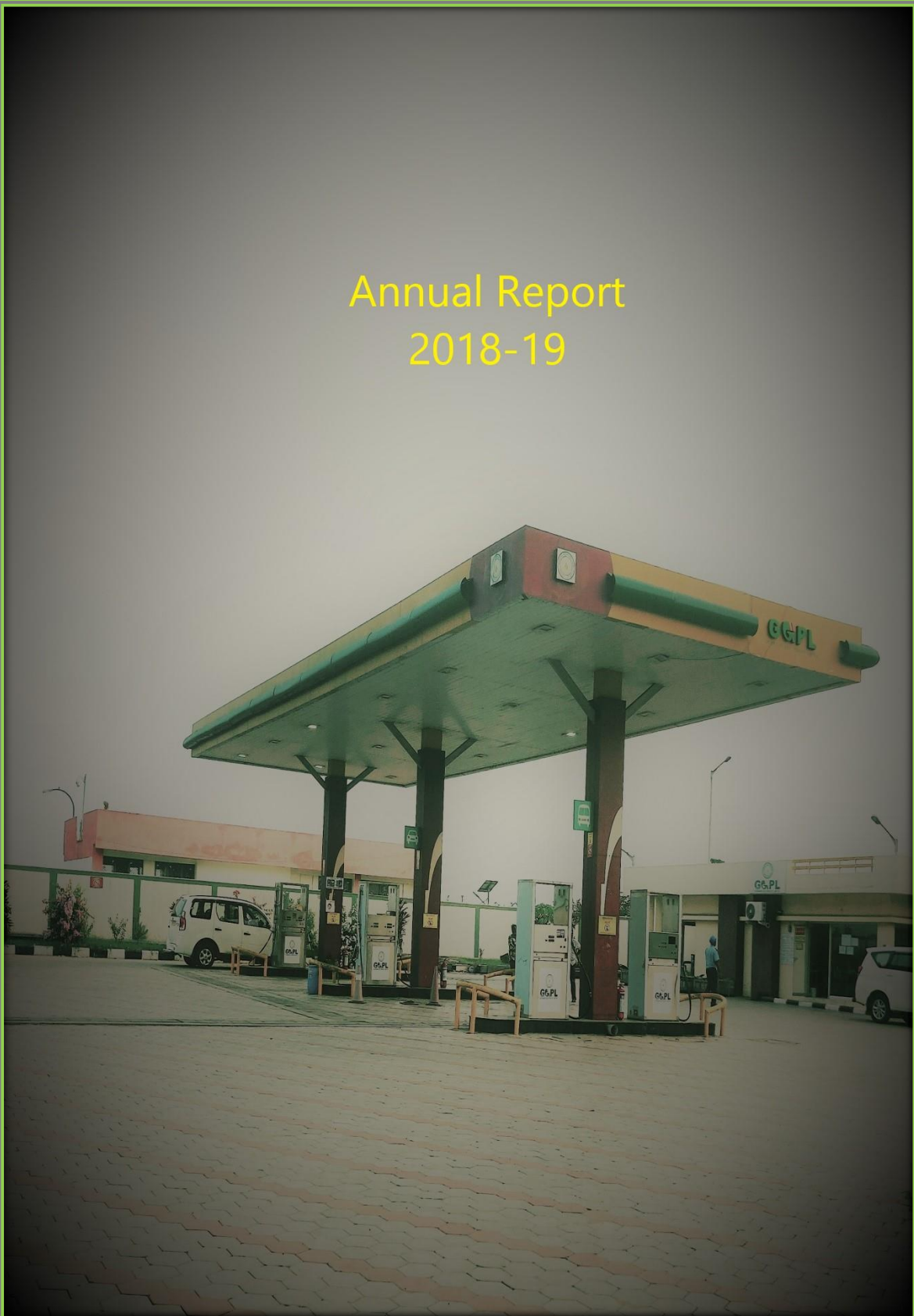


**GODAVARI GAS PRIVATE LIMITED**  
**(A Joint Venture of APGDC and HPCL)**

Annual Report  
2018-19





# ANNUAL REPORT 2018-19

## CORPORATE INFORMATION:

Godavari Gas Private Limited  
(A Joint Venture of APGDC & HPCL)  
CIN: U40300AP2016PTC104159

<b><u>REGISTERED OFFICE:</u></b> #85-06-23/2, 2nd Floor, Morampudi Junction, Near Indian Oil Petrol Bunk, Rajahmundry East Godavari AP 533107 IN	<b><u>WEBSITE:</u></b> <a href="http://www.godavarigas.in">www.godavarigas.in</a> <b><u>E-MAIL:</u></b> <a href="mailto:info@godavarigas.in">info@godavarigas.in</a> <b><u>PHONE:</u></b> 0883-2476111
--	--

## COMPANY SECRETARY:

Ms. Shikha

## CHIEF FINANCIAL OFFICER:

Mr. P V Subbarao

## STATUTORY AUDITORS:

M/s. Siva Krishna & Narayan, Chartered Accountants

## BANKERS:

Canara Bank

## DIRECTORS' PROFILE

### **Shri Ajay Jain (Chairman)**



Shri Ajay Jain, 52 Years, DIN: 00065238, is an IAS officer of 1991 batch serving as Principal Secretary, Energy, I & I Department, Govt of Andhra Pradesh. He has held various key positions in Andhra Pradesh Administrative Departments. He has varied experience in administrative, revenue, energy and infrastructure and allied services. He was appointed as Chairman nominated by APGDC at our Board in October 2016.

---

### **Shri Raman Chadha (Managing Director)**



Shri Raman Chadha, 55 Years, DIN: 06842809, is an Executive Director of Gail India Limited. He has been nodal in commencing the construction works of Kakinada - Srikakulam Pipeline and City Gas Distribution in East & West Godavari Districts of Andhra Pradesh. Under the leadership of Mr. Chadha, GGPL put up a commendable performance of developing CGD infrastructure of 26000 D-PNG Connections and 10 CNG Stations within a year in the authorized GA. A post-graduate in Electronics Engineering from Vikrama University (Ujjain), He has a distinguished career of more than 34 years in GAIL, holding key positions and assignments related to exploration & Production, LPG & Petrochemical Plant, Cross Country Natural gas Pipelines and City Gas Distribution at different work centers spanning across India i.e. Hazira in West to Lucknow in East and Delhi in North to Kakinada in South).

Prior to assuming the charge of Managing Director in APGDC and GGPL, Mr. Chadha was directly associated with the monetization of A-1 & A-3 overseas Offshore Blocks in Myanmar in association with ONGC Videsh Ltd., operating the Cambay on-land blocks CB-ONN-2000/1 & CB-ONN-2003/2 and optimizing the MN-OSN-2000/2, AAONN-2002/1 Blocks.

During the brief stint in Green Gas Ltd. as Managing Director, Mr. Chadha played a key role in turnaround of the Company's physical performance from 700 D-PNG Connections / year to 36000 D-PNG Connections / year and in increasing the number of CNG Stations from 3 to 7.

As General Manager (Maintenance) in Petrochemical Complex, Pata (Uttar Pradesh), Mr. Chadha spearheaded the Capacity Augmentation of the Plant from 410000 Tons / Annum of Polyethylene to 800000 Tons / Annum. Prior to that, Mr. Chadha, as HoD (Instrumentation) was directly associated with De-Bottle Necking of Novacor's 160000 Tons / Annum LLDPE Plant to increase capacity to 210000 Tons / Annum and in setting up new 100000 Ton / Annum HDPE Plant from the pre-feasibility study stage to implementation & commissioning.

During his early days in GAIL, Mr. Chadha played a key role in conceptualization to commissioning of 1800 Km Hazira - Vijaipur - Jagdishpur Natural Gas Pipeline and LPG Plant at Vijaipur (Madhya Pradesh). Further, innovative Operation & Maintenance techniques of Mr. Chadha played a major role in reducing the downtime and improving operational efficiency of LPG & Petrochemical Plant of GAIL.

With his rich academic lineage, Mr. Chadha published few technical Papers in GTI Orlando and FCRI Chronicles and has authored a Book named "Standardization of Metering Skids & Custody Transfer" which later became the guiding document for gas metering in GAIL. Further, Mr. Chadha, for a brief period, led multi-disciplinary audit team responsible for corporate governance and Compliance Audits and during this period, his contribution in reorienting the Audit Structure of the Company for improving the overall Audit efficacy was exemplary.

He is currently a key executive Managing Director of Andhra Pradesh Gas Distribution Corporation Limited. He was appointed at our Board in November, 2017.

---

**Dr. Koya Praveen**  
(Director)



Dr. Koya Praveen, 40 Years, DIN: 07858949, is an IPS Officer of 2009 Batch. He has wide experience in Infrastructure, Railway and Gas sector and various other allied services. He has also held various posts such as Director (Finance) at Andhra Pradesh Gas Distribution Corporation Limited and Managing Director of APGIC, Infrastructure Corporation of Andhra Pradesh Limited and Andhra Pradesh Maritime Infrastructure Development Corporation Limited. He was appointed at our Board as Non- Executive Director nominated by APGDC from May, 2018 till August 2019.

---

**Shri Dilip Kumar Pattanaik**  
(Director)



Shri Dilip Kumar Pattanaik, 55 Years, DIN: 07540032, is an Executive Director (Gas & Renewables) of Hindustan Petroleum Corporation Limited. He has wide experience in Gas and renewables sector and nominated as Directors in various companies

promoted by HPCL such as HPOIL Gas Private Limited and Mumbai Aviation Fuel farm Facility Private Limited. He was appointed as Non- Executive Director nominated by HPCL at our Board in July, 2018.

---

**Shri Sai Kumar Suri**  
**(Director)**



Shri Sai Kumar Suri, 56 years, DIN: 08199696 is an Executive Director (Retail) of Hindustan Petroleum Corporation Limited. He has vast experience in Retail Engineering sector. He was appointed at our Board as Non-Executive Director nominated by HPCL in September, 2018.



# Annual Report 2018-19

## CONTENTS

Notice to AGM.....	01
Directors' Report.....	08
Annexures to Directors' Report	
Annexure-I: Comment of C&AG u/s 143(6)(B) Of The Companies Act, 2013.....	17
Annexure-II: MGT-9.....	19
Annexure-III: AOC-2.....	26
Auditors' Report.....	28
Balance sheet.....	33
Statement of Profit and loss.....	35
Cash flow statement.....	36
Notes to financial statements.....	38
Attendance slip.....	60
Proxy form.....	61

**Godavari Gas Private Limited**  
**(A Joint Venture of APGDC & HPCL)**  
**CIN: U40300AP2016PTC104159**

**REGISTERED OFFICE: #85-06-23/2, 2nd Floor, Morampudi Junction, Near Indian Oil Petrol Bunk, Rajahmundry East  
Godavari AP 533107**

**WEBSITE: [www.godavarigas.in](http://www.godavarigas.in) E-MAIL: info@godavarigas.in Phone No: 0883-2476111**

**Notice**

Notice is hereby given that the 3<sup>rd</sup> Annual General Meeting of the Members of **M/s. GODAVARI GAS PRIVATE LIMITED** will be held on Wednesday, 25<sup>th</sup> September, 2019 at 11.00 a.m at the registered office of the company at #85-06-23/2, 2nd Floor, Morampudi Junction, Near Indian Oil Petrol Bunk, Rajahmundry East Godavari AP 533107 to transact the following Business:

**Ordinary Business:**

- 1. To receive, consider and adopt the audited standalone Financial Statements for the financial year ended 31st March, 2019, Directors' Report including annexures thereto, Independent Auditors' Report and the comments thereon of the Comptroller & Auditor General of India, if any and to pass the following resolution, with or without modification (s), as an Ordinary Resolution:**

**"RESOLVED THAT** audited standalone Financial Statements for the financial year ended 31st March, 2019, Independent Auditors' Report, Comments thereon of the Comptroller & Auditor General of India and Directors' Report including annexures thereto, be and are hereby approved and adopted."

