjustment	As at 31st March 2021	As at 31st March 2021	As at 1st April 2020
Freehold Land	386.59	2.79	-		389.38	-	-	-	-	-	389.38	386.59
Buildings	193.54	10.75	-	-	204.29	25.15	3.82	-	-	28.97	175.32	168.39
Plant and Equipments	6,199.20	634.91	8.55		6,825.56	1,638.93	297.00	5.01		1,930.92	4,894.64	4,560.27
Furniture and Fixture	19.30	0.75	0.41	-	19.64	11.13	1.37	0.36	-	12.14	7.50	8.17
Computer Equipment	46.58	2.79	2.14	-	47.23	29.75	4.20	2.07	-	31.88	15.35	16.83
Office Equipments	21.14	1.26	0.47	-	21.93	16.55	1.36	0.44	-	17.47	4.46	4.59
Vehicles	9.05	-	-	-	9.05	7.06	0.38	-	-	7.44	1.61	1.99
Books and Periodicals	0.10	-	-	-	0.10	0.10	-	-	-	0.10	-	-
Total PPE	**6,875.50**	**653.25**	**11.57**	**-**	**7,517.18**	**1,728.67**	**308.13**	**7.88**	**-**	**2,028.92**	**5,488.26**	**5,146.83**

Note 3.1.1 - Impairment of Assets : There is no impairment of any assets in terms of Ind AS - 36 on "Impairment of Assets". Based on the review, the management is of the opinion that there are no impairment indicators that necessitate any adjustments to the carrying value of PPE.

Note 3.1.2 - The company has not carried out revaluation of PPE.

Note 3.1.3- The company has elected to measure all its PPE at the previous GAAP carrying amount i.e. March 31, 2015 as its deemed cost on the date of transition to Ind AS i.e. April 01, 2015.

Note 3.1.4 - Security Pledge of Assets : Refer to Note 20 on borrowings for details in terms of pledge of assets as security.

Note 3.1.5 - Refer to note 43 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Note 3.1.6 - There is no restriction on the title of property, plant and equipments.

Notes to Consolidated financial statements for the year ended on 31st March 2022

NOTE 3.1 PROPERTY, PLANT AND EQUIPMENT (PPE) (Continued...)

Note 3.1.7 - 'Other Adjustments' in current financial year 2021-22 is on account of change in presentation from freehold land to ROU assets (Lease hold land).-Refer note 5.3

Note 3.1.8 - Above note 3.1 includes following assets acquired through Business combination transaction (Refer note 56):

(₹ in Crores)

Particulars	Gross Block					Depreciation and Amortization					Net Block	
	As at 1st April 2021	Addition	Disposal/ Adjustment	Other Adjustments	As at 1st November 2021	As at 1st April 2021	For the Year	Disposal/ Adjustment	Other Adjustment	As at 1st November 2021	As at 1st November 2021	As at 31st March 2021
Freehold Land	1.17	-	-	-	1.17	-	-	-	-	-	1.17	1.17
Plant and Equipments	45.43	37.55	-	-	82.98	3.52	1.52	-	-	5.04	77.94	41.91
Total	**46.60**	**37.55**	**-**	**-**	**84.15**	**3.52**	**1.52**	**-**	**-**	**5.04**	**79.11**	**43.08**

(₹ in Crores)

Particulars	Gross Block					Depreciation and Amortization					Net Block	
	As at 1st April 2020	Addition	Disposal/ Adjustment	Other Adjustments	As at 31st March 2021	As at 1st April 2020	For the Year	Disposal/ Adjustment	Other Adjustment	As at 31st March 2021	As at 31st March 2021	As at 1st April 2020
Freehold Land	1.17	-	-	-	1.17	-	-	-	-	-	1.17	1.17
Plant and Equipments	44.94	0.49	-	-	45.43	1.82	1.70	-	-	3.52	41.91	43.12
Total	**46.11**	**0.49**	**-**	**-**	**46.60**	**1.82**	**1.70**	**-**	**-**	**3.52**	**43.08**	**44.29**

Note 3.1.9 - Details of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) whose title deeds are not held in the name of the Company.

Title Deeds of Immovable Properties:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value as on 31 March 2022	Gross carrying value as on 31 March 2021	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company	Disputed?
Property, Plant & Equipment - Freehold Land	Land-Survey No. 306-A-/1 paiki 3, Post-Hazira, Taluka Choryasi, District-Surat (13,057 Sq. Mtrs)	₹ 15.88 Crores	₹ 15.88 Crores	Government of Gujarat	Promoter	01-05-1999	The legal dispute between the Government and Hazira Apbal Ganotiya Sahakari Mandali Ltd.(seller) regarding transfer or sale of land to private parties (including GGL) without necessary permission and breached the condition of utilization of land and in one of the order issued by Deputy Collector Choryasi Prant Surat dated 7th August 2009 clearly states that there is no breach of condition in case of GGL and land owners as Government has given permission to allocate land to Gujarat Gas subject to necessary payment of premium etc.	Yes
	Land-Survey No. 150 Mora village District-Surat (13,557 Sq.Mtrs)	₹ 1/-.	₹ 1/-.	Government of Gujarat	Promoter	05-04-2002	Land belongs to the Government and allotted under Navi sharat to private parties (seller) from whom GGL brought the land and later on land was made khalsa on 18.04.2002. In April 2010, Mamlatdar Office Choryasi had given revised letter to submit consent for making the 2.5 times premium of the value to regularize the land to Gujarat Gas that may be decided by the District Valuation Committee.	Yes
	Survey No. 896 and 913/2 Vil Ichchhapur Hazira 6,559 Sq.Mtrs	₹ 21.35/- Crores	₹ 21.35/- Crores	Gujarat State Petroleum Corporation Limited	Promoter	01-04-2006	Acquired through demerger scheme and transfer of name yet not completed.	No

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 3.2 CAPITAL WORK IN PROGRESS (₹ in Crores)

Capital work in progress	As at 31st March 2022	As at 31st March 2021
Capital Inventory	375.46	243.00
Capital Work-in-Progress (project under construction)	590.45	464.47
Total	**965.91**	**707.47**

Note:- Security Pledge of Assets : Refer to Note 20 on borrowings for details of security pledge of assets.

Note 3.2.1 Ageing Schedule

As on 31 March 2022: (₹ in Crores)

Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	779.54	111.81	25.96	45.11	962.42
Projects temporarily suspended	0.02	0.00	2.17	1.29	3.49
Total	**779.56**	**111.81**	**28.13**	**46.40**	**965.91**

As on 31 March 2021: (₹ in Crores)

Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	542.95	70.89	45.45	41.11	700.40
Projects temporarily suspended	0.35	2.74	0.56	3.43	7.08
Total	**543.30**	**73.63**	**46.00**	**44.54**	**707.47**

The Company is engaged in the business of City Gas Distribution (CGD) in India which involves distribution of gas from sources of supply to the end user customers. The CGD project is designed considering demand, supply and future requirements based on the facilities envisaged for CGD network in authorised areas for 25 years on the basis of authorization from Petroleum and Natural Gas Regulatory Board (PNGRB) to lay, build, operate or expand city or local natural gas distribution network. On the basis of demand projections, the CGD network is planned. Project execution plans are modulated on the basis of continuous ongoing expansion and all the projects are executed and expanded on ongoing basis as per rolling annual plan. Hence, it is considered that there is no project whose completion is overdue or has exceed its cost compared to its original plan.

Note 3.2.2 - Above note 3.2 includes following assets acquired through Business combination transaction (Refer note 56)

(₹ in Crores)

Capital work in progress	As at 1st November 2021	As at 31st March 2021	As at 1st April 2020
Capital Inventory	0.14	0.18	0.25
Capital Work-in-Progress (project under construction)	4.23	41.74	32.22
Total	**4.37**	**41.92**	**32.47**

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 4 INVESTMENT PROPERTY (₹ in Crores)

Investment Property	As at 31st March 2022	As at 31st March 2021
Freehold land		
Balance at the beginning of the period	1.30	1.30
Add:- Acquisition during the year	-	-
Less:- Deletion during the year	-	-
Balance at the end of the period	**1.30**	**1.30**

(i) Amount recognised in profit and loss for investment properties (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Rental Income	0.20	0.20
Profit from investment properties	**0.20**	**0.20**

The Company had recognized the rental - facilitation fees on Investment property for the financial year 2016-17 and 2017-18 on the basis of provisional working of rental -facilitation fees submitted by tenants. The company is contesting the issue of valuation of land for rental -facilitation fees with tenants which has not been agreed between both the parties (company & tenants) till end of the financial year.

On similar lines, company has recognized rental -facilitation fees on Investment property for the financial year 2018-19, 2019-20, 2020-21 and 2021-22 on the basis of previous years working, as no further working of rental -facilitation fees has been submitted by tenants post FY 2017-18.

(ii) Contractual Obligations

The Company has no contractual obligations to purchase, construct or develop investment property or for its repair, maintenance or enhancements.

(iii) Leasing Arrangements

The investment property is leased to tenants under long term operating leases with rentals payable annually as per the formula given in the agreement executed by both the parties. The lease period is 10 years(extendable as mutually agreed). Either party can terminate the agreement by giving 6 months notice(Non cancellable period). The future minimum lease payments receivables for 6 months can not be determined as the amount of rent is dependent on various other factors.

(iv) Fair Value (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Investment Properties	3.20	3.20

Estimation of Fair Value

The fair value of investment property is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

The Company obtains independent valuations for its investment properties once in every three to five years interval. Last fair valuation was done on 31st March 2021.

(v) Security Pledge : Refer to Note 20 on borrowings for details in terms of pledge of assets as security.

(vi) There is no restriction on the title and realisability of investment property or remittance of income and proceeds of disposals.

Note 4.1 - Details of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) whose title deeds are not held in the name of the Company.

Title Deeds of Immovable Properties:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value as on 31 March 2022	Gross carrying value as on 31 March 2021	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company	Disputed?
Investment Property - Freehold Land	Survey No. 477 Village Dasarath, District-Vadodara 2,002 Sq. Mtrs	₹ 1.30 Crores	₹ 1.30 Crores	Gujarat State Petroleum Corporation Limited	Promoter	01-04-2006	Acquired through demerger scheme and transfer of name yet not completed.	No

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 5.1 INTANGIBLE ASSETS
Intangible assets as at 31st March 2022 **(₹ in Crores)**

Particulars	Gross Block				Amortization				Net Block	
	As at 1st April 2021	Addition	Disposal/ Adjustment	As at 31st March2022	As at 1st April 2021	For the Year	Disposal/ Adjustment	As at 31st March2022	As at 31st March 2022	As at 31st March 2021
ROW Permissions	400.91	40.54	-	441.45	62.22	14.04	-	76.26	365.19	338.69
ROU	14.98	0.12	0.86	14.24	-	-	-	-	14.24	14.98
Software and other Intangibles	97.99	8.15	0.88	105.26	73.72	7.93	0.88	80.77	24.49	24.27
Total Intangible Assets	**513.88**	**48.81**	**1.74**	**560.95**	**135.94**	**21.97**	**0.88**	**157.03**	**403.92**	**377.94**

Intangible assets as at 31st March 2021 **(₹ in Crores)**

Particulars	Gross Block				Amortization				Net Block	
	As at 1st April 2020	Addition	Disposal/ Adjustment	As at 31st March2021	As at 1st April 2020	For the Year	Disposal/ Adjustment	As at 31st March2021	As at 31st March 2021	As at 31st March 2020
ROW Permissions	360.52	40.39	-	400.91	49.40	12.82	-	62.22	338.69	311.12
ROU	14.65	0.33	-	14.98	-	-	-	-	14.98	14.65
Software and other Intangibles	92.46	5.68	0.15	97.99	65.79	8.08	0.15	73.72	24.27	26.67
Total Intangible Assets	**467.63**	**46.40**	**0.15**	**513.88**	**115.19**	**20.90**	**0.15**	**135.94**	**377.94**	**352.44**

Note 5.1.1. Right of Way (ROW) Permissions: The useful lives of Right of Way (ROW) Permissions as estimated by the management for the amortization is 30 years. The useful lives of ROW Permission are inextricably linked with the pipeline networks being laid, which corresponds with the useful life of 30 years of Plant and Machinery – Pipelines network for which the Right of Way (ROW) Permission has been obtained. The Useful life of 30 years of the Right of Way (ROW) Permissions is dependent on the useful life of Plant and Machinery – Pipelines i.e. Pipeline network of the company.

Note 5.1.2 Right of Use (ROU) : The company acquires the 'Right of Use' (hereinafter referred to as 'ROU') for the purpose of laying and maintenance of the underground pipeline and vests in the company and the company has the right to use the same in the manner for which it has been acquired. The acquisition of ROU is governed by the legal process as per the Act, the company has paid the compensation /consideration of the ROU -land determined by the competent authority under the Act and any person authorised by the company, have unrestricted right of entry and lay pipeline or do any other act necessary for the purpose of laying of pipeline.

The company has disclosed the cost incurred for acquisition of ROU as 'Right of Use' in the Intangible Asset schedule. Since the ROU does not have a defined life, it is perpetual in nature. Accordingly based on requirements of Ind AS 38 – Intangible Assets, the same is tested for impairment and not amortised.

Note 5.1.3- Impairment of Assets : There is no impairment of any assets in terms of Ind AS - 36 on "Impairment of Assets". Based on the review, the management is of the opinion that there are no impairment indicators that necessitate any adjustments to the carrying value of intangible assets.

Note 5.1.4 - Security Pledge of Assets : Refer to Note 20 on borrowings for details in terms of pledge of assets as security.

Note 5.1.5 - Refer to note 43 for disclosure of contractual commitments for the acquisition of intangible assets.

Note 5.1.6 - The company has not carried out revaluation of Intangible assets.

Note 5.1.7- The company has elected to measure all its Intangible assets at the previous GAAP carrying amount i.e. March 31, 2015 as its deemed cost on the date of transition to Ind AS i.e. April 01, 2015.

Note 5.1.8 - There is no restriction on the title of intangible assets.

Note 5.1.9 - Above note 5.1 includes following assets acquired through Business combination transaction (Refer note 56):

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 5.1 INTANGIBLE ASSETS (Continued...)

(₹ in Crores)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As at 1st April 2021	Addition	Disposal/ Adjustment	As at 1st November 2021	As at 1st April 2021	For the Year	Disposal/ Adjustment	As at 1st November 2021	As at 1st November 2021	As at 31st March 2021
ROW Permissions	27.68	1.73	-	29.41	1.36	0.57	-	1.92	27.49	26.32
Total	**27.68**	**1.73**	**-**	**29.41**	**1.36**	**0.57**	**-**	**1.92**	**27.49**	**26.32**

(₹ in Crores)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As at 1st April 2020	Addition	Disposal/ Adjustment	As at 31st March 2021	As at 1st April 2020	For the Year	Disposal/ Adjustment	As at 31st March 2021	As at 31st March 2021	As at 1st April 2020
ROW Permissions	17.78	9.90	-	27.68	0.48	0.88	-	1.36	26.32	17.30
Total	**17.78**	**9.90**	**-**	**27.68**	**0.48**	**0.88**	**-**	**1.36**	**26.32**	**17.30**

NOTE 5.2 INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Crores)

Intangible assets under development	As at 31st March 2022	As at 31st March 2021
Right of Use (ROU)	0.06	0.23
Right of Way (ROW) Permissions	25.86	23.72
SAP SuccessFactors Implementation Project	0.47	0.06
Total	**26.39**	**24.01**

Note 5.2.1 Ageing Schedule
As on 31 March 2022:

(₹ in Crores)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	11.53	10.08	1.73	0.58	23.93
Projects temporarily suspended	-	0.00	0.86	1.60	2.46
Total	**11.53**	**10.08**	**2.60**	**2.18**	**26.39**

As on 31 March 2021:

(₹ in Crores)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	15.01	2.97	1.64	0.94	20.57
Projects temporarily suspended	0.37	1.19	0.20	1.67	3.44
Total	**15.38**	**4.17**	**1.85**	**2.61**	**24.01**

The Company is engaged in the business of City Gas Distribution (CGD) in India which involves distribution of gas from sources of supply to the end user customers. The CGD project is designed considering demand, supply and future requirements based on the facilities envisaged for CGD network in authorised areas for 25 years on the basis of authorization from Petroleum and Natural Gas Regulatory Board (PNGRB) to lay, build, operate or expand city or local natural gas distribution network. On the basis of demand projections, the CGD network is planned. Project execution plans are modulated on the basis of continuous ongoing expansion and all the projects are executed and expanded on ongoing basis as per rolling annual plan. Hence, it is considered that there is no project whose completion is overdue or has exceed its cost compared to its original plan.

Notes to Consolidated financial statements for the year ended on 31st March 2022

NOTE 5.2 INTANGIBLE ASSETS UNDER DEVELOPMENT (Continued...)

Note 5.2.2 - Above note 5.2 includes following assets acquired through Business combination transaction (Refer note 56) (₹ in Crores)

Intangible assets under development	As at 1st November 2021	As at 31st March 2021	As at 1st April 2020
Right of Way (ROW) Permissions	-	1.73	1.73
Total	**-**	**1.73**	**1.73**

Note 5.3 - RIGHT-OF-USE ASSETS

Right-of-use assets (Leases) as at 31st March 2022 (₹ in Crores)

Particulars	Gross Block					Amortization					Net Block	
	As at 1st April 2021	Additions	Disposal/ Adjustment	Other Adjustments/ Reassessment	As at 31st March 2022	As at 1st April 2021	For the year	Disposal/ Adjustment	Other Adjustments/ Reassessment	As at 31st March 2022	As at 31st March 2022	As at 31st March 2021
Land	124.15	3.62	0.33	29.65	157.09	6.29	5.87	0.20	0.33	12.29	144.80	117.86
Buildings	7.24	-	0.40	-	6.84	2.53	1.36	0.35	-	3.54	3.30	4.71
Plant and Equipments	31.31	-	-	-	31.31	3.89	2.09	-	-	5.98	25.33	27.42
Vehicles	26.21	77.56	8.88	-	94.89	3.38	15.60	8.88	-	10.10	84.79	22.83
Total	**188.91**	**81.18**	**9.61**	**29.65**	**290.13**	**16.09**	**24.92**	**9.43**	**0.33**	**31.91**	**258.22**	**172.82**

Right-of-use assets (Leases) as at 31st March 2021 (₹ in Crores)

Particulars	Gross Block					Amortization					Net Block	
	As at 1st April 2020	Additions	Disposal/ Adjustment	Other Adjustments/ Reassessment	As at 31st March 2021	As at 1st April 2020	For the year	Disposal/ Adjustment	Other Adjustments/ Reassessment	As at 31st March 2021	As at 31st March 2021	As at 1st April 2020
Land	115.22	9.09	0.21	0.05	124.15	4.18	2.32	0.21	-	6.29	117.86	-
Buildings	7.02	0.50	0.27		7.25	1.41	1.40	0.27	-	2.54	4.71	5.61
Plant and Equipments	31.30	-	-		31.30	1.79	2.09	-	-	3.88	27.42	29.51
Vehicles	12.47	26.21	12.47		26.21	7.12	8.73	12.47	-	3.38	22.83	5.35
Total	**166.01**	**35.80**	**12.95**	**0.05**	**188.91**	**14.50**	**14.54**	**12.95**	**-**	**16.09**	**172.82**	**40.47**

Note 5.3.1 - "Other adjustment" in current financial year 2021-22 includes change from freehold land to ROU assets (Lease hold land) ₹ 29.31 Crores. Consequent to this, effect of amortisation, which is not significant, is given in this financial year.

