

# ANNUAL REPORT 2018-19



INDRADHANUSH GAS GRID LIMITED







## General Information

Name : INDRADHANUSH GAS GRID LIMITED  
CIN : U40300AS2018GOI018660  
Address : 5<sup>th</sup> Floor, Central Mall, Christian Basti, G.S. Road, Guwahati – 781005, Assam  
Website : [www.iggl.co.in](http://www.iggl.co.in)  
Email : [info@iggl.co.in](mailto:info@iggl.co.in)  
Phone : +91 95311 01226

### Board of Directors

Name	Designation	Nominated By
Shri Harendra Kumar Singh	Chairman	IOCL
Shri Mahesh Vishwanathan Iyer	Director	GAIL
Shri Rakesh Kaul	Director	ONGC
Shri Samir Kumar Das	Director	OIL
Shri Bruno Ekka	Director	NRL

### Key Managerial Personnel

Name	Designation	Nominated By
Dr. Deben Buragohain	CEO	GAIL
Shri Mahesh Prasad Sarraf	CFO	ONGC
Shri Arpan Baid	Company Secretary	

### STATUTORY AUDITORS

M/s Hari Singh & Associates (FRN 323509E)  
House No. 3, Opp. ICICI Bank,  
Chilarai Nagar Path, Bhangagarh,  
Guwahati, Assam – 781032  
Email ID : [hsa.audit@gmail.com](mailto:hsa.audit@gmail.com)

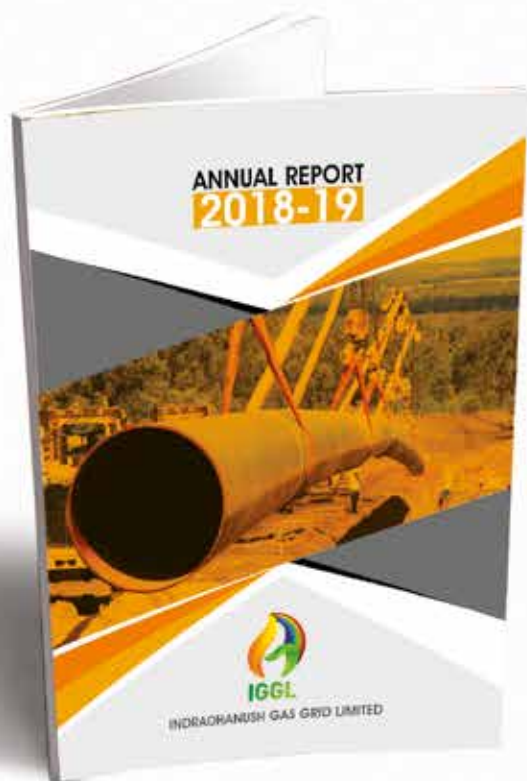
### BANKERS

State Bank of India

## REGISTRAR & TRANSFER AGENT

### Alankit Assignments Ltd

Alankit Heights, 2E/21, Jhandewalan Extension, New Delhi-110055  
Website : [www.alankit.com](http://www.alankit.com), Tel No.: 011-4254 1234, Email id : [rta@alankit.com](mailto:rta@alankit.com)



# ANNUAL REPORT 2018-19

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**IGGL** INDRADHANUSH GAS GRID LIMITED





Dear Shareholders,

Ministry of Petroleum and Natural Gas has formulated the "Hydrocarbon Vision 2030 for North-East India" and to take forward the Government's vision, five major oil and gas PSUs having very rich experience in the hydrocarbon sector i.e. Indian Oil Corporation Ltd., Oil and Natural Gas Corporation Limited, Gas Authority of India Limited, Oil India Limited and Numaligarh Refinery Limited have joined hands and formed a Joint Venture Company to develop and operate a Natural gas pipeline grid in the North Eastern Region of India. With this goal, your company "Indradhanush Gas Grid Limited (IGGL)" was incorporated on 10<sup>th</sup> August' 2018.

This 1656 km long North East Gas Grid would source gas from GAIL's Barauni-Guwahati Pipeline and indigenous gas sources in North East would connect to all North-Eastern states to meet the natural gas demand of industrial, domestic and transportation sector.

The gas pipeline infrastructure shall help in development of gas based economy and is expected to boost economic and industrial growth in the region. This pipeline grid would enable natural gas supplies to various types of consumers viz. Industrial, PNG (Domestic), CNG (Transport) etc. and immensely help in substituting the liquid fuels towards use of cleaner and green fuel. The pipeline grid would ensure reliability and uninterrupted natural gas supplies to the consumers which otherwise gets severely affected due to various reasons in this part of the country.

As per the Detailed Feasibility Report of this project, the estimated cost of the project is Rs.9265 Crores. Considering the start of project work in phases, final completion of entire project is scheduled by 2023. To expedite the implementation and economic viability & sustainability of this grand project spanning the hilly terrains of North East, of this your company has sought capital grant as viability grant funding from the Government.

A milestone moment for IGGL took place on 9th February'2019, when we were honoured to have the "Foundation Stone" of the project laid by Sh. Narendra Modi, the Hon'ble Prime Minister of India at Guwahati.

With the provisional authorisation granted by Petroleum & Natural Gas Regulatory Board to IGGL on 14th September' 2018, your company is going ahead with all preliminary & pre-project activities.

I take this opportunity to acknowledge the support of the all Stake holders, Central and State Governments, Regulators, Vendors and particularly, the promoter PSUs for continuous support in going forward with the North East Gas Grid project.

I am confident that with the continued support of the Promoter Companies and with our motivated Employees, the journey of Indradhanush Gas Grid Limited will be much more exciting and accomplishing in the coming times.

Date: 05.11.2019  
Place: Noida

Sd/-  
**Harendra Kumar Singh**  
Chairman

# Major Events



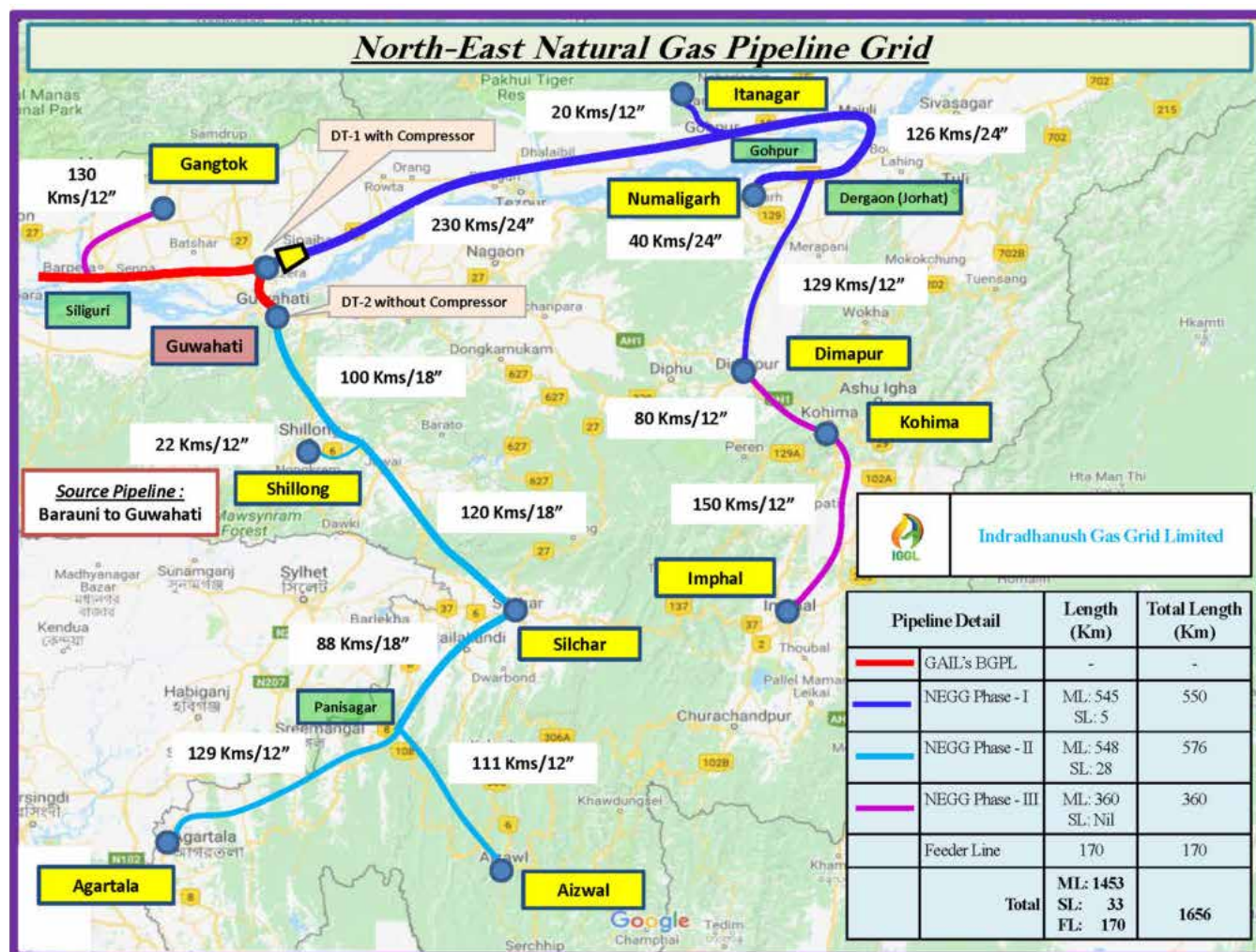


Hon'ble Prime Minister of India, Shri Narendra Modi laid the foundation stone of North East Gas Grid Project of Indradhanush Gas Grid Limited on February 9, 2019 at Guwahati, Assam





(JV Agreement forming IGGL was signed by IOCL, ONGC, GAIL, OIL and NRL at Guwahati on 20th July, 2018)



The natural gas pipeline grid in North east would connect Guwahati to capital cities/major cities of North east states like Itanagar, Dimapur, Kohima, Imphal, Aizwal, Agartala, Shillong, Silchar, Gangtok and Numaligarh. The grid would be connected with upcoming Barauni-Guwahati natural gas pipeline as a part of Urja-Ganga scheme. The grid would also connect to sustainable and viable indigenous gas sources in North-East. The pipeline grid has been designed with flexibility for gas injection in either direction.



# BOARD OF DIRECTORS



Mr. Harendra Kumar Singh is nominated as Director (Chairman) of IGGL by IOCL. He is a B.Sc. Engg. (Mechanical Engg.) Graduate from BIT Sindri, and has over 33 years of vast experience in Design, Engineering, Construction and Project Management of Oil & Gas pipelines including offshore crude handling involving Single Point Mooring facilities in challenging high sea conditions. His in-depth experience in bringing innovative operation, maintenance and inspection techniques has immensely improved the reliability and longevity of Indian Oil's extensive pipeline network spanning over 14500 Kms. He has been extensively trained on Design and Engineering of Gas Pipeline Project in Canada.

As Executive Director (Projects), he is currently heading the critical Projects Department of Pipelines Division of Indian Oil Corporation Limited covering all engineering wings including system design & gas projects under his ambit and is ably handling nearly 15 simultaneous projects worth about INR 24000 Crores at present. He is also one of the Directors in IHB Pvt. Ltd. executing the Kandla-Gorakhpur LPG pipeline project, one of the world's longest LPG pipeline under construction.



Mr. Mahesh Vishwanathan Iyer is nominated as Director of IGGL by GAIL. He is an Electrical Engineering Graduate from MANIT, Bhopal and graduated in 1986. He carries a rich experience of over 33 years in the hydrocarbon sector. He is also serving as Executive Director (Projects) in GAIL (India) Limited since April, 2016 as head of Corporate Pipeline Projects Department leading multidisciplinary team consisting of technical, Contracts & Procurement, Finance, Civil and Survey & Land Records teams. He was the Project Manager for the GAIL's KG Basin pipeline replacement project phase-1, which received Bronze Medal for Excellence in project Management from International Project Management Association, Kazakhstan and also recipient of 11th CIDC Vishwakarma Award 2019 for category of Public Officer. He has been in Projects execution delivering Projects amounting to INR 40,000 crores spanning 16 states, 150 districts and City Gas Distribution (CGD) projects in 6 cities.