- 2. To authorize the Board of Directors of Company to fix the remuneration of the Statutory Auditor (s) of the Company in terms of the provisions of Section 142 of the Companies Act, 2013 subject to the appointment of Statutory Auditors for the FY 2019-20 in terms of provisions of section 139(5) & (10) of Companies Act, 2013 and rules thereunder to pass the following resolution, with or without modification (s), as an Ordinary Resolution:**

**"RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of the Statutory Auditor (s) of the Company appointed by Comptroller and Auditor General of India for the Financial year 2019-20, as may be deemed fit by the Board subject to the appointment of Statutory Auditors for the FY 2019-20 in terms of provisions of section 139(5) & (10) of Companies Act, 2013 and rules thereunder".

**For and on behalf of**

**M/s. GODAVARI GAS PRIVATE LIMITED**

**Sd/-**

**Shri R Chadha**  
**(Managing Director)**  
**DIN: 06842809**

**Place: New Delhi**  
**Date: 08.08.2019**



**NOTES:**

- (1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT PROXY OR PROXIES TO ATTEND AND ON A POLL TO VOTE THEREAT INSTEAD OF HIMSELF/HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- (2) An instrument appointing a Proxy to be effective must be lodged at the Registered Office of the Company at least 48 hours before the commencement of the Meeting.
- (3) Notice of the Meeting along with the route map of the venue of the Meeting is placed on the website of the Company.
- (4) A person can act as a proxy on behalf of members not exceeding fifty(50) and holding in the aggregate not more than ten(10) percent of the total share capital of the Company carrying voting rights. A member holding more than ten(10) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (5) The Register of Directors and their shareholding, maintained u/s 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested maintained u/s 189 of the Companies Act, 2013 and all other documents referred to in the notice and explanatory statement, will be available for inspection by the members of the Company at Registered office of the Company during business hours 10:00 A.M. to 06:00 P.M. (except Saturday and Sunday) up to the date of Annual General Meeting and will also be available during the Annual General Meeting.
- (6) During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
- (7) Members/proxies attending the meeting are requested to bring their duly filled admission/ attendance slips sent along with the notice of annual general meeting at the meeting.
- (8) Corporate members intending to send their authorized representatives to attend the meeting are advised to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting.

## DIRECTORS' REPORT

**To,**  
**The Members**  
**Godavari Gas Private Limited (GGPL)**

Your Directors have pleasure in presenting the 3<sup>rd</sup> (Third) Annual Report of Godavari Gas Private Limited (GGPL) together with the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2019.

Godavari Gas Private Limited (GGPL) is a Joint Venture of Andhra Pradesh Gas Distribution Corporation Limited (APGDC) and Hindustan Petroleum Corporation Limited (HPCL) (APGDC: HPCL 74:26) incorporated as private company under the provisions of Companies Act, 2013 on 27.09.2016.

The Company is established with the objective to develop to city gas distribution (CGD) network in East and West Godavari districts initially and gradually expand in all the districts of Andhra Pradesh state excluding areas already authorized by Petroleum and Natural Gas Regulatory Board (PNGRB).

The Paid up Share Capital of the Company as on 31<sup>st</sup> March 2019 is Rs. 31.50 Crores (Rupees Thirty One Crore and Fifty Lakhs only), the same is held by APGDC and HPCL in the ratio of 74:26.

### STATEMENT OF COMPANY'S AFFAIRS

Particulars	(Amount in Rs.)	
	Current Financial Year 2018-19	Previous Financial Year 2017-18
<i>Revenue from operations</i>	5,40,33,565	1,80,51,782
<i>Other Income</i>	13,90,934	14,27,755
<i>Profit/loss before Depreciation, Finance Cost, Exceptional Items and Tax Expense</i>	(9,382,688)	(2,350,378)
<i>Less: Depreciation/Amortization/Impairment</i>	30,75,225	6,85,909
<i>Profit/loss before Finance Costs, Exceptional items and Tax Expense</i>	(63,07,463)	(16,64,649)
<i>Less: Finance Costs</i>	-	-
<i>Profit/loss before Exceptional Items and Tax Expense</i>	(63,07,463)	(16,64,649)
<i>Add/(less): Exceptional Items</i>	10,82,195	-
<i>Profit/loss before Tax Expense</i>	(52,25,268)	(16,64,649)
<i>Less: Tax Expense (Current &amp; Deffered)</i>	31,62,146	(40,265)
<i>Profit/loss for the year (1)</i>	(83,87,414)	(16,24,204)
<i>Total Comprehensive Income/loss (2)</i>	-	-

Total (1 & 2)	(83,87,414)	(16,24,204)
Balance of profit/loss for earlier years	-	-
Less: Transfer to Debenture Redemption Reserve	-	-
Less: Transfer to Reserves	-	-
Balance carried forward	-	-

### REVIEW OF THE OPERATIONS OF THE COMPANY:

During the financial year ended 31<sup>st</sup> March 2019, your Company's total income was Rs. 5,54,24,499 as against Rs. 1,94,79,537 during the previous financial year 2017-18. The administration and other expenditure for the period was 6,17,31,962 as against Rs. 2,11,44,006 during the previous financial year 2017-18. The Company incurred a loss of Rs. 83,87,414 as against Rs. 16,24,204 during previous financial year 2017-18.

### PHYSICAL PERFORMANCE:

our company has commissioned 10 CNG stations (9 DBS and 1 Mother station), 25,861 domestic PNG connections, during FY 2018-19 as against 4 DBS and 301 domestic PNG connections in the FY 2017-18. Key physical performances are given below:

Nature of activity	UOM	Physical performance	
		FY 2018-19	FY 2017-18
CNG stations	No.s	10 (9 DBS & 1 MS)	4 (4 DBS)
Domestic PNG connections	No.s	25,861	301
Commercial PNG connections	No.s	6	0
Industrial PNG connections	No.s	1	0
Steel Pipeline construction	Kms	0	3.3
MDPE pipeline construction	Kms	230	0
CNG sale	Kgs	5,98,232	4,30,839
PNG sale (incl. Comm & industrial consumers)	SCM	10,63,481	0

### CAPITAL EXPENDITURE:

The total cumulative capital expenditure incurred in FY 2018-19 is Rs. 68.74 Crs against 22.29 Crores in FY 2017-18 which includes

- Rs. 10.02 Crs towards fixed assets capitalized on account of CNG stations and PNG network capitalizations in FY 2018-19 (Rs. 3.04 Crs in FY 2017-18)
- Rs. 52.53 Crs towards capital work in progress of under construction project expenses in FY 2018-19 (Rs. 13.69 Crs in FY 2017-18)

- Rs. 3 Crs towards advance tap-off charges paid to GAIL India Limited for giving access to their trunk pipeline in FY 2018-19 (Rs. 2 Crs in FY 2017-18)
- Rs. 3.03 Cr. Paid to revenue divisional officer under West Godavari District for acquiring land in FY 2018-19 (Rs. 3.03 Crs in FY 2017-18)

## **DIVIDEND**

Your Directors have not recommended any dividend for the financial year ended 31<sup>st</sup> March 2019 as the Company incurred loss of Rs.52, 25, 268 during the financial year 2018-19.

## **TRANSFER TO RESERVE**

Your Directors did not propose any amount to reserve during the financial year under review as the Company has not made any profit.

## **TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND**

During the period under review, there is no unpaid/unclaimed dividend which is required to transfer in IEPF (Investor Education and Protection Fund) as per the provisions of the Companies Act, 2013.

## **CHANGE IN NATURE OF THE BUSINESS**

There was no change in the nature of business of the Company during the year under review.

## **PUBLIC DEPOSITS**

The Company has not accepted any deposits and, as such, no amount of principal or interest was outstanding, as on the balance sheet closure date.

## **SHARE CAPITAL**

The Authorized Share Capital of company is Rs. 100 Crore. The paid up share capital of company was increased from Rs. 10 Crore to Rs. 31.50 Crore vide allotment of shares on the basis of Right Issue to its existing Shareholders on 31<sup>st</sup> March, 2019.

## **STATUTORY AUDITORS**

The Comptroller and Auditors General of India had appointed **M/s Shiva Krishna & Narayan**, Chartered Accountants, Hyderabad (Registration No. 03883S) vide letter No./CA.V/COY/ANDHRA PRADESH,

GGPL (1)/790 DATED 21/08/2018 as the Statutory Auditors of the Company for the financial year 2018-19 from 2<sup>nd</sup> Annual General Meeting, until the conclusion of 3<sup>rd</sup> Annual General Meeting of the Company.

The Statutory Auditors have given an unqualified report. The report is self-explanatory and does not require any further comments by the board.

The appointment of Statutory Auditors for the Financial Year 2019-20 is subject to receipt of appointment letter from Comptroller and Auditors General of India. The appointment of statutory Auditor for FY 2019-20 is yet to be received.

### COMPROLLER AND AUDITORS GENERAL'S COMMENT

The observations of Auditors in their report read with notes to the accounts are self-explanatory. There are no qualifications / observations on the Annual Accounts by the Statutory Auditors as per their report. The Comptroller and Auditor General of India has issued a Nil review report and have no comments to give on the report of Statutory Auditors. (**Annexure- 1**)

### Directors and Key Managerial Personnel

Following are the particulars of appointments and cessation of the Directors and Key Managerial Personnel of your Company during the year:

S. No.	Name of the Director	Designation	DIN	Date of appointment	Date of cessation
1.	Dr. Koya Praveen	Non- Executive Director	07858949	11.05.2018*	---
2.	Shri Hemant Ramachandra Wate	Non Executive Director	06852070	27.09.2016	28.07.2018**
3.	Shri SatyaPrakash Gupta	Non Executive Director	07236361	27.09.2016	28.07.2018***
4.	Shri Dilip Kumar Pattanaik	Non- Executive Director	07540032	28.07.2018****	---
5.	Shri Sai Kumar Suri	Non- Executive Director	08199696	25.09.2018*****	---

\*Company vide Govt Order dated **GORT No.33** approved the appointment of Shri Koya Praveen at its Board Meeting held on 11<sup>th</sup> May, 2018.

\*\*Shri Hemant Ramachandra Wate, Director nominated by HPCL vacated the office w.e.f 28.07.2018 on nomination of other Director in his place by HPCL.

\*\*\*Shri Satya Prakash Gupta, Director nominated by HPCL vacated the office w.e.f. 28.07.2018 on nomination of other Director in his place by HPCL.

\*\*\*\* Shri Dilip Kumar Pattanaik, Director nominated by HPCL was appointed as Additional Director nominated by HPCL at its Board Meeting held on 28<sup>th</sup> July, 2018 and ratified as Director at its 2<sup>nd</sup> Annual General Meeting held on 29.09.2018.

