

# **DHARMESH PARIKH & CO.**

## **CHARTERED ACCOUNTANTS**

303/304, "Milestone", Nr. Drive-in-Cinema, Opp. T.V Tower, Thaltej,  
Ahmedabad-380 054. Phone: 91-79-27474466 Fax: 91-79-27479955

### **INDEPENDENT AUDITOR'S REPORT**

#### **To the Members of ADANI GAS LIMITED**

##### **Report on the Financial Statements**

We have audited the accompanying standalone financial statements of Adani Gas Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

##### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

##### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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



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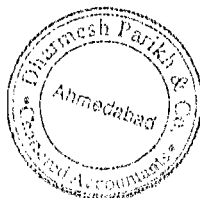
### Opinion

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 31 March 2016 and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 37 to the financial statements;
    - ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Ahmedabad  
Date : 2<sup>nd</sup> May 2016



For, **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

  
**Anuj Jain**  
Partner

Membership No. 119140

# DHARMESH PARIKH & CO.

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### ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT RE: ADANI GAS LIMITED

(Referred to in Paragraph 1 of our Report of even date)

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, in a phased verification programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business.
- (c) The title deeds of immovable properties, as disclosed in Note 12 on fixed assets to the financial statements, are held in the name of the company, except for leasehold land.
- (ii) The inventory, other than stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. In respect of stocks lying with third parties at the year-end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) According to the information and explanation given to us and the records produced to us for our verification, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of paragraph 3 (iii) (a) to (c) of the Order are not applicable.
- (iv) According to the information and explanations given to us and representations made by the Management, the Company has complied with the provisions of section 185 and 186 of the Act in respect of the loans and investments made, and guarantees and securities provided by it.
- (v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules 2014 prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of the company's products/ services to which the said rules are made applicable and are of the opinion that prima facie the prescribed cost records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, excise duty, service tax, duty of customs, entry tax, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities generally.



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According to the information and explanations given to us, no undisputed amounts payable in respect of the above referred statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of provident fund, employees' state insurance, sales tax, wealth tax, excise duty, value added tax, cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of service tax, income tax, duty of excise and Municipal Corporation Tax have not been deposited by the Company on account of disputes.

Name of Statute	Nature of the dues	Forum where dispute is pending	Amount (*) (₹ in Lacs)	Amount paid under protest (₹ in Lacs)	Period to which the amount relates
Central Excise Act, 1944	Excise Duty	Assessing Authority	599.14	Nil	2010-11 to 2015-16
		Appellate Authority upto Commissioner's Level	7.06	0.35	2008-09 to 2012-13
		Appellate Tribunal	1691.91	414.79	2006-07 to 2013-14
Finance Act, 1994	Service Tax	Assessing Authority	356.98	Nil	2008-09 to 2013-14
		Appellate Authority upto Commissioner's Level	4.85	Nil	2008-09 to 2012-13
		Appellate Tribunal	2424.18	300.65	2005-06, 2008-09 to 2011-12
Income Tax Act	Income Tax	Assessing Authority	25.00	Nil	2008-09 & 2009-10
		Appellate Authority upto Commissioner's Level	149.84	0.30	2011-12 & 2012-13
		Appellate Tribunal	179.04	142.79	2005-06, 2006-07 2008-09 to 2010-11
		High Court	165.29	70.85	2008-09
Municipal Corporation	Property Tax	Supreme Court	1716.10	1716.10	2010-11 to 2014-15

(\*) Excluding Interest and Penalty where the notice does not specifies the same.

- (viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any bank or financial institution during the year. The company has not borrowed funds from any debenture holders.



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- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- (xii) In our opinion, the Company is not a nidhi Company. Accordingly the provisions of Clauses 3 (xii) of the Order are not applicable.
- (xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of Companies Act 2013 and all the details have been disclosed in financial statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any debenture during the year under review. Accordingly the provisions of paragraph 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records, Company has not entered into any non-cash transactions with any director or any person connected with him. Accordingly the provisions of Clauses 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable.

Place : Ahmedabad  
Date : 2<sup>nd</sup> May 2016



For, **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

**Anuj Jain**  
Partner  
Membership No. 119140

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### **ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT RE: ADANI GAS LIMITED**

(Referred to in paragraph 2 (f) of our Report of even date)

#### **Report on the Internal Financial Controls under Clause i of sub-section 3 of section 143 of the Companies Act 2013 (the act).**

We have audited the internal financial controls over financial reporting of the Company as of 31<sup>st</sup> March, 2016 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

#### **Management's Responsibilities for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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

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



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### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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.

Place : Ahmedabad  
Date : 2<sup>nd</sup> May 2016



For, **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

A handwritten signature in black ink, appearing to read "Anuj Jain".

**Anuj Jain**  
Partner  
Membership No. 119140

## BALANCE SHEET AS AT 31-MARCH-2016

(₹ in Lacs)

PARTICULARS		NOTES	AS AT 31-MARCH-2016		AS AT 31-MARCH-2015	
<b>I EQUITY AND LIABILITIES</b>						
<b>(1) SHAREHOLDERS' FUNDS</b>						
(a) Share Capital		3	25,674.20		25,674.20	
(b) Reserves & Surplus		4	35,473.86	61,148.06	32,818.91	58,493.11
<b>(2) NON-CURRENT LIABILITIES</b>						
(a) Long-Term Borrowings		5	9,441.18		25,453.30	
(b) Deferred Tax Liabilities (Net)		36	7,906.55		7,042.83	
(c) Other Long Term Liabilities		6	18,430.00		16,762.40	
(d) Long-Term Provisions		7	163.34	35,941.07	233.27	49,491.80
<b>(3) CURRENT LIABILITIES</b>						
(a) Short-Term Borrowings		8	36,600.00		2,000.00	
(b) Trade Payables		9	4,476.90		5,159.64	
(c) Other Current Liabilities		10	4,609.21		10,284.63	
(d) Short-Term Provisions		11	267.36	45,953.47	151.93	17,596.20
<b>TOTAL</b>					1,43,042.60	
<b>II ASSETS</b>						
<b>(1) NON CURRENT ASSETS</b>						
(a) Fixed assets		12				
(i) Tangible Assets			72,837.05		70,112.66	
(ii) Intangible Assets			2,737.09		2,927.89	
(iii) Capital Work-In-Progress		13	15,702.13		20,582.22	
			91,276.27		93,622.77	
(b) Non Current Investments		14	4,500.00		1,230.00	
(c) Long-Term Loans and Advances		15	2,465.48		2,776.11	
(d) Other Non Current Assets		16	154.20		137.67	
				98,395.95		97,766.55
<b>(2) CURRENT ASSETS</b>						
(a) Current Investments		17	375.00			
(b) Inventories		18	3,869.82		3,549.03	
(c) Trade Receivables		19	3,928.05		6,333.34	
(d) Cash & Bank Balances		20	1,214.01		13,421.02	
(e) Short-Term Loans & Advances		21	35,147.72		3,709.26	
(f) Other Current Assets		22	112.05	44,645.65	801.91	27,814.56
<b>TOTAL</b>				1,43,042.60		1,25,581.11
Significant Accounting Policies		2				

The accompanying notes are an integral part of the financial statements  
As per our attached report of even date

FOR DHARMESH PARIKH & CO.  
Chartered Accountants  
Firm Registration No. 112054W

*Anuj Jain*

ANUJ JAIN  
Partner  
Mem No. 119140



FOR & ON BEHALF OF THE BOARD

*Mareesh Poddar*  
MAREESH PODDAR  
CFO

*Hardik Sanghvi*  
HARDIK SANGHVI  
Company Secretary

*Pranav Adani*  
PRANAV ADANI  
Director  
DIN 00008457

*Shridhar Tambaparni*  
SHRIDHAR TAMBAPARNI  
Whole time Director  
DIN 07131653

Place: Ahmedabad  
Date : 2<sup>nd</sup> May 2016

Place: Ahmedabad  
Date : 2<sup>nd</sup> May 2016



## STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED ON 31-MARCH-2016

(₹ in Lacs)