Mr. Rakesh Kaul is nominated as Director of IGGL by ONGC. He is a graduate in Electrical Engineering and MBA with 36 years of experience in ONGC. Currently working as Chief – Business development and Joint Venture, ONGC.

He is having experience in the areas of Field Maintenance, Quality assurance, Marine Planning, Project execution, ERP-SAP implementation and Business development and JV Management. Mr. Kaul is also certified lead auditor for QMS, EMS and ISMS systems, certified in Project Management (GW university, USA). He is also a speaker at various International forums like American SAP user Group (ASUG), and SAP-EAM, USA





Mr. Samir Kumar Das is nominated as Director of IGGL by OIL. He has over 30 years of rich and varied experience in Midstream sector of Oil & Gas Industry. He holds Bachelor of Engineering degree in Mechanical discipline. Mr. Das has served the organization in various capacities across all the functions of Pipeline Department in Guwahati and other locations and also extensively worked in Strategic & Corporate Planning Department in Duliajan and Delhi/Noida. He was actively involved in Restructuring initiative of the organization and also associated in some of the business initiatives undertaken by OIL.

He was instrumental in managing INR 1200 crore Up-gradation project of Pump Stations & Receipt Terminals of Naharkatiya – Barauni Crude Oil Pipeline and responsible for successful completion of the project in all respect as Head of Pipeline Project group. Later, he took over the charge of Pipeline Department of OIL and presently posted as Executive Director (Pipeline Services).



Mr. Bruno Ekka is nominated as Director of IGGL by NRL. He started his career in Bharat Petroleum Corporation Limited (BPCL) in 1984. Thereafter, he joined NRL on deputation in the year 1995.

Later he was absorbed by Numaligarh Refinery Limited in 2005 and presently, discharging his responsibilities therein as Sr. Chief General Manager (Marketing & Business Development).

Mr. Ekka is a B. Com (Hons) Graduate from Dibrugarh University and also holds a PG diploma in PM & IR from Xavier Labor Relations Institute, Jamshedpur. He has a diverse and extensive experience in HR, Marketing & Business Development with more than 35 years in the Oil Industry.





## BOARD'S REPORT TO SHAREHOLDERS

Your Directors take pleasure in presenting the 1<sup>st</sup> Board's Report of **Indradhanush Gas Grid Limited (IGGL)** along with audited financial statements for the financial year 2018-19.

### 1. PRE-PROJECT WORK, FUTURE OUTLOOK AND ASPECTS

#### Brief of Project:

Indradhanush Gas Grid Limited (IGGL) was incorporated as a Joint Venture Company on 10.08.2018 by Indian Oil Corporation Limited (IOCL), Oil and Natural Gas Corporation Limited (ONGC), GAIL (India) Limited (GAIL), Oil India Limited (OIL) and Numaligarh Refinery Limited (NRL). IGGL has been entrusted by the Ministry of Petroleum & Natural Gas (MoP&NG) to develop North East Gas Grid (NEGG) pipeline network, in line with Hydrocarbon Vision 2030 for Northeast, with the objective to leverage the region's hydrocarbon potential, enhance access to clean fuels, facilitate economic development to all the major Cities / State Capitals of Northeast.

1656 Kms. long pipeline shall be constructed under NEGG Project and Indradhanush Gas Grid Limited has taken up the challenging task for construction / laying the pipeline network in North-Eastern states where the sections will be passing through plain and hilly terrains, forest / jungle and non-cadastral areas of hilly states.

It has been planned to be implement the project in phases, based on the demographical and geographical area of the region and the linkage with Highway widening works:

#### Phase I

Length of 568 km comprising of the following sections:

- Guwahati- Numaligarh section with branch line to Itanagar.
- Dergaon- Dimapur branch line.

#### Phase II

Length of 728 km comprising of the following sections:

- Guwahati- Shillong- Silchar- Panisagar and Banaskandi.
- Panisagar-Agartala and feeder lines.
- Panisagar-Aizawl.

#### Phase III

Length of 360 km comprising of the following sections where the implementation is linked to highway width widening:

- Dimapur-Kohima Section
- Kohima- Imphal Section

#### Role & Responsibilities:

The project team is to carry out the reconnaissance survey, Detailed Engineering Survey of the pipeline route, Acquisition of Right-of-Use under Petroleum & Minerals Pipelines Act 1962, Acquisition of Permanent Land for Stations, Conduct Environmental Impact Assessment, Disaster Management Plan, Risk Assessment, Obtaining of Forest / Wild Life Clearance and Railway / National Highway / State Highway / Major District Road / Water Bodies Crossing Permissions, Environmental Clearance, Review of the Basic Process Design & P&ID, Arrangement of Logistic for Spread Camp Facilities, Hiring of Project Management Consultant, Tendering & Procurement, Execution & Monitoring of the project and Contractual Management.

#### Progress of North East Gas Grid Pipeline project:

##### Company formation

- ✓ Joint Venture Agreement signed on 20.07.2018 and after which Indradhanush Gas Grid Limited (IGGL) got incorporated on 10.08.2018.
- ✓ Provisional Authorization from PNGRB received on 14.09.2018 & PBG submitted on 31.10.2018.
- ✓ Draft Feasibility Report (DFR) approved by IGGL Board on 24.09.2018.

##### Pre-Construction activity:

- ✓ Detailed Reconnaissance Survey and Detailed Engineering Survey of the above pipeline route has been completed.
- ✓ Notified of the Competent Authority under Section 2

of Petroleum & Mineral Pipeline Act 1962 by Ministry of Petroleum & Natural Gas in Gazette of India for the State of Assam on 08.01.2019, Tripura on 19.01.2019 and Meghalaya on 15.03.2019.

- ✓ Cadastral Survey of Pipeline of Assam and Tripura State under Phase-I & II of the pipeline has been completed.
- ✓ The Project will be implemented through Project Management Consultant, to support in the design & engineering, technical & safety aspects, tendering, procurement and execution & supervision of the project.

## 2. FINANCIAL PERFORMANCE

The Company is still in the process of completing its pre-project work. The summarized financial results of the Company for the year 2018-19 is given below :

### 2.1 Financial Results

(INR In Lakhs)

Particulars	Current Year 2018-19
Revenue from Operations	NIL
Other Income (Interest on FD)	57.71
Total Expenses	1,269.94
Profit/ (Loss) before taxation and prior period adjustments	(1,212.23)
Prior Period Adjustments	NIL
Profit/ (Loss) before taxation	(1,212.23)
Tax Expense	NIL
Profit/ (Loss) for the year	(1,212.23)
Other Comprehensive Income/ (Expenses), net of tax	NIL
<b>Total comprehensive income/ (expenses) for the period</b>	<b>(1,212.23)</b>
<b>Earnings per share (INR)</b>	<b>(10.39)</b>
<b>Networth</b>	<b>1,287.77</b>

### 2.2 Dividend

Since the Company has not started its operation accordingly there has been no revenue from operations during the year. In absence of requisite profit, the Company incurred Net Loss and so the Board is not recommending any Dividend for the year 2018-19.

### 2.3 Capital Expenditure

The total amount of Capital Expenditure incurred during the reporting FY was INR 95.74 Lakhs (including the Pre-Project Expenditure of INR 94.23 Lakhs).

### 2.4 Particulars of Investments made and Loans/ Guarantee given by the Company

Apart from depositing in the Fixed Deposits with Bank (please refer to Note 5 & 6 of the Financial Statement), the Company has not made any investment (other than the FD of INR 14 Crores made with RBL Bank and kept with them as lien for BG of INR 20 Crores) or given loans / guarantees during the year under review.

## 3. SHARE CAPITAL

### 3.5 On Incorporation

IGGL was incorporated on 10.08.2018 with the initial subscribed capital of INR 10 Crores (Rupees Ten Crores only) i.e. INR 2 Crores (Rupees Two Crores only) from each of the JV Partners. The amount was duly received and 1,00,00,000 (One Crore) Equity Shares of INR 10/- (Rupees Ten only) each were issued i.e. 20,00,000 (Twenty Lakhs) Equity Shares to each of the JV Partners (along with their nominees).

### 3.6 Changes during the reporting F.Y.

#### (a) Increase of Authorised Share Capital:

The Authorised Share Capital of the Company was increased from INR 1,00,00,00,000 (Rupees One Hundred Crore Only) to INR 5,00,00,00,000 (Rupees Five Hundred Crore Only) via passing of Special Resolution in the Extra- Ordinary General Meeting of the Company held on 18<sup>th</sup> January, 2019.

#### (b) Increase of Paid up Share Capital:

The Company made a right offer of 1,50,00,000 (One Crore & Fifty Lakhs Only) Equity Shares of INR 10/- (Rupees Ten Only) each (at par) to JV Partners and the same were duly allotted on 25<sup>th</sup> October 2018.

### 3.3 Further Allotment between the end of the F.Y. & the date of this report

In order to meet its capital requirements, the Company made a right offer of 1,50,00,000 (One Crore & Fifty Lakhs Only) Equity Shares of INR 10/- (Rupees Ten Only) each (at par) to JV Partners on 12.07.2019 and the same were duly accepted and allotted on 29<sup>th</sup> August 2019.



## 4. DIRECTORS AND KEY MANAGERIAL PERSONNEL

### 4.1 On Incorporation

IGGL was incorporated on 10.08.2018 with the following five Nominee Directors (Non Executive):

SI No.	Name of the Director	Parent Organization	Designation in IGGL
1	Shri Harendra Kumar Singh	IOCL	Chairman
2	Shri Mahesh Vishwanathan Iyer	GAIL	Nominee Director
3	Shri Rakesh Kaul	ONGC	Nominee Director
4	Shri Samir Kumar Das	OIL	Nominee Director
5	Shri Apurba Kumar Bhattacharya	NRL	Nominee Director

### 4.2 Changes during the Financial Year under Review

During the year under review, Shri Bruno Ekka has been nominated by NRL as its Nominee on the Board of your Company on 05.03.2019 and in place of Shri Apurba Kumar Bhattacharya (due to superannuation in NRL). The Board appreciated and is thankful to Shri A.K. Bhattacharya for his valuable services offered to the Company during his tenure.

### 4.3 Key Managerial Personnel

- (i) Dr. Deben Buragohain (nominated by GAIL) has been appointed as Chief Executive Officer (CEO) of the Company on 07.09.2018.

### 4.6 Board Meetings and Attendance

During the financial year under review, 5 (five) Board Meetings were held on the following dates :-

Director		Date of Board Meeting Attended				
		07.09.2018	24.09.2018	25.10.2018	05.12.2018	22.02.2019
Name	Designation					
Harendra Kr. Singh	Chairman	Yes	Yes	Yes	Yes	Yes
Mahesh Vishwanathan Iyer	Nominee Director	Yes	Yes	Yes	Yes	Yes
Rakesh Kaul	Nominee Director	Yes	Yes	Yes	Yes	Yes
Samir Kr. Das	Nominee Director	Yes	Yes	Yes	Yes	Yes
Apurva Kr. Bhattacharya (Till 28.02.2019)	Nominee Director	Yes	Yes	Yes	Yes	Yes
Bruno Ekka (appointed on 05.03.2019)	Nominee Director	N/A	N/A	N/A	N/A	N/A

- (ii) Shri Mahesh Prasad Sarraf (nominated by ONGC) has been appointed as Chief Financial Officer (CFO) of the Company on 07.09.2018.
- (iii) In addition to above, the following were also appointed as a part of Management Team of IGGL:
- (a) Shri Pallab Nag, nominated by OIL, has joined as Chief HR & Compliance Manager (CHRCM) w.e.f. 07.09.2018
- (b) Shri Sujit Kr. Das, nominated by NRL, has joined as Chief Project Manager (CPM) on 07.09.2018.