Note 5.3.2 - The company has not carried out revaluation of ROU assets.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 5.3 - RIGHT-OF-USE ASSETS (Continued...)

Note 5.3.3 - Above note 5.3 includes following assets acquired through Business combination transaction (Refer note 56):

(₹ in Crores)

Particulars	Gross Block					Amortization					Net Block	
	As at 1st April 2021	Additions	Disposal/ Adjustment	Other Adjustments/ Reassessment	As at 1st November 2021	As at 1st April 2021	For the year	Disposal/ Adjustment	Other Adjustments/ Reassessment	As at 1st November 2021	As at 1st November 2021	As at 31st March 2021
Land	5.54	-	-	-	5.54	0.32	-	-	-	0.32	5.22	5.22
Total	**5.54**	**-**	**-**	**-**	**5.54**	**0.32**	**-**	**-**	**-**	**0.32**	**5.22**	**5.22**

(₹ in Crores)

Particulars	Gross Block					Amortization					Net Block	
	As at 1st April 2020	Additions	Disposal/ Adjustment	Other Adjustments/ Reassessment	As at 31st March 2021	As at 1st April 2020	For the year	Disposal/ Adjustment	Other Adjustments/ Reassessment	As at 31st March 2021	As at 31st March 2021	As at 1st April 2020
Land	5.59	-		(0.05)	5.54	0.17	0.15			0.32	5.22	5.42
Total	**5.59**	**-**	**-**	**(0.05)**	**5.54**	**0.17**	**0.15**	**-**	**-**	**0.32**	**5.22**	**5.42**

Note 5.3.4 - Details of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) whose title deeds are not held in the name of the Company.

Title Deeds of Immovable Properties:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value as on 31 March 2022	Gross carrying value as on 31 March 2021*	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company	Disputed?
Right-of-use assets (Leases)-Land	Indian Red Cross Society, District branch, Bhathinda	₹ 3.45 Crores	Promoter	NA	Gujarat State Petronet Limited	Business transfer agreement effective from 01.11.2021. (Refer Note 56)	Acquired through business transfer agreement effective from 01.11.2021. Transfer of name is in process.	No
	Survey no - 593 Village Sivian HB no. 72 Tehsil and District Bhathinda	₹ 0.81 Crores						
	Revenue Survey no. Khasra no. 51/4, 51/5, 51/6 and 51/7, Village- Fatehpur Rajputana, Tehsil Amritsar-1, District-Amritsar	₹ 1.60 Crores						

* Refer note 56 for details of business transfer agreement.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 6 INVESTMENT IN EQUITY ACCOUNTED INVESTEE **(₹ in Crores)**

Particulars	As at 31st March 2022	As at 31st March 2021
Investments in equity shares carried at cost (fully paid)		
Unquoted Equity Shares		
25000 (Previous year: 25,000) Fully Paid up Equity Shares of ₹ 10 each of Guj Info Petro Limited	0.03	0.03
Add: Share of profit	29.64	28.03
Total	**29.67**	**28.06**
Extent of Holding	49.94%	49.94%
Place of business/ country of incorporation	India	India
Other information:-		
(a) Aggregate amount of quoted investments and market value thereof;	Nil	Nil
(b) Aggregate amount of unquoted investments; and	29.67	28.06
(c) Aggregate amount of impairment in value of investments.	Nil	Nil

Note 7 NON- CURRENT FINANCIAL ASSETS : INVESTMENTS **(₹ in Crores)**

Particulars	As at 31st March 2022	As at 31st March 2021
Investments in equity shares accounted through OCI (fully paid)		
Unquoted Equity Shares		
2,00,00,000 (Previous year: 2,00,00,000) Fully Paid Up Equity Shares of ₹ 1 each of Gujarat State Petroleum Corporation Limited	22.36	19.74
200 (Previous year: 200) Fully Paid Up Equity Shares of ₹ 25 each of Kalupur Co Op Comm Bank Limited [₹ 5000 (Previous year ₹ 5000)]	0.00	0.00
Total	**22.36**	**19.74**

Figures INR 0.00 denotes amount less than INR 50,000/- **(₹ in Crores)**

Particulars	As at 31st March 2022	As at 31st March 2021
(a) Aggregate amount of quoted investments and market value thereof;	Nil	Nil
(b) Aggregate amount of unquoted investments; and	22.36	19.74
(c) Aggregate amount of impairment in value of investments.	Nil	Nil

Refer Note no. 45 for financial Instruments, fair value and measurements

Note 8 NON-CURRENT FINANCIAL ASSETS : LOANS **(₹ in Crores)**

Particulars	As at 31st March 2022	As at 31st March 2021
Loan to Employees [Unsecured, considered good]	3.56	2.17
Total	**3.56**	**2.17**

Refer Note 45 for financial Instruments, fair value and measurements
Refer Note 20 on borrowings for details in terms of pledge of assets as security.
Refer Note 51 for Loans to Promoters, Directors, KMPs and Related parties

Notes to Consolidated financial statements for the year ended on 31st March 2022

NOTE 9 NON- CURRENT FINANCIAL ASSETS : OTHERS (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Security Deposits (Refer Note 9.1)		
To Related Parties [Unsecured, considered good]	79.96	75.78
Less :Security Deposits adjustment for amortised cost -Related party	(63.27)	(61.31)
Net Security deposits to related parties	**16.69**	**14.47**
To Others [Unsecured, considered good]	64.04	59.40
To Others [Credit impaired]	11.78	13.38
Less: Allowance for bad and doubtful	(11.78)	(13.38)
Total Security Deposits	**80.73**	**73.87**
Receivable from employee [Unsecured, considered good]	0.54	0.88
Other Receivable [Considered Doubtful]	0.36	0.36
Less: Allowance for bad and doubtful	(0.36)	(0.36)
Total	**81.27**	**74.75**

Note no. 9.1: The Company has given refundable security deposits in form of fixed bank deposits to various project authorities to be held in their name and custody. It will be refunded after satisfactory completion of work. The company has therefore shown these fixed bank deposits amounting ₹ 38.66 Crores (Previous Year ₹ 34.05 Crores) and interest accrued on such fixed bank deposits ₹ 7.81 Crores (Previous Year ₹ 6.99 Crores), till they are in custody with project authorities as "Security Deposits" under the Note- "Non- Current Financial Assets : Others" in the balance sheet.

Refer Note 45 for financial Instruments, fair value and measurements
Refer Note 20 on borrowings for details in terms of pledge of assets as security.

NOTE 10 OTHER NON- CURRENT ASSETS (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Capital advances		
Capital advances [Unsecured, considered good]	142.54	76.12
Capital advances [Credit Impaired]	3.63	2.11
	146.17	78.23
Less: Allowance for bad and doubtful	(3.63)	(2.11)
Total	**142.54**	**76.12**
Advance against expenses		
Other advances - [Unsecured, considered good]	1.30	0.78
Advance payment of income tax [Net of provisions] (Refer Note 30)	45.26	27.07
Prepaid Expenses	109.26	115.59
Balances with Government authorities for Litigations	18.11	18.11
Balances with Government authorities - VAT credit refundable	117.57	59.85
Deferred employee benefit cost	2.87	4.42
Other non-current assets	0.03	0.03
Total	**436.94**	**301.97**

Refer Note 48 for Related party balances
Refer Note 20 on borrowings for details in terms of pledge of assets as security.

NOTE 11 INVENTORIES (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Natural Gas	14.16	6.92
Stores and spares	39.23	37.58
Deferred delivery-Natural Gas (Goods in transit)	-	7.98
Total	**53.39**	**52.48**

For Valuation- Refer note 2(l)
Refer Note 20 on borrowings for details in terms of pledge of assets as security.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 12 CURRENT FINANCIAL ASSETS : TRADE RECEIVABLES (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Trade Receivables (A)		
Trade Receivables considered good - Secured	271.80	175.73
Trade Receivables considered good - Unsecured (Backed by Bank guarantee)	430.07	473.59
Trade Receivables considered good - Unsecured (Others)	153.88	72.24
Trade Receivables - credit impaired	13.64	9.85
Total	**869.39**	**731.41**
Less: Allowance for bad and doubtful	13.64	9.85
Total (A)	**855.75**	**721.56**
Unbilled Revenue (B)	74.30	53.18
Total (A+B)	**930.05**	**774.74**

Refer Note 45 for financial Instruments, fair value and measurements
Refer Note 48 for Related party balances
Refer Note 20 on borrowings for details in terms of pledge of assets as security.

Note 12.1 Trade Receivable ageing schedule:
As on 31 March 2022: (₹ in Crores)

Particulars	Outstanding for following period from due date of payment							Total
	Unbilled	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	-	739.39	102.54	5.14	2.08	0.62	1.22	850.97
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	1.50	2.79	1.14	0.95	0.35	1.92	8.65
(iv) Disputed Trade Receivables - Considered Good	-	0.05	0.93	0.30	0.56	0.54	2.39	4.77
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	0.00	0.20	0.35	0.68	0.61	3.14	4.99
(vii) Unbilled	74.30	-	-	-	-	-	-	74.30
Total	**74.30**	**740.93**	**106.46**	**6.93**	**4.27**	**2.13**	**8.67**	**943.69**
Less: Allowance for bad and doubtful								
(viii) Allowance for doubtful - Undisputed Trade receivables	-	(1.50)	(2.79)	(1.14)	(0.95)	(0.35)	(1.92)	(8.65)
(ix) Allowance for doubtful - Disputed Trade receivables	-	(0.00)	(0.20)	(0.35)	(0.68)	(0.61)	(3.14)	(4.99)
Net Trade Receivables	**74.30**	**739.43**	**103.47**	**5.44**	**2.63**	**1.17**	**3.61**	**930.05**

Notes to Consolidated financial statements for the year ended on 31st March 2022

As on 31 March 2021: **(₹ in Crores)**

Particulars	Outstanding for following period from due date of payment							Total
	Unbilled	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	-	646.54	64.91	2.62	1.83	0.48	1.17	717.54
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	0.68	1.12	1.17	0.71	0.40	1.79	5.87
(iv) Disputed Trade Receivables - Considered Good	-	0.02	0.46	0.30	0.60	0.63	2.01	4.02
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	0.00	0.06	0.22	0.60	0.60	2.50	3.98
(vii) Unbilled	53.18	-	-	-	-	-	-	53.18
Total	**53.18**	**647.24**	**66.55**	**4.30**	**3.73**	**2.11**	**7.47**	**784.59**
Less: Allowance for bad and doubtful								
(viii) Allowance for doubtful - Undisputed Trade receivables	-	(0.68)	(1.12)	(1.17)	(0.71)	(0.40)	(1.79)	(5.87)
(ix) Allowance for doubtful - Disputed Trade receivables	-	(0.00)	(0.06)	(0.22)	(0.60)	(0.60)	(2.50)	(3.98)
Net Trade Receivables	**53.18**	**646.56**	**65.37**	**2.92**	**2.42**	**1.11**	**3.18**	**774.74**

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 13 CURRENT FINANCIAL ASSETS : CASH AND CASH EQUIVALENTS (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
(a) Balance with banks		
Balance in bank account [with Sweep -In deposit facility]	18.17	14.73
(b) Balance with financial Institutions		
Deposits with maturity of less than three months		
Intercorporate deposits/ Liquid deposits with Gujarat State Financial Services Ltd	-	261.02
(c) Cash on hand	1.61	1.11
Total	**19.78**	**276.86**

Refer Note 45 for financial Instruments, fair value and measurements
Refer Note 48 for Related party balances
Refer Note 20 on borrowings for details in terms of pledge of assets as security.

Note 14 CURRENT FINANCIAL ASSETS : OTHER BANK BALANCES (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Earmarked balances in unclaimed dividend accounts (Refer Note 14.1)	1.52	1.31
Margin money or security against borrowings & guarantees	-	40.00
Deposits (with banks/ financial Institutions) with maturity having more than 3 months but less than 12 months	-	3.03
Total	**1.52**	**44.34**

Note 14.1 : The balances in dividend accounts are not available for use by the Company and the money remaining unpaid will be deposited in the Investor Protection and Education Fund after the expiry of 7 years from the date they became due for payment. No amount is due at the end of the period for credit to Investor Protection and Education fund.
Refer Note 45 for financial Instruments, fair value and measurements
Refer Note 20 on borrowings for details in terms of pledge of assets as security.

Note 15 CURRENT FINANCIAL ASSETS : LOANS (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Loans to employees [Unsecured, considered good]	2.91	1.29
Total	**2.91**	**1.29**

Refer Note 20 on borrowings for details in terms of pledge of assets as security.
Refer Note 45 for financial Instruments, fair value and measurements
Refer Note 51 for Loans to Promoters, Directors, KMPs and Related parties

Note 16 CURRENT FINANCIAL ASSETS : OTHERS (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Other Bank Balances*	2.24	0.02
Unbilled Receivables-Other Income	0.99	1.93
Insurance claim receivable	0.05	-
Staff - Employee Advance	-	0.01
Receivable from employee	0.64	0.59
Other receivables [Unsecured, considered good]:-		
From Related parties	6.25	0.23
From Others	8.87	2.76
Total	**19.04**	**5.54**

* Includes Margin money or security against borrowings & guarantees ₹ 0.02 Crores (Previous year ₹ 0.02 Crores)
Refer Note 20 on borrowings for details in terms of pledge of assets as security.
Refer Note 45 for financial Instruments, fair value and measurements
Refer Note 48 for Related party balances

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 17 CURRENT ASSETS : OTHERS (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Advances for expenses[Unsecured, considered good]		
To Related parties	-	0.02
To Others	10.79	10.85
	10.79	10.87
Prepaid Expenses	27.78	31.25
Indirect Tax credit receivable (Excise, VAT, GST etc.)	29.18	18.06
Balances with Government authorities - VAT credit refundable	292.46	122.20
Deferred employee benefit cost	3.13	2.89
Total	**363.34**	**185.27**

Refer Note 20 on borrowings for details in terms of pledge of assets as security.
Refer Note 45 for financial Instruments, fair value and measurements
Refer Note 48 for Related party balances

Note 18 SHARE CAPITAL
Note 18.1 Authorised, issued, subscribed, fully paid up share capital (₹ in Crores)

Particulars	As at 31st March 2022		As at 31st March 2021	
	No. of shares	Amount	No. of shares	Amount
Authorised				
Equity Shares of ₹2 each	8,67,55,00,000	1,735.10	8,67,55,00,000	1,735.10
7.5% Redeemable preference Shares of ₹ 10 each	1,70,00,000	17.00	1,70,00,000	17.00
Preference shares of ₹ 10 each	50,00,000	5.00	50,00,000	5.00
Issued, Subscribed and Paid up				
Equity Shares of ₹ 2 each (fully paid-up)	68,83,90,125	137.68	68,83,90,125	137.68
Total	**68,83,90,125**	**137.68**	**68,83,90,125**	**137.68**

Note 18.2 Reconciliation of shares outstanding at the beginning and at the end of the reporting period (₹ in Crores)

Particulars	As at 31st March 2022		As at 31st March 2021	
	Equity Shares of ₹ 2 each fully paid		Equity Shares of ₹ 2 each fully paid	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the period	68,83,90,125	137.68	68,83,90,125	137.68
Add: Shares issued during the period	-	-	-	-
Less: Changes during the period	-	-	-	-
Shares outstanding at the end of the period	**68,83,90,125**	**137.68**	**68,83,90,125**	**137.68**

Note 18.3 : Terms/ rights attached to equity shares

The company has only one class of equity shares having a face value of ₹ 2 per share (previous year ₹ 2 each). Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive residual assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 18.4 : Share holding by prescribed entities

Out of Equity shares issued by the company, shares held by its holding company and their subsidiaries and associates are as under:

(₹ in Crores)

Share Holder (Nature of Relationship)	As at 31st March 2022		As at 31st March 2021	
	No. of Equity Shares of ₹ 2 each fully paid	Amount	No. of Equity Shares of ₹ 2 each fully paid	Amount
(i) Gujarat State Petronet Limited (current year :- Holding Company and previous year :- Holding Company)	37,28,73,995	74.57	37,28,73,995	74.57
(ii) Gujarat State Energy Generation Limited (current year :- Associate of Intermediate Holding Company and previous year :- Associate of Intermediate Holding Company)	13,32,235	0.27	13,32,235	0.27
(iii) Gujarat State Fertilizers and Chemicals Limited (current year Associate of Ultimate Holding Company and previous year :- Associate of Ultimate Holding Company)	4,69,14,475	9.38	4,69,14,475	9.38
(iv) Gujarat Alkalies & Chemicals Limited (current year :- Associate of Ultimate Holding Company and previous year :- Associate of Ultimate Holding Company)	2,13,15,785	4.26	2,13,15,785	4.26
(v) Gujarat Narmada Vally Fertilizers and Chemicals Limited (current year :-Associate of Ultimate Holding Company and previous year :- Associate of Ultimate Holding Company)	2,66,445	0.05	2,66,445	0.05

Note 18.5 Shareholders holding more than 5 % of total share capital

Name of Shareholder	As at 31st March 2022		As at 31st March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
	Equity Shares of ₹ 2 each fully paid		Equity Shares of ₹ 2 each fully paid	
Gujarat State Petronet Limited	37,28,73,995	54.17%	37,28,73,995	54.17%
Gujarat State Fertilizers and Chemicals Limited	4,69,14,475	6.82%	4,69,14,475	6.82%
Government of Gujarat	4,49,77,310	6.53%	4,49,77,310	6.53%

Note 18.6 : Disclosures of Shareholding of Promoters - Shares held by the Promoters:

Name of Shareholder	Class of Shares	As at 31st March 2022		As at 31st March 2021		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
Gujarat State Petroleum Corporation Limited	Equity	-	-	-	-	-
Gujarat State Petronet Limited	Equity	37,28,73,995	54.17%	37,28,73,995	54.17%	0.00%
Government of Gujarat	Equity	4,49,77,310	6.53%	4,49,77,310	6.53%	0.00%
Gujarat State Energy Generation Limited	Equity	13,32,235	0.19%	13,32,235	0.19%	0.00%
Total		**41,91,83,540**	**60.89%**	**41,91,83,540**	**60.89%**	

Note 18.7 : Details of Bought back of shares, Bonus Shares and Shares issue without payment being received in Cash:

The company has not bought back any equity shares, has not allotted any shares as fully paid up pursuant to contracts without payment being received in cash and has not allotted bonus shares during the period of five years immediately preceding the date of balance sheet. Further, there are no shares which are reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.

