

ANNUAL REPORT 2018-19



An ISO 9001 Company

COMPANY LTD
(A GOVT. OF ASSAM UNDERTAKING)

CIN: U11101AS1962SGC001184

GSTIN: 18AABCA6977C1ZM



Ravi Capoor, IAS
Chairman, AGCL and Additional
Chief Secretary, Industries &
Commerce Deptt., Govt of
Assam (upto 23.10.2018)



Bolin Chetia, MLA
Sadiya Constituency
(Cabinet rank) & Chairman,
AGCL w.e.f. 23.10.2018)



Indra Gogoi
Vice Chairman
(w.e.f. 23.10.2018)



Aditya Kumar Sharma
Managing Director (upto
02.09.2019)



Gokul Chandra Swargiyari
Managing Director
(w.e.f. 02.09.2019)



UMANANDA DOLEY
SECY, Industries & Commerce
DEPTT., Govt of Assam & Director,
AGCL (upto 24.05.2019)



Virendra Mittal, IAS
Managing Director, AIDC &
Director, AGCL
(w.e.f. 24.05.2019)



SIDDHARTHA BORDOLOI
CHIEF GENERAL MANAGER
(GMS), Oil India Limited &
Director, AGCL (w.e.f.
23.05.2017)



Mayuri Cheita, ACS
Joint Secy, Finance Deptt,
Govt. of Assam and Director,
AGCL (w.e.f. 23.05.2017)



SMT. KALYANI BARUAH
MANAGING DIRECTOR,
APGCL AND DIRECTOR,
AGCL (w.e.f. 16.08.2017)



TARUN CH. SAHARIA
ADVISOR, PUBLIC
ENTERPRISES DEPARTMENT
, GOVT OF ASSAM AND
DIRECTOR, AGCL (w.e.f.
16.05.2018)

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Bankers

- Allahabad Bank
- Canara Bank
- State Bank of India
- United Bank of India
- UCO Bank
- Punjab National Bank
- Assam Co-operative Apex Bank Ltd.
- Indian Bank

Statutory Auditors

M/s Kanoi Associates (SPA087)
Chartered Accountants
Central Chowkidinghee
Dibrugarh- 786001

Secretarial Auditors

M/s Biman Debnath & Associates
Secretarial Auditors
Flat No. 402, Block-C
Prakash Choudhury Housing Complex
Tarun Nagar, Guwahati-781005
Assam

Cost Auditors

M/s Subhadra Dutta & Associates
Cost Accountants
House No. 29, Krishnanagar
Chandmari, Guwahati-781005

Registered Office

P.O. Duliajan
Dist: Dibrugarh-786602
Assam

Co-ordination Office

“Adams Plaza,” 1st Floor
G. S. Road, Christian Basti
Guwahati-781005

Notice to the Shareholders

Notice is hereby given that the 57th Annual General Meeting of the Shareholders of Assam Gas Company Limited will be held in the Guwahati Office of the Company at ADAMS PLAZA, 1ST FLOOR, Christian Basti, G. S. Road, Guwahati-781005 on Monday, the 30th September, 2019 at 2.00 P.M. to transact the following Ordinary and Special Businesses:

A. Ordinary Business

1. To receive, consider and adopt the Directors' Report and the Report on Corporate Governance, Secretarial Audit Report, along with the addendum thereto, if any, extract of Annual Return, the Audited Balance Sheet as at 31st March, 2019 and Statement of Profit & Loss for the year ended 31st March, 2019 along with the Report of the Statutory Auditors and the Comments of the Comptroller and Auditor General of India thereon.
2. To declare Dividend.

B. Special Business

3. Approval of Remuneration of the Cost Auditor for the financial year 2019-20

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014 including any statutory modifications or reenactment thereof, for the time being in force, the appointment of M/s. Subhadra Dutta & Associates, Cost Accountants, Guwahati, by the Board as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year 2019-20 at a remuneration of ₹50,000/- (Rupees Fifty Thousand) only plus out of pocket expenses, reimbursement of travel and boarding expenses and payment of applicable taxes etc., be and is hereby ratified and approved."

4. Proposal to alter the Object clause of Memorandum of Association of the Company:

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

"RESOLVED that pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force and the Rules framed thereunder, as amended from time to time, and subject to the approval of the Registrar of Companies, Shillong and/or any statutory or regulatory authority/ Government of Assam, as may be necessary, clause III of the Memorandum of Association of the company relating to Object Clause, be and is hereby altered by inserting the new sub-clause no. 1(c) and 1(d) after existing sub-clause no.1 (b), which is as follows.

1. (c) Development and marketing of alternate energy applications and facilities for fuel retailing and e-charging stations.

(d) To carry on the business of bio fuel, mining, exploration and production activities.

RESOLVED FURTHER THAT Managing Director of the company along with Director representing Public Enterprises Deptt, Govt of Assam, be and are hereby authorized to file, sign, verify and execute all such e-forms, papers or documents, as may be required and do all such acts, deeds, matters, things as may be necessary and incidental for giving effect to this alterations, including agreeing to any change to the aforesaid clause 1 (c and d) of the Memorandum of Association of the company, as may be required by the ROC, Shillong and/or any statutory/regulatory authority/ Government of Assam.”

5. Approval for adoption of new set of Articles of Association of the Company:

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

“**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force, the new set of Articles of Association as submitted to this meeting (duly initialed by the Company Secretary for the purpose of identification), be and are hereby approved and adopted in substitution, and to the entire exclusion of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Managing Director of the company along with Director representing Public Enterprises Deptt, Govt of Assam be and is hereby authorized to take all such steps and actions for the purpose of making all such filings and registrations as may be required in relation to the aforesaid amendment to the Articles of Association and further to do all such acts and deeds, matters and things as may be deemed necessary to give effect to this resolution.”

By Order of the Board of Directors

Place: Guwahati

Date: 24/09/2019

(D. Dev Gupta)
Company Secretary

- a. Explanatory statements under Section 102 of the Companies Act, 2013 in respect of the business under Item 4 as set out above are annexed hereto.
- b. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies, in the alternative, to attend and vote instead of himself and such proxy need not be a member. Proxies, in order to be effective, should be duly completed & affixed with the revenue stamp and be deposited at the Registered Office of the Company not less than forty eight hours before commencement of the Meeting.

By Order of the Board of Directors

Place: Guwahati

Date: 24/09/2019

(D. Dev Gupta)
Company Secretary

Explanatory Statements for the Special Business pursuant to Section 102 of the Companies Act, 2013:

The following are the Explanatory Statements in respect of item No. B of the Special Businesses indicated in the Notice dated 24/09/2019.

Item No. B.

3. Approval of Remuneration of Cost Auditor for the financial year 2019:

M/s Subhadra Dutta & Associates, Cost Accountants, Guwahati was appointed by the Board as the Cost Auditor of the Company for the year 2019-20 to conduct the audit of Cost Records at a remuneration of ₹50,000/- (Rupees Fifty Thousand) only plus out of pocket expenses, reimbursement of travel and boarding expenses and payment of applicable taxes etc.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, remuneration of Cost Auditor approved by the Board is required to be ratified by the Members by way of an Ordinary Resolution. The Board accordingly recommends the passing of the proposed Ordinary Resolution for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives is, in any way, concerned or interested, financially or otherwise, in passing of the said Ordinary Resolution.

4. Proposal to alter the Object clause of Memorandum of Association of the Company:

Your Company, since its inception in 1962 has been focused primarily into transportation and distribution of natural gas and is dependent on the availability of gas from various sources. With the change in business environment, the company proposes to diversify into different areas like alternative energy sources, bio fuel, creating infrastructure for e-charging of electric vehicles, mining and exploration activities etc.

Your Company being in the forefront in transmission and distribution of natural gas – a clean and environment friendly energy source, is in the process of expanding its presence in other parts of Assam and the North East.

Your Company also proposes to enter into the upstream area of exploration and production of minor and isolated fields which the major E&P Companies are unable to develop due to their higher overheads. The Govt of India is actively promoting development of these fields by smaller companies.

To pursue these opportunities, the Object Clause of the Memorandum of Association of the Company requires to be expanded to cover alternative energy business including charging points for e-vehicles, mining and exploration activities, bio fuel etc.

The Board in its meeting held on 10th September, 2019 recommended for alteration of the Object Clause of the Memorandum of the Company subject to approval of the Shareholders and the Government of Assam by the insertion of new sub-clause 1 (c and d) after the existing sub-clause 1 as stated in the resolution in the annexed notice and to place the proposal before the shareholders

for consideration. The proposed change of object clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013.

The above amendment would be subject to the approval of the Registrar of Companies, Shillong and any other statutory or Regulatory authority/ Government of Assam, as may be necessary.

A copy of the MOA with the proposed insertion in the Object Clause i.e. 1(c and d) of the Company would be available for inspection for the Members at the Registered Office/Guwahati Office of the Company during normal business hours on any working day, except Sundays and public holidays, till the date of AGM. The aforesaid documents are also available for inspection at the AGM.

Accordingly, this matter has been placed before the Shareholders for approval.

The Board therefore, submits the resolution for your consideration and recommends approval of the Special Resolution.

None of Directors/Key Managerial Personnel or their relatives are in any way interested or concerned in the resolution.

5. Approval for adoption of new set of Articles of Association of the Company:

Upon enactment of the Companies Act, 2013, various provisions of the Companies Act, 1956 have been changed/modified or repealed and in view of the same the Articles of Association of your Company requires to be re-aligned as per the provisions of the new Act.

As per provisions of Section 14 of Companies Act, 2013, amendment of Articles of Association requires approval of Shareholders by way of Special Resolution. The Board in its meeting held on 21st September, 2019 recommended to adopt a new set of Articles of Association in place of existing Articles of Association of the Company and to place the proposal before the shareholders for consideration and to be passed as a Special Resolution.

The draft of the new set of Articles proposed for approval is available for inspection by the shareholders of the Company during normal business hours on any working day except Sundays and public holidays at the Registered office/ Guwahati Office of the Company and copies thereof shall also be made available for inspection at the place of the meeting on the day of the meeting.

Accordingly, this matter has been placed before the Shareholders for approval.

The Board therefore, submits the resolution for your consideration and recommends approval of the Special Resolution.

None of Directors/Key Managerial Personnel or their relatives are in a way interested or concerned in the resolution.

By Order of the Board of Directors

(D. Dev Gupta)
Company Secretary

Place: Guwahati

Date: 24/09/2019

Directors' Report

Your Directors have pleasure in presenting the 57th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2019.

Financial Results

The Company's financial performance, for the year ended March 31st 2019 as compared to that of the previous year is summarised below:-

(₹ in lakhs)

Particulars	2018-2019	2017-2018
A. Revenue		
(a) From operations (net of taxes)	19,134.37	22,617.76
(b) Other Income	5,316.47	4,189.04
Total Revenue (A)	24,450.84	26,806.80
B. Expenses		
(a) Depreciation and amortization expenses	674.29	633.07
(b) Other Expenses	19,503.26	15,316.02
Total Expenditure (B)	20,177.55	15,949.09
C. Profit/Loss before exceptional and extraordinary items and tax: (A-B) = C	4,273.29	10,857.71
D. Prior period & Extraordinary items	0	0
E. Profit before tax (C-D) = E	4,273.29	10,857.71
F. Tax Expenses	1,482.99	3,744.94
G. Profit for the period after Tax (E-F)=G	2,790.30	7,112.77
H. Balance of Profit transferred to Reserve & Surplus A/c	2,790.30	7,112.77
I. Earnings per equity share (in `) Basic & Diluted	165	421

Directors propose to appropriate this amount as under:	2018-2019	2017-2018
Accumulated Profit & Loss Reserve	74,096.43	71,520.44
Adjustments for expenses, taxes and Reserves		
Dividend :	338.29	211.43
Dividend Tax	25.70	13.52
Balance in Profit & Loss Reserve	73,732.44	71,295.49
Summarized Cash Flow Statement:		
Inflow / (outflow) from operations	380.54	4,789.15
Inflow/ (Outflow) from investing activities	(3,460.52)	(5,549.40)
Inflow/ (Outflow) from financing activities	2,464.66	1,372.51
Net increase/(decrease) in cash & cash equivalents	(615.32)	612.26

PERFORMANCE HIGHLIGHTS

a. Physical Performance

During the year 2018-19, your Company transported 1466.93 MMSCM of natural gas to its consumers as against 1425.85 MMSCM transported in the previous year.

While the transportation of gas to bulk consumers increased by 3.09 % from 1224.76 MMSCM to 1262.66 MMSCM, gas distribution to the CGD sector comprising of domestic, commercial and industrial (tea) consumers increased by 1.58% from 201.09 MMSCM to 204.26 MMSCM. Overall utilisation of the gas transportation and distribution infrastructure increased by 2.88% during 2018-19 as compared to the 2017-18

The value of fixed assets as on 31st March, 2019 stood at ₹124.05 Crores.

Your company continued its focused attention towards various control measures as well as optimum utilization of available resources to ensure reasonable level of operating surplus.

b. Financial Performance

During the year, the Company recorded a turnover of ₹281.40 Crores [comprising of income from Operations (inclusive of taxes) and Other Income] as against ₹300.92 Crores during the previous year. The profit before tax for the year was ₹42.73 Crores, which is 60.65% decrease as compared to ₹108.58 Crores in 2017-18.

The decrease in profits was mainly due to the implementation of the PNGRB Tariff Order dated 04/06/2019, for which transmission charges bills raised to consumers under the Assam Natural Gas Pipeline Network of the company was retrospectively revised for the period between 20/11/2008 to 31/03/2014 and an amount of ₹72.38 Crores has been adjusted in books of accounts during the current year under events occurring after the Balance Sheet date. This has resulted in substantial reduction in Profits for the financial year 2018-2019.

The profit after tax for the year stood at ₹27.90 Crores as against ₹71.13 Crores recorded in 2017-18. The earnings per share in 2018-19 was ₹165 compared to ₹421 in the previous year.

The internal generation of cash during the year stood at ₹6.15 Crores(outflows) as against ₹6.12 Crores(inflow) in the previous year.

Your Company through effective utilization of available surplus funds, was able to earn an interest income of ₹33.92 Crores during the year. During the year the Company acquired various fixed Assets of ₹7.51 Crores (at cost) as against ₹6.77 Crores (at cost) during the previous year.

OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The Company continues its endeavour to transport and supply the required quantity of gas at the agreed pressure and to meet the rising consumers' expectations.

Natural Gas is being transported from Oil India's Offtake Points to bulk consumers, namely, NTPS & LTPS of APGCL; AGBPP of NEEPCO; BVFCL and APL.

The Company is marketing and distributing Natural Gas to over 400 industrial consumers

(mainly tea factories) located in the six districts of upper Assam (Tinsukia, Dibrugarh, Sibsagar, Charaideo, Jorhat and Golaghat). Through its City Gas Distribution network spread over 12 towns in upper Assam, the Company provides natural gas to over over 33,000 (33,800) domestic and 1100 commercial consumers.

In line with the objective of the Govt of India for maximum penetration and expansion of natural gas distribution to the domestic sector, new charge areas beyond town limits are also being brought under the piped gas network. After successfully completing the piped natural gas network in ONGCL's Cinnemara residential colony at Jorhat and in Dibrugarh University a gas pipeline network is being developed in Titabor town near Jorhat, IOCL housing colony at Digboi and Makum Town in Tinsukia District. The company is now eyeing smaller urban agglomerations such as Chabua in Dibrugarh district, Mariani and Teok in Jorhat District, Demow in Sivasagar District and Doomdooma in Tinsukia District where natural gas sources are available nearby or connectivity can be established. Of the targeted 4304 new consumers, the Company connected 1700 consumers to the gas distribution network during the year.

During the next financial year, your company is planning to provide PNG connections to different areas such as Madhuting Duliajan (125), IOCL Draspara (80), Asomiya Gaon Tingrai (150), Rabindra Nagar & Lankeswar Nagar Tinsukia (200), Teporgaon Dibrugarh (350) and Rangolipathat Naharkatia (150), Jorhat Town (125) and some other small pockets, thus at least 1655 new connection will be added to the network.

SHARE CAPITAL

During the year, your Company's paid up share capital stood at ₹16.91 Crores

DIVIDEND

Your Directors, after taking into consideration the financial results of the Company during the year, are pleased to recommend for your approval, the same rate of dividend as that of the previous year 2017-2018 (that is, 20%) per equity share of ₹100.00 each on the paid-up Share Capital of ₹16.91 Crores for the year 2018-2019 amounting to ₹3.38 Crores, exclusive of Corporate Dividend Tax. The dividend payout is subject to approval of members at the ensuing Annual General Meeting.

TREASURY OPERATIONS

As a part of better treasury management, your company had extended a loan of ₹66.80 Crores to its subsidiary company DNP Ltd during the financial year 2015-16 at an interest rate of 10 % which was higher than what the company was receiving by way of fixed deposits in scheduled banks. DNPL has repaid the whole amount of Term Loan to AGCL during the financial year 2018-2019.

CONTRIBUTION TO EXCHEQUER

Your Company has contributed a total of ₹16.41 Crores to the Central Exchequer and ₹36.36 Crores to the State Exchequers in the form of taxes, duties and dividends compared to ₹44.82 Crores and ₹25.61 Crores respectively in the previous year.

GOVT. AUDIT REVIEW

Comments of the Comptroller and Auditor General of India (C&AG) under section 143 (6)(b) of the Companies Act 2013 on Annual Accounts of the Company for the year ended 31st March, 2019 together with managements reply as an addendum thereto are placed before the shareholders for consideration.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, the company did not enter into any related party transaction with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company.

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business on an arm's length basis and are intended to further the Company's interests. Relevant information in **Form AOC 2** has been provided as **Annexure C** to Directors' Report. During the year, the Company has not entered into any contract/arrangement/transaction with related parties which were in conflict with the Company's interest.

INFORMATION RELATING TO ASSOCIATE AND JOINT VENTURE COMPANIES

Information relating to Associate and Joint Venture companies duly certified by the management pursuant to section 129(3) of the Companies Act, 2013 has been provided in **Annexure- D** to the Directors' Report as per prescribed **form AOC-1(Part-B)**.

POST BALANCE SHEET EVENTS

As per the PNGRB Tariff Order dated 04/06/2019 and vide Board's approval in its 288th meeting held on 27th July, 2019, transmission charges bills raised to consumers of Assam Natural Gas Pipeline Network of the company has been retrospectively revised for the period between 20/11/2008 to 31/03/2014 and an amount of ₹72.38 Crores has been adjusted in books of accounts during the current year under events occurring after the Balance Sheet date. This has resulted in substantial reduction in Profits for the financial year 2018-2019.

BUSINESS RISK MANAGEMENT

Although the company does not have any specific risk management policy as on date, the Board of Directors of the company deliberates on threats, risks and concerns which in the opinion of the Board may threaten the growth of its business or pose a threat to its profitability. The Board reviews the means adopted by the company to mitigate the risk from time to time. The details of risk and concerns of the company are discussed in the Management Discussion and Analysis section of this Report. Business Risk Management is being addressed under the Unmilon – the enterprise wide Business Process Re-engineering Project that the Company has initiated for its rejuvenation.

INTERNAL FINANCIAL CONTROLS

The Company has in place internal controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation

were observed. However, under Project Unmilon, the Internal Controls are being strengthened.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186

During the financial year 2015-16, your company had extended a loan of ₹66.80 Crores to its subsidiary company DNP Ltd at an interest rate of 10%, which has been fully repaid by DNPL. Total borrowings of DNPL as on 31st March, 2019 stood at nil as compared to ₹10.80 Crores in the previous year.

During the financial year 2018-19 your company has invested ₹14.00 Crores in the equity of Assam Petrochemical Ltd and which has gone upto ₹28.00 Lakhs in the year 2019-2020.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The Company is taking effective steps at every level of its activities for conservation of Energy. To reduce the consumption of power, the company had already installed LED lighting in the Compressor Station and other areas.

As part of technology absorption, the company has implemented a Geographical Information System for its wide network of steel and PE pipelines under which all pipeline assets are mapped and digitized records of the assets, RoU / RoW will be available at the tap of a key. The Company has implemented the first phase of the SCADA system covering all major consumers, intersections and offtake points and 74 industrial consumer locations. Phase-II of the project which will cover the rest of the industrial consumers will be taken up during the financial year 2019-2020.

FOREIGN EXCHANGE EARNINGS & OUTGO

There were no direct foreign exchange earnings or outgo during the year 2018-19.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

Due to the PNGRB Tariff Order dated 04/06/2019, transmission charges bills raised to consumers under the Assam Natural Gas Pipeline Network of the company has been retrospectively revised for the period between 20/11/2008 to 31/03/2014 and an amount of ₹72.38 Crores has been adjusted in books of accounts during the current year under events occurring after the Balance Sheet date. This has resulted in substantial reduction in Profits for the financial year 2018-2019.

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Since Section 152 of the Companies Act, 2013, is not applicable for Government Companies, no director shall retire by rotation in the ensuing Annual General Meeting where appointment of such director is done by the Central Government or State Government as the case may be vide MCA Notification No. GSR 463(E) dated 5th June, 2015.

Directors

Since the date of last Annual General Meeting held on 28.09.2018, following changes have been made:

Sl. No.	Name of the Directors	Government Notification No.	Date of Appointment	Date of cessation	Designation
1.	Shri Ravi Capoor, IAS	MI.214/2002/Pt/57-A dated 7 th September, 2016	27 th October, 2016	23 rd October, 2018	Chairman
2.	Shri Bolin Chetia MLA, Sadiya Constituency (Cabinet rank)	MI.214/2002/Pt/90A and 90B dated 23 rd October, 2018	23 rd October, 2018	-	Chairman
3.	Shri Indra Gogoi	MI.214/2002/Pt/90C and 90D dated 23 rd October, 2018	23 rd October, 2018	-	Deputy Chairman
4.	Ms. Mayuri Chetia, ACS, Joint Secy., Finance, (EC-II)	MI.214/2002/Pt./ 80-B dated 23 rd May, 2017	23 rd May, 2017	-	Director
5.	Shri A. K. Sharma	MI.42/2015/34 dated 28 th August, 2015	10 th September, 2015	2 nd September, 2019	Managing Director
6.	Shri Siddhartha Bordoloi CGM(GMS), OIL	MI.214/2002/163-C dated 23 rd May, 2017	23 rd May, 2017	-	Director
7.	Smt. Kalyani Baruah MD, APGCL	MI.214/2002/167-A dated 16 th August, 2017	16 th August, 2017	-	Director
8.	Shri Tarun Ch. Saharia Director(I/C) Prod, PE Deptt. GOA	MI.214/2002/Pt/82-A dated 16 th May, 2018	16 th May, 2018	-	Director
9.	Shri Umananda Doley, ACS	MI.42/2015/569-A dated 18 th July, 2018	18 th July, 2018	4 th May, 2019	Director
10.	Shri Virendra Mittal, IAS MD, AIDC	MI.214/2002/171-A dated 4 th May, 2019	4 th May, 2019	-	Director
11.	Shri Gokul Chandra Swargiyari	MI.42/2015/215 dated 22 nd August, 2019	2 nd September, 2019	-	Managing Director

The Directors have placed on record their appreciation of the valuable contribution made and guidance given by Shri Ravi Capoor, IAS for the development and progress of AGCL's business during his tenure as Director and Chairman of the Company.

The Directors also placed on record their appreciation for the valuable contribution made by Shri Umananda Doley and Shri Aditya Kumar Sharma during their tenure as Director and Managing Director of the Company.

Key Managerial Personnel

The following are the Key Managerial Personnel of the company:

- (a) Shri Aditya Kumar Sharma : Managing Director & CEO
(ceased w.e.f 2nd September,2019)
- (b) Shri Gokul Chandra Swargiyari : Managing Director & Chief Executive Officer
(appointed w.e.f. 2nd September,2019)
- (c) Shri Vijay Kumar L : DGM (F&A) & Chief Financial Officer
- (d) CS Dolonchapa Dev Gupta : Company Secretary

DECLARATION BY 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.

BOARD EVALUATION

The provisions of section 134(3)(p) of the Act does not apply to a Government Company in case the Directors are evaluated by the Ministry, which is administratively in charge of the Company as per its own evaluation methodology. AGCL, being a Government Company and a State Public Sector Undertaking, the performance evaluation of - Directors is carried out by the Administrative Ministry, Industries & Commerce Department, Government of Assam as per applicable Government guidelines.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) In the preparation of the Annual Accounts for the year ended March 31, 2019, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- (b) The Directors have considered such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for the year ended on that date;
- (c) The Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- (d) The Directors have prepared the Annual Accounts on a 'going concern' basis;
- (e) The Directors have laid down internal financial controls to be followed by the

- Company and such internal financial controls are adequate and operating effectively;
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants; and the reviews performed by management and the relevant board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate during the financial year 2018-19.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

As there is no employee drawing the specified remuneration, particulars of employees under Section 134 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2019 are not furnished.

As per MCA Notification No.: GSR 463(E) dated 5th June, 2015, provisions of Section 134(3)(e) are not applicable to a Government Company and hence, details on Company's policy on Directors' appointment and other matters are not provided under Section 178(3).

Further, Govt. Companies are also exempted from the applicability of the provisions of section 197 of the Companies Act, 2013. Therefore, the requirement of disclosure of the ratio of the remuneration of each Director to the median employee's remuneration and other such details as may be prescribed, including the statement showing the name of every employee of the Company, who if employed throughout/part of the financial year, was in receipt of remuneration not less than ₹60.00 Lakh during the year / ₹5.00 lakh per month etc. are not provided in the Directors' report in terms of section 197(12) read with Rule 5(1)/(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

During the year, no remuneration/commission has been received by the Managing Director and other Directors of the Company from any of its Associate/ JV Company.

AGCL being a Government Company, its Directors are appointed/nominated by the Government of Assam.

STATUTORY AUDITORS

AGCL being a Government Company, the Statutory Auditor is appointed by the Comptroller and Auditor General of India (C&AG) as per Section 139(5) of the Companies Act, 2013.

M/s Kanoi Associates (SPA087), Chartered Accountants, Central Chowkidinghee, Dibrugarh-786001 was appointed as Statutory Auditors of the Company for the year 2018- 19 by the Comptroller & Auditor General of India under the provisions of Section 139 of the Companies Act, 2013. They will hold office till the conclusion of the ensuing Annual General Meeting.

Auditors Report

The explanation or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by the auditor in his report are enclosed as an addendum thereto is placed before the shareholders for consideration.

SECRETARIAL AUDITORS

In accordance with the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Biman Debnath & Associates, Practicing Company Secretaries, Guwahati were appointed by the Board as Secretarial Auditors for conducting the Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report for the financial year 2018-19 together with Managements' reply on the comments of the Secretarial Auditors are attached as part of **Annexure - B** to this report.

COST AUDITORS

M/s. Subhadra Dutta & Associates, Cost Accountants, Guwahati was appointed as the Cost Auditor of the Company for the year 2018-19 in accordance with the provisions of Section 148(3) of the Companies Act, 2013. Cost Audit Report for the year 2017-18 was filed with the Ministry of Corporate Affairs on 30th September 2018 in XBRL Format in CRA-4 as specified by MCA as per requirements of the Companies (Cost Records and Audit) Rules, 2014.

The same Cost Auditor was appointed for the year 2018-19. The Cost Auditor, shall within a period of 180 days from the closure of the financial year, forward the Cost Audit Report and the Company is required to file the Cost Audit Report within 30 days of receipt of the same. Necessary action will be initiated to file the Cost Audit Report 2018-19 within stipulated time.

INVESTMENTS IN JOINT VENTURES

(a) DNP Limited

DNP Limited (a subsidiary of your Company and in joint venture with NRL and OIL) during the Eighth full year of its operation transported approximately 281.01 MMSCM (Million Standard Cubic Metres) (previous year 267.92 MMSCM) of natural gas to NRL as against the annual contracted quantity of 300.00 MMSCM.

The financial statements of DNP Ltd had been prepared in accordance with Indian Accounting Standards.

During the year 2018-19, DNP Ltd. registered a profit of ₹ 52.82 Crores before interest, depreciation and taxes against a turnover of ₹ 86.48 Crores and a profit after tax of ₹ 45.97 Crores as against profit after tax of ₹ 32.31 Crores in the previous year.

As on 31st March, 2019 and your company's investment in DNP Limited stands at ₹ 85.30 crores.

DNP Ltd has recommended a dividend of 11.75 % (excluding corporate dividend tax) of the paid-up share capital of ₹ 167.25 Crores (i.e. ₹ 1.175 per fully paid equity shares of ₹ 10/- each) to its shareholders which would absorb a sum of ₹ 23.08 crores out of the Company's PAT inclusive of Corporate Dividend Tax.

(b) Tripura Natural Gas Company Ltd (TNGCL)

Your company was a founder promoter of TNGCL and at present holds a stake of 25.51% of paid up equity in TNGCL with an investment of ₹ 1.00 Crores. The other partners are Tripura Industrial Development Corporation (TIDC) – 25.51% and GAIL (India) Ltd – 48.98%.

TNGCL Board has accorded the approval for participation in the 9th Round of CGD Bidding Process

for GA ID#74- Gomati District and GA ID#75- West Tripura (except the areas already authorized) District. Accordingly, TNGCL had participated in the 9th Round of CGD bidding for Geographical Areas of Gomati District and West Tripura District (except the areas already authorized) and won the bids for both the GAs. Accordingly, PNGRB has awarded the Grant of Authorization for development of CGD Network in Geographical Areas of Gomati District (GA#74) and West Tripura District (except the areas already authorized) (GA#75) to TNGCL.

To meet the estimated project expenditure of ₹136 Crores, the Authorised Share capital of TNGCL was raised from ₹10 Crores to ₹30 Crores and paid up capital was proposed to be increased from ₹3.92 Crores to ₹26.08 Crores. To maintain the stake of 25.51% in TNGCL your Company has invested an additional amount of ₹6,65,30,600 taking the total investment in TNGCL to ₹7,65,30,600. TNGCL will be contracting loans of ₹110.00 Crores from financial institutions to part fund the projects.

(c) Assam Petro-Chemicals Ltd

Assam Petro-Chemicals Ltd., Namrup had invited your company along with Government of Assam and Oil India Ltd. to participate in equity for setting up of a 500 TPD Methanol and a 200 TPD Formalin project with an estimated project cost of ₹1337.00 Crores. The implementation of 500 TPD (Tons Per Day) Methanol project is progressing well and is targeted to be completed by March, 2020. The 200 TPD formalin project is being set up at Boitamari, Bongaigaon district of Assam. With the approval of the Government of Assam your company has already invested ₹28.00 Crores in equity in the year 2019-2020. The Government of Assam alongwith AIDC, AGCL will hold 51% and Oil India Ltd. will be holding 49% stake in APL. Your company is the transporter of natural gas for APL and as such, the enhanced requirement of natural gas (up from 0.15 MMSCMD to 0.50 MMSCMD) will also be taken up by AGCL.

AUDIT COMMITTEE

The details of the composition of the Audit Committee are provided in the Corporate Governance Report which forms part of this Report. The Committee comprises of Smt. Kalyani Baruah as Chairperson of the Committee, Shri Siddhartha Bordoloi as Member and Shri T. C. Saharia as Member.

CSR COMMITTEE

The Corporate Social Responsibility Committee was reconstituted on 10/09/2019 and comprises of Shri T. C. Saharia as Chairman of the Committee, Shri Siddhartha Bordoloi as Member and Shri Gokul Chandra Swargiyari as Member.

NUMBER OF MEETINGS OF THE BOARD

Seven nos. meetings of the Board of Directors were held during the year 2018-19, the details of which are given in the Corporate Governance Report that forms part of this Report.

RIGHT TO INFORMATION ACT

In accordance to the Right to Information Act, 2005, the Company has in place a mechanism to comply with the requirements of the Act. All information sought under the Act, whether requested online or offline, are judiciously dealt with and replied to within the prescribed timeline.

Your Company has nominated PIO/ Appellate Authority for carrying out the necessary functions in line with the provisions made in the RTI Act. Mandatory disclosures are regularly updated and maintained.

NOMINATION & REMUNERATION COMMITTEE POLICY

The details of the composition of the Nomination & Remuneration Committee are provided in the Corporate Governance Report which forms part of this Report. The Committee was reconstituted on 10/09/2019_ and comprises of Smt. Kalyani Baruah as Chairperson of the Committee, Shri Siddhartha Bordoloi as Member, Shri T. C. Saharia as Member and Shri Gokul Chandra Swargiyari, MD as Permanent Invitee.

HEALTH

The occupational and personal health of all employees as well as contract workers has always been viewed as a priority in overall performance of AGCL. The Medical Centre within the AGCL Campus and OIL Hospital at the Duliajan Township provides all the required emergency medical services to the working personnel.

ENVIRONMENT MANAGEMENT

Like previous years, your Company continued its effort for improvement in environment management measures through plantation drive inside the campus and building awareness amongst the employees and their family members in reducing usage of non-biodegradable materials wherever possible.

COMMUNICATION TO EMPLOYEES

In order to develop an effective communication strategy to reach out to all section of employees, your company has undertaken the following endeavours like Annual Meeting with Stakeholders, regular updates in 'News & Events' section in the Company's website, monthly CGDB meetings at site offices, Suggestion Box, Departmental Meetings etc.

DISCLOSURE ON ESTABLISHMENT OF A VIGIL MECHANISM

The Company has a Vigilance Department and the vigil mechanism is supplemented by various other committees such as the Production Committee, etc. During the year 2016-17, the company implemented a formal Vigil Mechanism along with a Whistle Blower Policy.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The company has initiated steps to provide 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. AGCL has an internal Complaints Committee as per provisions of the Act which is proactive and functional.

The ICC published a handout (bilingual) for circulation amongst the employees stressing on gender sensitization and Do's and Don'ts on sexual harassment at workplace commemorating

Women's Day on 8th March, 2019. Meeting at regular intervals have been conducted by the ICC.

Indian Accounting Standards

The Ministry of Corporate Affairs (MCA), vide its notification in the Official Gazette dated February 16, 2015, notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies. Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rule, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

LEGAL COMPLIANCES

The company has complied with the applicable statutory and legal compliances including Integrity Management Systems (IMS) for Natural Gas Pipelines and CGD networks under PNGRB Act, 2006 and Essential Services Maintenance Act in the financial year 2018-2019.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules 2014, the extract of the Annual Return as at 31st March, 2019 in the prescribed form MGT 9, forms part of this report and is placed at '**Annexure - E**'.

CORPORATE GOVERNANCE

Corporate Governance is about maintaining a trusted relationship with all stakeholders and is an integral part of value creation in the Company. Your Company has been maintaining integrity, transparency and accountability in all its spheres of business.

In accordance with the guidelines on Corporate Governance issued by the Department of Public Enterprises (DPE) in May 2013, a report on Corporate Governance together with a Certificate from a practicing Company Secretary on compliance of the guidelines on Corporate Governance is attached as a separate Annexure-A to the Directors' Report.

The forward looking statements made in the 'Management Discussion and Analysis' section are based on certain assumptions and expectations of future events. The Directors do not guarantee that such expectations will eventually materialise.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals

which impact the going concern status and Company's operations in future.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their deep gratitude for the employees' continued display of their total commitment towards the objectives of the company and look forward to their services with zeal and dedication in the years ahead.

Your Directors sincerely thank AGCL's valued customers for their continued cooperation and confidence and look forward to the continuance of this mutually supportive relationship in future.

The Directors sincerely acknowledge the assistance, guidance and support received from various Government Departments, particularly, from Industries and Commerce Deptt. Govt. of Assam, Public Enterprises Deptt., Govt of Assam, Finance Deptt., Govt. of Assam, Offices of Commissioner of Income Tax, Commissioner of Central Excise & Service Tax, offices of Comptroller & Auditor General, Petroleum & Natural Gas Regulatory Board, Ministry of Petroleum & Natural Gas as well as other Central and State Government agencies.

The Directors of AGCL express their heartfelt gratitude to all the bankers, contractors and suppliers for their contribution to its success.

Yours Directors express their sincere thanks to Oil India Limited and ONGC Ltd. and for their reposing confidence and continuing support to AGCL.

For and on behalf of Board of
ASSAM GAS COMPANY LIMITED

Date: 21/09/2019

Place: Guwahati

(Bolin Chetia)

Chairman

Management's Discussion and Analysis

Optimum utilization of gas transportation and distribution infrastructure plays an important role in the gas industry for efficient delivery of gas to end consumers. Since natural gas is a product which cannot be stored, the transportation and distribution entity has to continuously play a balancing role between the producer and the consumer of gas. Any deviation or disruption from expected operating conditions such as lower availability of natural gas from producers or lower / higher drawal by consumers adversely affect the gas distribution network.

To improve customer experiences, the company has implemented the first phase (covering 74 industrial consumers and all the major consumers) of an enterprise wide SCADA system to ensure that the bulk and industrial consumers get their booked quantum of natural gas at the right pressure. Order for Phase-II of the SCADA project to cover the rest of the 325 plus consumer locations and intermediate points of the transmission network is expected to be issued during the Financial Year 2019-2020.

Directors perception of the future of the Company

The twin gas transportation projects, namely, extension of the Urja Ganga Project from Barauni to Guwahati and the incorporation of the Indradhanush Gas Grid Ltd to develop the North East Gas Grid augur well for the Company with new opportunities in developing gas distribution networks in various parts of the state and the North Eastern Region.

In the 9th Round of CGD bidding for 86 Geographical Areas in the country, Assam Gas Company Ltd as lead partner with 48% stake along with Oil India Ltd (26%) and GAIL Gas Ltd. (26%) had successfully bid for developing

CGDs in two Geographical Areas, namely, GA-2 comprising of Cachar, Karimganj and Hailakandi Districts and GA-3 comprising of Kamrup (Metro) and Kamrup Districts. Total investment will be in the region of ₹1,500 Crores. The three partners lead by AGCL is in the process of forming a ₹500.00 Crore joint venture company to execute the projects. Already laying works has been initiated in Cachar area (GA-2). Natural gas for the GA will be provided by Assam Gas Company Ltd which had successfully bid for 1,20,000 SCMD of natural gas produced by ONGCL near Silchar.

The Company had also successfully bid for natural gas from isolated fields of ONGC Ltd in the Golaghat Khoraghat area and the augmentation of capacity of existing gas pipeline from Urimaghat to Golaghat to connect with its Duliajan - Namrup - Lakwa - Golaghat line is expected to be completed during 2019-2020.

Strengths, Weaknesses, Opportunities and Threats

The strength of the company lies in the fact that it is one of the oldest dedicated gas transmission and distribution company in the country having a vast experience in both the natural gas transmission and the CGD (city gas distribution) business.

While the experience in transmission and distribution gives the company its strength, the decades old legacy manual and semi automated business systems and processes is a source of weakness in today's fast paced and changing business environment and advent of the digital age. The company has appointed leading management consultant KPMG for rejuvenation and transformation of the Company into a system driven modern business enterprise. The transformation and

rejuvenation project has been christened as 'Unmilon' meaning blossoming. With a fast rising demand for natural gas right across the world, there has been tremendous change in the gas business including production, transportation, distribution, marketing, technology and utilization in its various forms. To keep pace with the rapidly evolving business environment brought about by untapped opportunities, newer regulations and guidelines requires urgent induction and absorption of technology in both the front end and backend aspects of the business.

Till date, the company had been operating in a near monopolistic market for natural gas in the North Eastern Region. With the 9th Round of CGD Bidding and gas sales tenders floated by producers, the company has to acquire new businesses in a competitive environment.

It is a founder promoter in the two other gas entities operating in the region, namely, TNGCL and DNPL. TNGCL where AGCL has a 25.51% stake had successfully bid for two Geographical Areas in the state of Tripura. With the Govt of India's thrust in developing the gas infrastructure and increasing market penetration in the region, the company has the opportunity and potential to play a key role in the evolving gas market.

The Company has recently increased its investment in the TNGCL from ₹1.00 Crore to ₹7.65 Crores keeping its 25.51% stake intact.

DNP Ltd, where the company has an investment of ₹85.30 Crores with a stake of 51% is has been consistently delivering profits and paying dividends.

The Company had recently bought stake in Assam Petrochemicals Ltd. with an investment of ₹14.00 Crores which has gone upto ₹28.00 Crores in the year 2019-20.

Risks & Concerns

Risks and associated concerns for 2019-20

mainly relate to availability of natural gas from the suppliers, Oil India Ltd and ONGC Ltd. especially in view of the demand for gas by Brahmaputra Crackers & Polymers Ltd (BCPL) and overall shortfall of about 2.00 MMSCMD of gas without any major discoveries in the region. Gas drawal by the weather dependent tea manufacturing industry are **Safety** beyond the control of the company and not wholly predictable. Revenue generations from these consumers are therefore difficult to predict.

The gas drawal by NTPS, LTPS and BVFCL has been much below their average drawal during the preceding year primarily due to the fact that the ageing plants are not operating to capacity due to technical reasons. The primary supplier of natural gas, that is, Oil India Ltd. has not been able to provide a steady supply various technical and socio environmental issues that cause disruptions in their operations.

A policy shift in removing/reducing the period of exclusivity for CGD entities is also being considered by the Government of India which may affect the monopoly of CGD entities during the prime business growth period (5th ~ 8th years). The recent network tariff order of PNGRB dated 4th June 2019 effective retrospectively will adversely affect the company's profitability from its transmission business to certain customers.

Safety

During the year 2018-2019, there was no loss time accident (LTA). To ascertain the integrity of the assets and to enhance the safety of operations, several initiatives were taken up by the company in line with PNGRB (Petroleum & Natural Gas Regulatory Board) Regulations.

The company now has a defined ERDMP (Emergency Response & Disaster Management Plan) under which fire & safety training, awareness programmes, on-site and off-site emergency drills were organized during the year, some of which were in association with

the Mutual Aid partners. The Company also has put in place a HSE Policy.