\*\*\*\*\*Shri Sai Kumar Suri, Director nominated by HPCL was appointed as Additional Director nominated by HPCL at its Board Meeting held on 25<sup>th</sup> September, 2018, 2018 and ratified as Director at its 2<sup>nd</sup> Annual General Meeting held on 29.09.2018.

S. No.	Name of the KMP	Designation	Date of appointment	Date of cessation
1.	Shri Vishnu Janghela	Company Secretary	11.05.2018	24.08.2018*
2.	Sushree Shikha	Company Secretary	29.01.2019	-

\*Shri Vishnu Jhangela tendered his resignation on 24.08.2018 and Board approved the same at its Board Meeting held on 25<sup>th</sup> September, 2018.

## BOARD MEETINGS

The Board meets at the regular interval to review the Company's business and discuss its strategy and plans. During the period year under review, the Board met 6 times viz., on 11.05.2018, 28.07.2018, 25.09.2018, 13.11.2018, 29.01.2019 and 02.03.2019.

Details of attendances are as under:

Sr. No.	Director	No. of Board Meetings	
		Held	Attended
1.	Shri Ajay Jain	6	5
2.	Shri Raman Chadha	6	6
3.	Shri Koya Praveen	5	4
4.	Shri Hemant Ramachandra Wate	2	2
5.	Shri Satya Prakash Gupta	2	2
6.	Shri Dilip Kumar Pattanaik	4	4
7.	Shri Sai Kumar Suri	3	1

\* Shri Hemant Ramachandra Wate and Satya Prakash Gupta, Directors nominated by HPCL has vacated the office on nomination of other Directors Shri Dilip Kumar Pattanaik and Shri Sai Kumar Suri at their place by HPCL.

## INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

The Company itself is a Joint Venture Company of APGDC and HPCL in the ratio of 74:26. Further, The Company has no Subsidiary Company and Associate Companies.

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

Pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, it is necessary to disclose the complaints received regarding the same during the year under review, wherever there are 10 or more employees in the Company. However, the Company has not received any complaints during the year on such cases and neither is there any case pending to be disclosed.

During the Financial Year 2017-18, the Company has not received any complaints of sexual harassment.

## **INTERNAL CONTROL AND THEIR ADEQUACY**

The Company has an internal control system, commensurate with the size, scale and complexity of its operations and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information..

There are adequate controls relating to strategic, operational, environmental and quality related aspects too.

While these controls have been effective through-out the year, these are reviewed on a periodic basis for any changes/ modifications to align to business needs.

## **RISK MANAGEMENT POLICY**

The Company has initiated procedure for risk assessment and its minimization. The Company has identified the areas and steps have been taken to minimize risk wherever possible.

## **VIGIL MECHANISM**

The Company has initiated procedure for establishment of vigil mechanism policy and same will be updated on website.

## **SECRETARIAL STANDARD**

The Management has observed and ensured all possible compliance of applicable Secretarial Standards SS-1- on Meetings of Board and SS-2 on Annual General Meeting.

## **PARTICULARS OF LOANS, INVESTMENTS, GUARANTEES AND SECURITIES UNDER SECTION 186**

The Company has not granted any loan, guarantee or made any investments during the year ended 31<sup>st</sup> March 2019 under Section 186 of the Companies Act, 2013 read with Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014.

## EXTRACT OF ANNUAL RETURN

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in **Form MGT-9** is annexed as a part of this Report as **Annexure -2**.

## RELATED PARTY TRANSACTIONS

There were no materially significant related party transactions entered during the year by your Company. All the related party transactions during the year were entered in the ordinary course of business and on arm's length basis. Particulars of contract or arrangement with related parties is Annexed herewith in **Form AOC-2** as **Annexure-3** in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

**Material Changes and Commitment, If Any, Affecting the Financial Position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statement related and the date of report**

There are no Material changes and commitments in the business operations of the Company from the financial year ended March 31, 2019 to the date of signing of the Board's Report.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Out go pursuant to provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Account) Rules, 2014:

### A. Conservation of Energy:

While continuing to believe in philosophy of Energy saved is Energy produced, adequate measures commensurate with the business operations have been taken to reduce and conserve the energy consumption by utilizing energy efficient equipment whenever required and has also planning to use alternate renewable sources.

### B. Technology Absorption:

Research and Development (R&D): Nil

Technology absorption, adoption and innovation: Nil



### C. Foreign Exchange Earning and Outgo:

Foreign Exchange Earnings: Nil

Foreign Exchange Outgo: Nil

### CORPORATE SOCIAL RESPONSIBILITY

The Company is not falling under the criteria as mentioned in the Section 135 of the Companies Act, 2013 and rules made thereof which specifies the requirement of forming the Corporate Social Responsibility Committee.

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

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) and 134(5) of the Act, Directors of your Company state and confirm that:

- a. In the preparation of the annual accounts for the financial year 2017-18, the applicable accounting standards have been followed and there are no material departures from the same;
- b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit and loss of the Company for year ended on that date;
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safe guarding the
- d. The Directors had prepared the annual accounts on a going concern basis; and
- e. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### PARTICULARS OF EMPLOYEES

During the financial year 2018-19, no employee, whether employed for whole or part of the year, was drawing remuneration exceeding the limits mentioned under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of (Managerial Personnel) Rules, 2014.

### CAUTIONARY NOTE

This report contains certain “forward-looking statements” within the meaning of applicable laws and regulations. Actual results may vary significantly from the statements contained in this document due to various risks and uncertainties. The Company does not undertake to update these statements.

### ACKNOWLEDGMENTS

The Board of Directors wish to place on record sincere thanks and gratitude to the Government of Andhra Pradesh, Government of India, its bankers, institutions, suppliers and appreciation for the commitment, dedication and hard work done by the employees of the Company. The directors also wish to express their heartfelt gratitude to the stakeholders for their continued support to the company.

**Date: 08/08/2019**

**Place: New Delhi**

**For and on behalf of  
Godavari Gas Private Limited**

**Sd/-  
Raman Chadha  
Managing Director  
DIN: 06842809**

**Sd/-  
Dilip Kumar Pattaniak  
Director  
DIN: 07540032**

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF GODAVARI GAS PRIVATE LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019.**

The preparation of financial statements of Godavari Gas Private Limited for the year ended 31<sup>st</sup> March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 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 these 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 25.04.2019.

I, on behalf of the Comptroller and Audit General of India, have decided not to conduct the supplementary audit of the financial statements of Godavari Gas Private Limited for the year ended 31 March 2019 under section 143(6) (a) of the act.

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

**PLACE: HYDERABAD  
DATE: 09-07-2019**

**Sd/-  
(L V SUDHIR KUMAR)  
PRINCIPAL ACCOUNTANT GENERAL (AUDIT)  
ANDHRA PRADESH**

**Annexure-II**  
**FORM NO. MGT.9**  
**EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31.03.2019**

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

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN: - U40300AP2016PTC104159
- ii) Registration Date: 27/09/2016
- iii) Name of the Company: GODAVARI GAS PRIVATE LIMITED
- iv) Category / Sub-Category of the Company: Company limited by shares/ Non-govt. Company
- v) Class of company: Private Company
- vi) Address of the Registered office and contact details #85-06-23/2, 2nd Floor, Morampudi Junction, Near Indian Oil Petrol Bunk, Rajahmundry East Godavari AP 533107  
Phone No:
- vii) Whether listed company:- No
- viii) Name, Address and Contact details of Registrar and Transfer Agent, if any:- NA

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of gas; distribution of gaseous fuels through mains	3520	100%

**II. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –**

S. No	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
1	Andhra Pradesh Gas Distribution Corporation Limited Address:	U11100AP2011SGC106844	Holding	74%	Section 2(46)

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

- i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1 <sup>st</sup> April, 2018)				No. of Shares held at the end of the year (As on 31 <sup>st</sup> March, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.Promoters</b>									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	10000000	10000000	100%	-	31500000	31500000	100%	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other..	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>									
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>									
<b>Total shareholding of Promoter (A) =</b>									
<b>(A)(1)+(A)(2)</b>	-	10000000	10000000	100%	-	31500000	31500000	100%	-
<b>B. Public Shareholding</b>									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>									
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1 <sup>st</sup> April, 2018)				No. of Shares held at the end of the year (As on 31 <sup>st</sup> March, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B)(1) + (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	10000000	10000000	100%	-	31500000	31500000	100%	-

## (ii) Shareholding of Promoters

SIN o.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Andhra Pradesh Gas Distribution Corporation Limited	74,00,000	74%	-	2,33,10,000	74%	-	0.00%
2	Hindustan Petroleum Corporation Limited	26,00,000	26%	-	81,90,000	26%	-	0.00%
	<b>Total</b>	<b>1,00,00,000</b>	<b>100%</b>	<b>-</b>	<b>3,15,00,000</b>	<b>100%</b>	<b>-</b>	<b>0.00%</b>

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

Sl. No.		Shareholding at the beginning of the year (01/04/2018)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Andhra Pradesh Gas Distribution Corporation Limited				
	At the beginning of the year	74,00,000	74%	74,00,000	74%
	Increase on allotment of shares on right issue of shares basis as on 31.03.2019	15910000	74%	15910000	74%
	At the End of the year	2,33,10,000'	74%	2,33,10,000	74%
2.	Hindustan Petroleum Corporation Limited				
	At the beginning of the year	26,00,000	26%	26,00,000	26%
	Increase on allotment of shares on right issue of shares basis as on 31.03.2019	55,90,000	26%	55,90,000	26%
	At the End of the year	81,90,000	26%	81,90,000	26%

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

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

## (v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the	No. of shares	% of total shares of the company
	For Each of the Directors and KMP				

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			company		
	At the beginning of the year	NA			
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year				

## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6,67,62,581	-	-	6,67,62,581
ii) Interest due but not paid	0	-	-	0
iii) Interest accrued but not due	5,67,198	-	-	5,67,198
<b>Total (i+ii+iii)</b>	<b>6,73,29,779</b>			<b>6,73,29,779</b>
Change in Indebtedness during the financial year				
• Addition	24,68,86,800	-	-	24,68,86,800
• Reduction	-	-	-	-
Net Change	24,68,86,800	-	-	24,68,86,800
Indebtedness at the end of the financial year				
i) Principal Amount	31,19,29,102	-	-	31,19,29,102
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	22,87,477	-	-	22,87,477
<b>Total (i+ii+iii)</b>	<b>31,42,16,579</b>	-	-	<b>31,42,16,579</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Shri Raman Chadha (Managing Director)	.....	.....	.....	