Note 18.8 : Proposed Dividend:

The Board of Directors, in its meeting on 10th May, 2022, have proposed a final dividend of ₹ 2.00 per equity share (Face value of ₹ 2/- each) for the financial year ended on 31st March,2022. The proposal is subject to the approval of shareholders at the Annual General Meeting and, if approved, would result in a cash outflow of ₹ 137.68 crores.

The Board of Directors, in its meeting on 1st June, 2021, had proposed a final dividend of ₹ 2.00 per equity share (Face value of ₹ 2/- each) for the financial year ended on 31st March,2021.The proposal was approved by shareholders at the Annual General Meeting and this resulted in a cash outflow of ₹ 137.68 crores.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note-19 OTHER EQUITY (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
(A) Reserves & Surplus		
General Reserve		
Opening Balance	2.72	2.72
Add/Less : Adjustment during the year	-	-
Closing Balance	**2.72**	**2.72**
Amalgamation and arrangement Reserve		
Opening Balance	879.59	879.59
Add/Less : Adjustment during the year	-	-
Closing Balance	**879.59**	**879.59**
Capital Reserve (Refer note 56)		
Opening Balance	(23.98)	-
Add : Capital Reserve from business combination transaction	-	(23.98)
Closing Balance	**(23.98)**	**(23.98)**
Retained Earnings		
Opening balance	3,591.30	2,409.08
Retained earning from business combination transaction (Refer note 56)	-	(2.68)
Restated balance at the beginning	3,591.30	2,406.40
Add: Profit during the year	1,287.37	1,270.37
Remeasurement of post employment benefit obligation (net of tax)	0.56	0.58
Total	**4,879.23**	**3,677.35**
Less : Appropriations		
Dividend	(137.68)	(86.05)
Closing Balance	**4,741.55**	**3,591.30**
Total (A)	**5,599.88**	**4,449.63**
(B) Equity instrument through OCI		
Opening Balance	(109.75)	(111.71)
Add/Less : Change in fair value of equity instrument	2.62	2.52
Add/Less : Income tax relating to above item	(0.50)	(0.56)
Closing Balance (B)	**(107.63)**	**(109.75)**
Total other equity (A+B)	**5,492.25**	**4,339.88**

Nature and purpose of reserves :

General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purpose. As the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit and loss.

Amalgamation and Arrangement Reserve

The "Amalgamation and Arrangement Reserve", created pursuant to scheme of amalgamation and arrangement, is treated as free reserve based on the judgment of Honourable Gujarat High Court dated 18th April 2015 read with relevant other court decisions.

Retained Earnings

Retained earnings represents surplus / accumulated earnings of the company available for distribution to shareholders.

Capital Reserve

Capital Reserve not available for distribution of dividend and expected to remain invested permanently.

Negative capital reserve represents difference between the consideration and carrying amount of net assets/liabilities acquired as per business transfer agreement for transactions among entities under common control.

Equity instrument through OCI

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Equity instrument through OCI reserve within equity.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 20 : NON- CURRENT FINANCIAL LIABILITIES: BORROWINGS

(₹ in Crores)

Secured borrowings	As at 31st March 2022		As at 31st March 2021	
	Non-Current	Current*	Non-Current	Current*
Term Loan from Banks (Refer Note 20.1)	390.97	86.95	769.95	127.31
Total secured borrowings	**390.97**	**86.95**	**769.95**	**127.31**

*For current maturities of long term borrowing amount disclosed under the head "Current Financial Liabilities: Borrowings" (Note 25)

The Company does not have any defaults in repayment of loans and interest as at the reporting date.

Note 20.1 Term Loan from Banks

(₹ in Crores)

Name of Lender	Terms of repayment	Current InterestRate $	Maturity	As at 31st March 2022		As at 31st March 2021	
				Non-Current	Current	Non-Current	Current
From banks HDFC Bank Term Loan I #	NA (for Previous year : Quarterly Installment from March 2018 to December 2027)	NA	NA	-	-	292.10	40.43
HDFC Bank Term Loan II	Quarterly Installment from March 2021 to September 2027	5.50% p.a	Sep-27	390.97	86.95	477.85	86.88
Total				**390.97**	**86.95**	**769.95**	**127.31**

During this financial year 2021-22, Company made pre-payment of term loans of ₹ 327.47 Crores out of internal accruals of the company.(HDFC Bank Term Loan I)

$ Interest rate is as on balance sheet date and interest on borrowing is payable on monthly basis.

Refer Note 45 for financial Instruments, fair value measurements.

The details of security given for all loans are as under:

Type of Loan	As at 31st March 2022	As at 31st March 2021
Secured Loan	For HDFC Bank RTL II: A first ranking pari passu charge over movable fixed assets (both present and future) of the Borrower (except any ROU, ROW, any immovable fixed assets, lease assets and all other assets which are not permitted to be transferred in the name of the Borrower and/or creation of charge is not permissible in favor of the Bank).	For HDFC Bank Rupee Term Loan I: 1. A first pari passu charge on the fixed assets (movable and immovable properties) of the Borrower, both present and future (except for ROU/ROW rights). 2. A second pari passu charge on current assets, both present and future with other secured term lenders of the Borrower. The working capital lenders will have first pari passu charge on the above current assets. For HDFC Bank Rupee Term Loan II: A first ranking pari passu charge over moveable fixed assets (both present and future) of the Borrower (except any ROU, ROW, any immovable fixed assets, lease assets and all other assets which are not permitted to be transferred in the name of the Borrower and/or creation of charge is not permissible in favor of the Bank).
Guarantee by Directors or others	None of the loan has been guaranteed by the directors or others	None of the loan has been guaranteed by the directors or others
Loan from related party	None of the loan has been taken from the related party(ies)	None of the loan has been taken from the related party(ies)

Note 20.2 : The Company has obtained various borrowings from banks on basis of above security wherein submission of the quarterly returns/ statements of current assets is not required as per sanction letter.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 21 LEASE LIABILITIES (₹ in Crores)

Particulars	As at 31st March 2022		As at 31st March 2021	
	Non-Current	Current	Non-Current	Current
Lease Liabilities (Refer note 50)	125.33	22.45	70.36	14.96
Total	**125.33**	**22.45**	**70.36**	**14.96**

Note 22 NON-CURRENT PROVISIONS (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for employee benefits (Refer note 47)		
Provision for Long service benefits	0.93	0.90
Provision for leave encashment	52.75	50.77
Provision for Superannuation	0.10	0.10
Total	**53.78**	**51.77**

Note 23 DEFERRED TAX LIABILITIES (Net) (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
A. Deferred tax Liabilities		
Tax effect of items constituting :		
Property, plant and equipment & Intangible assets	858.81	834.34
Investments	4.39	3.90
Total - A	**863.20**	**838.24**
B. Deferred tax asset		
Tax effect of items constituting :		
Employee benefits	14.90	13.28
Provisions	18.14	12.67
Other items*	22.44	19.77
Total - B	**55.48**	**45.72**
Deferred tax Liabilities (Net) (A-B)	**807.72**	**792.52**

*Other items includes effects of Leases (IND AS 116), Deferred revenue (IND AS 115), financial instruments measurement etc.

(a) Deferred tax balances and movement for FY 2021-22 (₹ in Crores)

Particulars	Net balance 1st April 2021	Recognised in profit or loss		Recognised in OCI	Other Adjustments/ Capital reserve	As at 31st March 2022
		Restatement	Others			
Deferred tax Liabilities - Tax effect of items constituting -						
Property, plant and equipment & Intangible assets	834.34	-	24.47	-	-	858.81
Investments	3.90	-	-	0.50	-	4.39
Total	**838.24**	**-**	**24.47**	**0.50**	**-**	**863.20**
Deferred tax asset - Tax effect of items constituting -						
Employee benefits	13.28	-	1.81	(0.19)	-	14.90
Provisions	12.67	-	5.47	-	-	18.14
Other items	19.77	-	2.67	-	-	22.44
Total	**45.72**	**-**	**9.95**	**(0.19)**	**-**	**55.48**
Restatement of Previous year (Refer Note 56)	-	(2.77)	-	-	-	-
Net deferred tax Liabilities	**792.52**	**(2.77)**	**14.52**	**0.69**	**-**	**807.72**

Notes to Consolidated financial statements for the year ended on 31st March 2022

(b) Deferred tax balances and movement for FY 2020-21 (₹ in Crores)

Particulars	Net balance 1st April 2020	Recognised in profit or loss		Recognised in OCI	Other Adjustments/ Capital reserve*	As at 31st March 2021
		Restatement	Others			
Deferred tax Liabilities - Tax effect of items constituting -						
Property, plant and equipment & Intangible assets	833.58		14.22	-	(13.46)	834.34
Investments	3.34		-	0.56	-	3.90
Loans and borrowings	0.14		(0.14)	-	-	-
Total	**837.06**	**-**	**14.08**	**0.56**	**(13.46)**	**838.24**
Deferred tax asset - Tax effect of items constituting -						
Employee benefits	11.62		1.86	(0.20)	-	13.28
Provisions	7.52		5.15	-	-	12.67
Other items	17.43		2.01	-	0.33	19.77
Total	**36.57**	**-**	**9.02**	**(0.20)**	**0.33**	**45.72**
Restatement of Previous year (Refer Note 56)	-	0.88	-	-	-	-
Net deferred tax Liabilities	**800.49**	**0.88**	**5.06**	**0.76**	**(13.79)**	**792.52**

* Refer Note 56 for deferred tax asset created on account of business combination transactions

Notes:

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

(c) Tax losses carried forward

Particulars	As at 31st March 2022	Expiry date	As at 31st March 2021	Expiry date
Expire	Nil	NA	Nil	NA
Never Expire	Nil	NA	Nil	NA

Note 24 OTHER NON-CURRENT LIABILITIES (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Deferred Revenue (Refer Note 49)	68.83	62.94
Total	**68.83**	**62.94**

Note 25 CURRENT FINANCIAL LIABILITIES : BORROWINGS (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Current maturities of long term borrowings - (Refer Note 20):-		
Term Loan		
-From Banks (Secured)	86.95	127.31
Total (A)	**86.95**	**127.31**
Loans Repayable on demand (Unsecured)		
-From Banks (Bank Overdraft)	3.15	-
Total (B)	**3.15**	**-**
Total	**90.10**	**127.31**

The Company does not have any defaults in repayment of loans and interest as at the reporting date.

The Company has obtained unsecured working capital Overdraft facilities wherein submission of the quarterly returns/ statements of current assets is not applicable.

Refer Note 45 for financial Instruments, fair value and measurements

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 26 CURRENT FINANCIAL LIABILITIES : TRADE PAYABLES (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Total outstanding dues of micro enterprises and small enterprises -		
Trade payables others (Refer Note 44)	**21.36**	**9.15**
Total outstanding dues of creditors other than micro enterprises and small enterprises:-		
Trade payables - Gas Purchase / Transmission	292.63	315.88
Trade payables - Others	32.69	35.67
Unbilled dues	100.37	88.04
Total	**425.69**	**439.59**
Total	**447.05**	**448.74**

Refer Note 45 for financial Instruments, fair value and measurements

Refer Note 48 for Related party balances

Note 26.1 - Trade Payable ageing schedule:

As on 31 March 2022: (₹ in Crores)

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	21.07	0.29	-	-	-	21.36
(ii) Others	-	317.77	4.53	0.09	0.11	0.54	323.05
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	1.48	-	-	0.12	0.66	2.26
(v) Unbilled	100.37	-	-	-	-	-	100.37
Total	**100.37**	**340.33**	**4.83**	**0.09**	**0.23**	**1.20**	**447.05**

As on 31 March 2021: (₹ in Crores)

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	9.02	0.12	-	-	-	9.15
(ii) Others	-	342.88	5.48	0.14	0.06	0.59	349.16
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	1.63	0.09	0.07	0.60	-	2.39
(v) Unbilled	88.04	-	-	-	-	-	88.04
Total	**88.04**	**353.54**	**5.70**	**0.20**	**0.66**	**0.59**	**448.74**

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 27 CURRENT FINANCIAL LIABILITIES : OTHERS (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Capital creditors and other payables (Including retentions):-		
-Total outstanding dues of micro enterprises and small enterprises (Refer note 44)	90.03	42.72
-Total outstanding other than dues of micro enterprises and small enterprises	197.45	230.75
	287.48	**273.47**
Business combination transaction liability (Refer Note 56)	-	159.38
Security Deposits from customers	1,326.45	1,071.61
Interest accrued on security deposits from customers	11.86	8.02
Security Deposit from customers towards MGO	151.85	76.51
Security Deposit from collection centres and others	4.82	5.12
Security Deposits from Suppliers	52.55	44.25
Unclaimed dividend (Refer Note 27.1)	1.52	1.31
Others:		
BG Asia Pacific Holdings Limited	-	464.78
Less : Amount deposited in Escrow Account with Citi Bank (Refer Note 27.2)	-	(464.78)
Net Payable	-	-
Other current financial liabilities	5.43	1.60
Total	**1,841.96**	**1,641.27**

Refer Note 45 for financial Instruments, fair value and measurements

Refer Note 48 for Related party balances

Note 27.1: The balance with the bank for unpaid dividend is not available for use by the Company and the money remaining unpaid will be deposited in Investor Protection and Education Fund u/s 124(5) of Companies Act, 2013 after the expiry of seven years from the date of declaration of dividend. No amount is due at the end of the period for credit to Investors education and protection fund.

Note 27.2: The Company deposited ₹ 464.78 crores on 12th June, 2013 into the escrow account (named "BG Asia Pacific Holdings Pte. Limited GSPC Distribution Networks Limited Escrow Account") opened with Citibank N.A., acting as the escrow agent, pursuant to the escrow agreement executed between the BG Asia Pacific Holdings Pte. Limited (the Seller), Gujarat Gas Limited (Formerly known as GSPC Distribution Networks Limited) (the Purchaser) and Citibank N.A. The Payment of said amount into Escrow Account was to be utilized to meet future tax withholding liability (if any) based on outcome of the applications to the Authority for Advance Rulings or otherwise to be remitted to BG Asia Pacific Holdings Pte. Limited (the Seller) directly.

The Company has received the ruling from the Hon'ble Authority for Advance Ruling ("AAR"), vide consolidated ruling order dated 25th February 2021 wherein the Hon'ble AAR has held that the transaction Price is not subject to any tax withholding in India and the Purchaser is not required to withhold tax since the capital gains is not subject to tax in India in view of Article 13(4) of the India Singapore Tax Treaty under India Singapore Double Tax Avoidance Agreement in the hands of the Seller. Pursuant to the ruling of the Hon'ble AAR and as per the terms of the Escrow Agreement, amount of ₹ 464.78 crores kept in Escrow Account had been remitted to the BG Singapore on 7th April 2021.

During the year, Commissioner of Income Tax (International Taxation) – 3 (CIT), has filed Civil Misc. Writ Petition against BG Singapore, challenging the AAR Ruling before the Hon'ble High Court of Uttarakhand at Nainital on 22.09.2021. CIT has also filed Impleadment /Amendment Application in Civil Misc. Writ Petition before the Hon'ble High Court of Uttarakhand at Nainital on 08.01.2022 for amendment of cause title of the petition and added Commissioner of Income Tax (IT & TP), Ahmedabad as Petitioner No. 2 and GGL as Respondent No. 2. Currently, the Impleadment /Amendment Application is in process for admission with Hon'ble High Court of Uttarakhand.

As per the clause 12.3 & 12.4 of the Share purchase agreement, the Seller had agreed to indemnify, defend and hold harmless the Purchaser from and against any Tax claim notice receives on or prior to the expiry of 10 years from the Closing date (i.e. up to 11th June, 2023) in respect of Seller's sale of shares to the Purchaser.