Human Resource

As on 31st March, 2019, total employees strength was 373 (including MD) of which 300 belonged to the staff category and 73 to the executive cadre. They are supplemented by engagement of contractual personnel, muster roll workers and home guards.

Employee Relations

Your company has been able to maintain a cordial and harmonious relation with all its employees through mutual support and cooperation at all levels. The Board recognizes the contribution made by all employees of the company and wishes to record their appreciation for the dedication and hard work put in by them without any loss of mandays.

Corporate Social Responsibility & Sustainability

AGCL's initiatives towards CSR and Sustainability were pursued with increased emphasis during 2018-19. The CSR Policy can be accessed in the Company's website at www.assamgas.org

Some of the highlights of CSR and Sustainability activities undertaken by your Company during the year are:

- (i) Health Care and Sanitation
- (ii) Environmental Sustainability and Ecological Balance
- (iii) Employment enhancing vocational skills.
- (iv) Integrated Village Development.

Based on the Company's Financial Performance for the last three financial years, total amount proposed for CSR for the year 2018-2019 was ₹210.19 Lakhs. However, after considering the carried over unspent amount of ₹444.32 Lakhs earmarked for the year 2017-2018 total fund

available for the year 2018-2019 was ₹653.51 Lakhs.

As against above, total amount spent on CSR activities during the financial year 2018-2019 was ₹439.97 Lakhs and committed and unspent amount was ₹164.69 Lakhs. The balance unspent amount of ₹48.84 Lakhs has been carried forward to the financial year i.e. 2019-2020.

A detailed report on the company's CSR and Sustainability activities is enclosed at **Annexure - F**

Members of the CSR & Sustainability Committee confirmed that implementation and monitoring of CSR Policy is in compliance with CSR Objectives and Policy of the Company.

Regulations

Assam Gas Company Limited being a natural gas transportation and distribution entity has to operate as per the regulations notified under PNGRB Act, 2006 by the Petroleum & Natural Gas Regulatory Board (PNGRB) The entire city gas distribution (CGD) business of the company covering domestic, commercial and industrial (tea factories, small industrial units, etc) consumers in the six upper Assam districts of Tinsukia, Dibrugarh, Sibsagar, Charaideo, Jorhat and Golaghat has been authorized by PNGRB under the Upper Assam City Gas Distribution Network of AGCL (UACGDNA). PNGRB has also authorized the company under the Assam Natural Gas Pipeline Network (ANGPL) of AGCL to lay, build and operate natural gas pipelines in the same six districts of Assam.

The companies has taken up phase wise implementation of various requirements under the T4S regulations of PNGRB for CGD networks and NG pipelines and are in various stages of compliance.

Report on Corporate Governance

Company's philosophy on Code of Corporate Governance

Corporate Governance is a set of system and practices adopted by a Company to ensure that it is managed in a way that ensures accountability, transparency, fairness, disclosure and value creation in all its transactions and also meet the aspiration of the stake holders and expectation of the society. Corporate Governance is the crucial thread that carefully binds the various managerial functions by balancing the complex relationship between the management, Board of Directors, Audit Committee and various other sub-committees. In AGCL, thrust is to adopt best governance practices, which will ensure optimization of returns and satisfaction levels to all shareholders. The Company has been sharing relevant information with the various stakeholders from time to time through Annual Reports, web publication, etc. Being a non-listed entity it is not mandatory to disclose as per Clause 49 of the Listing Agreement & Companies Act. However, as good corporate governance practice and as per Guidelines on Corporate Governance for State Level Public Enterprises issued by Department of Public Enterprises (DPE), Govt of Assam in May, 2013, the Company has been complying with the stipulations contained therein to the extent applicable.

The report on Corporate Governance forms an integral part of the Directors Report. The requisite certificate from the secretarial auditors of the company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance at **Annexure-A (contd)**.

Relevant information on areas covered under Corporate Governance disclosures during the financial year 2018-2019 are furnished below:-

1. Board of Directors

AGCL is a Government Company under Section 2(45) of the Companies Act, 2013, wholly owned by the Government of Assam. In terms of the Articles of Association of the company, the number of Directors shall not be less than two and not more than fifteen.

As on 31st March, 2019, the Board of AGCL comprised of three Part time (Ex-Officio) Directors nominated by the Government of Assam represented by MD, AIDC under Industries & Commerce Department, Public Enterprises Department and Finance Department of Government of Assam. Oil India Ltd. as the major supplier of gas is represented by a Nominee Director in the Board of the company. Assam Power Generation Corporation Limited (APGCL) is represented in the AGCL Board by its Managing Director. There are two (Part time Non-Official) Directors appointed as Chairman and Deputy Chairman appointed by the Govt of Assam.

Managing Director is the only Whole Time Director on the Board of the Company. The Government of Assam notifies all appointment of Directors of the Company.

Additional Chief Secretary, Industries & Commerce Department, Govt of Assam till 23rd October, 2018 was holding the position of chairperson of the Company. During the year, all the meetings of the Board and the 56th Annual General Meeting was chaired by the Chairperson.

None of the Directors (ex Officio/ part time) of AGCL had any pecuniary relationship / transaction

with the company during the year.

As per Section 165 of the Companies Act, 2013, Director should not hold directorship in more than 20 Companies at the same time and directorship in Public Companies should not exceed 10 nos. During the year, there was no violation of Section 165 pertaining to number of directorships by any Director. The Board's actions and decisions are aligned with the Company's best interests. The Board has a laid down mechanism to facilitate Post Meeting follow ups, Review and Reporting process for the decision taken by the Board or Sub-Committee of the Board.

The Board's actions and decisions are aligned with the Company's best interests. The Board critically evaluates the strategic direction of the Company, management policy, annual plan, budget, financial reports, etc.

Details regarding Board Meetings, Annual General meeting, Directors' attendance thereat, Directorship held by the Directors are as under:-

Seven Board Meetings were held during the financial year 2018-2019, details of which are as follows:-

Sl. No.	Board Meetings	Date	Place
1.	279th	11th May,2018	Guwahati
2.	280th	18th June,2018	Guwahati
3.	281st	16th July,2018	Guwahati
4.	282nd	25th July,2018	Guwahati
5.	283rd	26th September,2018	Guwahati
6.	284th	15th December,2018	Guwahati
7.	285th	27th February,2019	Guwahati

The relevant details of the Directors of the company as on 31st March, 2019 and till the date of approval of the Report are provided below:

Sl No	Name of the Directors	Academic Qualifications	Date of joining as Director of the Company	No. of meeting attended	%	Attendance at the last Annual General Meeting	Details of Director-ships held in other companies		
1.	Shri Ravi Kapoor, IAS (ceased w.e.f. 23rd October, 2018)	B.Com , MBA	07/09/2016	7	100		<table border="0"> <tr> <td>Director 1. AIDCL 2. ATPO 3. NRL 4. BCPL 5. TNGCL</td> <td>Chairman 1. ASIDC 2. ATCL</td> </tr> </table>	Director 1. AIDCL 2. ATPO 3. NRL 4. BCPL 5. TNGCL	Chairman 1. ASIDC 2. ATCL
Director 1. AIDCL 2. ATPO 3. NRL 4. BCPL 5. TNGCL	Chairman 1. ASIDC 2. ATCL								
2.	Shri Aditya Kumar Sharma (ceased w.e.f. 2nd September, 2019)	B.Com (Hons.), ACMA, MBA (Finance) from IISWBM, Calcutta University	10/09/2015	7	100		<table border="0"> <tr> <td>Director 1. DNPL</td> <td></td> </tr> </table>	Director 1. DNPL	
Director 1. DNPL									
3.	Shri Siddhartha Bordoloi	B.E (Mechanical)	23/05/2017	6	86	-			
4.	Smt. Mayuri Chetia, ACS	M.A	28/06/2017	4	57		<table border="0"> <tr> <td>Director 1. AEDCL 2. AFGCL</td> <td></td> </tr> </table>	Director 1. AEDCL 2. AFGCL	
Director 1. AEDCL 2. AFGCL									
5.	Smt. Kalyani Baruah	ICAI	16/08/2017	4	43	-	<table border="0"> <tr> <td>Managing Director 1. APGCL</td> <td>Managing Director 1. APPCL</td> </tr> </table>	Managing Director 1. APGCL	Managing Director 1. APPCL
Managing Director 1. APGCL	Managing Director 1. APPCL								
6.	Shri Tarun Chandra Saharia	Chemical Engineer with Post Graduate Diploma in Instrumentation	16/05/2018				<table border="0"> <tr> <td>Director 1. ASIDCL 2. FI 3. ATCL 4. AGCCL 5. ALPCL 6. ASL 7. AEDCL 8. ASWMCL 9. AHCECL</td> <td></td> </tr> </table>	Director 1. ASIDCL 2. FI 3. ATCL 4. AGCCL 5. ALPCL 6. ASL 7. AEDCL 8. ASWMCL 9. AHCECL	
Director 1. ASIDCL 2. FI 3. ATCL 4. AGCCL 5. ALPCL 6. ASL 7. AEDCL 8. ASWMCL 9. AHCECL									
7.	Shri Umananda Doley (ceased w.e.f. 04/05/2019)		18/07/2018						
8.	Shri Bolin Chetia, MLA, Sadiya constituency (Cabinet rank)	H. S. Pass	23/10/2018				<table border="0"> <tr> <td>Chairman 1. TNGCL</td> <td>Director 2. KNTCPL</td> </tr> </table>	Chairman 1. TNGCL	Director 2. KNTCPL
Chairman 1. TNGCL	Director 2. KNTCPL								
9.	Shri Indra Gogoi	BSc.	23/10/2018						
10.	Shri Virendra Mittal, IAS (appointed w.e.f. 04/05/2019)	Post Graduate	04/05/2019				<table border="0"> <tr> <td>Managing Director 1) AIDC</td> <td>Director 1. APL 2. CSML 3. IP (Assam) Ltd 4. BTP 5. ATPO 6. CCIL</td> </tr> </table>	Managing Director 1) AIDC	Director 1. APL 2. CSML 3. IP (Assam) Ltd 4. BTP 5. ATPO 6. CCIL
Managing Director 1) AIDC	Director 1. APL 2. CSML 3. IP (Assam) Ltd 4. BTP 5. ATPO 6. CCIL								
11.	Shri Gokul Chandra Swargiyari (appointed w.e.f. 04/05/2019)	BE (Prod) Lalkhdirjee Engineering College, Morvi, Gujarat and Post Graduate diploma in Offshore Oil Business from Aberdeen Business School, Scotland, UK	02/09/2019				<table border="0"> <tr> <td>Director DNP Limited</td> <td></td> </tr> </table>	Director DNP Limited	
Director DNP Limited									

Percentage computed by considering the meetings attended with the total meetings held during his tenure.

AIDCL: Assam Industrial Development Corporation Ltd., **ATPO:** Assam Trade Promotion Organisation, **NRL:** Numaligarh Refinery Limited, **BCPL:** Brahmaputra Cracker and Polymer Limited, **TNGCL:** Tripura Natural Gas Company Limited, **ASIDC:** Assam Small Industries Development Corporation Limited, **ATCL:** Assam Tea Corporation Limited, **AHECL:** Assam Hydrocarbon & Energy Company Limited, **APL:** Assam Petrochemicals Limited, **DNPL:** DNP Ltd., **AEDCL(Amtron):** Assam Electronics Development Corporation Ltd, **ASFCL:** Assam State Fertilizer & Chemicals Limited, **APGCL:** Assam Power General Corporation Limited, **APPCL:** Assam Power Project Company Limited. **ALPCL** Assam Live Stock And Poultry Corporation Limited, **ASL:** Assam Syntex Limited, **AGCCL:** Assam Govt Construction Corpn Ltd **ASWMCL:** Assam State Weaving and Manufacturing Company Ltd **FL:** Fertichem Ltd **CCL:** Cachar Sugar Mills Ltd., **IPAL:** Industrial Paper(Assam) Ltd, **BTP:** Bamboo Technology Park, and **CCIL:** Calcom Cement India Ltd. **KTCPL:** KN TEA Co. (PVT) LTD2.

2. Audit Committee

AGCL introduced Corporate Governance in the organization during the year 2008 by constituting an Audit Committee. The Audit Committee assists the Board in discharging its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices, remuneration of Statutory Auditors, appointment and remuneration of Cost Auditors, performance of Internal Auditor and its compliance with the legal and regulatory requirements, etc.

The revised role, powers and functions of the Audit Committee were specified and approved by the Board in its 251st Meeting. The quorum for the meetings of the Committee is two members or 1/3rd of the members of the Audit Committee, whichever is higher.

2.1 Constitution of Audit Committee

The Audit Committee ensures prudent financial and accounting practices, fiscal discipline and transparency in financial reporting. One of its important terms of reference, quarterly financial statements are reviewed by Audit Committee and recommended to the Board for its adoption. The composition, powers, role and terms of reference of Committee are in accordance with the requirements mandated under Section 177 of the Companies Act, 2013 read with Chapter 12 of the Companies (Meeting of Board and its Powers) Rules, 2014 and in line with the Guidelines on Corporate Governance for SLPEs issued by the Government of Assam on May, 2013, and also as a part of good Corporate Governance.

The Audit Committee was reconstituted on 18/06/2018 and subsequently on 10/09/2019 with the following three (3) Members of the Board:

1. Smt. Kalyani Baruah, Chairperson of Audit Committee
2. Shri Siddhartha Bordoloi, Member
3. Shri T. C. Saharia, Member
4. Shri Gokul Chandra Swargiyari, MD as Permanent Invitee

2.2 Roles and responsibilities of the Audit Committee:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient

and credible.

- Recommending the appointment and removal of external auditor; fixation of audit fee, and also approval for payment of any other services.
- Reviewing with management the quarterly/ half yearly /annual financial statements before submission to the Board, focusing primarily on :
 - » Reviewing any Related party transactions i.e. transactions of the Company of material nature with promoters or the management, their subsidiaries, relatives etc. that may have potential conflict with the interest of the Company at large.
 - » Reviewing with management, external and internal auditors, the adequacy of internal control systems and any significant findings and follow up thereon.
 - » Reviewing the Company's financial and risk management policies.

2.3 Meeting of the Audit Committee:

Two Audit Committee Meetings were held during the financial year 2018-2019, details of which are as follows:-

Sl. No.	Audit Committee Meetings	Date	Place
1.	11th	13th July, 2018	Guwahati
2.	12th	27th March,2019	Guwahati

2.4 Attendance of the Audit Committee meeting during the financial year 2018-19:

Name of the members	No. of meetings attended	%age thereof (out of 2 meetings held)	Attendance at the last Annual General Meeting
Smt. Kalyani Baruah, Chairperson of Audit Committee	2	100	√
Shri Siddharta Bordoloi, Member	2	100	√
Shri Tarun Chandra Saharia, Member	2	100	√

3. Nomination and Remuneration Committee

AGCL has constituted a 'Nomination and Remuneration Committee' to examine, review and recommend proposals to the Board relating to perquisites and benefits payable to the employees of the Company within the parameters of Guidelines issued by the Government of Assam as well as in accordance with Section 178 of the Companies Act, 2013 read with Chapter XII of the Companies (Meeting of Board and its powers).

The Nomination & Remuneration Committee was reconstituted on 18/06/2018 and subsequently on 10/09/2019 due to change in the composition of Directors with the following members:-

- i. Mrs. Kalyani Baruah, Chairperson
- ii. Shri Siddhartha Bordoloi, Member
- iii. Shri T. C. Saharia, Member
- iv. Shri Gokul Chandra Swargiyari, MD, Permanent Invitee

No Nomination and Remuneration Committee Meeting was held in the Financial Year 2018-2019.

4. Investors Grievance Committee

AGCL being a non-listed Company with only two shareholders, no such Committee has been formed.

5. Corporate Social Responsibility (CSR) Committee:

AGCL took the initiative to contribute towards society in a transparent, responsible, accountable and fair manner by constituting Corporate Social Responsibility (CSR) Committee under Section 135(1) of the Companies Act, 2013 and in line with the Guidelines on Corporate Governance for SLPEs issued by the Government of Assam on May, 2013, and also as a part of good Corporate Governance. AGCL's CSR policy was approved on 23rd April, 2015 which was subsequently revised by the Board in its meeting held on 29th June, 2016.

The CSR Committee of AGCL was reconstituted by the Board in its meeting held on 18/06/2018 and subsequently on 10/09/2019 with the following members:-

1. Shri T. C. Saharia, Chairman of CSR Committee
2. Shri Siddhartha Bordoloi, Member
3. Shri Gokul Chandra Swargiyari, MD, Member (by virtue of being appointed as MD w.e.f. 2nd September,2019)
4. Shri A. K. Sharma, MD, Member (ceased as MD w.e.f. 2nd September,2019)

5.1 Meeting of the Corporate Social Responsibility Committee:

One Corporate Social Responsibility (CSR) Committee Meetings was held during the financial year 2018-2019, details of which are as follows:-

Sl. No.	CSR Committee Meetings	Date	Place
1.	9 th	7 th December, 2018	Guwahati

Attendance of the CSR Committee meeting during the financial year 2018-19:

Name of the members	No. of meetings attended	%age thereof (out of 1 meeting held)	Attendance at the last Annual General Meeting held on
Shri Tarun Chandra Saharia, Chairman	1	100	✓
Shri Siddhartha Bordoloi, Member	1	100	
Shri A. K. Sharma, Member	1	100	✓

6. Annual/Extra Ordinary General Meetings:

a) Details of location, time and date of last three AGMs/EGM are given below:

Sl. No.	Date and Time of the Meetings	Venue
54 th Annual General Meeting	28th September, 2016 at 11.00 A.M	Registered office of AGCL, Duliajan, Duliajan-786602
55 th Annual General Meeting	26th September, 2017 at 4.30 P.M	Co-ordination office of AGCL at Adam's Plaza, 1st Floor, Christian Basti, G. S. Road, Guwahati- 781005
56 th Annual General	28th September, 2018 at 11.30 A.M	Co-ordination office of AGCL at Adam's Plaza, 1st Floor, Christian Basti, G. S. Road, Guwahati- 781005

It is to be noted that no extra ordinary general meeting was held during the year.

b) Details of Special Resolution passed during the last three years:

Special Business	Type of Resolution	Date of Meeting
Nil	Nil	Nil

c) Brief Resumes of Directors as on date

In accordance with Article 92 of the Articles of Association of the Company, all the Directors are appointed by the Government of Assam

1) Shri Bolin Chetia

Shri Bolin Chetia. Hon'ble MLA, (Cabinet rank) Sadiya Constituency Makum was appointed as Nominee Director as well as the Chairman of the Company under Section 161(3) of the Companies Act, 2013 read with Article 94(a) of the Articles of Association of the Company and Government of Assam Notification No. MI.214/2002/Pt/90A and 90B dated 23rd October, 2018.

He is an elected representative of the Government of Assam who brings to the Board his wide experience in public administration.

2) Shri Indra Gogoi

Shri Indra Gogoi of Tengakhat was appointed as Nominee Director as well as the Vice Chairman of the Company under Section 161(3) of the Companies Act, 2013 read with Article 94(a) of the Articles of Association of the Company and Government of Assam Notification No. MI.214/2002/Pt/90C and 90D dated 23rd October, 2018.

3) Shri Virendra Mittal, IAS

Shri Virendra Mittal, IAS (Assam- Meghalaya 2007) Commissioner of Transport in the Govt of Assam, Transport Department and State Project Director, Assam Inland Transport Development Society was partially placed at the disposal of Industries & Commerce Department, Govt of Assam as Managing Director, Assam Industrial Development Corporation Ltd

Shri Virendra Mittal, IAS, Managing Director, Assam Industrial Development Corporation Ltd was

appointed as Nominee Director as well as Director of the Company under Section 161(3) of the Companies Act, 2013 read with Article 94(a) of the Articles of Association of the Company and Government of Assam Notification No. MI.214/2002/171-A dtd. 4th May, 2019.

Shri Virendra Mittal, IAS has done his Post Graduation and is presently representing Industries & Commerce Department, Government of Assam on the Board of Assam Gas Company Ltd. Besides this, he is also appointed as Director on the Board of Assam Petrochemicals Ltd., Cachar Sugar Mills Ltd., Industrial Paper(Assam) Ltd, Bamboo Technology Park, Assam Trade Promotion Organisation and Calcom Cement India Ltd.

Shri Mittal is a bureaucrat of the Government of Assam who brings to the Board his deep and wide experience in administration.

4) Shri Gokul Chandra Swargiyari

Shri Gokul Chandra Swargiyari was appointed as Nominee Director and Managing Director of the Company w.e.f. 2nd September, 2019 as per the provisions of Section 161(3) of the Companies Act, 2013 in pursuance of his appointment by Government of Assam Notification dated 22/08/2019.

Shri Gokul Chandra Swargiyari has done his graduation (BE Production) from Lukhdhirjee Engineering College, Morvi, Gujarat and Post Graduate diploma in Offshore Oil Business from Aberdeen Business School, Scotland, UK. He has **21 years of professional experiences** in Indian Oil Corporation Limited (IOCL) and Reliance Industries Limited and **Reliance Petro-Marketing Ltd.** Prior to his appointment as MD, AGCL he was last serving in the Reliance Industries Ltd as **Vice President and State Head (North East) and in Reliance Industries Limited** and lead the Assam and North East Petroleum Business Team.

During this tenure in RIL; he had been instrumental in driving the petroleum RO Network Development, Operational & implementing strategies of Petroleum Retail Business, ATF business and Lubricants business across Assam & NE aligning to the environment of the region. This 21 years of bountiful exposure in petroleum business have enriched downstream business domain knowledge and experience while addressing the challenges & solutions to the critical issues pertaining to cross functional roles like Marketing, Sales & Business Development, Supply Chain & Logistics, Operations, Project Planning and Execution, Maintenance & Safety, Statutory Coordination, Employee and Union Relations, Channel Partner Management and challenging boundary management.

With his vast experience in different fields, Shri Swargiyari's association with the Company will definitely yield rich benefits to the Organisation.

5) Shri Siddhartha Bordoloi

Shri Siddhartha Bordoloi, a Mechanical Engineer and a certified Petroleum Manager, has wide experience in working in Hydrocarbon value chain. He served in Kirloskar Cummins, IOCL(Bongaigoan Refinery) prior to joining Oil India Limited. Since joining Oil India Limited, he has been working in various capacities for more than three decades. Presently Shri Bordoloi is serving as Chief General Manager- Gas Management Services in Oil India Limited and posted in Field Head Quarter Duliajan. A member of ASME and Institute of Engineers (India), Shri Bordoloi contributed to the engineer's fraternity with published technical papers in National and International Conferences.

6) Smt. Mayuri Chetia, ACS

Smt. Mayuri Chetia was appointed as Nominee Director by the Government of Assam under Section 161(3) of the Companies Act, 2013 read with Article 93(a) of the Articles of Association of the Company and Government of Assam Notification No. MI.214/2002/Pt/80 dated 23rd May, 2017.

Smt. Mayuri Chetia, is an Assam Civil Service (ACS) officer of 1992 batch. Starting her career in a remote Circle under Dibrugarh district she gathered vast experience serving in different capacities in various districts of Assam as well as in the State Capital throughout her career spanning over more than twenty five years. She has had the experience of working in some very important Departments of the State Government such as Home, Political, and Revenue & Disaster Management. She is presently serving as Joint Secretary to the Govt. of Assam, Finance Department.

Smt. Chetia is a senior bureaucrat of the Government of Assam whose wide experience in administration will benefit the Board.

7) Smt. Kalyani Baruah

Smt. Kalyani Baruah, Managing Director, Assam Power Generation Corp. Ltd., was appointed we.f. 16th August, 2017 as Nominee Director of the Government of Assam under Section 161(3) of the Companies Act, 2013 read with Article 93(a) of the Articles of Association of the Company and Government of Assam Notification No. MI.214/2002/167-A dated 16th August, 2017.

Smt. Baruah is a Fellow Member of the Institute of Chartered Accountants of India. She joined Assam State Electricity State Board (ASEB) in the year 2000 and had worked in different capacities as Chief Accounts Officer, ASEB, Chief General Manager (F&A), APDCL for the last twelve (12) years.

Smt Baruah has overall experience in Finance & Accounts for more than seventeen (17) years. She is also appointed as Director in the Board of Directors of Assam Power Project Development Company Limited (APPDCL).

8) Shri Tarun Ch. Saharia

Shri Tarun Ch. Saharia, Advisor (Production) and Director (I/C), Public Enterprises Department, Government of Assam was appointed we.f. 16th May, 2018 as Nominee Director of the Government of Assam under Section 161(3) of the Companies Act, 2013 read with Article 93(a & c) of the Articles of Association of the Company and Government of Assam Notification No. MI.214/2002/Pt/ 82-A dated 16th May, 2018.

Shri Saharia is a Chemical Engineer with Post Graduate Diploma in Instrumentation. He has more than 20 years of experience in the Corporate Sector. He has undergone trainings under 12 day programme at the Institute for Public private Partnership, Wahington D.C. U.S.A on Public Sector Management and Governance and also a 15 day training programme on Financial Investment Appraisal conducted by Dr. D. N. S. Dhakal, visiting professor, Duke University, USA.

He is presently representing Public Enterprises Department, Government of Assam on the Board of Assam Gas Company Ltd. Besides this, he is also appointed as Director on the Board of ATCL, ASCL, ALPCo, ASIDCL etc.

Shri Saharia's wide experience in Public administration and Corporate sector will benefit the Board.

7. Disclosures and compliance

- a. There was no transaction of material nature with Directors or the Management or their relatives having potential conflict with the interest of the Company at large.
- b. There was no instances of non-compliance of any provisions of Law, guidelines issued by any regulatory authorities as well as no penalties was imposed on the Company during the last three years.
- c. During the year, no expenses was incurred which are personal in nature and incurred for the Board of Directors and Top Management.
- d. The Company has a Policy on Whistle Blower Mechanism.
- e. Based on the Company's Financial Performance for the last three financial years, total amount proposed for CSR for the year 2018-2019 was ₹210.19 Lakhs. However, after considering the carried over unspent amount of ₹444.32 Lakhs earmarked for the year 2017-2018 total fund available for the year 2018-2019 was ₹653.51 Lakhs.

As against above, total amount spent on CSR activities during the financial year 2018-2019 was ₹439.97 Lakhs and committed and unspent amount was ₹164.69 Lakhs. The balance unspent amount of ₹48.84 Lakhs has been carried forward to the financial year i.e. 2019-2020.

- f. During the year under review, no case was filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Code of conduct, Procedure and Disclosures for prevention of Insider trading and Code of Corporate Disclosure Practice

The Company has a Code of Business Conduct and Ethics for the Board members and the Senior Management Personnel and all the members of the Board and Senior Management personnel have affirmed compliance of the Code of Conduct for the financial ended on 31st March, 2019.

Further, AGCL being a non-listed company, Procedure and Disclosures for prevention of Insider Trading and Code of Corporate Disclosure Practice is not applicable.

8. Means of communication of financial performance

AGCL, being a non listed company, publishing of quarterly/half yearly and annual financial statements are not mandatory. However, as a good corporate practice, the Company has been sharing relevant information with its shareholders as well as other stakeholders from time to time through its web site (www.assamgas.org), Annual Report, etc.

9. Management Discussion & Analysis Report

A detailed chapter on Management Discussion & Analysis is incorporated in the Directors' Report. Financial year- AGCL follows the financial year from 1st April to 31st March. Since the Company's

shares are not listed, market price of share is not available.

General information to shareholders:-

Number of AGM	56 th Annual General Meeting
Date and Time	30 th September, 2019 Time:
Venue	Assam Gas Company Limited <i>Co-ordination Office:</i> Adams Plaza, 1st Floor Christian Basti, G. S. Road, Guwahati-781005.
Dividend payment	The Board recommends Dividend @ 20% on its paid-up share capital of ₹16.91 Crores to the shareholders. If approved by the shareholders, the same will be paid within 30 days from the date of declaration.

Share Transfer system:

The Board of Directors considers the request for transfer/transmission of shares etc.

Shareholding Pattern as on 31-03-2019:

Sl. No.	Name of shareholder	Capital contribution in ₹	Nos of shares held	Percentage of holding (%)
1.	Governor of Assam Industries & Commerce Deptt. Govt of Assam	16,91,44,800/-	1,691,448	99.99%
2.	Finance Deptt., Govt of Assam	100/-	1	0.01%
	Total	16,91,44,900/-	16,91,449	100%

Registered Office:

CIN:U11101AS1962SGC001184

Assam Gas Company Limited Campus

P.O. Duliajan, Dist: Dibrugarh

Pin-786602

Assam

Co-ordination Office:

1st Floor "Adams Plaza", Christian Basti,

G.S. Road, Guwahati-781005 Assam

For and on behalf of the Board of Directors of
Assam Gas Company Limited

(Bolin Chetia)

Chairman

Date: 21/09/2019

Place: Guwahati

BIMAN DEBNATH & ASSOCIATES

Company Secretaries

BIMAN DEBNATH

B. Com., LLB, DTL., FCS.

Flat No- 402, Block-C, Prashanti Pride,
Tarun Nagar, ABC, Guwahati-781005, Assam, India

Tele : 0361-2463370(O), 9864028145(M)

Email: csbimandebnath@gmail.com

Annexure A

To,
The Members,
M/s ASSAM GAS COMPANY LTD,
CIN: U11101AS1962SGC001184
P. O: Duliajan, Dibrugarh
Assam – 786602

COMPLIANCE OF CORPORATE GOVERNANCE CONDITIONS

We have examined the compliance of conditions of Corporate Governance by *M/s ASSAM GAS COMPANY LTD* (a Non-Listed PSU) for the year ended **31st March, 2019** as stipulated in the Guidelines on Corporate Governance for State Level Public Sector Units issued by Department of Public Enterprises(DPE), Government of Assam.

The compliance of Conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the requirements of Corporate Governance as stipulated in the Guidelines except:

- a. Clause 3.1.1 relating to the Board of Directors/board of management/managing Committee shall have an optimum combination of Functional, Nominee and Independent Directors.
- b. Clause 3.1.3 relating to the number of Nominee Directors to be appointed by the Government which shall not exceed two.
- c. Clause 3.1.4 relating to the number of Independent Directors on the Board of the Company.
- d. Clause 4.1.1 relating to the composition of Audit Committee which states that two-thirds of the members of the Audit Committee shall be Independent Directors.
- e. Clause 4.1.2 relating to the chairman of the Audit Committee shall be an Independent Director.

BIMAN DEBNATH & ASSOCIATES

Company Secretaries

BIMAN DEBNATH

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-
- f. Clause 6.1 relating to Composition of the Board of Directors of the Subsidiary Company which states that at least one Independent Director on the Board of Directors of the Holding Company shall be a Director of its Subsidiary Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the Affairs of the Company.

**For Biman Debnath & Associates
Company Secretaries**

**Date: 21/09/2019
Place: Guwahati**

**Biman Debnath
(Proprietor)
C.P.No. 5857
FCS No. 6717**

BIMAN DEBNATH & ASSOCIATES

Company Secretaries

BIMAN DEBNATH

B. Com., LLB, DTL., FCS.
Flat No- 402, Block-C, Prashanti Pride,
Tarun Nagar, ABC, Guwahati-781005, Assam, India
Tele : 0361-2463370(O), 9864028145(M)
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Annexure BForm No. MR-3**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST March, 2019**

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

To,
The Members,
M/s ASSAM GAS COMPANY LTD,
CIN: U11101AS1962SGC001184
P.O Duliajan, Dibrugarh
Assam- 786602

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s ASSAM GAS COMPANY LTD (CIN: U11101AS1962SGC001184)** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the Corporate Conducts and Statutory Compliances and expressing my opinion thereon.

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit and visit to the workstation, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2019** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Memorandum and Articles of Association of the Company.

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

BIMAN DEBNATH & ASSOCIATES

Company Secretaries

BIMAN DEBNATH

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Email: csbimandebnath@gmail.com

-
- a. Factories Acts and Rules ;
 - b. The Manufacture, Storage and Import of Hazardous Chemicals Rules,1989;
 - c. The Environment (Protection) Act,1986;
 - d. Air (Prevention and Control of Pollution) Act,1981;
 - e. Petroleum and Minerals Pipelines (Acquisition of Rights of User Inland) Act, 1962
 - f. Petroleum and Natural Gas Regularity Board Act, 2006

The Acts which are not applicable to the Company though forming part of the prescribed Secretarial Audit Report have not been considered while preparing this Secretarial Audit Report.

Further, I have also examined compliance with the applicable clauses of the following:

- i. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- ii. The Information Technology Act, 2000
- iii. Other Order, Laws and Instructions of the Government of Assam.
- iv. Guidelines on Corporate Governance for State Level Public Sector Enterprise of Assam.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. **except** the following:-

1. *The Company has not complied with the provisions of Clause 3.1.1 of Guidelines on Corporate Governance for State Level Public Sector Enterprise of Assam relating to the Board of Directors /board of management / managing Committee shall have an optimum combination of Functional, Nominee and Independent directors*
2. *During the course of audit it was observed that few employees of companies has not complied with the code of conduct & ethics of the Company.*
3. *The alterations of the Articles of Association of the Company as per the new Companies Act, 2013 is still pending.*
4. *The Company could not obtain the consent to operate from the pollution control department inspite of payment of arrear dues as well as current dues.*
5. *Trade License from the concerned authority i.e. the Local authority has not been obtained for the trading activities undertaken by the Company as per the state Laws.*
6. *Registration of Company's own land is still pending in few cases.*
7. *The internal Compliance System is not commensurate with the size and nature of the Company.*

BIMAN DEBNATH & ASSOCIATES

Company Secretaries

BIMAN DEBNATH

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Email: csbimandebnath@gmail.com

As informed and apprised by the Company, being a State Government Company, the appointment of Directors are done by the State Government and the Government has not yet appointed or nominated any Independent Director on the Board of the Company.

I further report that:

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the Meetings of the Board of Directors, Committee of the Board, as the case may be.

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

For, Biman Debnath & Associates
Company Secretaries

Sd/-

(C S Biman Debnath)
Proprietor

C.P. No. 5857/ FCS No. 6717

Place: Guwahati

Date: 21-09-2019

This Report is to be read with our letter of even date which is ANNEXURE-A, and forms and integral part of this Report.

BIMAN DEBNATH & ASSOCIATES

Company Secretaries

BIMAN DEBNATH

B. Com., LLB, DTL., FCS.
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Tarun Nagar, ABC, Guwahati-781005, Assam, India
Tele : 0361-2463370(O), 9864028145(M)
Email: csbimandebnath@gmail.com

Annexure A

To,
The Members,
M/s ASSAM GAS COMPANY LTD,
CIN: U11101AS1962SGC001184
P. O: Duliajan, Dibrugarh
Assam – 786602

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, Biman Debnath & Associates
Company Secretaries

Sd/-**(C S Biman Debnath)****Proprietor****C.P. No. 5857/ FCS No. 6717****Place: Guwahati****Date: 21-09-2019**

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:

Names of the related party and nature of relationship	Nature of Contracts/ arrangement/ transactions	Duration of Contracts/ arrangement/ transactions	Salient terms of contracts or arrangements or transactions including the value, if any	Date of approval by the Board	Amount paid as advance, if any
DNP Limited (DNPL)	Reimbursement of salary and other expenses incurred by AGCL for the persons deputed in DNPL and other expenses related to DNPL.	Ongoing transactions	DNPL will reimburse AGCL the manpower cost on Cost to the Company basis which comes to approximately 100% of the actual salary paid. (₹163.26 Lakh)	2009	Nil
DNP Limited (DNPL)	Payment of rental and electricity charges for office accommodation to AGCL	Ongoing transactions	₹6.61 Lakhs	Not applicable	Nil
DNP Limited (DNPL)	Payment of Interest on Loan to AGCL	Ongoing transaction	₹ 8.88 Lakhs	February, 2016	Nil
DNP Limited (DNPL)	Sale of Project Surplus Pipes	One-time Transaction	Nil	6th August, 2016	Nil
DNP Limited (DNPL)	Dividend received from DNPL	Ongoing transaction	₹827.41 Lakhs	Not applicable	Nil

Form No. AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹.)

(₹ in thousands)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	DNP Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1st April, 2018 to 31st March, 2019
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4.	Share capital	1,672,500
5.	Reserves & surplus	888,422
6.	Total assets	3,026,611
7.	Total Liabilities (excluding shareholders fund)	465,689
8.	Investments	NIL
9.	Turnover	864,764
10.	Profit before taxation	528,196
11.	Provision for taxation (MAT + Deferred Tax Provision)	68,486
12.	Profit after taxation	459,710
13.	Proposed Dividend	196,519
14.	% of shareholding	51%

As per our report of even date

For and on behalf of the Board of Directors

For Kanoi & Associates
Chartered Accountants
Firm Regd. No. 30910IE

(CA Aakash Agarwalla, FCA)
Partner
(Membership No. 058427)

A. K. Sharma
Managing Director
DIN: 07285877

S. Bordoloi
Director
DIN:07804287

Vijay Kr. L., Managing
Chief Financial Officer

D. Dev Gupta
Company Secretary

Place: Guwhati
Date: 13th August, 2019

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Information in respect of each subsidiary to be presented with amounts in ₹)

Name of associates/Joint Ventures	Tripura Natural Gas Company Limited
1. Latest audited Balance Sheet Date	31 st March 2019
2. Shares of Associate/Joint Ventures held by the company on the year end	31st March, 2019
No. of Equity Shares	1,00,000 equity shares
Amount of Investment in Associates/Joint Venture	1,00,000 equity shares @₹. 100/- each Total = ₹. 1,00,00,000/-
Extend of Holding%	25.51%
3. Description of how there is significant influence	Associate
4. Reason why the associate/joint venture is not consolidated	-
5. Net worth attributable to shareholding as per latest audited Balance Sheet	₹ 22,97,71,767/-
6. Profit/Loss for the year	₹ 13,78,69,631/-
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	-

- Names of associates or joint ventures which are yet to commence operations- N.A.
- Names of associates or joint ventures which have been liquidated or sold during the year- N.A.

As per our report of even date

For and on behalf of the Board of Directors

For Kanoi & Associates
Chartered Accountants
Firm Regd. No. 30910IE

(CA Aakash Agarwalla, FCA)
Partner
(Membership No. 058427)

Place: Guwhati
Date: 13th August, 2019

A. K. Sharma
Managing Director
DIN: 07285877

Vijay Kr. L., Managing
Chief Financial Officer

S. Bordoloi
Director
DIN: 07804287

D. Dev Gupta
Company Secretary

FORM NO. MGT 9

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

EXTRACT OF ANNUAL RETURN

For the financial year ended on 31st March, 2019

I REGISTRATION & OTHER DETAILS:

i	CIN	U11101AS1962SGC001184
ii	Registration Date	31/03/1962
iii	Name of the Company	ASSAM GAS COMPANY LTD
iv	Category of the Company	PRIVATE COMPANY/LIMITED BY SHARES
v	Address of the Registered office & contact details	
	Address :	P. O. DULIAJAN
	Town / City :	DIBRUGARH
	Pin Code:	786602
	State :	ASSAM
	Country Name :	INDIA
	Telephone (with STD Code) :	0364-2800202
	Fax Number :	0364-2800221
	Email Address :	info@assamgas.org
	Website, if any:	www.assamgas.org
vi	Whether listed company	No
	Name and Address of Registrar & Transfer Agents (RTA):-	
	Name of RTA:	Nil
	Address :	Nil
	Town / City :	Nil
vii	State :	Nil
	Pin Code:	Nil
	Telephone :	Nil
	Fax Number :	Nil
	Email Address :	Nil

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Transportation and distribution of Natural Gas	99611912	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

No. of Companies for which information is being filled	2
--	---

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	DNP Limited	U51410AS2007SGC008410	Subsidiary	51.00%	2(87)
2	Tripura Natural Gas Company Limited	U23201TR1990SGC003451	Associate	25.51%	2(6)

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			No. of Shares held at the end of the year			% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical		Total
A. Promoter s								
(1) Indian								
a) Individual/ HUF	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-
c) State Govt	-	16,91,449	16,91,449	100.00%	-	16,91,449	16,91,449	100.00%
d) Bodies Corp.								No Change
e) Banks / FI	-	-	-	-	-	-	-	-
f) Any other	-							
Nominee of Promoter (7 Nos) i.e. BPCL/GOA	-	-	-	-	-	-	-	-
(2) Foreign								
a) NRI - Individual/	-	-	-	-	-	-	-	-
b) Other - Individual/	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-
e) Any Others	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	16,91,449	16,91,449	100.00%	-	16,91,449	16,91,449	100.00%
B. Public Shareholding								
1. Institutions								
a) Mutual Funds	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-

f) Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
g) FIIs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
i) Others (specify)																				
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2. Non-Institutions																				
a) Bodies Corp.																				
i) Indian	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
ii) Overseas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
b) Individuals																				
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
c) Others (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Grand Total (A+B+C)	-	16,91,449	16,91,449	16,91,449	16,91,449	16,91,449	16,91,449	16,91,449	16,91,449	16,91,449	16,91,449	16,91,449	16,91,449	16,91,449	16,91,449	16,91,449	16,91,449	16,91,449	16,91,449	100.00%

ii. *Shareholding of Promoters*

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Government of Assam	16,91,448	99.99%	-	16,91,448	99.99%	-	NO CHANGE
2	Secretary Finance, Govt. of Assam	1	0.01%		1	0.01%		
	TOTAL	16,91,449	100.00%	-	16,91,449	100.00%	-	-

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

Sl. No. I - Government of Assam	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	16,91,448	99.99%	16,91,448	99.99%
Changes During the Year	No Change			
Increase				
Date	Reason for Increase			
Decrease				
Date	Reason for Decrease			
At the End of the year	16,91,448	99.99%	16,91,448	99.99%

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

Not Applicable

Sl. No.: 2- Secretary Finance, Govt. of Assam	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	1	0%	1	0%
Changes During the Year	No Change			
Increase				
Date	Reason for Increase			
Decrease				
Date	Reason for Decrease			
At the End of the year (or on the date of separation, if separated during the year)	1	0%	1	0%

Sl. No.: 2 For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year				
Changes During the Year				
Increase				
Date	Reason for Increase			
Decrease				
Date	Reason for Decrease			
At the End of the year (or on the date of separation, if separated during the year)				

v. *Shareholding of Directors and Key Managerial Personnel: NIL*

S. No.: 1 Mr. _____	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year				
Changes During the Year				
Increase				
Date	Reason for Increase			
Decrease				
Date	Reason for Decrease			
At the End of the year				

S. No.: 2 Mr. _____	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year				
Changes During the Year				
Increase				
Date	Reason for Increase			
Decrease				
Date	Reason for Decrease			
At the End of the year				

vi. INDEBTEDNESS

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

Indebtedness at the beginning of the financial year 2018-19	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	-	-	Nil	-
ii) Interest due but not paid	-	-	Nil	-
iii) Interest accrued but not due				
Total (i+ii+iii)	-	-	Nil	-
Change in Indebtedness during the financial year 2018-19				
* Addition	-	-	Nil	-
* Reduction	-	-	Nil	-
Net Change	-	-	Nil	-
Indebtedness at the end of the financial year 2018-19				
i) Principal Amount	-	-	Nil	-
ii) Interest due but not paid	-	-	Nil	-
iii) Interest accrued but not due	-	-	Nil	-
Total (i+ii+iii)	-	-	Nil	-

vi. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		A.K.Sharma			
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,155,838			2,155,838
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	100,630			100,630
	(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)	2,256,468			2,256,468
	Ceiling as per the Act	79 Crs (approx) being 11% of the Net Profit as per Section 197 & 198 of Companies Act,2013			

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
		A	B	C	
1	Independent Directors				
	Fee for attending board committee meetings				
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)				
2	Other Non-Executive Directors	Shri Indra Gogoi			
	Fee for attending board committee meetings				-
	Commission	-	-	-	-
	Others, please specify	2,36,000.00	-	-	2,36,000.00
	Total (2)				
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	2,36,000.00			2,36,000.00
	Overall Ceiling as per the Act	NA			

C. Remuneration to key managerial personnel other than MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,941,158	1,056,258	2,997,416
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	45,907	24,707	70,614
	(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	1,987,065	1,080,965	3,068,030

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)
A. COMPANY					
Penalty	-	-	Nil	-	-
Punishment	-	-	Nil	-	-
Compounding	-	-	Nil	-	-
B. DIRECTORS					
Penalty	-	-	Nil	-	-
Punishment	-	-	Nil	-	-
Compounding	-	-	Nil	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	Nil	-	-
Punishment	-	-	Nil	-	-
Compounding	-	-	Nil	-	-

Corporate Social Responsibility and Sustainability

With a strong commitment towards socioeconomic development and environmental protection of the region, AGCL has taken up various CSR initiatives for improving the living conditions of less privileged people in the operational area of the company. The vision of sustainable inclusive growth drives both business as well as corporate social responsibility activities. The CSR & Sustainability Policy of the Company was approved by the Board on 23rd April, 2015 which was subsequently revised by the Board in its meeting held on 29th June, 2016 to enhance its scope in line with provision of the Companies Act, 2013.