1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15,59,934	-	-	-	15,59,934
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	-	-	-	-
2.	Stock Option	NIL	-	-	-	-
3.	Sweat Equity	NIL	-	-	-	-
4.	Commission	NIL	-	-	-	-
	- as % of profit					
	- others, specify...					
5.	Others, please specify	NIL	-	-	-	-
	Total (A)	15,59,934	-	-	-	15,59,934
	Ceiling as per the Act					

#### B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		.....	.....	.....	.....	
	3. Independent Directors	NA				NA
	• Fee for attending board committee meetings					
	• Commission					
	• Others, please specify					
	Total (1)					NIL
	4. Other Non-Executive Directors	Shri Ajay Jain (Chairman)	Shri Dilip Kumar Pattanaik	Shri Sai Kumar Suri	Dr. Koya Praveen	
	• Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL
	• Commission					
	• Others, please specify					
	Total (2)	NIL	NIL	NIL	NIL	NIL
	Total (B) = (1 + 2)	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	15,59,934
	Overall Ceiling as per the Act					

#### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel				
		CEO	Shri Vishnu Jhangela CS*	Sushri Shikha CS**	CFO	Total

Sl. no.	Particulars of Remuneration	Key Managerial Personnel				
		CEO	Shri Vishnu Jhangela CS*	Sushri Shikha CS**	CFO	Total
1.	Gross salary	-	1,40,570	1,27,606	32,70,080	34,10,650
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	1,40,570	1,27,606	32,70,080	34,10,650
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	NIL	NIL	NIL	NIL
3.	Sweat Equity	-	NIL	NIL	NIL	NIL
4.	Commission	-	NIL	NIL	NIL	NIL
	- as % of profit	-				
	- others, specify...	-				
5.	Others, please specify	-	NIL	NIL	NIL	NIL
	Total		1,40,570	1,27,606	32,70,080	34,10,650

\* Salary paid to Mr. Vishnu Jhangela (from date of appointment till date of resignation) and Ms. Shikha (from date of appointment till 31st march 2018)

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/CO URT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					

Place: New Delhi  
Date: 08/08/2019

By order of the Board  
For Godavari Gas Private Limited

Sd/-  
Raman Chadha  
Managing Director  
DIN: 06842809

Sd/-  
Dilip Kumar Pattanaik  
Director  
DIN: 075400312

**Annexure-III**

**Particulars of contracts/arrangements entered into by the company with related parties**  
**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**

There were no contracts or arrangements or transactions entered into during the financial year 2018-19, which was not at arm's length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis**

S. No	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date(s) of approval by the Board	Amount paid as advances, if any
1.	Andhra Pradesh Gas Distribution Corporation Limited (APGDC)	Salary/ other benefits to deputed man power	Nil	The related party transactions during the year were in the ordinary course of business and on arm's length basis.	Since all the related party transactions are in ordinary course of business and on arm's length basis, approval of board in not required	(43,23,760)
		Pre-operative expenses for Kovvur				(41,01,074)
		Purchase, Sales, VAT diff and Stock as on 31.12.2016				(2,94,959)

2.	Hindustan Petroleum Corporation limited (HPCL)	Salary/ other benefits to Shri Venkata Subbarao	Nil			(9,71,898)
		Stores at Ravulapalem				(8,42,400)
		Receivable towards supplies made & civil works				23,84,620
3.	GAIL India Limited	Towards march 2 <sup>nd</sup> fortnight supplies				(39,70,283)

**Date: 08/08/2019**

**Place: New Delhi**

**For and on behalf of  
Godavari Gas Private Limited (GGPL)**

**Sd/-**

**Shri Raman Chadha  
Managing Director  
DIN:06842809**

**Sd/-**

**Shri Dilip Kumar Pattanaik  
Director  
DIN: 07540032**

## INDEPENDENT AUDITORS' REPORT

### To the Members of M/s. Godavari Gas Private Limited Report on the Ind AS Financial Statements

1. We have audited the accompanying Ind AS financial statements of M/s. Godavari Gas Private Limited (“the Company”), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit And Loss (Including Other Comprehensive Income) The Statement of Cash Flows And Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to preparation of these Ind AS financial Statements that give a true and fair view of the state of affairs (financial position), profit or loss ( financial performance including other comprehensive income), cash flows and changes in the equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.
3. 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness the accounting records, relevant to the preparation and presentation of the Ind AS financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

4. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
5. We have taken into account the provisions of the act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules thereunder.
6. We conducted our audit of the Ind AS financial statements in accordance with the standards on auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
7. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers

internal financial control relevant to the Company's preparation of the Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

### Opinion:

9. In our opinion and to the best of our information and according to the explanations given to us the aforesaid Ind AS financial statements give the information required by the Act in manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (Financial Statements) of the company as at 31<sup>st</sup> March, 2019, and its loss (financial performance including other comprehensive income) and its cash flows and the changes in equity for the year ended on that date.

### Report on Other Legal and Regulatory Requirements.

10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in "**Annexure-A**" a statement on the matters specified in paragraphs 3 and 4 of the order.
11. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which are 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 these books.
  - c. The Balance Sheet, The Statement of Profit and Loss, the statement of Cash Flows and the Statement of changes in the Equity dealt with by this report are in agreement with the books of account.
  - d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of sections 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure -B**".

- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

12. As required under section 143(5) of the Act, following are the observations on directions issued by the Comptroller and Auditor-General of India.

- a. The company does not own any free hold land or lease hold land.
- b. The company has not waived/write off of debts/loans/ interest etc.
- c. Proper records are maintained for inventories lying with third parties & no assets were received as gift/grant(s) from Govt. or other authorities.

For **SIVA KRISHNA & NARAYAN**  
Chartered Accountants  
Firm Registration No: 03883S

**R.V.N. SASTRY, FCA**  
Membership No: 206635

**PLACE: Mumbai**

**DATE: 25/04/2019**

## ANNEXURE-A

### Referred to in Paragraph 10 of our Independent Auditors' Report of even date

- i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) As Explained to us, these fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies have been noticed on such physical verification.  
(c) According to the information and explanations given by the management, the title deeds of immovable properties included in tangible assets are held in the name of the Company.
- ii) The company does not deal in any goods and hence, the clause (ii) of paragraph 3 of the Order relating to the inventories is not applicable to the company.
- iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the act. Accordingly, the clauses (iii) (a), (iii) (b) and (iii) (c) of paragraph 3 of the Order are not applicable to the company.
- iv) There are no loans, investments, guarantees and security to which provisions of section 185 and 186 of the Act are applicable. Accordingly, the clause (iv) of paragraph 3 of the Order is not applicable to the Company.
- v) As explained to us, the Company has not accepted any deposits to which directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are applicable. Accordingly, clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its services.
- vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing undisputed statutory dues including provident funds, employees' state insurance, income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, applicable to it with the appropriate authorities. According to the information and explanations given to us, there were no undisputed statutory dues which have remained outstanding as at 31<sup>st</sup> March, 2019 for a period more than six months from the date they became payable.  
b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income tax or sales tax or services tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.
- viii) According to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of dues to bank. The company has not borrowed any moneys from any financial institution or government or debenture holders.
- ix) In our opinion and according to the information and explanations given to us, the term loans have been applied by the company for the purposes for which the same were obtained. The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments).



- x) On the basis of our examination and according to the information and explanations given to us, no fraud, by the Company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- xi) The company is a Private Limited Company. Accordingly, the clause (xi) of paragraph 3 of the Order relating to the payment or provision of managerial remuneration in accordance with requisite approvals mandates by the provisions of section 197 read with Schedule V to the Act is not applicable to the Company.
- xii) The Company is not a Nidhi Company. Accordingly, the clause (xii) of paragraph 3 of the order is not applicable to the Company.
- xiii) According to the information and explanations given to us and the records of the company examines by us, all transactions with related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- xiv) According to the information and explanations given to us and the records of the Company examined by us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. However, during the year, company allotted 2,15,00,000 equity shares of Rs.10/- each on rights basis vide allotment dated 31/03/2019. Accordingly, the clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- xv) According to the information and explanations given to us and the records of the Company examined by us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the clause (xv) of paragraph 3 of the Order relating to the compliance to the provisions of section 192 of the Act is not applicable to the Company.
- xvi) The Company is not required to be registered under section 45-1A of the Reservation Bank of India Act, 1934. Accordingly, the clause (xvi) of paragraph 3 of Order is not Applicable to the Company.

**For SIVA KRISHNA & NARAYAN**

Chartered Accountants

Firm Registration No: 03883S

R.V.N.SASTRY, FCA

Membership No: 206635

**PLACE:** Mumbai**DATE:** 25/04/2019

## ANNEXURE-B

### Report on the Internal Financial Controls under Clause i of Sub-section 3 of Section 143 of the Companies Act 2013 (“the Act”) referred to in paragraph 11(f) of our Independent Auditors’ Report of even date

1. We have audited the internal financial controls over financial reporting of M/s. GODAVARI GAS PRIVATE LIMITED (“the Company”) as of March 31, 2018 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

2. The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants Of India (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**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error.
5. 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**

6. A company’s internal financial control over financial reporting is a process designed to provide

assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance 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 expenditure of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

7. 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 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**

8. 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, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

### **For SIVA KRISHNA & NARAYAN**

Chartered Accountants

Firm Registration No: 03883S

R.V.N. SASTRY, FCA

Membership No: 206635

**PLACE: Mumbai**

**DATE: 25/04/2019**

**GODAVARI GAS PRIVATE LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2019**

(Amount in Rs.)

PARTICULARS	Note No.	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant & Equipment			
(i) Tangible assets	4	9,78,64,810	3,03,72,436
(ii) Intangible assets	4	23,35,201	-
(iii) Capital work-in-progress	5	52,52,72,290	13,69,38,798
(iv) Intangible assets under development		9,58,501	
(b) Other non-current assets	6	6,09,40,396	5,99,22,519
(c) Deferred Tax Asset (Net)	17	-	40,265
		<b>68,73,71,198</b>	<b>22,72,74,018</b>
<b>Current Assets</b>			
(a) Inventories	7	17,61,643	19,450
(b) Financial Assets			
(i) Trade Receivables	8	84,99,167	26,53,357
(ii) Cash & Cash Equivalents	9	6,87,41,431	19,58,471
(iii) Bank Balances other than (ii) above	10	1,55,85,416	1,50,00,000
(iv) Others	11	7,43,045	1,48,379
(c) Other Current Assets	12	7,41,557	51,500
		<b>9,60,72,259</b>	<b>1,98,31,158</b>
<b>TOTAL ASSETS</b>		<b>78,34,43,457</b>	<b>24,71,05,176</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	13	31,50,00,000	10,00,00,000
(b) Other Equity	14	(1,88,92,132)	(1,05,04,718)
		<b>29,61,07,868</b>	<b>8,94,95,282</b>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	31,42,16,579	6,73,29,779
(ii) Other Financial Liabilities		-	-
(b) Provisions	16	14,518	
(c) Deferred Tax Liability (Net)	17	31,21,881	-
(d) Other Non Current Liabilities		-	-
		<b>31,73,52,978</b>	<b>6,73,29,779</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade payables	18	14,28,98,608	6,67,11,154
(iii) Other Financial liabilities	19	2,25,89,982	2,30,50,950
(b) Other Current Liabilities	20	44,68,869	5,18,011
(c) Provisions	21	25,152	-
(d) Current tax liabilities (Net)	22	-	-
		<b>16,99,82,611</b>	<b>9,02,80,115</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>78,34,43,457</b>	<b>24,71,05,176</b>
		-	-

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board

**For Siva Krishna & Narayan**

Chartered Accountants  
Registration No. 03883S

**P Venkata Subbarao**  
**Chief Financial Officer**  
PAN - BSSPS8930G

**Shikha**  
**Company Secretary**  
PAN - GRPPS3230G

**Partner : R.V.N. SASTRY, FCA**

M.No : 206635

**R Chadha**  
**Managing Director**  
DIN - 06842809

**Dilip K Pattanaik**  
**Director**  
DIN - 07540032

Place:

Date :

**GODAVARI GAS PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2019**

(Amount in Rs.)