### 4.4 Changes in Board of Director and KMP between the end of the F.Y. under review and date of this Report

- (i) There were no changes in the composition of Board of Directors of the Company between the end of the year under review and the date of this report.
- (ii) Shri Arpan Baid has joined as the Company Secretary of IGGL on 18.06.2019.

### 4.5 Directors appointment in the ensuing AGM

In accordance with the provisions of the Section 152 (6) (c) of Companies Act, 2013 all the First Directors i.e. (i) Shri Harendra Kumar Singh (ii) Shri Mahesh Vishwanathan Iyer (iii) Shri Rakesh Kaul (iv) Shri Samir Kumar Das and (v) Shri Bruno Ekka, are due to retire at the ensuing First Annual General Meeting and being eligible, have offered themselves for re-appointment in compliance of JV Agreement. Business with respect to their reappointment is one of the agenda of the ensuing First Annual General Meeting of the Company.

#### **4.7 Disclosure of Interest by Director**

Your Directors has followed the Corporate Ethics and under Section 184(1) of the Companies Act, 2013 has given the notice to the Company disclosing their interest in Companies and Firms in which they and their relatives are interested or concerned. None of the directors are disqualified and they also confirmed their eligibility under Section 164 of the Companies Act, 2013.

#### **4.8 Independent Directors**

As there are no Independent Directors on the Board of the Company, the declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 does not arise.

#### **4.9 Managerial Remuneration**

No remuneration has been paid to any Director for the year 2018-19. Further details of remuneration paid to KMP is given in Form MGT – 9 (enclosed as **ANNEXURE A**).

#### **4.10 Policy on Director's Appointment and Remuneration and other Committees in existence in the Company under Sub Section (1) of Section 178**

The Company is not required to form any committee as required to form under Companies Act, 2013. The appointments of all the Directors have been made taking into considerations all applicable provisions of the Companies Act, 2013 as per the JV Agreement and Articles of Association of the Company.

### **5. (A) MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

Apart from the allotment of 1,50,00,000 (One Crore & Fifty Lakhs Only) Equity Shares of INR 10/- each (Rupees Ten Only) as mentioned in Point 3.3 above, there have been no other material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report. There has been no change in the nature of business of the Company.

### **(B) CHANGES IN REGISTERED OFFICE**

Registered office of the Company shifted from "122A, G.S. Road, Christian Basti, Guwahati-781005, Assam" to "5<sup>th</sup> Floor, Central Mall, Christian Basti, G.S. Road, Guwahati-781005, Assam" with effect from 01.07.2019,

### **6. BUSINESS RISK MANAGEMENT**

Although the company doesn't have any specific risk management policy as on date. However, the Board reviews the means adopted by the company to mitigate the risk from time to time.

### **7. AUDIT**

#### **7.1 Auditors**

M/s Hari Singh & Associates (FRN 323509E) were appointed as Statutory Auditors of the Company by the Comptroller & Auditor General of India (C&AG) for the financial year 2018-19.

The office of the C&AG has further appointed M/s Hari Singh & Associates for the F.Y. 2019-20 vide its letter dated 09.08.2019.

#### **7.2 Auditors' Report and C & AG Comments**

The Auditors' Report does not contain any qualification or adverse remarks. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

C&AG has issued Non-Review Certificate on financial statements of the Company for the F.Y. 2018-19.

### **8. 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 **MGT 9** as a part of this Board's Report is enclosed as **ANNEXURE A**.

(Weblink: <https://iggl.co.in/investors/annualreport/2018-19.pdf>)



## 9. DEPOSITS

The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 73 read with Companies (Acceptance of Deposits) Rules, 2014, during the financial year ended 31<sup>st</sup> March, 2019.

## 10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not provided any Loans & Advances or given any guarantees falling under the purview of Section 186 of the Companies Act, 2013.

## 11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

- Your Company has always been taking proper steps for the conservation of the energy keeping in mind the fact regarding the scarcity of energy in the Country.
- Your Company has always been trying to keep itself technologically updated from time to time.
- There was no foreign exchange earnings and outgo during the year under review.

## 12. INTERNAL FINANCIAL CONTROLS

The Company has aligned its current system of internal financial control with the requirement of Companies Act, 2013. IGGL's internal controls are commensurate with the size and the nature of its operations. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

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

The Company has provided a gender friendly work

place with equal opportunity for men and women. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is in force to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints therewith or incidental thereto. IGGL has an internal Complaints Committee per provisions of the Act which is pro-active and functional. During the year 2018-19, no complaint of sexual harassment was received by the Company.

## 14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Relevant information on related party transactions in Form AOC-2 is provided as **Annexure B** to the Boards' Report.

Your Directors draw attention of the members to Note No. 20 to the Financial Statement which sets out related party disclosures.

## 15. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

There were no funds which were credited/required to be transferred to Investor Education and Protection Fund (IEPF).

## 16. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis; and
- e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 17. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their deep gratitude for the untiring efforts put in by our JV Partners : IOCL, ONGC, GAIL, OIL and NRL, in building up the Company. Whether it be by way of providing employees on deputation, office space from time to time, assistance in completing pre-project activities or providing guidance and help whenever asked for, the JV Partners have always been there as guardian to the Company. IGGL is also grateful to the MoP&NG, task force members and Nodal Officers of JV Partners without whose guidance and support, the Company couldn't have been incorporated.

The Company is thankful to the employees including those who are on deputation from all JV Partners as well as other outsourced personnel, various Government Departments & Agencies.

Your Directors are also grateful to the Bankers for providing assistances to the Company from time to time.

**For Indradhanush Gas Grid Limited**

**Sd/-**  
**(Harendra Kumar Singh)**  
**Chairman**  
**DIN 07045323**

**Date : 01.10.2019**

**Place : Noida**

**ANNEXURE A**
**FORM NO. MGT 9**
**EXTRACT OF ANNUAL RETURN**
**As on financial year ended on 31.03.2019**
**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1)  
of the Company (Management & Administration) Rules, 2014.**

<b>I. REGISTRATION &amp; OTHER DETAILS</b>		
1	CIN	U40300AS2018GOI018660
2	Registration Date	10.08.2018
3	Name of the Company	INDRADHANUSH GAS GRID LIMITED
4	Category/Sub-category of the Company	Company Limited by shares
		Indian Non-Government Company
5	Address of the Registered office & contact details	From 10.08.2018 to 30.06.2019 : 122A, G.S Road, Christian Basti, Guwahati-781005, Assam, India From 01.07.2019 : 5 <sup>th</sup> Floor, Central Mall, Christian Basti, G.S. Road, Guwahati, Assam 781005 Phone No. : +91 95311-01226
6	Email	info@iggl.co.in
7	Website	www.iggl.co.in
8	Whether listed company	No
9	Name, Address & contact details of the Registrar & Transfer Agent, if any.	ALANKIT ASSIGNMENTS LTD Alankit Heights, 3E/7, Jhandewalan Extn., New Delhi-110055 Tel No. 011-4254 1234 Email id : rta@alankit.com

<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
	The Company is still completing its project activities.		

<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NIL</b>					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NOT APPLICABLE					





#### 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 10-August-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/HUF		4	4	0.00		4	4	0.00	0.00
b) Central Govt			-	0.00				0.00	0.00
c) State Govt(s)			-	0.00				0.00	0.00
d) Bodies Corp.		9,999,996	9,999,996	100.00		24,999,996	24,999,996	100.00	150.00
e) Banks / FI			-	0.00				0.00	0.00
f) Any other			-	0.00				0.00	0.00
<b>Sub Total (A) (1)</b>		10,000,000	10,000,000	100.00		25,000,000	25,000,000	100.00	150.00
(2) <b>Foreign</b>									
a) NRI Individuals			-	0.00				0.00	0.00
b) Other Individuals			-	0.00				0.00	0.00
c) Bodies Corp.			-	0.00				0.00	0.00
d) Any other			-	0.00				0.00	0.00
<b>Sub Total (A) (2)</b>		-	-	0.00		-	-	0.00	0.00
<b>TOTAL (A)</b>		10,000,000	10,000,000	100.00		25,000,000	25,000,000	100.00	150.00
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds			-	0.00				0.00	0.00
b) Banks / FI			-	0.00				0.00	0.00
c) Central Govt			-	0.00				0.00	0.00

d) State Govt(s)			-	0.00				0.00	0.00
e) Venture Capital Funds			-	0.00				0.00	0.00
f) Insurance Companies			-	0.00				0.00	0.00
g) FIs			-	0.00				0.00	0.00
h) Foreign Venture Capital Funds			-	0.00				0.00	0.00
i) Others (specify)			-	0.00				0.00	0.00
<b>Sub-total (B) (1):-</b>			-	0.00		-	-	0.00	0.00
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian			-	0.00				0.00	0.00
ii) Overseas			-	0.00				0.00	0.00
b) Individuals				0.00					
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh			-	0.00		-	-	0.00	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh			-	0.00		-	-	0.00	0.00
c) Others (specify)				0.00					
Non Resident Indians			-	0.00				0.00	0.00
Overseas Corporate Bodies			-	0.00				0.00	0.00
Foreign Nationals			-	0.00				0.00	0.00
Clearing Members			-	0.00				0.00	0.00



Trusts			-	0.00				0.00	0.00
Foreign Bodies - D R			-	0.00				0.00	0.00
<b>Sub-total (B) (2):-</b>			-	0.00		-	-	0.00	0.00
<b>Total Public (B)</b>			-	0.00		-	-	0.00	0.00
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>			-	0.00				0.00	0.00
<b>Grand Total (A+B+C)</b>		10,000,000	10,000,000	100.00		25,000,000	25,000,000	100.00	150.00

## (ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year (as on 10.08.2018)			Shareholding at the end of the year (as on 31.03.2019)			% change in shareholding 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	Indian Oil Corporation Ltd.	1,999,999	20.00	-	4,999,999	20.00	-	150.00
2	GAIL (India) Ltd.	1,999,999	20.00	-	4,999,999	20.00	-	150.00
3	Numaligarh Refinery Ltd.	1,999,999	20.00	-	4,999,999	20.00	-	150.00
4	Oil India Ltd.	1,999,999	20.00	-	4,999,999	20.00	-	150.00
5	Oil And Natural Gas Corporation Ltd.	2,000,000	20.00	-	5,000,000	20.00	-	150.00
6	Hamonta Kumar Sarmah (Jointly with Numaligarh Refinery Ltd.)	1	0.00	-	1	0.00	-	0.00
7	Mahesh Vishwanathan Iyer [Jointly with GAIL (India) Ltd.]	1	0.00	-	1	0.00	-	0.00
8	Joydev Lahiri (Jointly with Oil India Ltd.)	1	0.00	-	1	0.00	-	0.00
9	Pankaj Sinha (Jointly with Indian Oil Corporation Ltd.)	1	0.00	-	-	0.00	-	-100.00
10	Pankaj Sinha	-	0.00	-	1	0.00	-	
	<b>Total</b>	<b>10,000,000</b>	<b>100.00</b>	<b>-</b>	<b>25,000,000</b>	<b>100.00</b>	<b>-</b>	<b>150.00</b>



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

**There were changes in the promoters shareholding during the year**

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	01-04-2018		10,000,000	100.00	10,000,000	100.00
	<u>Changes during the year</u>	25-10-2018	Allot	15,000,000	150.00	25,000,000	100.00
	At the end of the year	31-03-2019		25,000,000	250.00	25,000,000	100.00