OBJECTIVE: The objective of the Policy is to:

- (a) Formulate, implement, monitor and evaluate CSR and sustainability projects / activities through a structured mechanism.
- (b) Include CSR proposals in the company's annual budget and ensure effective utilization of the allocated resources.
- (c) Provide a monitoring and evaluation methodology / philosophy.

The Policy is to ensure conformity to Section 135 of the Companies Act, 2013 along with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII, and applicable guidelines on CSR and Sustainability as issued / may be issued by Ministry of Corporate Affairs, Govt of India, Deptt of Public Enterprises, Govt of Assam and in their absence, by Deptt of Public Enterprises, Govt of India.

The CSR structure of Assam Gas Company Ltd consists of two tiers:

Tier - I : comprising of at least three members of the Board representing functional, nominee and independent directors.

Tier - II : Nodal Officer assisted by a team of officials which will comprise up to six employees of the company from various functional areas.

- (a) The Tier-I Committee recommends the proposals for approval of the Board exceeding ₹5.00 Lakhs in each case. It approves the CSR Projects and Budget for the year and also monitor implementation of the approved Policy and projects, evaluate performance of the projects / activities and report on a semi-annual basis to the Board. The Tier-I Committee acts as advisor to Tier-II CSR committee.
- (b) The Tier-II Committee is to be chaired by the Nodal Officer and is responsible for the following:
 - i) Identify CSR and Sustainability projects on the basis of need assessment based on surveys conducted in house or through external agencies, discussions with stakeholders, civic bodies, etc.
 - ii) Identify and propose suitable and competent agencies which may be able to execute the projects for and on behalf of the company.
 - iii) Monitor implementation of the projects.

iv) Any other CSR related activity such as media management, etc.

Out of ₹653 Lakhs available for 2018-2019 which includes unspent amount from previous years, ₹337.00 Lakhs was allocated to various projects and ₹300.00 Lakhs was already committed. Total amount spent during the year 2018-2019 was ₹439 Lakhs .

Causes for not spending the allocated amount:

Some of the projects are long term and payments are being released based on project execution milestones. One of the reasons for not being able to spend the entire amount is that the decision of the 284th meeting of the Board of Directors, which was held on 15/12/2018, was received on **04/01/2019**. There being only three months for execution, the entire amount could not be exhausted.

Sl. No	Project	Amount Allocated	Amount Spent	Reason For Not Spending
1	Aparajeya	175	50	Only one installment could be given during the FY. However, expenditure was being incurred on credit at BCCI.
2	Rupkathar Gaon	80	49.17	Fund is released based on project milestones which was delayed due to adverse weather conditions
3	Environmental Support Services	32	29.5	Extra amount was needed in case emergency situations like septic tank overflow, overhead tank maintenance etc.
4	Shyamalima	10	9.11	
5	Skill Development(Plumbing)	15	0	Unable to execute the project as gas plumbing module is not available in the training institutes.
6	Short term & Misc	20	20.27	NA
7	Overheads	5	0.37	Amount for appointment of CA etc were included but cannot be spent.

Members of the CSR & Sustainability Committee confirm that implementation and monitoring of CSR Policy is in compliance with CSR Objectives and Policy of the Company.

Shri Sidhartha Bordoloi
Director

Shri T. C. Saharia
Chairman, CSR Committee

Shri G. C. Swargiyari
Director

CSR PROJECTS AT A GLANCE

Project Parijaat Kanan (2015-16)

The company is providing free natural gas in several crematoriums in its operational area. These crematoriums are being managed by local bodies/NGOs. The Company helps the local bodies to develop these crematoriums into beautiful parks so that the last journey can be performed in a cleaner, greener & dignified environment. Expenditure till date ` 17.58 L for Tikak Kalibari, Ledo, Chiring Chapori, Dibrugarh and Chowkidinghee, Dibrugarh.

Project Parimal Basudha (2015-16)

This project has three parts:-

- i) One waste to organic converter (Bioneer 100) along with a shed is provided to Bio Medical Waste (BMW) Plant at AMCH, Dibrugarh for ₹ 22.25 Lakhs.
- ii) Toilets and bathrooms are in very bad shape in most of the hospitals mainly due to lack of proper maintenance. Under this project, the Company has provided support to AMC hospital authorities to build 4 toilet blocks each having 6 toilets, 6 bathrooms & other facilities. The expenditure for this part is ₹46.31 Lakhs. The toilet blocks were inaugurated by Hon'ble District Commissioner of Dibrugarh District, Smti Laya Madduri on 17th October, 2017.
- iii) AGCL has outsourced the mechanized maintenance of the toilets for the initial year to M/s Robi Boruah of Dibrugarh who also maintains the Airport and Railway Station at Dibrugarh for a total cost of ₹32.00 Lakhs for the year 2018-19. The expenditure till date is ₹29.5 Lakhs.

Project Shyamalima (2015-16)

This flagship project of the company endeavours to create social awareness for a cleaner and greener environment. Mechanized pilot plant is set up at Duliajan to segregate and convert the bio degradable waste into organic manure ready for garden use. This also eliminates the large garbage heaps and reduces the growth of disease causing bacteria. The Converter OWC 60 has the capacity to handle 400 kgs of waste per day. Implementing partner Aagrah, NGO of Dibrugarh is responsible for garbage collection to selling of Organic manure. This project has provided indirect employment to six unemployed youth of the region. Operating expenditure for the year 2018-19 is ₹9.11 Lakhs including monthly operating cost.

Project Pratyasha (2016-17)

Project Pratyasha is to empower the rural youth by ensuring sustainable livelihood through training on skill development with implementing partner Don Bosco Institute, Kharghuli. The courses viz., Aviation, Hospitality, ISMO, Beauty & Spa, Ac & Refrigeration, Welding etc. are fully residential and cover development of soft skills, placement in reputed organizations. Total 638 candidates were trained in the year 2016-17 and 2017-18 out of which 498 were directly placed whereas the rest are self employed.

The success of this project has led to its extension for one more year as Pratyasha III for the year 2019-20. Mobilization is going on in our operational areas.

The expenditure till date is ₹121.47 Lakhs .

Project Ashadeep (2016-17)

A project to provide 500 solar lamps to economically weaker sections of society in rural areas where there are infrastructure gaps in providing grid power. 250 nos of SunKing Pro All Night were procured from DBTS, Maligaon and distributed in Udalguri Natun Gaon near Tengakhat. For the next lot of 325 lamps, order was placed directly to the manufacturer Greenlight Planet Inc. at Mumbai . The lamps were distributed in Laika Pomua village in the remote Dibru Saikhowa Range to the underprivileged. It is to be noted here that the village has no grid power and the only means of communication is water transport.

The expenditure till date is ₹9.29 Lakhs.

Project Deepsikha (2016-17)

Provides financial assistance to Deepsikha Foundation for their Comprehensive Care and Rehabilitation Centre at Titabor for cancer patients and their families. The aim is to ease the pain and sufferings of the cancer patients by providing emotional, financial and social aid to the poor and needy patients through a single window. Construction work at Titabor is near completion on the heritage property of Bagh Hazarika, the commander-in-chief of battle of Saraighat.

The expenditure till date is ₹34.00 Lakhs.

Project Rupkathar Gaon (2016-17)

Aim is to create a model village with integrated development:-

1. Basic amenities like drinking water, sanitation, lighting etc.
2. Improvement of health conditions
3. Awareness and quality education
4. Infrastructure development with the help of local people
5. Sustainable livelihood opportunities
6. Financial awareness & participation in maintenance activities.

Nearly 259 toilets have been built in Chapatoli Village which is now Open Defecation Free (ODF). On the livelihood front, improved rice cultivation method has shown outstanding results with more than double produce. Vegetable cultivation and organic manure production is also going on. Access to safe drinking water is next in line.

The expenditure till date is ₹199.17 Lakhs.

Project Aparajeya (2017-18)

A project to provide financial aid to underprivileged children suffering from cancer being treated at Dr B Barooah Cancer Institute, Guwahati. Described as “a game changer” in the North East by BBCI, project Aparajeya is expected to benefit all the paediatric cancer patients (approx. 350) treated in BBCI in a year. Salient features:-

- children are the future of the country
- child cancer is treatable and curable

- cure rate is lower in our state as treatment is abandoned midway because of dearth of money
- amount required is less than compared to adult patients

Identification of patients for free treatment is under the discretion of the consulting doctor based on certain criteria. Patients getting the “Aparajeya” Card is only eligible for the benefit. As intimated by BBCI authorities, dropouts in treatment has decreased drastically and supplementary aid in cash and kind are coming from various quarters making project Aparajeya a great success.

The expenditure till date is ₹200 Lakhs.

Project Pragyan(2019-20)

Project Pragyan is to empower aptitude of children by creating the infrastructure, that is, Mini Science Centre in the selected school under Clause(II) of Schedule-VII of the CSR Rules under Section 135 of the Companies Act, 2013.

Specifically, this project is expected to ignite scientific interest in children so that they can:

- Question intelligently
- Learn through discovery
- Connect scientific knowledge to their world.
- Consider a career in science.

All of these are expected to strengthen scientific temper in children, thus laying the foundation for a flourishing career in Science & Math.

Initially, two schools from nearby area Ushapur H S School and Purbanchal Karikari H S School are taken on experimental basis. If successful, the project will be extended to other schools in our operational area. The financial involvement is ₹11.09 Lakhs.

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2018-19

ANNEXURE - F TO DIRECTORS' REPORT (contd)

1	A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs and the composition of CSR Committee.	
	<p>Outline of CSR Policy :</p> <p>(a) Promoting health care and sanitation and making available safe drinking water under Clause (i) of Schedule VII of the Companies (Corporate Social Responsibility Policy) Rules, 2014 of the Companies Act, 2013.</p> <p>(b) Promoting education, employment enhancing vocation skills, livelihood enhancement projects under Clause- (ii) of Schedule VII of the Companies (Corporate Social Responsibility Policy) Rules, 2014 of the Companies Act, 2013</p> <p>(c) Promoting gender equality, empowering women and measures for reducing inequalities faced by socially and economically backward groups under Clause- (iii) of Schedule VII of the Companies (Corporate Social Responsibility Policy) Rules, 2014 of the Companies Act, 2013</p> <p>(d) Ensuring environmental sustainability, ecological balance under Clause (iv) of Schedule VII of the Companies (Corporate Social Responsibility Policy) Rules, 2014 of the Companies Act, 2013.</p> <p>(e) Promotion and development of traditional arts and handicrafts under Clause v Responsibility Policy) Rules, 2014 of the Companies Act, 2013.</p> <p>(f) Contribution to funds set up by the Central Government for socio-economic development and relief and welfare of women under Clause- (viii) of Schedule VII of the Companies (Corporate Social Responsibility Policy) Rules, 2014 of the Companies Act, 2013.</p> <p>Rural Development Projects under Clause- (x) of Schedule VII of the Companies (Corporate Social Responsibility Policy) Rules, 2014 of the Companies Act, 2013</p>	<p>Refer to following Sections of the Directors' Report :</p> <p>(a) Corporate Social Responsibility and</p> <p>(b) Disclosures: CSR Committee in this Report.</p>
	<p>Proposed Projects during the year 2018-2019 :</p> <ul style="list-style-type: none"> • Project Aparajeya II – Free Treatment of Child Cancer patients • Project Rupkathar Gaon –Third year hand holding • Skill development in plumbing 	
	Web link to CSR Policy & Projects : www.assamgas.org/csr.html	
2	Average net profit of the Company for last three financial years	₹10509.38 Lakhs

3	Prescribed CSR expenditure (Two percent of the amount mentioned in item 2 above)	₹ 210.19 Lakhs
4	Details of CSR spent during the financial year	₹ 439.97 Lakhs
5	Total Amount to be spent for the Financial Year 2017-18 (including carried over from previous year)	
	(a) Total Funds Available	₹ 653.51 Lakhs
	(b) Allocated for Projects	₹ 604.67 Lakhs
6	Amount unspent, if any (including committed but not spent till 31 st March 2018)	₹ 213.53 Lakhs
7	Manner in which the amount spent during the year	As per Memorandum of Understandings signed with the implementation partners / beneficiaries

DETAILS OF AMOUNT SPENT ON CSR ACTIVITIES DURING THE FINANCIAL YEAR 2018-19

Sl No	CSR Project or Activity Identified	Sector in which the project is covered (Clause No of Schedule VII to the Companies Act, 2013 as amended)	Project of Program or other 1. Local Area or other 2. Specify the state and district where projects or programs undertaken	Amount outlay (Budget) Project or Program wise (₹ in lakhs)	Amount spent on the Projects or Programs. Sub Heads (1) Direct Expenditure on Projects or Programs (2) Overheads (₹ in lakhs)	Cumulative Expenditure upto the Reporting Period, i.e, FY 2018-2019 (₹ in lakhs)	Amount Spent Direct or through Implementing Agency	Amount unspent project wise	Reasons for not spending project wise, if any
1	Project Shyamalima	Clause(iv)	Duliajan	10.00	9.11	Allocated for the year	Implementing Agency		
3	Project Rupkathar Gaon	Clause(x)	Dibrugarh	150.00 80.00 (current)	65.45 49.17	199.17	Implementing Agency	30.83	Late allocation & bad weather
4	Skill Development in Plumbing	Clause(ii)	Upper Assam	15.00	0.00	0.00			Dropped due to non availability of implementing agency
5	Project Pratyasha	Clause(ii)	Upper Assam	140.00	65.70	121.47	Implementing Agency	18.53	
6	Project Deepsikha	Clause(iii)	Jorhat	34.00	25.34	34.00	Implementing Agency	nil	
7	Environmental support services AMCH	Clause(iv)	Dibrugarh	32.00	29.55	Allocated for the year	Implementing Agency		
9	Project Aparajeya	Clause(i)	Guwahati	150.00 175.00 (current)	125.00 50.00	200.00	Direct	125.00	Late allocation
10	One term misc. exp		Upper Assam	20.00	20.27				
11	Overheads			5.00	0.37				
	Total			337.00	439.97				

Managements' Reply to

COMMENTS OF THE C&AG ON THE FINANCIAL STATEMENTS OF ASSAM GAS COMPANY LIMITED FOR THE YEAR ENDED 31st MARCH, 2019.

A. COMMENTS ON THE FINANCIAL POSITION

Balance Sheet

Current Liabilities : ₹83.50 crore

Current Financial Liabilities [Note No. – 16] : ₹31.10 crore

The Company received (June 2019) Tariff Order from Petroleum and Natural Gas Regulatory Board (PNGRB) for implementation of regulated tariff rate to consumers of Assam Natural Gas Pipeline Network. As per the order the Company was directed to refund the additional revenue earned from 20 November 2008 to 31 March 2014 to the consumers along with interest (from 1 June 2014 till date of actual payment to customers) at the rate which was applicable in case of delayed payment to the Company by the consumers. The Company accordingly had already adjusted ₹5.56 crore on account of excess revenue collected from Assam Petrochemicals Limited (consumer) against the receivable account. However, the interest amount due to be paid on the refundable amount has not been provided for in its accounts. Non provisioning of the interest liability on the amount refundable has resulted in over statement of profit for the year and understatement of 'Other Financial Liabilities' by ₹3.17 crore each.

MANAGEMENTS' REPLY : *The clear liability of excess collection to be refunded to the consumers on account of Transmission Charges were worked out in terms of the agreement between the company and the consumers, have been provided in the accounts for the year 2018-19.*

While calculating the amount refundable, we confronted with certain issues like the percentage of MDC TC to be considered, rebate to be allowed by the company, variation between the terms of agreement and the method followed by PNGRB for calculation of tariff, etc., and for resolving these issues meetings with our consumers are being convened for a mutual settlement.

The refundable amount of interest, which depends on settlement of the above issues, therefore could not be finalized to be provided in the accounts. Further, interest is also open to mutual settlement between the company and its consumers if agreeable by both the parties for waiver of such interest amount, which is also under due consideration.

Therefore, no provision for refundable interest amount has been made in accounts for the year 2018-19 but will be provided in accounts of subsequent year (2019-20).

B. COMMENTS ON DISCLOSURE

The implication of the regulated tariff order issued (June 2019) by Petroleum and Natural Gas Regulatory Board on the Service Tax amounting to ₹7.22 crore already paid by the company based on the earlier Transmission Charges should have been disclosed under 'Notes on Accounts'.

MANAGEMENTS' REPLY : *Earlier the Company has collected and deposited the Service Tax at the*

applicable rates on the taxable value of services for which bills have been raised on consumers and therefore it is not an income for the company. The tariff order passed by PNGRB is silent on refund of the Service Tax. Also, Claiming Refund of the Service Tax already paid is also subject to the doctrines of 'Unjust Enrichment' and subject to Tax credits availed by the consumers. Further, as per provisions contained in the Finance Act and the rules framed there under, liability of Service Tax shall be on the ultimate consumer only and not on the company.

Therefore, in our opinion no disclosure on this account is required in our accounts.

Managements' Reply to

COMMENTS OF THE C&AG ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ASSAM GAS COMPANY LIMITED FOR THE YEAR ENDED 31st MARCH, 2019.

A. COMMENTS ON THE FINANCIAL POSITION Balance Sheet

Current Liabilities : ₹90.57 crore

Current Financial Liabilities [Note No. – 17] : ₹34.23 crore

The Company received (June 2019) Tariff Order from Petroleum and Natural Gas Regulatory Board (PNGRB) for implementation of regulated tariff rate to consumers of Assam Natural Gas Pipeline Network. As per the order the Company was directed to refund the additional revenue earned from 20 November 2008 to 31 March 2014 to the consumers along with interest (from 1 June 2014 till date of actual payment to customers) at the rate which was applicable in case of delayed payment to the Company by the consumers. The Company accordingly had already adjusted ₹5.56 crore on account of excess revenue collected from Assam Petrochemicals Limited (consumer) against the receivable account. However, the interest amount due to be paid on the refundable amount has not been provided for in its accounts. Non provisioning of the interest liability on the amount refundable has resulted in over statement of profit for the year and understatement of 'Other Financial Liabilities' by ₹3.18 crore each.

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B. COMMENTS ON DISCLOSURE

The implication of the regulated tariff order issued (June 2019) by Petroleum and Natural Gas Regulatory Board on the Service Tax amounting to ₹ 7.22 crore already paid by the company based on the earlier Transmission Charges should have been disclosed under 'Notes on Accounts'.

MANAGEMENTS' REPLY : *Earlier the Company has collected and deposited the Service Tax at the applicable rates on the taxable value of services for which bills have been raised on consumers and therefore it is not an income for the company. The tariff order passed by PNGRB is silent on refund of*

the Service Tax. Also, Claiming Refund of the Service Tax already paid is also subject to the doctrines of 'Unjust Enrichment' and subject to Tax credits availed by the consumers. Further, as per provisions contained in the Finance Act and the rules framed there under, liability of Service Tax shall be on the ultimate consumer only and not on the company.

Therefore, in our opinion no disclosure on this account is required in our accounts.

Addendum to the Directors' Report for the Financial Year 2018-2019

Management's Reply to Secretarial Auditor's Report for the year ended 31st March 2019

Sl. No.	Secretarial Auditor's Observation	Management Reply
	Opinion	
1.	The Company has not complied with the provisions of Section 149 of the Companies Act read with Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 with relation to the appointment of Independent Directors during the Financial Year under review.	<i>The Company has written to the Government of Assam enclosing a list of probable candidates who are eligible for Independent Directors. The Reply from the Government of Assam is awaited.</i>
2.	During the course of audit it was observed that few employees of companies have not complied with the code of conduct & ethics of the Company.	<i>All employees have submitted.</i>
3.	The Alterations of the Articles of Association of the Company as per the Companies Act, 2013 is still pending.	<i>Actions initiated.</i>
4.	The Company could not obtain the Consent to operate from the Pollution Control Board inspite of payment of arrear dues as well as current dues.	<i>Noted for compliance</i>
5.	Trade Licence from the concerned authority i.e. the Local authority has not been obtained for the trading activities undertaken by the Company as per the State Laws.	<i>Noted for compliance</i>
6.	Registration of Company own land is still pending in few cases.	<i>The Company has taken up the issue with the Concerned Govt. Authority for the processing of registration of land in company's name.</i>
7.	The Internal compliance System is not commensurate with the size and nature of the Company.	<i>Action initiated.</i>

Addendum to the Directors' Report for the Year ended 31st March, 2019

Managements' Reply to

Sl. No.	Independent Auditor's Report	Managements' Reply
1.	Independent Auditor's Report	All compliances are noted for future action; subject to the following paras.
2.	<p>Para i (c) of Annexure – A According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds, comprising all the immovable properties of land and buildings held in the name of the Company except that the land where the Administrative Office and the Compressor Machines of the company are situated, has not been registered in its name. The said land is yet to be formally transferred to the company – which was allotted by the Government of Assam to the company in the year 1968; and since then under their occupation, However the Company has not taken any action in this regard during the year under audit.</p>	Steps are being initiated for the process of Registration of the land in the name of the Company.
3.	<p>1. Para i (d) of Annexure – A The amount receivable from various parties as reflected under Trade Receivables amounting to Rs.96 82 35 115/- remains mostly unreconciled and unconfirmed. Further, in our opinion, considering the unsecured and doubtful trade receivables of Rs.273799206/- (refer note no.9) provision of 2% of the "Revenue from operations" as per the company's accounting policies needs to be reviewed. (Refer note no.34(vi)(e).</p>	<p>(1) In case of Industrial consumers, letters of confirmation of balances have been issued to all consumers but replies confirming the balances have been received from 2 nos. of major industries (APL & NEEPCO) and 103 tea consumers only. However, the observation of the auditor is noted for future action and collection of confirmation letters from all consumers in future.</p> <p>(2) Implementation of the PNGRBs' Order dated 4th June 2019 fixing the gas transportation tariff and giving effect to the revision in the Transmission charges for the period November 2008 to March 2014, has resulted in a decline in the Turnover by Rs.72.38 crores during the current year. Further, revision of tariff with effect from June 2019, will also affect the revenue considerably. In view of the above and further as observed by the Statutory Auditor, the management will review the current accounting policy of providing 2% of the Revenue from Operations towards provision for bad and doubtful debts, to be adopted in the accounts from next financial year onwards.</p>

4.	<p>2. Para - ii of Annexure - A</p> <p>As explained to us, the inventories of store items and spares are physically verified at regular intervals by the Management and discrepancies noticed on physical verification of stocks as compared to book records are properly dealt with in the books of account. However, no physical verification of inventories of store items and spares was carried out during the year under audit.</p>	<p>The physical verification of stock of stores is being carried out now (in the month of August 2019 and the final report is awaited) and necessary adjustment will be made in next years' accounts. Further, we assure to comply with All compliances are noted for future action. yearly stock verification in future.</p>
5.	<p>Independent Auditors' Report on the Consolidated financial statements</p>	<p>All compliances are noted for future action.</p>

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF ASSAM GAS COMPANY LIMITED FOR THE YEAR ENDED 31ST MARCH, 2019.

The preparation of Financial Statements of ASSAM GAS COMPANY 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 Auditors, appointed by the Comptroller and Auditor General of India, under Section 139(5) of the Act, are responsible for expressing an opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the auditing standards prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 13 August 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit, of the Financial Statements of ASSAM GAS COMPANY LIMITED for the year ended 31 March 2019 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently, without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) of the Act which have come to my attention, and which, in my view, are necessary for enabling a better understanding of the financial statements and the related audit report:

A. COMMENTS ON FINANCIAL POSITION

Balance Sheet

Current Liabilities: ₹83.50 crore

Current Financial Liabilities [Note No-16]: ₹31.10 crore

The Company received (June 2019) Tariff Order from Petroleum and Natural Gas Regulatory Board (PNGRB) for implementation of regulated tariff rate to consumers of Assam Natural Gas Pipeline Network. As per the order, the Company was directed to refund the additional revenue earned during 20 November 2008 to 31 March 2014 to the consumers along with interest (from 1 June 2014 till date of actual payment) at the rate which was applicable in case of delayed payment to the Company by the consumers. The Company accordingly adjusted ₹5.56 crore on account of excess revenue collected from Assam Petrochemicals Limited (Consumer) against the receivable account. However, the interest amount due to be paid of the refundable amount has not been provided for in its accounts. Non-provisioning of the interest liability on the amount refundable has resulted in overstatement of profit for the year and understatement of 'Other Financial Liabilities' by ₹3.17 crore each.

B. COMMENTS ON DISCLOSURE

The implication of the regulated tariff order issued (June 2019) by Petroleum and Natural Gas Regulatory Board on the Service Tax amounting to ₹7.22 crore already paid by the Company based on the earlier Transmission Charges should have been disclosed under 'Notes on Accounts'.

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

Place: Guwahati
Date: 30/09/2019

Sd/-
Accountant General (Audit), Assam

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ASSAM GAS COMPANY LIMITED FOR THE YEAR ENDED 31ST MARCH, 2019.

The preparation of Consolidated Financial Statements of ASSAM GAS COMPANY 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 Auditors, appointed by the Comptroller and Auditor General of India, under Section 139(5) read with Section 129(4) of the Act, are responsible for expressing an opinion on the financial statements under section 143 read with Section 129(4) of the Act based on independent audit in accordance with the auditing standards prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 13 August 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit, of the Consolidated Financial Statements of ASSAM GAS COMPANY LIMITED for the year ended 31 March 2019 under Section 143(6)(a) read with Section 129(4) of the Act. We conducted a supplementary audit of the financial statements of DNP Limited (a subsidiary company of Assam Gas Company Limited) while the audit of Tripura Natural Gas Company Limited (an Associate company of Assam Gas Company Limited) was conducted by the Accountant General (Audit) Tripura. This supplementary audit has been carried out independently, without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) read with Section 129(4) of the Act which have come to my attention, and which, in my view, are necessary for enabling a better understanding of the financial statements and the related audit report:

A. COMMENTS ON FINANCIAL POSITION

1. Statement of Consolidated Profit and Loss

Consolidated Balance Sheet

Current Liabilities: ₹90.57 crore

Current Financial Liabilities [Note No.-17]: ₹34.23 crore

The Company received (June 2019) Tariff Order from Petroleum and Natural Gas Regulatory Board (PNGRB) for implementation of regulated tariff rate to consumers of Assam Natural Gas Pipeline Network. As per the order, the Company was directed to refund the additional revenue earned during 20 November 2008 to 31 March 2014 to the consumers along with interest (from 1 June 2014 till date of actual payment) at the rate which was applicable in case of delayed payment to the Company by the consumers. The Company accordingly adjusted ₹5.56 crore on account of excess revenue collected from Assam Petrochemicals Limited (Consumer) against the receivable account. However, the interest amount due to be paid on the refundable amount has not been provided for in its accounts. Non- provisioning of the interest liability on the amount refundable has resulted in overstatement of profit for the year and understatement of 'Other Financial Liabilities' by ₹3.18 crore each.

B. COMMENTS ON DISCLOSURE

The implication of the regulated tariff order issued (June 2019) by Petroleum and Natural Gas Regulatory Board on the Service Tax amounting to ₹7.22 crore already paid by the Company based on the earlier Transmission Charges should have been disclosed under 'Notes on Accounts'.

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

Place: Guwahati
Date: 30/09/2019

Sd/-
Accountant General (Audit), Assam

KANOI ASSOCIATES
Chartered Accountants

CENTRAL CHOWKIDINGHEE
DIBRUGARH : 786001
Tele : 2324408/2328951/2320531
Email: info@kanoiassociates.com

ASSAM GAS COMPANY LIMITED

Independent Auditor's Compliance Certificate

We have conducted the statutory audit of Assam Gas Company Limited; Duliajan, for the year ended 31st March, 2019 in accordance with the directions/sub-directions u/s 143(5) of the Companies Act, 2013 as amended, and hereby certify that we have complied with all the guidelines issued to us.

In terms of our report of even date attached to herewith

**For KANOI ASSOCIATES
ICAI REGN. NO. 30910IE
CHARTERED ACCOUNTANTS**

**Date: 13/08/2019
Place: Dibrugarh**

**CA AAKASH AGARWALLA, FCA
PARTNER
Membership No. 058427
UDIN: 19058427AAAAAN9570**

Directions under section 143(5) of the Companies Act,2013

Sl. No.	Directions	Response
1.	Whether the company has clear title/ lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/ lease deeds are not available.	The land where the Administrative Office and Compressor Machines of the company are situated has not been registered in its name and the said land is yet to be formally transferred to the company-which was allotted by the Government of Assam to the company in the year 1968; and since then under their occupation. The company has not taken any action in this regard during the year under audit. We have not come across any other cases where title deeds are not available or that title is disputed or the property is under encroachment.
2.	Whether there are any cases of waiver/write off of debts/loans/interest etc. Justify, the reason there for and the amount involved.	No such case.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gifts/ grants from Government or other authorities.	No such case.

In terms of our report of even date attached to herewith

For KANOI ASSOCIATES
ICAI REGN. NO. 30910IE
CHARTERED ACCOUNTANTS

Date: 13/08/2019
Place: Dibrugarh

CA AAKASH AGARWALLA, FCA
PARTNER
Membership No. 058427
UDIN: 19058427AAAAAN9570

ASSAM GAS COMPANY LIMITED

Independent Auditor's Report

To the Members of ASSAM GAS COMPANY LIMITED

Report on the Audit of the Standalone Financial Statements

We have audited the accompanying standalone Ind AS financial statements of 'Assam Gas Company Limited' ('the Company'), which comprise the standalone balance sheet as at 31st March, 2019, the standalone statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of the 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 Ind AS financial statements along-with the notes thereon, give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules 2015 "as amended" u/s. 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March, 2019, and its Profit (financial performance including other comprehensive income), changes in its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

We conducted our audit of the standalone Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditors' responsibilities for the audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the act and the rules there under, 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.

Management's Responsibility for the Standalone Financial Statements

The Company's Management and the Board of Directors are responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit / loss and other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate

accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the management and the Board of directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating 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 alternatives but to do so.

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

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 section 143(11) of the Act and on the basis of such checks of the books and records of the Company as we consider appropriate and according to the information and explanations given to us, 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.

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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under;

- (e) on the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) with respect to the adequacy of the internal financial controls with reference to financial statements of the company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”; and
- (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 as at 31st March, 2019 on its financial position in its standalone Ind AS financial statements – Refer Note 34 (vi) regarding Trade Receivables & 34(xi) regarding Contingent Liabilities to the standalone 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

**For KANOI ASSOCIATES
ICAI REGN. NO. 30910IE
CHARTERED ACCOUNTANTS**

**Date: 13/08/2019
Place: Dibrugarh**

**CA AAKASH AGARWALLA, FCA
PARTNER
Membership No. 058427
UNIN: 19058427AAAAAL7581**

Annexure - A to the Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March, 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of 3 years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verifications. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds, comprising all the immovable properties of land and buildings held in the name of the Company except that the land where the Administrative Office and the Compressor Machines of the company are situated, has not been registered in its name. The said land is yet to be formally transferred to the company – which was allotted by the Government of Assam to the company in the year 1968; and since then under their occupation. However the Company has not taken any action in this regard during the year under audit.
 - (d) The amount receivable from various parties as reflected under Trade Receivables amounting to Rs. 96 82 35 115/- remains mostly un reconciled and unconfirmed. Further, in our opinion, considering the unsecured and doubtful trade receivables of Rs.27,37,99,206 (refer note no.9) provision of 2% of the "Revenue from Operations" as per company's accounting policies needs to be reviewed. (Refer note no. 34(vi)(e)).
- (ii) As explained to us, the inventories of store items and spares are physically verified at regular intervals by the Management and discrepancies noticed on physical verification of stocks as compared to book records are properly dealt with in the books of account. However, no physical verification of inventories of store items and spares was carried out during the year under audit.
 - (iii) The Company has granted loans to one body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
 - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company
 - (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
 - (c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
 - (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans

and investments made.

- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Rules made by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of these records with a view to determining 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, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2018 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 dues of duty of customs 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 income tax, sales tax, duty of excise, service tax and value added tax have not been deposited by the Company on account of disputes:

Name Of Statute	Nature Of Dues	Amount (₹)	Period To Which The Amount Relates	Forum Where The Dispute Is Pending
Income Tax Act	Tax	3 93 305	A.Y. 2006-07	Assessing Officer
Income Tax Act	Tax	54 479	A.Y. 2007-08	Assessing Officer
Income Tax Act	Tax	3 09 110	A.Y. 2016-17	Assessing Officer
Assam VAT ACT	Tax (including interest)	21 03 41 937	F.Y. 2006-07	Commissioner, Assam VAT
Assam VAT ACT	Tax (including interest)	2 31 54 048	F.Y. 2007-08	Additional Commissioner, Assam VAT
Assam VAT ACT	Tax (including interest)	21 43 54 758	F.Y. 2008-09	Assam Board of Revenue
Assam VAT ACT	Tax (including interest)	21 85 79 385	F.Y. 2009-10	Appeal filed with Hon'ble Gauhati High Court.
Assam VAT ACT	Tax (including interest)	14 31 89 703	F.Y. 2013-14	Commissioner, Assam VAT
Assam VAT ACT	Tax (including interest)	13 41 66 525	F.Y. 2014-15	Commissioner, Assam VAT

Assam VAT ACT	Tax (including interest)	15 18 35 749	F.Y. 2015-16	Commissioner, Assam VAT
Service Tax	Tax	4 02 28 701	2007 to 2012	CESTAT, Kolkata
Service Tax	Tax	52 28 245	2012-2013	CESTAT, Kolkata
Service Tax	Tax	87 72 606	Oct'12 to Sep'13	CESTAT, Kolkata
Service Tax	Tax	1 52 56 361	Apr'09 to Mar'14	CESTAT, Kolkata
Service Tax	Tax	24 28 855	2013-2014	CESTAT, Kolkata
Service Tax	Tax	88 36 530	Oct'13 to Sep'14	CESTAT, Kolkata
Service Tax	Tax	36 07 464	2014-15	CESTAT, Kolkata
Service Tax	Tax	22 31 226	2014-15	Commissioner Appeal (Guwahati)
Service Tax	Tax	55 15 259	Oct'14 to Sep'15	CESTAT, Kolkata
Service Tax	Tax	143 96 654	Oct'15 to Sep'16	Commissioner Appeal (Guwahati)
Service Tax	Tax	74 16 721	2015-16	Commissioner Appeal (Guwahati)

- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For KANOI ASSOCIATES
ICAI REGN. NO. 30910IE
CHARTERED ACCOUNTANTS**

**Date: 13/08/2019
Place: Dibrugarh**

**CA AAKASH AGARWALLA, FCA
PARTNER
Membership No. 058427
UDIN: 19058427AAAAAL7581**

Annexure - B to the Auditors' Report

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 **ASSAM GAS COMPANY LIMITED** ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 with reference to financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2019, based on the internal financial control with reference to financial statements 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 KANOI ASSOCIATES
ICAI REGN. NO. 30910IE
(Firm Registration No. 30910IE)
CHARTERED ACCOUNTANTS**

**Date: 13/08/2019
Place: Dibrugarh**

**CA AAKASH AGARWALLA, FCA
PARTNER
Membership No. 058427
UDIN: 19058427AAAAAL7581**

Independent Auditors' Report on the Consolidated Financial Statements

TO THE MEMBERS OF ASSAM GAS COMPANY LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of 'Assam Gas Company Limited' (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities , which comprise the consolidated balance sheet as at 31st March, 2019, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as " the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 31st March, 2019, and Profit and other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group, its associates and joint ventures 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 consolidated financial statements under the provisions of the act and the rules there under, 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.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management and the Board of Directors are responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the state of affairs, profit / loss and other comprehensive income, cash flows and changes in equity of the Group including its subsidiaries, associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the relevant rules issued thereunder.

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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management and the respective Board of directors of the Companies included in the Group and its associates and joint ventures are responsible for assessing the ability of the Group and its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternatives but to do so.

The respective Board of Directors of the Companies included in the group and its associates and joint ventures are also responsible for overseeing the company's financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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 section 143(11) of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, 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.