	PARTICULARS	NOTES	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
<b>A</b>	<b>REVENUE</b>			
<b>I</b>	Revenue from Operations (Gross)	23	1,20,522.25	1,41,603.76
	Less: Excise Duty		7,654.54	7,756.19
	Revenue from Operations (Net)		1,12,867.71	1,33,847.57
<b>II</b>	<b>Other Income</b>	24	2,592.78	1,324.68
<b>III</b>	<b>Total Revenue (I+II)</b>		<b>1,15,460.49</b>	<b>1,35,172.25</b>
<b>IV</b>	<b>EXPENSES</b>			
	Cost of Materials Consumed	25	41,637.15	51,174.21
	Purchase Of Stock In Trade	26	33,661.84	47,532.36
	Changes In Inventory of Finished Goods, Work In Progress & Stock In Trade	27	(34.81)	584.11
	Employee Benefits Expense	28	3,401.90	3,119.18
	Finance Costs	29	4,248.24	4,380.95
	Depreciation and Amortization Expense	12	5,417.25	5,515.74
	Other Expenses	30	8,224.95	9,505.53
	<b>Total Expenses</b>		<b>96,556.52</b>	<b>1,21,812.08</b>
<b>V</b>	<b>Profit / (Loss) for the Year before Exceptional, Extraordinary Items and Taxation (III - IV)</b>		<b>18,903.97</b>	<b>13,360.17</b>
<b>VI</b>	Exceptional Items	31	(5,423.71)	-
<b>VII</b>	<b>Profit / (Loss) for the year before Extraordinary Items and Taxation (V - VI)</b>		<b>13,480.26</b>	<b>13,360.17</b>
<b>VIII</b>	Extraordinary Items		-	-
<b>IX</b>	<b>Profit / (Loss) for the Year before Taxation (VII - VIII)</b>		<b>13,480.26</b>	<b>13,360.17</b>
<b>X</b>	<b>Tax Expense:</b>			
	(1) Current Tax		4,708.44	2,184.41
	(2) Adjustment of Earlier Years		-	0.38
	(3) Deferred Tax	35	863.72	808.09
	(4) MAT Credit Reversal / (Entitlement)		-	760.39
<b>XI</b>	<b>Profit / (Loss) for the year (IX - X)</b>		<b>7,908.10</b>	<b>9,606.90</b>
	<b>Earning per Equity Share of ₹ 10/- each :</b>	34		
	- Basic		3.08	3.74
	- Diluted		3.08	3.74
	<b>Significant Accounting Policies</b>	2		

The accompanying notes are an integral part of the financial statements  
As per our attached report of even date

FOR DHARMESH PARIKH &amp; CO.

Chartered Accountants

Firm Registration No. 112054W

ANUJ JAIN

Partner

Mem No. 119140



*(Signature)*  
NARESH PODDAR  
CFO

*(Signature)*  
HARDIK SANGHVI  
Company Secretary

FOR &amp; ON BEHALF OF THE BOARD

*(Signature)*  
PRANAV ADANI  
Director  
DIN 00008457

*(Signature)*  
SHRIDHAR TAMBRAPARNI  
Whole time Director  
DIN 07131658

Place: Ahmedabad  
Date : 2<sup>nd</sup> May 2016

Place: Ahmedabad  
Date : 2<sup>nd</sup> May 2016

## ADANI GAS LIMITED

## CASH FLOW FOR THE YEAR ENDED ON 31-MARCH-2016

(₹ in Lacs)

S.NO.	PARTICULARS	For the Year Ended 31-March-2016		For the Year Ended 31-March-2015	
<b>A</b>	<b>CASHFLOW FROM OPERATIONS</b>				
	<b>Net Profit Before Tax</b>		<b>13,480.26</b>		<b>13,360.17</b>
	<b>Adjustment for:</b>				
	Depreciation/Amortization	5,417.25		5,515.74	
	Finance Cost	4,248.24		4,380.95	
	Interest Income	(1,983.04)		(262.69)	
	Income from Dividend	-		(173.34)	
	(Income)/Loss from Sale of Current Investments	(65.11)		(3.05)	
	(Gain)/Loss on Sale of Fixed Assets	196.21		2.00	
	Bad Debts/ Provision for Doubtful Debts	(9.51)		44.14	
	Liabilities No Longer Required	(79.15)		(41.26)	
	Bad Debts/ Provision for Doubtful Loans & Advances	-		323.95	
	Exceptional Item	5,423.71		-	
	<b>Total Adjustments to Net Profit</b>		<b>13,148.60</b>		<b>9,786.46</b>
	<b>Operating Profit Before Working Capital Changes</b>		<b>26,628.86</b>		<b>23,146.63</b>
	<b>Adjustment for:</b>				
	Trade and Other Receivables	2,414.80		1,580.48	
	Inventories	(320.79)		146.71	
	Loans and Advances	(659.81)		786.25	
	Other Current Assets	687.73		(711.44)	
	Trade Payables	(603.59)		(535.27)	
	Other Liabilities & Provision	973.78		482.20	
	<b>Total Working Capital Changes</b>		<b>2,492.12</b>		<b>1,748.92</b>
	<b>Cash Generated From Operations</b>		<b>29,120.98</b>		<b>24,895.56</b>
	Direct Tax (Paid)/ Refund		(3,839.41)		(3,008.20)
	<b>Net Cash From Operating Activities</b>		<b>25,281.57</b>		<b>21,887.35</b>
<b>B</b>	<b>CASHFLOW FROM INVESTING ACTIVITIES</b>				
	Purchase/Additions to Fixed Assets & Capital Work in Progress	(8,700.25)		(3,090.18)	
	Capital Advances	49.06		47.51	
	Sale of Fixed Assets	9.58		10.06	
	Redemption/(Investment) in Deposits	(0.09)		2.41	
	Interest Received	1,968.64		244.08	
	Investment in Joint Venture	(4,020.00)		(1,227.50)	
	Consideration from Sale of Mutual Fund	65.11		3.05	
	Income from Dividend	-		173.34	
	Loans, Advances and Deposits to Related Party	(30,626.18)		-	
	<b>Net Cash Used in Investing Activities</b>		<b>(41,254.13)</b>		<b>(3,837.25)</b>
<b>C</b>	<b>CASHFLOW FROM FINANCING ACTIVITIES</b>				
	Proceeds from Long Term Borrowings	-		2,000.00	
	Proceeds from Commercial paper	30,000.00		-	
	Repayment of Long Term Borrowings	(22,563.36)		(7,276.65)	
	Proceeds from Short Term Borrowings	4,600.00		2,000.00	
	Repayment of Short Term Borrowings	-		(1,013.68)	
	Repayment of Loans and Advances	(13.03)		12.87	
	Interest Paid	(4,297.61)		(4,428.40)	
	Security Deposit from Customer & Contractors	1,667.60		917.80	
	Dividend Paid (Including Dividend Distribution Tax)	(5,253.15)		-	
	<b>Net Cash Used for Financing Activities</b>		<b>4,140.45</b>		<b>(7,788.06)</b>



## ADANI GAS LIMITED

## CASH FLOW FOR THE YEAR ENDED ON 31-MARCH-2016

(₹ in Lacs)

S.NO.	PARTICULARS	For the Year Ended 31-March-2016		For the Year Ended 31-March-2015	
D	<b>Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)</b>		(11,832.10)		10,262.04
	Effect of Exchange Rate Difference on Cash and Cash Equivalents		-		-
	Cash and Cash Equivalents at the beginning of the Period		13,419.41		3,157.37
	<b>Cash and Cash Equivalents at the End of the Period</b>		<b>1,587.31</b>		<b>13,419.41</b>
	<b>Components of cash and cash equivalents</b>				
	Cash on hand		-		0.42
	Cheque on hand		-		779.24
	Balances with Local Banks				
	- In Current Account		687.31		6,121.16
	- In Fixed Deposit Account		525.00		941.00
	- In Margin Deposit Account		-		5,577.59
	Highly Liquid Mutual Fund		375.00		-
	<b>Total Cash and Cash Equivalents ( Refer Note 17 &amp; 20 (a) )</b>		<b>1,587.31</b>		<b>13,419.41</b>

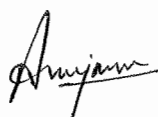
## Significant Accounting Policies (Note 2)