**(iv) Shareholding Pattern of top ten Shareholders = Nil**

*(Other than Directors, Promoters and Holders of GDRs and ADRs): Not applicable as all shares are hold by Promoters and Directors.*

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1							
	At the beginning of the year	10-08-2018			0.00		0.00
	Changes during the year			-	0.00		0.00
	At the end of the year	31-03-2019		-	0.00		0.00

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

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Mahesh Vishwanathan Iyer [Jointly with GAIL (India) Ltd.]						
	At the beginning of the year	10-08-2018		1	0.00	1	0.00
	Changes during the year				0.00		0.00
	At the end of the year	31-03-2019		1	0.00	1	0.00

**V. INDEBTEDNESS**

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

SN.	Particulars of Remuneration	Name of MD/WT/ Manager	Total Amount
	Name	-	(Rs/Lac)
	Designation	-	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	-	-

## B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/Lac)
1	Independent Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-

## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(in INR)

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name	DEBEN BURAGOHAIN (w.e.f. 07-09-2018)	MAHESH PRASAD SARRAF	N/A	
	Designation	CEO	CFO	CS	
1	Gross salary		-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,025,968	-	-	4,025,968
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	193,772	-	-	193,772
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	<b>4,219,741</b>	-	-	<b>4,219,741</b>

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



**Annexure –B**
**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 arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis : NIL
2. Details of contracts or arrangements or transactions at Arm's length basis :-

<b>Name (s) of the related party &amp; nature of relationship</b>	<b>Nature of contracts / arrangements / transaction</b>	<b>Duration of the contracts / arrangements / transaction</b>	<b>Salient terms of the contracts or arrangements or transaction including the value, if any</b>	<b>Date of approval by the Board</b>	<b>Amount paid as advances, if any</b>
Indian Oil Corporation Limited (Joint Venturer of IGGL)	Availing of Services	Onetime transaction	Preliminary Expenses : INR 78.12 Lakhs	07.09.2018	Nil
Indian Oil Corporation Limited (Joint Venturer of IGGL)	Availing of Services	Onetime transaction	Pre-Project Activities : INR 818.14 Lakhs	07.09.2018	Nil
Indian Oil Corporation Limited (Joint Venturer of IGGL)	Availing of Services	Ongoing transaction	Salary & Allowances of Employees on deputation :- INR 34.79 Lakhs	07.09.2018	Nil
Oil and Natural Gas Corporation Limited (Joint Venturer of IGGL)	Availing of Services	Ongoing transaction	Salary & Allowances of Employees on deputation :- INR 8.33 Lakhs	07.09.2018	Nil
GAIL (India) Ltd (Joint Venturer of IGGL)	Availing of Services	Ongoing transaction	Salary & Allowances of Employees on deputation :- INR 77.09 Lakhs	07.09.2018	Nil
Oil India Limited (Joint Venturer of IGGL)	Availing of Services	Ongoing transaction	Salary & Allowances of Employees on deputation :- INR 69.45 Lakhs	07.09.2018	Nil
Numaligarh Refinery Limited (Joint Venturer of IGGL)	Availing of Services	Ongoing transaction	Salary & Allowances of Employees on deputation :- INR 62.82 Lakhs	07.09.2018	Nil

[IOCL, ONGC, GAIL, OIL & NRL are considered as Related Party as per Clause (viii) (C) of Section 2 sub section (76) of Companies Act, 2013.]



## INDEPENDENT AUDITOR'S REPORT

To the Members of Indradhanush Gas Grid Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of Indradhanush Gas Grid Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss (along with other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- a. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- b. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- c. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- d. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

- e. With respect to managerial remuneration, the company has paid professional fee to its group concerns to compensate the directors and other managerial personnel. In our opinion, the same is outside the purview of overall maximum managerial remuneration as allowed under section 197 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 A"**.
- g. As required by section 143(5) of the Companies Act 2013, our comments with regard to directions and additional directions issued by the Comptroller and Auditor General of India is given in **"Annexure C"**.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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.

**For HARI SINGH & ASSOCIATES**  
**Chartered Accountants**  
**(Firm's Registration No.323509E)**

**Sd/-**  
**GOVIND BERIA**  
**(PARTNER)**

**Place of Signature: Guwahati**  
**Date: The 15<sup>th</sup> Day of May, 2019**

**Membership No. 519831**



**IN RESPECT OF INDRADHANUSH GAS GRID LIMITED FOR THE YEAR ENDED 31ST MARCH, 2019****Annexure A to the Auditors' Report****Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub Section 3 of Section 143 of the Companies Act, 2013**

We have audited the internal financial controls over financial reporting of INDRADHANUSH GAS GRID LIMITED as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the IND AS financial statement for the company for the year ended on that date.

**Management's Responsibility for the Internal Financial Controls**

The Board of Directors of the company is responsible for establishing and maintaining internal financial control based on internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its asset, the prevention and detection of fraud and errors, the accuracy and completeness of financial records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



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

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

### **Opinion**

In our opinion, to the best of our information and according to the information given to us, 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 31<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For HARI SINGH & ASSOCIATES**

**Chartered Accountants**

**(Firm's Registration No.323509E)**

**Sd/-**

**GOVIND BERIA**

**(PARTNER)**

**Membership No. 519831**

**Place of Signature: Guwahati**

**Date: The 15<sup>th</sup> Day of May, 2019**

**IN RESPECT OF INDRADHANUSH GAS GRID LIMITED FOR THE YEAR ENDED 31ST MARCH, 2019**  
**Annexure B to the Auditors' Report**

**Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ending on 31<sup>st</sup> March, 2019**

To the Members of **INDRADHANUSH GAS GRID LIMITED**

1. In respect of Company's fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - (b) The property, plant and equipment has been physically verified during the year by the management in accordance with a regular programme of physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) As per the information and explanations given to us, there is no immovable property in case of the company.
2. The company is yet to commence operation. There is no inventory and hence, comment under the head is not applicable.
3. The company has not granted any loan, secured or unsecured, to companies, firm, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act 2013.
4. In our opinion and according to the information and explanation given to us the Company has complied with the provision of Section 185 and 186 of the Companies Act, 2013 in the respect of grant of loan, making investment and provided guarantees and securities, as applicable.
5. According to the information and explanation given to us, the Company has not accepted any deposit during the year and according the question of complying with Section 73 and 76 of the Companies Act, 2013 does not arise.
6. To the best of our knowledge and according to the information given to us, the Central Government has not prescribed maintenance of cost records under Section 148 of the Companies Act, 2013.
7. According to the information and explanations given to us, in respect of statutory dues:
  - a. The company is regular in depositing undisputed statutory dues including goods and services tax, TDS and any other statutory dues to the appropriate authorities. There are no undisputed statutory dues as at the last day of the financial year which have been outstanding for a period of more than six months from the date they become payable.
  - b. According to the information and explanations given to us, there are no dues of duties, income tax or sales tax or service tax or value added tax or goods and services tax or TDS which have not been deposited on account of any dispute.
8. As per our examination of the books of accounts, the company has not availed any loan from financial institutions, banks and government. Therefore, the question of any default in the repayment of loan or borrowings does not arise.
9. The Company did not raise money by way of initial public offer or further public offer (including debt instruments) and term loan during the year.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11. The company has paid professional fee to its associated companies to compensate the directors and other managerial personnel. Therefore, in our opinion, provisions of Section 197 read with Schedule V of the Companies Act, 2013 are not applicable in the instant case as the company is not paying salary/remuneration directly.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3 (xii) of the order is not applicable.
13. According to information and explanations given to us and based on our examinations of the records of the Company, transaction with related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. During the year under review, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Hence, compliance with the provisions of Section 42 of The Companies Act, 2013 is not required. The company has issued shares to existing shareholders under section 62 of the Act.



15. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non cash transactions with directors or person connected to its directors.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For HARI SINGH & ASSOCIATES**  
**Chartered Accountants**  
**(Firm's Registration No.323509E)**

**Sd/-**

**GOVIND BERIA**  
**(PARTNER)**

**Place of Signature: Guwahati**  
**Date: The 15<sup>th</sup> Day of May, 2019**

**Membership No. 519831**



**IN RESPECT OF INDRADHANUSH GAS GRID LIMITED FOR THE YEAR ENDED 31ST MARCH, 2019****Annexure C (i) to the Auditors' Report****Comments in regard to the directions under section 143(5) issued by the Comptroller and Auditor General of India**

1. The company has its system in place to process all the accounting transactions through its IT system. There are no adverse implication as all the accounting transactions is done through IT system.
2. There is no restructuring of any existing loan or cases of waiver/write off of debts/loans/interest etc.
3. No funds have been received/receivable for specific schemes from Central/State agencies, hence there is no question of any deviation.

**For HARI SINGH & ASSOCIATES****Chartered Accountants****(Firm's Registration No.323509E)****Sd/-****GOVIND BERIA****(PARTNER)****Membership No. 519831****Place of Signature: Guwahati****Date: The 15<sup>th</sup> Day of May, 2019**

**IN RESPECT OF INDRADHANUSH GAS GRID LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019****Annexure C (ii) to the Auditors' Report****Comments in regard to the additional-directions under section 143(5) issued by the Comptroller and Auditor General of India**

1. Not applicable as there is no merger/split/re-structuring of any area.
2. **Other Information:** Nil

**For HARI SINGH & ASSOCIATES**  
**Chartered Accountants**  
**(Firm's Registration No.323509E)**

**Sd/-**  
**GOVIND BERIA**  
**(PARTNER)**

**Place of Signature: Guwahati**  
**Date: The 15<sup>th</sup> Day of May, 2019**

**Membership No. 519831**

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

The preparation of financial statements of Indradhanush Gas Grid Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(7) of the Act is 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 15 May 2019.

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

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

**Place: Kolkata**

**Date: 14<sup>th</sup> June, 2019**

**Sd/-**

**(Suparna Deb)**

**Director General of Commercial Audit  
& Ex-officio Member, Audit Board-I,  
Kolkata**

**Indradhanush Gas Grid Limited**
**Balance Sheet as at 31 March 2019**

(All amounts are in INR Lakh, unless otherwise stated)

Particulars	Note	As at 31 March 2019
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	4(i)	1.39
Capital work-in-progress	4(ii)	94.23
<b>Total non-current assets</b>		<b>95.62</b>

<b>Current assets</b>		
Financial assets		
(i) Cash and cash equivalents	5	416.29
(ii) Bank balances other than (i) above	6	1,400.00
(iii) Other financial assets	7	45.53
Other current assets	8	176.19
<b>Total current assets</b>		<b>2,038.01</b>

<b>Total assets</b>		<b>2,133.62</b>
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<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	9	2,500.00
Other equity	10	(1,212.23)
<b>Total equity</b>		<b>1,287.77</b>

<b>Liabilities</b>		
<b>Current liabilities</b>		
Financial liabilities		
(i) Other financial liabilities	11	674.74
Other current liabilities	12	171.11



<b>Total current liabilities</b>		<b>845.85</b>
<b>Total liabilities</b>		<b>845.85</b>

<b>Total equity and liabilities</b>		<b>2,133.62</b>
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This is the balance sheet referred to in our report of even date. The accompanying notes are an integral part of these standalone financial statements	1 to 23
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In terms of our report of even date attached

**For Hari Singh & Associates**

Chartered Accountants

Firm Registration No. : 323509E

For and on behalf of the Board

**Sd/-**

**(Govind Beria)**

**Partner**

**Membership No. : 519831**

**Sd/-**

**(Harendra Kumar Singh)**

**Chairman**

**DIN: 07045323**

**Sd/-**

**(Dr. Deben Buragohain)**

**Chief Executive Officer**

**Sd/-**

**(Mahesh Sarraf)**

**Chief Financial Officer**

**Place: Guwahati**

**Date: 15-05-2019**

**Place: Noida, UP**

**Date: 15-05-2019**



**Indradhanush Gas Grid Limited**
**Statement of Profit and Loss for the year ended 31 March 2019**

(All amounts are in INR Lakh, unless otherwise stated)