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 holding company, subsidiary company and associate company and jointly controlled companies incorporated in India so far as it appears from our examination of those books;
- (c) the consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the statement of consolidated cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

- (d) in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
- (e) on the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors of the Holding Company and on the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (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. there were no pending litigations which would impact the consolidated financial position of the Group, its associates and jointly controlled entities;
 - ii. the Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.; and
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and jointly controlled companies incorporated in India;

**For KANOI ASSOCIATES
ICAI REGN. NO. 30910IE
(Firm Registration No. 30910IE)
CHARTERED ACCOUNTANTS**

**Date: 13/08/2019
Place: Dibrugarh**

**CA AAKASH AGARWALLA, FCA
PARTNER
Membership No. 058427
UDIN: 19058427AAAAAM4964**

Annexure to the Auditors' Report on the Consolidated Financial Statements

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' 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 accompanying consolidated Ind AS financial statements of 'Assam Gas Company Limited' (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements"), in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the holding company, its subsidiaries, associates and jointly controlled entities internal financial controls with respect to consolidated financial statements 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 with respect to consolidated financial statements 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 with respect to consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with respect to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with respect to consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 with respect to consolidated Ind AS financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with respect to consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with respect to consolidated Ind AS financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with respect to consolidated Ind AS financial statements, 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 with respect to consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control with respect to consolidated Ind AS financial statements 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 explanation given to us and based on the consideration of the reports of other auditors, the holding company, its subsidiaries, associates and jointly controlled entities which are incorporated in India has, in all material respects, an adequate internal financial controls with respect to consolidated Ind AS financial statements and such internal financial controls with respect to consolidated Ind AS financial statements were operating effectively as at 31st March, 2019, based on the internal control with respect to

consolidated Ind AS financial statements 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 KANOI ASSOCIATES
ICAI REGN. NO. 30910IE
(Firm Registration No. 30910IE)
CHARTERED ACCOUNTANTS**

**Date: 13/08/2019
Place: Dibrugarh**

**CA AAKASH AGARWALLA, FCA
PARTNER
Membership No. 058427
UDIN: 19058427AAAAAM4964**

ASSAM GAS COMPANY LIMITED

DULIAJAN :: ASSAM

BALANCE SHEET

(Amount in Rupees)

Particulars	Note No.	AS AT 31-03-2019	AS AT 31-03-2018
A ASSETS			
1) Non-current assets			
(a) Property, Plant & Equipments	2	124 05 15 589	123 26 09 506
(b) Capital Work in progress	4	14 68 93 722	7 88 00 357
(c) Other Ingangible Assets	3	1 99 08 063	0
(d) Non-current investments	5	100 30 00 000	86 30 00 000
(e) Financial Assets	6	2 27 18 298	11 70 699
(f) Other non-current assets	7	8 63 198	14 72 768
		243 38 98 871	217 70 53 330
2) Current assets			
(a) Inventories	8	21 34 47 055	18 49 72 053
(b) Financial Assets			
- Trade receivables	9	91 23 63 826	110 90 42 149
- Cash and cash equivalents	10	513 63 78 649	476 99 20 486
- Short-term loans and advances	11	35 98 75 795	17 99 28 661
(c) Other current assets	12	14 41 24 195	10 72 42 430
		676 61 89 520	635 11 05 779
	TOTAL	920 00 88 391	852 81 59 109
B EQUITY AND LIABILITIES			
1. Equity			
a. Equity Share Capital	13	16 91 44 900	16 91 44 900
b. Other Equity	14	738 40 42 412	714 03 47 329
		755 31 87 312	730 94 92 229
2. Liabilities			
a. Non Current Liabilities			
Financial Liabilities			
- Borrowings	15	0	0
- Other Financial Liabilities	16	55 81 48 911	52 92 43 790
b. Deferred tax liabiltiy (net)	17	24 32 90 656	23 88 68 519
c. Provisions	18	1 04 47 535	1 69 90 762
		81 18 87 101	78 51 03 071
3. Current Liabilities			
a. Financial Liabilities			
- Trade payables	19	22 53 52 626	17 72 53 025
- Other Financial Liabilities	16	31 09 70 523	3 04 35 655
b. Other current liabilities	20	29 22 85 787	22 00 98 381
c. Provisions	21	64 05 042	57 76 748
		83 50 13 978	43 35 63 809
	TOTAL	920 00 88 391	852 81 59 109

Corporate Information & Significant Accounting Policies	1
Notes forming part of Financial Statements	30-36

In terms of our report of even date attached to herewith

**For KANOI ASSOCIATES
ICAI REGN. NO. 30910IE
(Firm Registration No. 30910IE)
CHARTERED ACCOUNTANTS**

**Date: 13/08/2019
Place: Dibrugarh**

**CA AAKASH AGARWALLA, FCA
PARTNER
Membership No. 058427
UDIN: 19058427AAAAAL7581**

ASSAM GAS COMPANY LIMITED
DULIAJAN :: ASSAM
STATEMENT OF PROFIT & LOSS

(Amount in Rupees)

Particulars	Note No.	AS AT 31-03-2019	AS AT 31-03-2018
I. Revenue from operations	22	191 34 37 347	226 17 76 296
II. Other income	23	53 16 46 390	41 89 03 672
III. Total Revenue (I + II)		<u>244 50 83 737</u>	<u>268 06 79 968</u>
IV. Expenses:			
Purchases of stock in trade	24	118 51 63 645	85 54 30 606
Employee benefit expenses	25	47 32 22 868	43 78 08 331
Finance costs	26	1 52 88 767	1 47 27 308
Depreciation and amortization	2 & 3	6 74 28 857	6 33 06 718
Other expenses	27	27 66 50 373	22 36 36 504
Total expenses		<u>201 77 54 511</u>	<u>159 49 09 467</u>
V. Profit before exceptional and extraordinary items and tax (III - IV)		42 73 29 226	108 57 70 501
VI. Exceptional Items		0	0
VII. Profit before extraordinary items and tax (V - VI)		42 73 29 226	108 57 70 501
VIII. Prior period & Extraordinary Items		0	0
IX. Profit before tax (VII - VIII)		42 73 29 226	108 57 70 501
X. Tax expenses			
1) Current tax	28	(14 38 77 481)	(36 89 09 322)
2) Deferred tax	17	(44 22 137)	(55 84 363)
		<u>(14 82 99 618)</u>	<u>(37 44 93 685)</u>
XI. Profit for the period from continuing operations (IX - X)		27 90 29 609	71 12 76 816
XII. Profit from discontinuing operations		0	0
XIII. Tax expenses of discontinuing operations		0	0
XIV. Profit from Discontinuing operations (after tax) (XII - XIII)		0	0
XV. Profit for the period (XI + XIV)		27 90 29 609	71 12 76 816
XVI. Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		0	0
(ii) Income tax relating to items that will not be reclassified to profit or loss		0	0

B (i) Items that will be reclassified to profit or loss		0	0
(ii) Income tax relating to items that will be reclassified to profit or loss		0	0
XVII. Total Comprehensive Income for the period (XV+XVI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		27 90 29 609	71 12 76 816
XVIII. Basic & Diluted Earnings per equity share: (Face Value Rs. 100 per share)	29	165	421
Corporate Information & Significant Accounting Policies	1		
Notes forming part of Financial Statements	30-36		

In terms of our report of even date attached to herewith

**For KANOI ASSOCIATES
ICAI REGN. NO. 30910IE
(Firm Registration No. 30910IE)
CHARTERED ACCOUNTANTS**

**Date: 13/08/2019
Place: Dibrugarh**

**CA AAKASH AGARWALLA, FCA
PARTNER
Membership No. 058427
UDIN: 19058427AAAAAL7581**

ASSAM GAS COMPANY LIMITED
DULIAJAN :: ASSAM
CASH FLOW STATEMENT

(Amount in Rupees)

Statement of Cash Flow	For the year 2018-19	For the year 2017-18
I. CASH FLOW FROM “OPERATING ACTIVITIES”		
a) Net Profit before Tax	42 73 29 226	108 57 70 501
b) Adjustments for :		
i) Depreciation	6 74 28 857	6 33 06 718
ii) Interest on Loans	(8 87 671)	(2 54 58 904)
iii) Misc. Expenditure	6 09 570	8 47 348
iv) Interest on Fixed Deposit	(33 83 50 709)	(25 61 90 647)
v) Dividend received	(8 27 41 000)	(2 13 25 000)
Operating Profit before working capital changes	73388273.49	846950016
c) Working capital changes :		
i) Inventories	(2 84 75 002)	(88 27 747)
ii) Trade Receivables(Fin. Assets)	19 66 78 323	(18 04 70 211)
iii) Short Term Loans & Advances(Fin. Asset)	10 35 76 897	19 19 01 305
iv) Other Current Liabilities	7 21 87 406	5 30 93 439
v) Trade payable(Financial Liabilities)	4 80 99 601	(4 50 38 915)
Cash generated from operations	465455498.5	857607887
Less : Income Tax Payment	(427401512)	(378692897)
Cash Flow before extra ordinary items	38053986	478914990
Add : Earlier year adjustment		
Net Cash from operating activities	38053986.49	478914990
II. CASH FLOW FROM “INVESTING ACTIVITIES”		
i) Purchase of Assets	(16 22 71 682)	(8 98 41 733)
ii) Sale of Asset		
iii) Fixed Deposits	(42 79 90 514)	(75 31 08 342)
iv) Dividend received	8 27 41 000	2 13 25 000
v) Interest received on Fixed Deposits	30 14 68 944	26 76 98 475
vi) Misc. Exp - VRS Payments		(10 13 208)
vii) Non-Current Investment	(14 00 00 000)	
Net Cash used in investing activities	(34 60 52 252)	(55 49 39 808)

III. CASH FLOW FROM “FINANCING ACTIVITIES”

i)	Non Current other financial liabilities	2 89 05 121	1 59 52 421
ii)	Interest on Loans	8 87 671	2 54 58 904
iii)	Dividend & Tax paid	(3 63 99 213)	(2 24 95 291)
iv)	Current other Financial Liabilities	28 05 34 868	1 78 479
v)	Financial Asset	(2 15 47 599)	10 79 44 627
vi)	Current Liabilities provisions	6 28 294	(49 13 995)
vii)	Other provisions	(65 43 227)	1 51 25 746

Net Cash used in financing activities	24 64 65 915	13 72 50 891
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Net Increase in Cash & Cash equivalents	(6 15 32 351)	6 12 26 073
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Cash & Cash equivalents at the beginning of the year	9 12 94 881	3 00 68 808
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Cash & Cash equivalents at the end of the year	2 97 62 530	9 12 94 881
--	-------------	-------------

In terms of our report of even date attached to herewith

**For KANOI ASSOCIATES
ICAI REGN. NO. 30910IE
(Firm Registration No. 30910IE)
CHARTERED ACCOUNTANTS**

**Date: 13/08/2019
Place: Dibrugarh**

**CA AAKASH AGARWALLA, FCA
PARTNER
Membership No. 058427
UDIN: 19058427AAAAAL7581**

ASSAM GAS COMPANY LIMITED

Financial statements – 2018-19

CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

Corporate Information

Assam Gas Company Limited, a Government of Assam Undertaking - incorporated in India under the provisions of the Companies Act, 1956, fully owned and controlled by the Government of Assam through Equity participation, having its Registered Office situated at Duliajan (Post Office), Dibrugarh District, PIN 786602, Assam.

The Financial Statements for the year ended on 31st March 2019 were authorized for issue in accordance with the resolution of the Board of Directors on 10th August, 2019.

1. Statement of Significant Accounting Policies

1.1 Basis for Preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rule, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016; and the other relevant provisions of the Act and Rules there under.

The financial statements have been prepared under the historical cost convention and in accordance with Generally Accepted Accounting Principles in India (Indian GAAP), including Accounting Standards notified under relevant provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy. Revenues are generally recognized on accrual system of accounting except where otherwise stated.

1.2 Change in Accounting Policy

The method of keeping the accumulated surplus under the “Profit & Loss Account” under “Other Equity (Liabilities)” in the Balance Sheet has been changed to the following method with effect from the year 2016-17

- a. Opening of a separate account for “General Reserves” under “Other Equity (Liabilities)” in the Balance Sheet for keeping the surplus of the accumulated funds.
- b. Keeping a maximum balance of Rs.5 00 000.00 in the “Profit & Loss Account” under “Other Equity (Liabilities)” in the Balance Sheet for every year.
- c. Transferring the surplus accumulated fund in the “Profit & Loss Account” to “General Reserve Account” both under “Other Equity (Liabilities)” in the Balance Sheet.

1.3 Impairment of Assets

In accordance with Ind AS-36, an asset is treated as 'impaired' when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Statement in the year in which an asset is identified and impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimates of recoverable amount.

1.4 Treatment of Additional Security Deposits from Domestic consumers:

In case of Domestic consumers, Additional Security deposits received against installation of new connections have been disclosed under "Security Deposits from Domestic Consumers" under "Non current Financial Liabilities" (Other Financial Liabilities).

1.5 Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of revenue, expenses, assets and liabilities and accompanying disclosure along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The company continually evaluates these estimates and assumptions based on the most recently available information. Difference between the actual results and estimates are recognized in the statement of Profit and Loss in the year in which the results are known / materialized.

1.6 Property, Plant and equipment

1.6.1 Tangible Assets

- a) Property, plant and equipment are stated at cost of acquisition inclusive of freight, duties, taxes and other incidental expenses related to acquisition and any other cost attributable to bringing the same to their working condition.
- b) In the case of commissioned assets where final payment to the contractor is pending, capitalization is made on provisional basis subject to necessary adjustment in cost and depreciation in the year of settlement.
- c) Borrowing cost attributable to construction of Capital Assets is capitalised till the date of commencement of commercial use of the assets. Other borrowing costs are recognised as expense.
- d) Capital cost recovered from consumers, are credited to Capital Reserve and the Fixed Assets are value at cost.
- e) An item of property, plant and equipment and any significant part initially recognized separately as part of property, plant and equipment is derecognized upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognized.

1.6.2 Accounting of Work In Progress

- a) Cost of Right - of - way (ROW) of land for laying pipelines is capitalized as capital work-in-progress.
- b) Crop and other compensation paid are accounted for under capital work-in- progress on the basis of actual payments as and when work commences where ROW is acquired.
- c) Capital work-in-progress includes value of materials received at site for use in the projects.
- d) Expenditure on job work and contracts are accounted for based on bills recommended/ jobs certified and approved by appropriate authority. Amounts deducted for delayed supplies/ delayed completion of works etc., if any, is accounted for on crystallization of such amounts.

1.7 Depreciation

- a) Depreciation on property, plant and equipment is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 (after retaining the estimated residual value upto 5%) except in cases where useful life is different than those prescribed in Schedule II are used.
- b) Tools and Plants issued and utilised are charged off in the year of issue.
- c) No depreciation is provided on Capital Work-in-Progress.

1.8 Intangible Assets

- a) Intangible assets are carried at cost less accumulated amortization.
- b) Expenditure incurred for creating/acquiring intangible assets, from which future economic benefits will flow over a period of time, is amortized over the estimated useful life of the asset, from the time the intangible asset starts providing the economic benefit.

1.9 Investments

- a) Non Current Investments (equity investment in joint venture and associates) are valued at cost. However, provision for diminution in value is made to recognize a decline in the value, other than temporary.
- b) Current Investments are valued at lower of cost or fair value.

1.10 Inventories

- a) Inventories are are valued at cost and are determined from Stores Price Ledger.
- b) Stores Price Ledger is reconciled with physical balances of Stores. Difference if any, below Rs. 5 000/- is to be adjusted in account and is to be written off as per policy. Difference if any, of Rs.5 000/- and above is adjusted in accounts after proper investigation.
- c) Stock of spares, with individual value of more than Rs.5.00 lakhs, that are specific to a

property, Plant & Equipments and with a useful life of more than one year shall be treated as PPE and depreciated from the date they are ready to use over the useful life of the spare part

1.11 Trade Receivables

Provision for bad and doubtful debts on Trade receivable have been made at the rate of 2% on the "Revenue from operations" (Profit & Loss Account).

1.12 Statement of Profit & Loss

- a) Gas Sales Price is determined on the basis of Gas Cost Price inclusive of marketing margin at the rate approved and notified by Central Government. Besides this, no additional cost is marked up on the cost price.
- b) Revised bills raised due to revision in the agreement with retrospective date, prices are accounted for in the year in which such revision took place.
- c) Interest on staff-loan is accounted for on cash basis. However, Interest on delayed payment from the consumers, have been accounted for on accrual basis.
- d) The only component of the Deferred Tax Liability is on the tax effect of timing differences on depreciation has been considered.
- e) VRS payments made have been accounted for by way of charging to Statement of Profit and Loss an amount equal to 1/5th of such payments and the balance are charged to Miscellaneous expenditure (Asset) to be written off over next four succeeding years.
- f) Gratuity has been accounted for on the basis of actuarial valuation. Employees Leave Encashment benefits, has been accounted for on the basis of actual payments made during the year.
- g) Adjustments for Income Tax provision, Advance Tax paid and Tax Deducted at Source are made for the excess or short provision made and deductions not admitted and refunds made by the department, on the basis of the latest available Annual Return filed or the Assessment Orders received.
- h) Sales Tax – VAT on Gas sales and Goods & Service Tax (GST) on TC are paid on the basis of the sales invoices (including Debit Notes and Credit Notes) actually raised during each month and are realized from the consumers subsequently. Annual, Half Yearly and monthly Returns of VAT and GST, as applicable, are also filed on the basis of the Sales Invoices raised during each month and difference between the Ledger balance and the actual payments are reconciled at the end of the year.

1.13 Financial Instruments

a) Initial Recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value

on initial recognition, except for trade receivables. All financial liabilities except for Deposits from Customer which are maturing within one year from the Balance Sheet date are initially measured at transaction price as the carrying amounts approximate fair value due to the short maturity of these instruments.

b) Subsequent Recognition

Financial assets and liabilities are subsequently carried at amortized cost except for Deposits from Customer which is measured at fair value through profit or loss.

c) Fair Value of Financial instruments

Fair value measurements of financial assets and liabilities are made using variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The income approach has been adopted wherever valuation techniques are required to be applied on financial assets and liabilities.

1.14 Earnings Per Share

Basic earning per share are calculated by dividing the net profit for the year attributable to equity shareholder by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earning per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for effects of all dilutive potential equity shares.

1.15 Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

1.16 Classification of Assets and Liabilities as Current and Non- Current

All assets and liabilities are classified as current or non-current as per the company's normal operating cycle (considered at 12 months) and other criteria set out in Schedule III of the Companies Act.

1.17 Cash Flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferral or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities are segregated.

1.18 Provisioning, Contingent Liabilities and Capital Commitments-

- a) Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is possible that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of

the amount of the obligation.

- b) The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.
- c) Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the company, or present obligation where it is not probable that an outflow of resources will be required or the amount of obligation can not be measured with sufficient reliability.
- d) Contingent liabilities are not recognized in the financial statement but are disclosed unless the possibility of an outflow of economic resources is considered remote.
- e) Contingent liabilities and Capital commitments disclosed are in respect of items which in each case are above the threshold limit.

Notes to the Financial Statements for the year ended 31st March 2019

NOTE 2 : Property, Plant & Equipment

PARTICULARS	GROSS BLOCK				DEPRECIATION (SLM)			NET BLOCK on SLM / WDV		
	COST AS AT 01-04-18	ADDITION FOR THE YEAR	ADJUSTMENT (discard)	COST AS AT 31-03-2019	UP TO 01-04-18	FOR THE YEAR	Adjustment to Assets (during year)	TOTAL (under SLM)	AS AT 31-03-2019	AS AT 31-03-2018
A. Land	2 12 90 317	144 100	0	2 14 34 417	0	0	0	0	2 14 34 417	2 12 90 317
B. Residential & Factory Building	8 46 97 913	1 50 38 853	0	9 97 36 766	1 33 61 515	59 76 972	0	1 93 38 487	8 03 98 279	7 06 56 144
C. Pipe Lines & Plant & Machinery	125 04 88 970	5 25 88 305	0	130 30 77 275	14 78 76 064	5 26 61 080	0	200 53 71 438	110 25 40 131	110 26 12 906
D. Office Equipment	22 67 833	3 42 196	0	26 10 029	14 08 448	2 50 209	0	16 58 657	9 51 372	8 59 385
E. Hospital Equipments	1 10 295	0	0	1 10 295	2 18 81	7 117	0	28 998	81 297	88 414
F. Miscellaneous Fixed Assets	4 60 829	4 53 716	0	9 14 545	1 28 501	76 864	0	20 53 65	7 09 180	2 70 550
G. Electrical Installation	1 51 15 707	4 47 737	0	1 55 63 444	4 20 11 33	14 07 592	0	5 60 8 725	99 54 719	1 09 76 352
H. Roads, Drains and Water Works	1 16 16 722	40 97 167	0	1 57 13 889	5 38 23 11	23 71 832	0	7 75 4 143	79 59 746	69 14 659
I. Furniture & Fixture	42 38 507	2 07 302	0	44 45 809	1 35 77 06	4 77 144	0	18 34 850	26 10 959	28 80 801
J. Motor Vehicles	1 53 18 112	0	0	1 53 18 112	49 45 25 8	19 22 606	0	6 86 7 864	84 50 248	1 03 72 854
K. E.D.P: System	71 38 799	17 70 518	0	89 09 317	26 66 329	18 67 826	0	4 53 4 155	43 75 162	44 91 338
L. Communication System	16 66 371	11 187	0	16 77 558	4 51 717	1 75 762	0	6 27 4 79	10 50 079	11 95 786
Total	141 44 10 375	7 51 01 081	0	148 95 11 456	18 18 00 863	6 71 95 004	0	24 89 95 867	124 05 15 589	123 26 09 506
Previous Year's Figures	134 67 32 562	6 76 77 813	0	141 44 10 375	11 84 94 151	6 33 06 718	0	18 18 00 869	123 26 09 506	122 82 38 411

Notes to the Financial Statements for the year ended 31st March 2019

NOTE 4 : Intangible Assets

PARTICULARS	GROSS BLOCK					Amortisation				NET BLOCK	
	COST AS AT 01-04-18	ADDITION FOR THE YEAR	ADJUSTMENT (discard)	COST AS AT 31-03-2019	UP TO 01-04-18	FOR THE YEAR	Adjustment to Assets (during year)	TOTAL	No. of Years for amortisation	AS AT 31-03-2019	AS AT 31-03-2018
A. Geographical Information System	0	17226577	0	1 72 26 577	0	218921	0	218920.8953	6	1 70 07 656	0
B. Way leave Charges	0	29 15 339	0	29 15 339	0	14 932	0	14931.79576	10	29 00 407	0
Total	0	2 01 41 916	0	2 01 41 916	0	2 33 853	0	2 33 853	0	1 99 08 063	0
Previous Year's Figures	0	0	0	0	0	0	0	0		0	0

ASSAM GAS COMPANY LIMITED

DULIAJAN :: ASSAM

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED
31st March 2019**

(Amount in Rupees)

	AS AT 31-03-2019	AS AT 31-03-2018
3 CAPITAL WORK - IN - PROGRESS		
Pipeline H.D.P.E.	66 92 000	1 52 85 075
CNG/LNG Project	5 94 43 083	82 01 359
Scada	7 68 97 557	5 29 07 328
Power Project	0	14 47 400
PS Water Tank	18 35 397	2 06 500
ONGC (Namburnadi-Numaligarh PL project)	10 10 290	0
Compressor (Fire & Safty)	2 62 700	0
Electrical Upgradation	7 52 695	7 52 695
	14 68 93 722	7 88 00 357

5 NON CURRENT INVESTMENTS

Total Investment valued at cost (unless stated otherwise)

Equity contribution in Tripura Natural Gas Co. Ltd. (unqoated) <i>(100000 equity shares @ Rs.100 each fully paid)</i>	1 00 00 000	1 00 00 000
Investment in Subsidiary Company Equity Conribuion in DNP Limited <i>(85300000 equity shares @ Rs.10 each fully paid)</i>	85 30 00 000	85 30 00 000
Equity Conribuion in Assam Petrochemicals Limited <i>(14000000 equity shares @ Rs. 10 each fully paid)</i>	14 00 00 000	0
	100 30 00 000	86 30 00 000

AGCL hold 25.51% Equity Shares in Tripura Natural Gas Co. Limited.

DNP Limited is a subsidiary company, AGCL holding 51% shares.

AGCL hold 3.25% Equity Shares in Assam Petrochemicals Limited.

6 Financial Assets

A. Loans

Loans to Related Party :

- Loan to DNP Limited	0	0
- Loans to Kamrup Project	1 03 80 067	0
- Loans to Cachar Project	1 11 48 281	0
<i>B. Other Financial Assets</i>		
AGCL Gratuity Trust Account	1 000	1 000
Security Deposit	11 88 950	11 69 699
Assam Entry tax	0	0
	2 27 18 298	11 70 699

7 OTHER NON-CURRENT ASSETS

Misc. Expenditure (to the extent not written off)		
VRS Payments - Accumulated balance	14 72 768	13 06 908
Add : Paid during the year	0	10 13 208
	14 72 768	23 20 116
Less : Adjusted during the year	6 09 570	8 47 348
	8 63 198	14 72 768

8 INVENTORIES

(As taken , valued and certified by the Management at cost)

Stock of Stores and Spares	19 57 53 372	16 71 24 381
Stock with Instrument Deptt. & Crisis Mgmt.com.	27 28 287	30 94 422
Stock of Medical Stores	3 95 844	2 60 662
Stock of Stores at Site Office	1 45 69 552	1 44 92 588
	21 34 47 055	18 49 72 053

9 FINANCIAL ASSETS - TRADE RECEIVABLES

(Unsecured and considered good)

Brahmaputra Valley Fertiliser Corpn. Ltd.	3 87 25 626	5 77 76 008
Assam Power Generation Corporation Limited, Namrup	0	4 90 03 032
Assam Power Generation Corporation Limited, Maibela	31 15 33 558	52 84 74 838
Assam Petro Chemicals Ltd.	0	21 56 145
Sonari area T E	2,24,45,880	1 50 51 950
NEEPCO	1 06 19 902	1 05 26 220
Oil India Limited, Duliajan	88 03 490	45 58 656
Domestic Consumers Receivable	12 20 53 986	10 94 71 701
Moran Plantation line	1 91 22 015	1 10 70 515
Naharkatia/Duliajan Area gardens	1 57 15 278	1 08 54 551
Dibrugarh area T.E.	2 79 92 855	2 02 99 790
Doomdooma area T.E.	3 91 26 235	1 87 71 456

Margherita Tea Gas Grid	1 63 96 535	1 32 48 350
Tinsukia Tea Gas Grid	3 45 77 513	1 47 57 095
Jorhat-Golaghat Line T.E.	2 57 42 156	1 82 32 791
APGCL NRPP	3 14 257	3 14 257
Hindustan Lever Limited (WC)	0	2 31 882
Indian Oil Corporation Limited, Digboi	12 66 623	0

	69 44 35 909	88 47 99 237
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(Unsecured and doubtful)

Tea Gardens (Under Court Case)	7 05 72 657	7 68 87 652
DLF Project (EIP Limited)	20 32 26 549	20 32 26 549

	27 37 99 206	28 01 14 201
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	96 82 35 115	116 49 13 438
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Less : Provision for Bad and doubtful debts	5 58 71 289	5 58 71 289
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	91 23 63 826	110 90 42 149
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Sundry debtors - Age Analysis

<i>Less than six months</i>	43 34 67 485	38 46 48 129
<i>More than six months</i>	53 47 67 630	78 02 65 309

	96 82 35 115	116 49 13 438
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10 FINANCIAL ASSETS - CASH & CASH EQUIVALENTS

a) Cash in hand:

With Head Office, Duliajan	1 10 782	1 10 782
With Officials (Imprest)	3 39 712	2 26 671
Cash at Guwahati Office	1 14 042	1 31 482
Cash at Silchar Office	0	6 104

	5 64 536	4 75 039
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b) Balances with Banks:

State Bank of India, Mathurapur	68 067	68 716
State Bank of India, Moran	3 00 584	5 35 199
State Bank of India, Nazira	69 807	67 705
State Bank of India, Duliajan, A/C No. 124 (Gen)	1 16 10 105	2 43 59 887
State Bank of India, Sibsagar	2 52 266	2 64 945
State Bank of India, Dibrugarh	74 544	5 06 642
State Bank of India, Digboi	2 42 938	5 09 023
State Bank of India, Gargaon	17 007	2 07 367
State Bank of India, Silchar	285	3 294
State Bank of India, Tinsukia	3 34 908	3 59 672

State Bank of India, Duliajan (Dividend A/C)	0	0
State Bank of India, Duliajan (Domestic bills A/C)	10 30 606	1 93 10 755
United Bank of India, Duliajan	2 95 922	32 53 714
United Bank of India, Chawkidinghi, Dibrugarh	6 18 311	5 32 186
United Bank of India, Digboi	5 02 076	5 78 806
United Bank of India, Naharkatia	1 14 191	1 51 801
United Bank of India, Ledo	2 30 421	2 49 458
UCO Bank, Sibsagar	2 19 479	3 02 773
UCO Bank, Duliajan (Lien A/C)	10 35 597	16 74 804
Assam Co-Op.Apex Bank Ltd.Duliajan (Non Schedule)	79 626	14 05 764
Allahabad Bank, Duliajan	14 45 787	2 65 37 506
Allahabad Bank, Dibrugarh (47)	1 62 265	16 48 556
Allahabad Bank, Sibsagar	5 78 079	6 14 268
Allahabad Bank, Tinsukia	20 98 136	6 63 652
Allahabad Bank, Duliajan (Escorw A/c)	9 882	0
Punjab National Bank, R.G.Baruah Rd, Guwahati	1 42 516	1 15 835
Canara Bank, Duliajan	76 066	16 63 196
Canara Bank, Titabar	12 67 277	11 59 627
Indian Bank, Dibrugarh	70 654	15 54 979
Vijaya Bank, Jorhat	53 45 735	6 01 308
Axis Bank, Duliajan	2 91 035	13 55 094
Central Bank of India, Margherita	6 13 822	5 63 310
	<hr/>	<hr/>
	2 91 97 994	9 08 19 842
Balances with banks in Deposit accounts_		
Fixed Deposit With Scheduled Banks	508 95 17 224	466 23 62 801
Fixed Deposit With Non Scheduled Banks	1 70 98 895	1 62 62 804
	<hr/>	<hr/>
	510 66 16 119	467 86 25 605
	<hr/>	<hr/>
	513 63 78 649	476 99 20 486

11 FINANCIAL ASSETS - SHORT TERM LOANS & ADVANCES

(Unsecured, considered good unless otherwise stated)

a) Advances to related parties :

DNP Limied (Current maturitiy of long term loan)	0	10 80 00 000
DNP Limied (short term advance)	26 63 749	3 39 498
	<hr/>	<hr/>
	26 63 749	10 83 39 498

b) Loans & advances to employees

Advance to staff	1 97 84 186	2 37 90 261
Advance to Directors		
	<hr/>	<hr/>
	1 97 84 186	2 37 90 261

c) Prepaid expenses

Pre-paid Insurance Premium	1 14 56 962	81 10 906
	<hr/>	<hr/>
	1 14 56 962	81 10 906

d) Balance with Government Authorities		
Current Tax Assets :		
- Advance Income Tax	39 62 65 363	34 62 01 273
- Tax deducted at source	5 46 99 746	5 50 46 391
	45 09 65 109	40 12 47 664
Less : Transferred from Provision a/c.	13 63 50 846	37 01 57 432
	31 46 14 263	3 10 90 232
Service Tax on Advances	80 27 354	63 91 350
GST (TDS)	1 83 316	0
GST paid on Advances	1 44 150	27 900
Input Tax Credit	9 98 151	5 74 879
	32 39 67 234	3 80 84 361
e) Other advances		
Advance to Contractors & Suppliers	5 53 886	2 58 308
<i>(Less than 1 year - Rs. 5,17,504)</i>		
<i>(More than 1 year Less than 3 years - Rs. 36,382)</i>		
AGCL Tea Canteen (Quality Tea Canteen)		
AGC Staff Recreation Centre	97 000	84 500
AGCL Executive Club	81 000	81 000
AGCL Sarbajanin Namghar	12 000	12 000
Receivable from Gratuity Trust/Employees	8 07 149	7 15 198
Receivable from OIL	4 52 629	4 52 629
	20 03 664	16 03 635
	35 98 75 795	17 99 28 661
<i>Unsecured and considered good</i>	35 98 75 795	17 99 28 661
<i>Unsecured and doubtful of recovery</i>	0	0
	35 98 75 795	17 99 28 661
12 OTHER CURRENT ASSETS		
Interest accrued on Fixed Deposit	14 41 24 195	10 72 42 430
	14 41 24 195	10 72 42 430

13 EQUITY SHARE CAPITAL :

AUTHORISED SHARE CAPITAL :

20,00,000 Equity Shares of Rs. 100/- each 20 00 00 000 20 00 00 000

ISSUED, SUBSCRIBED, CALLED & PAID-UP:

16,91,449 Equity shares of Rs. 100/- each, fully called and fully paid up 16 91 44 900 16 91 44 900

(1691449 Equity Shares of Rs. 100/- each held by Govt. of Assam)

16 91 44 900 16 91 44 900

a) Reconciliation of shares outstanding at the beginning and at the end of Reporting period:

<u>Equity Shares</u>	31-03-2019	31-03-2018
<i>Face Value of the Equity Shares (each)</i>	100	100
<i>No of Shares outstanding at the beginning of the year</i>	16 91 449	16 91 449
<i>Amount of Shares outstanding at the beginning of the year</i>	16 91 44 900	16 91 44 900
<i>No of Shares Issued during the year</i>	0	0
<i>Amount of Shares Issued during the year</i>	0	0
<i>No of Shares bought back during the year</i>	0	0
<i>Amount of Shares bought back during the year</i>	0	0
<i>No of Shares outstanding at the end of the year</i>	16 91 449	16 91 449
<i>Amount of Shares outstanding at the end of the year</i>	16 91 44 900	16 91 44 900

b) Terms and rights attached to equity shares

The Company has only class one class of equity share par value of Rs. 100/-. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The Dividend proposed by Board of Directors is subject to approval by shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of Shareholders holding more than 5% shares in the Company

<u>Name of Shareholder</u>	31-03-2019	31-03-2018
<i>1. Governor of Assam</i>		
<i>- No of Shares held</i>	16 91 449	16 91 449
<i>- Percentage of Shares held</i>	100%	100%

14 OTHER EQUITY

Revaluation Reserves

Opening balance	38 87 252	38 87 252
Add: Amount transferred from P&L	0	0
Less: Adjustment during the year	0	0
Closing balance	<u>38 87 252</u>	<u>38 87 252</u>

Capital Reserve

Opening balance	69 10 823	69 10 823
Add: Amount transferred from P&L	0	0
Less: Adjustment during the year	0	0
Closing balance	<u>69 10 823</u>	<u>69 10 823</u>

General Reserve

Opening balance	712 90 49 254	660 13 57 880
Add : Adj for rectification of Op bal.(Note.31)	10 64 687	0
Add: Amount transferred from P&L	27 90 29 609	71 12 76 816
Less: Dividend for 2017-18	3 38 28 980	2 11 43 113
Less: Dividend Tax for 2017-18	25 70 233	13 52 178
Less: Def Tax adj on Depreciation (2015-16)	0	16 10 90 151
Closing balance	<u>737 27 44 337</u>	<u>712 90 49 254</u>

Profit & Loss A/C

Opening balance	5 00 000	5 00 000
Add: Amount transferred from P&L	27 90 29 609	71 12 76 816
Amount available for appropriation	<u>27 95 29 609</u>	<u>71 17 76 816</u>
<i>Appropriations:</i>		
Transfer to General Reserve account	27 90 29 609	71 12 76 816
Closing balance	<u>5 00 000</u>	<u>5 00 000</u>

738 40 42 412 714 03 47 329

15 FINANCIAL LIABILITIES - BORROWINGS

Long term Loans	0	0
	<u>0</u>	<u>0</u>

16 FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES

NON CURRENT FINANCIAL LIABILITIES

(i) Security Deposit From Domestic Consumers

Domestic Consumers	6 73 69 719	62556804
Domestic Consumers (Materials cost)	3 21 61 040	2 59 57 500
	<u>9 95 30 759</u>	<u>8 85 14 304</u>

(ii) SECURITY DEPOSIT FROM T.E. & OTHERS:

Tea Estates/Gardens.	3 24 65 622	2 80 57 519
Duliajan College	1 000	1 000
	<u>3 24 66 622</u>	<u>2 80 58 519</u>

(iii) ADDITIONAL SECURITY DEPOSIT FROM T.E. AND OTHERS:

Tea Gardens	42 42 86 758	40 89 04 377
T.E. (Capital Cost)	5 25 000	5 25 000
Adv. For Transportation Charges (Non current)	13 39 772	32 41 589
	<u>42 61 51 530</u>	<u>41 26 70 966</u>

(A) 55 81 48 911 52 92 43 789

CURRENT FINANCIAL LIABILITIES

Security Deposit fromContractors	1 60 02 143	1 39 26 960
Earnest Money	75 93 386	83 21 446
T.E. (Gas Meter)	18 55 001	12 25 001
Advance for Transportation Charges (current)	27 02 204	26 13 272
Credit balance in Suspense a/c	46 58 541	43 48 976
Assam Power Generation Corporation Limited, Namrup	22 48 02 485	0
Assam Petro Chemicals Ltd., Namrup	5 33 56 763	0
	<u>31 09 70 523</u>	<u>3 04 35 655</u>
(A+B)	<u>86 91 19 434</u>	<u>55 96 79 444</u>

17 DEFERRED TAX LIABILITY (Net)

As per Ind AS - 12 - " Accounting for Taxes on Income" the net tax liability recognised to the Statement of Profit & Loss during the year is Rs.44 22 137/- against the net tax liability of Rs.55 84 363/- during the previous year i.e. 2017-18. The position of the Deferred Tax Liabilities and Assets at the end of the year are as under

Deferred Tax Liability

Difference of Booked Depreciation and Tax Depreciation	23 88 68 519	7 77 78 368
Add : Adj for Dep w/back (2015-16)	0	16 10 90 151
Add : Adj during the year	44 22 137	0
	<hr/>	<hr/>
	24 32 90 656	23 88 68 519

Deferred Tax Assets	0	0
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Net Deferred Tax Liability	<hr/>	<hr/>
	24 32 90 656	23 88 68 519

18 NON CURRENT LIABILITIES - PROVISIONS

O L for Superannuation benefits of employees	1 04 47 535	1 69 90 762
	<hr/>	<hr/>
	1 04 47 535	1 69 90 762

19 FINANCIAL LIABILITIES - TRADE PAYABLES

Oil India Ltd., Duliajan	10 28 57 348	6 61 25 220
ONGC, Sibsagar	12 24 95 278	11 11 27 805
	<hr/>	<hr/>
	22 53 52 626	17 72 53 025

To the extent company has received intimation from the " Suppliers" regarding their status under the Micro, Small and Medium Enterprise Development Act 2006, they are not covered under the aforesaid Act.

20 OTHER CURRENT LIABILITES**(I) STATUTORY LIABILITIES:**

Staff Professional Tax	81 618	83 850
Employees Income Tax deducted at source	65 85 215	43 75 915
Contractors' Income Tax	25 73 112	23 56 163
Salary Savings Scheme	10 16 781	10 87 185
Recurring Deposit (Staff)	25 000	26 500
Group Savings Link Insurance	20 071	71 790
Assam Sales Tax	69 702	69 702
Providend Fund Recovery	60 91 010	51 28 364
GST payable	5355026	53 51 474
GST TDS	9 09 375	0

VAT (Value added tax)	0	17 715
VAT on Natural Gas	19743624	1 23 02 625
	4 24 70 534	3 08 71 283

(II) OTHER LIABILITY

AGCL Staff Co-op. Society	2 78 029	3 13 465
AGCL Tea Canteen	0	1 15 090
AGCL Executive Club	47 208	26 289
AGCL Staff Recreation Centre	49 461	24 991
KWH Pipes (India) Ltd.	1 20 100	1 20 100
Others	45 437	0
Outstanding Liabilities for expenses	24 92 75 018	18 86 27 163
	24 98 15 253	18 92 27 098

(III) CURRENT MATURITIES OF LONG TERM LOAN

	0	0
	0	0
	29 22 85 787	22 00 98 381

21 CURRENT LIABILITIES - PROVISIONS

Provision for Income Tax	13 57 87 323	37 01 57 432
Provision for Income Tax (Tax impact on last year adjustment due to reversal of of revenue expenses as per CAG comments)	5 63 523	0
Less : Transferred to Advance Tax a/c.	13 63 50 846	37 01 57 432
	0	0
Provision for GST	64 05 042	57 76 748
	64 05 042	57 76 748

22 REVENUE FROM OPERATIONS

(Figures in brackets denotes the figures of previous year 2017-18)

a) Gas Sales	18,85,63,492 SCM	241 35 76 273	186 32 94 634
Less: VAT on Gas Sales	(18,51,70,886 SCM)	30 56 49 427	23 59 66 868
		210 79 26 846	162 73 27 766

(Though there is a marginal increase in the quantity of gas sold, higher the amount of gas sales is due to increase in the price of natural gas)

b) Transmission Charges	1,46,69,25,583 SCM	59 25 85 476	72 69 79 644
Less: Service Tax on TC	(1,42,58,51,017 SCM)	0	3 23 78 276
Less: CGST & SGST		6 32 72 656	6 01 52 838
Less : Revision of TC bills (as per PNGRB Order dated 04.06.2019)		72 38 02 319	0
		(19 44 89 499)	63 44 48 530
		191 34 37 347	226 17 76 296

1. Though there is a marginal increase in the quantity of gas transported, higher the amount of Transmission charges is due to yearly escalation in the TC rates and further that TC amounting to Rs.15.66 crores realised from the Tea Gardens during April and May 2017 included under TC which has been accounted for under Gas Sales w.e.f. June 2017)

2. Petroleum and and Natural Gas Regulatory Board (PNGRB), being Regulatory Body to determine transportation tariff, issued an Order dated 04th June 2019, has directed to implement a tariff rate to consumers of Assam Natural Gas Pipeline Network. PNGRB has calculated tariff rate for the period from 20.11.2008 to 31.03.2014 at a rate which is lower than as charged by AGCL from its consumers and directed to refund excess amount charged amounting to Rs.72 38 02 319/- excluding Service Tax already realized and deposited to Govt. account on such amount. Accordingly, the same has been adjusted.