The accompanying notes are an integral part of the financial statements  
As per our attached report of even date

## FOR DHARMESH PARIKH &amp; CO.

Chartered Accountants

Firm Registration No. 112054W



ANUJ JAIN

Partner

Mem No. 119140



## FOR &amp; ON BEHALF OF THE BOARD



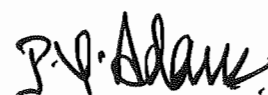
NARESH PODDAR

CFO



HARDIK SANGHVI

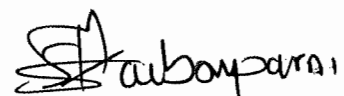
Company Secretary



PRANAV ADANI

Director

DIN 00008457



SHRIDHAR TAMBRAPARNI

Whole time Director

DIN 07131658

Place: Ahmedabad

Date : 2<sup>nd</sup> May 2016

Place: Ahmedabad

Date : 2<sup>nd</sup> May 2016

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

**NOTE : 1 CORPORATE INFORMATION**

Adani Gas Limited (AGL) was originally incorporated as Adani Energy (U.P.) Limited on 5th August 2005 as Public Limited Company under the Companies Act 1956 vide CIN U40100GJ2005PLC046553. Subsequently Adani Energy (U.P.) Pvt. Ltd. was renamed as Adani Gas Limited vide fresh Certificate of Incorporation consequent upon change of name dated 8th January, 2010. It is a wholly owned subsidiary of Adani Enterprise Limited. The company carries on the activity of City Gas Distribution and distributes and transports Natural Gas to Domestic, Commercial, Industrial and Vehicle users. The company is presently operating in Ahmedabad, Vadodara, Faridabad and Khurja.

**NOTE : 2 SIGNIFICANT ACCOUNTING POLICIES ADOPTED BY THE COMPANY IN THE PREPARATION AND PRESENTATION OF THE ACCOUNTS : -****a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the 2013 Act") read with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on accrual basis under historical cost convention and going concern basis. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**b) USE OF ESTIMATES**

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

**c) CURRENT & NON-CURRENT**

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

**d) INVENTORIES**

- i) Stores and Spares are valued at Cost or NRV which ever is less. Cost is determined on Weighted Average basis & comprises of expenditure incurred in the normal course of business in bringing inventories to their location & condition including appropriate overheads.
- ii) Stock of CNG in cascades and Natural Gas in pipelines have been valued on Weighted Average basis considering lower of cost or net realisable value.
- iii) Capital inventories represent item of capital nature lying in the stores and are valued at cost.
- iv) Net Realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

**e) CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASHFLOW STATEMENTS)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of 3 months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risks of changes in value.

**f) CASH FLOW STATEMENT**

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



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

**g) DEPRECIATION**

- i) Depreciation of fixed assets is provided on Straight Line Method at rates and in the manner specified in Schedule II of the Companies Act 2013 except as stated below;

Assets Class	Estimated Useful Life
Compressors	8 years
Dispensers	8 years
Cascades	15 years
Steel Pipes & Fittings	20 years
PE pipes & Fittings	20 Years
Leased Hold Land	Over the period of lease
Right of Use of Land	Over the period of Rights
Mobile Devices	100% in the year of incurrence

The above useful life has been determined based on the technical evaluation done by the Management

- ii) Depreciation on Assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal.

**h) REVENUE RECOGNITION**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured

- i) Revenue on sale of natural gas is recognized on transfer of title to customers at delivery point. Sales are billed bi-monthly for domestic customers, fortnightly for commercial, Non commercial & Industrial Customer. Sales are disclosed net of sales tax/ value added tax (VAT) as applicable.
- ii) Revenue on sale of Compressed Natural Gas (CNG) is recognized on sale of gas to customers from CNG stations.
- iii) Gas Transportation Income is recognized in the same period in which the related volumes of gas are delivered to the customers.
- iv) Interest revenues are recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- v) Gas supplied to domestic customers for which billing have not been done as per the billing cycle is treated as stock and revenue for the same is accounted in the year in which Sales are billed.
- vi) Dividend income from investments is recognised when the Company's right to receive payment is established.

**i) FIXED ASSETS****A) TANGIBLE FIXED ASSETS**

- i) Fixed assets are stated at their original cost including freight, duties, taxes and other incidental expenses relating to acquisition and installation (net of Cenvat and VAT credit wherever applicable).
- ii) All direct cost attributable to respective assets are capitalized to the assets. Other indirect expenses are capitalized to assets in proportion of the value of the assets.
- iii) Leasehold land is carried at Cost, comprising of Lease Premium and expenses on acquisition thereof, as reduced by accumulated amortization.
- iv) The Natural Gas (NG) distribution systems for PNG connections commissioned on commencement of supply of gas to the individual consumers.
- v) The CNG outlets are commissioned on commencement of sale of CNG to the customers.

**B) INTANGIBLE FIXED ASSETS**

- i) Intangible assets are recorded at the consideration paid for acquisition and are amortized over their estimated useful lives on a straight-line basis, commencing from the date the asset is available to the company for its use. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.
- ii) Goodwill acquired as a result of demerger is being amortised over a period of 20 years based on the balance estimated life of the project as determined by the management.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

**j) CAPITAL WORK IN PROGRESS**

- i) The cost of Fixed Assets not put to use before the year end and Capital Inventory, are disclosed under capital work-in-progress.
- ii) Expenditure incurred during the period of construction including, all direct & indirect overheads, incidental and related to construction is carried forward and on completion, the costs are allocated to the respective fixed assets.

**k) FOREIGN CURRENCY TRANSACTIONS****i) Initial Recognition**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

**ii) Measurement of Foreign Currency Monetary Items at the Balance Sheet date**

Foreign currency monetary items (other than derivative contracts) of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

**iii) Treatment of Exchange Differences**

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

**iv) Accounting of Forward Contracts**

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date.

**l) INVESTMENTS**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management.

Current investments are carried at the lower of cost and fair value, computed category wise.

**m) EMPLOYEE BENEFITS****A) Short Term Employee Benefits**

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employees benefits and are recognised in the period in which the employee renders the related service.

**B) Post Employment Benefits****i) Defined Benefit Plans**

The employees' gratuity scheme is a defined benefit scheme. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on actuarial valuations, carried out by an independent actuary, using the Projected Unit Credit method. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

**ii) Defined Contribution Plans**

Contribution to the provident fund scheme which is a defined contribution schemes is charged to the statement of Profit and Loss as the same is incurred.

**iii) Long-Term Employee Benefits**

Long term employee benefits comprise of compensated absences. These are measured based on an actuarial valuation carried out by an independent actuary at each Balance Sheet date. Actuarial gains and losses are recognised in the statement of Profit and Loss.

- iv) For the purpose of presentation of defined benefit plans and other long term benefits, the allocation between short term and long term provisions has been made as determined by an actuary.

**n) BORROWING COSTS**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

**o) SEGMENT REPORTING**

In accordance with accounting standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended), the Company has determined its business segment as distribution of Natural Gas. Since, there are no other business segments in which the Company operates there are no other primary reportable segments. Further since the company's operations are limited to cities in India, there is no other Geographical reportable segment. Therefore, the segment revenue, results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statement.

**p) RELATED PARTY TRANSACTIONS**

Disclosure of transactions with Related Parties, as required by Accounting Standard 18, "Related Party Disclosures" as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended) has been set out in Note 33. Related parties as defined under clause 3 of the Accounting Standard have been identified on the basis of representations made by key managerial personnel and information available with the Company.

**q) LEASES**

Lease arrangement where risk and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as Operating Leases. The company's leasing arrangements are in respect of operating lease for office premises. The aggregate lease rent payable is charged as rent including lease rentals.

**r) EARNING PER SHARE**

- i) The Company reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard-20 as prescribed under the Companies (Accounting Standard) Rule 2006 (as amended). The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS have been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

**s) TAXES ON INCOME****i) DEFERRED TAXATION**

In accordance with the Accounting Standard 22 – Accounting for Taxes on Income, prescribed under The Companies (Accounting Standards) Rules, 2006 (as amended), the deferred tax for timing differences between the book and tax profits for the year is accounted for by using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet Date.