PARTICULARS	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>I Revenue</b>			
Revenue from Operations	23	5,40,33,565	1,80,51,782
Other Income	24	13,90,934	14,27,755
<b>Total Revenue</b>		<b>5,54,24,499</b>	<b>1,94,79,537</b>
<b>II Expenses</b>			
Cost of materials consumed	25	88,48,944	54,68,807
Purchase of Stock In trade		2,21,42,392	-
Changes in Inventories of Finished Goods		-	-
Work - in - Progress and Stock in trade		-	-
Excise Duty on Sale of CNG		11,75,203	-
Employee Benefit Expenses	26	8,33,311	-
Finance Cost		-	-
Depreciation & Amortization Expenses		30,75,225	6,85,909
Other Expenses	27	2,56,56,887	1,49,89,290
<b>Total Expenses</b>		<b>6,17,31,962</b>	<b>2,11,44,006</b>
<b>Profit before exceptional and extraordinary</b>		<b>(63,07,463)</b>	<b>(16,64,469)</b>
Exceptional items			
a) Expenses incidental to Land Acquisition transf to CWIP		(10,82,195)	-
<b>Profit before tax</b>		<b>(52,25,268)</b>	<b>(16,64,469)</b>
Tax Expense:			
(i) Current Tax			
(ii) Deffered Tax		31,62,146	(40,265)
Profit/ (Loss) for the Period		(83,87,414)	(16,24,204)
<b>Other Comprehensive Income</b>			
A: (i) Items that will not be reclassified to profit or loss in subsequent periods		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B: (i) Items that will be reclassified to Profit & Loss		-	-
(ii) Income tax relating to items that will be reclassified		-	-
<b>Other Comprehensive Income for the Year</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the Year</b>		<b>(83,87,414)</b>	<b>(16,24,204)</b>
<b>Earnings per Equity Share</b>			
Basic and Diluted Earnings Per Equity Share of Rs.10 each	28	<b>(0.83)</b>	<b>(0.16)</b>

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board

**For Siva Krishna & Narayan**Chartered Accountants  
Registration No. 03883S**P Venkata Subbarao**  
Chief Financial Officer  
PAN - BSSPS8930G**Shikha**  
Company Secretary  
PAN - GRPPS3230G**Partner : R.V.N. SASTRY, FCA**

M.No : 206635

Place:

Date :

**R Chadha**  
Managing Director  
DIN - 06842809**Dilip K Pattanaik**  
Director  
DIN - 07540032

**GODAVARI GAS PRIVATE LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED MARCH 31, 2019**

(Amount in Rs.)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit/(Loss) before tax	(52,25,268)	(16,64,469)
<b>Adjustments to reconcile net profit to net cash provided by operating activities</b>		
<b>Depreciation</b>	<b>30,75,225</b>	<b>6,85,909</b>
<b>Changes in assets and liabilities</b>		
(Increase)/Decrease in Current Assets		
(i) Inventories	(17,42,193)	(12,131)
(ii) Trade receivables	(58,45,810)	(26,18,534)
(iii) Other financial assets	(11,80,082)	1,49,83,063
(iv) Other current assets	(6,90,057)	(51,142)
Increase/(Decrease) in Current Liabilities		
(v) Trade payables	7,61,87,454	6,39,73,580
(vi) (Increase)/Decrease in other financial liabilities	(4,60,968)	1,46,37,957
(vii) Increase/(Decrease) in other current Liabilities	39,76,010	(4,27,196)
(viii) Increase/(Decrease) in other Non current Liabilities	14,518	-
	7,02,58,872	9,04,85,597
<b>Cash Generated from Operations</b>	<b>6,81,08,828</b>	<b>8,95,07,037</b>
Income taxes refund / (paid)	-	-
<b>Net Cash from Operating Activities ( A )</b>	<b>6,81,08,828</b>	<b>8,95,07,037</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Investment in Fixed assets	<b>(7,29,02,800)</b>	<b>(3,09,35,987)</b>
Investment in CWIP	<b>(38,92,91,993)</b>	<b>(12,32,02,031)</b>
Investment in other non-current assets (Capital advances)	<b>(10,17,877)</b>	<b>(1,94,28,280)</b>
<b>Net Cash from Investing Activities ( B )</b>	<b>(46,32,12,670)</b>	<b>(17,35,66,298)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Long term Loans raised	24,68,86,800	6,73,29,779
Equity capital raised	21,50,00,000	-
<b>Net Cash from Financing Activities ( C )</b>	<b>46,18,86,800</b>	<b>6,73,29,779</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A)</b>	<b>6,67,82,959</b>	<b>(1,67,29,482)</b>
Cash and Cash Equivalents As At Beginning of the Year	19,58,472	1,86,87,955
Cash and Cash Equivalents As At End of the Year	<b>6,87,41,431</b>	<b>19,58,472</b>

**Notes**

- i) The above Cash Flow Statement has been prepared under the 'Indirect Method' in accordance with Ind AS - 7 Statement of Cash Flows
- ii) Figures in brackets are outflows / deductions.
- iii) Cash and cash equivalents represent bank balances.

As per our report of even date

For and on behalf of the Board

**For Siva Krishna & Narayan**  
 Chartered Accountants  
 Registration No. 03883S

**P Venkata Subbarao**  
 Chief Financial Officer  
 PAN - BSSPS8930G

**Shikha**  
 Company Secretary  
 PAN - GRPPS3230G

**Partner : R.V.N. SASTRY, FCA**  
 M.No : 206635

**R Chadha**  
 Managing Director  
 DIN - 06842809

**Dilip K Pattanaik**  
 Director  
 DIN - 07540032

Place:  
 Date :

**GODAVARI GAS PRIVATE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2019**

**(A) EQUITY SHARE CAPITAL**

For the period ended March 31, 2019

Particulars	For year ended March 31,		For year ended March 31, 2018	
	No. of Shares	Amount in Rs	No. of Shares	Amount in Rs
<b>Equity shares of Rs. 10 each issued, subscribed and fully paid</b>				
Balance at the beginning of the reporting period	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Changes in equity share capital during the year	2,15,00,000	21,50,00,000	-	-
Balance at the end of the reporting period	3,15,00,000	31,50,00,000	1,00,00,000	10,00,00,000

**(B) OTHER EQUITY**

For the period ended March 31, 2019

Reserves and Surplus

(Amount in Rs.)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
<b>Retained Earnings</b>		
Balance at the beginning of the reporting period	(1,05,04,718)	(88,80,513)
Profit / (Loss) for the year (Note - 14)	(83,87,414)	(16,24,204)
Other Comprehensive Income for the Year	-	-
<b>Balance at the end of the reporting period</b>	<b>(1,88,92,132)</b>	<b>(1,05,04,718)</b>

For the period ended March 31, 2018

Reserves and Surplus

(Amount in Rs.)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
<b>Retained Earnings</b>		
Balance at the beginning of the reporting period	(1,05,04,718)	(88,80,513)
Profit / (Loss) for the year (Note - 14)	(83,87,414)	(16,24,204)
Other Comprehensive Income for the Year	-	-
<b>Balance at the end of the reporting period</b>	<b>(1,88,92,132)</b>	<b>(1,05,04,718)</b>

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board

**For Siva Krishna & Narayan**Chartered Accountants  
Registration No. 03883S**P Venkata Subbarao**  
Chief Financial Officer  
PAN - BSSPS8930G**Shikha**  
Company Secretary  
PAN - GRPPS3230G**Partner : R.V.N. SASTRY, FCA**

M.No : 206635

**R Chadha**  
Managing Director  
DIN - 06842809**Dilip K Pattanaik**  
Director  
DIN - 07540032

Place:

Date :



## GODAVARI GAS PRIVATE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31<sup>st</sup> March 2019.

#### **1. Reporting Entity**

Godavari Gas Private Limited (GGPL/the “Company”) is a company domiciled in India with registered office, in Rajahmundry, Andhra Pradesh.

GGPL was promoted as a joint venture company between Andhra Pradesh Gas Distribution Corporation Limited (‘APGDC’) and Hindustan Petroleum Corporation Limited (‘HPCL’) to carry on all or any business of storage, supply, sale, distribution and marketing of Compressed Natural Gas (CNG) as fuels for vehicles, Piped Natural Gas for domestic/commercial/industrial purposes in the states of Andhra Pradesh.

#### **2. Basis of preparation of financial statement**

##### **(a) Statement of compliance:**

- i) The financial statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- ii) Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
- iii) The financial statements were authorised for issue by the Board of Directors on 25<sup>th</sup> April 2019.

##### **(b) Functional and presentation currency:**

- i) These financial statements are presented in INR, which is the Company’s functional currency. All financial information presented in INR has been rounded to the nearest rupees.

##### **(c) Use of estimates and judgements:**

- i) The preparation of the financial statements in conformity with Ind ASs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.
- ii) Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

### 3. Significant accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise indicated.

#### (a) **Inventories:**

- i) Inventories are measured at the lower of cost and net realisable value.
- ii) The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity.
- iii) Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

#### (b) **Income Tax:**

- i) Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the statement of profit and loss except relating to items recognised directly in equity or in other comprehensive income.
- ii) Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.
- iii) Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.
- iv) Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit/ loss.
- v) Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.
- vi) Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.
- vii) A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### (c) **Property, Plant and Equipment:**

- **Recognition and measurement**

- i) Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.
- ii) Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use and borrowing costs on qualifying assets.
- iii) When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.
- iv) Stores & Spares which meet the definition of property plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.
- v) Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in the statement of profit and loss.
- vi) The capital work in progress includes material in transit / value of materials / equipment etc. received at site for use in the projects.
- vii) The related expenditure incurred during the year, which is attributable to acquisition / construction of fixed assets/projects, is capitalized at the time of commissioning of such assets.

- **Subsequent Costs**

- i) The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

- **Depreciation**

- i) Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.
- ii) Depreciation is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Land is not depreciated.
- iii) The estimated useful lives for the current and comparative periods are determined with reference to Schedule II to the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate

- **Intangible assets**

- i) Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding development costs, are not capitalised and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Development costs are capitalised if technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Corporation has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.
- ii) The useful lives of intangible assets are assessed as either finite or indefinite.
- iii) Intangible assets with finite lives are amortised on straight line basis over their useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each financial year end. The amortisation expense on intangible assets with finite lives and impairment loss is recognised in the statement of Profit & Loss.
- iv) Intangible assets with indefinite useful lives, such as ‘right of way’ which is perpetual and absolute in nature, are not amortised, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment loss on intangible assets with indefinite life is recognised in the Statement of Profit and Loss.

(d) **Leased Assets**

- i) Leases in terms of which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.
- ii) Other leases are operating leases and the leased assets are not recognised in the Company’s balance sheet.

(e) **Lease payments**

- i) Payments made under operating leases are recognised in the statement of profit and loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.
- ii) Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

iii) Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

**(f) Revenue:**

• **Goods Sold:**

- i) Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.
- ii) The timing of the transfers of risks and rewards varies depending on the individual terms of the contract of sale, which generally coincides with the delivery of goods to the customers.

• **Others:**

- i) Insurance claims are accounted for on the basis of claims admitted/settled by the insurers.

**(g) Employee Benefits:**

• **Defined contribution plans**

- i) A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that is due more than 12 months after the end of the period in which the employees render the service are discounted to their present value

• **Defined Benefit Plans:**

- i) A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on government bonds, in the absence of deep market for high quality corporate bonds that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid. The calculation is performed annually by a qualified actuary using the projected unit credit method.

ii) To the extent that the benefits vest immediately, the expense is recognised immediately in the statement of profit and loss. The Company recognises all actuarial gains and losses arising from defined benefit plans in other comprehensive income.