23 OTHER INCOME

Interest on Fixed Deposit	33 83 50 709	25 61 90 647
Interest on Loan to DNP Limited	8 87 671	2 54 58 904
Minimum Demand Charges (Gas Sales)	8 03 55 662	8 00 07 194
Interest on Delay payment	1 05 74 194	1 02 34 529
Interest from Employees on Loan	6 14 689	10 42 096
Dividend Income from Investment	8 27 41 000	2 13 25 000
Sale of Materials	30 71 325	20 11 320
Service charges	11 70 000	17 97 836
Compensation Charges	24 55 957	36 53 867
Guest House Charge realised	1 37 022	1 61 560
House rent realised from employees	7 46 615	7 86 952
Gas Charges realised from employees	87 399	90 625
Miscellaneous receipts	83 57 325	86 96 670
Income from works contracts	10 73 409	8 79 917
House rent realised from OTHERS	5 04 197	4 89 756
Tender Fee	5 19 216	2 93 932
Insurance Claim	0	57 82 867
	53 16 46 390	41 89 03 672

24 PURCHASES OF STOCK IN TRADE

Gas Purchases	18,83,73,698 SCM	118 51 63 645	85 54 30 606
	(18,55,13,063 SCM)	118 51 63 645	85 54 30 606

(Though there is a marginal increase in the quantity of gas purchased, higher the amount of gas purchase is due to increase in the price of natural gas)

25 EMPLOYEE BENEFITS EXPENSE**(a) EMPLOYEES REMUNERATION & BENEFITS:**

Salary & Wages	39 02 80 762	35 06 13 542
Providend Fund / Pension Fund Contribution	3 37 89 348	3 06 70 778
Bonus & Exgratia to Employees	1 16 98 391	1 15 99 927
Employees Training Expenses	10 05 184	10 12 317
Group Gratuity Scheme	1 19 47 535	1 81 25 746
Welfare Expenses for Employee	16 93 272	22 80 518
Medical Expenses	1 59 40 820	1 71 77 935
Leave Travel Assistance	8 09 143	5 27 196
Leave Travel Concession	3 96 419	3 70 714
Retirement Journey Benefits	1 30 200	63 500
Group Superannuation Scheme	27 49 344	25 22 401
VRS & Premature Settlement Scheme	6 09 570	8 47 348

47 10 49 988 **43 58 11 922**

(b) MD'S REMUNERATION & BENEFITS

Remuneration	19 46 208	18 13 457
Providend/Pension Fund	2 26 672	1 82 952

21 72 880 **19 96 409**

47 32 22 868 **43 78 08 331**

26 FINANCE COSTS

Interest expenses	1 52 88 767	1 47 27 308
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1 52 88 767 **1 47 27 308**

27 OTHER EXPENSES**a) POWER & FUEL / COMPRESSION CHARGES**

Electricity Charges	53 48 080	51 28 302
Compressor Gas Fuel Expenses	1 84 18 392	1 09 53 538
Gas Compression charges	1 30 16 850	1 45 43 519

3 67 83 322 **3 06 25 359**

(b) RATES & TAXES:

Fees & Fines	9 14 724	85 52 045
Rent, Rates & Taxes	3 46 077	6 53 561
Company's Professional Tax	2 500	2 500

12 63 301 **92 08 106**

(c) OTHER OPERATING EXPENSES:

P.F. Administrative Expenses	14 65 020	16 94 753
Stipend to Trainees	20 32 485	7 35 751
MD's office Expenses	28 611	38 299
Guwahati office expenses	2 77 026	3 16 692
Printing & Stationery	31 18 777	10 58 199
Postage & Telegrams	1 08 270	1 13 420
Telephone charges	3 84 230	3 88 826
Vehicle Hire charges	1 41 66 961	1 19 09 865
Vehicle running expenses	16 03 308	19 57 072
Liveries	4 02 443	2 74 368
Advertisement	40 00 141	1 31 16 826
Bank charges	28 82 780	20 64 920
Legal & Professional charges	1 14 23 816	55 83 482
Insurance premium	1 21 20 030	1 32 04 434
House rent	17 11 508	16 10 572
Books, Maps & periodicals	1 79 128	1 10 753
Carriage, Cartage & Freight	69 151	2 99 171
Meeting expenses	3 49 385	7 77 265
Donation & Suscription	9 55 880	30 89 888
Exhibition & Business development expenses	0	1 05 200
Miscellaneous Expenses	0	39 49 760
Guest House Expenses	6 47 749	3 14 768
Tools & Plants Consumed	48 209	3 98 875
Company's Celebration expenses	11 86 310	4 00 475
Sanitary Expenses	13 78 882	3 12 744
Security Expenses	50 54 581	10 86 204
Land Survey Expenses	19 190	42 501
Compensation paid	9 10 279	17 08 210
Domestic Grids Office Expenses	7 81 923	10 26 488
Meter reading expenses	36 58 422	23 69 506
Gas loss on transmission	1 68 94 780	1 46 81 085
Power project WIP - w/off	14 47 400	0
Discount/ Rebate (net)	19 82 172	(43 73 749)
CSR expenses	4 39 97 291	1 75 17 233
	13 52 86 138	9 78 83 856

(d) TRAVELLING EXPENSES:

Employees	65 59 120	64 01 010
Managing Director'	10 61 318	9 14 999
Director's	0	2 25 157
Candidates/others	1 96 207	1 45 365
	78 16 645	76 86 531

(e) AUDIT FEE & EXPENSES:

Statutory Audit Fee	1 00 000	1 18 000
Statutory Auditor' Fees for other services	40 000	40 000
Statutory Auditor' expenses	38 529	20 000
GST Audit	3 00 000	0
Cost Audit Fee	50 000	50 000
Fees & expenses to Tax Consultant	55 536	2 04 616
Fees to other Auditors (Other services)	45 000	2 02 126
Audit expenses for others	62473	0
	6 91 538	6 34 742

(f) CHAIRMAN'S EXPENSES:

Travelling expenses	0	21 638
Office expenses	7 83 733	1 26 627
	7 83 733	1 48 265

(g) DEPUTY CHAIRMAN'S EXPENSES:

Office expenses	3 83 651	0
Honorarium	2 36 000	0
	6 19 651	0

(h) REPAIRS & MAINTENANCE

Compressor	93 73 794	1 06 36 559
Pipelines	5 27 43 781	4 18 72 220
Gas Meter	12 39 714	9 37 420
Building	1 20 10 126	1 05 71 392
Vehicles	5 97 079	3 92 845
Colony	13 02 397	5 16 163
Compressor Station	3 58 765	2 58 782
Electrical Installation	54 60 222	34 92 145
Roads & Drains	19 14 574	5 76 706
Water Supply	6 16 583	12 28 013
EDP System	38 30 473	25 35 230
Plant & Machinery	7 54 219	12 52 801
Domestic Gas Lines	19 62 685	29 26 212
Odourisation plant	6 65 374	1 45 784
Other Assets	5 76 259	1 07 373
	9 34 06 045	7 74 49 645

	27 66 50 373	22 36 36 504
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28 Current Tax

Current Year (Tax Rate 34.944%)	13 57 87 323	37 01 57 432
Changes in estimates relating to prior years	80 90 158	(12 48 110)
	14 38 77 481	36 89 09 322

29 Earnings Per Equity Share*Equity Shares*

Face Value of the Equity Shares (each)	100	100
Net Profit as per Profit & Loss account available to Equity Shareholders	27 90 29 609	71 12 76 816
Weighted Number of Equity Shares outstanding during the year	16,91,449	16,91,449
Basic & Diluted Earnings Per Share (Rs.)	165	421

Note 30 Statement of Changes in Equity – 2018-19

(Amount in Rs.)

Particulars	Equity Share Capital	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
				Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings								
Balance at 01-April-2018	16,91,44,900			69,10,823	7,12,90,49,254	5,00,000				38,87,252				7,30,94,92,229	
Changes in accounting policy or rectification of prior period errors					10,64,687									10,64,687	
Restated balance at the beginning of the reporting period	16,91,44,900	-	-	69,10,823	7,13,01,13,941	5,00,000				38,87,252				7,31,05,56,916	
Total Comprehensive Income for the year						27,90,29,609								27,90,29,609	
Dividends					3,38,28,980									3,38,28,980	
Transfer to retained earnings					27,90,29,609	(27,90,29,609)								-	
Tax on Distribution Profits					25,70,233									25,70,233	
Balance at 31-Mar-19	16,91,44,900	-	-	69,10,823	7,37,27,44,337	5,00,000				38,87,252				7,55,31,87,312	

31 **Reconciliation of Opening Balance as at 31-3-2019 (Adjustment due to reversal of revenue expenses as per CAG comments)**

(Amount in Rupees)

Particulars	AS AT 31/03/2018	Adjustment / rectification	AS AT 31/03/2018 (Revised)
A ASSETS			
1) Non-current assets			
(a) Property, Plant & Equipments			
(i) Tangible assets	123 26 09 506		123 26 09 506
(b) Capital Work in progress	7 88 00 357	16 28 210	8 04 28 567
(c) Non-current investments	86 30 00 000		86 30 00 000
(d) Financial Assets	11 70 699		11 70 699
(e) Other non-current assets	14 72 768		14 72 768
	<u>217 70 53 330</u>	<u>16 28 210</u>	<u>217 86 81 540</u>
2) Current assets			
(a) Inventories	18 49 72 053		18 49 72 053
(b) Financial Assets			
- Trade receivables	110 46 93 173		110 46 93 173
- Cash and cash equivalents	476 99 20 486		476 99 20 486
- Short-term loans and advances	17 99 28 661	(5 63 523)	17 93 65 138
(c) Other current assets	10 72 42 430		10 72 42 430
	<u>634 67 56 803</u>	<u>(5 63 523)</u>	<u>634 61 93 280</u>
	<u>852 38 10 133</u>	<u>10 64 687</u>	<u>852 48 74 820</u>
B EQUITY AND LIABILITIES			
1. Equity			
a. Equity Share Capital	16 91 44 900		16 91 44 900
b. Other Equity	714 03 47 329	10 64 687	714 14 12 016
	<u>730 94 92 229</u>	<u>10 64 687</u>	<u>731 05 56 916</u>
2. Liabilities			
a. Non Current Liabilities			
Financial Liabilities			
- Borrowings	0		
- Other Financial Liabilities	52 92 43 789		52 92 43 789
b. Deferred tax liability (net)	23 88 68 519		23 88 68 519
c. Provisions	1 69 90 762		1 69 90 762
	<u>78 51 03 071</u>		<u>78 51 03 071</u>
3. Current Liabilities			
a. Financial Liabilities			
- Trade payables	17 72 53 025		17 72 53 025
- Other Financial Liabilities	2 60 86 679		2 60 86 679
b. Other current liabilities	22 00 98 381		22 00 98 381
c. Provisions	57 76 748		57 76 748
	<u>42 92 14 833</u>		<u>42 92 14 833</u>
	<u>852 38 10 133</u>	<u>10 64 687</u>	<u>852 48 74 820</u>

Reconciliation of Statement of Profit and Loss for the year ended 31-3-2019*(Amount in Rupees)*

Particulars	AS AT 31/03/2018	Adjustment / rectification	AS AT 31/03/2018 (Revised)
I. Revenue from operations	226 17 76 296		226 17 76 296
II. Other income	41 89 03 672		41 89 03 672
III. Total Revenue (I + II)	<u>268 06 79 968</u>		<u>268 06 79 968</u>
IV. Expenses:			
Purchases of stock in trade	85 54 30 606		85 54 30 606
Employee benefit expenses	43 78 08 331		43 78 08 331
Finance costs	1 47 27 308		1 47 27 308
Depreciation and amortization	6 33 06 718		6 33 06 718
Other expenses	22 36 36 504	(16 28 210)	22 20 08 294
Total expenses	<u>159 49 09 467</u>	<u>(16 28 210)</u>	<u>159 32 81 257</u>
V. Profit before exceptional and extraordinary items and tax (III - IV)	108 57 70 501	16 28 210	108 73 98 711
VI. Exceptional Items	0	0	0
VII. Profit before extraordinary items and tax (V - VI)	108 57 70 501	16 28 210	108 73 98 711
VIII. Prior period & Extraordinary Items	0		0
IX. Profit before tax (VII - VIII)	108 57 70 501	16 28 210	108 73 98 711
X. Tax expenses			
1) Current tax	(36 89 09 322)	(5 63 523)	(36 94 72 845)
2) Deferred tax	(55 84 363)		(55 84 363)
	<u>(37 44 93 685)</u>	<u>(5 63 523)</u>	<u>(37 50 57 208)</u>
XI. Profit for the period from continuing operations (IX - X)	71 12 76 816	10 64 687	71 23 41 503

Financial instruments – Fair values and risk management**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

March 31, 2019	Carrying amount			Fair value				
	Mandatorily at FVTPL	FVTOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents			513 63 78 649	513 63 78 649				
Trade receivables			96 82 35 115	96 82 35 115				-
Short-term loans and advances			35 98 75 795	35 98 75 795				
			646 44 89 559	646 44 89 559	-	-	-	-
Financial liabilities								
Deposit from Customer	56 27 06 116			56 27 06 116				56 27 06 116
Trade and other payables			22 53 52 626	22 53 52 626				
Other current financial liabilities			2 35 95 529	2 35 95 529				
	56 27 06 116		24 89 48 155	81 16 54 271		56 27 06 116		56 27 06 116
March 31, 2018								
			Carrying amount			Fair value		
	Mandatorily at FVTPL	FVTOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents			476 99 20 486	476 99 20 486				-
Trade receivables			116 49 13 438	116 49 13 438				-
Short-term loans and advances			17 99 28 661	17 99 28 661				-
			611 47 62 585	611 47 62 585				

continued

(Financial instruments – Fair values and risk management (continued))

Financial liabilities			
Deposit from Customer	53 30 82 062		53 30 82 062
Trade and other payables		17 72 53 025	53 30 82 062
Other current financial liabilities		2 22 48 406	
	53 30 82 062	19 95 01 431	53 30 82 062

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Deposit from Customer	Present Value techniques using appropriate discounting rates.	Not applicable	Not Applicable

C. Financial risk management

i. Risk management framework

The Board of Directors of the company has formed a risk management committee to frame risk management policy of the company 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 shall be reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and development programs and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(Financial instruments – Fair values and risk management (continued))

Baring Market risk the Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk

i. Market risk

Market risk is the risk of changes in market prices – such as foreign exchange rates, interest rates and equity prices – that will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. Though the Company expects circumstances relating of transactions in foreign currency, but the Company is currently not carrying any foreign exchange bearing financial instruments in the stated reporting periods.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of the customer. The Company assumes low credit risk on Trade Receivables amounting to Rs.140 92 19 645/- as at 31st March 2019 and Rs.116 05 64 462/- as at 31st March 2018 ; as it does not expect its customer to fail in meeting its contractual obligations as the Company understands that the customer has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

March 31, 2019	Gross carrying amount	Weighed average loss rate - range	Loss allowance
Neither past due not impaired	27,37,99,206	-	-
Past due 1–90 days	11,01,13,564	-	-
More than 90 days	58,43,22,345	-	-
	96,82,35,115	-	-

March 31, 2018	Gross carrying amount	Weighed average loss rate - range	Loss allowance
Neither past due not impaired	28,01,14,201	-	-
Past due 1-90 days	4,40,73,333	-	-
More than 90 days	84,07,25,904	-	-
	1,16,49,13,438	-	-

(Financial instruments – Fair values and risk management (continued))

Cash and cash equivalents

The Company held cash and cash equivalents of Rs.5 13 63 78 649/- as at March 31, 2019 and Rs.4 76 99 20 486/- as at March 31, 2018. The cash and cash equivalents are held with bank with good credit ratings. The Company also invests its short term surplus funds in bank fixed deposit, which carry no/low mark to market risks for short duration therefore does not expose the company to credit risk.

(C. Financial risk management (continued))

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due in a cost effective manner, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

March 31, 2019	Carrying amount	Contractual cash flows					(Amount in Rupees)
		Total	Upto 1 year	1-3 years	3-5 years	More than 5 years	
Financial liabilities							
Deposit from Customer	56 27 06 116	56 27 06 116	2 78 77 237	5 35 74 324	18 13 71 107	29 98 83 448	
Trade and other payables	22 53 52 626	22 53 52 626	8 90 56 951			13 62 95 675	
Other current liabilities	2 35 95 529	2 35 95 529	84 42 332	1 51 53 197			
Financial liabilities							
March 31, 2018	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years	(Amount in Rupees)
Financial liabilities							
Deposit from Customer	53 30 82 062	53 30 82 062	1 81 19 278	17 75 61 473	9 12 81 028	24 61 20 283	
Trade and other payables	17 72 53 025	17 72 53 025	4 09 57 351			13 62 95 674	
Other current liabilities	2 22 48 406	2 22 48 406	1 18 02 533	81 29 865	19 81 318	3 34 690	

The Company has not carried any derivative financial liabilities as on 31st March 2018 and 31st March 2019

33 1. Amount paid to Managing Director :

Remuneration	Rs. 19 46 208
P.F.Contribution & Pension Fund	Rs. 2 26 672

2. Number of employees who are in receipt of emoluments aggregating to Rs. 24 00 000/- or more or Rs.2 00 000/- per month N I L
3. Figures of the previous year have been re-grouped, re-arranged, and re-casted wherever found necessary.
4. Figures are taken nearest to the Rupee.

34 Balance Sheet

i. Tangible Assets :

- a. During the year under review, no amount has been received from any consumer towards Capital cost.
- b. Depreciation for the Financial Year 2018-19 has been calculated in accordance with the rates prescribed under Schedule II to the Companies Act 2013 based on the life term of the assets.

Accordingly, depreciation amounting to Rs. 6 71 95 004/- has been charged to Profit & Loss account for the current Financial Year.

ii. Intangible Assets :

- a. As per requirement of Ind AS, the Company has classified certain assets as Intangible Assets during the period under review.
- b. Intangibl is amortized over the estimated useful life of the asset, from the time the intangible asset starts providing the economic benefit.

Accordingly, an amount of Rs.2 33 853/- has been amortised and charged to Profit & Loss account for the current Financial Year.

iii. Investments :

- a. Investment in Share Capital of M/s. Tripura Natural Gas Co. Ltd., Agartala (Tripura, India), which is jointly promoted (in 1990) by M/s. Assam Gas Company Ltd., and M/s. Tripura Industrial Development Corporation, Agartala (Tripura, India), is valued at cost. The Shares of M/s. Tripura Natural Gas Co. Ltd. are not quoted in any of the Stock Exchanges. The Company is having 25.51% Equity Share holdings in M/s. Tripura Natural Gas Company Limited at a cost of Rs.1 00 00 000/- (as against Rs.28 65 000/- up to 2011-12) and all the Share Certificates have since been received.

In accordance with the requirement of Ind As-111 on 'Financial Reporting of Interests in Joint Ventures' the disclosures are giving below:

Description of Interest	:	Jointly controlled entity.
Proportion of ownership interest	:	25.51%
Name & Country of Incorporation	:	Tripura Natural Gas Co. Ltd., Agartala, Tripura, India.

Aggregate amounts of each of the Assets, Liability, Income and Expenses related to interest in the joint Venture:

Assets : Investment	100 00 000	Income : Dividend income	NIL
Advance(Shares)	N I L		
Receivables	N I L		
Liability :	N I L	Expenses :	NIL

A copy of the Financial statements of M/s.TNGCL Limited for the year 2018-19, along with Consolidated Financial Statements, as required under 'Ind As - 27', are annexed to herewith.

- b. Investment in Share Capital of M/s.DNP Limited, Guwahati (Assam, India), jointly promoted (in 2007) by M/s. Assam Gas Company Ltd., M/s.Numaligarh Refineries Limited, Numaligarh (Assam, India) and M/s.Oil India Limited, Duliajan (Assam, India), is valued at cost. The Shares of M/s. DNP Ltd. are not quoted in any of the Stock Exchanges.

M/s.DNP Limited was incorporated as a Public Company Limited by Shares under the Companies Act, 1956 on 15th June, 2007, with its Registered Office at Guwahati (Assam, India), with an Authorised Capital of Rs.150 00 00 000/-, divided into 15 00 00 000 equity shares of Rs.10/- each and the pattern of Equity Share holding structure was agreed at (w.e.f. 17th March 2009) which has increased to Rs. 1 70 00 00 000 (as on 31.03.13):

M/s.Assam Gas Company Limited	- 51%
M/s.Numaligarh Refineries Limited	- 26%
M/s.Oil India Limited	- 23%

and the contribution to Share Capital have since been made amounting to Rs.1 67 25 00 000/- in total, including Rs. 85 30 00 000/- invested by M/s. Assam Gas Company Limited.

Dividend for the Financial year 2017 -18 amounting to Rs. 8 27 41 000 declared by DNPL have been received during the Financial Year 2018-19 and accounted for.

In accordance with the requirement of Ind As-111 on 'Financial Reporting of Interests in Joint Ventures' the disclosures are given below:

Description of Interest	:	Jointly controlled entity.
Proportion of ownership interest	:	51% (w.e.f. 17 th March 2009)
Name & Country of Incorporation	:	DNP Limited, Guwahati (Assam), India.

Aggregate amounts of each of the Assets, Liability, Income and Expenses related to interest in the joint Venture:

Assets :	Investment	85 30 00 000	Income :	
	Advance(others)	26 63 749	Dividend:	8 27 41 000
	Loans & Adv.	N I L	Interest on Loan:	8 87 671
			Rental Income :	4 68 289
Liability :		N I L	Expenses	NIL

A copy of the Financial statements of M/s.DNP Limited for the year 2018-19, along with Consolidated Financial Statements, as required under 'Ind As - 27', are annexed to herewith.

- c. Investment in Share Capital of M/s. Assam Petrochemicals Limited (APL), Guwahati (Assam, India), made during the FY. 2018-19 amounting to Rs. 14,00,00,000, divided into 140,00,000 equity shares of Rs. 10 each, is valued at cost.

iv. Financial Assets :

During the year 2015-16, Company has given to DNP Limited term loan amounting to Rs. 66 80 00 000/- at an interest rate of 10% p.a. which is repayable at Rs. 2.25 Crores per month alongwith interest. The entire loan along with interest has been repaid by DNPL and therefore there is no outstanding balance on this account at the end of the year.

v. Stock of Stores :

No stock of spares of individual value of more than Rs.5.00 lakhs have been capitalized during the year.

vi. Trade receivables :

- a. Trade Receivables includes an amount of Rs.20 32 26 549 due from M/s. Eastern India Powertech Limited on account of Gas and TC Bills for the period December 2010 to January, 2013 (supply disconnected in January, 2013). Since M/s.EIPL has not made the payments the same has been classified under 'Sundry Debtors - Unsecured and doubtful'. The Company resorted to legal remedies through Arbitration for the recovery of the amount due in 2015 and the Arbitration Award was pronounced on 5th August 2019. As per the Award, though one of the Arbitrators had dissented, by majority the Tribunal has decided the issues (4 and 5) against the company as "the Tribunal has no jurisdiction to entertain the dispute of the claimant regarding non payment by EIPL and consequently the claim stands dismissed". Since the Arbitration has not considered the main issues but dismissed our claim on grounds of Jurisdiction of the Arbitration only, the management of the company has now decided to approach the higher courts for recovery of the amounts due from EIPL by making necessary appeal within the stipulated time.
- b. Trade Recivable includes an amount of Rs.66 72 14 167/- due from APGCL- LTPS (Previous year Rs. 52 84 74 838/-). APGCL - LTPS has raised dispute over the TC rates for the period 2008 onwards and accordingly has served a Debit Note on the Company amounting to Rs.41 82 81 747/- for the period 2008 to 2015. The Company has neither accepted the debit note nor made any adjustments in the books of accounts though APGCL has started recovering the amounts through adjustment against the subsequent bills raised on them.

- c. Trade Recivable includes an amount of Rs. 8 76 77 542/- due from APGCL–NTPS (Previous year 4 90 03 032/-). APGCL – NTPS has raised dispute over charging of Minimum Demand Charges bills whenever there has been disruption in supply of gas from Producer (i.e. Oil India Limited) this has resulted in accumulation of outstanding on account of MDC bills amounting to Rs. 7 86 54 580/- (Previous Year Rs. 4 25 25 751/- included in total outstanding. The Company has neither accepted their demand nor made any adjustments in the books of accounts.
- d. The Petroleum and and Natural Gas Regulatory Board (PNGRB), being Regulatory Body to determine transportation tariff, issued an Order dated 04th June 2019, has directed to implement a tariff rate to consumers of Assam Natural Gas Pipeline Network. PNGRB has calculated tariff rate for the period from 20.11.2008 to 31.03.2014 at a rate which is lower than as charged by AGCL from its consumers and directed to refund excess amount charged amounting to Rs.72 38 02 319/- excluding Service Tax already realized and deposited to Govt. account on such amount. However, AGCL has filed a review petition against aforesaid order.
- The effect of such order is accounted for in current year by deducting Rs. 72 38 02 319 from Transmission Charges Income (Revenue from Operation – Schedule 22 (b)) and any amount which become refundable as per PNGRB Order after considering the Revision Petition will be accounted for in the year of such order.
- e. As per the Accounting Policies, Provision for bad and doubtful debts is to be provided at the rate of 2% on the “Revenue from Operation” for each year. Accordingly, for the current period 2% of the “Revenue from operation” without considering the extra-ordinary item – Revision of Transmission charges bills of Rs.72 38 02 319 as per PNGRB Order dated 4th June 2019 for the past periods, works out to Rs.5 27 44 793/- as against Rs.5 58 71 289/- kept in the Balance Sheet in last year. Considering the marginal reduction of Rs.31 26 496/- in the Provision for bad and doubtful debts and other doubtful debts under Trade Receivables, no adjustments for bad and doubtful debts have been made in the current year and Provision for bad and doubtful debts is kept at the same amount of Rs.5 58 71 289/- only.
- f. Balances of the Trade Receivables are shown as per the balances in the General Ledger, which are subject to confirmation by the consumers and reconciliation with the control register. The Company has sent letters of confirmation to all the parties and some of the replies (including some major consumers) are yet to be received.

vii. Balance with Banks :

- i. The Company has been maintaining and operating a Current Account with Assam Co- operative Apex Bank Limited, Duliajan (Non Scheduled Bank) with balance of Rs. 79 626/- as on 31-03-2019 as against the balance of Rs.14 05 764/- as on 31-03-2018. The maximum balance at any point of time during the year in the said account was Rs.14 05 764/.

viii. Other Equity :

- a. Capital Reserves – Rs.69 10 823/- represents non-refundable contributions received from the consumers towards capital cost (cost of Pipelines etc.).
- b. An amount of Rs. 27 90 29 609/- being the surplus balance for the current period (after

keeping a maximum balance of Rs.5 00 000/-) in the Profit & Loss Account has been transferred to "General Reserve Account" under "Other Equity" (Liabilities) in the Balance Sheet.

ix. Financial Liabilities :

- a. There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
- b. Credit balance in suspense account Rs. 46 58 541/- under Current Financial Liabilities (Note 16 : Financial Liabilities – Other Financial Liabilities) represent accumulated balances of certain deposits made in the bank accounts of Company till 31.03.2019, exact source of which is not known to the company. However, same will be adjusted with correct head of accounts on receipts of further information in this regard.

x. Profit & Loss Account :

- a. Operating Income (Transmission Charges) under Schedule 22 (b) includes an amount of Rs.27 02 204/- for the period 2018-19 and Rs.26 13 272/- for the period 2017-18 on account of adjustment towards fair valuation of Security Deposit from Tea Gardens.
- b. APGCL – LTPS has raised dispute over the TC rates for the period 2008 onwards and accordingly has served a Debit Note on the Company amounting to Rs.41 82 81 747- for the period 2008 to 2015. The Company has neither accepted the debit note nor made any adjustments in the books of accounts though APGCL has started recovering the amounts through adjustment against the subsequent bills raised on them. Discussion is under process between both the parties to resolve the disputed. No provision for any probable reversal of TC already accounted for and booked in Profit & Loss. However, same is shown under contingent liability.
- c. Current Tax of Rs. 14 38 77 481/- (Dr) includes amounts being the provision made for the Financial year 2018-19 and Rs. 80 90 158/- (Dr) being difference of provision made for the Financial years 2017-18.
- d. Miscellaneous Receipts under Other Income (Note – 23) – Rs.83 57 325/- (Cr) includes apportionment and reimbursement of the cost of expenses other than salary / arrear salary of the employees, received from M/s. DNP Limited for the year 2018-19 and other receipts in the nature of fees and fines for late payment, rent, recovery from contractors, etc., as furnished below.

Particulars	Amount
Expenses Recovery	Cr Rs. 69 17 725
Fines & Fees from Domestic	Cr Rs. 13 01 345
Recovery from Domestic Contractors	Cr Rs. 1 15 145
Other Receipts	Cr Rs. 13 109
Reconnection Charge	Cr Rs. 10 000
TOTAL	Cr Rs. 83 57 325

- e. During the year under review no amount/- has been paid towards VRS payments and an amount of Rs. 6 09 570/- (being 1/5th of actual payments including previous years) has been charged to Statement of Profit and Loss on account of the proportionate share of current year's.
- f. The Company is continuing the Group Gratuity Scheme and Group Superannuation Scheme with Life Insurance Corporation of India, Jorhat Branch under Policy Cover GGCA-71070 for Gratuity Scheme and Policy Cover GSCA – 71044 for Superannuation Scheme.
During the year under audit, Gratuity has been accounted for on the basis of actuarial valuation and an amount of Rs.1 19 47 535/- has been charged under Gratuity, consisting of current year's and past service liability.
- g. During the year under audit, Employees Leave Encashment benefits, has been accounted for on the basis of actual payments made during the year. Since actuarial valuation of Leave Encashment Benefits has not been carried out, no provision has been made in the accounts for actuarial valuation during the year.
- h. During the year under audit, an amount of Rs. 5, 38, 75, 484/- has been included in Employees Remuneration and Benefits (Note 25 (a)), being provision for salary Revision.
- i. Interest on delayed payments due from APGCL and 12 nos. of tea consumers (Trade Receivables) which are either disputed or considered doubtful of recovery have not been provided during the year under review and shall be considered during the year of settlement / realization as per the policy of the company.
- j. During the year under audit, an amount of Rs. 14 47 400/-, being carried forward from previous years as Work-in-progress Power Project, has been written off and debited to Statement of Profit and Loss.
- k. Gas meters installed from time to time have been reconciled and necessary adjustments have been affected to Advance from tea Gardens – Gas meter under current liabilities & provisions and Stock of stores at site offices / Instrumentation department.

xi. Contingent Liabilities :

- a. In respect of claims under Income Tax, VAT and Service Tax
 - i. Income Tax
 - a. CIT (Appeals), Dibrugarh has allowed the Company's claim for holding the Company as 'Mineral Oil Concern' under the Income Tax Act, 1961 with regard to the admissibility of Depreciation claim for the Assessment Years 1988-89 to 1995-96 and 1997-98. But the same was contested by the Department through Appeals in ITAT, Guwahati, which have been restored to the files of CIT (Appeals), Dibrugarh for re-assessment vide ITAT, Guwahati's Order dated 27-07-2006 and the same has been decided in favour of the Company by the CIT (Appeals) vide Orders (9 nos) dated 12/12/2017. Subsequently, the department has gone on appeal with ITAT, Guwahati (vide appeals filed on 09/03/2018) against the said Orders of the CIT (Appeals). The Contingent liability arising on this remains unascertained and therefore has not been provided for.

b. Advance Tax reflected in the accounts (Refer to note 11(d) includes an amount of Rs.14.89 lakhs being the FBT paid for upto the the AY 2007-08 pending assessment and ITDS reflected in the accounts (Refer to note 11(d) includes an amount of Rs.7.57 lakhs being TDS disallowed by the department for the Financial years 2006-17, 2007-18 and 2016-17. The Company has filed revised petitions for the allowability of the same. The Contingent liability arising on this remains unascertained and therefore has not been provided for.

ii. VAT

As per the Gas Sale Agreements and the prevailing practice, in cases where the company sell gas to the consumers, the company has raised individual bills Gas sales and Transmission charges and accordingly paid VAT on the amount of gas sales bills and Service Tax on the transmission charges bills. In 2013 the VAT department has claimed that, since the gas is delivered by the company at the premises of the consumers, VAT shall be payable on the cost of transportation bills also and therefore from March 2013 onwards has raised demand notes on VAT on Transmission charges bills for the AYs 2006-07, 2007-08, 2008-09, 2009-10, 2013-14 and 2014-15.

The Company has made a rectification petition / appeal with Commissioner of Taxes, Assam/ Assam Board of Revenue/ Hon'ble Guwahati High Court against the Orders of the Superintendent and Asstt. Commissioner, Assam Value Added Tax, dated 25-03-2013, 01-09-2015, 21.04.2016, 17.03.2018, 17.03.2018 , 19.03.2018 and 19.03.2018 amounting to Rs. 2 31 54 048/- for the Assessment Year 2007-08, Rs. 21 43 54 758/- for the Assessment Year 2008-09, Rs. 21 03 41 937/- for the Assessment Year 2006-07, Rs. 21 85 79 385 /- for the Assesment Year 2009-10, 15 18 35 749 for the Assessment Year 2015-16, Rs. 14 31 89 703 for the Assessment Year 2013-14 and Rs. 13 41 66 525 /- for the Assessment Year 2014-15 respectively, including Interest, being the amount of VAT on natural gas purchased from M/s.Canoro Resources Limited and sold to consumers and VAT payable on Transmission charges also. The Contingent liability arising on this remains unascertained and therefore has not been provided for.

iii. Service Tax

An appeal has been filed with Customs, Excise and Service Tax Appellate Tribunal, Kolkata, against the Orders of the Commissioner of Central Excise, Dibrugarh dated 04-04-2012, 10-10-2013,19-02-2014, 05-12-2014, 27-03-2015, 30-04-2015, 18.03.2016, 09.02.2017, 10.08.17, 31.08.17, 31.01.18 and 23.01.19 regarding payment of service Tax on Minimum Demand Charges on TC and Marketing Margin, other miscellaneous issues and reimbursement of manpower expenses from DNP Ltd. amounting to Rs. 11 39 18 622/- exclusive of interest and penalty, for the period November 2006 to March 2019. The Contingent liability arising on this remains unascertained and therefore has not been provided for.

The disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities are as under:-

Name Of Statute	Nature Of Dues	Amount(Rs)	Period To Which The Amount Relates	Forum Where The Dispute Is Pending
Income Tax Act	Tax	3 93 305	A.Y. 2006-07	Central Processing Cell
Income Tax Act	Tax	54 479	A.Y. 2007-08	Central Processing Cell
Income Tax Act	Tax	3 09 110	A.Y. 2016-17	Central Processing Cell
Assam VAT ACT	Tax (including interest)	21 03 41 937	F.Y. 2006-07	Commssioner, Assam VAT
Assam VAT ACT	Tax (including interest)	2 31 54 048	F.Y. 2007-08	Additional Commissioner, Assam VAT
Assam VAT ACT	Tax (including interest)	21 43 54 758	F.Y. 2008-09	Assam Board of Revenue
Assam VAT ACT	Tax (including interest)	21 85 79 385	F.Y. 2009-10	Appeal filed with Hon'ble Guwahati High Court
Assam VAT ACT	Tax (including interest)	14 31 89 703	F.Y. 2013-14	Commssioner, Assam VAT
Assam VAT ACT	Tax (including interest)	13 41 66 525	F.Y. 2014-15	Commssioner, Assam VAT
Assam VAT ACT	Tax (including interest)	15 18 35 749	F.Y. 2015-16	Commssioner, Assam VAT
Service Tax	Tax	4 02 28 701	2007 to 2012	CESTAT, Kolkata
Service Tax	Tax	52 28 245	2012-2013	CESTAT, Kolkata
Service Tax	Tax	87 72 606	Oct'12 to Sep'13	CESTAT, Kolkata
Service Tax	Tax	1 52 56 361	Apr'09 to Mar'14	CESTAT, Kolkata
Service Tax	Tax	24 28 855	2013-2014	CESTAT, Kolkata
Service Tax	Tax	88 36 530	Oct'13 to Sep'14	CESTAT, Kolkata
Service Tax	Tax	36 07 464	2014-15	CESTAT, Kolkata
Service Tax	Tax	22 31 226	2014-15	Commissioner Appeal (Guwahati)
Service Tax	Tax	55 15 259	Oct'14 to Sep'15	CESTAT, Kolkata
Service Tax	Tax	143 96 654	Oct'15 to Sep'16	Commissioner Appeal (Guwahati)
Service Tax	Tax	74 16 721	2015-16	Commissioner Appeal (Guwahati)

- b. In respect of claims other than under Income Tax, VAT and Service Tax
- i. During the year under review, Contingent Liabilities have been estimated for an amount of Rs. 3 75 54 984/- (previous year Rs. 4 74 57 737/-) which includes Rs 3 19 616/- on account of Royalty on MGQ bills raised by M/s.Oil India Limited and a debit note raised by ONGC Ltd. For Rs. 1 31 26 688/- for the period from June'10 to March'13 as additional gas price bill against consumption of gas volume in excess of booked volume and Interest charges on delayed / non payment of billed amounts, which has not been acknowledged by the Company. Disputed interest on loan claimed by UCO Bank not acknowledged by the Company has been considered till 2009-10 and no provision has been made since 2011-12 as there was no claim from the banker.
- ii. APGCL – LTPS has raised dispute over the TC rates for the period 2008 onwards and accordingly has served two Debit Notes on the Company amounting to Rs.41 82 81 747/- for the period 2008 to 2015. The Company has neither accepted the debit note nor made any adjustments in the books of accounts though APGCL has started recovering the amounts through adjustment against the subsequent bills raised on them. Discussion is under process between both the parties to resolve the dispute. No provision for any probable reversal of TC already accounted for and booked in Profit & Loss.

xii. GENERAL :

- a. GST on Transmission charges amounting to Rs. 54 33 548/- & GS tax on other services amounting to Rs. 9 60 998/-, which are outstanding for collection during the year under consideration (bills raised in 2019-20) have been treated under “Provision for GST” (Short Term Provisions).
- b. VAT on Gas Sales are provided for and paid on the basis of bills raised and accounted for during the year.
- c. The Company has renewed most of the MoU / agreements due for renewal with the suppliers and consumers. However, the Company is yet to renew the Gas sales and purchase agreement with the supplier M/s. OIL and some Individual Tea factory consumers and efforts have been taken for the renewal of the same at the earliest.
- d. The Company has issued Bank Guarantees amounting to Rs.5 33 00 000/- in favour of PNGRB being the PBG for Authorisation of CGD Network, Rs. 66 00 00 000/- in favour of PNGRB being the PBG for Kamrup and Jorhat CGD Projects, Rs. 9 94 62 228/- in favour of ONGC towards PBG for natural gas auction, Rs. 16 97 428/- amounting in favour of PWD Assam towards ROW matters and amounting to Rs. 2 88 982/- towards CGD connection at IOC, Digboi. The accumulated balance of the valid Bank Guarantees as on 31/03/2019 amounts to Rs. 81 47 48 638/-.
- The Company has similarly issued Letter of Credit favouring ONGC amounting to Rs. 18 07 49 545/- against gas to be purchased.
- e. The difference in quantities of gas purchased and sold – 1 89 794 SCM, has arisen due to metering discrepancies.
- f. Related Party Disclosure: In accordance with the requirements of Ind As-24 on ‘Related

Party Disclosures' the names of related party where control exists / able to exercise significant influence, along with the aggregate transactions and year end balances with them as identified by the company are given below:

a. Directors / Key Managerial Personnel

- | | |
|--------------------------|--------------------------|
| 1. Shri Bolin Chetia | 2. Shri Ravi Capoor |
| 3. Shri Indra Gogoi | 4. Shri Adiya Kr. Sharma |
| 5. Shri Siddarta Bordoli | 6. Ms. Shehla Rahman |
| 7. Shri Tarun Ch Saharia | 8. Shri Umananda Doley |
| 9. Smt. Mayuri Chetia | 10. Smt. Kalyani Baruah |

b. Joint venture -

- Associated Company - Tripura Natural Gas Company Limited., Agartala, Tripura
- Subsidiary Company DNP Limited, Guwahati, Assam

The following transactions were carried out during the year with the related parties:-

<u>Nature of transaction</u>	<u>Directors / Key Managerial Personnel</u>	<u>Joint venture</u>
Remuneration, T.A. and other benefits	46 37 582 (32 84 830)	
<u>Balance as at 31.03.2019</u>		
Receivables	NIL NIL	NIL NIL
Loans		NIL (10 80 00 000)
Advance (reimbursable)		26 63 749 (3 39 498)

(Figures in brackets relate to previous years)

f. SEGMENT REPORTING :

The Company is primarily engaged in the business of 'Transmission of Natural Gas' and the other business of the Company i.e purchase and sale of natural gas and construction and maintenance of gas pipe lines are collateral to and revolve around the primary business of the Company and hence 'Segment Reporting' as per Ind AS - 108, has not been considered. However, the matter is being taken up with the consultants and shall be complied with as per their advice in future.

g. IMPAIRMENT OF ASSETS :

No adjustments have been carried out during the year.

35 As per section 135 of the Companies Act, 2013 alongwith Companies (Corporate Social Responsibility) Policy, 2014, the Company is required to spent for CSR in accordance with its CSR Policy. The details of CSR expenditure for the year are as under.

(Amount in Rupees)

	2016-17	2017-18	2018-19
Amount unspent (for earlier years) at the beginning of the year	3 32 45 502	4 18 54 402	4 43 31 977
Amount earmarked for CSR activities during the year	1 98 01 697	1 99 94 808	2 10 18 763
Gross amount required to be spent during the year	5 30 47 199	6 18 49 210	6 53 50 740
Amount actually spent for CSR activities during the year	1 11 92 797	1 75 17 233	4 39 97 291
Amount remaining unspent at the end of the year	<u>4 18 54 402</u>	<u>4 43 31 977</u>	<u>2 13 53 449</u>

36 Dividend :

As Dividend and Tax on dividend are accounted for during the year in which such dividends are declared by the AGM, an amount of Rs 3 38 28 980/- and Rs.25 70 233/- being the dividend and the Tax on dividend respectively declared and paid during the year (for the year 2017-18) has been accounted for during this year.

For the Financial Year 2018-19, the company has proposed to recommend, declare and pay a dividend at the rate of 20% on the average paid up equity share capital of the company.

KANOI ASSOCIATES
Chartered Accountants

CENTRAL CHOWKIDINGHEE
DIBRUGARH : 786001
Tele : 2324408/2328951/2320531
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ASSAM GAS COMPANY LIMITED

Independent Auditor's Compliance Certificate

We have compiled the Consolidated Financial Statement of Assam Gas Company Limited, Duliajan for the year ended 31st March, 2019 in accordance with the directions/sub-directions u/s. 143(5) of the Companies Act, 2013 as amended, and hereby certify that we have compiled with all the guidelines issued to us.

In terms of our report of even date attached to herewith

For KANOI ASSOCIATES
ICAI REGN. NO. 30910IE
CHARTERED ACCOUNTANTS

Date: 13/08/2019
Place: Dibrugarh

CA AAKASH AGARWALLA, FCA
PARTNER
Membership No. 058427
UDIN: 19058427AAAAA06628

Directions under section 143(5) of the Companies Act,2013

Sl. No.	Directions	Response
1.	Whether the company has clear title/ lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/ lease deeds are not available.	The land where the Administrative Office and Compressor Machines of the company are situated has not been registered in its name and the said land is yet to be formally transferred to the company-which was allotted by the Government of Assam to the company in the year 1968; and since then under their occupation. The company has not taken any action in this regard during the year under audit. We have not come across any other cases where title deeds are not available or that title is disputed or the property is under encroachment.
2.	Whether there are any cases of waiver/write off of debts/loans/interest etc. Justify, the reason there for and the amount involved.	No such case.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gifts/ grants from Government or other authorities.	No such case.