In view of this, there is no possibility of any outflow in this matter and hence, the same has not been considered as Contingent Liability.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 28 CURRENT LIABILITIES : OTHERS (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Advances from customer	30.33	22.97
Deferred Revenue (Refer Note 49)	10.59	9.30
Statutory dues payable (Includes Excise duty,VAT,GST,TDS,PF etc.)	35.11	24.71
Other Current Liabilities	0.26	0.11
Total	**76.29**	**57.09**

Note 29 CURRENT PROVISIONS (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for employee benefits (Refer note 47)		
Provision for gratuity	0.16	0.52
Provision for leave encashment	2.65	1.28
Provision for bonus & incentives	22.59	22.68
Provision for other employee benefits	3.12	0.06
Provision for CSR (Refer note 54)	4.40	-
Total	**32.92**	**24.54**

Note 30 CURRENT TAX LIABILITIES (NET) (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Current income tax liabilities (Net of advance tax, TDS and TCS)	-	-
Total	**-**	**-**

INCOME TAX ASSETS AND LIABILITIES (NET)
Details of Income tax assets and income tax liabilities (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
(a) Income tax assets (Refer Note 10)	45.26	27.07
(b) Current income tax liabilities	-	-
Net Asset (a-b) (Refer Note 10)	**45.26**	**27.07**

Movement in income tax asset/(liability) (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Net current income tax asset/(liability) at the beginning of the period	27.07	34.61
Movement during the year on account of :		
Income tax paid for the year	437.56	417.64
Provision for Income tax for the year (Refer Note 40(a))	(417.03)	(415.10)
Prior year tax paid /refund adjusted with tax / other items	(1.13)	(9.07)
Prior year tax paid	0.11	0.17
Income tax refund received	(1.33)	(1.18)
Net current income tax asset/(liability) at the end of the period	**45.26**	**27.07**

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 31 REVENUE FROM OPERATIONS (₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Sale of Product (Including excise duty)		
Natural Gas	**16,710.32**	**10,012.46**
Other operating revenue		
Gas transmission / Compression income (Including excise duty)	5.26	1.89
Contract Renewal Charges	23.21	14.46
Take or Pay Income	21.90	10.21
Connection, Service and Fitting Income	24.64	16.52
Other Operating Income	2.02	1.56
	77.03	**44.64**
Total	**16,787.35**	**10,057.10**

Note 32 OTHER INCOME (₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest Income		
From Deposits with Banks/Financial Institutions*	14.67	25.86
From Customers on delayed payments	17.56	11.07
From Other financial assets at amortised cost (EIR)	0.99	0.77
Others (including interest on tax refunds Current year Nil, Previous year ₹ 3.52 Crores)**	0.58	4.15
Total	**33.80**	**41.85**
Dividend on Investments	0.00	-
Late payment charges	10.79	8.15
Provisions no longer required written back	20.78	6.77
Profit on sale as scrap and diminution in Capital Inventory	1.03	0.24
Other Non-Operating Income	24.47	14.57
Total	**90.87**	**71.58**

*Includes interest Income on Security deposits in form of fixed/ liquid deposits with banks/ financial institutions

**Includes interest income on deposits, staff advances and employee loans

Figures INR 0.00 denotes amount less than INR 50,000/-.

Note 33 COST OF MATERIALS CONSUMED (₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Natural Gas - Purchase	12,853.62	6,524.29
Gas Transportation Charges	582.51	478.40
Change in Deferred delivery of natural gas (GIT):-		
Add :- Opening balance	7.98	3.31
Less:- Closing balance	-	(7.98)
Net Change in Deferred delivery of natural gas(GIT)	7.98	(4.68)
Total	**13,444.11**	**6,998.01**

Note 34 CHANGES IN INVENTORIES OF NATURAL GAS (₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Changes in inventories of finished goods, stock in trade and work in progress - Natural Gas		
Inventory at the beginning of the year	6.92	5.44
Less: Inventory at the end of the year	14.16	6.92
Total	**(7.24)**	**(1.48)**

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 35 EMPLOYEE BENEFIT EXPENSE (₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Salaries and Wages	153.19	142.13
Contribution to Provident and Other Funds- Gratuity(Refer note 47)	19.99	19.06
Leave Encashment & Other benefits	10.27	10.05
Staff Welfare Expenses	13.06	12.02
	196.51	183.26
Less: Amount capitalised during the period*	(5.63)	(5.77)
Total	**190.88**	**177.49**

*Salary & wages of employees directly involved in capital projects are capitalised in Property, plant and equipment (PPE).

Note 36 FINANCE COSTS (₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest on Borrowings	35.27	102.17
Interest on Security Deposits & Others	13.45	8.96
Interest expenses on lease liability (Refer note 50)	7.25	5.22
Interest on Income Tax	0.85	0.41
Total	**56.82**	**116.76**

Note 37 DEPRECIATION AND AMORTISATION EXPENSE (₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Depreciation of property, plant and equipment (Refer note 3.1)	338.02	308.13
Amortisation of intangible assets (Refer note 5.1)	21.97	20.90
Amortisation of ROU assets (Refer note 5.3)	24.92	14.54
Total	**384.91**	**343.57**

Note 38 OTHER EXPENSES (₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Consumption of Stores & Spares Parts	17.58	15.19
Power and Fuel	119.28	75.60
Repairs and Maintenance:		
- Buildings	2.47	2.56
- Plant and Machinery	237.13	193.47
- Others	13.45	13.88
Lease Charges-Others (Refer Note 38.1)	33.80	24.60
LCV/HCV Hiring, Operating and Maintenance Charges (Refer Note 38.1)	50.40	48.96
Franchisee and other Commission	45.69	29.08
Agency & Contract Staff Expenses	31.40	28.22
Legal and Professional Charges	32.01	27.42
ROW Running Charges	54.67	48.98
Loss on sale / write-off of Fixed Assets (net)	1.49	3.41
Bank Charges	24.86	17.56
Billing and Collection Expenses	11.39	9.66
Vehicles Expenses	6.61	5.45
Office Expenses	9.32	8.22
Postage and Telephone Expenses	4.51	4.18
Allowance for Doubtful Trade Receivables/Advances/Deposits(net)	3.71	1.58
Business Promotion Expenses	3.63	6.26
Insurance	10.36	10.21
Rates, taxes and duties	1.41	1.39

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 38 OTHER EXPENSES (Continued...) **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Travelling and Conveyance	0.98	0.62
Stationery and Printing Expenses	1.57	1.80
Corporate Social Responsibility Expenses (Refer Note no. 54)	23.54	15.01
Payment to Auditors (Refer Note 38.2)	0.32	0.29
Diminution in Capital Inventory/Loss on sale as scrap	2.74	7.24
Miscellaneous Expenses	7.84	7.38
Net loss on foreign currency transaction(Refer Note 38.3)	0.01	0.01
Total	**752.17**	**608.23**

Note 38.1 Leases charges-Others includes rental charges of all assets that have lease period of 12 month or less, rental charges of low value assets, variable lease payments and component of taxes of ROU lease charges.

LCV/HCV Hiring, Operating and Maintenance Charges includes non lease component viz. manpower, fuel cost, repair and maintenance and rental charges of LCV/HCV lease assets that have lease period of 12 month or less.

(Refer note 50).

Note 38.2 Payment to Auditors **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
For Statutory Audit	0.32	0.29
For Out of pocket expenses	0.00	0.00
For Other services	0.00	0.00
Total	**0.33**	**0.29**

Figures INR 0.00 denotes amount less than INR 50,000/-.

Note 38.3 Net (gain) or loss on foreign currency transaction **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Loss on foreign currency transaction	0.01	0.01
Gain on foreign currency transaction	0.00	0.00
Net (gain) or loss on foreign currency transaction	**0.01**	**0.01**

Figures INR 0.00 denotes amount less than INR 50,000/-.

Note 39 EXCEPTIONAL ITEMS **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Exceptional item	11.90	-
Total	**11.90**	**-**

Note 39.1 Exceptional item pertains to payment of stamp duty with regards to the Business Transfer Agreement (BTA) & conveyance deed executed for transfer / purchase of City Gas Distribution (CGD) Business of Amritsar and Bhatinda Geographical Areas from Gujarat State Petronet Limited (a holding company) to Gujarat Gas Limited for cash consideration. (Refer Note 56)

Note 40 TAX EXPENSE

(a) Amounts recognised in statement of profit and loss **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Income Tax Expenses		
Current Tax		
(a) Current income tax	414.92	412.17
(b) Short/(Excess) provision of income tax in respect of previous years	1.13	9.07
Total (A)	**416.05**	**421.24**
Deferred tax		
Deferred tax expense / (Income)- net		
(a) In respect of current year, Origination and reversal of temporary differences	12.88	15.04
(b) Short/(Excess) provision of income tax in respect of previous years	(1.14)	(9.10)
Total (B)	**11.74**	**5.94**
Tax expense for the year (A+B)	**427.79**	**427.18**

Notes to Consolidated financial statements for the year ended on 31st March 2022

(b) Reconciliation of effective tax rate and tax expense with accounting profit **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Profit before tax	**1,715.16**	**1,697.55**
Tax using the Company's domestic tax rate (Current year 25.17% and Previous Year 25.17%)	431.67	427.24
Tax effect on account of:		
Expenses not deductible or disallowances for tax purposes - Interest u/s. 234B / 234C , donation etc.	6.14	1.36
Other items	1.65	0.53
Impact of Long Term Capital Gain on Land	(8.53)	(1.71)
Tax impact on Losses of GSPL (Amritsar & Bhatinda GA) on account of restatement (Refer note 56)	(2.71)	0.33
Impact of low tax rate for DDT/tax on share of profit of subsidiary and associate	(0.42)	(0.54)
Impact of (Excess)/Short provisions of earlier year taxes	(0.01)	(0.03)
Total	**427.79**	**427.18**

Note 41 STATEMENT OF OTHER COMPREHENSIVE INCOME **(₹ in Crores)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Items that will not be reclassified to profit or loss		
I. Equity Instruments through Other Comprehensive Income		
Fair value of unquoted investments - gain	2.62	2.52
Tax impact on unquoted investments	(0.50)	(0.56)
II. Remeasurement gains/ (losses) on defined employee benefit plans		
Actuarial gains	0.76	0.81
Tax impact on actuarial gains	(0.19)	(0.20)
Share of Other comprehensive income of equity accounted investee	**(0.01)**	**(0.03)**
Total of Items that will not be reclassified to profit or loss	**3.37**	**3.30**
Total Tax impact	**(0.69)**	**(0.76)**
Total	**2.68**	**2.54**

Note 42 EARNINGS PER SHARE (EPS)

EARNINGS PER EQUITY SHARE- FACE VALUE OF ₹ 2 EACH

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit for the year (Profit attributable to equity shareholders (₹ in Crores)	1,287.37	1,270.37
Weighted average number of ordinary equity shares for Basic EPS (in Nos.)	68,83,90,125	68,83,90,125
Weighted average number of ordinary equity shares for Diluted EPS (in Nos.)	68,83,90,125	68,83,90,125
Face Value of equity share (₹)	2.00	2.00
Basic EPS (₹)	18.70	18.45
Diluted EPS (₹)	18.70	18.45

Note:- Basic EPS amounts are calculated 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 amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company remain the same.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 43 CONTINGENT LIABILITIES & CONTINGENT ASSETS
(A) CONTINGENT LIABILITIES **(₹ in Crores)**

Contingent liabilities (to the extent not provided for)	As at 31st March 2022	As at 31st March 2021
Contingent Liabilities		
(a) Contingent Liabilities - Statutory claims (Refer Note 43.1)	64.43	78.35
(b) Claims against the company not acknowledged as debt(Refer Note 43.2)	459.01	716.24
Total	**523.45**	**794.59**

The Group has reviewed all its pending claims, litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The company does not expect the outcome of these claims, litigations and proceedings to have a materially adverse effect on its financial position.

Note 43.1 - Contingent Liabilities - Statutory claims **(₹ in Crores)**

Sr. no.	Particulars	As at 31st March 2022	As at 31st March 2021
1	Disputed statutory dues in respect of which Appeals are filed against / by company :		
	(a) Excise Duty	18.90	18.58
	(b) Income Tax	4.40	18.77
	(c) Service Tax	41.13	41.00
TOTAL		**64.43**	**78.35**

The Group is contesting the demands and the management including its advisors believe that its position is likely to be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

Note 43.2 - Claims against the company not acknowledged as debt includes the following major matters:

(i) UPL Limited (UPL) a customer of erstwhile Gujarat Gas Company Limited (GGCL) (now known as Gujarat Gas Limited) had filed a complaint before Petroleum and Natural Gas Regulatory Board (PNGRB) against erstwhile GGCL alleging charging of tariff illegally under the City Gas Network Distribution Agreement entered into between the parties and filed claim of approx. ₹ 76.98 Crores. The matter was decided against the company by PNGRB vide its Order dated 20.10.2014. The company had preferred an appeal at Appellate Tribunal for Electricity (APTEL) against the aforementioned PNGRB Order. APTEL has delivered final judgement on 10.03.2021 in favour of the Company by setting aside the aforementioned PNGRB Order, and has recorded that invocation of HAPI tariff by PNGRB for the negotiated arrangement between the parties was not only against the letter and spirit of regulations defining tariff zone but also tantamount to rewriting of contract.

UPL has preferred an appeal before the Hon'ble Supreme Court of India against the order of APTEL dated 10.03.2021. Presently, the matter is pending before Hon'ble Supreme Court of India.

(ii) Erstwhile Gujarat Gas Company Limited and Erstwhile GSPC Gas Company Limited (Now collectively known as Gujarat Gas Limited "GGL") had signed Gas supply agreement with Gujarat State Petroleum Corporation Limited (GSPCL) for purchase of Re-gasified liquefied natural gas (RLNG). As per the provision of said agreement, GGL has to pay interconnectivity charges to GSPCL for the supply and purchase of RLNG at Delivery point which is charged to GSPCL by their supplier i.e. PLL Off takers (GAIL India, BPCL, IOCL).

PGNRB had vide its order dated 13.09.2011 and the majority members of PNGRB (three member panel of Board) had vide its order dated 10.10.2011 held that GAIL had adopted Restrictive Trade Practices by blocking off direct connectivity to GSPCL and further, directed Respondents (PLL Off takers -GAIL India, BPCL, IOCL) to immediately give direct connectivity to GSPCL at Dahej Terminal.

The PLL Offtakers (GAIL) filed appeals against the said PNGRB orders before the Appellate Tribunal for Electricity (APTEL). On 23.02.2012 APTEL had issued an interim order for shifting the Delivery Point from GAIL-GSPL Delivery Point to GSPL-PLL Delivery Point. On 18.12.2013 APTEL issued its judgment and required GSPCL to pay the amount of the difference between ₹ 8.74/MMBTU (exclusive of Service Tax) – earlier connectivity charges and ₹ 19.83/MMBTU (Exclusive of Service Tax) – HVJ/DVPL Zone-1 tariff to GAIL for the period from 20th November 2008 to 29th February 2012.

Notes to Consolidated financial statements for the year ended on 31st March 2022

GSPCL had filed an appeal against the APTEL's above referred judgment before Hon'ble Supreme Court of India (GSPCL vs. GAIL & Others, Civil Appeal No. 2473-2476 of 2014) and the Hon'ble Supreme Court of India had passed the Interim Order on 28th February 2014. The Court has stated that the ends of justice would be met if as a matter of interim arrangement, the appellant is directed to pay interconnectivity charges at the rate of ₹ 12.00 per MMBTU (exclusive of Taxes). The Company has already provided and paid interconnectivity charges at the rate of ₹ 12.00 per MMBTU (exclusive of Taxes).

GGL has not received any bill / demand note for the amount over and above ₹ 12.00 per MMBTU from supplier till date. As the final liability would only be determined post the final order of the court, quantification of any amount as contingent liability in the interim is inappropriate due to the uncertainty involved and hence the same is not mentioned / disclosed in the financial statement.

(iii) One of the gas suppliers of the Company has submitted claims of ₹ 189.59 Crores (P. Y. ₹ 523.82 Crores), for use of allocated gas for other than specified purpose, related to FY 2013-14 to FY 2020-21 and no claim received from supplier for FY 2021-22. The company has refuted this erroneous claim and also there is no contractual provisions of the agreement executed with GGL that allow such claim. The management is of the firm view that the company is not liable to pay any such claim. The company has already taken up the matter with concerned party to withdraw the claim.

(iv) The company has initiated an arbitration proceeding against one of the franchisees claiming compensation for loss of revenue While replying to the claim, the said franchisee has also filed a counter claim of ₹ 177.14 Crores (P. Y. ₹ 177.14 Crores) against the company claiming compensation for various losses. The company has filed necessary rejoinder to the counter claim strongly refuting the same mainly on the grounds that the counter claims are wrong and without merits and as are not flowing from the same agreement under which the arbitral tribunal has been constituted. Currently arbitral proceedings of this matter is pending before the sole arbitrator.

(B) CONTINGENT ASSETS

(i) The Company has raised claim of ₹ 43.08 crores (Previous year ₹ 43.08 crores) for net credit of natural gas pipeline tariff as per PNGRB Order with one of the suppliers and supplier is disputing company's claim and indicating for adjusting the partial claim of ₹ 30.72 crores (Previous year ₹ 30.72 crores) out of total claim ₹ 43.08 crores (Previous year ₹ 43.08 crores) against disputed liability for use of allocated gas other than specified purpose, against demand in earlier year (Refer Point 43 A-(iii) above).

(ii) The Company has filed an appeal before the Appellate Tribunal for Electricity (APTEL) against the PNGRB order related to the matter held that the Gas Swapping Arrangement Guidelines of PNGRB is applied erroneously. APTEL has issued the order in favour of GGL. The said supplier has filed appeal at Hon'ble Supreme Court of India against the order of APTEL.

Presently, the matter is pending in Hon'ble Supreme Court of India. Currently, GGL is paying ₹ 19.83 per mmbtu as transmission charges for domestic gas being purchased and delivered by GAIL at one of the delivery points . If verdict is in favour of GGL, GGL will get refund of ₹ 193.65 Crores (Previous year ₹ 173.27 Crores) from December 2013 till March 2022 and the company shall be required to pass on the benefit to its customers as per relevant order of the Court.

(iii) The Company is having other certain claims, litigations and proceedings which are pursuing through legal processes. The management believe that probable outcome in all such claims, litigations and proceedings are uncertain. Hence, the disclosure of such claims, litigations and proceedings is not required in the financial statements.

(C) COMMITMENTS **(₹ in Crores)**

Sr. No.	Commitments (to the extent not provided for)	As at 31st March 2022	As at 31st March 2021
1	Estimated amount of contracts remaining to be executed on capital account and not provided for	976.83	1,196.42
2	Estimated amount of contracts remaining to be executed on revenue account and not provided for	1,163.69	1,077.30
Total		**2,140.52**	**2,273.73**

Other commitments

All term contracts for purchase of natural gas with suppliers, has contractual volume off take obligation of "Take or Pay" (ToP) as specified in individual contracts. Quantification of ToP amount is dependent on various factors like actual purchase quantity, gas purchase prices of respective contract etc. As these factors are not predictable, ToP commitment amount is not quantifiable.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 44 DISCLOSURE AS REQUIRED BY THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

(₹ in Crores)

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
1	The principal amount outstanding as at the end of accounting year.		
	a) Trade payable	21.36	9.15
	b) Capital creditors	90.03	42.72
2	Principal amount due and remaining unpaid as at the end of accounting year.	-	-
3	Interest paid by the company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during accounting year.	-	-
4	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
5	Interest accrued and remaining unpaid at the end of accounting year (Refer Note below).	-	-
6	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note: No interest has been paid by the Company to the enterprises covered under Micro, Small and Medium Enterprises Development Act, 2006 according to the terms agreed with the enterprises.