Deferred tax assets arising from timing differences are recognised to the extent there is virtual certainty that the assets can be realised in future.

Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset. The deferred tax account is used solely for reversing timing difference as and when crystallized.

**ii) CURRENT TAXATION**

Provision for current tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Income Tax Act, 1961.

**iii) MAT CREDIT**

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

**t) IMPAIRMENT OF ASSETS**

The carrying amount of assets, other than inventories, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

The impairment loss is recognised whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in the uses which is determined based on the estimated future cash flow discounted to their present values. All impairment losses are recognised in the profit and loss account.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognised in the profit and loss account.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

## u) PROVISIONS AND CONTINGENT LAIBILITIES

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

## v) ACCOUNTING OF CLAIMS

- i) Claims received are accounted at the time of lodgement depending on the certainty of receipt and claims payable are accounted at the time of acceptance.
- ii) Claims raised by Government authorities regarding taxes and duties, which are disputed by the Company, are accounted based on merits of each claim. Adjustments, if any, are made in the year in which disputes are finally

## w) EXPENDITURE

Expenses are net of taxes recoverable, where applicable.

## x) SERVICE TAX INPUT CREDIT

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

## y) APPLICABILITY OF OTHER ACCOUNTING STANDARDS

Though other Accounting Standards also apply to the company by virtue of the Companies (Accounting Standards) Rules 2006 (as amended), no disclosure for the same is being made as the company has not done any transaction to which the said Accounting Standard apply.

## NOTE : 3 SHARE CAPITAL

(₹ in Lacs)

PARTICULARS	AS AT 31-Mar-2016		AS AT 31-March-15	
	No. of Share	(₹ in Lacs)	No. of Share	(₹ in Lacs)
<b>AUTHORISED</b>				
Equity Shares of ₹ 10/- each	26,00,00,000	26,000.00	26,00,00,000	26,000.00
	<b>26,00,00,000</b>	<b>26,000.00</b>	<b>26,00,00,000</b>	<b>26,000.00</b>
<b>ISSUED, SUBSCRIBED &amp; PAID-UP</b>				
Equity shares of ₹ 10/- Each Fully Paid up	25,67,42,040	25,674.20	25,67,42,040	25,674.20
	<b>25,67,42,040</b>	<b>25,674.20</b>	<b>25,67,42,040</b>	<b>25,674.20</b>
<b>(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period</b>				
<b>Equity shares</b>				
	AS AT 31-Mar-2016		AS AT 31-March-15	
	No. of Share	(₹ in Lacs)	No. of Share	(₹ in Lacs)
At the beginning of the period	25,67,42,040	25,674.20	25,67,42,040	25,674.20
Issued during the period	-	-	-	-
Issued during the period - Bonus	-	-	-	-
Issued during the period – ESOP	-	-	-	-
Outstanding at the end of the period	<b>25,67,42,040</b>	<b>25,674.20</b>	<b>25,67,42,040</b>	<b>25,674.20</b>





## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

**(b) Terms/ rights attached to equity shares**

The company has only one class of equity shares having par value of ₹ 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 the equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the no. of equity shares held by the shareholders. The company declares and pays dividends in Indian rupees. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except interim dividend.

**(c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates**

Out of equity shares issued by the company, shares held by its holding company are as below:

**Equity shares of ₹ 10/- Each Fully paid**

Name of Share Holders	AS AT 31-Mar-2016		AS AT 31-March-15	
	No. of Share	(₹ in Lacs)	No. of Share	(₹ in Lacs)
Adani Enterprise Limited, the Holding Company (Along with its nominees)	25,67,42,040	25,674.20	25,67,42,040	25,674.20

**(d) Details of shareholders holding more than 5% shares in the company****Equity shares of ₹ 10/- Each Fully paid**

Name of Share Holders	AS AT 31-Mar-2016		AS AT 31-March-15	
	No. of Share	% holding in the Class	No. of Share	% holding in the Class
Adani Enterprise Limited, the Holding Company (Along with its nominees)	25,67,42,040	100%	25,67,42,040	100%



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

## NOTE : 4 RESERVES &amp; SURPLUS

(₹ in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
<b>SURPLUS/ (DEFICIT) IN STATEMENT OF PROFIT AND LOSS</b>		
Balance as per Last Financial Statements	32,818.91	23,308.01
Less : Depreciation Adjustment in Retained Earnings	-	96.00
Add : Profit for the Year	7,908.10	9,606.90
Less : Interim Dividend on Equity Shares	4,364.62	-
Less : Tax on Interim Dividend	888.53	-
	<b>35,473.86</b>	<b>32,818.91</b>

## NOTE : 5 LONG TERM BORROWINGS

(₹ in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
<b>Term loans - Secured</b>		
From Financial Institution	-	6,553.30
From Bank	9,441.18	14,100.00
<b>Other Loans - Unsecured</b>		
From Related Parties (Holding Company)	-	4,800.00
	<b>9,441.18</b>	<b>25,453.30</b>

Note :

## i) Security Details:

**Rupee Term Loans from Bank is Secured by**

- First exclusive hypothecation charge over Plant and Machinery and other assets of the company at Vadodara, Khurja, Noida &amp; Faridabad plants.

## ii) Repayment terms:

- Long Term Rupee Term Loan of ₹ 10,900 Lacs is repayable in 2 quarterly installments of ₹ 100 Lacs each and remaining balance in 17 quarterly installments of ₹ 629.41 lacs each beginning from 14th April 2016.
- The above loans carries Interest Rate equal to the benchmark rate, presently @ 9.40% and is payable on monthly basis.
- For Current maturities of Long term borrowing refer Note No-10 "Other Current Liabilities"

## NOTE : 6 OTHER LONG TERM LIABILITIES

(₹ in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Security Deposit From Customer	18,044.28	16,589.28
Retention Money	293.13	86.81
Security Deposit From Contractors	92.59	86.31
	<b>18,430.00</b>	<b>16,762.40</b>

Note:

- Deposits from all Customers of natural gas refundable on termination / alteration of the gas sales agreements are considered as long term liabilities.
- Retention Money and Security deposit from contractors are considered as long term liabilities considering the long term contracts with them.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

## NOTE : 7 LONG TERM PROVISIONS

(₹ in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Provision for Gratuity	-	99.36
Provision for Leave Encashment	163.34	133.91
	<b>163.34</b>	<b>233.27</b>

## NOTE : 8 SHORT TERM BORROWINGS

(₹ in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
<b>Unsecured Borrowings</b>		
Commercial Paper	30,000.00	-
<b>Demand Loan - Secured</b>		
From Bank	3,600.00	2,000.00
<b>Term Loan - Unsecured</b>		
From Bank	3,000.00	-
	<b>36,600.00</b>	<b>2,000.00</b>

Note :

Security Details:

Rupee Term Loans from Bank is Secured by :

- First pari passu hypothecation charge on stock & book debts of the company with other working capital lenders
- Any other security created in favour of other Working Capital Vendors

## NOTE : 9 TRADE PAYABLE

(₹ in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Trade payables		
- Micro, Small and Medium Enterprise (Refer Note 39(a))	2.28	0.08
- Others	4,474.62	5,159.57
	<b>4,476.90</b>	<b>5,159.65</b>

Note :

Disclosures required under Section 22 of the Micro, Small and Medium Enterprise Development Act, 2006

- Principal amount remaining overdue unpaid to any supplier as at the end of the accounting year - -
- Interest due thereon remaining unpaid to any supplier as at the end of the accounting year - -
- The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed date - -
- The amount of interest due and payable for the year - -
- The amount of interest accrued and remaining unpaid at the end of the accounting year - -
- The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid - -



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

## NOTE : 10 OTHER CURRENT LIABILITIES

(₹ in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
<b>Current Maturities of Long Term Debt</b> (Refer Sub Note of Note 5 for security offered)		
- Loan from Financial Institution	-	3,276.65
- Loan from Bank	1,458.82	4,733.41
<b>Total</b>	<b>1,458.82</b>	<b>8,010.06</b>
Interest Accrued but not due on Borrowings	108.44	155.42
Interest Accrued and Due on Borrowings	-	2.39
Statutory Dues Payable (includes TDS, VAT, PF etc.)	684.47	670.98
Security Deposit from Contractor	219.61	229.98
Other Payables		
- Customer Advances	577.00	241.20
- Retention Money	156.62	75.40
- Creditors for Capital Goods	1,243.48	896.51
- Others	160.77	2.69
	<b>4,609.21</b>	<b>10,284.63</b>