In terms of our report of even date attached to herewith

For KANOI ASSOCIATES
ICAI REGN. NO. 30910IE
CHARTERED ACCOUNTANTS

Date: 13/08/2019
Place: Dibrugarh

CA AAKASH AGARWALLA, FCA
PARTNER
Membership No. 058427
UDIN: 19058427AAAAA06628

ASSAM GAS COMPANY LIMITED
DULIAJAN :: ASSAM
CONSOLIDATED BALANCE SHEET

(Amount in Rupees)

Particulars	Note No.	AS AT 31-03-2019	AS AT 31-03-2018
A ASSETS			
1) Non-current assets			
(a) Property, Plant & Equipments	2	359 04 60 791	368 04 45 343
(b) Capital Work in progress	3	14 71 95 802	7 91 92 437
(c) Other Inangible Assets	4	2 01 20 868	0
(d) Non-current investments	5	36 97 73 605	19 46 02 781
(e) Financial Assets	6	2 40 58 471	21 75 098
(f) Other non-current assets	7	8 63 198	14 72 768
		415 24 72 736	395 78 88 427
2) Current assets			
(a) Inventories	8	27 77 74 407	25 44 03 581
(b) Financial Assets			
- Trade receivables	9	107 68 63 958	122 83 55 496
- Cash and cash equivalents	10	552 00 85 867	504 45 36 790
- Short-term loans and advances	11	41 66 14 934	9 29 49 285
(c) Other current assets	12	14 69 98 628	10 84 28 223
		743 83 37 794	672 86 73 375
	TOTAL	1159 08 10 530	1068 65 61 802
B EQUITY AND LIABILITIES			
1. Equity			
a. Equity Share Capital	13	16 91 44 900	16 91 44 900
b. Other Equity	14	805 69 25 280	764 33 48 970
c. Minority Interest	15	125 48 14 233	112 53 94 333
		948 08 84 413	893 78 88 203
2. Liabilities			
a. Non Current Liabilities			
Financial Liabilities			
- Borrowings	16	0	0
- Other Financial Liabilities	17	56 38 34 787	54 53 09 006
b. Deferred tax liability (net)	18	62 99 30 484	67 57 74 000
c. Provisions	19	1 04 47 535	1 69 90 762
		120 42 12 805	123 80 73 768

3. Current Liabilities			
a. Financial Liabilities			
- Trade payables	20	24 87 79 649	20 09 54 662
- Other Financial Liabilities	17	34 23 05 128	8 15 30 374
b. Other current liabilities	21	30 82 20 993	22 23 35 547
c. Provisions	22	64 07 542	57 79 248
		<u>90 57 13 312</u>	<u>51 05 99 831</u>
	TOTAL	<u>1159 08 10 530</u>	<u>1068 65 61 802</u>

Corporate Information & Significant Accounting Policies	1
Notes forming part of Financial Statements	31-34

**For KANOI ASSOCIATES
ICAI REGN. NO. 30910IE
CHARTERED ACCOUNTANTS**

**Date: 13/08/2019
Place: Dibrugarh**

**CA AAKASH AGARWALLA, FCA
PARTNER
Membership No. 058427
UDIN: 19058427AAAAAM4964**

ASSAM GAS COMPANY LIMITED
DULIAJAN :: ASSAM
STATEMENT OF CONSOLIDATED PROFIT & LOSS

(Amount in Rupees)

Particulars	Note No.	AS AT 31-03-2019	AS AT 31-03-2018
I. Revenue from operations	23	277 82 00 873	306 23 94 684
II. Other income	24	50 90 81 043	38 63 96 476
III. Total Revenue (I + II)		328 72 81 916	344 87 91 160
IV. Expenses:			
Purchases of stock in trade	25	118 51 63 645	85 54 30 606
Employee benefit expenses	26	50 76 03 936	46 66 64 031
Finance costs	27	1 77 10 518	1 74 70 972
Depreciation and amortization	2 & 4	19 61 83 913	19 20 45 553
Other expenses	28	50 78 35 218	36 26 38 600
Total expenses		241 44 97 231	189 42 49 762
V. Profit before exceptional and extraordinary items and tax (III - IV)		87 27 84 685	155 45 41 398
VI. Exceptional Items		0	0
VII. Profit before extraordinary items and tax (V - VI)		87 27 84 685	155 45 41 398
VIII. Prior period & Extraordinary Items			
IX. Profit before tax (VII - VIII)		87 27 84 685	155 45 41 398
X. Tax expenses			
1) Current tax	29	(26 26 29 422)	(47 34 31 195)
2) Deferred tax	18	4 58 43 516	(6 80 92 597)
		(21 67 85 906)	(54 15 23 792)
XI. Profit for the period from continuing operations (IX - X)		65 59 98 780	101 30 17 606
XII. Profit from discontinuing operations		0	0
XIII. Tax expenses of discontinuing operations		0	0
XIV. Profit from Discontinuing operations (after tax) (XII - XIII)		0	0
XV. Profit for the period (XI + XIV)		65 59 98 780	101 30 17 606

XVI. Other Comprehensive Income		0	0
A (i) Items that will not be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
XVII. Total Comprehensive Income for the period (XV+XVI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		<u>65 59 98 780</u>	<u>101 30 17 606</u>
XVIII. Basic & Diluted Earnings per equity share:	30	388	599
(Face Value Rs. 100 per share)			
Corporate Information & Significant Accounting Policies	1		
Notes forming part of Financial Statements	31-34		

**For KANOI ASSOCIATES
ICAI REGN. NO. 30910IE
CHARTERED ACCOUNTANTS**

**Date: 13/08/2019
Place: Dibrugarh**

**CA AAKASH AGARWALLA, FCA
PARTNER
Membership No. 058427
UDIN: 19058427AAAAAM4964**

ASSAM GAS COMPANY LIMITED
DULIAJAN :: ASSAM
STATEMENT OF CASH FLOW

		AS AT 31-03-2019	AS AT 31-03-2018
I. CASH FLOW FROM “OPERATING ACTIVITIES”			
a)	<i>Net Profit before Tax</i>	87 27 84 685	155 70 15 221
b)	Adjustments for :		
i)	Depreciation	19 61 83 913	19 20 45 553
ii)	Interest on Loans	(1 93 88 011)	5 42 072
iii)	Misc. Expenditure	6 09 570	8 47 348
iv)	Interest on Fixed Deposit	(33 83 50 709)	(26 97 52 176)
v)	Impact of Fair valuation	3 51 70 824	2 92 11 000
vi)	Dividend received		
	<i>Operating Profit before working capital changes</i>	74 70 10 272	150 99 09 018
c)	<i>Working capital changes :</i>		
i)	Inventories	(2 33 70 826)	(3 88 01 142)
ii)	Trade Receivables(Fin. Assets)	15 14 91 538	(17 94 86 935)
iii)	Short Term Loans & Advances(Fin. Asset)	(4 11 29 562)	95 36 718
iv)	Other Current Liabilities	8 58 85 446	6 33 19 021
v)	Trade payable(Financial Liabilities)	4 78 24 987	(4 50 38 915)
	<i>Cash generated from operations</i>	967711855.5	1319437765
Less :	Income Tax Payment	(545165509)	(489746336)
	<i>Cash Flow before extra ordinary items</i>	42 25 46 346	82 96 91 429
Add :	Earlier year adjustment		
	<i>Net Cash from operating activities</i>	42 25 46 346	82 96 91 429
II. CASH FLOW FROM “INVESTING ACTIVITIES”			
i)	Purchase of Assets	(19 32 58 908)	(9 57 77 873)
ii)	Sale of Asset		
iii)	Investments in other Corporates	(17 51 70 824)	
iv)	Fixed Deposits	(55 37 43 567)	(89 25 02 031)
v)	Dividend received		
vi)	Interest received on Fixed Deposits	29 97 80 304	26 97 52 176
vii)	Misc. Exp - VRS Payments		(10 13 208)
	<i>Net Cash used in investing activities</i>	(62 23 92 995)	(71 95 40 936)
III. CASH FLOW FROM “FINANCING ACTIVITIES”			
i)	Increase in Non Current other financial liabilities	1 85 25 781	1 20 29 810

ii)	Interest on Loans	1 93 88 011	(5 42 072)
iii)	Dividend & Tax paid	(14 92 38 081)	(5 14 94 831)
iv)	Decrease in Current other Financial Liabilities	26 07 74 754	34 36 291
v)	Decrease in Financial Asset	(2 18 83 373)	(57 072)
vi)	Decrease in Current Liabilities provisions	6 28 294	34 19 619
vii)	Increase in provisions	(65 43 227)	1 51 25 746
viii)	Increase in Non Current Investment		(2 92 11 901)
	Net Cash used in financing activities	12 16 52 159	(4 72 94 410)
	Net Increase in Cash & Cash equivalents	(7 81 94 490)	6 28 56 083
	<i>Cash & Cash equivalents at the beginning of the year</i>	35 16 64 238	3 09 39 086
	<i>Cash & Cash equivalents at the end of the year</i>	27 34 69 748	9 37 96 069

In terms of our report of even date attached to herewith

**For KANOI ASSOCIATES
ICAI REGN. NO. 30910IE
CHARTERED ACCOUNTANTS**

**Date: 13/08/2019
Place: Dibrugarh**

**CA AAKASH AGARWALLA, FCA
PARTNER
Membership No. 058427
UDIN: 19058427AAAAAM4964**

ASSAM GAS COMPANY LIMITED

Consolidated Financial statements – 2018-19

CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

1. Corporate Information

Assam Gas Company Limited, a Government of Assam Undertaking - fully owned and controlled by the Government of Assam through Equity participation, is a public limited company, incorporated in India as a Private Limited Company under the provisions of the Companies Act, 1956, with its Registered Office situated at Duliajan (Post Office), Dibrugarh District.

Subsidiary Company

M/s.DNP Limited was incorporated as a Public Company Limited by Shares under the Companies Act, 1956 on 15th June, 2007, with its Registered Office at Guwahati (Assam, India), with an Authorised Capital of Rs.170 00 00 000/-, divided into equity shares of Rs.10/- each and a paid up capital of Rs.1 67 25 00 000/-. Assam Gas Company Limited is holding 51% of the paid up share capital of the company, while Numaligarh Refineries Limited holds 26% and M/s.Oil India Limited 23% of the paid up share capital respectively.

Associated Company - Joint venture

M/s. Tripura Natural Gas Co. Ltd., Agartala (Tripura, India), was jointly promoted in 1990, by Assam Gas Company Ltd., and Tripura Industrial Development Corporation, Agartala (Tripura, India). At present the Authorised Capital of TNGCL is Rs.10 00 00 000/-, divided into equity shares of Rs.10/- each and the paid up capital is Rs.3 92 00 000/-. Assam Gas Company is having 25.51% Equity Share holdings in M/s. Tripura Natural Gas Company Limited.

Investment in other Joint venture Company

Investment in Share Capital of M/s. Assam Petrochemicals Limited (APL), Guwahati (Assam, India), made during the F.Y. 2018-19 amounting to Rs. 14,00,00,000, divided into 140,00,000 equity shares of Rs. 10 each, is valued at cost. The Shares of M/s. APL are not quoted in any of the Stock Exchanges.

2. Significant Accounting Policies

2.1 Basis of preparation of Consolidated Financial Statements

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rule, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements are prepared under the historical cost convention and in accordance with Generally Accepted Accounting Principles in India (Indian GAAP), including Accounting Standards notified under relevant provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy. Revenues are generally recognized on accrual system of accounting except where otherwise stated.

2.2 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to Assam Gas Company Limited ('the Company'), its subsidiary company (DNP Limited) and its Associates (Tripura Natural Gas Company Limited). The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (Ins AS) 110 - "Consolidated Financial Statements"
- b) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- c) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- d) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

2.3 Investments other than in subsidiary have been accounted as per Accounting Standard (Ind AS) 28 on "Investment in Associates and joint ventures".

2.4 Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

Consolidated Financial statements – 2018-19

NOTE 2

Property, Plant & Equipment (2018-19)

PARTICULARS	GROSS BLOCK			UP TO 01-04-18	DEPRECIATION (SLM)			NET BLOCK on SLM / WDV	
	COST AS AT 01-04-18	ADDITION FOR THE YEAR	ADJUST- MENT (discard)		COST AS AT 31-03-2019	FOR THE YEAR	Adjustment to Assets (during year)	TOTAL (under SLM)	AS AT 31-03-19
A. Land	4 21 55 515	1 44 100	0	4 22 99 615	0	0	0	4 22 99 615	4 21 55 515
B. Residential & Factory Building	20 59 97 617	1 60 25 612	0	22 20 23 229	2 42 71 852	96 18 957	0	18 81 32 420	18 10 45 511
C. Pipe Lines & Plant & Machinery	379 55 47 384	8 01 24 276	0	387 56 71 660	45 39 02 576	15 69 18 480	0	326 48 50 603	334 16 44 807
D. Office Equipment	22 67 833	3 42 196	0	26 10 029	14 08 448	2 50 209	0	9 51 372	8 59 385
E. Hospital Equipments	1 10 295	0	0	1 10 295	21 881	7 117	0	81 297	88 414
F. Miscellaneous Fixed Assets	5 54 422	4 69 102	0	10 23 524	2 22 094	92 250	0	7 09 180	2 70 550
G. Electrical Installation	13 75 94 471	17 88 440	0	13 93 82 911	5 97 57 487	2 00 64 924	0	5 95 60 499	7 78 98 762
H. Roads, Drains and Water Works	3 42 94 849	40 97 167	0	3 83 92 016	2 58 93 039	23 71 832	0	1 01 27 145	90 82 058
I. Furniture & Fixture	58 44 762	7 79 703	0	66 24 465	17 23 197	6 99 544	0	42 01 724	41 21 565
J. Motor Vehicles	1 53 18 112	0	0	1 53 18 112	49 45 258	19 22 606	0	84 50 248	1 03 72 854
K. E.D.P.System	4 03 92 467	19 72 116	0	4 23 64 583	2 87 01 199	36 16 776	0	1 00 46 608	1 17 10 136
L. Communication System	16 66 371	11 187	0	16 77 558	4 51 717	1 75 762	0	10 50 079	11 95 786
Total	428 17 44 098	10 57 53 899	0	438 74 97 997	60 12 98 748	19 57 38 457	0	359 04 60 791	368 04 45 343
Previous Year's Figures	420 84 32 226	7 33 18 437	(6 564)	428 17 44 099	40 92 53 203	19 20 46 991	(1 438)	368 04 45 343	379 91 79 023

Consolidated Financial statements – 2018-19

NOTE 4

Other Intangible Assets (2018-19)

PARTICULARS	GROSS BLOCK				AMORTISATION				NET BLOCK	
	COST AS AT 01-04-18	ADDITION FOR THE YEAR	ADJUST- MENT (discard)	COST AS AT 3/31/2019	UP TO 01-04-18	FOR THE YEAR	Adjustment to Assets (during year)	TOTAL (under SLM)	AS AT 31-03-19	AS AT 31-03-18
Way Leave Rights	0	32 49 747	0	32 49 747	0	1 36 535	0	1 36 535	31 13 212	0
Geographical Information System	0	1 72 26 577	0	1 72 26 577	0	2 18 921	0	2 18 921	1 70 07 656	0
Inventory Mgmt Software	90 000	0	0	90 000	0	90 000	0	90 000	0	90 000
	90 000	2 04 76 324	0	2 05 66 324	0	4 45 456	0	4 45 456	2 01 20 868	90 000
Previous Year's Figures	0	0	0	0	0	0	0	0	0	0

ASSAM GAS COMPANY LIMITED
DULIAJAN, (ASSAM)
NOTES ON CONSOLIDATED ACCOUNTS 2018-19 (Continued)

	AS AT 31-03-2019	AS AT 31-03-2018
3 CAPITAL WORK - IN - PROGRESS		
Inventory Mgmt. Software - DNPL	0	90 000
Office Buildings - DNPL	3 02 080	3 02 080
Pipeline H.D.P.E.	66 92 000	1 52 85 075
CNG/LNG Project	5 94 43 083	82 01 359
Scada	7 68 97 557	5 29 07 328
Power Project	0	14 47 400
PS Water Tank	18 35 397	2 06 500
ONGC (Namburnadi-Numaligarh PL project)	10 10 290	0
Compressor (Fire & Safty)	2 62 700	0
Electrical Upgradation	7 52 695	7 52 695
	14 71 95 802	7 91 92 437
5 NON CURRENT INVESTMENTS		
Total Investment valued at cost (unless stated otherwise)		
Equity contribution in Tripura Natural Gas Co. Ltd. (unquoted) <i>(100000 equity shares @ Rs.100 each fully paid, valued at NAV)</i>	22 97 73 605	19 46 02 781
Equity Conribuion in Assam Petrochemicals Limited <i>(14000000 equity shares @ Rs. 10 each fully paid)</i>	14 00 00 000	0
	36 97 73 605	19 46 02 781
<i>AGCL hold 25.51% Equity Shares in Tripura Natural Gas Co. Limited.</i>		
<i>AGCL hold 3.25% Equity Shares in Asam Petrochemicals Limited.</i>		
6 Financial Assets		
<i>A. Loans</i>		
Loans to Related Party :		
- Loans to Kamrup Project	1 03 80 067	0
- Loans to Cachar Project	1 11 48 281	0
<i>B. Other Financial Assets</i>		
AGCL Gratuity Trust Account	1 000	1 000
Security Deposit	11 88 950	11 69 699
Security Deposit - DNPL	13 40 173	10 04 399
	2 40 58 471	21 75 098
7 OTHER NON-CURRENT ASSETS		
Misc. Expenditure (to the extent not written off)		
VRS Payments - Accumulated balance	14 72 768	13 06 908
Add : Paid during the year	0	10 13 208
	14 72 768	23 20 116
Less : Adjusted during the year	6 09 570	8 47 348
	8 63 198	14 72 768

8 INVENTORIES

(As taken , valued and certified by the Management at cost)

Stock of Stores and Spares	19 57 53 372	16 71 24 381
Stock with Instrument Deptt. & Crisis Mgmt. com.	27 28 287	30 94 422
Stock of Medical Stores	3 95 844	2 60 662
Stock of Stores at Site Office	1 45 69 552	1 44 92 588
Stock of DNPL	6 43 27 352	6 94 31 528
	27 77 74 407	25 44 03 581

9 FINANCIAL ASSETS - TRADE RECEIVABLES

(Unsecured and considered good)

Brahmaputra Valley Fertiliser Corpn. Ltd.	3 87 25 626	5 77 76 008
Assam Power Generation Corporation Limited, Namrup	0	4 90 03 032
Assam Power Generation Corporation Limited, Maibela	31 15 33 558	52 84 74 838
Assam Petro Chemicals Ltd.	0	21 56 145
Sonari area T E	2 24 45 880	1 50 51 950
NEEPCO	1 06 19 902	1 05 26 220
Oil India Limited, Duliajan	88 03 490	45 58 656
Domestic Consumers Receivable	12 20 53 986	10 94 71 701
Moran Plantation line	1 91 22 015	1 10 70 515
Naharkatia/Duliajan Area gardens	1 57 15 278	1 08 54 551
Dibrugarh area T.E.	2 79 92 855	2 02 99 790
Doomdooma area T.E.	3 91 26 235	1 87 71 456
Margherita Tea Gas Grid	1 63 96 535	1 32 48 350
Tinsukia Tea Gas Grid	3 45 77 513	1 47 57 095
Jorhat-Golaghat Line T.E.	2 57 42 156	1 82 32 791
APGCL NRPP	3 14 257	3 14 257
Hindustan Lever Limited (WC)	0	2 31 882
Indian Oil Corporation Limited, Digboi	12 66 623	0
Trade Receivables of DNPL	17 89 90 516	11 93 13 347
	87 34 26 425	100 41 12 584

(Unsecured and doubtful)

Tea Gardens (Under Court Case)	7 05 72 657	7 68 87 652
DLF Project (EIP Limited)	20 32 26 549	20 32 26 549
	27 37 99 206	28 01 14 201

114 72 25 631 **128 42 26 785**

Less : Provision for Bad and doubtful debts 7 03 61 673 5 58 71 289

107 68 63 958 **122 83 55 496**

Sundry debtors - Age Analysis

Less than six months	59 79 67 485	50 39 61 129
More than six months	54 92 58 146	78 02 65 309
	114 72 25 631	128 42 26 438

10 FINANCIAL ASSETS - CASH & CASH EQUIVALENTS**a) Cash in hand:**

With Head Office, Duliajan	1 10 782	1 10 782
With Officials (Imprest)	3 39 712	2 26 671
Cash at Guwahati Office	1 14 042	1 31 482
Cash at Silchar Office	0	6 104
	5 64 536	4 75 039

b) Balances with Banks:

State Bank of India, Mathurapur	68 067	68 716
State Bank of India, Moran	3 00 584	5 35 199
State Bank of India, Nazira	69 807	67 705
State Bank of India, Duliajan, A/C No. 124 (Gen)	1 16 10 105	2 43 59 887
State Bank of India, Sibsagar	2 52 266	2 64 945
State Bank of India, Dibrugarh	74 544	5 06 642
State Bank of India, Digboi	2 42 938	5 09 023
State Bank of India, Gargaon	17 007	2 07 367
State Bank of India, Silchar	285	3 294
State Bank of India, Tinsukia	3 34 908	3 59 672
State Bank of India, Duliajan (Dividend A/C)	0	0
State Bank of India, Duliajan (Domestic bills A/C)	10 30 606	1 93 10 755
United Bank of India, Duliajan	2 95 922	32 53 714
United Bank of India, Chawkidinghi, Dibrugarh	6 18 311	5 32 186
United Bank of India, Digboi	5 02 076	5 78 806
United Bank of India, Naharkatia	1 14 191	1 51 801
United Bank of India, Ledo	2 30 421	2 49 458
UCO Bank, Sibsagar	2 19 479	3 02 773
UCO Bank, Duliajan (Lien A/C)	10 35 597	16 74 804
Assam Co-Op. Apex Bank Ltd. Duliajan (Non Schedule)	79 626	14 05 764
Allahabad Bank, Duliajan	14 45 787	2 65 37 506
Allahabad Bank, Dibrugarh (47)	1 62 265	16 48 556
Allahabad Bank, Sibsagar	5 78 079	6 14 268
Allahabad Bank, Tinsukia	20 98 136	6 63 652
Allahabad Bank, Duliajan (Escrow A/c)	9 882	0
Punjab National Bank, R.G. Baruah Rd, Guwahati	1 42 516	1 15 835
Canara Bank, Duliajan	76 066	16 63 196
Canara Bank, Titabar	12 67 277	11 59 627
Indian Bank, Dibrugarh	70 654	15 54 979
Vijaya Bank, Jorhat	53 45 735	6 01 308
Axis Bank, Duliajan	2 91 035	13 55 094
Central Bank of India, Margherita	6 13 822	5 63 310
Bank balances of DNPL	24 37 07 218	26 03 69 357
	27 29 05 212	35 11 89 199

Balances with banks in Deposit accounts:

Fixed Deposit With Scheduled Banks	508 95 17 224	466 23 62 801
Fixed Deposit With Non Scheduled Banks	1 70 98 895	1 62 62 804
Balances of DNPL	14 00 00 000	1 42 46 947
	524 66 16 119	469 28 72 552
	552 00 85 867	504 45 36 790

11 FINANCIAL ASSETS - SHORT TERM LOANS & ADVANCES

(Unsecured, considered good unless otherwise stated)

a) Loans & advances to employees		
Advance to staff	1 98 73 206	2 38 39 691
	1 98 73 206	2 38 39 691
b) Prepaid expenses		
Pre-paid Insurance Premium	1 14 56 962	81 10 906
Pre paid expns. - DNPL	12 27 329	14 73 418
	1 26 84 291	95 84 324
c) Balance with Government Authorities		
Current Tax Assets :		
- Advance Income Tax	39 62 65 363	34 62 01 273
- Advance Tax - DNPL	29 73 01 703	17 95 37 706
- Tax deducted at source	5 46 99 746	5 50 46 391
	74 82 66 812	58 07 85 370
Less : Transferred from Provision a/c.	13 63 50 846	37 01 57 432
Provision for Tax - DNPL	28 84 86 744	16 97 34 803
	32 34 29 222	4 08 93 135
Service Tax on Advances	80 27 354	63 91 350
GST (TDS)	1 83 316	0
GST paid on Advances	1 44 150	27 900
Input Tax Credit	9 98 151	5 74 879
Deposits with Stat. Authorities - DNPL	31 38 404	58 06 994
GST Tax Credit claimable - DNPL	18 42 712	8 78 666
	33 77 63 309	5 45 72 924
d) Other advances		
Advance to Contractors & Suppliers	5 53 886	2 58 308
<i>(Less than 1 year</i>	- Rs. 5,17,504)	
<i>(More than 1 year Less than 3 years</i>	- Rs. 36,382)	
AGC Staff Recreation Centre	97 000	84 500
AGCL Executive Club	81 000	81 000
AGCL Sarbajanin Namghar	12 000	12 000
Receivable from Gratuity Trust/Employees	8 07 149	7 15 198
Receivable from OIL	4 52 629	4 52 629
Other Advances - DNPL	4 42 90 464	33 48 711
	4 62 94 128	49 52 346
	41 66 14 934	9 29 49 285
<i>Unsecured and considered good</i>	41 92 78 683	20 12 88 783
<i>Unsecured and doubtful of recovery</i>	26 63 749	10 83 39 498
	41 66 14 934	9 29 49 285

12 OTHER CURRENT ASSETS

Interest accrued on Fixed Deposit	14 41 24 195	10 72 42 430
Interest accrued on FDs - DNPL	28 74 433	11 85 793
	14 69 98 628	10 84 28 223

13 EQUITY SHARE CAPITAL :

AUTHORISED SHARE CAPITAL :

20,00,000 Equity Shares of Rs. 100/- each	20 00 00 000	20 00 00 000
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ISSUED, SUBSCRIBED, CALLED & PAID-UP:

16,91,449 Equity shares of Rs. 100/- each, fully called and fully paid up	16 91 44 900	16 91 44 900
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(1691449 Equity Shares of Rs. 100/- each held by Govt. of Assam)

	16 91 44 900	16 91 44 900
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a) Reconciliation of shares outstanding at the beginning and at the end of Reporting period:

<u>Equity Shares</u>	31-03-2019	31-03-2018
<i>Face Value of the Equity Shares (each)</i>	100	100
<i>No of Shares outstanding at the beginning of the year</i>	16 91 449	16 91 449
<i>Amount of Shares outstanding at the beginning of the year</i>	16 91 44 900	16 91 44 900
<i>No of Shares Issued during the year</i>	0	0
<i>Amount of Shares Issued during the year</i>	0	0
<i>No of Shares bought back during the year</i>	0	0
<i>Amount of Shares bought back during the year</i>	0	0
<i>No of Shares outstanding at the end of the year</i>	16 91 449	16 91 449
<i>Amount of Shares outstanding at the end of the year</i>	16 91 44 900	16 91 44 900

b) Terms and rights attached to equity shares

The Company has only class one class of equity share par value of Rs. 100/-. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The Dividend proposed by Board of Directors is subject to approval by shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of Shareholders holding more than 5% shares in the Company

<u>Name of Shareholder</u>	31-03-2019	31-03-2018
<i>I. Governor of Assam</i>		
<i>- No of Shares held</i>	16 91 449	16 91 449
<i>- Percentage of Shares held</i>	100%	100%

14 OTHER EQUITY

Revaluation Reserves

Opening balance	38 87 252	38 87 252
Add: Amount transferred from P&L	0	0
Less: Adjustment during the year	0	0
Closing balance	38 87 252	38 87 252

Capital Reserve

Opening balance	69 10 823	69 10 823
Add: Amount transferred from P&L	0	0
Less: Adjustment during the year	0	0
Closing balance	69 10 823	69 10 823

General Reserve

Opening balance	763 15 50 895	693 51 83 736
Add : Adj for rectification of Op bal.	10 64 687	0
Add: Amount transferred from P&L	15 15 43 688	101 30 17 606
Less: Dividend for 2017-18	3 38 28 980	4 16 30 613
Less: Dividend Tax form 2017-18	25 70 233	98 64 218
Less: Def Tax adj on Depreciation (2015-16)	0	16 10 90 151
Less : Minority Interest	12 94 19 900	13 36 39 135
Add : Surplus in Associates - TNGCL	3 51 70 824	2 95 73 670
Closing balance	765 35 10 981	763 15 50 895

Profit & Loss A/C

Opening balance	10 00 000	10 00 000
Add: Amount transferred from P&L	65 59 98 780	101 30 17 606
Amount available for appropriation	65 69 98 780	101 40 17 606
<i>Appropriations:</i>		
Dividend	7 94 91 500	0
Dividend Tax	3 33 47 368	0
Transfer to General Reserve account	15 15 43 688	101 30 17 606
Closing balance	39 26 16 224	10 00 000

805 69 25 280 **764 33 48 970**

15 MINORITY INTEREST

Value of Equity Shares in DNPL	81 95 00 000	81 95 00 000
Share of Capital Profits	0	0
Share of Revenue Profits	43 53 14 233	30 58 94 333
	125 48 14 233	112 53 94 333

16 FINANCIAL LIABILITIES - BORROWINGS

Long term Loans	0	0
	0	0

17 FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES

NON CURRENT FINANCIAL LIABILITIES

(i) Security Deposit From Domestic Consumers

Domestic Consumers	6 73 69 719	6 25 56 804
Domestic Consumers (Materials cost)	3 21 61 040	2 59 57 500
Deposit from Customers - DNPL	51 63 557	1 34 24 602
	10 46 94 316	10 19 38 906

(ii) SECURITY DEPOSIT FROM T.E. & OTHERS:

Tea Estates/Gardens.	3 24 65 622	2 80 57 519
Duliajan College	1 000	1 000
	3 24 66 622	2 80 58 519

(iii) ADDITIONAL DEPOSIT FROM T.E. AND OTHERS:

Tea Gardens	42 42 86 758	40 89 04 377
T.E. (Capital Cost)	5 25 000	5 25 000
Adv. For Transportation Charges (Non current)	13 39 772	32 41 589
Adv. For Transportation Charges (Non current) - DNPL	5 22 319	26 40 615
	42 66 73 849	41 53 11 581

(A) **56 38 34 787** **54 53 09 006**

CURRENT FINANCIAL LIABILITIES

Security Deposit fromContractors	1 60 02 143	1 39 26 960
Security Deposit fromContractors - DNPL	61 98 510	3 70 74 426
Earnest Money	75 93 386	83 21 446
Earnest Money - DNPL	15 42 096	11 09 090
T.E. (Gas Meter)	18 55 001	12 25 001
Advance for Transportation Charges (current)	27 02 204	26 13 272
Advance for Transportation Charges (current) - DNPL	21 18 296	21 18 296
Deposit from Customer - DNPL	2 14 75 703	1 07 92 907
Credit balance in Suspense a/c	46 58 541	43 48 976
Assam Power Generation Corporation Limited, Namrup	22 48 02 485	0
Assam Petro Chemicals Ltd.	5 33 56 763	0

(B) **34 23 05 128** **8 15 30 374**

(A+B) **90 61 39 915** **62 68 39 380**

18 DEFERRED TAX LIABILITY (Net)

As per Ind AS - 12 - " Accounting for Taxes on Income" the net tax liability recognised to the Statement of Profit & Loss during the year is Rs.4 58 43 516/- against the net tax liability of Rs.6 80 92 597/- during the previous year i.e. 2017-18. The position of the Deferred Tax Liabilities and Assets at the end of the year are as under

Deferred Tax Liability

Difference of Booked Depreciation and Tax Depreciation	23 88 68 519	7 77 78 368
Add : Adj for Dep w/back (2015-16)	0	16 10 90 151
Add : Adj during the year	44 22 137	0
Deferred Tax Liability - DNPL	38 66 39 828	43 69 05 481
	62 99 30 484	67 57 74 000

Deferred Tax Assets

Net Deferred Tax Liability	62 99 30 484	67 57 74 000
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19 NON CURRENT LIABILITIES - PROVISIONS

O L for Superannuation benefits of employees	1 04 47 535	1 69 90 762
	1 04 47 535	1 69 90 762

20 FINANCIAL LIABILITIES - TRADE PAYABLES

Oil India Ltd., Duliajan	10 28 57 348	6 61 25 220
ONGC, Sibsagar	12 24 95 278	11 11 27 805
Trade Payables - DNPL	2 28 62 664	2 31 37 278
Other payables - DNPL	5 64 359	5 64 359
	24 87 79 649	20 09 54 662

To the extent company has received intimation from the " Suppliers" regarding their status under the Micro, Small and Medium Enterprise Development Act 2006, they are not covered under the aforesaid Act.

21 OTHER CURRENT LIABILITES

(I) STATUTORY LIABILITIES:

Staff Professional Tax	81 618	83 850
Employees Income Tax deducted at source	65 85 215	43 75 915
Contractors' Income Tax	25 73 112	23 56 163
Salary Savings Scheme	10 16 781	10 87 185
Recurring Deposit (Staff)	25 000	26 500
Group Savings Link Insurance	20 071	71 790
Assam Sales Tax	69 702	69 702
Providend Fund Recovery	60 91 010	51 28 364
GST payable	53 55 026	53 51 474
GST TDS	9 09 375	0
VAT (Value added tax)	0	17 715

VAT on Natural Gas	1 97 43 624	1 23 02 625
Statutory Liabilities - DNPL	1 39 45 684	15 33 603
	5 64 16 218	3 24 04 886

(II) OTHER LIABILITY

AGCL Staff Co-op. Society	2 78 029	3 13 465
AGCL Tea Canteen	0	1 15 090
AGCL Executive Club	47 208	26 289
AGCL Staff Recreation Centre	49 461	24 991
KWH Pipes (India) Ltd.	1 20 100	1 20 100
Others	45 437	0
Outstanding Liabilities for expenses	24 92 75 018	18 86 27 163
Outstanding Liabilities for expenses - DNPL	19 89 522	7 03 563
	25 18 04 775	18 99 30 661

(III) CURRENT MATURITIES OF LONG TERM LOAN

	0	0
	30 82 20 993	22 23 35 547

22 CURRENT LIABILITIES - PROVISIONS

Provision for Income Tax	13 57 87 323	37 01 57 432
Provision for Income Tax (Tax impact on last year adjustment due to reversal of of revenue expenses as per CAG comments)	5 63 523	0
Less : Transferred to Advance Tax a/c.	13 63 50 846	37 01 57 432
	0	0
Provision for GST / Pro Tax	64 07 542	57 79 248
	64 07 542	57 79 248
	64 07 542	57 79 248

23 REVENUE FROM OPERATIONS

a) Gas Sales	18 85 63 492 SCM	241 35 76 273	186 32 94 634
Less: VAT on Gas Sales		30 56 49 427	23 59 66 868
		210 79 26 846	162 73 27 766
b) Transmission Charges	146 69 25 583 SCM	59 25 85 476	72 69 79 644
Less: Service Tax on TC		0	3 23 78 276
Less: CGST & SGST		6 32 72 656	6 01 52 838
Less : Revision of TC bills (as per PNGRB Order dated 04.06.2019)		72 38 02 319	0
		(19 44 89 499)	63 44 48 530
c) Transportation of gas - DNPL		86 47 63 526	80 06 18 388

277 82 00 873 306 23 94 684

24 OTHER INCOME

Interest on Fixed Deposit	33 83 50 709	25 61 90 647
Int on deposits - DNPL	1 93 88 011	1 35 61 529
Contract Income - DNPL	3 85 68 966	0
Minimum Demand Charges (Gas Sales)	8 03 55 662	8 00 07 194
Interest on Delay payment	1 05 74 194	1 02 34 529
Interest from Employees on Loan	6 14 689	10 42 096
Sale of Materials	30 71 325	20 11 320
Service charges	11 70 000	17 97 836
Compensation Charges	24 55 957	36 53 867
Guest House Charge realised	1 37 022	1 61 560
House rent realised from employees	7 46 615	7 86 952
Gas Charges realised from employees	87 399	90 625
Miscellaneous receipts	83 57 325	86 96 670
Miscellaneous receipts - DNPL	31 06 347	7 15 179
Income from works contracts	10 73 409	8 79 917
House rent realised from OTHERS	5 04 197	4 89 756
Tender Fee	5 19 216	2 93 932
Insurance Claim	0	57 82 867
	50 90 81 043	38 63 96 476

25 PURCHASES OF STOCK IN TRADE

Gas Purchases	18 8373 698 SCM	118 51 63 645	85 54 30 606
		118 51 63 645	85 54 30 606

26 EMPLOYEE BENEFITS EXPENSE

(a) EMPLOYEES REMUNERATION & BENEFITS:

Salary & Wages	39 02 80 762	35 06 13 542
Salary & Wages - DNPL	3 08 68 970	2 63 15 684
Providend Fund / Pension Fund Contribution	3 37 89 348	3 06 70 778
Providend Fund / Pension Fund Contribution - DNPL	16 32 479	12 75 314
Bonus & Exgratia to Employees	1 16 98 391	1 15 99 927
Employees Training Expenses	10 05 184	10 12 317
Group Gratuity Scheme	1 19 47 535	1 81 25 746
Gratuity Scheme - DNPL	4 32 125	3 67 773
Welfare Expenses for Employee	16 93 272	22 80 518
Welfare and Training expns - DNPL	6 54 270	6 56 929
Medical Expenses	1 59 40 820	1 71 77 935
Leave Travel Assistance	8 09 143	5 27 196
Leave Travel Concession	3 96 419	3 70 714
Retirement Journey Benefits	1 30 200	63 500
Group Superannuation Scheme	27 49 344	25 22 401
VRS & Prematured Settlement Scheme	6 09 570	8 47 348
Honararium to Directors	7 93 224	2 40 000
	50 54 31 056	46 46 67 622

(b) MD'S REMUNERATION & BENEFITS

Remuneration	19 46 208	18 13 457
Providend/Pension Fund	2 26 672	1 82 952
	21 72 880	19 96 409
	50 76 03 936	46 66 64 031

27 FINANCE COSTS

Interest expenses	1 52 88 767	1 47 27 308
Interest on OIDB loan	0	5 42 072
Interest on Fair Valuation	24 21 751	22 01 592
	1 77 10 518	1 74 70 972

28 OTHER EXPENSES**a) POWER & FUEL / COMPRESSION CHARGES**

Electricity Charges	53 48 080	51 28 302
Compressor Gas Fuel Expenses	10 33 39 524	6 94 01 688
Gas Compression charges	1 30 16 850	1 45 43 519
	12 17 04 454	8 90 73 509

(b) RATES & TAXES:

Fees & Fines	9 14 724	85 52 045
Rent, Rates & Taxes	11 49 966	12 83 195
Company's Professional Tax	2 500	2 500
	20 67 190	98 37 740

(c) OTHER OPERATING EXPENSES:

P.F. Administrative Expenses	14 65 020	16 94 753
Stipend to Trainees	20 32 485	7 35 751
Stipend to Trainees - DNPL	2 45 286	40 179
MD's office Expenses	28 611	38 299
Guwahati office expenses	2 77 026	3 16 692
Printing & Stationery	59 26 480	49 76 449
Postage & Telegrams	1 08 270	1 13 420
Telephone charges	3 84 230	3 88 826
Vehicle Hire charges	1 41 66 961	1 19 09 865
Vehicle running expenses	16 03 308	19 57 072
Liveries	4 02 443	2 74 368
Advertisement	40 00 141	1 31 16 826
Bank charges	46 41 527	34 16 460
Legal & Professional charges	1 14 23 816	55 83 482
Insurance premium	1 86 04 595	1 96 43 055
House rent	25 49 936	24 18 275
Books, Maps & periodicals	1 79 128	1 10 753
Carriage, Cartage & Freight	69 151	2 99 171
Meeting expenses	3 49 385	7 77 265
Donation & Suscription	9 63 955	45 93 773
Exhibition & Business development expenses	0	1 05 200
Miscellaneous Expenses	3 77 62 587	67 09 093
Guest House Expenses	6 47 749	3 14 768
Tools & Plants Consumed	48 209	3 98 875

Company's Celebration expenses	11 86 310	4 00 475
Sanitary Expenses	13 78 882	3 12 744
Security Expenses	1 50 43 137	88 65 295
Land Survey Expenses	19 190	42 501
Compensation paid	9 10 279	17 08 210
Domestic Grids Office Expenses	7 81 923	10 26 488
Meter reading expenses	36 58 422	23 69 506
Gas loss on transmission	1 68 94 780	1 46 81 085
Power project WIP - w/off	14 47 400	0
Discount/ Rebate (net)	19 82 172	(43 73 749)
Provision for Bad debts - DNPL	2 30 57 017	0
CSR expenses	4 91 01 562	2 64 48 563
	22 33 41 373	13 14 13 788
(d) <u>TRAVELLING EXPENSES:</u>		
Employees	1 18 22 175	1 16 75 160
Managing Director'	10 61 318	9 14 999
Director's	0	2 25 157
Candidates/others	1 96 207	1 45 365
	1 30 79 700	1 29 60 681
(e) <u>AUDIT FEE & EXPENSES:</u>		
Statutory Audit Fee	1 40 000	1 58 000
Statutory Auditor' Fees for other services	78 000	98 300
Statutory Auditor' expenses	40 719	29 850
GST Audit	3 00 000	0
Cost Audit Fee	90 000	80 000
Fees & expenses to Tax Consultant	55 536	2 04 616
Fees to oher Auditors (Other services)	1 30 000	2 57 126
Audit expenses for others	64 138	10 355
	8 98 393	8 38 247
(f) <u>CHAIRMAN'S EXPENSES:</u>		
Travelling expenses	0	21 638
Office expenses	7 83 733	1 26 627
	7 83 733	1 48 265
(g) <u>DEPUTY CHAIRMAN'S EXPENSES:</u>		
Office expenses	3 83 651	0
Honorarium	2 36 000	0
	6 19 651	0
(h) <u>REPAIRS & MAINTENANCE</u>		
Compressor	93 73 794	1 06 36 559
Pipelines	7 90 65 835	6 00 47 932
Gas Meter	12 39 714	9 37 420
Building	1 38 08 537	1 12 68 987
Vehicles	5 97 079	3 92 845
Colony	13 02 397	5 16 163
Compressor Station	2 04 33 765	1 97 14 782
Electrical Installation	54 60 222	34 92 145
Roads & Drains	19 14 574	5 76 706

Water Supply	6 16 583	12 28 013
EDP System	38 30 473	25 35 230
Plant & Machinery	7 54 219	12 52 801
Domestic Gas Lines	19 62 685	29 26 212
Odourisation plant	6 65 374	1 45 784
Other Assets	43 15 473	26 94 791
	<u>14 53 40 724</u>	<u>11 83 66 370</u>
	50 78 35 218	36 26 38 600

29 Current Tax

Current Year (Tax Rate 34.944%)	25 45 39 264	47 46 79 305
Changes in estimates relating to prior years	80 90 158	(12 48 110)
	<u>26 26 29 422</u>	<u>47 34 31 195</u>

30 Earnings Per Equity Share

Equity Shares

<i>Face Value of the Equity Shares (each)</i>	100	100
Net Profit as per Profit & Loss account available to Equity Shareholders	65 59 98 780	101 30 17 606
Weighted Number of Equity Shares outstanding during the year	16 91 449	16 91 449
Basic & Diluted Earnings Per Share (Rs.)	388	599

Note 31

Statement of Changes in Equity – 2018-19

(Amount in Rs.)