Particulars	Note	For the year ended 31 March 2019
<b>Revenue</b>		
Revenue from operations		-
Other income	13	57.71

<b>Total revenue (I)</b>		<b>57.71</b>
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<b>Expenses</b>		
Employee benefits expense	14	245.10
Finance costs		-
Depreciation and amortisation expense	15	0.12
Other expenses	16	1,024.72
<b>Total expenses (II)</b>		<b>1,269.94</b>
<b>Profit/ (Loss) before tax (I - II = III)</b>		<b>(1,212.23)</b>

<b>Tax expense: (IV)</b>		
Current tax		-
Fringe benefit tax		-

<b>Profit/(Loss) for the year (III - IV = V)</b>		<b>(1,212.23)</b>
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<b>Attributable to:</b>		
Shareholders of the Company		
Non-controlling Interests		(1,212.23)

<b>Profit/loss for the year</b>		<b>(1,212.23)</b>
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<b>Other comprehensive income (VI)</b>		
<b>Items that will not be reclassified to the statement of profit and loss</b>		-
Remeasurement of post employment benefit obligation (net of tax)		
<b>Total other comprehensive income/ (expense) for the year, net of taxes (VI)</b>		-
<b>Total comprehensive income/ (expense) for the year (V + VI = VII)</b>		<b>(1,212.23)</b>
<b>Attributable to:</b>		
Shareholders of the Company		
Non-controlling Interests		<b>(1,212.23)</b>
<b>Comprehensive Income/(loss) for the year</b>		<b>(1,212.23)</b>
<b>Earnings/(loss) per equity share (INR)</b>		(10.39)
Basic and diluted (nominal value of shares INR 10 each)		
This is the Statement of Profit and Loss referred to in our report of even date. The accompanying notes are an integral part of these standalone financial statements	1 to 23	

In terms of our report of even date attached

**For Hari Singh & Associates**

Chartered Accountants

Firm Registration No. : 323509E

For and on behalf of the Board

**Sd/-**

**(Govind Beria)**

**Partner**

**Membership No. : 519831**

**Place: Guwahati**

**Date: 15-05-2019**

**Sd/-**

**(Harendra Kumar Singh)**

**Chairman**

**DIN: 07045323**

**Sd/-**

**(Dr. Deben Buragohain)**

**Chief Executive Officer**

**Sd/-**

**(Mahesh Sarraf)**

**Chief Financial Officer**

**Place: Noida, UP**

**Date: 15-05-2019**

**Indradhanush Gas Grid Limited**
**Cash Flow Statement for the year ended 31 March 2019**

(All amounts are in INR lakh, unless otherwise stated)

Particulars	For the year ended 31 March 2019
<b>A. Cash flows from operating activities</b>	
<b>Profit/ (loss) before tax</b>	<b>(1,212)</b>
<b>Adjustments for:</b>	
Depreciation and amortisation expense	0.12
Finance costs	-
Interest income	-57.71
<b>Operating cash flows before working capital changes</b>	<b>(1,270)</b>
(Increase) / Decrease in other financial assets	(45.53)
(Increase) / Decrease in other assets	(176.19)
Increase/ (Decrease) in trade payables	-
Increase / (Decrease) in other financial liabilities	674.74
Increase/ (Decrease) in provisions	-
Increase / (Decrease) in other liabilities	171.11
<b>Cash from operating activities</b>	<b>(645.69)</b>
Net income tax refund (paid)	
<b>Net cash generated from operating activities (A)</b>	<b>(645.69)</b>
<b>B. Cash flows from investing activities</b>	
Acquisition of property, plant and equipment	(1.50)
Capital work-in-progress	(94.23)
Interest received	57.71
Proceeds from / (investment in) deposits with banks	(1,400.00)
<b>Net cash generated used in investing activities (B)</b>	<b>-1,438.02</b>
<b>C. Cash flows from financing activities</b>	
Interest paid	
Proceeds from/ (buy back) of Equity Shares	2,500.00
Repayment of short term borrowings (net)	
Proceeds from/ (repayment) of long term loans (net)	
<b>Net cash generated from/ (used in) financing activities (C)</b>	<b>2,500.00</b>

<b>Net increase/ (decrease) in cash and cash equivalents (A + B + C)</b>	<b>416.29</b>
<b>Cash and cash equivalents at the beginning of the year</b>	
<b>Cash and cash equivalents at the end of the year</b>	<b>416.29</b>
<b>Components of cash and cash equivalents:</b>	
Balances with banks in current Accounts	416.29
Deposits with original maturity of less than three months	-
Cheques on hand	-
Cash on hand	-
Bank overdraft	-
<b>Total cash and cash equivalents (Note 5)</b>	<b>416.29</b>
The accompanying notes are an integral part of these standalone financial statements	
1 to 23	

In terms of our report of even date attached

**For Hari Singh & Associates**

Chartered Accountants

Firm Registration No. : 323509E

For and on behalf of the Board

**Sd/-**

**(Govind Beria)**

**Partner**

**Membership No. : 519831**

**Place: Guwahati**

**Date: 15-05-2019**

**Sd/-**

**(Harendra Kumar Singh)**

**Chairman**

**DIN: 07045323**

**Sd/-**

**(Dr. Deben Buragohain)**

**Chief Executive Officer**

**Sd/-**

**(Mahesh Sarraf)**

**Chief Financial Officer**

**Place: Noida, UP**

**Date: 15-05-2019**

**Indradhanush Gas Grid Limited**
**Statement of Changes in Equity for the year ended 31 March 2019**

All amounts are in INR lakh, unless otherwise stated)

<b>a. Equity share capital</b>		
<b>Particulars</b>	<b>Note</b>	<b>Amount</b>
Balance as at 31 March 2018		-
Changes in equity share capital during the year ended 31 March 2019	7	2,500
Balance as at 31 March 2019		2,500
<b>b. Other equity</b>		
<b>Particulars</b>	<b>Reserves &amp; Surplus</b>	<b>Total</b>
	<b>Retained earnings</b>	
<b>Balance as at 1 April 2018</b>		-
Profit/(Loss) for the year	(1,212.23)	<b>(1,212.23)</b>
<b>Balance as at 31 March 2019</b>	<b>(1,212.23)</b>	<b>(1,212.23)</b>
The accompanying notes are an integral part of these standalone financial statements		
	1 to 23	

In terms of our report of even date attached

**For Hari Singh & Associates**

Chartered Accountants

Firm Registration No. : 323509E

For and on behalf of the Board

**Sd/-**
**(Govind Beria)**
**Partner**
**Membership No. : 519831**
**Sd/-**
**(Harendra Kumar Singh)**
**Chairman**
**DIN: 07045323**
**Sd/-**
**(Dr. Deben Buragohain)**
**Chief Executive Officer**
**Sd/-**
**(Mahesh Sarraf)**
**Chief Financial Officer**
**Place: Noida, UP**
**Date: 15-05-2019**



**Indradhanush Gas Grid Limited**  
**Notes to the financial statements for the year ended 31 March 2019**  
All amounts are in INR lakh, unless otherwise stated)

**4. Property, plant and equipment**  
**(i) Tangible assets**

Particulars	Gross block			Accumulated depreciation			Net block	
	As at 1 April 2018	Additions	Disposals/adjustments	As at 31 March 2019	Additions	Disposals/adjustments	As at 31 March 2018	
Office Equipment		0.92		0.92	0.05		0.87	-
Computers		0.58		0.58	0.06		0.52	-
<b>Total</b>	-	<b>1.50</b>	-	<b>1.50</b>	<b>0.12</b>	-	<b>1.39</b>	-

**(ii) Capital work-in-progress**

Particulars	As at 1 April 2018	Additions during the year	Disposals/adjustments	As at 31 March 2019				
Capital work-in-progress		94.23		94.23				
Less: Provision for capital work-in-progress				-				
<b>Total</b>	-	<b>94.23</b>	-	<b>94.23</b>				
Note: Capital work in progress includes Rs 94.23 lacs being incurred on project development expenditure.								

**Indradhanush Gas Grid Limited**
**Notes to the financial statements for the year ended 31 March 2019**

All amounts are in INR lakh, unless otherwise stated)

	<b>Particulars</b>	<b>As at 31 March 2019</b>
<b>5</b>	<b>Cash and cash equivalents</b>	
	<b>Balances with banks</b>	
	Balances With Bank - In Current Accounts	16.29
	Deposits with original maturity of less than three months	400.00
		<b>416.29</b>

<b>6</b>	<b>Bank balances other than cash and cash equivalents</b>	
	Bank deposits with original maturity of more than three months but upto twelve months (under Bank Lien against Bank Guarantee)	1,400.00
		<b>1,400.00</b>

<b>7</b>	<b>Other current financial assets</b>	
	Interest accrued on bank deposits	45.53
		<b>45.53</b>

<b>8</b>	<b>Other current assets</b>	
	Unsecured, considered good	
	Others	0.45
	Balances with Statutory Authorities	175.74
		<b>176.19</b>

<b>Indradhanush Gas Grid Limited</b>			
<b>Notes to the financial statements for the year ended 31 March 2019</b>			
(All amounts are in INR lakh, unless otherwise stated)			
<b>9</b>	<b>Share capital</b>	<b>As at 31 March 2019</b>	
	<b>Authorised</b>	<b>Number of Shares</b>	<b>Amount</b>
	<b>i. Equity shares of INR 10 each</b>	50,00,00,000	50,000.00
		<b>As at 31 March 2019</b>	
	<b>Issued, Subscribed and Paid-up</b>	<b>Number of shares</b>	<b>Amount</b>
	Equity shares of INR 10 each , fully paid up in cash	2,50,00,000	2,500.00
		2,50,00,000	2,500.00
<b>a</b>	<b>Reconciliation of number of shares outstanding at the beginning and at the end of the year :</b>	<b>As at 31 March 2019</b>	
		<b>Number of shares</b>	<b>Amount</b>
	Outstanding at the 31 March 2018		
	Equity shares issued during the year in consideration for cash	2,50,00,000	2,500.00
	Outstanding at the 31 March 2019	2,50,00,000	2,500.00
<b>b</b>	<b>Shareholders holding more than 5% shares in the company *</b>	<b>As at 31 March 2019</b>	
		<b>Number of shares</b>	<b>Percentage</b>
	Indian Oil Corporation Ltd (IOCL)**	50,00,000	20.00%
	Oil and Natural Gas Corporation (ONGC)**	50,00,000	20.00%
	GAIL India Limited (GAIL) **	50,00,000	20.00%
	Oil India Limited (OIL)**	50,00,000	20.00%
	Numaligarh Refinery Limited (NRL)**	50,00,000	20.00%
	* The above information is furnished as per the shareholder's register as at the year end.		
	**These companies are classified as Associates for Indradhanush Gas Grid Limited (IGGL) in terms of Section 2(6) of the Companies Act 2013.		
<b>c</b>	<b>Terms and rights attached to equity shares</b>		
	The Company has only one class of equity shares having a par value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share.		
	In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
			<b>As at 31 March 2019</b>
<b>10</b>	<b>Other equity</b>		
<b>a</b>	<b>Retained earnings</b>		
	Balance at the beginning of the year		
	Add: Profit/(Loss) for the year		(1,212.23)
	Items of other comprehensive income/ (expense) recognised directly in retained earnings		
	Remeasurement of post employment benefit obligation, net of tax		-
	Balance at the end of the year		(1,212.23)
	<b>Total other equity</b>		<b>(1,212.23)</b>

**Indradhanush Gas Grid Limited**

Notes to the financial statements for the year ended 31 March 2019

(All amounts are in INR lakh, unless otherwise stated)