## NOTE : 11 SHORT TERM PROVISIONS

(₹ in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Provision for Gratuity (Refer Note 32)	167.79	66.50
Provision for Leave Encashment	99.57	82.34
Provision for Tax (Net of Advance Tax)*	-	3.09
	<b>267.36</b>	<b>151.93</b>

\* Advance Income tax and provision for taxation has been disclosed on net basis where a legal right to set off exist and the company intends to settle the assets and liability on net basis

## NOTE : 13 CAPITAL WORK IN PROGRESS

(₹ in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Plant and Machinery	6,793.09	8,787.73
Capital Inventory	3,690.07	3,161.20
<b>Project Development Expenditure</b>		
Personnel Expenses	1,069.60	2,413.97
Travelling and Conveyance	44.52	102.55
Office Expenses	174.20	201.49
Legal and Professional Expenses	719.59	925.33
Finance Charges	1,551.30	3,077.83
Project Expenses	1,642.43	1,885.46
Other Expenses	17.34	26.66
	<b>15,702.13</b>	<b>20,582.22</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

## NOTE : 14 NON-CURRENT INVESTMENTS

(₹ in Lacs)

PARTICULAR	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
<b>Unquoted-Trade Investment</b>		
<b>In Joint Venture</b>		
4,50,00,000 (P.Y 1,23,00,000) shares of Indian Oil-Adani Gas Pvt. Ltd of ₹ 10/- each	4,500.00	1,230.00
	<b>4,500.00</b>	<b>1,230.00</b>

## NOTE : 15 LONG TERM LOAN AND ADVANCES

(₹ in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
<b>Advance Against Expenses</b>		
Unsecured, Considered Good		
- Capital	24.67	73.73
<b>Security Deposits</b>		
Unsecured, Considered Good		
- With Government	237.01	383.91
- With Others (Refer Note 39 (h))	415.17	421.46
<b>Loans and Advances to Related Parties</b>		
Unsecured, Considered Good	189.89	176.86
Unsecured, Considered Doubtful	-	-
	<b>189.89</b>	<b>176.86</b>
Less: Provision for Doubtful Advances	-	-
<b>Net Loans and Advances to Related Parties (A-B)</b>	<b>189.89</b>	<b>176.86</b>
<b>Advance Payment of Income Tax (Net)</b>	197.65	1,069.77
Unsecured, Considered Good		
Balance with Government Authorities	651.09	650.38
<b>Share Application Money Pending Allotment</b>		
JV-Indian Oil-Adani Gas Pvt. Ltd	750.00	-
	<b>2,465.48</b>	<b>2,776.11</b>

## NOTE : 16 OTHER NON CURRENT ASSETS

(Unsecured, Considered Good)

(₹ in Lacs)

PARTICULAR	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Interest Accrued and not due on Deposit	3.39	3.90
Interest Accrued and due on Deposit (Refer Note 39 (h))	150.81	133.77
	<b>154.20</b>	<b>137.67</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

## NOTE : 17 CURRENT INVESTMENTS

(₹ in Lacs)

PARTICULAR	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
<b>Unquoted Mutual Funds</b>		
9,05,939.338 Units of ₹ 10 each in JM High Liquidity Fund (Direct) - Growth Option	375.00	-
	<b>375.00</b>	<b>-</b>
Aggregate amount of Unquoted Investments	375.00	-
Net Assets Value (N.A.V)	375.37	-

## NOTE : 18 INVENTORIES

(At cost or net realisable value whichever is lower)

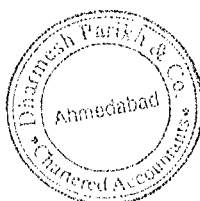
(₹ in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Stock in Trade / Finished Goods	779.51	744.70
Stores and Spares	3,090.31	2,804.33
	<b>3,869.82</b>	<b>3,549.03</b>

## NOTE : 19 TRADE RECEIVABLES

(₹ in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
<b>Receivable Outstanding for a Period Exceeding six months from the Date they are Due for Payment</b>		
(i) Unsecured, Considered Good	60.60	77.27
(ii) Doubtful	39.92	49.44
	100.52	126.71
(iii) Provision for Doubtful Receivable	(39.92)	(49.44)
<b>(A)</b>	<b>60.60</b>	<b>77.27</b>
<b>Receivable Outstanding for a Period Less than six months from the Date they are Due for Payment</b>		
(i) Unsecured, Considered Good	3,867.45	6,256.07
(ii) Doubtful	-	-
	<b>3,867.45</b>	<b>6,256.07</b>
(iii) Provision for Doubtful Receivable	-	-
<b>(B)</b>	<b>3,867.45</b>	<b>6,256.07</b>
<b>Total (A+B)</b>	<b>3,928.05</b>	<b>6,333.34</b>
Trade Receivables includes ₹. 3.59 lacs (P.Y. ₹. 2.28 lacs) due from related parties		



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

## NOTE : 20 CASH AND BANK BALANCES

(₹ in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
<b>Cash &amp; Cash Equivalents</b>		
i) Balances with Banks		
- In Current Account	687.31	6,121.16
- In Fixed Deposit Account (Due within 3 Months)	525.00	941.00
- In Margin Deposit Account (Due within 3 Months)	-	5,577.59
ii) Cash on Hand	-	0.42
iii) Cheque on Hand	-	779.24
(A)	<b>1,212.31</b>	<b>13,419.41</b>
<b>Other bank balances</b>		
- Deposits with Original Maturity over 3 months but less than 12 Months	1.70	1.61
(B)	<b>1.70</b>	<b>1.61</b>
<b>Total (A+B)</b>	<b>1,214.01</b>	<b>13,421.02</b>

## NOTE : 21 SHORT-TERM LOAN AND ADVANCES

(Unsecured, considered good)

(₹ in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Loans to Related Parties	30,626.18	-
Advance Against Expenses	217.65	60.10
<b>Balance with Government Authorities</b>		
Excise & Service Tax	1,128.58	972.30
VAT & CST	2,551.09	2,635.84
Prepaid Expenses	618.75	29.54
Loan to Employees	5.47	11.47
	<b>35,147.72</b>	<b>3,709.26</b>

## NOTE : 22 OTHER CURRENT ASSETS

(₹ in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Interest Accrued and Not Due on Deposit	4.95	7.08
Other Receivables from Related Parties	107.10	794.83
	<b>112.05</b>	<b>801.91</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

## NOTE : 23 REVENUE FROM OPERATIONS

(₹ in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
<b>Sale of Goods</b>		
(i) CNG Sales (Gross)	61,913.51	61,459.54
Less: Excise Duty	7,654.54	7,756.20
CNG Sales (Net)	54,258.97	53,703.35
(ii) PNG Sales	57,420.35	78,991.16
<b>Sale of Services</b>		
(i) Connection Income	525.46	450.25
(ii) Transportation Income	243.55	245.46
<b>Other Operating Revenues</b>	419.38	457.35
	<b>1,12,867.71</b>	<b>1,33,847.58</b>

## NOTE : 24 OTHER INCOME

(₹ in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
Interest Income	1,983.04	262.69
Foreign Exchange Gain	3.18	5.76
Dividend Income from Current Investments	-	173.34
Net Gain on sale of Current Investments	65.11	3.05
Liabilities no Longer Required	79.15	41.26
Sale of Stores and Spares	407.57	774.68
Other Non-Operating Income	54.73	63.91
	<b>2,592.78</b>	<b>1,324.68</b>

## NOTE : 25 COST OF RAW MATERIALS CONSUMED

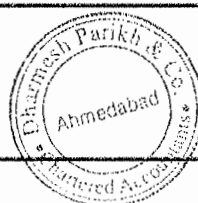
(₹ in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
Opening Stock	-	-
Add : Transfer from Purchase of Stock in trade	41,637.15	51,174.21
	<b>41,637.15</b>	<b>51,174.21</b>
Less : Closing Stock	-	-
	<b>41,637.15</b>	<b>51,174.21</b>