Particulars	Equity Share Capital	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Other Equity					Total		
				Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation		Other items of Other Comprehensive Income (specify nature)	Money received against share warrants
Balance at 01-April-2018	16 91 44 900	-	-	69 10 823	-	763 15 50 895	10 00 000	-	-	38 87 252	-	-	-	-	781 24 93 870
Changes in accounting policy or prior period errors	-	-	-	-	-	10 64 687	-	-	-	-	-	-	-	-	10 64 687
Restated balance at the beginning of the reporting period	16 91 44 900	-	-	69 10 823	-	763 26 15 582	10 00 000	-	-	38 87 252	-	-	-	-	781 35 58 557
Total Comprehensive Income for the year	-	-	-	-	-	65 59 98 780	-	-	-	-	-	-	-	-	65 59 98 780
Dividends	-	-	-	-	-	3 38 28 980	7 94 91 500	-	-	-	-	-	-	-	11 33 20 480

Transfer to retained earnings	-	-	-	-	-	-	-	-	-	15 15 43 688	(15 15 43 688)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax on Distribution Profits	-	-	-	-	-	-	-	-	-	25 70 233	3 33 47 368	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3 59 17 601
Balance at 31-Mar-19	16 91 44 900	-	-	-	69 10 823	-	-	-	774 77 60 057	39 26 16 224	-	-	-	38 87 252	-	-	-	-	-	-	-	-	-	-	-	832 03 19 256

No. 32 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. (Amount in Rs.)

March 31, 2019	Carrying amount			Fair value				
	Mandatorily at FVTPL	FVTOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents			552 00 85 867	552 00 85 867				
Trade receivables			114 72 25 631	114 72 25 631				
Short-term loans and advances			41 66 14 934	41 66 14 934				
			708 39 26 432	708 39 26 432				
Financial liabilities								
Deposit from Customer	59 19 85 991			59 19 85 991		59 19 85 991		59 19 85 991
Trade and other payables			24 87 79 649	24 87 79 649				
Other current financial liabilities			3 13 36 135	3 13 36 135				
	59 19 85 991		28 01 15 784	87 21 01 775		59 19 85 991		59 19 85 991

(Amount in Rs.)

March 31, 2018	Carrying amount		Fair value					
	Mandatorily at FVTPL	FVTOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents			504 45 36 790	504 45 36 790				
Trade receivables			128 42 26 785	128 42 26 785				
Short-term loans and advances			9 29 49 285	9 29 49 285				
			642 17 12 860	642 17 12 860				

(Financial instruments – Fair values and risk management (continued))

Financial liabilities					
Deposit from Customer	56 20 58 482	56 20 58 482	56 20 58 482	56 20 58 482	56 20 58 482
Trade and other payables	20 09 54 662	20 09 54 662			
Other current financial liabilities	6 04 31 922	6 04 31 922			
	56 20 58 482	26 13 86 584	82 34 45 066	56 20 58 482	56 20 58 482

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Deposit from Customer	Present Value techniques using appropriate discounting rates.	Not applicable	Not Applicable

C. Financial risk management

i. Risk management framework

The Board of Directors of the company has formed a risk management committee to frame risk management policy of the company 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 shall be reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and development programs and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Baring Market risk the Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk

i. Market risk

Market risk is the risk of changes in market prices – such as foreign exchange rates, interest rates and equity prices – that will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. Though the Company expects circumstances relating of transactions in foreign currency, but the Company is currently not carrying any foreign exchange bearing financial instruments in the stated reporting periods.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of the customer. The Company assumes low credit risk on Trade Receivables amounting to Rs.158 82 10 161 - as at 31st March 2019 and Rs.127 98 77 809/-as at 31st March 2018 ; as it does not expect its customer to fail in meeting its contractual obligations as the Company understands that the customer has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

March 31, 2019	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Neither past due not impaired	27,37,99,206	-	-
Past due 1–90 days	13,27,91,333	-	-
More than 90 days	74,06,35,092	-	-
	<u>1,14,72,25,631</u>	-	-

March 31, 2018	Gross carrying amount	Weighed average loss rate - range	Loss allowance
Neither past due not impaired	33,86,09,201	-	-
Past due 1-90 days	10,41,71,333	-	-
More than 90 days	84,14,46,251	-	-
	1,28,42,26,785	-	-

Cash and cash equivalents

The Company held cash and cash equivalents of Rs.552 00 85 867/- as at March 31, 2019 and Rs.504 45 36 790/- as at March 31, 2018. The cash and cash equivalents are held with bank with good credit ratings. The Company also invests its short term surplus funds in bank fixed deposit, which carry no/low mark to market risks for short duration therefore does not expose the company to credit risk.

(C. Financial risk management (continued))

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due in a cost effective manner, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

(Amount in Rupees)

March 31, 2018	Contractual cash flows					
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities						
Deposit from Customer	59 19 85 991	59 19 85 991	2 78 77 237	8 28 54 199	18 13 71 107	29 98 83 448
Trade and other payables	24 87 79 649	24 87 79 649	11 24 83 974			13 62 95 675
Other current liabilities	3 13 36 135	3 13 36 135	1 61 82 938	1 51 53 197		

(Amount in Rupees)

March 31, 2018	Contractual cash flows					
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities						
Deposit from Customer	56 20 58 482	56 20 58 482	1 81 19 278	17 75 61 473	12 02 57 448	24 61 20 283
Trade and other payables	20 09 54 662	20 09 54 662	6 46 58 988			13 62 95 674
Other current liabilities	6 04 31 922	6 04 31 922	4 99 86 049	81 29 865	19 81 318	3 34 690

The Company has not carried any derivative financial liabilities as on 31st March 2019 and 31st March 2018

33. Balance Sheet

i. Equity Share Capital

Equity Share Capital of the Company in the consolidated financial statements are exclusive of the equity share capital of the subsidiary company and its associates, the details of which are furnished below :

a. Subsidiary Company (DNP Limited)

Authorised Capital :	AS AT 31-03-2019	AS AT 31-03-2018
17 00 00 000 equity shares of Rs.10/- each	170 00 00 000	170 00 00 000

Issued, subscribed and paid up :		
16 72 50 000 equity shares of Rs.10/- each	167 25 00 000	167 25 00 000

Terms / rights attached to equity shares

The company has only one class of equity shares having par value of Rs.10/- each. Each holder of equity shares is entitled to one vote per share.

Shares held by Holding Company

Out of the equity shares issued by the company, shares held by the Holding company (Assam Gas Company Limited, with nominees) is as below.

	AS AT 31-03-2019	AS AT 31-03-2018
8 53 00 000 equity shares of Rs.10/- each	85 30 00 000	85 30 00 000

Details of share holders' holding in the Company

Name of the shareholder	AS AT 31-03-2019		AS AT 31-03-2018	
	<u>Number</u>	<u>% of holding</u>	<u>Number</u>	<u>% of holding</u>
Assam Gas Company Limited (wit nominees)	8 53 00 000	51%	8 53 00 000	51%
Numaligarh Refinery Limited	4 34 90 000	26%	4 34 90 000	26%
Oil India Limited	3 84 60 000	23%	3 84 60 000	23%

b. Associated Company (Tripura Natural Gas Co. Limited)

Authorised Capital :	AS AT 31-03-2019	AS AT 31-03-2018
10 00 000 equity shares of Rs.100/- each	10 00 00 000	100 00 00 000

Issued, subscribed and paid up :		
3 92 000 equity shares of Rs.100/- each	3 92 00 000	3 92 00 000

Terms / rights attached to equity shares

The company has only one class of equity shares having par value of Rs.10/- each. Each holder of equity shares is entitled to one vote per share.

Shares held by the Company

Out of the equity shares issued by the company, shares held by the company (Assam Gas Company Limited, with nominees) is as below.

	AS AT 31-03-2019	AS AT 31-03-2018
1 00 000 equity shares of Rs.100/- each	1 00 00 000	1 00 00 000

Details of other share holders in the associated Company

GAIL (India) Limited, holding 49% and Tripura Ind. Dev. Corporation Limited holding 25% are the other shareholders in the company.

ii. Long Term Borrowings :

Assam Gas Company Limited – the holding company has given a loan of Rs.66 80 00 000/- on 1st March 2016 to its subsidiary DNP Limited. The amount of loan given by the company shall be 'Long Term Unsecured Loan', bearing a interest rate of 10%, payable in fixed equal monthly instalments of Rs.2 00 00 000/- (or more) each alongwith the interest accrued thereon on the last day of each remaining months.

An amount of Rs.10 80 00 000/- outstanding as on 31/03/2018 has been liquidated in full during the year

iii. Minority Interest :

Minority Interest represents the amounts due to other shareholders in the subsidiary, represented by share in equity capital and share in the profits of the subsidiary.

34. Previous years' figures have been regrouped / rearranged wherever necessary for comparison and confirms to current years' classifications and recasting.

DNP Limited
Duliajan



कार्यालय, महालेखाकार (लेखा परीक्षा), असम,
बेलतला, गुवाहाटी - 781 029
OFFICE OF THE ACCOUNTANT GENERAL (AUDIT),
ASSAM, MAIDAMGAON, BELTOLA, GUWAHATI-781 029

No. ES/PSU/BS/2-17/2019-20/480
To

Dated: 16/09/2019

The Managing Director,
DNP Limited,
C/o Assam Gas Company Limited,
P.O.- Duliajan,
District- Dibrugarh
Pin-786602, Assam.

Sub: Comments of the Comptroller and Auditor General of India under section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of the DNP Limited for the year ended 31 March, 2019.

Sir,

I am to forward herewith the Comments of the Comptroller and Auditor General of India under section 143 (6) (b) of the Companies Act, 2013 on the Financial Statements of **DNP Limited** for the year ended **31 March, 2019** for placing them before the Annual General Meeting of the Company.

The date of adoption of accounts in the Annual General Meeting of the Company may please be intimated.

Five copies of the printed Annual Report of the Company when ready may please be sent to this office.

Receipt of this letter with its enclosures may please be acknowledged.

Encl: As stated.

Yours faithfully,

**Deputy Accountant General
(Economic Sector)**

REGISTERED

Memo No. ES/CAW/ BS/2-17/2019-20/

Dated: /09/2019

Copy forwarded for information and necessary action to:

1. The Additional Chief Secretary, Government of Assam, Public Enterprises Department, Janta Bhawan, C Block, 3rd Floor, Dispur, Guwahati-781006.

-Sd-

**Deputy Accountant General
(Economic Sector)**

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF DNP LIMITED FOR THE YEAR ENDED 31 MARCH 2019

The preparation of financial statements of **DNP Limited** for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing an opinion on the financial statements under Section 143 of the Act based on an independent audit in accordance with the auditing standards prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **8 July 2019**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of DNP Limited for the year ended 31 March 2019 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) of the Act which have come to my attention, and which, in my view, are necessary for enabling a better understanding of the financial statements and the related audit report:

A. COMMENTS ON DISCLOSURE

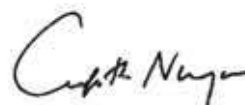
1. As per the significant accounting policies no C(b) of the Company, Property Plant and Equipment are valued in accordance with Ind AS-16. Scrutiny of accounting entries relating to compressors revealed that the Company has capitalised cost of overhauling of the plant as well as inventory utilised.

As per the para 13 and 14 of the Ind AS -16 read with para 67 to 72 the carrying amount of those parts that are replaced is derecognised in accordance with the derecognition provisions of this Standard. Further the carrying amount of previous inspection cost of the assets is also required to be de-recognised. However, the Company has neither de-recognised the carrying amount of the parts replaced nor made any disclosures in this regard in the Notes to the Accounts.

2. The Company falls under the payment of Gratuity Act 1970 and has taken a Group Gratuity Scheme from the Life Insurance Corporation of India. With the issue of notification by the GoI on 29 March 2018 the limit to gratuity payable to each employee has been increased to ₹ 20 lakh from the previous limit of ₹ 10 lakh. However, the company has been maintaining the fund based on the previous limit of ₹10 lakh only. The Company has at present 27 employees on its pay roll. However, the Company has neither calculated the enhanced amount of liability nor provided any disclosure in the Notes to Accounts.

For and on the behalf of the

Comptroller and Auditor General of India



Account General (Audit), Assam

Place: Guwahati
Date: 16/09/2019

Management Reply to the comments of the C&AG for the year 2018-19

Sl. No.	POS No.	Observations	Management's reply
1	1	<p>General</p> <p>As per the significant accounting policies no C (b) of the Company, property plant and equipment are valued in accordance with Ind As- 16. Scrutiny of accounting entries relating to Compressors revealed that the Company has capitalised cost of Overhauling of the plant as well as inventory utilised.</p> <p>As per the para 13 and 14 of the Ind AS- 16 read with para 67 to 72 the carrying amount of those parts that are replaced is derecognised in accordance with the de-recognition provisions of this standard. Further the carrying amount previous inspection cost of the assets is also required to be de-recognised.</p> <p>The accounting policy and practice of the Company is inconsistent with the Provisions of the Ind AS- 16.</p>	<p>During the course of overhauling, only those parts are replaced which are worn out over period due to continuous running of the machine and cannot be put to use. Value of these components cannot be classified and hence cannot be de recognized. Further, value of capitalized component is not added to original equipments for depreciation separately.</p>
2	2	<p>GENERAL</p> <p>The Company falls under the payment of Gratuity Act 1970 and has taken a group Gratuity Scheme from the Life Insurance Corporation of India. The premium so paid was based on the maximum gratuity limit of 10 lakh per employee. With the issue of notification by the GoI on 29 March 2018 the limit to gratuity payable to each employee has been increased to 20 lakh. However, the company has been maintaining the fund based on the previous limit of 10 lakh only. The Company has at present 29 employees on its pay roll. However, the Company has neither calculated the enhanced amount of liability nor provided any disclosure in the Notes to Accounts.</p>	<p>LICI, being the fund manager, indicate the amount required based on salary details submitted by the company at beginning of each year. The Company will inform the LICI regarding enhancement of gratuity liability under the payment of gratuity Act and make payment of additional contribution as determined by the LICI after due approval from the Board.</p>

Independent Auditor's Report to the members of DNP Limited: Duliajan

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the standalone financial statements of DNP Limited, which comprise the Balance Sheet as at 31st March, 2019, and the Statement of Profit and Loss, Statement of changes in the equity, 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 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 profit/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 provision of Companies Act, 2013 and the rules made there under, and we have fulfilled our 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 Statement

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 with respect to the preparation of these standalone financial statements that give a true and fair view of 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 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 judgements 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 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 cease operations, or has no realistic alternative but to do so.

The 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 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give "Annexure A" 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 purpose of audit.

- a. In our opinion, proper books of accounts 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 accounts.
- 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. Provisions of Section 164(2) of the Act regarding director's disqualification is not applicable vide notification G.S.R. 463(E) dated 5th June, 2015 of Ministry of Corporate Affairs. On the basis on written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of section 164 of the Act; and
 - i. The Company has not complied with the provisions of Section 149 of the Companies Act, 2013 read with Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014 with relation to the appointment of Independent Director during the financial year under review regarding appointment of Independent

Director to its board.

- ii. Non-appointment of Independent Director has resulted in failure to comply with the provision of Section 135 of the Companies Act, 2013 which require that formation of Corporate Social Responsibility Committee of the Board to consist of three or more directors, out of which at least one director shall be an Independent Director.
- e. 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”
- f. 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 Investors Education and Protection Fund by the company

For RAJENDRA C. SHARMA & CO.

CHARTERED ACCOUNTANTS, FRN – 315011E

Date :- 08/07/2019

Place: Dibrugarh

(CA. R. C. SHARMA, FCA)

Prop. M. No. -052029

THE ANNEXURE- A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF DNP LIMITED, DULIAJAN FOR THE YEAR ENDED ON 31ST MARCH, 2019. WE REPORT THAT:

- (i) (a) The company has maintained its Assets Register recording particulars, including quantitative details and situation of fixed assets which requires modification and further incorporation of DATA to be CARO compliant.
 - (b) The major items of fixed assets have been physically verified by the management at periodic intervals which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. No material discrepancies have been noticed on such verification.
 - (c) Free hold land owned by the company as on 31.03.19 stands at 54B-4K-15.43L (including 7B-3K-6.56L allotted by Govt. Of Assam) out of which mutation is pending for 16B-4K-16.43L.
 - (d) The Company has entered into agreements with proposed sellers of land for procuring land for industrial purpose for its Duliajan Establishment. Incongruous classification of land type in the legal process observed during the course of the audit is being taken up for correction at appropriate level of authority by the company as has been explained to us.
- (ii) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.
 - (iii) The company has not granted any loans, secured or unsecured to companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, sub-clauses (a),(b) & (c) of clause (iii) of the Order are not applicable to the company
 - (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 & 186 of the companies Act, 2013 in respect of Loans, Investment, Guarantees and securities.
 - (v) The company has not accepted any deposits from the public, therefore the provisions of Sections 73 to 76 of the Companies Act, 2013 are not applicable to the Company.
 - (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013, related to the manufacture of product/providing of service, to which the said rules are applicable and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
 - (vii) (a) According to the information and explanations given to us and the records examined by us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees’ State Insurance,

Income- tax, sales- tax, Wealth-tax, Service tax, Customs duty, Excise duty, Value Added Tax, Cess and other statutory dues wherever applicable and no undisputed amounts payable in respect of above referred statutory dues were outstanding at the year end for a period of more than six months from the date they became payable.

- (viii) According to the information and explanations given to us and the records examined by us, there are no dues outstanding in respect of income-tax, wealth-tax, sales-tax, service tax, customs duty, excise duty, value added tax on account of any dispute other than a Service Tax demand of Rs. 11.14 lacs (excluding penalty and interest) received from the office of the Commissioner Central Excise & Service Tax, Dibrugarh vide their Order dated 31/03/2015 which has been disclosed under Note No. 31. Of Financial Statement as Contingent Liability.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to bank. The Company did not have any outstanding dues in respect of a financial institution or debenture holders during the year.
- (x) According to the information and explanations given to us and the records examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan were applied for the purpose for which the loans were applied for the purpose for which the were obtained.
- (xi) Based on the audit procedures performed and the representation obtained from the management, we report that no case of fraud on or by the company by its officers or employees has been noticed or reported during the year.
- (xii) According to the information and explanations given to us and the records examined by us the company's managerial remuneration has been paid and provide in accordance with the requisite approvals mandated by the provision of section 197 read with Schedule V to the Companies Act.
- (xiii) The Company is not a Nidhi Company as specified in the Nidhi Rules 2014 as such this clause is not applicable to the company.
- (xiv) According to the information and explanations given to us and the records examined by us, the Company's transaction's with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards;
- (xv) According to the information and explanations given to us and the records examined by us, the company did not make any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review as such this clause is not applicable to the company.

(xvi) According to the information and explanations given to us and the records examined by us, the company has not entered into any non-cash transactions with directors or persons connected with him.

(xvii) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as such this clause is not applicable to the company.

For RAJENDRA C. SHARMA & CO.
CHARTERED ACCOUNTANTS, FRN – 315011E

Date :- 08/07/2019

Place: Dibrugarh

(CA. R. C. SHARMA, FCA)
Prop. M. No. -052029

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DNP LIMITED, DULIAJAN

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 DNP Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued 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 and 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 procedure selected depend on the auditor's judgment, including the assessment of the of the risks of material misstatement of the financial statements, whether due to fraud of error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised 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, 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 RAJENDRA C. SHARMA & CO.

CHARTERED ACCOUNTANTS, FRN - 315011E

Date :- 08/07/2019

Place: Dibrugarh

(CA. R. C. SHARMA, FCA)

Prop. M. No. -052029

Balance Sheet

₹ in thousands

Particulars	Note No	As at 31-Mar-2019	As at 31-Mar-2018
I. ASSETS			
1 Non-current Assets			
a. Property, Plant and Equipment	3 (i)	23,49,945	24,47,836
b. Capital work-in-progress	3 (ii)	302	302
c. Other Intangible assets	3 (iii)	213	-
d. Intangible assets under development	4	-	90
e. Other non-current assets	5	874	874
		23,51,334	24,49,102
2 Current Assets			
a. Inventories	6	64,328	69,432
b. Financial Assets			
(i) Trade Receivables	7	1,64,500	1,19,313
(ii) Cash and Cash Equivalents	8	2,43,707	2,60,369
(iii) Bank Balances other than (ii) above	9	1,40,000	14,247
c. Current Tax Assets (Net)	10	8,815	9,803
d. Other current assets	11	53,928	12,873
		6,75,278	4,86,037
TOTAL ASSETS		30,26,611	29,35,139
II. EQUITY AND LIABILITIES			
1 Equity			
a. Equity Share Capital	12	16,72,500	16,72,500
b. Other Equity	13	8,88,422	6,24,292
		25,60,922	22,96,792
2 LIABILITIES			
Non-current Liabilities			
a. Financial Liabilities			
(i) Borrowings	14	-	-
(ii) Other financial liabilities	15	5,686	16,066
b. Deferred Tax Liabilities (Net)	16	3,86,640	4,36,905
		3,92,326	4,52,971
3 Current Liabilities			
a. Financial Liabilities			
(i) Trade payables	17	26,090	23,702
(ii) Other financial liabilities	15	31,335	1,59,094
b. Other Current Liabilities	18	15,935	2,577
c. Provisions	19	3	3
		73,363	1,85,376
TOTAL EQUITY AND LIABILITIES		30,26,611	29,35,139

Corporate Information & Significant Accounting Policies
Notes to Financial Statement
The accompanying notes are an integral part of these financial statements.

1 & 2
3 - 35

In terms of our Report of even date attached

For and on behalf of Rajendra C. Sharma & Co.
Chartered Accountants
Firm Reg. No. 315011E

For and on behalf of the Board of Directors

(CA. Rajendra Chandra Sharma)
Membership No. 052029

A. K. Sharma
Director & Chief Executive
Officer
DIN- 07285877
Place: Guwahati
Date : 06/06/2019

B.J. Phukan
Director
DIN- 07721895
Place: Guwahati
Date : 06/06/2019

Place: Dibrugarh
Date : 08-07-2019

Samujjal Borah
Company Secretary
Place: Guwahati
Date : 06/06/2019

Statement of Profit and Loss

₹ in thousands

Particulars	Note No	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
I Revenues from Operations	20	8,64,764	8,00,618
II Other Income	21	61,063	14,277
III Total Revenue (I+II)		9,25,827	8,14,895
IV Expenses :			
Employee Benefits Expense	22	33,833	28,656
Finance Costs	23	3,310	28,203
Depreciation and Amortisation	3 (i)	1,28,755	1,28,739
Other Expenses	24	2,31,733	1,39,201
Total Expenses		3,97,631	3,24,799
V Profit before exceptional items and tax (III-IV)		5,28,196	4,90,096
VI Exceptional items		-	-
VII Profit before tax (V - VI)		5,28,196	4,90,096
VIII Tax Expense:			
1 Current tax	10	1,18,752	1,04,522
2 Deferred tax	16	(50,266)	62,508
IX Profit (Loss) for the period from continuing operations (VII - VIII)		4,59,710	3,23,066
X Profit/(loss) from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII Profit/(loss) for the period (IX+XII)		4,59,710	3,23,066
XIV Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		4,59,710	3,23,066
XVI Earnings per equity share (for continuing operations)	27		
[Equity Shares of Rs. 10/- each]			
1 Basic		2.75	1.93
2 Diluted		2.75	1.93

Corporate Information & Significant Accounting Policies

1 & 2

Notes to Financial Statement

3 - 35

The accompanying notes are an integral part of these financial statements.

In terms of our Report of even date attached

For and on behalf of Rajendra C. Sharma & Co.
Chartered Accountants
Firm Reg. No. 315011E

For and on behalf of the Board of Directors

(CA. Rajendra Chandra Sharma)
Membership No. 052029

A. K. Sharma
Director & Chief Executive
Officer
DIN- 07285877
Place: Guwahati
Date : 06/06/2019

B.J. Phukan
Director

DIN- 07721895
Place: Guwahati
Date : 06/06/2019

Place: Dibrugarh
Date : 08-07-2019

Samujjal Borah
Company Secretary
Place: Guwahati
Date : 06/06/2019

Statement of Changes in Equity

₹ in thousands

Particulars	Equity Share Capital	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items comprehensive Income (specify nature)	Money received against share warrants	Total
				Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings								
Balance at 01-April- 2017	16,72,500				3,51,051	500								3,51,551	
Changes in accounting policy or prior period errors	-													-	
Restated balance at the beginning of the reporting period	16,72,500				3,51,051	500								3,51,551	
Total Comprehensive Income for the year						3,23,066								3,23,066	
Dividends					(41,813)	-								(41,813)	
Transfer to/ from retained earnings					-	-								-	
Tax on Distribution Profits					(8,512)	-								(8,512)	
Balance at 31-Mar-18	16,72,500				3,00,726	3,23,566								6,24,292	

Cash Flow Statement for the period ended

	` in thousands	₹ in thousands
	31-Mar-19	31-Mar-18
A. CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX	5,28,196	4,90,096
ADD ADJUSTMENTS FOR		
Impact on Fair Valuation of Financial Instruments	303	83
Provision for Project Surplus Material/ Inventory	-	-
Depreciation and Amortisation	1,28,755	1,28,739
Interest paid	888	26,001
	1,29,946	1,54,823
	6,58,142	6,44,919
LESS ADJUSTMENTS FOR		
Interest / Dividend / Brokerage Income	19,388	13,562
Other Non Cash Items	-	-
Operating profit before working capital changes	6,38,754	6,31,357
ADJUSTMENTS FOR		
Trade and other receivables	(84,668)	(3,914)
Inventories	5,104	(19,258)
Trade and other payables	(1,22,696)	(1,77,962)
Cash generated from operations (Before Exceptional Items)	(2,02,260)	(2,01,134)
Exceptional Items (Loss on account of Fire)	-	-
Direct taxes paid	(1,17,764)	(1,11,053)
NET CASH FROM OPERATING ACTIVITIES (AFTER TAX)	3,18,731	3,19,170
B. CASH FLOW FROM INVESTING ACTIVITIES		
a) INVESTMENT IN PROPERTY PLANT & EQUIPMENTS	(30,987)	(6,678)
b) INVESTMENT IN FIXED DEPOSITS	(1,25,753)	828
c) INTEREST ON FIXED DEPOSITS	17,815	12,861
d) LONG TERM SECURITY DEPOSIT	0	(2)
NET CASH FROM INVESTING ACTIVITIES	(1,38,925)	7,009
C. CASH FLOW FROM FINANCING ACTIVITIES		
a) INTEREST PAID	(888)	(26,001)
b) ISSUE OF SHARE CAPITAL	-	-
c) SECURED LOAN	-	-
d) UNSECURED LOAN	-	(1,08,000)
e) PAYMENT OF DIVIDEND AND DIVIDEND TAX	(1,95,580)	(50,325)
NET CASH FROM FINANCING ACTIVITIES	(1,96,468)	(1,84,326)
D. NET INCREASE IN CASH AND CASH EQUIVALENT	(16,662)	1,41,852
E. CASH AND CASH EQUIVALENT CONSISTS OF :		
a) CLOSING CASH AND CASH EQUIVALENT		
i) Cash and Bank Balance	9,362	2,501
ii) Short Term Deposit with Banks	2,34,345	2,57,868
b) LESS : OPENING CASH AND CASH EQUIVALENT		
i) Cash and Bank Balance	2,501	870
ii) Short Term Deposit with Banks	2,57,868	1,17,647
F. INCREASE IN CASH AND CASH EQUIVALENT	(16,662)	1,41,852

In terms of our Report of even date attached

For and on behalf of the Board of Directors

For and on behalf of Rajendra C. Sharma & Co.
Chartered Accountants
Firm Reg. No. 315011E

(CA. Rajendra Chandra Sharma)
Membership No. 052029

Place: Dibrugarh
Date : 08-07-2019

A. K. Sharma
Director & Chief Executive
Officer
DIN- 07285877
Place: Guwahati
Date : 06/06/2019

B.J. Phukan
Director
DIN- 07721895
Place: Guwahati
Date : 06/06/2019

Samujjal Borah
Company Secretary
Place: Guwahati
Date : 06/06/2019

1. CORPORATE INFORMATION

DNP Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. At present the Registered Office of the Company is situated at Flat No. 04, House No. 2, "Dinesh Mansion" 2nd Floor, Dr. R.P. Road, Dispur, Guwahati, Kamrup and the Operational Office is situated at AGCL Campus, Duliajan, Assam. The company is engaged in transportation of natural gas from Oil India Limited's installation in Duliajan to Numaligarh.

2. SIGNIFICANT ACCOUNTING POLICIES

A. Basis for preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

B. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements, the disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

C. Property, Plant and Equipment

a) Land

Land acquired on outright purchase / perpetual lease basis are treated as free hold Land at cost plus incurred incidental expenses.

b) Property, Plant & Equipment other than Land

Property, Plant & Equipment are valued in accordance with Ind AS-16- Property, Plant and Equipment at cost on consistent basis inclusive of incidental expenses related thereto. Spare parts, stand-by equipment and servicing equipment being tangible items which are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one year are

capitalized to the item of Property, Plant & Equipment to which it is related. The Company considers spare parts, stand-by equipment and servicing equipment costing ` 1,000 thousand or more as such tangible items to be capitalized.

c) Intangible Assets:

Intangible assets are recognized on the basis of recognition criteria as set out in Indian Accounting Standard Ind AS 38- Intangible Assets.

Expenditure incurred for creating / acquiring intangible assets from which future economic benefits will flow over a period of time, are amortised over the estimated useful life of the asset if such useful life is finite. Intangible asset with an indefinite useful life is not amortised, when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity. Intangible Assets with indefinite useful life is tested for impairment as per Ind AS 36-Impairment of Assets. Amortization methods and useful lives are reviewed periodically at each financial year end. On reviewing, if the useful life changes, the same is accounted for as changes in accounting estimates and if such a change has the effect of change of indefinite useful life to a finite useful life the same is treated in accordance with Ind AS 38.

d) Expenditure during construction period:

Direct expenses incurred during construction period on capital projects are capitalised. Indirect expenses including related pre-production expenses are allocated to projects and are also capitalised.

e) Pre-operative Expenditure

Pre-operative expenditure incurred during construction period are allocated on completion of the project after setting off the income earned, if any.

D. Depreciation

Depreciation on Property, Plant & Equipment, other than those mentioned below is provided on Straight Line Method, at rates prescribed under schedule II to the Companies Act, 2013. When any part of an item of property, plant and equipment, has different useful life and cost is significant in relation to the total cost of the asset, they are accounted for and depreciated separately. Additions to Property, Plant & Equipment during the year are being depreciated from the date such Assets are capitalized.

(a) Assets costing upto ` 5 thousand are depreciated fully in the year of capitalization.

(b) Cost of the leasehold land not exceeding 99 years is amortized over the lease period.

(c) The typical useful lives of other major property, plant and equipment are as follows:

Buildings	30 to 60 yrs
Plant & Machinery	8 to 30 yrs
Computers & Data Processing Units	3 to 6 yrs

Furniture & Fixtures	10 yrs
Electrical Installation and Equipment	10 yrs
Roads & Drains	5 yrs

E. Inventories

Inventories/Stores are valued at weighted average cost. Project materials identified as surplus are provided for 95% of the value.

F. Revenue Recognition

- i. Revenue is recognized to the extent that it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue from services rendered is recognized net of Service Tax/ Goods and Services Tax on performance of service based on agreements/arrangements with the concerned parties.
- ii. Other claims are booked when there is a reasonable certainty of recovery. Claims are reviewed on a periodical basis and if recovery is uncertain, provision is made in the accounts.
- iii. Income from sale of scrap is accounted for on realisation.
- iv. Dividend income is recognised when the company's right to receive the dividend is established which can be reliably measured and it is probable that the economic benefits associated with the dividend will flow to the entity.
- v. Interest income is recognised using the effective interest method.
- vi. Liquidated damages, if any, are accounted for as and when recovery is effected and the matter is considered settled by the Management. Liquidated damages, if settled after capitalisation of the assets and less than ` 500 thousand in each case are charged to revenue, otherwise adjusted against the cost of the relevant assets.
- vii. Insurance claim is accounted for on the basis of claims admitted by the insurers.

G. Classification of Income/Expenses

Expenses are accounted for on accrual basis and provision is made for all known liabilities.

Income/expenditure up to ₹ 100 thousand in each case pertaining to prior years is charged to the current year.

Prepaid expenses up to ` 100 thousand in each case are charged to revenue as and when incurred.

H. Borrowing Costs

Borrowing cost of the funds that are attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such assets. The same is capitalized up to the date when the asset is ready for intended use or sale, after netting off any income earned on temporary investment of such funds.

I. Foreign Currency Transaction

- a. Foreign currency transactions are recorded at the rate of exchange prevailing on the date of transaction.
- b. All exchange differences are dealt with as per Ind AS 21.
- c. Monetary items carried at historical cost denominated in foreign currency are converted at exchange rates prevailing at the year end. Any gain/loss arising out of such conversion is recognized in the Profit & Loss Account.

J. Capital Grants

Government grants in the nature of promoters' contribution are credited to Capital Reserve and treated as part of shareholders' fund.

K. Provisions, Contingent Liabilities and Capital Commitments

- a. Provisions are recognized when there is present legal or constructive obligation as a result of past event and it is probable that an outflow of economic benefits will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.
- b. Contingent assets are neither recognized nor disclosed in the financial statements. Contingent liabilities exceeding ₹100 thousand in each case are disclosed by way of notes to accounts.
- c. Estimated amount of contracts remaining to be executed on capital accounts are disclosed in each case above ₹100 thousand.

L. Taxes on Income

The tax expense comprises of current tax & deferred tax charged or credited to the statement of profit and loss for the year. Provision for Current tax is calculated in accordance with the provisions of the Income Tax Act, 1961 and rules thereunder applicable for the current financial year. Adjustments of Taxes/ Provisions are made on receipt of Intimation/ Deemed Intimation.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit & Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

Deferred tax expenses or benefit is recognized using the tax rates and tax laws that have been enacted by the balance sheet date. In the event of unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Other deferred tax assets are recognized only to the extent there is a reasonable certainty of realization in future.

M. Impairment of Assets

The values of Property, Plant & Equipment in respect of Cash Generating Units are reviewed by the Management for impairment at each Balance Sheet date if events or circumstances indicate that the carrying values may not be recoverable. If the carrying value is more than the net selling price of the Asset or present value, the difference is recognized as an impairment loss.

N. Cenvat / GST Input Credit

Cenvat credit of Excise Duty/ Input GST Credit on eligible material is recognized on receipt of such materials and Cenvat credit of Service Tax is recognized on payment of Service Tax to the Service Provider. Input GST Credit on Services is recognized on receipt of invoices from service providers and approval thereof.

O. Financial Instruments

(a) Initial Recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables. All financial liabilities except for Deposits from Customer which are maturing within one year from the Balance Sheet date are initially measured at transaction price as the carrying amounts approximate fair value due to the short maturity of these instruments.

(b) Subsequent Recognition

Financial assets and liabilities are subsequently carried at amortized cost except for Deposits from Customer which is measured at fair value through profit or loss.

(c) Fair Value of Financial instruments

Fair value measurements of financial assets and liabilities are made using variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The income approach has been adopted wherever valuation techniques are required to be applied on financial assets and liabilities.

Notes Forming Part of Financial Statements

3 (i) Property, Plant and Equipment

Particulars	Gross Block/Cost				Depreciation				As at	
	01-Apr-17		31-Mar-18		01-Apr-17		31-Mar-18			31-Mar-17 (10) = (1 - 5)
	(1) As at	(2) Addition	(3) Deductions on account of Retirement/ Adjustments	(4) = (1 + 2 - 3) As at	(5) As at	(6) Addition	(7) Deductions on account of Retirement/ Adjustments	(8) = (5 + 6 - 7) As at		
Land	20,865	-	-	20,865	-	-	-	20,865	20,865	
Buildings										
1) Building (Other than Factory Building) RCC Frame Structure	38,663	-	-	38,663	-	-	-	1,959	36,704	
2) Factory Building	82,637	-	-	82,637	-	-	-	8,952	73,685	
Roads & Drains										
1) Carpeted Roads - Other than RCC	22,678	-	-	22,678	-	-	-	20,511	2,167	
Plant & Machinery										
1) Continuous Process Plant (Compressors)	3,63,769	1,144	-	3,64,913	-	-	-	48,487	3,16,426	
2) Pipeline	20,05,548	-	-	20,05,548	-	-	-	2,13,872	17,91,676	
3) Other Plant & Machinery	1,72,034	2,563	-	1,74,597	-	-	-	43,667	1,30,930	
Furniture & Fixtures										
1) Furniture General	594	1,012	-	1,606	-	-	-	366	1,240	
Computers & Data Processing Units										
1) Servers & Networks	32,101	-	-	32,101	-	-	-	25,691	6,410	
2) End use devices - Desktops, Laptops etc.	590	568	5	1,153	5	0	0	343	810	
Electrical Installation and Equipment Small Value Assets	1,22,148	331	-	1,22,479	-	-	-	55,556	66,923	
	73	22	1	94	1	1	1	94	-	
Total	28,61,700	5,640	7	28,67,334	7	1,28,740	1	4,19,498	24,47,836	25,70,941

1. Free hold land owned by the company as on 31.03.2018 stands at 54B-4K-15.43L (including 7B-3K-6.56L allotted by Govt. of Assam) out of which mutation is pending for 16B-4K-16.43L.

2. Deductions in PPE are on account of reversal of excess capitalisation done owing to excess liability taken in FY 2016-17 related to certain Computer items

3 (ii) Capital work-in-progress

	As at 01-Apr-17	Addition	Deductions	As at 31-Mar-18	As at 31-Mar-17
Building (Other than Factory Building) RCC Frame Structure - Office Building	-	302	-	302	-
Total	-	302	-	302	-

3 (i) Property, Plant and Equipment

₹ in thousands

Particulars	Gross Block/ Cost		Depreciation				As at	
	As at	Addition	Deductions on account of Retirement/ Adjustments	As at	As at	Addition		Deductions on account of Retirement/ Adjustments
	01-Apr-18	01-Apr-18	01-Apr-18	31-Mar-19	01-Apr-18	31-Mar-19	31-Mar-18	
	(1)	(2)	(3)	(4) = (1 + 2 - 3)	(5)	(6)	(7)	
						(8) = (5 + 6 - 7)	(9) = (4 - 8)	(10) = (1 - 5)
Land	20,865	-	-	20,865	-	-	-	20,865
Buildings								
1) Building (Other than Factory Building) RCC Frame Structure	38,663	-	-	38,663	1,959	653	-	36,051
2) Factory Building	82,637	987	-	83,624	8,952	2,989	-	71,683
Roads & Drains								
1) Carpeted Roads - Other than RCC	22,678	-	-	22,678	20,511	-	-	2,167
Plant & Machinery								
1) Continuous Process Plant (Compressors)	3,64,913	24,494	-	3,89,407	48,487	16,896	-	3,24,024
2) Pipeline	20,05,548	-	-	20,05,548	2,13,872	72,419	-	17,19,257
3) Other Plant & Machinery	1,74,597	3,043	-	1,77,640	43,667	14,943	-	1,19,030
Furniture & Fixtures								
1) Furniture General	1,606	572	-	2,178	366	222	-	1,590
Computers & Data Processing Units								
1) Servers & Networks	32,101	-	-	32,101	25,691	1,417	-	4,993
2) End use devices - Desktops, Laptops etc.	1,153	201	-	1,354	343	332	-	679
Electrical Installation and Equipment Small Value Assets	1,22,479	1,340	-	1,23,819	55,556	18,657	-	49,606
	94	15	-	109	94	15	-	-
Total	28,67,334	30,652	-	28,97,986	4,19,498	1,28,543	-	23,49,945
								24,47,836

1. Free hold land owned by the company as on 31.03.2019 stands at 54B-4K-15.43L (including 7B-3K-6.56L allotted by Govt. of Assam) out of which mutation is pending for 16B-4K-16.43L.