The above information regarding micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 45 FINANCIAL INSTRUMENTS (FAIR VALUE MEASUREMENTS) AND FINANCIAL RISK MANAGEMENT

The Company has various financial assets and liabilities. The disclosures regarding the classification, fair value hierarchy, markets risk, credit risks and liquidity risks are as follows:

A. ACCOUNTING CLASSIFICATION AND FAIR VALUES (₹ in Crores)

	Carrying amount				Fair value#			
March 31, 2022	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1 - Quoted price in active markets**	**Level -2 Significant observable inputs**	**Level 3 - Significant unobservable inputs**	**Total**
Financial assets								
Investments	-	22.36	-	22.36	-	-	22.36	22.36
Financial assets measured at amortised cost								
Loans (Non-current)	-	-	3.56	3.56	-	-	-	-
Loans (Current)	-	-	2.91	2.91	-	-	-	-
Other financial assets (Non-current)	-	-	81.27	81.27	-	-	-	-
Other financial assets (Current)	-	-	19.04	19.04	-	-	-	-
Trade receivables	-	-	930.05	930.05	-	-	-	-
Cash and cash equivalents	-	-	19.78	19.78	-	-	-	-
Other bank balances	-	-	1.52	1.52	-	-	-	-
Total	**-**	**22.36**	**1,058.13**	**1,080.49**	**-**	**-**	**22.36**	**22.36**
Financial liabilities measured at amortised cost								
Non current borrowings	-	-	390.97	390.97	-	-	-	-
Current borrowings	-	-	90.10	90.10	-	-	-	-
Non current-Lease Liabilities	-	-	125.33	125.33	-	-	-	-
Current -Lease Liabilities			22.45	22.45	-	-	-	-
Non current financial liabilities- Others	-	-	-	-	-	-	-	-
Trade payables	-	-	447.05	447.05	-	-	-	-
Other financial liabilities	-	-	1,841.96	1,841.96	-	-	-	-
Total	**-**	**-**	**2,917.86**	**2,917.86**	**-**	**-**	**-**	**-**

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 45 Financial Instruments (fair Value Measurements) And Financial Risk Management (continued...) **(₹ in Crores)**

	Carrying amount				Fair value			
March 31, 2021	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1 - Quoted price in active markets**	**Level -2 Significant observable inputs**	**Level 3 - Significant unobservable inputs**	**Total**
Financial assets								
Investments	-	19.74	-	19.74	-	-	19.74	19.74
Financial assets measured at amortised cost								
Loans (Non-current)	-	-	2.17	2.17	-	-	-	-
Loans (Current)	-	-	1.29	1.29	-	-	-	-
Other financial assets (Non-current)	-	-	74.75	74.75	-	-	-	-
Other financial assets (Current)	-	-	5.54	5.54	-	-	-	-
Trade receivables	-	-	774.74	774.74	-	-	-	-
Cash and cash equivalents	-	-	276.86	276.86	-	-	-	-
Other bank balances	-	-	44.34	44.34	-	-	-	-
Total	**-**	**19.74**	**1,179.69**	**1,199.43**	**-**	**-**	**19.74**	**19.74**
Financial liabilities measured at amortised cost								
Non current borrowings	-	-	769.95	769.95	-	-	-	-
Current borrowings	-	-	127.31	127.31	-	-	-	-
Non current-Lease Liabilities	-	-	70.36	70.36	-	-	-	-
Current -Lease Liabilities	-	-	14.96	14.96	-	-	-	-
Non current financial liabilities- Others	-	-	-	-	-	-	-	-
Trade payables	-	-	448.74	448.74	-	-	-	-
Other financial liabilities	-	-	1,641.27	1,641.27	-	-	-	-
Total	**-**	**-**	**3,072.59**	**3,072.59**	**-**	**-**	**-**	**-**

Fair Value Hierarchy of Financial Assets and Liabilities :

Fair value of financial assets and liabilities which are measured at amortised cost is not materially different from the carrying value (ie..amortised cost). Accordingly, the fair value has not been disclosed separately.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

B. MEASUREMENT OF FAIR VALUES

i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 45 Financial Instruments (fair Value Measurements) And Financial Risk Management (continued...)

Financial instruments measured at fair value - FVTOCI in unquoted equity shares

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Market comparison technique: The valuation model is based on three approaches : **1. Market approach :** This approach uses information generated by market transactions of the Company being valued or the transactions of comparable companies. The following market-linked information may be used for determining valuation under this approach. - Quoted price of the company being valued, - Past transaction value of the company being valued, - Listed comparable companies' trading multiples like price to earning ratio, enterprise value to earning before interest, tax, depreciation and amortisation, enterprise value to sales etc. - Transactions multiples for investment / M & A transaction of comparable companies. The valuation arrived at based on the market approach reflects the current value of the Company perceived in the active market. However, as the valuation arrived at using market multiples is based on the past/current transaction or traded values of comparable companies/businesses, it may not reflect the possible changes in future trend of cash flows being generated by a business.	Comparable unobservable entity has been taken as a base for the valuation of unquoted equity shares and its management's own assumptions for arriving at a fair value such as projected cash flows used to value a business etc. As stated , highest priority is given to unadjusted quoted price of listed entities and lowest priority to non-market linked inputs such as future cash flows used in income approach.	The estimated fair value would increase (decrease) if: There is a change in pricing multiple owing to change in earnings of the entity. Considering the diverse asset and investment base of the Company with differing risk/return profiles, a sum of the parts approach has been adopted for the valuation. Under this method, the value of each distinct business/ asset/investment has been arrived at separately and total value estimate for the Company presented as the sum of all its business / investments /assets.
2. Income approach – The income approach reflects present value of future cash flows. For valuing a business, the discounted cash flow (DCF) methodology is used under this approach. This methodology works on the premise that the value of a business is measured in terms of future cash flow streams, discounted to the present time at an appropriate discount rate. This method is used to determine the present value of business on a going concern assumption. The DCF technique recognizes the time value of money. The value of the firm is arrived at by estimating the Free Cash Flow to Firm (FCFF) and discounting the same at the Weighted Average Cost of Capital (WACC). FCFF is estimated by forecasting free cash flows available to the firm (which are derived on the basis of the likely future earnings of the company).		
3. Cost approach – The cost approach essentially estimates the cost of replacing the tangible assets of the business. The replacement cost takes into account the market value of various assets or the expenditure required to create the infrastructure exactly similar to that of a company being valued.		

ii) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 45 Financial Instruments (fair Value Measurements) And Financial Risk Management (continued...)

iii) Level 3 fair values

Movements in the values of unquoted equity instruments for the period ended 31st March 2022 and 31st March 2021 is as below:

(₹ in Crores)

Particulars	Amount
As at 1 April 2020	**17.22**
Acquisitions/ (disposals)	-
Gains/ (losses) recognised in other comprehensive income	2.52
Gains/ (losses) recognised in statement of profit or loss	-
Closing Balance as at 31 March 2021	**19.74**
Acquisitions/ (disposals)	-
Gains/ (losses) recognised in other comprehensive income	2.62
Gains/ (losses) recognised in statement of profit or loss	-
Closing Balance as at 31 March 2022	**22.36**

Equity Instrument:- Fair value of investment in GSPC shares is based on Market approach, Income approach and cost approach.

Transfer out of Level 3

There were no movement in level 3 in either directions during the year ended 31st March 2022 and the year ended 31st March 2021.

Ind AS 101 allows an entity to designate certain investments in equity instruments as fair valued through the OCI on the basis of the facts and circumstances at the transition date to Ind AS.

The Company has elected to apply this exemption for its investment in equity shares.

Sensitivity analysis

Based on the valuation report for investments in unquoted shares, the sensitivity as on 31st March 2022 is provided below.

(₹ in Crores)

Significant observable inputs	OCI	
	10% Increase	**10% Decrease**
Equity securities in unquoted investments measured through OCI		
Impact of variation in fluctuation in the market prices of subsidiary companies /Gas marketing business of investee company		
As on 31st March 2022	3.04	(3.04)
As on 31st March 2021	2.79	(2.79)

C. FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

- **Credit risk;**
- **Liquidity risk; and**
- **Market risk**

i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company has a well-defined Risk Management framework for reviewing the major risks and has adopted a Business Risk Management Policy which also takes care of all the financial risks. Further, pursuant to the requirement of Regulation 21 of SEBI (Listing obligation and disclosure Requirements) Regulation, 2015, the company has constituted a Risk Management Committee inter - alia to monitor the Risk Management Plan of the Company.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

ii. Credit risk

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

The carrying amount of following financial assets represents the maximum credit exposure:

(a) Other financial assets

The company maintains its Cash and cash equivalents and deposits with banks / financial institutions having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 45 Financial Instruments (fair Value Measurements) And Financial Risk Management (continued...)

(b) Trade and other receivables

The Company's exposure to credit Risk is the exposure that Company has on account of goods sold or services rendered to a contractual counterparty or counterparties, whether with collateral or otherwise for which the contracted consideration is yet to be received. The Company's customer base are Industrial, Commercial-Non Commercial, Domestic and CNG.

The Commercial and Marketing department has established a credit policy for each category of customer viz. industrial, domestic and commercial.

The Company raises the invoice for quantities sold based on periodicity as per the agreement. Sales are subject to security deposit and/or bank guarantee clauses to ensure that in the event of non-payment the company's receivables are secured. In case of short/non receipt of security deposit/or bank guarantee, the Company is exposed to credit risk to that extent.

For sales to domestic customers for household purposes like cooking, geyser application, etc., invoices are raised periodically. Security deposits along with connection deposits are taken for mitigation of potential credit risk arising in the event of non-payment of invoices. Company is exposed to credit risk beyond the value of deposits.

CNG sales made through operators of the CNG stations owned by the Company and CNG Franchises outlet are exposed to credit risk as amounts so collected is deposited/transferred in company bank account on next working day. Bank Guarantee / Security Deposit is taken to mitigate the credit risk. In case of short/non receipt of security deposit/or bank guarantee, the Company is exposed to credit risk to that extent.

For CNG sales made through Oil Marketing Companies (OMCs), the Company raises the invoice for quantities sold based on periodicity as per the agreement. The OMCs are well established companies viz. HPCL, BPCL, IOCL, Nayara Energy (e-Essar Oil Ltd.) where no significant credit risk is anticipated.

The Company provides for allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. All trade receivables are reviewed and assessed for default on regular basis. Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low. Credit risk is considered high when the counter party fails to make contractual payment within 180 days of when they fall due. The risk is determined by considering the business environment in which the company operates and other macro economic factors.

Assets are written off when there are no reasonable expectation of recovery such as debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where receivables have been written off the company continues to engage in enforcement activity to attempt to recover the receivables. where recoveries are made, these are recognised in profit and loss.

The maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

(₹ in Crores)

	Carrying amount	
Particulars	**31st March 2022**	**31st March 2021**
India	869.39	731.41
Other regions	-	-
Total	**869.39**	**731.41**

Expected credit loss for Trade receivables under Simplified Approach **(₹ in Crores)**

	Carrying amount	
Particulars	**31st March 2022**	**31st March 2021**
Neither past due nor impaired	740.94	647.24
Past due 1–90 days	93.32	61.44
Past due 91–180 days	13.13	5.12
Past due 181 to 1095 days	13.33	10.15
Greater than 1095 days	8.67	7.47
	869.39	731.41
Less: Expected credit losses (Allowance for bad and doubtful)	13.64	9.85
Carrying amount of Trade Receivable (net of impairment)	**855.75**	**721.56**

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 45 Financial Instruments (fair Value Measurements) And Financial Risk Management (continued...)

In addition to the historical pattern of credit loss, the Company has considered the likelihood of increased credit risk and consequential defaults considering emerging economic situations. The assessment is based on management estimates considering the nature of receivables and the market conditions.

Movement in Allowance for bad and doubtful Trade receivable **(₹ in Crores)**

Particulars	31st March, 2022	31st March, 2021
Opening Allowance for bad and doubtful Trade receivable	9.85	8.27
Add: Provision during the year	3.79	1.59
Less: Write off during the year	-	0.01
Closing Allowance for bad and doubtful Trade receivable	**13.64**	**9.85**

The impairment provisions above are based on management judgment / assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history as well as forward looking estimates at the end of each reporting period.

(c) Security deposits

Company has given security deposit to various government authorities (like Municipal corporation, Nagarpalika, Grampanchayat, Road & building division and Irrigation department -of Govt. of Gujarat etc.) for the permission related to work of executing / laying pipeline network in their premises / jurisdiction. Being government authorities, the Company has no exposure to any credit risk.

Movement in Allowance for bad and doubtful Security deposits-Project authority **(₹ in Crores)**

Particulars	31st March, 2022	31st March, 2021
Opening Allowance for bad and doubtful Security deposits	13.38	13.62
Provision during the year	1.33	1.95
Recovery/Adjustment during the year	(2.93)	(2.19)
Write off during the year	-	-
Closing Allowance for bad and doubtful Security deposits	**11.78**	**13.38**

The impairment provisions for financial assets - Security Deposit as disclosed above are based on management judgment / assumptions about risk of performance default . The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history as well as forward looking estimates at the end of each reporting period.

iii. Liquidity risk

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

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Short term liquidity requirements comprises mainly of trade payables arising in the normal course of business and is managed primarily through internal accruals and/or short term borrowings. Long term liquidity requirement is assessed by the management on periodical basis and managed through internal accruals as well as from undrawn borrowing facilities.

Financing arrangement

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in Crores)

Particulars	31st March, 2022	31st March, 2021
Floating rate		
Expiring within one year (working capital, bank overdraft and other facilities)	557.47	73.02
Expiring beyond one year (working capital, bank overdraft and other facilities)	-	-
Total	**557.47**	**73.02**

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 45 Financial Instruments (fair Value Measurements) And Financial Risk Management (continued...)

(₹ in Crores)

March 31, 2022	Carrying amount	Undiscounted Contractual cash flows				
		Total	Less than 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non current borrowings	390.97	390.97	-	86.88	260.64	43.45
Non current-Lease Liabilities	189.52	189.52	-	30.07	74.73	84.72
Non current financial liabilities	-	-	-	-	-	-
Current Borrowings	90.10	90.10	90.10	-	-	-
Lease Liabilities	29.96	29.96	29.96	-	-	-
Trade and other payables	447.05	447.05	447.05	-	-	-
Other current financial liabilities	1,841.96	1,841.96	1,841.96	-	-	-
Total	**2,989.56**	**2,989.56**	**2,409.07**	**116.95**	**335.37**	**128.17**

Other current financial liabilities include customer deposits which are considered repayable on demand.

(₹ in Crores)

March 31, 2021	Carrying amount	Undiscounted Contractual cash flows				
		Total	Less than 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non current borrowings	769.95	769.95	-	127.17	413.75	229.03
Non current-Lease Liabilities	132.11	132.11	-	12.41	34.83	84.87
Non current financial liabilities	-	-	-	-	-	-
Current Borrowings	127.31	127.31	127.31	-	-	-
Lease Liabilities	19.12	19.12	19.12	-	-	-
Trade and other payables	448.74	448.74	448.74	-	-	-
Other current financial liabilities	1,641.27	1,641.27	1,641.27	-	-	-
Total	**3,138.50**	**3,138.50**	**2,236.44**	**139.58**	**448.58**	**313.90**

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to non-derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

iv. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits and FVTOCI investments.

a) Currency risk

The functional currency of the Company is Indian Rupee (₹). The Company's transactions are majorly denominated in INR and the quantum of the foreign currency transactions being immaterial, the company is not exposed to currency risk on account of payables and receivables in foreign currency. The company does not have any exports. Import amount to 0.84% (Previous Year 0.85%) of total consumption of stores and spares, this is not perceived to be a major risk.

b) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

On period under review the Company do not have any borrowings at fixed rate and has not entered into interest rate swaps for its exposure to long term borrowings at floating rate.

(₹ in Crores)

Term Loan	31st March, 2022	31st March, 2021
Non current - Borrowings	390.97	769.95
Current portion of Long term borrowings	86.95	127.31
Total	**477.92**	**897.26**

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 45 Financial Instruments (fair Value Measurements) And Financial Risk Management (continued...)

Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates.

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the Company does not have any designate derivatives (interest rate swaps) . Therefore, a change in interest rates at the reporting date would not affect profit or loss.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) Equity and Profit or Loss by the amount shown below:

(₹ in Crores)

Particulars	Profit or (Loss)		Equity (net of tax)	
	100 bp Increase	100 bp decrease	100 bp Increase	100 bp decrease
31st March 2022				
Non current - Borrowings	(3.91)	3.91	(2.93)	2.93
Current portion of Long term borrowings	(0.87)	0.87	(0.65)	0.65
Total	**(4.78)**	**4.78**	**(3.58)**	**3.58**
31st March 2021				
Non current - Borrowings	(7.70)	7.70	(5.76)	5.76
Current portion of Long term borrowings	(1.27)	1.27	(0.95)	0.95
Total	**(8.97)**	**8.97**	**(6.71)**	**6.71**

c) Commodity Price Risk

Risk arising on account of fluctuations in price of natural gas is mitigated by ability to pass on the fluctuations in prices to customers over period of time. The company monitors movements in the prices closely on regular basis.

d) Equity Price Risk

The Company do not have any investment in quoted equity shares hence not exposed to equity price risk.

Note 46 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to:

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

The Company seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The management monitors the return on capital as well as the level of dividends to shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash and bank balances. Adjusted equity comprises all components of equity.

The Group's adjusted net debt to equity ratio is as follows. **(₹ in Crores)**

Particulars	As at 31st March 2022	As at 31st March 2021
Long term borrowings	477.92	897.26
Total equity	5,629.93	4,477.56
Debt equity ratio	**0.08**	**0.20**
Long term borrowings	477.92	897.26
Short term borrowings	3.15	-
Interest bearing borrowings	481.07	897.26
Less : Cash and bank balances	21.30	321.20
Adjusted net debt	459.77	576.06
Adjusted net debt to adjusted equity ratio	**0.08**	**0.13**

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 47 DISCLOSURE OF EMPLOYEE BENEFITS

The Company has implemented Ind AS - 19 on "Employee Benefits".