## NOTE : 26 PURCHASE OF STOCK IN TRADE

(₹ in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
Purchase of Stock in Trade	75,298.99	98,706.57
Less: Transfer for CNG Conversion	41,637.15	51,174.21
	<b>33,661.84</b>	<b>47,532.36</b>





## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

## NOTE : 27 CHANGES IN INVENTORY OF FINISHED GOODS, WORK IN PROGRESS &amp; STOCK IN TRADE

(₹ in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
Opening Stock of Finished Goods / Stock in Trade	744.70	1,328.81
Less: Closing Stock of Finished Goods / Stock in Trade	779.51	744.70
	<b>(34.81)</b>	<b>584.11</b>

## NOTE : 28 EMPLOYEE BENEFIT EXPENSE

(₹ in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
Salaries and Wages	1,958.66	1,728.95
Contractual Manpower Expenses	1,076.54	984.35
Contribution to Provident and Other Funds	178.45	246.84
Staff Welfare Expenses	188.25	159.04
	<b>3,401.90</b>	<b>3,119.18</b>

## NOTE : 29 FINANCE COSTS

(₹ in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
<b>Interest</b>		
Interest on Term Loan	2,053.94	3,534.30
Interest on Security Deposit	285.00	286.36
Interest on Commercial Paper	1,585.55	-
Interest on Income Tax	-	24.99
Interest to Municipal Corporation	0.02	28.78
Interest on Inter Corporate Deposit	78.18	345.30
Interest Others	40.24	0.87
<b>Other Borrowing Cost</b>		
Bank Charges	205.31	160.35
	<b>4,248.24</b>	<b>4,380.95</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

## NOTE : 30 OTHER EXPENSES

(₹ in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
Consumption of Stores and Spare Parts ( Refer Note - 39 (k) )	1,271.27	2,235.15
Power and Fuel	2,537.78	2,469.47
Transportation Charges	290.12	265.13
Security Expenses	107.47	208.09
Commission & Brokerage	524.81	551.29
Rent	253.41	268.30
Repairs to Buildings	80.85	72.34
Repairs to Machinery	833.08	910.11
Repairs to Others	117.47	106.89
Insurance	45.15	41.18
Rates and Taxes	402.18	450.03
Legal and Professional Fees	539.21	794.03
Travelling and Conveyance Expenses	251.67	216.78
Advertisement and Business Promotion Expenses	132.03	22.63
Office Expenses	84.11	92.19
Communication & IT Expenses	273.40	155.67
Printing and Stationery Expenses	62.56	68.06
Donation	0.50	0.90
Corporate Social Responsibility Expenses	197.00	165.75
Payment to Auditors		
(i) Statutory Audit Fees	7.44	5.79
(ii) Tax Audit Fees	2.33	1.97
(iii) Other Attestation Services	1.49	2.07
Miscellaneous Expenses	22.92	31.61
Provision / Write-off for Doubtful Receivables (Net)	(9.51)	44.14
Provision / Write-off for Doubtful Loans & Advances	-	323.95
Loss on Sale on Asset	196.21	2.00
	<b>8,224.95</b>	<b>9,505.53</b>

## NOTE : 31 EXCEPTIONAL ITEMS

(₹ in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
Suspended Project Write Off (Refer Note 39 (i))	5,423.71	-
	<b>5,423.71</b>	<b>-</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-MARCH-2016

## NOTE : 12 FIXED ASSETS

(₹ in Lacs)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	AS AT 01-Apr- 2015	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31-Mar-2016	AS AT 01-04-2015	ADDITION DURING THE YEAR	ADJUSTED IN RETAINED EARNINGS	DEDUCTION DURING THE YEAR	AS AT 31-Mar-2016
<b>TANGIBLE ASSETS</b>									
Land (Free Hold)	1,652.96	-	-	1,652.96	-	-	-	-	1,652.96
	1,649.71	3.25	-	1,652.96	-	-	-	-	1,652.96
Land (Lease Hold)	4,773.55	0.52	-	4,774.07	371.25	53.41	-	-	424.66
	4,730.00	43.55	-	4,773.55	318.36	52.89	-	-	371.25
Building	4,876.38	606.08	55.70	5,426.76	489.76	84.65	-	1.15	573.26
	4,675.10	201.28	-	4,876.38	408.93	80.82	-	-	489.76
Office Equipment	370.12	89.37	3.34	456.14	214.02	75.41	0.00	2.39	287.03
	358.06	32.83	0.78	370.12	86.38	86.49	41.82	0.67	214.02
Computer	246.65	40.49	5.43	281.71	158.04	39.31	0.00	5.43	191.91
	222.90	23.75	-	246.65	80.83	68.27	8.94	-	158.04
Vehicles	86.45	-	10.10	76.35	47.84	8.06	-	8.33	47.57
	86.03	0.42	-	86.45	37.03	10.81	-	-	47.84
Furniture	1,572.58	78.02	4.14	1,646.45	784.06	202.99	-	3.78	983.27
	1,534.94	37.63	-	1,572.58	504.00	280.06	-	-	784.06
Stores Equipment	57.31	-	-	57.31	21.23	4.26	-	-	25.49
	57.31	0.00	-	57.31	16.96	4.26	-	-	21.23
Plant & Machinery	86,953.25	7,201.22	799.05	93,355.42	28,390.41	4,617.42	-	650.90	32,356.94
	81,586.60	5,383.75	17.07	86,953.25	23,833.86	4,552.58	9.11	5.13	28,390.41
<b>INTANGIBLE ASSETS</b>									
Computer Software	1,269.27	140.94	-	1,410.21	902.27	156.41	-	-	1,058.67
	964.73	304.54	-	1,269.27	662.04	204.09	36.14	-	902.27
Goodwill	3,398.91	-	-	3,398.91	849.73	169.95	-	-	1,019.67
	3,398.91	-	-	3,398.91	679.78	169.95	-	-	849.73
Right of Use of Land	55.70	-	-	55.70	43.99	5.39	-	-	49.38
	55.70	-	-	55.70	38.48	5.52	-	-	43.99
<b>Total</b>									
	1,00,589.26	8,015.70	877.77	1,07,727.17	30,476.60	5,085.51	0.00	671.98	34,890.13
Tangible Assets	94,880.65	5,726.46	17.85	1,00,589.26	25,286.35	5,136.18	59.87	5.80	30,476.60
Intangible Assets	4,723.88	140.94	-	4,864.82	1,795.99	331.75	-	-	2,127.73
	4,419.34	304.54	-	4,723.88	1,380.30	379.56	36.14	-	1,795.99
<b>GRAND TOTAL</b>	<b>1,05,313.14</b>	<b>8,156.63</b>	<b>877.77</b>	<b>1,12,551.99</b>	<b>32,272.58</b>	<b>5,417.25</b>	<b>0.00</b>	<b>671.98</b>	<b>37,017.86</b>
	<b>99,299.99</b>	<b>6,031.00</b>	<b>17.85</b>	<b>1,05,313.14</b>	<b>26,666.65</b>	<b>5,515.74</b>	<b>96.01</b>	<b>5.80</b>	<b>32,272.59</b>

\* Lease hold land is amortised over a period of lease. Amount of amortisation for the current year is shown in depreciation column.

Represents Previous years figures

SUB NOTE: 1  
IMPAIRMENT OF FIXED ASSETS

Management has carried out a review, of the carrying value of assets as March 31, 2016 in accordance with the provisions of Accounting Standard - 28 Impairment of Assets. Based on this review, the management is of the opinion, that there are no impairment indicators that necessitate any adjustments to the carrying value of the assets. The same has been relied by the auditor.