• **Other long-term employee benefits**

i) The Company's net obligation in respect of long-term employee benefits other than pension plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on government bonds, in the absence of deep market for high quality corporate bonds that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains/ losses are recognised in the statement of profit and loss in the period in which they arise.

• **Short term employee benefits**

i) Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

**(h) Foreign currency**

i) Transactions in foreign currencies are translated to functional currencies of Company at exchange rates at the dates of the transactions.

ii) Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

iii) Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

iv) Foreign currency differences arising on retranslation are recognised in the statement of profit and loss.

v) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

**(i) Provisions**

i) A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected

future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

**(j) Impairment**

• **Financial assets (including receivables)**

- i) A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.
- ii) Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security.
- iii) In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for trade receivables
- iv) The Company follows ‘simplified approach’ for recognition of impairment loss allowance on Trade receivables
- v) 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 in a separate line in the statement of profit and loss as an impairment gain or loss.

• **Non-Financial Assets**

- i) The carrying amounts of the Company’s non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated each year at the same time.
- ii) The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit, or CGU”).
- iii) The Company’s corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.
- iv) An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment

losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

- v) An impairment loss in respect of assets, impairment losses recognised in prior periods is assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(k) Financial Instruments:**

• **Financial Assets**

- i) The Company initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.
- ii) The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.
- iii) They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.
- iv) The Company's financial assets include security deposits, cash and cash equivalents, trade receivables and eligible current and non-current assets. Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

• **Financial Liabilities**

- i) The Company initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.
- ii) The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.
- iii) Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.



iv) The Company has the following financial liabilities:

Loans and borrowings and trade and other payables: Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

- **Share Capital**

- i) Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

- (l) **Finance Income and Finance Costs**

- i) Finance income comprises interest income on funds invested, dividend income. Interest income is recognised as it accrues in the statement of profit and loss, using the effective interest method.

- ii) Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, impairment losses recognised on financial assets. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the statement of profit and loss using the effective interest method.

- (m) **Earnings per share**

- i) The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares.

- ii) Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

- iii) Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise of shares to be issued to APIIC as a consideration for land given to the Company.

- (n) **Cash and Cash equivalents**

- i) Cash and cash equivalents includes cash on hand, balances with banks, 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.

- (o) **Non-Current Assets Held for Sale**

- i) Non-current assets comprising assets and liabilities, that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets are remeasured in accordance with the Company's accounting policies. Thereafter generally the assets are measured at the lower of their carrying amount and fair value less cost to sell. Any impairment loss on initial classification as held for sale and subsequent gains or losses on re measurement are recognised in the statement of profit and loss. Gains are not recognised in excess of any cumulative impairment loss.

**(p) New standards and interpretations not yet adopted**

- i) A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 March 2019, and have not been applied in preparing these financial statements. None of these is expected to have an effect on the financial statements of the Company.

**GODAVARI GAS PRIVATE LIMITED**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED March 31, 2019

**Note 4: Property, Plant and Equipment**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Property, Plant and Equipment (Note: 14A)	9,78,64,810	3,03,72,436
Intangible assets (Note: 14A)	23,35,201	-

**Note 5: Capital Work In Progress**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>As at the beginning of the year</b>	13,69,38,798	1,37,36,767
Additions during the year	45,87,11,675	15,41,38,018
Deductions during the year	7,03,78,183	3,09,35,987
<b>As at the end of the year</b>	<b>52,52,72,290</b>	<b>13,69,38,798</b>

**Note 6: Other Non-current assets**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Advances	4,03,69,506	5,55,88,775
Tap Off Charges	1,80,47,053	
Bank Guarantee Commission	25,23,837	43,33,744
<b>As at the end of the year</b>	<b>6,09,40,396</b>	<b>5,99,22,519</b>

**Note 7: Inventories**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Finished goods	1,47,361	19,450
Stores & Spares	16,14,282	-
<b>As at the end of the year</b>	<b>17,61,643</b>	<b>19,450</b>

**Note 8: Current Trade Receivables**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured considered good	84,99,167	26,53,357
Unsecured considered good		
Doubtful		
Less: Provision on Doubtful Debts		
<b>As at the end of the year</b>	<b>84,99,167</b>	<b>26,53,357</b>

The above trade payables include an amount of Rs. 24,09,318 outstanding from HPCL against supply of CNG.

**Note 9: Cash & Cash Equivalents**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Balances with Banks</b>		
- Current Account	4,63,66,316	5,000
- Other Bank Balances	2,23,75,115	19,53,471
<b>Total</b>	<b>6,87,41,431</b>	<b>19,58,471</b>

**Note 10: Other Bank Balances**

Particulars	As at March 31, 2019	As at March 31, 2018
Deposits For Margin Money With Banks	1,55,85,416	1,50,00,000
<b>Total</b>	<b>1,55,85,416</b>	<b>1,50,00,000</b>

**Note 11: Other Current financial assets**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Bank deposits with less than 12 months maturity	-	-
Interest accrued but not paid	-	-
Income Tax Refund	2,73,474	1,33,330
Other Security Deposits	4,69,571	15,049
<b>Total</b>	<b>7,43,045</b>	<b>1,48,379</b>

**Note 12: Other Current Assets**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance with employees including imprest advance	20,000	51,500
Other Prepaid Expenses	7,21,557	-
<b>Total</b>	<b>7,41,557</b>	<b>51,500</b>

**Note 13: Share Capital**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Authorized:</b>		
10,00,00,000 Equity Shares of Rs. 10 each	1,00,00,00,000	1,00,00,00,000
	<b>1,00,00,00,000</b>	<b>1,00,00,00,000</b>
<b>Subscribed Capital</b>		
3,15,00,000 Equity Shares of Rs. 10 each	31,50,00,000	10,00,00,000
	<b>31,50,00,000</b>	<b>10,00,00,000</b>
<b>Issued and fully Paid-up:</b>		
3,15,00,000 Equity Shares of Rs. 10 each	31,50,00,000	10,00,00,000
	<b>31,50,00,000</b>	<b>10,00,00,000</b>
<b>Subscribed but not fully paid up:</b>		
	-	-
	-	-

**Rights, preferences and restrictions attached to Shares:**

Equity Shares - The company has one class of Equity Shares having a par value of Rs.10 each, per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.

**Reconciliation of the number of shares outstanding at the beginning and at the end of reporting period:**

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
<b>Equity Shares</b>				
Number of Shares at the Beginning	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Add: Equity shares issued	2,15,00,000	21,50,00,000	-	-
Balance at the Reporting Date	3,15,00,000	31,50,00,000	1,00,00,000	10,00,00,000

**Shares held by Holding Company**

Out of equity shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
<b>Andhra Pradesh Gas Distribution Corporation</b>				
<b>Equity Shares</b>				
Number of Shares at the Beginning	74,00,000	7,40,00,000	74,00,000	7,40,00,000
Add: Equity shares issued	1,59,10,000	15,91,00,000	-	-
Balance at the Reporting Date	2,33,10,000	23,31,00,000	74,00,000	7,40,00,000

**Shareholders holding more than five percent of holdings:**

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% Holdings	No. of Shares	% Holdings
Equity shares of Rs. 10 each fully paid up				
Andhra Pradesh Gas Distribution Corporation, Holding Company	2,33,10,000	74%	74,00,000	74%
Hindustan Petroleum Corporation Limited, an enterprise with significant influence	81,90,000	26%	26,00,000	26%
<b>Total</b>	<b>3,15,00,000</b>	<b>100%</b>	<b>1,00,00,000</b>	<b>100%</b>

**Note 14: Other Equity**

(Amount in Rs.)

Particulars	As at March 31, 2018	As at March 31, 2018
<b>Reserves and Surplus</b>		
<b>Retained Earnings</b>		
Balance at the Beginning	(1,05,04,718)	(88,80,513)
Profit/(Loss) as per Statement of Profit and Loss	(83,87,414)	(16,24,204)
Balance at the Reporting Date	(1,88,92,132)	(1,05,04,718)
<b>Total</b>	<b>(1,88,92,132)</b>	<b>(1,05,04,718)</b>

**Note 15: Borrowings**

(Amount in Rs.)

Particulars	31st March 2019	31st March 2018
<b>A. Non-current borrowings</b>		
Term loans from banks (secured)	31,42,16,579	6,73,29,779
	31,42,16,579	6,73,29,779
<b>B. Current borrowings</b>		
Term loans from banks (secured)*	-	-
	-	-
Amount included under other financial liabilities		
Total current borrowings	-	-
* current portion of long term borrowings		

**C. Terms and repayment schedule**

Terms and conditions of outstanding borrowings are as follows:

(Amount in Rs.)

Particulars	31st March 2019	31st March 2018
1. Secured bank loan in INR	31,42,16,579	6,73,29,779
Canara Bank		
-Effective rate of interest - 8.55% (Bank's one year MCLR +0.1%)		
<b>Total borrowings</b>	<b>31,42,16,579</b>	<b>6,73,29,779</b>

2. Repayment of secured bank loan borrowed from Canara bank comprising of Term loan

The loan is repayable in 28 equal quarterly installments after a moratorium of 84 months from the initial draw down date. The year

**D. Security for bank loans**

Under term loan agreement - Secured by first charge on fixed assets (movable and immovable) of the company, both present and

**Note 16: Provisions**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits	14,518	-
<b>Total</b>	<b>14,518</b>	<b>-</b>

**Note 17: Deferred Tax Asset & liability**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liability	31,21,881	-
Deferred Tax Asset	-	40,265

Deferred tax liability/asset on account of temporary difference is recognised using tax rates and tax laws enacted or substantively enacted as on the Balance Sheet date

**Note 18: Trade Payables**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Payables - MSME	8,87,48,061	-
Trade Payables - Other than MSME	5,41,50,547	6,67,11,154
<b>Total</b>	<b>14,28,98,608</b>	<b>6,67,11,154</b>

**Note 19: Other Current Financial Liabilities**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
statutory liabilities	19,58,763.00	13,91,041.00
EMD & Security Deposits	1,44,21,161.00	55,45,686.00
Others	62,10,058.00	1,61,14,223.00
<b>Total</b>	<b>2,25,89,982.00</b>	<b>2,30,50,950.00</b>

The above amounts include

(i) Rs. 1,22,00,000 received from M/s. Lixil India Sanitaryware Pvt Ltd towards security for proposed pipeline for providing Industrial Gas Supplies. Upon commissioning of the pipeline, the same shall be returned and replaced by BG.

(ii) Payable to APGDC - Rs. 43,23,760/- towards deputation manpower cost, furniture transfer, kovvur station sale proceeds before taking over; HPCL - Rs.9,71,898 towards deputation manpower cost & 8,42,400 towards Warehouse rental at ravulapalem

**Note 20: Other Current Liabilities**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2017
Others	44,68,869	5,18,011
<b>Total</b>	<b>44,68,869</b>	<b>5,18,011</b>

**Note 21: Provisions**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits	25,152	-
<b>Total</b>	<b>25,152</b>	<b>-</b>

**Note 22: Current tax liabilities (Net)**

No provision of income tax has been made as the project is under construction/erection stage and substantial expenditure incurred are being capitalized.