	<b>Particulars</b>	<b>As at 31 March 2019</b>
<b>11</b>	<b>Other current financial liabilities</b>	
	Deposits from vendors and others	2.65
	Other payables towards	
	Liability for employees	0.08
	Other liabilities	672.01
	(Payable to Related Parties- Rs. 642.81 lakhs)	
		<b>674.74</b>

<b>12</b>	<b>Other current liabilities</b>	
	Liability for Statutory Payments	67.72
	Payable for Manpower expenses	72.95
	Other Expenses	30.45
		<b>171.11</b>

**Indradhanush Gas Grid Limited**
**Notes to the financial statements for the year ended 31 March 2019**

(All amounts are in INR lakh, unless otherwise stated)

	<b>Particulars</b>	<b>For the year ended 31 March 2019</b>
13	<b>Other income</b>	
	Interest income on	
	Financial assets at amortised cost:	
	Deposits with banks	57.71
		<b>57.71</b>

14	<b>Employee benefits expense</b>	
	Salaries & Wages	245.10
	Contribution to Provident and other funds	-
	Share based payments to employees	-
	staff welfare expenses	-
	Salaries, wages, allowances and other benefits	-
		245.10
	Less : Allocated to capital work-in-progress and others	-
		<b>245.10</b>

15	<b>Depreciation and amortisation expense</b>	
	Depreciation on property, plant and equipment	0.12
	Amortisation on intangible assets	-
		<b>0.12</b>

16	<b>Other expenses</b>	
	Pre-Project Expenses	718.86
	Advertisement Expenses	5.85
	Bank Charges	2.27
	Fees & Taxes	173.81
	General Administration Expenses	40.59
	Preliminary Expenses	77.33
	Professional Expenses	5.51
	Payment to Auditors	0.50
		<b>1,024.72</b>



<b>Indradhanush Gas Grid Limited</b>			
<b>Notes to the financial statements for the year ended 31 March 2019</b>			
(All amounts are in INR lakh, unless otherwise stated)			
<b>17</b>	This being the first balance sheet of the company since incorporation, preceeding year's comparable figures are hence not being available and thus not reported.		
<b>18</b>	Pre- Project Expenses are in the nature of Market Study and other surveys. These expenses does not form part of any specific capital asset and are therefore written off in the year in which they are incurred.		
	<b>Particulars</b>	<b>Nature of Expenditure</b>	<b>For the year ended 31 March 2019</b>
	Feasibility Report (DFR)	Pre- Project Exp	242.39
	Market Study	Pre- Project Exp	14.60
	Reconnaissance Survey	Pre- Project Exp	461.86
<b>19</b>	<b>Earnings/ (loss) per share</b>		
	<b>Basic and diluted earnings/ (loss) per share</b>		
	Basic and diluted earnings/ (loss) per share is calculated by dividing the profit/ (loss) during the year attributable to equity shareholders of the Company by the weighted number of equity shares outstanding during the year.		
	<b>Particulars</b>	<b>Unit</b>	<b>For the year ended 31 March 2019</b>
	Profit/ (loss) after tax attributable to equity share-holders	(INR in lakh)	(1,212.23)
	Weighted average number of equity shares out-standing during the year	(in number)	1,16,71,233
	Nominal value per share	INR	10
	Basic and diluted earnings/ (loss) per share	INR	(10.39)
<b>20</b>	<b>Related party transactions</b>		
<b>a)</b>	<b>List of related parties</b>		
<b>I</b>	<b>Key Management Personnel Designation</b>	<b>Name of Incumbent</b>	
	Chairman and Director	Mr. Harendra Kumar Singh	
	Director	Mr. Rakesh Kaul	
	Director	Mr. Samir Kumar Das	
	Director	Mr. Bruno Ekka	
	Director	Mr. Mahesh Vishwanathan Iyer	
	Chief Executive Officer	Dr. Deben Buragohain	
	Chief Financial Officer	Mr. Mahesh Sarraf	
<b>II</b>	<b>Associate Companies</b>		
	(i) Indian Oil Corporation Ltd .(IOCL)		
	(ii) Oil and Natural Gas Corporation (ONGC)		
	(iii) GAIL India Limited (GAIL)		
	(iv) Oil India Limited (OIL)		
	(v) Numaligarh Refinery Limited (NRL)		
<b>b)</b>	<b>Transactions with related parties</b>		
	<b>Name of Related Party</b>	<b>Nature of Transaction</b>	<b>Year ended 31 March 2019</b>
<b>(i)</b>	<b>Issue of Equity Share Capital</b>		

	Indian Oil Corporation Ltd. (IOCL)	Subscription of Equity Share Capital	500.00
	Oil and Natural Gas Corporation (ONGC)	Subscription of Equity Share Capital	500.00
	GAIL India Limited (GAIL)	Subscription of Equity Share Capital	500.00
	Oil India Limited (OIL)	Subscription of Equity Share Capital	500.00
	Numaligarh Refinery Limited (NRL)	Subscription of Equity Share Capital	500.00
<b>(ii)</b>	<b>Services Received from:</b>		
	Indian Oil Corporation Ltd. (IOCL)	Deputation of Employees	34.79
	Oil and Natural Gas Corporation (ONGC)	Deputation of Employees	8.33
	GAIL India Limited (GAIL)	Deputation of Employees	77.09
	Oil India Limited (OIL)	Deputation of Employees	69.45
	Numaligarh Refinery Limited (NRL)	Deputation of Employees	62.82
<b>(iii)</b>	<b>Reimbursement of Expenses:</b>		
	Indian Oil Corporation Ltd. (IOCL)	Reimbursement of Expenses	896.27
<b>(iii)</b>	<b>Amounts Payable:</b>		
	Indian Oil Corporation Ltd. (IOCL)	Deputation of Employees	34.79
	Oil and Natural Gas Corporation (ONGC)	Deputation of Employees	8.33
	GAIL India Limited (GAIL)	Deputation of Employees	77.09
	Oil India Limited (OIL)	Deputation of Employees	69.05
	Numaligarh Refinery Limited (NRL)	Deputation of Employees	40.27
<b>(iv)</b>	<b>Amounts Payable:</b>		
	Indian Oil Corporation Ltd. (IOCL)	Reimbursement of Expenses	482.34
	<b>Terms and conditions of transactions with the related parties</b>		
	Transactions with the related parties are made on normal commercial terms and conditions and at arm's length price.		
<b>21</b>	<b>Auditor's Remuneration</b>		
	<b>Particulars</b>	<b>For the year ended 31 March 2019</b>	
	Statutory audit fee		0.50
	Certification charges		-
	Reimbursement of expenses		-
	Others		-
	<b>Total (A)</b>		<b>0.50</b>
	Other services		-
	Tax audit fee		-
	<b>Total (B)</b>		<b>-</b>
	<b>Total (A + B)</b>		<b>0.50</b>
	Note: Fees are exclusive of applicable taxes wherever applicable.		
<b>22</b>	<b>Contingent liabilities and commitments</b>		
<b>A.</b>	<b>Contingent liabilities</b>		
	The company has given bank guarantee of Rs. 2000.00 lakhs as performance guarantee to Petroleum & Natural Gas Regulatory Board. The non fund based loan has been availed from Ratnakar Bank Limited for a period of 3 years. Security of Rs. 1400.00 lakhs has been pledged with the bank in the form of fixed deposit.		
<b>B.</b>	<b>Commitments</b>		
<b>a)</b>	<b>Capital commitments</b>		
i.	The estimated amounts of contracts remaining to be executed on capital account and not provided for in relation to execution of works and purchase of equipment are Nil as on 31/03/2019.		
<b>b)</b>	<b>Other commitments : NIL</b>		

**Indradhanush Gas Grid Limited**
**Notes to the financial statements for the year ended 31 March 2019**

(All amounts are in INR lakh, unless otherwise stated)

**23. Financial instruments – Fair values and risk management**
**A. Financial instruments – by category and fair values hierarchy**

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

<b>i. As on 31 March 2019</b>								
	<b>Particulars</b>	<b>Carrying value</b>				<b>Fair value measurement using</b>		
		<b>FVT-PL</b>	<b>FVOCI</b>	<b>Amortised cost</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
	<b>Financial assets</b>							
	<b>Current</b>							
	<b>Cash</b>	-	-	-	-	-	-	-
	Cash Equivalents							
	----Balances With Bank	-	-	16.29	<b>16.29</b>	-	-	-
	----Deposits with original maturity of less than 3 months		-	400.00	<b>400.00</b>	-	-	-
	Balances other than cash and cash equivalents	-	-	1,400.00	<b>1,400.00</b>	-	-	-
	Other financial assets	-	-	45.53	<b>45.53</b>	-	-	-
	<b>Total</b>	-	-	<b>1,861.82</b>	<b>1,861.82</b>			
	<b>Financial liabilities</b>							
	<b>Current</b>							
	Other current financial liabilities			674.74	674.74	-	-	-
	<b>Total</b>	-	-	<b>674.74</b>	<b>674.74</b>			

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature.

**B. Financial risk management**

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

- Credit risk ;
- Liquidity risk ;
- Market risk - Foreign exchange ; and
- Market risk - Interest rate

**Risk management framework**

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the Management periodically to reflect changes in market conditions and the Company's activities.

In terms of our report of even date attached

**For Hari Singh & Associates**

Chartered Accountants

Firm Registration No. : 323509E

For and on behalf of the Board

**Sd/-**

**(Govind Beria)**

**Partner**

**Membership No. : 519831**

**Place: Guwahati**

**Date: 15-05-2019**

**Sd/-**

**(Harendra Kumar Singh)**

**Chairman**

**DIN: 07045323**

**Sd/-**

**(Dr. Deben Buragohain)**

**Chief Executive Officer**

**Sd/-**

**(Mahesh Sarraf)**

**Chief Financial Officer**

**Place: Noida, UP**

**Date: 15-05-2019**

**Indradhanush Gas Grid Limited**
**Notes to the financial statements for the year ended 31 March 2019**
**1 Corporate Information/ Company overview**

Indradhanush Gas Grid Limited ("IGGL" or "the company") is a limited company domiciled in India and was incorporated on August 10, 2018. IGGL is a Joint Venture Company of five PSUs i.e. Indian Oil Corporation Limited (IOCL), Oil and Natural Gas Corporation (ONGC), Gail India Limited (GAIL), Oil India Limited (OIL) and Numaligarh Refinery Limited (NRL). These companies are having equal equity of 20% each in IGGL. The registered office of the Company is located at 122A, G.S. Road, Christian Basti, Guwahati, Assam. The company has been incorporated to create infrastructure of Gas pipelines in North East India, thereby creating a Gas Grid, for easy transmission of Gas from Gas Fields to the consumers.

The financial statements of the company for the year ended 31st March 2019 were authorized for issue in accordance with a resolution of the directors on 15th May 2019.

**2 Application of new Indian Accounting Standards**

**2.01** All the Indian Accounting Standards issued under section 133 of the Companies Act, 2013 and notified by the Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparation of these Financial Statements.

**2.02 Standards issued but not yet effective**

The MCA has notified the Companies (Indian Accounting Standards/ Ind AS) First Amendment Rules, 2019 on March 30th, 2019, whereby Ind AS-116 relating to "Leases" has been made applicable from financial year 2019-20 (i.e. April 1, 2019 onwards).

**- Ind AS-116 - Leases**

The Standard replaces the existing Ind AS 17 "Leases". Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value and sets out the principles for the recognition, measurement, presentation and disclosure of leases.

**3 Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements.

**3.1 Basis of preparation**
**(i) Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 ('the Act') [Companies (Indian Accounting Standards) Rules, 2015, as amended by notification dated March 31, 2016] and other relevant provisions of the Act.

The financial statements are presented in Indian Rupees (INR) and all amounts disclosed in the financial statements and notes have been rounded off upto two decimal points to the nearest lakhs (as per the requirement of Schedule III), unless otherwise stated.