## ADANI GAS LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-MARCH-2016

## NOTE : 32 EMPLOYEE BENEFITS

- a) Pursuant to the Accounting Standard - 15 – Employee Benefits, as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended) the disclosure in connection with the accrued gratuity and leave encashment is as under:

(₹ in Lacs)

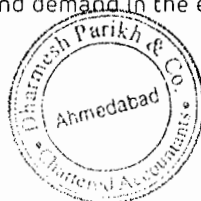
Gratuity	For the year ended 31-March-2016	For the year ended 31-March-2015
<b>Change in the Defined Benefit Obligations</b>		
Defined Benefit Obligation as at April 1, 2015	320.74	181.68
Service Cost	45.31	19.97
Interest Cost	25.55	17.04
Actuarial Loss/(Gain)	27.83	105.83
Benefit Paid	-1.06	-3.78
<b>Defined Benefit Obligation as at March 31, 2016</b>	<b>418.37</b>	<b>320.74</b>
<b>Change in Plan Assets</b>		
Fair Value of Plan Assets as at April 1, 2015	154.88	141.74
Expected Return on the Plan Assets	12.34	12.33
Contributions by Employer	80.09	0.62
Actuarial (Loss)/Gain	4.46	3.97
Benefit Paid	-1.18	-3.78
<b>Fair Value of Plan Assets as at March 31, 2016</b>	<b>250.58</b>	<b>154.88</b>
<b>Present Value of Unfunded Obligations</b>	<b>167.79</b>	<b>165.86</b>
<b>The Net amount recognized in the Statement of Profit and Loss for the Year Ended March 31, 2016 is as follows:</b>		
Current Service cost	45.31	19.97
Interest Cost	25.55	17.04
Expected Return on the Plan Assets	-12.34	-12.33
Net Actuarial Loss/ (Gain) Recognized	23.37	101.86
<b>Net Amount Recognized</b>	<b>81.89</b>	<b>126.54</b>
<b>The Major Categories of Plan Assets as a Percentage of Total Plan Assets as at March 31, 2016 are as follows:</b>		
Discount Rate	7.90%	7.95%
Expected Rate of Return on Plan Assets	7.95%	7.95%
Rate of Increase in Compensation Levels (Refer Note below)	8.00%	8.00%
<b>Experience Adjustment</b>		
On Plan Liability (Gain) / Losses	25.47	16.69
On Plan Asset Gain / (Losses)	4.46	3.97

## Past Four Years Data for Defined Benefit Obligation and Fair Value of Plan:

	2011-12	2012-13	2013-14	2014-15
Present Value of Defined Benefit Obligations	107.85	157.04	320.74	320.74
Fair Value of Plan Assets	112.86	133.60	154.88	154.88
Net Assets / (Liability)	-5.02	23.44	165.86	165.86
Experience Adjustments on Plan Liability (Gain) / Losses	7.85	29.10	16.69	16.69
Experience Adjustments on Plan Assets Gain / (Losses)	3.04	0.77	3.96	3.97

- b) The actuarial Liability for leave encashment and compensated absences (including Sick Leave) as at the year ended 31st March 2016 is ₹ 262.91 Lacs (Previous Year - ₹ 216.25 Lacs)

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market



## ADANI GAS LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

## NOTE:33 RELATED PARTY TRANSACTIONS

Pursuant to the Accounting Standard – 18 – Related Party Transactions, as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended) the disclosure relating to transactions entered into with related parties at arm's length basis by the Company, as identified by the management are disclosed as under.

## i) Name of Related Parties &amp; Description of Relationship

**A Holding Company**

Adani Enterprises Ltd.

(Controlled by S. B. Adani Family Trust, a private discretionary trust)

**B Fellow Subsidiaries (With whom transactions done during the year)**

Adani Infra (India) Ltd (Upto Dt: 16-Nov-2015)

Adani Energy Ltd.

**C Associates Entities (With whom transactions done during the year)**

Adani Wilmar Ltd.

Adani Welspun Exploration Ltd.

**D Joint Venture**

Indian Oil-Adani Gas Pvt Ltd

**E Entities on which one or more KMP have a significant influence/control**

Adani Ports and Special Economic Zone Ltd

Adani Power Limited

**F Key Management Personnel**

Shri Rajesh S. Adani, Director

Shri Pranav V. Adani, Director

Shri Shridhar Tambraparni, Whole time Director

## ii) Transaction with Related parties

(₹ in Lacs)

Related Party	Relation	Nature of Transaction	For the year Ended 31-March-2016	For the year ended 31-March-2015
Adani Enterprises Ltd.	Controlling Company	Loan Given	41,800.86	10,040.00
		Loan Received back	11,800.86	10,040.00
		Loan taken	0.00	4,000.00
		Loan Repaid	4,800.00	4,000.00
		Payment of Int on Loan	78.18	345.30
		Receipt of Int on Loan	1,726.68	39.33
		Employee loan and advance from Related party	0.00	0.16
		Employee loan and advance to Related party	0.00	6.44
		Services availed	113.24	130.62
		Reimbursement of Exp	0.00	0.49
Adani Energy Ltd	Fellow Subsidiary	Advance given for Exp	13.03	2.11
		Services availed	0.00	5.00
		Asset Purchased	0.00	22.15
		Advances written off	0.00	481.42
Indian Oil-Adani Gas Pvt Ltd	Joint Venture	Reimbursement of Exp	230.84	792.71
		Sale of Inventory	11.48	793.72
		Sale of Asset	0.00	1.05
		Security Deposit	6.68	0.00
		Investment in equity*	4,020.00	1,227.50
		Guarantees given on behalf of Company	2,50,000	86,626.20
Shridhar Tambraparni	Whole Time Director	Remuneration	123.63	3.39

\* Includes shares pending allotment of Rs. 750 Lacs

- The company is dealing in the CNG Sales & PNG sales to the domestic, industrial & commercial consumers. The above related party transaction does not include the transactions of PNG & CNG Gas sales to the related parties, as all such transactions are done at Arm's Length Price only.

- As per Para 4(a)(iii) of AS-18 "Related Party Transactions", normal dealings of company with related parties by virtue of public utilities are excluded from the purview of Related Party disclosures.



## iii) Balances with Related Parties

(₹ in Lacs)

Related Party	Relation	Balance as at 31-03-2016	Balance as at 31-03-2015
Adani Enterprises Ltd.	Controlling Company	30,597.52	-4,817.59
Adani Wilmar Ltd	Associate Entity	0.01	0.01
Adani Power Limited	Entities where one or more KMP has significant influence	-0.19	0.47
Adani Ports and Special Economic Zone Ltd	Entities where one or more KMP has significant influence	0.00	-0.00
Adani Energy Ltd	Fellow Subsidiary	189.89	176.86
Indian Oil-Adani Gas Pvt Ltd	Joint Venture	107.10	794.83

All above figures are net of taxes wherever applicable.



## ADANI GAS LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

## NOTE : 34 OPERATING LEASES

Disclosure as required by the Accounting Standard 19, "Leases" as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended) are given below:

- The aggregate lease rentals payable are charged to the Statement of Profit and Loss as Rent in Note 39.
- The leasing arrangements which are cancellable at any time on month to month basis and in some cases between 11 months to 5 years are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally interest free refundable deposits have been given.
- Disclosure in respect of leasing arrangements which are non cancellable for a period exceeding 5 years is as under :

Particulars	(₹ in Lacs)	
	As at 31-March-2016	As at 31-March-2015
Total of Future minimum lease payment under non-cancellable operating lease for each of the following periods :		
Not later than one year	244.23	239.97
Later than one year and not later than five years	416.87	543.74
later than five years	295.71	382.58
Lease payment recognised in Statement of Profit & Loss	253.41	263.59

## NOTE : 35 EARNING PER SHARE

Pursuant to the Accounting Standard - 20 - Earning per share, as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended) the disclosure is as under:

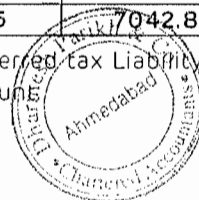
Particulars	For the year ended 31-March-2016	For the year ended 31-March-2015
Net Profit available for Equity Share Holder (₹ in Lacs)	7908.10	9606.90
Weighted Avg. Number of Shares used in computing Earning per Share Basic & Diluted	256742040	256742040
Earning per Share (Face Value ₹ 10/-) Basic & Diluted (in ₹)	3.08	3.74

## NOTE : 36 DEFERRED TAX

Pursuant to the Accounting Standard - 22 - Accounting for taxes on Income, as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended) the disclosure is as under:

a) Deferred Tax (₹ in Lacs)		
	As at 31-March-2016	As at 31-March-2015
<b>Deferred Tax Liability on account of</b>		
(i) Depreciation	8096.39	7212.31
<b>Total</b>	<b>8096.39</b>	<b>7212.31</b>
<b>Deferred Tax Assets on Account of</b>		
(i) Leave Encashment & Gratuity	149.05	129.88
(ii) Provision for Doubtful debts	13.82	16.81
(iii) Bonus	26.97	22.79
<b>Total</b>	<b>189.84</b>	<b>169.48</b>
<b>Net Deferred Tax Liability</b>	<b>7906.55</b>	<b>7042.83</b>

- In accordance with the Accounting Standard 22, the deferred tax Liability of ₹ 863.72 Lacs (P.Y. ₹ 808.09 Lacs) for the year has been recognised in Profit & Loss Account.