(a) Contributions to Defined Contribution Plan, recognised as expense for the year are as under: **(₹ in Crores)**

Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
(i) Provident Fund	9.81	9.19
(ii) National Pension Scheme	4.42	3.72

(b) Gratuity and Leave Encashment - Defined Benefit Plans (payable in future)

Provision has been made for gratuity and leave encashment as per actuarial valuation. The principal assumptions used in actuarial valuation and necessary disclosures are as below:

(₹ in Crores)

Sr. No.	Assumptions	31st March 2022		31st March 2021	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
A.	**Discount rate**	7.00%	7.00%	6.45%	6.45%
	Rate of return on plan assets	7.00%	N.A.	6.45%	N.A.
	Salary Escalation	10.00%	10.00%	10.00%	10.00%
B.	**Change in Defined Benefit Obligations**				
	Liability at the beginning of the year	76.37	52.05	67.96	45.54
	Transfer in/(out) obligation	(0.07)			
	Interest Cost	4.84	3.32	4.58	3.08
	Current Service Cost	6.09	3.98	5.68	3.97
	Benefits Paid	(3.17)	(3.03)	(3.03)	(3.47)
	Actuarial loss/ (gain) due to experience adjustment	4.40	3.36	(2.39)	0.10
	Actuarial (Gain) / Loss due to change in financial estimate	(5.45)	(4.28)	3.56	2.83
	Total Liability at the end of the year	**83.01**	**55.40**	**76.37**	**52.05**
C.	**Change in Fair Value of plan Assets**				
	Opening fair Value of plan assets	75.85	-	56.19	-
	Transfer in/(out) plan assets	(0.07)	-	-	-
	Expected return on plan assets	5.00	-	3.96	-
	Return on plan assets excluding amounts included in interest income	(0.29)	-	1.98	-
	Contributions by employer	5.52	-	16.74	-
	Benefits Paid	(3.17)	-	(3.03)	-
	Closing fair Value of plan assets	**82.85**	**-**	**75.85**	**-**
D.	**Expenses Recognised in the Profit and Loss Statement**				
	Current Service Cost	6.09	3.98	5.68	3.97
	Interest Cost	4.84	3.32	4.58	3.08
	Expected return on plan assets	(5.00)	-	(3.96)	-
	Actuarial (Gain) / Loss	(0.76)	(0.91)	(0.81)	2.93
	Exps. charged to Statement of Profit & Loss	**5.16**	**6.38**	**5.49**	**9.97**
E.	**Balance Sheet Reconciliation**				
	Opening Net Liability	0.52	52.05	11.77	45.54
	Employee Benefit Expense	5.93	6.38	6.29	9.97
	Amounts recognized in Other Comprehensive Income	(0.76)	-	(0.81)	-
	Contributions by employer	(5.52)	-	(16.74)	-
	Benefits Paid	-	(3.03)	-	(3.47)
	Closing Liability	**0.16**	**55.40**	**0.52**	**52.05**
F.	**Current/Non-Current Liability :**				
	Current*	0.16	2.65	0.52	1.28
	Non-Current	-	52.75	-	50.77

*The Company expects that total outstanding gratuity liability payable as on 31.03.2022 will be paid to the gratuity trust within next 12 months.

Notes to Consolidated financial statements for the year ended on 31st March 2022

(c) Amounts recognised in current year and previous four years **(₹ in Crores)**

	Particulars	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
A.	**Gratuity**					
	Present value of Defined Benefit Obligation	83.01	76.37	67.96	55.28	46.80
	Fair value of Plan Assets	82.85	75.85	56.19	47.91	42.88
	(Surplus) / Deficit in the plan	0.16	0.52	11.77	7.37	3.92
	Actuarial (Gain) / Loss on Plan Obligation	(5.45)	3.56	5.34	3.69	(2.27)
	Actuarial Gain / (Loss) on Plan Assets	(0.29)	1.98	(0.05)	(0.24)	(0.46)
B.	**Earned Leave**					
	Present value of Defined Benefit Obligation	55.40	52.05	45.54	39.71	33.17
	Actuarial (Gain) / Loss on Plan Obligation	(4.28)	2.83	4.16	3.10	(1.89)
C.	**Long Service Award**					
	Present value of Defined Benefit Obligation	1.00	0.97	0.89	0.81	0.83
	Actuarial (Gain) / Loss on Plan Obligation	-	-	-	-	-

(d) Sensitivity analysis

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

(₹ in Crores)

Particulars	As at 31st March 2022			
	Increase		Decrease	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate (0.5% movement)	78.49	51.88	87.94	59.27
Salary growth rate (0.5% movement)	87.96	59.27	78.42	51.84

Particulars	As at 31st March 2021			
	Increase		Decrease	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate (0.5% movement)	71.96	48.54	81.21	55.92
Salary growth rate (0.5% movement)	81.02	55.78	72.09	48.64

(e) Gratuity Benefits Plan:

The benefit is governed by the Payment of Gratuity Act, 1972 (as amended). The Key features are as under:

Features of the defined benefit plan	Remarks
Benefit offered	15 / 26 × Salary × Duration of Service
Salary definition	Basic Salary including Dearness Allowance (if any)
Benefit ceiling	No ceiling
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	60 years

(i) Entity's responsibilities for the governance of the plan

Risk to the Plan

Following are the risk to which the plan exposes the entity :

A Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

- Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.
- Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.
- Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Notes to Consolidated financial statements for the year ended on 31st March 2022

B Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

D Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

(ii) The company has participated in Group Gratuity Scheme Plan with Life Insurance Corporation of India (LIC), HDFC Life Insurance Co. Ltd, Aditya Birla Sun Life Insurance Co. Ltd, ICICI Prudential Life Insurance Co. Ltd, SBI Life Insurance Co. Ltd., Bajaj Allianz Life Insurance Company Ltd, Kotak Mahindra Life Insurance Co. Ltd and Reliance Nippon Life Insurance Co. Ltd (collectively referred as Insurance Co. / Fund Managers) through Gratuity Trust to meet its gratuity liability. The present value of the plan assets represents the balance available at the end of the year. The total value of plan assets is as certified by the various Insurance Co./ fund managers.

(a) Composition of the plan assets: -

Particulars	31st March, 2022	31st March, 2021	31st March, 2020
Bank balance	0.00%	0.00%	0.25%
Policy of insurance	100.00%	100.00%	99.73%
Others	0.00%	0.00%	0.02%

(b) The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

(c) Expected benefit payments for gratuity as on 31st March 2022.

Particulars	1-3 years	4-5 years	6 year & Above
Cash flow (₹ in Crores)	13.70	10.65	193.27
Distribution (in %)	6.30%	4.80%	88.90%

(f) Expected benefit payments as on 31st March 2022 for Privilege Leave encashment benefits.

Particulars	1-3 years	4-5 years	6 year & Above
Cash flow (₹ in Crores)	6.75	5.44	156.67
Distribution (in %)	4.00%	3.20%	92.80%

(g) Other Notes:

(i) The expected rate of return on Plan Assets is determined considering several applicable factors, mainly the composition of Plan Assets held, assessed risks, historical results of return on Plan Assets and the Company's policy for the Plan Assets management.

(ii) The actuarial valuation takes into account the estimates of future salary increases, inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The management has relied on the overall actuarial valuation conducted by the actuary.

(iii) The company has provided long service award benefits to its employees who completed 15/20/25 Years of employment with company. Accordingly company has provided ₹ 1.00 Crores (Previous year ₹ 0.97 crores) on account of Long service award benefit. Current Liability as at 31st March 2022 is ₹ 0.07 Crores(Previous year ₹ 0.07 Crores) and Non- Current Liability is ₹ 0.93 Crores(Previous year ₹ 0.90 Crores) Discount rate considered for current year is 7% (previous year 6.45%).

Notes to Consolidated financial statements for the year ended on 31st March 2022

(iv) The Company has provided ₹ 3.85 Crores during the year on account of death compensation benefits and current provision as on 31st March 2022 is ₹ 3.05 Crores.

(v) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come in to effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

(vi) Employee Stock Option Plan : There are no options outstanding as on 31st March 2022, 31st March 2021.

Note 48 RELATED PARTY TRANSACTIONS

As per the Indian Accounting Standard-24 on "Related Party Disclosures", list of parent & subsidiary of the Company are as follows.

(a) Parent Entity

Gujarat State Investment Limited (GSIL) - Ultimate Holding Company
Gujarat State Petroleum Corporation Limited (GSPC) -Intermediate Holding Company
Gujarat State Petronet Limited (GSPL) - Holding Company

(b) Subsidiary / Associate / Enterprise Controlled by the Company

Guj Info Petro Limited- GIPL - Associate
Gujarat Gas Limited Employee Stock Option Welfare Trust - Enterprise controlled by the company
Gujarat Gas Limited Employees Group Gratuity Scheme - Enterprise controlled by the company

Related Party Transactions for the year ended 31st March,2022 (₹ in Crores)

Sr. no.	Name of Related Party	Relationship	Nature of Transactions & Balances	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Gujarat State Petroleum Corporation Limited - GSPC	Intermidiate Holding Company	Purchase of Natural Gas	13,769.21	6,881.40
			Rent Expense	0.00	0.03
			Reimbursement of Expenses	0.69	0.05
			Recharge of Salary - Expense	0.63	0.47
			Income from Material sale	0.01	0.02
			Reimbursement of expenses - Income	-	0.07
			Deposit Given - Paid / (Refund)	0.02	-
			Balance at the period end		
			Amount Receivable/(Payable)	(212.27)	(239.16)
			Investment at Period end	22.36	19.74
			Deposits Asset / (Liability) - Net	0.02	-
			Bank Guarantee by GGL to GSPC	1,326.92	642.30
			Letter of Credit - by GGL to GSPC	-	109.79
2	Gujarat State Petronet Limited - GSPL	Holding Company	Gas Transmission Expense	542.13	459.86
			Purchase of Natural Gas	2.23	0.31
			Right of Way Expense - Exps / (Refund)	0.10	0.21
			Business Transfer- CGD Business of Amritsar & Bhatinda from GSPL to GGL (Refer footnote no.3)	153.86	159.38
			Reimbursement of Expenses	0.28	0.10
			Dividend Paid	74.57	46.61
			Rent Expense	2.27	1.92
			Recharge of Salary - Expense	0.04	0.31
			Compression Charges	2.87	1.29
			Purchase of Material	-	0.17
			O&M Charges - Income	0.04	0.05
			Rent - Income	0.03	0.03
			Reimbursement of Expenses - Income	10.01	4.60
			Recharge of Salary - Income	1.03	0.69
			Sale of Material - Income	0.23	-
			Deposit Given - Paid / (Refund)	3.99	15.94
			Supervision Charges -Income	0.01	0.01
			Interest On Late Payment	0.01	-
			Balance at the period end		
			Amount Receivable/(Payable)	(19.36)	(5.03)
			Deposits Asset / (Liability) - Net	41.35	37.36
			Bank Guarantee - by GGL to GSPL	52.92	52.92
			Letter of Credit - by GGL to GSPL	0.10	0.10

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 48 Related Party Transactions for the year ended 31st March,2022 (continued)

(₹ in Crores)

Sr. no.	Name of Related Party	Relationship	Nature of Transactions & Balances	For the year ended 31st March, 2022	For the year ended 31st March, 2021
3	Sabarmati Gas Limited - SGL	Associate of Holding Company	Gas Transportation Expense	0.68	0.58
			Compression Charges	1.70	0.01
			Purchase of Material	-	2.27
			Supervision Charges Expense	0.04	0.01
			Gas Transportation Charges - Income	0.35	0.06
			Consulting Charges - Income	0.24	0.03
			Income from Material sale	0.78	0.90
			Deposit Given - Paid / (Received)	0.04	0.02
			Balance at the period end		
			Amount Receivable/(Payable)	0.30	0.06
			Deposits Asset / (Liability) - Net	0.06	0.02
			Bank Guarantee - by GGL to SGL	0.16	0.08
4	Guj Info Petro Limited- GIPL	Associate	Web Development / Bandwidth Charges	0.02	0.00
			Software Maintenance Expenses	-	0.05
			Reimbursement of Expenses - Income	-	0.02
			Balance at the period end		
			Investment at Period end	0.03	0.03
5	Gujarat State Energy Generation Limited - GSEG	Associate of Intermediate Holding Company	Dividend Paid	0.27	0.17
			Balance at the period end		
			Amount Receivable/(Payable)	-	0.00
			Deposits Asset / (Liability) - Net	(0.10)	(0.10)
6	GSPL India Gasnet Limited - GIGL	Joint Venture of Holding Company	Rent Expenses	0.65	0.65
			Gas Transportation Expense	0.48	0.06
			Right of Way Expense (ROW)	0.09	-
			Reimbursement of Expenses - Income	-	0.05
			O&M Charges	0.07	-
			Deposit Given - Paid / (Refund)	10.29	8.00
			Balance at the period end		
			Amount Receivable/(Payable)	(0.04)	(0.01)
			Deposits Asset / (Liability) - Net	38.39	28.10
			Bank Guarantee - by GGL to GIGL	0.06	0.01
7	GSPL India Transco Limited - GITL	Joint Venture of Holding Company	Recharge of Salary - Income	-	0.56
			Reimbursement of Exp -Income	0.00	0.01
			Rent Expenses	0.04	0.04
8	Gujarat State Fertilizers & Chemicals Limited	Associate of Ultimate Holding Company	Rent Paid	0.53	0.52
			Dividend Paid	9.38	5.86
			Maintenance Charges Paid	0.07	0.07
			Balance at the period end		
			Deposits Asset / (Liability) - Net	0.09	0.09

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 48 Related Party Transactions for the year ended 31st March,2022 (continued)

(₹ in Crores)

Sr. no.	Name of Related Party	Relationship	Nature of Transactions & Balances	For the year ended 31st March, 2022	For the year ended 31st March, 2021
9	Gujarat Alkalies & Chemicals Limited	Associate of Ultimate Holding Company	Dividend Paid	4.26	2.66
			Deposit Given / (Received)	(0.02)	(0.02)
			Supervision Charges -Income	0.01	-
			Balance at the period end		
			Deposits Asset / (Liability) - Net	(0.04)	(0.02)
10	Gujarat Narmada Valley Fertilizers & Chemicals Limited	Associate of Ultimate Holding Company	Rent Paid	0.07	0.05
			Technology Services	0.14	0.13
			Dividend Paid	0.05	0.03
			Balance at the period end		
			Amount Receivable/(Payable)	(0.02)	(0.01)
11	GSPC Pipavav Power Company Ltd.	Subsidiary of Intermediate Holding Company	Reimbursement of Expenses-Income	-	0.01
12	Gujarat State Financial Services Limited - GSFS	Associate of Ultimate Holding Company	Interest received - Income	12.22	23.35
			Deposit - Placed/ Renewed	11,342.25	7,899.13
			Deposit - Withdrawn / Redeemed	11,603.25	8,244.41
			Balance at the period end		
			Deposits Asset / (Liability) - Net	-	261.00
13	Gujarat Gas Limited Employees Group Gratuity Scheme	Enterprise controlled by the company	Gratuity Contribution Paid	5.36	16.61
14	Shri. Sanjeev Kumar, IAS - Managing Director	Key Managerial Personnel	Sitting Fees (deposited in Govt. Treasury Account) - Nil (Previous Year- Nil) Out of Pocket Expenses - Nil (Previous Year - ₹ Nil)	-	-

Notes

1 All transactions with related parties were carried out in the ordinary course of business and at arm's length.

2 All transactions amount disclosed above are inclusive of tax.

3 Pursuant to the approval by the Board of Directors on 1st June 2021, the Company had executed Business Transfer Agreement (BTA) on 26th October 2021 to transfer / purchase of City Gas Distribution (CGD) Business of Amritsar and Bhatinda Geographical Areas from Gujarat State Petronet Limited (GSPL, holding company) to Gujarat Gas Limited (GGL, the Company) by way of slump sale for cash consideration of INR ₹153.86 Crores (₹ 164.58 Crores Business valuation determined based on an independent valuation less ₹ 10.72 Crores working capital adjustment) and the Company has completed the above transfer of business as per BTA with effect from 1st November 2021.

4 The company sells natural gas to domestic, commercial, industrial and CNG consumers. The above related party transaction do not include the transactions of Gas sales to the related parties in ordinary course of business, as all such transactions are done at arm's length basis. 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.

5 The company deals on regular basis with entities directly or indirectly controlled by the State Government of Gujarat through government authorities, agencies, affiliations and other organizations (collectively referred as "Government related entities").

Apart from transactions with its group companies, the Company has transactions with such Government related entities, including but not limited to the followings:

- Sale and Purchase of Natural Gas
- Rendering and Receiving Services
- Payment of Rent
- Use of Public Utilities

These transactions are conducted in the ordinary course of the business and at arm's length.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 48 Related Party Transactions for the year ended 31st March,2022 (continued)

6 In compliance to the provisions of Section 2(51) of Companies Act 2013, the following are the details of remuneration paid/payable to KMP - Chief Financial Officer & Company Secretary

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Shri. Nitesh Bhandari – Chief Financial Officer Short Term Benefits – ₹ 1.19 Crores (P.Y. ₹ 1.01 Crores) Post-Employment Benefits – ₹ 0.17 Crores (P.Y. ₹ 0.13 Crores)	1.36	1.14
Shri. Sandeep Dave – Company Secretary* Short Term Benefits – ₹ 0.46 Crores (P.Y. ₹ 0.33 Crores) Post-Employment Benefits – ₹ 0.08 Crores (P.Y. ₹ 0.06 Crores) *Reimbursed to GSPC	0.54	0.39

Remuneration to Key Managerial Personnel does not include provision for leave encashment as it is provided in the books of accounts on the basis of actuarial valuation for the company as a whole and hence individual figures cannot be identified.