The company was incorporated on 10th August 2018, hence the financial statements relate to a period commencing from the date of incorporation to 31st March 2019.



**(ii) Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. As the operating cycle cannot be identified in normal course due to special nature of industry, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

**(iii) Historical Cost Convention**

The Financial statements have been prepared on a going concern on accrual basis of accounting. The company has adopted historical cost basis for assets and liabilities, except for the certain financial assets and liabilities (including derivative instruments) which are measured at fair value/ amortized cost.

**3.2 Property, Plant & Equipment**

- (i)** Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and impairment losses, if any. Freehold land and land under perpetual lease are not depreciated.

Property, plant and equipment are stated at their original cost including freight, duties, taxes and other incidental expenses relating to acquisition and installation. All costs relating to acquisition of Property, Plant and equipments, till commissioning of such assets are capitalized.

- (ii)** In the case of commissioned assets where final payment to the contractors is pending, capitalization is made on an estimated basis pending receipt of final bills from the contractors and subject to adjustment in cost and depreciation in the year of final settlement.

- (iii)** The carrying amount of assets, including those assets that are not yet available for use, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, recoverable amount of asset is determined. An impairment loss is recognized in the statement of profit and loss whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognized.

- (iv)** Stores & Spares which meet the definition of property, plant and equipment (whether as component or otherwise) and satisfy the recognition criteria, are capitalized as property, plant and equipment. All other repair and maintenance costs are recognized in the statement of profit and loss as and when incurred.

**Depreciation/Amortization**

Depreciation on Tangible PPE (including enabling assets) is provided in accordance with the manner and useful life as specified in Schedule II of the Companies Act, 2013. The depreciation has thus been provided on straight line method (SLM) on pro-rata basis over the useful lives of such assets.

The property, plant and equipment acquired under finance leases and other leasehold improvements are depreciated over the assets' useful life or over the shorter of the assets' useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The asset's useful lives and methods of depreciation are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

**3.3****Intangible Assets**

Intangible assets like Right of Use (RoU), Software, Licenses which are expected to provide future enduring economic benefits are capitalized as Intangible Assets and are stated at their cost of acquisition less accumulated amortization and any accumulated impairment loss.

Intangible assets with finite lives are amortized over the useful life on a straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

**Amortization**

Intangible assets comprising software and licenses are amortized on Straight Line Method (SLM) over the useful life from the date of capitalization which is considered not exceeding five years.

Right of Use (RoU) having definite life are amortised over the useful life from the date of capitalization. Right of use (ROU) having indefinite life (for which there is no foreseeable limit to the period over which they are expected to generate net cash flows given the fact that these rights can be used even after the life of respective pipelines) are not amortized, but are tested for impairment annually.

After impairment of assets, if any, amortization is provided on the revised carrying amount of the assets over its remaining useful life.

**3.4****Capital Work in Progress**

- a) The capital work in progress includes Construction Stores including Material in Transit/ Equipment / Services, etc. received at site for use in the projects.
- b) Crop compensation is accounted for under Capital Work-in- Progress on the basis of actual payments/ estimated liability, as and when work commences where ROU is acquired.
- c) Expenditure incurred during the period of construction including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated, on a systematic basis, to the respective property, plant and equipment. Capital work-in-progress includes capital inventory.
- d) All such expenses which are incurred during Construction Period, which are exclusively attributable to acquisition / construction of the asset, are capitalized at the time of commissioning of such assets.

**3.5****Impairment of non-financial assets**

The Carrying amount of cash generating unit are reviewed at each reporting date. In case there is any indication of impairment based on Internal / External factors, impairment loss is recognized wherever the carrying amount of asset exceeds its recoverable amount.

### 3.6 Foreign currency translations

(i) *Functional and presentation currency*

The Company's financial statements are presented in INR (Indian Rupees), which is also the Company's functional currency.

(ii) *Transactions and balances*

#### **Initial recognition**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

#### **Subsequent recognition**

As at the reporting date, foreign currency monetary items are translated using the closing rate and 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 initial transaction and those which are measured at fair value are translated using the exchange rate at the date on which such fair value is determined.

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise.

### 3.7 Borrowing Cost

Borrowing cost of the funds specifically borrowed for the purpose of obtaining qualifying assets and eligible for capitalization along with the cost of the assets, is capitalized up to the date when the asset is ready for its intended use after netting off any income earned on temporary investment of such funds. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as expense in the year of incurrence.

### 3.8 Government Grants

Government grants, including non-monetary grants at fair value, are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received. Government grants, whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets and nonmonetary grants are recognised and disclosed as 'deferred income' under non-current liability in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

### 3.9 Revenue Recognition

Revenues are recognized when the Company satisfies the performance obligation by transferring a promised product or service to a customer. A product is transferred when the customer obtains control of that product which is at the point of transfer of possession to customers where usually the title is passed, provided that the contract price is fixed or determinable and collectability of the receivable is reasonably assured.

Revenue is measured at the transaction price of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, GST and sales tax / VAT etc. Any retrospective revision in prices is accounted for in the year of such revision.

Revenue from rendering of services is recognized when agreed performance obligation has been fulfilled. Interest income and expenses are reported on an accrual basis using the effective interest method.

### 3.10 Employee Benefits

All employees of the company are arranged on deputation from Parent companies on fixed term basis. Claims raised by the parent companies in respect of such employees deputed to the company is considered as an employee benefit. No Short Term/ Long Term Employment obligations other than those payable to the parent companies are envisaged and hence not been considered.

### 3.11 Taxes on Income

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

#### i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

#### ii) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred Tax Asset is recognized when it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

### 3.12 Provisions, Contingent Liabilities, Contingent Assets & Capital Commitments

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

If the effect of the time value of money is material, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are not recognized but are disclosed in the notes unless the outflow of resources is considered to be remote. Contingent assets are neither recognized nor disclosed in the financial statements.

Estimated amount of contracts remaining to be executed on capital accounts are disclosed each case above 5 lacs.

### 3.13 Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. All other leases are classified as operating leases.

#### A. Company as a lessee

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on straight line basis. However, rent expenses shall not be straight-lined, if escalation in rentals is in line with expected inflationary cost.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the Statement of Profit and Loss.

Land under perpetual lease is accounted as finance lease which is recognized at upfront premium paid for the lease and the present value of the lease rent obligation. The corresponding liability is recognized as a finance lease obligation. Land under non-perpetual lease is treated as operating lease.

- B. Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease.

### 3.14 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

Presently the company has only one operating and reporting segment.

The operating segment's results are reviewed regularly by the committee consisting of Company's **Chief Executive Officer and Chief Financial Officer** who been identified as the CODM, to assess the financial performance and position of the Company and makes strategic decisions.

### 3.15 Liquidated damages

Amount recovered towards Liquidated Damages are adjusted/appropriated as and when the matter is settled.

### 3.16 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash on hand, amount at banks and other short-term deposits with an original maturity of three months or less that are readily convertible to known amount of cash and, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

### **3.17 Cash Flow Statement**

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

### **3.18 Earnings Per Share (EPS)**

#### **(i) Basic earnings per share**

Basic earnings per share is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

#### **(ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential instruments into equity shares.

### **3.19 Fair Value Measurement**

The Company measures financial instruments including derivatives and specific investments (other than subsidiary, joint venture and associates), at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

(ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

(iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### **3.20 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **A. Financial Assets**

##### **(i) Classification**

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through Statement of Profit and Loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

**(ii) Initial recognition and measurement**

Financial assets are recognised when Company becomes a party to the contractual provisions of the instruments.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

**(iii) Subsequent measurement**

For purposes of subsequent measurement financial assets are classified in below categories:

**(a) Financial assets carried at amortized cost**

A financial asset other than derivatives and specific investments, is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(b) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset comprising specific investment is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

**(c) Financial assets at fair value through Statement of Profit and Loss (FVTPL)**

A financial asset comprising derivatives which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**(iv) Derecognition**

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**B. Financial Liabilities**

**(i) Classification**



The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through Statement of Profit and Loss. Such liabilities, including derivatives shall be subsequently measured at fair value.

**(ii) Initial recognition and measurement**

Financial Liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

Financial Liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial Liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

**(iii) Subsequent measurement**

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

**(a) Financial liabilities at amortized cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

**(b) Financial liabilities at fair value through Statement of Profit and Loss**

Financial liabilities at fair value through Statement of Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through Statement of Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category comprises derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

**(iv) Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

**C. Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

# Notice to the Members

Notice is hereby given that the **1<sup>st</sup> Annual General Meeting** of the Members of **Indradhanush Gas Grid Limited** (herein afterwards also called as "IGGL") will be held at the Registered Office of the Company at **5<sup>th</sup> Floor, Central Mall, Christian Basti, G.S. Road, Guwahati – 781005, Assam** on **Friday, the 13<sup>th</sup> Day of December, 2019** at **3:00 PM**, and at any adjournment thereof, to transact the following Ordinary:

## A. Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended on 31<sup>st</sup> March, 2019 and the Reports of the Board of Directors and the Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon and passing of following as an Ordinary Resolution: -

**"RESOLVED THAT** the audited Financial Statement of the Company for the Financial Year ended on 31.03.2019, together with the Board's Report and the Auditors' Report thereon and comments of the Comptroller and Auditor General of India, be and is hereby received, considered and adopted"

2. To authorize the Board of Directors to decide remuneration / fees of the Statutory Auditors of the Company, appointed by the Comptroller & Auditor General of India for the financial year 2019-20 and passing of following as an Ordinary Resolution :-

**"RESOLVED THAT** pursuant to applicable provisions of the Companies Act, 2013, approval of the members be and is hereby accorded for authorizing the Board of Directors of the Company to decide and fix the remuneration payable to M/s Hari Singh and Associates, Chartered Accountants, Guwahati, appointed as Statutory Auditor of the Company by Comptroller & Auditor General of India for the financial year 2019-20"

## B. Special Business :

### 3. Appointment of Shri Harendra Kumar Singh as Director of the Company

To consider and if thought fit, to pass with or without modifications, the following as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time, Shri Harendra Kumar Singh (DIN 07045323), who was appointment as First Director (Chairman) of the Company, be and is hereby appointed in pursuance of Section 152 (2) of the Companies Act, 2013, as Director (Chairman) of the Company and his appointment shall be liable to retire by rotation"

### 4. Appointment of Shri Mahesh Vishwanathan Iyer as Director of the Company

To consider and if thought fit, to pass with or without modifications, the following as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time, Shri Mahesh Vishwanathan Iyer (DIN 08198178), who was appointment as First Director of the Company, be and is hereby appointed in pursuance of Section 152 (2) of the Companies Act, 2013, as Director of the Company and his appointment shall be liable to retire by rotation"

### 5. Appointment of Shri Rakesh Kaul as Director of the Company

To consider and if thought fit, to pass with or without modifications, the following as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act,

2013 and the Rules framed thereunder as amended from time to time, Shri Rakesh Kaul (DIN 07975342), who was appointment as First Director of the Company, be and is hereby appointed in pursuance of Section 152 (2) of the Companies Act, 2013, as Director of the Company and his appointment shall be liable to retire by rotation"

**6. Appointment of Shri Samir Kumar Das as Director of the Company**

To consider and if thought fit, to pass with or without modifications, the following as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time, Shri Samir Kumar Das (DIN 08198177), who was appointment as First Director of the Company, be and is hereby appointed in pursuance of Section 152 (2) of the Companies Act, 2013, as Director of the Company and his appointment shall be liable to retire by rotation"

**7. Appointment of Shri Bruno Ekka as Director of the Company**

To consider and if thought fit, to pass with or without modifications, the following as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time, Shri Bruno Ekka (DIN 08380000), who was appointment as Nominee Director of the Company on 01.03.2019, be and is hereby appointed in pursuance of Section 152 (2) of the Companies Act, 2013, as Director of the Company and his appointment shall be liable to retire by rotation"

**By Order of the Board of Directors**

**Date : 11-11-2019**

**Place : Guwahati**

**Sd/-  
Arpan Baid  
Company Secretary**

**Note:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. Such a proxy need not be a member of the Company. Proxies, in order to be valid and effective, must be delivered at the Registered Office of the company duly filled, stamped & signed not later than 48 hours before the commencement of the meeting. As per the provisions of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
2. Attendance Slip has been attached to this Annual Report, members/proxies are requested to fill it and submit it at the venue of the AGM. Body Corporate shareholders are required to attach a certified copy of a Board Resolution who is/are authorised to attend and vote on the behalf of the Body Corporate Shareholder.
3. Explanatory statements are annexed to the Notice of Annual General Meeting of the Company pursuant to Section 102 of the Companies Act, 2013 relating to the Business set out above hereto.
4. Members are requested to bring their copies of the Notice and Explanatory Statement Copy to the meeting, since further copies will not be available.
5. Members are informed that in case of joint holders attending the meeting, only such joint holder who is first in the order of names will be entitled to vote.
6. The Annual Report duly circulated to the members of the Company, is available on the Company's website at [www.iggl.co.in](http://www.iggl.co.in)
7. Pursuant to section 101 and 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, Annual Report of the Company has been sent through email to those members whose email id is registered with the Company / Depository.