**Note 23: Sale of Products**

(Amount in Rs.)

Particulars	For the year ended March 31,2019	For the year ended March 31,2018
Sale of PNG	2,78,87,668	-
Sale of CNG	2,61,45,897	1,80,51,782
<b>Total</b>	<b>5,40,33,565</b>	<b>1,80,51,782</b>

**Note 24: Other Incomes**

(Amount in Rs.)

Particulars	For the year ended March 31,2019	For the year ended March 31,2018
Interest On Others	13,74,302	14,24,255
Other incomes	16,632	3,500
<b>Total</b>	<b>13,90,934</b>	<b>14,27,755</b>

**Note 25: Cost of Materials Consumed**

(Amount in Rs.)

Particulars	For the year ended March 31,2019	For the year ended March 31,2018
Openig Stock	19,450	7,319
Cost of Materials Consumed	3,11,19,247	54,80,938
Less: Direct Sales	2,21,42,392	
Less: Closing Stock	1,47,361	19,450
<b>Total</b>	<b>88,48,944</b>	<b>54,68,807</b>

**Note 26: Employee Benefits Expense**

(Amount in Rs.)

Particulars	For the year ended March 31,2019	For the year ended March 31,2018
Salaries and Wages	7,37,374	-
Contribution to Provident & Other Funds	81,419	-
Retirement Benefits Expense (Pension, gratuity, Etc.)	14,518	-
Total	8,33,311	-

**Note 27: Other Expenses**

(Amount in Rs.)

Particulars	For the year ended March 31,2019	For the year ended March 31,2018
Auditor's Remuneration		
- Statutory Audit Fees	47,200	40,000
Filing Fees (ROC)		-
Bank Charges	22,346	28,905
Pre-incorporation expenses*		-
Power and Fuel	33,59,603	22,87,800
Support Staff - CNG Stations	26,39,020	18,50,979
Dispenser Maintenance	4,99,775	4,43,808
LCV Hiring Expenditure	30,63,759	10,83,365
Cascade Hydro Testing	3,14,706	2,04,700
Compressor Maintenance	38,41,473	30,66,652
PNG O&M	21,90,148	-
TCP - AMC Bhimadole	31,860	-
Manpower Cost of Support Staff - Office	28,14,346	13,88,388
Bank Guarantee Commission	19,55,972	12,73,410
Bidding Expenditure	-	8,73,870
Marketing & Advertisement	5,38,575	5,23,276
Professional Expenses	3,56,320	3,72,450
Insurance	3,77,567	-
Travelling	2,58,903	2,75,336
Telephone	95,446	95,468
Tap Off Amortized	9,49,845	
Printing & Stationery	3,47,635	86,917
Office Rent	5,98,500	5,87,100
Pipeline Operation and Maintenance charges	3,43,922	-
General O & M Expenditure CNG Stations	4,37,523	76,965
Other Admin & Office Maintenance	5,72,443	4,29,901
Total	2,56,56,887	1,49,89,290

**Note 28: Earnings Per Share**

Particulars		For the year ended March 31,2019	For the year ended March 31,2018
(i) Net (loss) as per the Statement of Profit & Loss available for Equity Shareholders.	Rs.	(83,87,414)	(16,24,204)
(ii) Weighted average number of equity shares used as denominator for calculating EPS		1,00,58,904	1,00,00,000
(iii) Basic and Diluted earnings per share (i/ii)	Rs.	(0.83)	(0.16)
(iv) Nominal value of shares	Rs.	10.00	10.00

**Note 29: Accounting Policy**

The accounting policy which was used in preparation of financial statements for the period ended 31st March 2018 has been consistently followed and there has been no change in the accounting policy used for preparation of financial statements for the period ended on 31st March 2019

**Note 30: Contingent Liabilities and Capital and other commitments**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>1. Contingent Liabilities:</b>		
(i) Payable to Promoter companies (APGDC & HPCL) incurred before incorporation of the company	-	4,36,91,057
(ii) Reimbursement of Manpower cost to APGDC	-	71,45,047
(iii) Guarantees given by GGPL	31,19,43,262	30,02,34,943
<b>2. Capital and other Commitments:</b>		
Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances)	2,13,89,77,046	51,00,01,913
<b>Total</b>	<b>2,45,09,20,308</b>	<b>86,10,72,960</b>

Contingent Liability of Rs. 4,36,91,057/- extinguished pursuant to agreement with the parties. Out of total of Rs. 4,36,91,057/- an amount of Rs. 1,96,45,044/- is crystallised as liability and taken as preincorporation Expense payable to HPCL (Rs.65,04,557/-) and to APGDC (Rs.1,31,40,487/-) and is paid in the way of Equity shares allotted to HPCL (Rs.65,04,557/-) and to APGDC (Rs.1,31,40,487/-) vide allotment dated 31/03/2019

**Note 31:** To the extent Micro and Small Enterprises have been identified, the outstanding balance, including interest thereon, if any, as at balance sheet date is disclosed on which Auditors have relied upon :

S.No.	Particulars	(Amount in Rs.)	(Amount in Rs.)
		2018-19	2017-18
1	Amounts payable to "suppliers" under MSMED Act, on 31/03/19:- - Principal	8,87,48,061	-
2	Amounts payable to "suppliers" under MSMED Act, beyond appointed day during F.Y 2018-19 (irrespective of whether it pertains to current year or earlier years) - Principal - Interest	-	-
3	Amount of interest due / payable on delayed principal which has already been paid during the current year (without interest or with part interest)	-	-
4	Amount accrued and remaining unpaid at the end of Accounting Year.	-	-
5	Amount of interest which is due and payable, which is carried forward from last year.	-	-

**Note 32: RELATED PARTY DISCLOSURE**

A	Name and Relationship with Related Parties		
1	Name of Related Parties		
	i. APGDC		
	ii. HPCL		
	iii. GAIL Inda Ltd		
	iv. GAIL Gas Ltd		
	v. Government of AP entities APGIC, APGenco, APIIC		
2	Key Management Personnel		
	i. Managing Director		
	ii. Chief Financial officer		
	iii. Company Secretary		
B	Details of Transactions and outstanding balances with related parties:-		
	i. APGDC		
No.	Nature of Transactions and outstanding balances	2018-19	2017-18
1	Transactions for the reporting period		
	- Deputation Manpower Cost	2,20,96,346	49,28,804
	- Pre - Operative Expenses for Kowur	41,01,074	-
2	Payable to <b>APGDC</b>		
	- towards furniture on behalf of GGPL	-	(1,11,417)
	- Salary / Other Benefits to Deputation Man power	(43,23,760)	(49,28,804)
	- towards Pre - Operative Expenses for Kowur	(41,01,074)	-
	- Purchases, sales, VAT diff and stock as on 31.12.16 at Kowur	(2,94,959)	(2,94,959)
	<b>Receivable from / (Payable to) APGDC</b>	<b>(87,19,793)</b>	<b>(53,35,180)</b>



i. HPCL			
No.	Nature of Transactions and outstanding balances	2018-19	2017-18
1	Transactions for the reporting period		
	- Deputation Manpower Cost	1,31,48,297	91,74,236
	- Sale of Natural Gas	1,39,97,195	1,37,28,602
	- Warehouse Rental	9,20,400	-
	- Civil Works	-	2,31,662
2	Payable to M/s. <b>HPCL</b>		
	- Towards Salary / Other Benefits to Deputation Manpower	(9,71,898)	(1,11,13,419)
	- Towards Stores at Ravulapalem	(8,42,400)	-
	- Receivable towards supplies made & civil works	23,84,620	24,09,318
	<b>Receivable from / (Payable to) HPCL</b>	<b>5,70,322</b>	<b>(87,04,101)</b>

## i. GAIL India Ltd

No.	Nature of Transactions and outstanding balances	2018-19	2017-18
1	Transactions for the reporting period		
	Purchase of Natural Gas	3,11,19,247	50,69,843
	Capital advance Paid for Hook up charges	1,00,00,000	-
	Permission charges for Pipeline	2,59,600	-
2	Payable to M/s. <b>GAIL</b>		
	- Towards Steel Pipe line	-	(22,60,722)
	- Towards March 2nd fortnight supplies	(39,70,283)	(3,02,146)
	<b>Receivable from / (Payable to) GAIL India Ltd</b>	<b>(39,70,283)</b>	<b>(25,62,868)</b>

## iv. GAIL Gas Ltd

GAIL India Ltd. has incurred a capital cost of Rs.5,65,97,400.52 (including spares of Rs. 35,019.12) on development of CNG Kowur assets and capitalised in their books on 17.05.2014. GAIL Gas is owning these assets as of 31.03.2017. GAIL Gas Vide their board resolution approved the transfer of these assets to APGDC. Commercial sale from this outlet was started in May'2016. APGDC operated these assets after capitalisation by GAIL Gas Ltd till December 2016 and there after as part of Joint venture set up with HPCL agreed to transfer the assets GGPL directly from GAIL Gas Ltd. at a depreciated value. Depreciated value of assets in the books of GAIL Gas Ltd. as of 31.03.2016 was Rs. 5,33,37,930.52

## v. Government of AP entities APGIC, APGenco, APIIC

No.	Nature of Transactions and outstanding balances	2018-19	2017-18
1		-	-
	Receivable from / (Payable to) Government of AP entities	-	-

## vi. Key Management Personnel

No.	Nature of Transactions and outstanding balances	2018-19	2017-18
1	Transactions for the reporting period		
	i. Company Secretary	2,98,872	-
2	Amount Outstanding As on 31/03/2019		
	i. Company Secretary	35,903	-

# Detailed disclosures of compensation paid to Key Managerial Personnel- Managing Director & Chief Financial officer are not provided as these payments are in the nature of reimbursement made to employees of shareholders of the company who are on deputation

<b>Note 33: OTHER NOTES</b>		(Amount in Rs.)	(Amount in Rs.)
		<b>2018-19</b>	<b>2017-18</b>
A	Payment to Auditors		
	- Audit fees	47,200	40,000
B	CIF value of imports during the year (excluding canalised imports):	-	-
C	Earning in Foreign exchange	-	-
D	Expenses in Foreign currency	-	-
<b>Note 34: Segment Information</b>			
	As the company has only one identifiable segment and disclosure under "Ind AS-108 Segment Reporting" is not applicable.		
<b>Note 35:</b> Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.			
<b>Note 36:</b> Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers & Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which will come into effect from 1st April 2018. The effect on adoption of this Ind AS is expected to be insignificant.			

**Note 37:****A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

Particulars	Carrying amount			(Amount in Rs.)
	FVTPL	FVTOCI	Amortised Cost	Total
<b>Financial assets</b>				
<b>Current</b>				
Cash and cash equivalents				
<b>As at March 31, 2019</b>	-	-	6,87,41,431	6,87,41,431
<b>As at March 31, 2018</b>	-	-	19,58,471	19,58,471
<b>Financial liabilities</b>				
<b>Current</b>				
Other Current financial liabilities				
<b>As at March 31, 2019</b>	-	-	7,43,045	7,43,045
<b>As at March 31, 2018</b>	-	-	1,48,379	1,48,379

**B. Financial Risk Management****I. Risk management Framework**

Currently Board is apprised of all the project related activities and associated risks which are discussed and deliberated by the Board. Adequate risk mitigation measures have been put in place as per directions of the Board.