7 Details of Sitting Fees & Out of Pocket Expenses (in total) paid to Directors other then Managing Director

(₹ in Crores)

Sr. no.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1.	Shri. Anil Mukim, IAS - Chairman (upto 03.09.2021) #	0.00	0.01
2.	Smt. Sunaina Tomar, IAS (upto 05.07.2021) #	0.00	0.01
3.	Dr. Manjula Subramanium, IAS (Retd.) (upto 28.01.2022)	0.00	0.00
4.	Shri. Milind Torawane, IAS #	0.02	0.02
5.	Shri. K. D. Chatterjee	0.04	0.04
6.	Shri. Jal Patel	0.03	0.03
7.	Prof. Piyush Kumar Sinha (upto 15.08.2021)	0.01	0.02
8.	Prof. Vishal Gupta (upto 15.08.2021)	0.01	0.03
9.	Prof. Yogesh Singh (w.e.f 15.08.2021)	0.01	-
10.	Shri Bhadresh Mehta (w.e.f 15.08.2021)	0.01	-
11.	Dr. Rajiv Kumar Gupta, IAS (w.e.f. 05.07.2021) #	0.00	-
12.	Shri Pankaj Kumar, IAS (w.e.f. 08.09.2021) #	0.00	-

Sitting fees payable to directors are deposited in Government Treasury Account

8 Figures INR 0.00 denotes amount less than INR 50,000/-.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 49 RECEIVABLES, CONTRACT ASSETS AND CONTRACT LIABILITIES (WITH REFERENCE TO IND AS 115 - REVENUE FROM CONTRACTS WITH CUSTOMERS)

Revenue recognised in the statement of profit and loss : Revenue from contracts with customers (refer note 31):

Sale of Natural gas is the main activity of city gas distribution business and other operating income is incidental to sale of natural gas. Company sells and distributes natural gas in India.

Sale of natural gas includes excise duty but excludes VAT and GST collected from the customers on behalf of the Government. All the revenue mentioned above are earned by transfer of goods or services at a point of time.

Reconciliation of the amount of revenue recognised in the statement of Profit and Loss with the contracted price **(₹ in Crores)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Revenue as per contracted price Adjustments	**16,814.40**	**10,064.15**
Provision for revenue contract price	(27.05)	(7.05)
Revenue from contract with customers	**16,787.35**	**10,057.10**

The following table provides information about receivables, contract assets and contract liabilities from contract with customers: **(₹ in Crores)**

Sr. No.	Particulars	31st March, 2022	31st March, 2021
(i)	**Receivables**		
	Trade receivables	930.05	774.74
	Total Trade receivables	**930.05**	**774.74**
(ii)	**Contract liabilities (Current Financial Liabilities - Others)**		
	Security Deposits from customers	1,326.45	1,071.61
	Security Deposit from customers towards MGO	151.85	76.51
	Interest accrued on security deposits from customers	11.86	8.02
	Total contract liabilities (Current Financial Liabilities - Others)	**1,490.16**	**1,156.14**
(iii)	**Contract liabilities (Current Liabilities - Others)**		
	Advance from customers	30.33	22.97
	Total contract liabilities (Current Liabilities - Others)	**30.33**	**22.97**
(iv)	**Deferred Revenue**		
	Non Current	68.83	62.94
	Current	10.59	9.30
	Total Deferred Revenue	**79.42**	**72.24**
(v)	Income recognised during the year out of opening balance of deferred revenue	9.85	8.79

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

Performance obligations -Connection, Service and Fitting Income

Connection charges from customers deferred over the period when the performance obligation is satisfied:

Industrial Customers: The performance obligations as per the contractual arrangement with the customer is to deliver gas over the tenure of the contract. Consequently, the connection charges is to be deferred over the contract period.

Domestic Customer: The connection charges is to be deferred over the period of delivery of gas. It is reasonably expected by the Company that the gas is procured by the customer and supplied by the Company on a perpetual basis. Consequently the connection charges are to be deferred over the useful life of the connection facility (i.e. 18 years).

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 50

LEASES (Ind AS 116)

The Company has adopted Ind AS 116 'Leases', effective from 1st April, 2019, using modified retrospective approach.

50.1 The Company as a lessee

The Company has taken various assets on lease primarily consist of leases for land, buildings, vehicles and Plant & machinery. Under Ind AS 116, the Company recognises right-of-use assets and lease liabilities.

The weighted average incremental borrowing rate of 8.59% p.a. has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

The weighted average incremental borrowing rate of 5.50 % p.a. has been applied to lease liabilities recognised in the balance sheet during the year.

50.1.1 The Company used a number of practical expedients summarised here below:

1) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

2) Applied the exemption not to recognize right-of-use assets and liabilities for leases of low value assets.

50.1.2 Nature of the lease transaction:

Land Leases –

The Company has taken several plots of land on lease for setting up CNG, City Gas Station, CPRS/DPRS station and for site office purpose. The lease term mentioned in the agreements ranges from 11 months to 99 years. Lease agreements are renewable on mutually agreed terms and do not contain any non-cancellable period. In certain contacts, the Company is restricted from assigning and subletting the leased assets.

Building Leases –

The Company has taken various office/warehouse buildings on lease with monthly and annual payment terms. The lease term mentioned in the agreements ranges from 11 months to 9 years. Most of the agreements are renewable on mutually agreed terms, some of them are having non - cancellable period whereas few agreements are silent on renewal. In certain contacts, the Company is restricted from assigning and subletting the leased assets.

Other Leases

The Company has also taken various commercial vehicles, CNG Cascade, booster compressor and other equipments, IT equipment etc. on lease. The lease term mentioned in the agreements ranges from 6 months to 10 years. Some portion of the lease rentals is based on usage of the equipment considered as variable lease payment. Lease rentals include lease and non lease component viz. manpower, fuel cost, repair and maintenance etc. and only hiring portion is considered for ROU accounting.

50.1.3 The following is the carrying amounts of Company's Right of use assets and the movement in lease liabilities during the year ended March 31, 2022.

(₹ in Crores)

A

Particulars	**Lease Assets***	
	2021-22	**2020-21**
Gross Carrying Value		
Opening balance	188.91	166.01
Addition during the year	81.18	35.80
Other adjustment/ Reassessment	29.65	0.05
Deduction during the year	9.61	12.95
Closing Balance (A)	**290.13**	**188.91**
Accumulated amortization		
Opening balance	16.09	14.50
Addition during the year	24.92	14.54
Other adjustment/ Reassessment	0.33	-
Deduction during the year	9.43	12.95
Closing Balance (B)	**31.91**	**16.09**
Net Block (A-B)	**258.22**	**172.82**

* Refer note 5.3

Notes to Consolidated financial statements for the year ended on 31st March 2022

B-Movement in Lease liability with Current/Non current break up:- (₹ in Crores)

Particulars	Lease liabilities*	
	2021-22	2020-21
Opening balance	85.32	62.69
Addition during the year	81.18	35.80
Adjustment on account of reassessment /modification	(0.17)	0.05
Add: Interest Expenses	7.25	5.22
Less: Payments	(25.80)	(18.44)
Closing Balance	**147.78**	**85.32**
Current	22.45	14.96
Non current	125.33	70.36

* Refer note 21

50.1.4 Amounts recognized in profit or loss (₹ in Crores)

Particulars	2021-22	2020-21
Lease charges-Others* (Refer Note 38)	33.80	24.60
Interest expenses (Refer Note 36)	7.25	5.22
Depreciation charge for right-of-use assets (Refer Note 37)	24.92	14.54

* Leases charges-Others includes rental charges of all assets that have lease period of 12 month or less, remaining lease period of 12 months or less as on transition date, rental charges of low value assets, variable lease payments and component of taxes of ROU lease charges.

** LCV/HCV Hiring, Operating and Maintenance Charges includes lease component viz. rental charges of LCV/HCV lease assets that have lease period of 12 month or less.

50.1.5 The total Cash outflow for ROU assets is ₹ 18.55 Crores (Previous year ₹ 13.43 Crores) for the year ended 31st March, 2022 (excluding interest).

50.1.6 Contractual maturity analysis of undiscounted lease liabilities is given below:

Maturity Analysis of lease liabilities (undiscounted): (₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Less than one year	29.96	19.12
One to two years	30.07	12.41
two to five years	74.73	34.83
More than five years	84.72	84.87
Total	**219.48**	**151.23**

50.2 The Company as a lessor

The Company accounted for its leases in accordance with Ind AS 116.

Note 51 ADDITIONAL REGULATORY INFORMATION DISCLOSURES

Note 51.1 Loans and advances granted to specified person:

(A) Loans / Advance in the nature of loan - Repayable on Demand: (₹ in Crores)

Sr. No	Type of Borrowers	As on 31st March 2022		As on 31st March 2021	
		Amount Outstanding - Gross Carrying Amount	% of Total Loan and Advance in the Nature of Loan	Amount Outstanding - Gross Carrying Amount	% of Total Loan and Advance in the Nature of Loan
1	Promoters	-	-	-	-
2	Directors	-	-	-	-
3	KMPs	-	-	-	-
4	Related Parties	-	-	-	-
	Total	**-**	**-**	**-**	**-**

Notes to Consolidated financial statements for the year ended on 31st March 2022

(B) Loans / Advance in the nature of loan - without specifying any terms or period of repayment: (₹ in Crores)

Sr. No	Type of Borrowers	As on 31st March 2022		As on 31st March 2021	
		Amount Outstanding - Gross Carrying Amount	% of Total Loan and Advance in the Nature of Loan	Amount Outstanding - Gross Carrying Amount	% of Total Loan and Advance in the Nature of Loan
1	Promoters	-	-	-	-
2	Directors	-	-	-	-
3	KMPs	-	-	-	-
4	Related Parties	-	-	-	-
	Total	**-**	**-**	**-**	**-**

Note 51.2 Relationship with struck off companies:

Based on the information available with the company, the required disclosures are given below:

Sr. No	Nature of transaction	Nature of transaction	Balance Outstanding	Relationship with struck off company if any
	As on 31st March 2022:			
1	Investment in securities	NA	Nil	NA
2	Receivables	NA	Nil	NA
3	Payables	NA	Nil	NA
4	Shares held by struck off Company	NA	Nil	NA
5	Other outstanding balances (to be specified)	NA	Nil	NA
	As on 31st March 2021:			
1	Investment in securities	NA	Nil	NA
2	Receivables	NA	Nil	NA
3	Payables	NA	Nil	NA
4	Shares held by struck off Company	NA	Nil	NA
5	Other outstanding balances (to be specified)	NA	Nil	NA

Note 51.3 Willful Defaulter

The company is not declared as willful defaulter by any bank or financial institution or other lender.

Note 51.4 Utilisation of borrowed funds

The company has used the borrowings from banks for the specific purpose for which it was taken. The company has not taken any borrowings from financial institution.

Note 51.5 Registration of charges or satisfaction with Registrar of Companies (ROC)

The company has registered charge and satisfaction with ROC within statutory time period.

Note 51.6 Details of Benami Property held

The company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, hence no proceedings initiated or pending against the company under the said Act and Rules.

Note 51.7 Utilisation of borrowed funds, share premium and other funds

The Company has not given any advance or loan or invested funds from borrowed funds or share premium or any other sources with the understanding that intermediary would directly or indirectly lend or invest in other person or equity identified in any manner whatsoever by or on behalf of the company as ultimate beneficiaries or provide any guarantee or security or the like to on behalf of ultimate beneficiaries.

The Company has not received any fund from any person or entity with the understanding that the Company would directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiary) or provided any guarantee or security or the like on behalf of the ultimate beneficiary.

Note 51.8 Compliance with number of layers of companies

As the company is a Government Company, in terms of section 2(45) of the Companies Act, compliance with number of layers of the companies as per section 2(87) of the Companies Act read with Companies (Restriction on number of Layers) Rules 2017, is not applicable.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 52 ADDITIONAL DISCLOSURES

Note 52.1 Details of Crypto Currency or Virtual Currency

The company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 52.2 Undisclosed Income

There is no transaction, which has not been recorded in books of accounts, that has been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961.

Note 53 RATIO ANALYSIS

Sr. No	Particulars	Numerator	Denominator	FY 2021-22	FY 2020-21	Variance %	Reason for significant variance (25% or more)
1	Current Ratio (times)	Current Assets	Current Liabilities (Excl. Customer deposits)	1.17	1.08	9%	-
2	Debt-Equity Ratio (times)	Debt consists of borrowings	Shareholder's Equity	0.08	0.20	-58%	Debt Equity ratio has improved due to prepayments/repayment of Borrowings during the year and increase in total equity due to current year profits.
3	Debt Service Coverage Ratio (times)	Earning for Debt Service=Net Profit after taxes+Non-cash expenses/adjustment +Interest-Lease payments	Interest on borrowings + Principal Repayments (routine installments)	13.49	8.01	69%	Debt Equity ratio has improved due to prepayments/repayment of Borrowings during the year and reduction in interest rates.
4	Net profit ratio (%)	Net Profit after tax	Revenue from operations	8%	13%	-39%	While Net profit is at par with last year, it has reduced in %age terms, due to increase in turnover.
5	Return on Equity Ratio (%)	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	25%	33%	-22%	-
6	Return on Capital employed (%)	Profit before tax + Interest on borrowings	Avg. Capital Employed=Tangible Net Worth + Total Debt + Deferred Tax Liability	28%	31%	-9%	-
7	Return on investment (%)-unquoted	Income generated from investments	Average investment	5%	5%	-3%	-
8	Inventory turnover ratio	Cost of goods sold or sales	Average Inventory (Natural Gas)	924.77	591.67	56%	While average inventory levels have remained in line with last year, higher cost of gas has led to increased turnover ratio.
9	Trade Receivables turnover ratio	Net Credit Sales	Average Trade Receivable	18.66	13.95	34%	Increase in trade receivables is lower than increase in turnover
10	Trade payables turnover ratio	Net Credit Purchases (Gas purchase + Transmission)	Average Trade Payables (Gas Purchase+ Transmission)	44.16	25.33	74%	Increase in trade payables is lower than increase in gas purchase cost
11	Net capital turnover ratio	Revenue from operations	Working Capital	81.61	102.39	-20%	-

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 54 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

As per Section 135 of the Companies Act, 2013, a company needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. CSR expenditure is contain the following:

(₹ in Crores)

Sr. No	Particulars	FY 2021-22	FY 2020-21
1	Gross amount required to be spent by the company during the year.	23.54	14.96
2	Amount approved by the Board to be spent during the year	23.54	15.01
3	Amount of expenditure incurred on: (i) Construction/acquisition of any asset (ii) On purposes other than (i) above	 - 19.14	 - 15.01
4	The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	4.40	-
5	The total of previous years' shortfall amounts	-	-
6	The reason for above shortfalls (if any)	Pertains to an ongoing project of Radio Diagnostic Services	NA
7	Details of related party transactions in relation to CSR expenditure	-	-
8	Nature of CSR activities undertaken by the Company	Preventive Health care / Disaster management, Health Care, Environment, Community Development	Disaster Relief /management, Education, Medical, Preventive Health Care, Health, Environment, Community Development
9	Provision for CSR Expenses: Opening Balance Add: Provision created during the period Less: Provision utilised during the period **Closing Balance**	 - 4.40 - **4.40**	 - - - **-**
Total amount recognised in Statement of Profit and Loss (3+9)		**23.54**	**15.01**

Details of expenditure incurred for CSR activities: **(₹ in Crores)**

Sr. No	Particular of Expenditure during the year	FY 2021-22	FY 2020-21
1	Contribution to Gujarat University Consultancy Foundation to support Covid care hospital (Preventive Healthcare / Disaster Management)	10.00	-
2	Contribution to Gujarat CSR Authority to support Oxygen plant (Preventive Healthcare / Disaster Management)	3.00	-
3	Providing gas(in kind) to Crematoriums (Environment / Community Development)	6.05	1.77
4	Providing gas(in kind) towards Nondhara no aadhar project (Community Development, Eradication of Hunger / Malnutrition)	0.01	-
5	Contribution to support Mobile Health screening van (Preventive Healthcare)	0.08	0.03
6	Contribution to support Smart class room project (Education)	-	0.90
7	Contribution to Chief Minister Relief Fund, Government of Gujarat (Preventive Healthcare / Disaster Management for COVID-19)*	-	10.00
8	Tree Plantation (Environment)	-	1.00
9	Mid Day Meal (Health)	-	1.15
10	Blind People's Association (Education, Health Care, Community Development)	-	0.16
	Total	**19.14**	**15.01**

Notes to Consolidated financial statements for the year ended on 31st March 2022

* MCA issued clarification dated 23rd March, 2020 stated that "Keeping in view the spread of novel corona virus (COVID-19) in India, its declaration as pandemic by the world health organisation (WHO), and decision of Government of India to treat this as a notified disaster, it is hereby clarified that spending of CSR Funds for COVID-19 is eligible CSR activity. Accordingly, spending on various activities related to Covid – 19 will be considered as CSR under item No. (i) and (xii) of Schedule VII of the Companies Act, 2013 relating to promotion of health care, including preventive health care and sanitation and Disaster Management. Considering this, the Company has obtained approval of CSR committee and contributed ₹ 10 Crores on 1st April, 2020 to "Chief Minister Relief Fund, Government of Gujarat" with special objective in the situation of Disaster Relief for helping COVID 19 affected areas. Hence, Contribution of ₹ 10 crores made in Chief Minister Relief Fund is covered & eligible under CSR activities as per MCA Circular dated 23rd March, 2020. Subsequently on 10th April, 2020, MCA had issued COVID-19 related Frequently Asked Questions (FAQs) on Corporate Social Responsibility (CSR) where in it was clarified that "'Chief Minister's Relief Fund' or 'State Relief Fund for COVID-19' is not included in Schedule VII of the Companies Act, 2013 and therefore any contribution to such funds shall not qualify as admissible CSR expenditure. The Company has made representation to Government for considering contribution to CM Relief Fund as eligible CSR expenditure. It may be noted that the Company had made contribution of ₹ 10 crores on 1st April 2020 (cheque cleared on 2nd April 2020) to Gujarat State CM Relief Fund for the financial year 2020-21 under CSR activities prior to the FAQs dated 10th April, 2020, issued by MCA.

Note 55 SEGMENT REPORTING

The Company primarily operates in the segment of Natural Gas Business. Natural gas business involves distribution of gas from sources of supply to centres of demand and to the end customers. The Managing Director of the Company allocate resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a one, hence no separate segment needs to be disclosed.

Information about products and service:

The Company is in a single line of business of Sale of Natural Gas.