**NOTE : 37 CONTINGENT LIABILITIES AND COMMITMENTS**

(₹ in Lacs)

Particulars	As at 31-March-2016	As at 31-March-2015
<b>A) Contingent Liabilities</b>		
i) Pending labour matters contested in various courts	204.40	204.40
ii) Cases pending in Consumer Forums	2.59	2.23
iii) Cases pending in MACT	10.00	10.00
iv) In respect of Service tax & Excise Duty	4368.34	4348.76
vi) In respect of Income tax	519.18	547.24
vii) Special Civil Suits	25.00	25.00
viii) Bank Guarantee on behalf of JV company	250000.00	73386.00
ix) Claims received but not acknowledged as Debt		
-Take or pay liability towards gas procurement of Ahmedabad and Vadodara	0.00	5147.35
x) Case pending in CCI	2567.00	2567.00
<b>Total A</b>	<b>257696.51</b>	<b>86237.98</b>
<b>B) Commitments</b>		
<b>i) Capital</b>		
Estimated amount of contracts on capital account to be executed and not provided for (Net of advances)	1958.22	1857.37
<b>ii) Others (Net of advances)</b>	0.00	0.53
<b>Total B</b>	<b>1958.22</b>	<b>1857.90</b>
<b>Total (A+B)</b>	<b>259654.73</b>	<b>88095.89</b>

**NOTE: 38** Pursuant to Accounting Standard (AS 27) -Financial Reporting of Interest in Joint Venture , the disclosure relating to the Joint Venture are as follows;

**Jointly Controlled Entity**

The proportionate share of assets, liability, income and expenditure, contingent liability and capital commitments

(₹ in Lacs)

Particulars	Indian Oil-Adani Gas Pvt.Ltd.	
Country of Incorporation	India	
% of Ownership Interest	50%	
	<b>2015-16</b>	<b>2014-15</b>
Liabilities	6748.67	1996.88
Assets	11614.76	3084.12
Income	8.18	0.48
Expenditure	248.10	29.74
Profit/(Loss) for the year	(239.92)	(30.31)
Contingent Liabilities	0.00	-
Capital Commitments	6910.72	1896.53

**NOTE : 39 OTHER DISCLOSURE**

- The information on Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding as at the Balance Sheet date, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
- In the opinion of the Management and to the best of their knowledge and belief, the value under the head of Current and Non-Current Assets (other than fixed assets and non-current investments), are approximately of the value stated, if realized in the ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.
- Item of expenditure in Statement of Profit & Loss includes reimbursement to and by the company, as agreed upon between group companies.
- The Company has constructed building and facilities for processing and distribution of natural gas on plots allotted on long term lease by Ahmedabad Municipal Corporation and has paid rent accordingly.





- e) An amount of ₹. 998.62 Lacs (P.Y. ₹ 930.99 Lacs) is standing as CENVAT credit receivable being the difference between the amount of CENVAT credit availed in the books of account on Input, Capital Goods and Input Services and the credit claimed under statutory returns. Out of this, the company has made application to the excise & service tax dept. for availing this credit of ₹. 686.88 Lacs in statutory returns. Out of balance credit of ₹. 311.73 Lacs, Service tax credit of ₹. 42.78 Lacs will be availed in April-16 and balance will be availed in statutory returns on consumption of Inputs & capital goods.

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

- f) Company has given certain refundable deposits as security for the performance of work for ongoing projects to various government authorities. As interest rates are not specified in the contracts, the same will accounted for in
- g) The company is in the process to review and reconcile its liabilities in connection with Retention Deposits, some of which are long outstanding. Effect of the same will be given in the year when the balances will be reconciled.
- h) Security Deposit include amount of Rs. 209.14 Lacs and interest due thereon of Rs. 150.81 Lacs are outstanding for a substantial period of time. The company has been actively negotiating for recovery and the management is reasonably confident of recovery against the same.
- i) During the year, the company has suspended/ abandoned certain projects on account of denial of permission from the regulatory authority. Accordingly, expenses incurred on those projects have been written off and are reflected under Exceptional item.
- j) Information regarding purchases, sales and stock:

#### Piped Natural Gas

Particulars	For the year ended		For the year ended	
	31-Mar-16		31-Mar-15	
	Quantity (MMSCM)	₹ In Lacs	Quantity (MMSCM)	₹ In Lacs
Opening Stock	3.49	728.45	2.96	1299.17
Purchase during the year	383.83	75264.18	395.61	98706.58
Conversion to CNG	212.34	41637.15	206.29	51174.21
Sales during the year	171.47	57420.35	188.79	78991.16
Closing stock	3.51	762.71	3.49	728.45

#### Compressed Natural Gas

Particulars	For the year ended		For the year ended	
	31-Mar-16		31-Mar-15	
	Quantity (MMSCM)	₹ In Lacs	Quantity (MMSCM)	₹ In Lacs
Opening Stock	0.08	16.25	0.07	29.64
Conversion from PNG	212.34	41637.15	206.29	51174.21
Sales during the year	209.43	54258.97	203.55	53703.35
Captive Consumption of Natural Gas for manufacturing of CNG	2.91	602.17	2.73	617.10
Closing stock	0.08	16.80	0.08	16.25

#### Notes:

- 1) Difference in reconciliation of opening stock, purchase, sales and closing stock of gas quantities is on account of measurement tolerance
- 2) CNG is purchased in SCM but is sold in Kgs. 1 kg of CNG is equivalent to 1.3524 SCM.

- k) Value of Stores and Spares consumed:

(₹ in Lacs)

Particulars	For the year ended 31-March-2016	For the year ended 31-03-2015
a) Imported	3.92	0.00
b) Indigenous	1267.35	2235.15
<b>Total</b>	<b>1,271.27</b>	<b>2,235.15</b>

- i) Consumption of Stores and Spares disclosed in Note: 30 "Other Expenses" includes Consumption amounting to ₹. 388.30 (P.Y. ₹ 764.90 ) towards Sale of Inventory.



**NOTE : 40 OTHER STATUTORY INFORMATION****a) Value of imports calculated on CIF Basis in respect of**

(₹ in Lacs)

Particulars	For the year ended 31-March-2016	For the year ended 31-03-2015
Capital Goods	299.16	368.57

**b) Expenditure in Foreign Currency**

(₹ in Lacs)

Particulars	For the year ended 31-March-2016	For the year ended 31-03-2015
Travelling Exp	-	-
Professional Fees	-	-

**NOTE : 41 PREVIOUS YEAR COMPARATIVES**

Previous year's figures have been recast, regrouped and rearranged, wherever necessary to confirm to this year's classification. Further the figures have been rounded off to the nearest rupees in Lacs in 2 decimal.

The accompanying notes are an integral part of the financial statements  
As per our attached report of even date

**FOR DHARMESH PARIKH & CO.**

Chartered Accountants

Firm Registration No. 112054W


**ANUJ JAIN**

Partner

Mem No. 119140


**FOR & ON BEHALF OF THE BOARD**

**NARESH PODDAR**

CFO

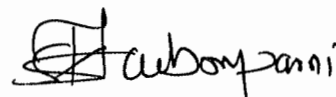

**HARDIK SANGHVI**

Company Secretary


**PRANAV ADANI**

Director

DIN 00008457


**SHRIDHAR TAMBRAPARNI**

Whole time Director

DIN 07131658

Place: Ahmedabad

Date: 2<sup>nd</sup> May 2016

Place: Ahmedabad

Date: 2<sup>nd</sup> May 2016