## EXPLANATORY STATEMENTS FOR THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

### **For Item No. 3: To appoint Shri Harendra Kumar Singh as Director of the Company**

In pursuance of the Joint Agreement dated 20.07.2018, Shri Harendra Kumar Singh was nominated by Indian Oil Corporation Limited (herein afterwards also called as "IOCL") to act as Chairman in the Board of IGGL. Accordingly he was appointed as one of the First Directors of the Company.

As per Section 152 (2) of Companies Act, 2013, every Director shall be appointed by the company in the general meeting. Since this is the first AGM of the Company, the confirmation of appointment of First Directors have become due. In pursuance of Section 160, the Company has received necessary Notice from him proposing his appointment and the Board has also recommended for his appointment in its 9th Board Meeting.

Shri H K Singh is interested in the Resolution to the extent as it concerns his appointment. No other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

### **For Item No. 4: To appoint Shri Mahesh Vishwanathan Iyer as Director of the Company**

In pursuance of the Joint Agreement dated 20.07.2018, Shri Mahesh Vishwanathan Iyer was nominated by GAIL (India) Ltd. (herein afterwards also called as "GAIL") to act as Director in the Board of IGGL. Accordingly he was appointed as one of the First Directors of the Company.

As per Section 152 (2) of Companies Act, 2013, every Director shall be appointed by the company in the general meeting. Since this is the first AGM of the Company, the confirmation of appointment of First Directors have become due. In pursuance of Section 160, the Company has received necessary Notice from him proposing his appointment and the Board has also recommended for his appointment in its 9<sup>th</sup> Board Meeting.

Shri Mahesh Vishwanathan Iyer is interested in the Resolution to the extent as it concerns his appointment. No other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

### **For Item No. 5: To appoint Shri Rakesh Kaul as Director of the Company**

In pursuance of the Joint Agreement dated 20.07.2018, Shri Rakesh Kaul was nominated by Oil and Natural Gas Corporation Ltd (herein afterwards also called as "ONGC") to act as Director in the Board of IGGL. Accordingly he was appointed as one of the First Directors of the Company.

As per Section 152 (2) of Companies Act, 2013, every Director shall be appointed by the company in the general meeting. Since this is the first AGM of the Company, the confirmation of appointment of First Directors have become due. In pursuance of Section 160, the Company has received necessary Notice from him proposing his appointment and the Board has also recommended for his appointment in its 9<sup>th</sup> Board Meeting.

Shri Rakesh Kaul is interested in the Resolution to the extent as it concerns his appointment. No other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

### **For Item No. 6: To appoint Shri Samir Kumar Das as Director of the Company**

In pursuance of the Joint Agreement dated 20.07.2018, Shri Samir Kumar Das was nominated by Oil India Ltd. (herein afterwards also called as "OIL") to act as Director in the Board of IGGL. Accordingly he was appointed as one of the First Directors of the Company.

As per Section 152 (2) of Companies Act, 2013, every Director shall be appointed by the company in the general meeting. Since this is the first AGM of the Company, the confirmation of appointment of First Directors have become due. In pursuance of Section 160, the Company has received necessary Notice from him proposing his appointment and the Board has also recommended for his appointment in its 9th Board Meeting.

Shri Samir Kumar Das is interested in the Resolution to the extent as it concerns his appointment. No other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

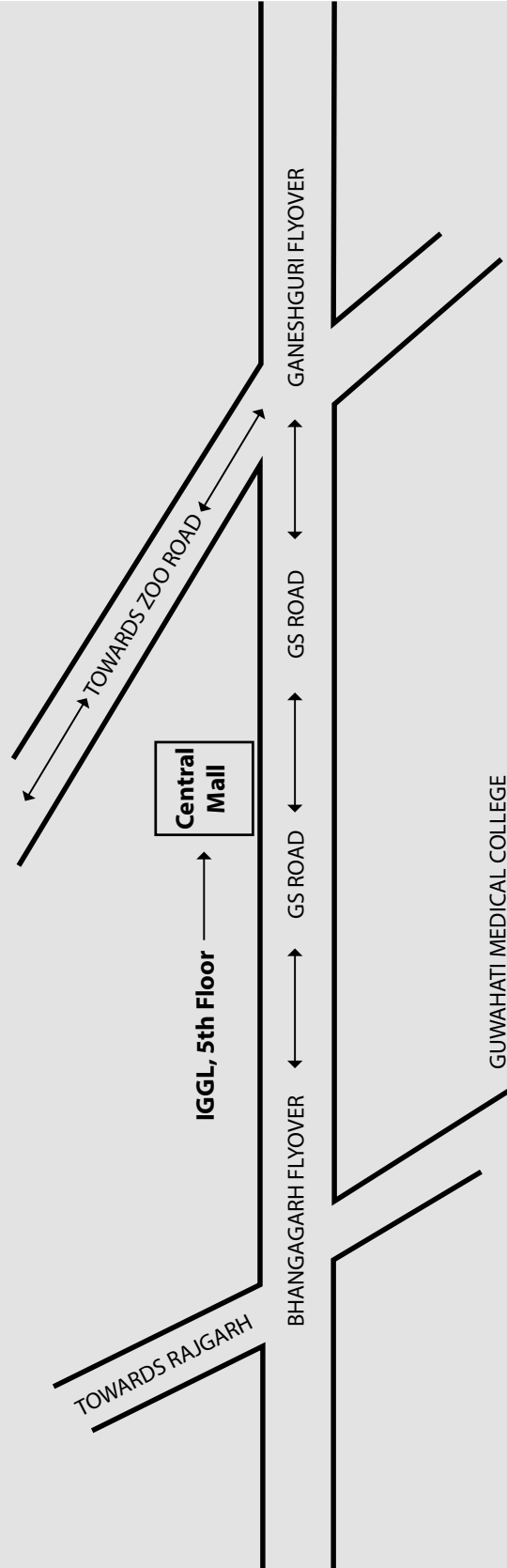
**For Item No. 7: To appoint Shri Bruno Ekka as Director of the Company**

In pursuance of the Joint Agreement dated 20.07.2018, Shri Bruno Ekka was nominated by Numaligarh Refinery Ltd. (herein afterwards also called as "NRL") to act as Director in the Board of IGGL. Accordingly he was appointed as Nominee Director of IGGL w.e.f. 01.03.2019.

As per Section 152 (2) of Companies Act, 2013, every Director shall be appointed by the company in the general meeting. Since this is the first AGM after his appointment made by the Board, his confirmation for appointment as Director have become due. In pursuance of Section 160, the Company has received necessary Notice from him proposing his appointment and the Board has also recommended for his appointment in its 9th Board Meeting.

Shri Bruno Ekka is interested in the Resolution to the extent as it concerns his appointment. No other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

## ROUTE -MAP for reaching Indradhanush Gas Grid Limited (IGGL) Registered Office/ Venue of the AGM



GUWAHATI MEDICAL COLLEGE

## Form No. MGT-11

### PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN U40300AS2018GOI018660

Ph : +91 9531101226

Website [www.iggl.co.in](http://www.iggl.co.in)

Email : [info@iggl.co.in](mailto:info@iggl.co.in)

Registered Office: 5<sup>th</sup> Floor, Central Mall, Christian Basti, G.S. Road, Guwahati – 781005, Assam.

Name of the Member(s) :	
Registered Address :	
E-mail Id :	Folio No. :
DP ID :	CLIENT ID :

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company. Hereby appoint

Name :	E-mail Id:
Address:	
Signature :	

or failing him

Name :	E-mail Id:
Address:	
Signature :	

or failing him

Name :	E-mail Id:
Address:	
Signature :	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 1<sup>st</sup> Annual General Meeting of Indradhanush Gas Grid Limited will be held at the Registered Office of the Company at **5<sup>th</sup> Floor, Central Mall, Christian Basti, G.S. Road, Guwahati – 781005, Assam on Friday, the 13<sup>th</sup> Day of December, 2019 at 3:00 PM**, and at any adjournment thereof, in respect of such resolutions as are indicated below:





**Resolution No.**

SI No.	Resolutions
	<b>ORDINARY BUSINESS</b>
	To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended on 31 <sup>st</sup> March, 2019 and the Reports of the Board of Directors and the Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon
	To authorize the Board of Directors to decide remuneration / fees of the Statutory Auditors of the Company, appointed by the Comptroller & Auditor General of India for the financial year 2019-20.
	<b>SPECIAL BUSINESS</b>
	To appoint Shri Harendra Kumar Singh as Director of the Company
	To appoint Shri Mahesh Vishwanathan Iyer as Director of the Company
	To appoint Shri Rakesh Kaul as Director of the Company
	To appoint Shri Samir Kumar Das as Director of the Company
	To appoint Shri Bruno Ekka as Director of the Company

Signed this \_\_\_\_ day of \_\_\_\_\_ 20\_\_

Affix Revenue Stamp


.....  
Signature of Member

.....  
Signature of First Proxy Holder

.....  
Signature of Second Proxy Holder

.....  
Signature of Third Proxy Holder

**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.

## ATTENDANCE SLIP

(To be handed over at the entrance of the Venue of the meeting room)

1<sup>st</sup> Annual General Meeting of Indradhanush Gas Grid Limited

Held on 13<sup>th</sup> day of December, 2019 at 5<sup>th</sup> Floor, Central Mall, Christian Basti, G.S.Road, Guwahati – 781005, Assam.

Full name of the member (in Blocks Letters)	
Member's Folio No	
CLIENT ID *	
DP ID *	
No. of shares held	
Email ID	
Name of Proxy (To be filled in, if the proxy attends instead of the member)	

***I hereby record my presence at the 1<sup>st</sup> Annual General Meeting of Indradhanush Gas Grid Limited held at the Registered Office of the Company at 5<sup>th</sup> Floor, Central Mall, Christian Basti, G.S. Road, Guwahati – 781005, Assam on Friday, the 13<sup>th</sup> Day of December, 2019 at 3:00 PM.***

(Member's /Proxy's Signature)

Note:

This Attendance Slip duly filled and signed is to be handed over at the venue for verification.









## **INDRADHANUSH GAS GRID LIMITED**

CIN : U40300AS2018GOI018660  
Address : 5<sup>th</sup> Floor, Central Mall, Christian Basti, G.S. Road,  
Guwahati – 781005, Assam  
Website : [www.iggl.co.in](http://www.iggl.co.in)  
Email : [info@iggl.co.in](mailto:info@iggl.co.in)  
Phone : +91 95311 01226