Information about geographical areas:

1. The Company does not have geographical distribution of revenue outside India and hence segmentwise disclosure is not applicable to the Company.

2. None of the Company's assets are located outside India hence segmentwise disclosure is not applicable to the Company.

Information about major customers:

None of the customer account for more than 10% of the total revenue of the Company.

Note 56 ACCOUNTING FOR BUSINESS COMBINATION TRANSACTIONS

BUSINESS TRANSFER AGREEMENT FOR GEOGRAPHICAL AREAS OF AMRITSAR AND BHATINDA (PUNJAB)

Pursuant to the approval by the Board of Directors on 1st June 2021, the Company had executed Business Transfer Agreement (BTA) on 26th October 2021 to transfer / purchase of City Gas Distribution (CGD) Business of Amritsar and Bhatinda Geographical Areas from Gujarat State Petronet Limited (GSPL, a holding company) to Gujarat Gas Limited (GGL, the Company) for cash consideration of ₹ 153.86 Crores (₹ 164.58 Crore Business valuation determined based on an independent valuation less ₹ 10.72 Crore working capital adjustment) and the Company has completed the above transfer of business as per BTA with effect from 1st November 2021.

Note 56.1 Accounting treatment of the Business transfer arrangement

Business combination transaction between the common control entities, GSPL (Holding Company) and GGL (Subsidiary Company) has been recorded in the books of the Company in accordance with Appendix C – 'Business combinations of entities under common control' of Ind AS 103 – 'Business Combinations' using the pooling of interests method which involves the following:-

1. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, business combinations is accounted with effect from 1st April, 2020. Accordingly figures for the year ended March 31 2021 are reinstated after giving effect to the Business transfer arrangement. The obligation to pay consideration in cash is recognised as a liability in the comparative financial year.

2. The Company has recorded the asset, liabilities and accumulated losses of the City Gas Distribution (CGD) Business of GSPL pursuant to this arrangement at the respective book values appearing in the books of GSPL.

3. No adjustments are made to reflect fair values and only adjustments are recorded to harmonise accounting policies and intercompany eliminations.

4. The difference between aggregated book value of net assets acquired, accumulated loss of the CGD business and deferred tax recognised on acquisition and consideration paid by the Company to GSPL is transferred to negative capital reserve. Detailed working of the same is given hereunder:

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 56.2 Summary of purchase consideration and assets taken over accounted in the books is given:- (₹ in Crores)

Sr. No	Particulars	Amount
1	Purchase consideration Valuation of Assets (determined based on an independent valuation)	164.58
2	Net working capital adjustments	(10.72)
3	Net Purchase consideration after adjusting net working capital adjustments	153.86
4	Total net assets acquired	100.25
5	Excess of purchase consideration over net assets transferred Adjusted against below Reserves:-	53.61
	Retained Earnings (Accumulated Losses)	15.84
	Capital reserve (Negative) - Gross	37.77
	Capital reserve (Negative) - Net off Deferred tax assets of ₹ 13.79 Crores	23.98

Note 56.3 Impact of restatement on balance sheet as on 1st April 2020:- (₹ in Crores)

Particulars	Balance before restatement	Impact of restatement	Balance after restatement
I. ASSETS			
1 Non-Current Assets			
(a) Property, plant and equipment	5,102.54	44.29	5,146.83
(b) Capital work in progress	568.57	32.47	601.04
(c) Investment property	1.30	-	1.30
(d) Intangible assets	335.15	17.31	352.46
(e) Intangible assets under development	0.92	1.73	2.65
(f) Right-of-use assets	146.09	5.42	151.51
(g) Investment in associates	25.98	-	25.98
(h) Financial assets			
(i) Investments	17.22	-	17.22
(ii) Loans	0.21	-	0.21
(iii) Other financial assets	62.18	4.72	66.90
(i) Other non-current assets	224.99	7.96	232.95
Total Non-Current Assets	**6,485.15**	**113.90**	**6,599.05**
2 Current Assets			
(a) Inventories	46.26	0.12	46.38
(b) Financial Assets			
(i) Investments	-	-	-
(ii) Trade receivables	580.94	0.35	581.29
(iii) Cash and cash equivalents	549.37	0.97	550.34
(iv) Bank balances other than (iii) above	144.53	-	144.53
(v) Loans	0.91		0.91
(vi) Other financial assets(elimination)	5.63	(3.89)	1.74
(c) Other current assets	107.36	0.35	107.71
Total Current Assets	**1,435.00**	**(2.10)**	**1,432.90**
TOTAL ASSETS	**7,920.15**	**111.80**	**8,031.95**
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	137.68	-	137.68
(b) Other Equity	3,179.67	(26.65)	3,153.02
Total Equity	**3,317.35**	**(26.65)**	**3,290.70**
2 Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	1,834.36	-	1,834.36
(ii) Lease Liabilities	45.02	5.33	50.35
(b) Provisions	45.33		45.33
(c) Deferred tax liabilities (Net)	800.49	(13.79)	786.70
(d) Other non-current liabilities	63.60		63.60
Total Non-Current Liabilities	**2,788.80**	**(8.46)**	**2,780.34**

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 56.3 Impact of restatement on balance sheet as on 1st April 2020:- (Continued....) (₹ in Crores)

Particulars	Balance before restatement	Impact of restatement	Balance after restatement
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	163.98	-	163.98
(ii) Lease Liabilities	12.00	0.34	12.34
(iii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	7.51	-	7.51
Total outstanding dues of creditors other than micro enterprises and small enterprises	338.05	0.27	338.32
(iv) Other financial liabilities	1,209.59	146.01	1,355.60
(b) Other current liabilities	47.14	0.29	47.43
(c) Provisions	35.73	-	35.73
(d) Current Tax Liabilities (Net)	-	-	-
Total Current Liabilities	**1,814.00**	**146.91**	**1,960.91**
Total Liabilities	**4,602.80**	**138.45**	**4,741.25**
TOTAL EQUITY AND LIABILITIES	**7,920.15**	**111.80**	**8,031.95**

Note 56.4 Impact of restatement on balance sheet as on 31st March 2021:- (₹ in Crores)

Particulars	Balance before restatement	Impact of restatement	Balance after restatement
I. ASSETS			
1 Non-Current Assets			
(a) Property, plant and equipment	5,445.18	43.08	5,488.26
(b) Capital work in progress	665.55	41.92	707.47
(c) Investment property	1.30	-	1.30
(d) Intangible assets	351.62	26.32	377.94
(e) Intangible assets under development	22.28	1.73	24.01
(f) Right-of-use assets	167.60	5.22	172.82
(g) Investment in associates	28.06	-	28.06
(h) Financial assets			
(i) Investments	19.74	-	19.74
(ii) Loans	2.17	-	2.17
(iii) Other financial assets	69.90	4.85	74.75
(i) Other non-current assets	294.39	7.58	301.97
Total Non-Current Assets	**7,067.79**	**130.70**	**7,198.49**
2 Current Assets			
(a) Inventories	52.21	0.27	52.48
(b) Financial Assets			
(i) Investments	-		-
(ii) Trade receivables	770.93	3.81	774.74
(iii) Cash and cash equivalents	276.61	0.25	276.86
(iv) Bank balances other than (iii) above	44.34	-	44.34
(v) Loans	1.29	-	1.29
(vi) Other financial assets(elimination)	18.94	(13.40)	5.54
(c) Other current assets	184.91	0.36	185.27
Total Current Assets	**1,349.23**	**(8.71)**	**1,340.52**
TOTAL ASSETS	**8,417.02**	**121.99**	**8,539.01**
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	137.68	-	137.68
(b) Other Equity	4,373.86	(33.98)	4,339.88
Total Equity	**4,511.54**	**(33.98)**	**4,477.56**
2 Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	769.95	-	769.95
(ii) Lease Liabilities	64.99	5.37	70.36
(b) Provisions	51.77	-	51.77
(c) Deferred tax liabilities (Net)	806.31	(13.79)	792.52
(d) Other non-current liabilities	62.94	-	62.94
Total Non-Current Liabilities	**1,755.96**	**(8.42)**	**1,747.54**

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 56.4 Impact of restatement on balance sheet as on 31st March 2021:- (Continued....) (₹ in Crores)

Particulars	Balance before restatement	Impact of restatement	Balance after restatement
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	127.31	-	127.31
(ii) Lease Liabilities	14.50	0.46	14.96
(iii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	9.15	-	9.15
Total outstanding dues of creditors other than micro enterprises and small enterprises	437.93	1.66	439.59
(iv) Other financial liabilities	1,479.41	161.86	1,641.27
(b) Other current liabilities	56.68	0.41	57.09
(c) Provisions	24.54	-	24.54
(d) Current Tax Liabilities (Net)	-	-	-
Total Current Liabilities	**2,149.52**	**164.39**	**2,313.91**
Total Liabilities	**3,905.48**	**155.97**	**4,061.45**
TOTAL EQUITY AND LIABILITIES	**8,417.02**	**121.99**	**8,539.01**

Note 56.5 The following figures of revenue and directly attributable expenses of Amritsar & Bhatinda GA are included in Statement of profit and loss. (₹ in Crores)

Sr. No.	Particulars	For the period from 1st April,2021 to 31st October, 2021	For the year ended 31st March 2021
1	**Revenue**		
(a)	Revenue from Operations	26.80	14.86
(b)	Other Income (Income Elimination)	(3.22)	(2.59)
	Total Income	**23.58**	**12.26**
2	**Expenses**		
(a)	Cost of materials consumed	17.57	6.92
(b)	Changes in inventories	(0.26)	(0.15)
(c)	Finance costs	0.27	0.45
(d)	Depreciation and Amortization Expenses	2.08	2.73
(e)	Excise duty expense	5.05	2.63
(f)	Other expenses	9.58	9.06
	Total Expenses	**34.29**	**21.63**
3	**Profit/(Loss) Before Tax**	**(10.71)**	**(9.37)**
4	**Tax expense :**		
	Current Tax	(2.11)	(2.93)
	Deferred Tax	(2.77)	0.89
	Total Tax expenses	**(4.88)**	**(2.04)**
5	**Net Profit/(Loss) after tax**	**(5.83)**	**(7.33)**

Impact of restatement on Statement of profit and loss for the year ended 31st March 2021 :- (₹ in Crores)

Sr. No.	Particulars	Balance before restatement	Impact of restatement	Balance after restatement
1	Profit/(Loss) Before Tax	1,704.70	(9.37)	1,695.44
2	Net Profit/(Loss) after tax	1,275.50	(7.33)	1,270.37
3	Total comprehensive income	1,278.07	(7.33)	1,272.91

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 57 RECLASSIFICATION OF COMPARATIVE FIGURES

Certain reclassifications have been made to the comparative period's financial statements to:

- comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1st April 2021
- enhance comparability and ensure consistency with the current year's financial statements; and
- ensure compliance with the Guidance Note on Division II - Ind AS Schedule III to the Companies Act, 2013.

The Company believes that such presentation is more relevant for understanding of the Company's performance. However, this does not have any impact on the profit, equity and cash flow statement for the comparative period.

Note 58 IMPACT OF COVID-19 PANDEMIC

In view of the pandemic relating to Coronavirus (COVID-19), the Company has considered the impact of COVID19 as evident so far in the above financial results. The Company will continue to monitor any material changes to future economic conditions which necessitate any further modifications.

Note 59 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 on date of approval of these financial statements, there are no subsequent events to be recognized or reported that are not already disclosed.

Note 60 INTEREST IN OTHER ENTITIES

a) 100% sole controlled entity

Set out below is the 100% sole controlled entity of the Company as at 31st March 2022. The country of incorporation or registration is also their principal place of business.

Name of Entity	Place of business	Principal Activity	Relationship	% of ownership	
				31st March 2022	31st March 2021
Gujarat Gas Limited Employees Welfare Stock Option Trust	India	ESOP Trust	100% sole controlled entity	100%	100%

b) Associates

Set out below is the associate of the Company as at 31st March 2022 which, in the opinion of the directors, are material to the Company. The entity listed below has share capital consisting solely of equity shares, which are held directly by the Company. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

(₹ in Crores)

Name of Entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying Amount	
					31st March 2022	31st March 2021
Guj Info Petro Limited (GIPL)*	India	49.94%	Associate	Equity Method	29.67	28.06
Total equity accounted investments					**29.67**	**28.06**

* Unlisted entity - no quoted price available

GIPL is primarily engaged in the marketing, selling value distribution of internet bandwidth and added services like web hosting, designing, development & maintenance of websites, IT consultancy services, software development, server co-location, mailing solutions, operation & maintenance of systems/networks, trading in hardware equipments, facility management services etc. to various organisations across Gujarat.

Commitments and contingent liabilities in respect of associates

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Contingent liabilities - associates		
For direct tax	0.11	0.11
Performance guarantee*	1.04	1.04
Bank guarantee & Corporate guarantee*	0.10	0.10
Total commitments and contingent liabilities	**1.25**	**1.25**

*Not included in group contingent liabilities as per group accounting policy.

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 60 INTEREST IN OTHER ENTITIES (Continued....)

Summarised financial information for associate

The tables below provide summarised financial information for those associates that are material to the Company. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and not the Company's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies.

(₹ in Crores)

Particulars	GIPL	
	31st March 2022	31st March 2021
Non-current assets	4.87	5.48
Current Assets	65.49	60.61
Non-current liabilities	2.14	2.04
Current liabilities	8.82	7.87
Net Assets	**59.40**	**56.18**

Reconciliation to carrying amounts **(₹ in Crores)**

Particulars	GIPL	
	31st March 2022	31st March 2021
Net assets	59.40	56.18
Company's Share in %	49.94%	49.94%
Company's Share in INR	29.67	28.06
Carrying amount	**29.67**	**28.06**

Summarised statement of profit and loss **(₹ in Crores)**

Particulars	GIPL	
	31st March 2022	31st March 2021
Revenue	22.14	19.77
Profit / (Loss) for the year	**3.24**	**4.23**
Other comprehensive income	(0.02)	(0.07)
Total comprehensive income	**3.22**	**4.16**
Dividend received (Current year Nil, Previous year Nil)	-	-

Notes to Consolidated financial statements for the year ended on 31st March 2022

Note 61 ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III (₹ in Crores)

Sr. no.	Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit or Loss	Amount	As % of other comprehensive income	Amount	As % of total comprehensive income	Amount
A	**Parent**								
	Gujarat Gas Limited								
	31 March 2022	99.46%	5,599.27	99.87%	1,285.64	100.37%	2.69	99.87%	1,288.33
	31 March 2021	99.35%	4,448.62	99.83%	1,268.15	101.18%	2.57	99.83%	1,270.72
B	**Subsidiaries/ 100% sole controlled entity**								
(i)	**Indian**								
	Gujarat Gas Limited Employees Welfare Stock Option Trust								
	31 March 2022	0.02%	0.99	0.01%	0.11	-	-	0.01%	0.11
	31 March 2021	0.02%	0.88	0.01%	0.11	-	-	0.01%	0.11
(ii)	**Foreign**	-	-	-	-	-	-	-	-
	Non-controlling interest in all subsidiaries	-	-	-	-	-	-	-	-
C	**Associates (Investments as per the equity method)**								
(i)	**Indian**								
	Guj Info Petro Limited (GIPL)								
	31 March 2022	0.53%	29.67	0.13%	1.62	-0.37%	(0.01)	0.12%	1.61
	31 March 2021	0.63%	28.06	0.17%	2.11	-1.18%	(0.03)	0.16%	2.08
(ii)	**Foreign**	-	-	-	-	-	-	-	-
D	**Joint Ventures (Investments as per the equity method)**								
(i)	**Indian**	-	-	-	-	-	-	-	-
(ii)	**Foreign**	-	-	-	-	-	-	-	-
	Total								
	31 March 2022	**100%**	**5,629.93**	**100%**	**1,287.37**	**100%**	**2.68**	**100%**	**1,290.05**
	31 March 2021	**100%**	**4,477.56**	**100%**	**1,270.37**	**100%**	**2.54**	**100%**	**1,272.91**

NOTE 62 PREVIOUS YEAR FIGURES

Previous year's figures have been regrouped or reclassified wherever necessary to confirm to the current period's presentation.

The Accompanying Notes (1-62) are an integral part of the financial Statements.

As per our report attached
For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Reg. No. – 106041W/W100136

Krishnakant Solanki
Partner
M. No. : 110299

Place : Gandhinagar
Date : 10th May, 2022

For and on behalf of Board of Directors

Pankaj Kumar, IAS
Chairman
DIN - 00267528

Sanjeev Kumar, IAS
Managing Director
DIN - 03600655

Balwant Singh, IAS (Retd.)
Director
DIN- 00023872

Nitesh Bhandari
Chief Financial Officer

Sandeep Dave
Company Secretary
Place : Gandhinagar
Date : 10th May, 2022

Notes to Consolidated financial statements for the year ended on 31st March 2022

Form - AOC 1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures (Pursuant to Section 129(3) of the Companies Act, 2013)

Part "A": Subsidiaries

Not Applicable

Part "B": Associates

(₹ in Crores)

Particulars	Guj Info Petro Limited
1. Latest audited Balance Sheet Date	31-03-2022
2. Shares of Associate held by the company on the year end	25,000
Amount of Investment in Associate	0.03
Extend of Holding %	49.94%
3. Description of how there is significant influence	Through voting power
4. Reason why the associate is not consolidated	NA
5. Networth attributable to Shareholding as per latest audited Balance Sheet	As per Ind-AS-28 equity method is followed
6. Profit / (Loss) for the year	
i. Considered in Consolidation	1.61
ii. Not Considered in Consolidation	-

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Reg. No. – 106041W/W100136

Krishnakant Solanki
Partner
M. No. : 110299

Place : Gandhinagar
Date : 10th May, 2022

For and on behalf of Board of Directors

Pankaj Kumar, IAS
Chairman
DIN - 00267528

Sanjeev Kumar, IAS
Managing Director
DIN - 03600655

Balwant Singh, IAS (Retd.)
Director
DIN- 00023872

Nitesh Bhandari
Chief Financial Officer

Sandeep Dave
Company Secretary

Place : Gandhinagar
Date : 10th May, 2022

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GUJARAT GAS

Gujarat Gas Limited

(A GSPC Group Company - Government of Gujarat Undertaking)
CIN: L40200GJ2012SGC069118

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