The Company has exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk

**i. Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or the counterparty to a financial instrument fails to meet its contractual obligation.

The cash and cash equivalents represents balance held in bank.

**ii. Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The company is under implementation stage and the source of liquidity is capital infusion from promoters.

As per our report of even date

For and on behalf of the Board

**For Siva Krishna & Narayan**

Chartered Accountants  
Registration No. 03883S

**P Venkata Subbarao**  
**Chief Financial Officer**  
PAN - BSSPS8930G

**Shikha**  
**Company Secretary**  
PAN - GRPPS3230G

**Partner : R.V.N. SASTRY, FCA**  
M.No : 206635

**R Chadha**  
**Managing Director**  
DIN - 06842809

**Dilip K Pattanaik**  
**Director**  
DIN - 07540032

Place:  
Date :

**Note 14A- FIXED ASSETS**

Particulars	Gross Block				Accumulated Depreciation			Net Block		
	Balance as at 01 April 2018	Additions	Disposals	Balance as at 31 March 2019	Balance as at 01 April 2018	Depreciation	On disposals	Balance as at 31 March 2019	Balance as at 31 March 2019	Balance as at 31 March 2018
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
<b>A Tangible Assets</b>										
<b>Owned Assets:</b>				-						
Land				-				-		
Buildings	-	-		-	-	-	-	-	-	-
Plant & Machinery	2,96,62,842	7,04,62,095		10,01,24,937	5,30,321	27,88,422	-	33,18,743	9,68,06,194	2,91,32,521
Furniture and Fixtures	3,90,258	1,05,504	-	4,95,762	38,800	45,210	-	84,010	4,11,752	3,51,458
Vehicles	-	-	-	-	-	-	-	-	-	-
Office equipment	5,39,355	-		5,39,355	86,331	91,851	-	1,78,182	3,61,173	4,53,024
Computer	4,72,868	-		4,72,868	37,435	1,49,742	-	1,87,177	2,85,691	4,35,433
<b>Total</b>	<b>3,10,65,323</b>	<b>7,05,67,599</b>	<b>-</b>	<b>10,16,32,922</b>	<b>6,92,887</b>	<b>30,75,225</b>	<b>-</b>	<b>37,68,112</b>	<b>9,78,64,810</b>	<b>3,03,72,436</b>
<b>B Intangible Assets</b>										
Right Of Way	-	23,35,201	-	23,35,201	-	-	-	-	23,35,201	-
<b>C Capital Work In Progress</b>	13,69,38,798	45,87,11,675	7,03,78,183	52,52,72,290	-	-	-	-	52,52,72,290	13,69,38,798
<b>D Intangible assets under development</b>	-	32,93,702	23,35,201	9,58,501	-	-	-	-	9,58,501	-
<b>Total</b>	<b>16,80,04,121</b>	<b>53,49,08,177</b>	<b>7,27,13,384</b>	<b>63,01,98,914</b>	<b>6,92,887</b>	<b>30,75,225</b>	<b>-</b>	<b>37,68,112</b>	<b>62,64,30,802</b>	<b>16,73,11,234</b>



## ATTENDANCE SLIP

## GODAVARI GAS PRIVATE LIMITED

(A Joint venture of APGDC &amp; HPCL)

CIN: U40300AP2016PTC104159

Regd. Office: #85-06-23/2, 2nd Floor, Morampudi Junction, Near Indian Oil Petrol Bunk, Rajahmundry  
East Godavari AP 533107 IN

Website: [www.godavarigas.in](http://www.godavarigas.in); E-mail: [info@godavarigas.in](mailto:info@godavarigas.in); Phone: 0883-2476111

Date: 25<sup>th</sup> September, 2019

Day: Wednesday

Time: 11:00 AM

I hereby record my presence at the 3<sup>rd</sup> Annual General Meeting at Godavari Gas Private Limited at its registered office at #85-06-23/2, 2nd Floor, Morampudi Junction, Near Indian Oil Petrol Bunk, Rajahmundry East Godavari AP 533107 IN

Sl.No.	Name of the Member	Number of Shares	Signature of shareholder /proxy holder
1.	Andhra Pradesh Gas Distribution Corporation Limited	2,33,10,000	
2.	Hindustan Petroleum Corporation Limited	81,90,000	

## Notes:

1. Shareholder (s) present in person or through registered proxy shall only be entertained
2. No gifts will be distributed at Annual General Meeting

## PROXY FORM

**GODAVARI GAS PRIVATE LIMITED**  
 (A Joint venture company of APGDC & HPCL)  
 CIN: U40300AP2016PTC104159

Regd. Office: #85-06-23/2, 2nd Floor, Morampudi Junction, Near Indian Oil Petrol Bunk, Rajahmundry  
 East Godavari AP 533107 IN  
 website:www.godavarigas.in; E-mail: [info@godavarigas.in](mailto:info@godavarigas.in); Phone: 0883-2476111

Name of the share holder :

Registered address :

Email id :

Folio No/Client Id/DP Id :

I/we, being the member (s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1. Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Email id: \_\_\_\_\_  
 Signature: \_\_\_\_\_ or failing him

2. Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Email id: \_\_\_\_\_  
 Signature: \_\_\_\_\_ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 3<sup>rd</sup> Annual General Meeting of the members of Godavari Gas Private Limited will be held on Wednesday, 25<sup>th</sup> September, 2019 at 11:00 AM at its registered office at #85-06-23/2, 2nd Floor, Morampudi Junction, Near Indian Oil Petrol Bunk, Rajahmundry East Godavari AP 533107 IN and at any adjournment thereof in respect of such resolution as are indicated below:

S.No.	Matter of resolution	Vote	
		For	Against
<b>Ordinary business</b>			
1	To receive, consider and adopt the audited standalone Financial Statements for the financial year ended 31st March, 2019, Directors' Report including annexures thereto, Independent Auditors' Report and the comments thereon of the Comptroller & Auditor General of India, if any and to pass the following resolution, with or without modification (s), as an Ordinary		

S.No.	Matter of resolution	Vote	
		For	Against
<b>Ordinary business</b>			
	<b>Resolution:</b> <b>“RESOLVED THAT</b> audited standalone Financial Statements for the financial year ended 31st March, 2019, Independent Auditors’ Report, Comments thereon of the Comptroller & Auditor General of India and Directors’ Report including annexures thereto, be and are hereby approved and adopted.”		
2	<b>To authorize the Board of Directors of Company to fix the remuneration of the Statutory Auditor (s) of the Company in terms of the provisions of Section 142 of the Companies Act, 2013 subject to the appointment of Statutory Auditors for the FY 2019-20 in terms of provisions of section 139(5) &amp; (10) of Companies Act, 2013 and rules thereunder to pass the following resolution, with or without modification (s), as an Ordinary Resolution:</b>  <b>“RESOLVED THAT</b> the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of the Statutory Auditor (s) of the Company appointed by Comptroller and Auditor General of India for the Financial year 2019-20, as may be deemed fit by the Board subject to the appointment of Statutory Auditors for the FY 2019-20 in terms of provisions of section 139(5) & (10) of Companies Act, 2013 and rules thereunder”.		

Singed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Signature of shareholder:

Signature of proxy holder (s):

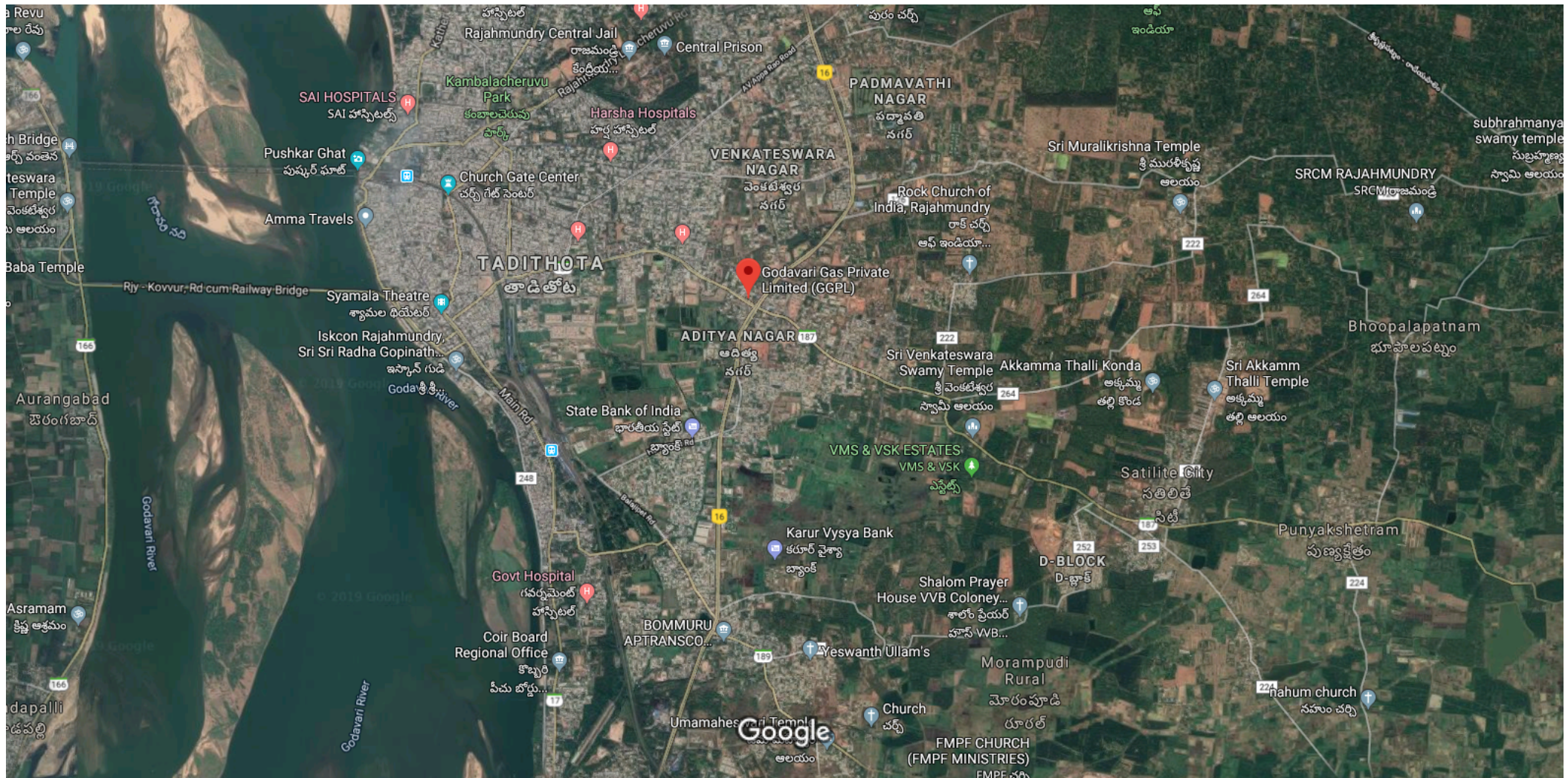
**Note:**

- This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting**
- The proxy form should be signed across the stamp.
- Appointing a proxy does not prevent a member from attending the meeting in person if so wishes.

Affix revenue  
stamp



# Google Maps Godavari Gas Private Limited (GGPL)



Imagery ©2019 Maxar Technologies, Imagery ©2019 CNES / Airbus, Landsat / Copernicus, Maxar Technologies, Map data ©2019 1 km