	₹ in thousands			
	As at 01-Apr-18	Addition	Deductions	As at 31-Mar-19
3 (ii) Capital work-in-progress				As at 31-Mar-18
Building (Other than Factory Building) RCC Frame Structure - Office Building	302	-	-	302
Total	302	-	-	302

3 (iii) Other Intangible assets

Particulars	Gross Block/ Cost		Depreciation			
	As at 01-Apr-18	As at 31-Mar-19	Addition	Deductions on account of Retirement/ Adjustments	As at 31-Mar-19	As at 31-Mar-18
Way Leave Rights	(1)	(4) = (1 + 2 + 3)	(2)	(3)	(8) = (5 + 6 - 7)	(10) = (1 - 5)
	-	335	335	-	122	-
Total	-	335	335	-	122	213

Notes Forming Part of Financial Statements

4 Intangible assets under development	₹ in thousands	
	31-Mar-19	31-Mar-18
SOFTWARE		
a) Inventory Management Software	-	90
	-	90
Inventory Management software was not found to be useful. Therefore, the same has been written off during the year.		
5 Other non-current assets	₹ in thousands	
	31-Mar-19	31-Mar-18
Security Deposits (Unsecured, considered good)	874	874
	874	874
6 Inventories	₹ in thousands	
	31-Mar-19	31-Mar-18
Stores and spares valued at Weighted Average Cost	1,10,712	1,15,816
Less : Provision for Losses for Project surplus material	(46,384)	(46,384)
	64,328	69,432
7 Trade Receivables	₹ in thousands	
	31-Mar-19	31-Mar-18
Unsecured		
<u>Outstanding for a period exceeding six months from the date they are due for payment :</u>		
Considered good	-	-
Considered doubtful	8,567	-
	8,567	-
Less: Provision for doubtful receivable	8,567	-
	-	-
	(A)	-
<u>Not Exceeding Six Months :</u>		
Other receivables	-	-
Considered good.	1,64,500	1,19,313
Considered doubtful.	14,490	-
	1,78,990	1,19,313
Less: Provision for doubtful receivable.	14,490	-
	1,64,500	1,19,313
	(B)	1,19,313
	(A+B)	1,19,313

8 Cash and Cash Equivalents	₹ in thousands	
	31-Mar-19	31-Mar-18
Cash in Hand	-	-
Balances with bank		
In current account	9,362	2,501
Deposits with original maturity of less than three months	2,34,345	2,57,868
	<u>2,43,707</u>	<u>2,60,369</u>
9 Other Bank Balances	₹ in thousands	
	31-Mar-19	31-Mar-18
Deposits with original maturity for more than three months	1,40,000	14,247
	<u>1,40,000</u>	<u>14,247</u>
10 Current Tax Assets (Net)	₹ in thousands	
	31-Mar-19	31-Mar-18
Advance Income Tax	2,97,302	1,79,538
Provision for Income Tax	(2,88,487)	(1,69,735)
	<u>8,815</u>	<u>9,803</u>

Reconciliation of effective tax rate

	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit before tax	5,28,196	4,90,096
Tax using the Company's domestic tax rate at MAT (Current year 21.34% and 21.34 % Previous Year)	1,13,820	1,04,594
Increase in tax rate		
Tax effect of:		
Amount withdrawn from reserves or provisions	(37)	(36)
Provisions for uncertain liabilities	4,969	-
Tax-exempt income		
Interest expense not deductible for tax purposes		-
Others (Prior Years)	-	(36)
Current Tax (A)	<u>1,18,752</u>	<u>1,04,522</u>
Amount of deferred tax expense (income) relating to the origination and reversal of temporary differences (B)	(50,266)	62,508
Tax expense as per Statement of Profit & Loss (A+B)	<u>68,486</u>	<u>1,67,030</u>

The applicable normal Indian statutory tax rate for fiscal 2019 is 29.12% and fiscal 2018 is 34.61%. However the company is provisioning taxes (MAT) as per section 115JB of the I T Act, 1961. MAT Credit has been recognised to the extent there is certainty of recovery of same within the specified period.

11 Other current assets	₹ in thousands	
	31-Mar-19	31-Mar-18
Security Deposits		
(Unsecured, considered good.)	466	130
Loans and advances to related parties		
(Secured, considered good)	-	-
Other Loans and advances		
To Employees		
(Secured, considered good.)	89	49
To Others		
(Unsecured, considered good)	44,258	3,317
(Unsecured, considered doubtful)	-	-
Less : Provision for doubtful advances	-	-
Prepaid Expenses	1,227	1,473

Deposit with Statutory Authorities	3,138	5,807
Claimable GST Tax credit	1,843	879
Interest accrued but not due on Fixed Deposits	2,759	1,186
Other Income Accrued but not due	115	-
Other Receivables	32	32
	53,928	12,873

(i) Loans and advances to others include ₹ 43,199 thousand (₹ NILL previous year) on account of advance for acquisition of land for the purposes of construction of residential colony for employees.

(ii) Deposits with Statutory Authorities include deposit in Electronic Cash Ledger ₹ 3,138 thousand (previous year IGST Input Credit ₹ 5,807 thousand).

(iii) Other Incomes accrued but not due includes GST of ₹ 12 thousand (previous year ₹ NIL) and will be recognised as per the provisions of section 13(6) of the CGST Act, 2017.

12 Equity Share Capital	₹ in thousands	
	31-Mar-19	31-Mar-18
Equity Shares Authorised		
17,00,00,000 (31 March 2018 : 17,00,00,000) Equity Shares of ₹ 10 each	17,00,000	17,00,000
	17,00,000	17,00,000
Issued, Subscribed and Paid up		
16,72,50,000 (31 March 2018 : 16,72,50,000) Equity Shares of ₹ 10/- each	16,72,500	16,72,500
	16,72,500	16,72,500

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	31-Mar-19		31-Mar-18	
	Number	₹ in thousands	Number	₹ in thousands
Equity Shares				
Shares outstanding at the beginning of the year	16,72,50,000	16,72,500	16,72,50,000	16,72,500
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	16,72,50,000	16,72,500	16,72,50,000	16,72,500

b. Terms/right 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 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.

c. Shares held by holding company

Out of equity shares issued by the Company, shares held by Holding Company is as below :

	₹ in thousands	
	31-Mar-19	31-Mar-18
Assam Gas Company Limited (with nominees)		
8,53,00,000 (31st March 2018 : 8,53,00,000) equity shares of ₹ 10/- each fully paid	8,53,000	8,53,000

d. Details of shareholders holding more than 5% shares in the company

Name of Shareholders	31-Mar-19		31-Mar-18	
	Number	% of Holding	Number	% of Holding
Assam Gas Company Limited (with nominees)	8,53,00,000	51%	8,53,00,000	51%
Numaligarh Refinery Limited	4,34,90,000	26%	4,34,90,000	26%
Oil India Limited.	3,84,60,000	23%	3,84,60,000	23%

13 Other Equity

₹ in thousands

		General Reserve	Profit & Loss Account	Total
As at 01-April- 2017		3,51,051	500	3,51,551
Profit/(Loss) for the year		-	3,23,066	3,23,066
Dividend to Equity shareholders for the year ended	31-Mar-17	(41,813)	-	(41,813)
Tax on Distribution of Profits for the year ended	31-Mar-17	(8,512)	-	(8,512)
Transfer (to)/from		-	-	-
As at 31-Mar-18		3,00,726	3,23,566	6,24,292
As at 01-April- 2018		3,00,726	3,23,566	6,24,292
Profit/(Loss) for the year			4,59,710	4,59,710
Dividend to Equity shareholders for the year ended	31-Mar-18	-	(1,62,233)	(1,62,233)
Tax on Distribution of Profits for the year ended	31-Mar-18	-	(33,347)	(33,347)
Transfer (to)/from		1,27,486	(1,27,486)	-
As at 31-Mar-19		4,28,212	4,60,210	8,88,422

Proposed Dividend (including Dividend Distribution Tax on Proposed Dividend) on Equity Shares is accounted for on payment basis.

14 Borrowings

₹ in thousands

	Non-current portion		Current Maturities	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Term Loans				
From Assam Gas Company Limited				
Secured	-	-	-	-
Unsecured	-	-	-	1,08,000
Amount disclosed under the head "Other Financial Liabilities".		-	-	(1,08,000)
	-	-	-	-

Additional Information to Secured/Unsecured Long Term Borrowings:

The long term portion of term loans are shown under long term borrowings and the current maturities of the long term borrowings are shown under the current liabilities as per the disclosure requirements of the Schedule III.

Detail of Securities and Terms of repayment

Assam Gas Company Limited :-

The loan of ₹ 6,68,000 thousand bearing interest at the rate of 10.00% is repayable in 30 (thirty) monthly installments, consisting of 1 (one) installment of ₹ 20,000 thousand, 28 (twenty-eight) equal monthly installments of ₹ 22,500 thousand each and Last 1 (one) installment of ₹ 18,000 thousand only.

15 Other financial liabilities	₹ in thousands	
	31-Mar-19	31-Mar-18
Non-Current:		
Deposits from Customer (Non Current)	5,164	13,425
Advance for Transportation Charge (Non Current)	522	2,641
	(A) 5,686	16,066
Current:		
Current maturities of long term debt	-	1,08,000
EMD from Contractors & Suppliers	1,543	1,109
Security Deposits from Contractors	5,912	2,029
Retentions from Contractors	286	249
Advance against Project	-	45,511
Less: Stores and spares (in hand for Project Work)	-	10,715
Advance for transportation Charge (Current)	2,118	2,118
Deposits from Customer (Current)	21,476	10,793
	(B) 31,335	1,59,094
Total	(A+B) 37,021	1,75,160

(i) Advance against Project comprises of amount received from NHIDCL against expenses to be incurred by the Company for shifting of pipelines due to the ongoing work of four laning of NH-37. The said work is completed and the amount was amortised against expenses incurred for the same in current financial year.

(ii) Deposits from Customer (Current/ Non-Current) pertains to the fair value of Security Deposit received from Numaligarh Refinery Limited.

16 Deferred Tax Liabilities (Net)

	₹ in thousands	
	31-Mar-19	31-Mar-18
Deferred Tax Liability		
Deposits from Customer	210	354
Property, Plant and Equipment	3,86,430	4,36,551
Total	3,86,640	4,36,905
Deferred Tax Assets		
Total	-	-
Net Deferred Tax Liability	3,86,640	4,36,905

17 Trade payables

	₹ in thousands	
	31-Mar-19	31-Mar-18
Creditors for Capital Expenditure	564	564
Other Trade Payables	25,526	23,138
	26,090	23,702

The disclosing in respect of the amounts payable to Micro, Small and Medium Enterprises as at 31st March, 2019 has been made in the financial statements based on information received and available with the company. Accordingly disclosure has been made below:-

	₹ in thousands	
	31-Mar-19	31-Mar-18
Principal and interest amount remaining unpaid-		
Principal	-	-
Interest	-	-
The amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year	-	-
The amount of the payments made to Micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-

18 Other Current Liabilities	₹ in thousands	
	31-Mar-19	31-Mar-18
Statutory Liabilities	13,945	1,534
Other Payables	1,990	1,043
	<u>15,935</u>	<u>2,577</u>

19 Provisions	₹ in thousands	
	31-Mar-19	31-Mar-18
Other Provisions		
Provision for Professional Tax	3	3
	<u>3</u>	<u>3</u>

20 Revenues from Operations	₹ in thousands	
	April - Mar 19	April - Mar 18
Sale of Services		
Transportation of Gas	8,64,764	8,00,618
	<u>8,64,764</u>	<u>8,00,618</u>

(i) Transportation of Gas includes ₹ 2,118 thousand for the period Apr- Mar 19 and ₹ 2,118 thousand for the period Apr- Mar 18 on account of adjustment towards fair valuation of Security Deposit from Numaligh Refinery Limited.

(ii) During the year an amount of ₹ 13,016 thousand (previous year ₹ (-) 7,030 thousand) owing to fuel price adjustment to transportation charges of gas has not been accounted for owing to confirmation being awaited from Numaligarh Refinery Limited

21 Other Income	₹ in thousands	
	April - Mar 19	April - Mar 18
Interest Income		
On Bank Deposits	19,388	13,562
Contract Income	38,569	-
Other non-operating income	3,106	715
	<u>61,063</u>	<u>14,277</u>

22 Employee Benefits Expense	₹ in thousands	
	April - Mar 19	April - Mar 18
Salaries and wages		

Employees	17,034	12,545
Deputed Employees (AGCL)	13,835	13,771
Stipend to Trainees	245	40
Contribution to Provident Fund	1,633	1,275
Contribution to Gratuity Fund	432	368
Welfare & Training Expenses	654	657
	33,833	28,656

23 Finance Costs

₹ in thousands

	April - Mar 19	April - Mar 18
Interest expenses on loans		
OIDB Loan	-	542
Assam Gas Company Limited	888	25,459
Interest on Fair Valuation	2,422	2,202
	3,310	28,203

Interest on Fair Valuation pertains to the adjustments made to restate the carrying amount of Security Deposit from Numaligarh Refinery Limited at Fair Value.

24 Other Expenses

₹ in thousands

	April - Mar 19	April - Mar 18
Power & Fuel	84,921	58,448
Operation & Maintenance		
- Compressor	20,075	19,456
- Others	2,914	1,730
ROW Expenses		
- ROW Rental Charges	4,244	4,161
- ROW Supervision Charges	424	416
Rent	838	808
Repair & Maintenance		
Plant & Machinery	21,654	13,599
Building	1,798	698
Others	826	857
Insurance	6,485	6,439
Rates and Taxes-excluding taxes on income	804	630
Auditors' Remuneration		
Statutory Audit Fees	40	40
Cost Audit Fee	40	30
Tax Audit Fee	18	18

Secretarial Audit Fee	35	40
For Other Matters (Statutory Auditor)	20	40
For Other Matters (Cost Auditor)	50	15
Reimbursement of Out of Pocket Expenses (Statutory Auditor)	2	10
Reimbursement of Out of Pocket Expenses (Cost Auditor)	2	1
Reimbursement of Out of Pocket Expenses (Secretarial Auditor)	-	9
Travelling and Conveyance	5,263	5,274
Stationery, Postage, Telephone & Advertisement	2,808	3,918
Security Expenses	9,989	7,767
Accounting Service Charges	-	285
CSR Expenses	5,104	8,931
Professional Charges	853	2,474
Sub-Contract Expenses	36,909	-
Fire & Safety Expenses	-	11
Provision for Bad and Doubtful Debts	23,057	-
Honorarium to Directors	793	240
Donation & Subscription	8	1,504
Bank Charges & Other Misc. Expenses	1,759	1,352
	<u>2,31,733</u>	<u>1,39,201</u>

25 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

March 31, 2019	Carrying amount			Fair value				
	Mandatorily at FVTPL	FVTOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents			2,43,707	2,43,707				
Other Bank Balances			1,40,000	1,40,000				
Trade receivables			1,64,500	1,64,500				
	-	-	5,48,207	5,48,207	-	-	-	-
Financial liabilities								
Deposit from Customer	29,280			29,280		29,280		29,280
Term loans			-	-				-
Trade and other payables			26,090	26,090				-
Other current financial liabilities			7,741	7,741				-
	29,280	-	33,832	63,112	-	29,280	-	29,280
March 31, 2018								
Carrying amount			Fair value					
	Mandatorily at FVTPL	FVTOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents			2,60,369	2,60,369				-
Other Bank Balances			14,247	14,247				-
Trade receivables			1,19,313	1,19,313				-
	-	-	3,93,929	3,93,929	-	-	-	-
Financial liabilities								
Deposit from Customer	28,976			28,976		28,976		28,976
Term Loans			1,08,000	1,08,000				-
Trade and other payables			23,702	23,702				-
Other current financial liabilities			38,183	38,183				-
	28,976	-	1,69,885	1,98,861	-	28,976	-	28,976

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Deposit from Customer	Present Value techniques using appropriate discounting rates.	Not applicable	Not Applicable

C. Financial risk management

i. 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 regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Baring Market risk the Company has exposure to the following risks arising from financial instruments:

- **Credit risk ;**
- **Liquidity risk**

i. Market risk

Market risk is the risk of changes in market prices – such as foreign exchange rates, interest rates and equity prices – that will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. Though the Company expects circumstances relating of transactions in foreign currency, but the Company is currently not carrying any foreign exchange bearing financial instruments in the stated reporting periods.

Notes Forming Part of Financial Statements

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of the customer. The Company assumes low credit risk on Trade Receivables which comprise of only one customer amounting to ₹ 1,87,557 thousand as at 31st March 2019 and ₹ 1,19,313 thousand as at 31st March 2018 ; as it does not expect its customer to fail in meeting its contractual obligations as the Company understands that the customer has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. However, since 1st April 2018 the customer has not been honouring the annual 3% increment in the dues amounting to ₹ 23,057 thousand, citing review of the tariff rate for transportation of gas.

	₹ in thousands		
	Gross carrying amount	Weighed average loss rate - range	Loss allowance
31-Mar-19			
Neither past due not impaired	83,596	0%	-
Past due 1-90 days	88,718	9%	7,814
More than 90 days	15,243	100%	15,243
	1,87,557	12.29%	23,057

	₹ in thousands		
	Gross carrying amount	Weighed average loss rate - range	Loss allowance
31-Mar-18			
Neither past due not impaired	58,495	-	-
Past due 1-90 days	60,098	-	-
More than 90 days	720	-	-
	1,19,313	-	-

Cash and cash equivalents

The Company held cash and cash equivalents of ₹ 2,43,707 thousand as at March 31, 2019 and ₹ 2,60,368 thousand as at March 31, 2018. The cash and cash equivalents are held with bank with good credit ratings. The Company also invests its short term surplus funds in bank fixed deposit, which carry no/low mark to market risks for short duration therefore does not expose the company to credit risk.

Other than trade and other receivables, the Company has no other material financial assets that are past due but not impaired.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due in a cost effective manner, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

March 31, 2019	Carrying amount	Contractual cash flows				₹ in thousands
		Total	Upto 1 year	1-3 years	3-5 years	
Financial liabilities						
Deposit from Customer	29,280	30,000		30,000		
Trade and other payables	26,090	26,090	26,090			
Other current liabilities	7,741	7,741	7,741			
		Contractual cash flows				
						₹ in thousands
March 31, 2018						
Financial liabilities						
Deposit from Customer	28,976	30,000	-	-	30,000	-
Term loans	1,08,000	1,08,000	1,08,000			
Trade and other payables	23,702	23,702	23,702			
Other current liabilities	38,183	38,183	38,183			

The Company has not carried any derivative financial liabilities as on 31st March 2019 and 31st March 2018.

- 26 Provision for taxation for the financial year 2018-19 amounting to ₹ 1,18,752 thousand (Previous Year ₹ 1,04,521 thousand) has been arrived at after availing MAT Credit of ₹ 24,176 thousand u/s 115JAA of the Income Tax,1961 in the FY 2018-19 (Previous Year ₹ 6,056 thousand) due to certainty of recovery of the same.

27 Earnings per equity share	₹ in thousands	
	31-Mar-19	31-Mar-18
Face value ₹ 10/- each		
Net profit as per Profit and Loss account available to Equity Shareholders	4,59,710	3,23,066
Weighted average number of Equity Shares outstanding during the year	16,72,50,000	16,72,50,000
Basic earnings per share (₹)	2.75	1.93
Diluted earnings per share (₹)	2.75	1.93

- 28 The company is operating under a single segment. As such there is no other reportable segment as defined by the Ind AS-108 Operating Segments notified by the Ministry of Corporate Affairs.

- 29 Trade Receivables and Trade Payables including Creditors for Capital Expenditure are subject to Confirmation.

- 30 As per guidelines Ind AS 36 "Impairment of Assets", the company has assessed the recoverable amount of the relevant assets and found that no impairment exists in relation to its assets as on 31st March 2018 and 31st March 2017.

31 Contingent Liabilities	₹ in thousands	
	31-Mar-19	31-Mar-18
Contingent Liabilities :		
<u>Claims against the Company not acknowledged as debts :</u>		-
<u>In respect of Taxation matters</u>		
Service Tax	2,229	2,229
<u>Guarantees :</u>		-
<u>Other Money for which the company is contingently liable :</u>		
Rental and Supervision Charges for ROW to Oil India Limited (Arisen because of the difference in land vale calculation between the concerned parties)	13,702	11,868
	<u>15,931</u>	<u>14,097</u>
<u>Commitments :</u>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net off Advance)	75,129	39,481
	<u>75,129</u>	<u>39,481</u>

- 32 Related Party Transactions

The Company has adopted the exemption under para 25 of Ind AS-24 related to disclosure pertaining to related parties under the control of the same Govt.

List of Related Parties

Particulars	Nature of Relationship
1 Assam Gas Company Limited (AGCL)	Parent Company and under the control of the same Govt. Viz. Government of Assam
2 Numaligarh Refinery Limited (NRL)	Being Associate of NRL
3 Oil India Limited (OIL)	Being Associate of OIL
4 Shri Rupam Goswami	Being Director of the Company
5 Shri Ashwini Pait	Being Director of the Company

The details of amounts (due to) or due from related parties as at 31st March 2019 and 31st March 2018 are as follows:

Particulars	₹ in thousands	
	31-Mar-19	31-Mar-18
Numaligarh Refinery Limited (NRL)	1,35,221	91,732
Oil India Limited (OIL)	(15,278)	(14,634)

Terms and Conditions and nature of consideration for settlement:

- The balance of NRL includes amount trade receivables and amount of security deposit received under the terms and conditions of Gas Transportation Agreement and other advances for purchase of materials.
- The balance of OIL includes other trade payables against supply of Natural Gas at market rates, ROW rental and supervision charges and maintenance of cathodic protection system as per terms and conditions of respective agreements.

The details of the related parties transactions entered into by the Company for the year ended 31st March 2019 and 31st March 2018 are as follows:

Particulars	Nature of Transactions	₹ in thousands	
		31-Mar-19	31-Mar-18
Revenue Transactions:			
1 Assam Gas Company Limited (AGCL) :	Key Management Personnel on Deputation	2,173	1,813
2 Numaligarh Refinery Limited (NRL) :	Transportation of Natural Gas	8,64,764	8,00,618
	Project Management Consultancy Fees	1,984	611
3 Oil India Limited (OIL) :	Consumption of Natural Gas	76,865	50,980
	ROW rental & Supervision charges	4,668	4,577
	Maintenance of CPS	-	1,542
	Water Testing Charges	116	-
4 Shri Rupam Goswami	Honorarium	436	120
5 Shri Ashwini Pait	Honorarium	357	120

Key management personnel compensation	₹ in thousands	
	31-Mar-19	31-Mar-18
1 Nagen Chandra Adhikary, Company Secretary (upto 27th December, 2017)		
(a) Short-term employee benefits	-	433
(b) Post-employment benefits	-	-
(c) Other long-term benefits	-	-
(d) Termination benefits	-	-
(e) Share-based payments	-	-
2 Samujjal Borah, , Company Secretary (appointed w.e.f. 12th February, 2018)		
(a) Short-term employee benefits	724	92
(b) Post-employment benefits	-	-
(c) Other long-term benefits	-	-
(d) Termination benefits	-	-
(e) Share-based payments	-	-

33 Reconciliation of Expenditure on Corporate Social Responsibility (CSR) Activities are as follows:

	₹ in thousands	
	2018-19	2017-18
Amount unspent (for earlier years) at the beginning of the year	858	4,930
Amount earmarked during the financial year for CSR activities	6,826	4,859
Amount actually spent for CSR activities	5,104	8,931
Amount remaining unspent at the end of the year	2,580	858

34 Dividend

The Board of Directors of the Company has proposed to declare a dividend @ 13.80% (inclusive DDT) of Paid up Share Capital for the FY 2018-19 (previous year @ 9.7% of Paid up Share Capital)

35 Previous year figures

Previous year figures have been regrouped / reclassified wherever necessary for comparison and conforms to current year's classification.

**Tripura Natural Gas
Company Limited
TNGCL**

Special messenger



लोकहितार्थ सत्यनिष्ठा

Dedicated to Truth in Public Interest.

सं ईएस-1 (पीएसयू)/52-33/2019-20/237,
दिनांक : 07 अगस्त 2019

महालेखाकार) लेखापरीक्षा (का कार्यालय,
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सेवा में

प्रबंधन निदेशक,
त्रिपुरा प्राकृतिक गैस कंपनी लिमिटेड,
शिल्पा भवन, खेजूर बागान, कुंजबन,
अगरतला, त्रिपुरा (पश्चिम).

8 AUG 2019

6/8/19

विषय: - वर्ष 31 मार्च 2019 की समाप्ति के लिए त्रिपुरा प्राकृतिक गैस कंपनी लिमिटेड के लेखाओं पर कंपनी अधिनियम, 2013 की धारा 143 (6) (बी) के अंतर्गत भारत के नियंत्रक महालेखापरीक्षक की टिप्पणी।

महोदय,

मैं 31 मार्च 2019 के अंत के लिए त्रिपुरा प्राकृतिक गैस कंपनी लिमिटेड के खातों पर कंपनी अधिनियम, 2013 की धारा 143 (6) (बी) के तहत एक निल टिप्पणी सर्टिफिकेट भेज रहा हूँ।

उपर्युक्त कथित वर्ष के लिए प्रिंटेड वार्षिक लेखाओं की दो प्रतियाँ निदेशक रिपोर्ट के साथ इस कार्यालय को कृपा रिकॉर्ड के लिए भेजे।

इस पत्र की पावती कृपा भिजवाए।

संतोष : यथोपरी

भवदीय,

उपमहालेखाकार (प्रशा. & ईआरएस)

उपमिन
09/8/19

पामि/52/13/म
7/8/19
व. ले. अ.



S A. Majumdar & Associates
Chartered Accountants

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West Tripura – 799001, INDIA

INDEPENDENT AUDITOR'S REPORT

To
The Members
Tripura Natural Gas Company Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Tripura Natural Gas Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting 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 there under and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and





S A. Majumdar & Associates
Chartered Accountants

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plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone 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 standalone financial statements.

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

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 March 31, 2019, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

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 Act, we give in the Annexure A, a statement on the matters specified in paragraph 3 and 4 of the Order

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow 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 Indian Accounting Standards prescribed under section 133 of the Act.





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e) on the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

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

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A & B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For S.A.Majumdar & Associates
Chartered Accountants
(Firm's Registration No.312032E)

(CA S.Majumdar)
(Membership No. 050476
Agartala, June 03, 2019





S A. Majumdar & Associates
Chartered Accountants

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ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Tripura Natural Gas Company Limited of even date)

i. In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

(ii) Physical verification of inventory has been conducted at reasonable intervals by the management and any material discrepancies noticed have been properly dealt with in the books of account.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships (LLPs) or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise





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Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(c) Case with Tripura Sales Tax Department :Appeal Case No:21-22/Ch.VII/2012
Appeal Case No:21-22/Ch.V./2012 filed by the Company against the Assessment order dated:28/09/2011 for the TVAT Assessment for the financial year 2005-06 & 2006-07 issued by The Superintendent of Taxes, Charge-V .The Company has already deposited Rs. 73,46,159/- with the Superintendent of Taxes, Charge-V as appeal money on 23-02-2012.

The judgment received has been against the Company vide 21-22/Ch.VII/2012/1225-26 dt:21-03-2014 passed by the Appellate Authority to deposit Rs.1,15,34,682/-proposing waiving 50% penalty.

TNGCL later filed on 11/06/2014 before The Revisional Authority, the Commissioner of Taxes, Agartala to review the order passed by The Appellate Authority.

Order dated: 11-12-2015 has been issued by the Revisional Authority w.r.t. TNGCL's Case No:21-22/Ch.VII/2012 for the period 2005-06 & 2006-07 & Revision case 04 & 05/CH-VII/2014 reducing the penalty by 50%.

Accordingly, superintendent of Taxes, Charge-VII has called for re-assessment on 15-02-2016 vide letter no: F.TIN/16041027012/ST/CH-VII/708 dt: 27-01-2016 and later on issued demand notice for Rs. 25,90,294/- for the financial year 2006-07 and Rs. 15,93,238/- for the financial year-2005-06 reducing the penalty by 50% for both the financial years but keeping 100% interest.

The Company has filed stay order petition with The Hon'ble High Court, Agartala & the Case is presently lying with The Hon'ble High Court, Agartala.

(d) Case –TNGCL vs Sri Swapan Banik, Commercial Consumer

TNGCL have received Debit Note No: GAIL/AGT/F&A/TNGCL/DEBIT NOTE/2014-15 dt:06-09-2014 from GAIL (India) Ltd. for Rs.3,09,32,980/- towards the differential price of APM & Non-APM supplied to Commercial & Industrial consumers of TNGCL w.e.f.July,2005 to 31st March,2014 with reference to MoPNG Circular no:L-16012/17/2012-GP dated:07-01-2014 .

TNGCL has then raised back to back debit note to its Commercial and Industrial consumers. On receipt of the said debit note Sri Swapan Banik, one of the consumer filed a Petition filed against a demand of Rs. 93,777/- as arrear Gas Bill raised by TNGCL.

Verdict of the District Consumer Dispute Redressal Forum, West Tripura have been delivered on 30-03-2016 that charging of non-APM price cannot be from retrospective effect and GAIL/TNGCL can only charge the differential amount from April,12 to April'15 in accordance to bared with bared by limitation principle/act. The court also directed TNGCL to revoke the old Debit Note and to issue a fresh Debit Note in this matter. TNGCL has filed an appeal with National Consumer Disputes Redressal Commission (NCDRC) and a hearing was held on 10-05-2018 and no one appeared on behalf of the respondent in the matter. Hon'ble Commission has directed both the parties to file written submission and simply adjourned the matter for the said purpose. The matter has been posted to final argument on 20.08.2019.

viii. The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government or dues to debenture holders.





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ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year or in the recent past. Based on the information and explanations given to us by the management, Moneys raised by the Company by way of term loans were applied for the purposes for which those were raised.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.

xi. The provisions of section 197 read with Schedule V to the Companies Act, 2013 is not applicable to Government Companies.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

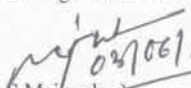
xiii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.


xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause 3(xiv) of the Order are not applicable to the Company.

xv. Based on the information and explanations given to us, the company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them.

xv. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For S.A.Majumdar & Associates
Chartered Accountants
(Firm's Registration No.312032E)


(CA S.Majumdar)
(Membership No. 050476)
Agartala, June 03, 2019





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ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S 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 ("the Act")

We have audited the internal financial controls over financial reporting of **Tripura Natural Gas Company Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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





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generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.


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, to the best of our information and according to the explanations 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 March 31, 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 S.A.Majumdar & Associates
Chartered Accountants
(Firm's Registration No.312032E)


(CA S.Majumdar)
(Membership No.050476)
Agartala, June 03, 2019





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Chartered Accountants

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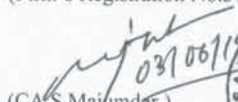
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Tripura Natural Gas Company Limited

Replies to the General Directions issued to Statutory Auditors under section 143(5) of the Companies Act, 2013 for the Financial Year 2018-19

Sr. No.	Query	Reply
1	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If no please state the area of freehold and leasehold land for which title/lease deeds are not available?	The company has clear title /lease deeds for freehold and leasehold and respectively
2	Whether there are any cases of waiver/write of debts/loan/interest etc. if yes, the reasons thereof and the amount involved.	There is no case of waiver/write-of of debt/loan/interest etc. during the period under audit.
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift / grant (s) for Govt. or other authorities.	There is no inventory lying with third parties and no asset has been received as gift / grant from Govt. or other authorities.

For S.A.Majumdar & Associates
Chartered Accountants
(Firm's Registration No.312032E)


(CA S. Majumdar)
(Membership No.050476)
Agartala, June 03, 2019





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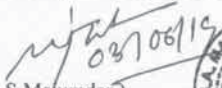
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Tripura Natural Gas Company Limited

Replies to the Sub-Directions issued to Statutory Auditors under section 143(5) of the Companies Act, 2013 for the Financial Year 2018-19

Sr. No.	Query	Reply
1	Whether the company's pricing policy absorbs all fixed and variable cost of production and the overheads allocated at the time of fixation of price?	Yes, the company's pricing policy absorbs all fixed and variable cost production and the overheads allocated at the time of fixation of price.
2	Comment on the confirmation of balances of trade receivables, trade payable, term deposit, bank accounts and cash obtained.	Confirmation of balances have been obtained for trade payables, term deposits, bank accounts and cash. Letter for confirmation of balances have been issued to all the major individual consumers.
3	Whether the company has effective system for recovery of dues in respect of its sales activities and the dues outstanding and recoveries there against have been properly recorded in the books of accounts?	The company has an effective system for recovery of dues in respect of its sales activities and the dues outstanding and recoveries there against have been properly recorded in the books of account. The company has computerised system for billing of its PNG Consumers and outstanding recoveries are made as per the system.
4	Comment on the accuracy of capital reserve created during the year and amount of depreciation charged there against.	The company has created capital reserve during the year and the amount of depreciation has been charged there on as per Companies Act, 2013.
5	Whether the operating and maintenance expenses are of revenue nature only and hence chargeable to Profit & Loss account?	The operating and maintenance expenses are of revenue nature only and hence chargeable to Profit & Loss account.

For **S.A.Majumdar & Associates**
Chartered Accountants
(Firm's Registration No.312032E)


(CA S.Majumdar)
(Membership No.050476)
Agartala, June 03, 2019



Balance Sheet as at 31 March 2018

Amount in Rs.

Particulars	Note	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	741,212,395	678,329,344
Capital work-in-progress	3	8,931,516	25,876,200
Financial Assets		-	-
-Loans	4A	100,220	100,220
-Other Financial Assets	4B	9,371,733	8,683,066
Other Non-Current Assets	6	8,116,191	9,019,038
Subtotal (A)		767,732,056	722,007,868
Current Assets			
Inventories	7	48,780,193	44,183,151
Financial Assets		-	-
-Trade receivables	8	136,940,794	75,395,368
-Cash and cash equivalents	9A	36,320,940	118,884,051
-Other bank balances	9B	439,313,121	279,938,291
-Loans	4A	16,608,048	13,561,032
-Other Financial Assets	4B	-	-
Other Current Assets	6	9,951,302	885,008
Subtotal (B)		687,914,398	532,846,900
Total Assets (A+B)		1,455,646,454	1,254,854,769
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	10	39,200,000	39,200,000
Other Equity	11	861,512,533	723,642,902
Total equity (C.)		900,712,533	762,842,902
LIABILITIES			
Non Current Liabilities			
Contract liabilities	17	182,652,353	174,537,164
Financial Liabilities			
-Borrowings	12	25,407,449	43,978,290

-Other Financial Liabilities	14	-	-
Provisions	15	24,787,936	21,987,924
Deferred Tax Liability	5	19,635,715	14,093,099
Other Non Current Liabilities	16	9,265,185	10,237,774
Subtotal (D)		261,748,637	264,834,251
Current Liabilities			
Contract liabilities	17	22,471,831	18,321,581
Financial Liabilities			
-Trade Payables			
(i) total outstanding dues of micro and small enterprises	13A	16,332,515	11,141,999
(ii) total outstanding dues other than (i) above	13A	43,930,828	19,330,893
-Other Payables	13B	3,275,957	306,500
-Other Financial Liabilities	14	204,676,997	168,486,081
Provisions	15	437,998	7,880,258
Other Current Liabilities	16	2,059,156	1,710,304
Subtotal (E)		293,185,282	227,177,616
Total Equity and Liabilities (C+D+E)		1,455,646,452	1,254,854,769

In terms of our report of even date

For S. A. Majumdar & Associates

Chartered Accountants
FRN 312032E

Banani Debbarman
(Director Commercial)
DIN -08119962

Biswabrata Sinha
(Managing Director)
DIN -0008460725

S.Majumdar
Proprietor
Membership No: 050476

Pradeep Kr. Mahato
(Company Secretary)
Membership No-ACS31321

Atanu Datta Choudhury
(Chief Financial Officer)
PAN-AGUPD6174A

Place: Agartala
Date: 03/06/2019

Statement of Profit & Loss for the Year ended 31st March 2019

Amount in Rs.

Particulars	Note No.	Year Ended 31 March 2019	Year Ended 31 March 2018
I. Revenue from Operations (Gross)	18	955,942,621	760,048,783
II. Other Income	19	45,585,779	44,231,769
III Total Revenue (I+II)		1,001,528,400	804,280,552
Purchase of gas	20	339,237,387	237,321,221
Change in inventories	20	24,713	(24,937)
Excise duty		64,034,007	47,715,256
Employee benefits expenses	21	42,070,944	42,356,229
Depreciation and amortization expenses	3	84,246,131	82,476,571
Finance Cost	22	5,429,159	7,059,745
Other expenses	23	253,987,416	197,615,543
IV. Total Expenses		789,029,757	614,519,628
V. Profit before Tax (III - IV)		212,498,643	189,760,923
VI. Tax Expenses		74,796,866	72,413,996
- Current Year	24	69,343,085	62,214,633
- Earlier Years	24	-	6,741,535
Deferred Tax	9	5,453,781	3,457,828
VII. Profit for the Period (V-VI)		137,701,777	117,346,927
Other Comprehensive income			
VIII. Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurement gain/ (losses) of defined benefit obligations		256,689	(2,168,674)
Income tax effect relating to these items		(88,835)	750,535
		167,854	(1,418,139)
IX. Net other comprehensive loss not to be reclassified to profit or loss in subsequent periods		167,854	(1,418,139.30)
Total comprehensive income (VII+ IX)		137,869,631	115,928,787.94

Earning Per Equity Share (Face Value

₹.100/-each)

- Basic	351.28	299.35
- Diluted	351.28	299.35

Statement of Cash Flows for the year ended 31 March 2019

Particulars	As at 31 March 2019	As at 31 March 2018
Cash Flow from Operating Activities		
Profit / (loss) before tax	212,498,643	189,760,923
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation	84,246,131	82,476,571
Interest income	(23,693,732)	(17,896,106)
Finance costs (including fair value change in financial instruments)	5,429,159	7,059,745
Operating Profit before Working Capital changes	278,480,201	261,401,133
Movements in working capital :		
Increase/(Decrease) in trade payables	29,790,451	8,286,330
Increase/(Decrease) in other payables	2,969,457	
Increase/(Decrease) in provisions	(4,385,559)	4,804,386
Decrease / (Increase) in Other Financial Liabilities	36,190,916	29,320,905
Decrease / (Increase) in Non Financial Liabilities	(623,737)	(2,638,930)
Decrease / (Increase) in Contract liabilities	12,265,438	
Decrease / (Increase) in Non Financial assets	(2,506,532)	460,227
(Increase)/Decrease in trade receivables	(61,545,426)	(17,844,441)
(Increase)/Decrease in Inventories	(4,597,042)	(27,844,024)
(Increase)/Decrease in Loans	(3,047,016)	(599,284)
(Increase)/Decrease in Other Financial assets	(688,667)	40,398,991
Cash Generated From Operations	282,302,483	295,745,294
Less : Direct Tax paid (net of refunds)	(75,000,000)	(68,956,168)
I. Net Cash Flow from Operating Activities	207,302,483	226,789,126
Cash Flow from Investing Activities:		
Purchase of fixed assets	(147,129,182)	(131,339,874)
Decrease/(Increase) in Capital Work in Progress	16,944,684	9,127,005
Interest income	23,693,732	17,896,106
Redemption / (increase) in Investments	(159,374,830)	(166,773,180)
II. Net cash flow (used in) investing activities	(265,865,596)	(271,089,943)
Net Cash Flow From Financing Activities:		
Repayment of long term borrowings	(18,570,841)	(16,740,255)
Interest paid	(5,429,159)	(7,059,745)
III. Net cash flow (used in) financing activities	(24,000,000)	(23,800,000)
IV. Net (decrease) / In cash and cash equivalents (I+II+III)	(82,563,112)	(68,100,817)
Cash and cash equivalents (Opening)	118,884,051	186,984,868
Cash and cash equivalents (Closing)	36,320,940	118,884,051

Statement of Changes in Equity for the period ended 31 March 2019

(a) Equity Share Capital	Amount	Amount
	Number	Amounts in INR
Equity shares of Rs. 10 each issued, subscribed and fully paid		
As at 31 March 2017	392,000	39,200,000
Issue of share capital	-	-
As at 31 March 2018	392,000	39,200,000
Issue of share capital	-	-
As at 31 March 2019	392,000	39,200,000

(b) Other equity

For the year ended 31 March 2019:

Attributable to the equity shareholders		
	Retained earnings	Total
As at 31 March 2017	607,714,114	494,710,803
Profit for the year	117,346,927	117,346,927
Other comprehensive income	(1,418,139)	(1,418,139)
As at 31 March 2018	723,642,902	610,639,591
Profit for the year	137,701,777	137,701,777
Other comprehensive income	167,854	167,854
As at 31 March 2019	861,512,533	748,509,221

Note 3 - Property, plant and equipment

Components of Property, plant and equipment (including assets held under finance leases) are as follows:

Amount in Rs.

Cost/ Valuation	PNG Project	CNG Project	Building-CNG Station	Office Equipments	Furniture & fixture	Vehi- cle-CNG Auto	Fire Extin- gisher	Internal Decora- tion	Inverter System	Aqua Guard	Computer System	Air Con- ditioner	Freehold Land	P & M -Other Equip- ments	Capital Work-in- Prograss	Total
At 31 March 2017	459,799,830	120,844,670	107,516,427	436,699	2,272,976	50,402	100,402	1,989,474	128,427	2,371	2,548,193	448,349	16,710,765	-	35,003,205	712,848,985
Additions	75,517,398	23,489,935	30,041,467	273,795	455,965	-	4,141	-	-	-	1,557,173	-	-	-	38,585,411	131,339,874
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(47,712,416)	(47,712,416)
At 31 March 2018	535,317,228	144,334,605	137,557,894	710,494	2,728,941	50,402	104,543	1,989,474	128,427	2,371	4,105,366	448,349	16,710,765	-	25,876,200	844,188,859
Additions	93,662,701	39,256,461	13,410,102	166,489	163,730	-	-	-	-	-	45,548	-	-	695,020	34,693,216	147,400,051
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(51,637,900)	(51,637,900)
Exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	(270,869)	-	-	(270,869)
At 31st March 2019	628,979,929	183,591,066	150,967,996	876,983	2,892,671	50,402	104,543	1,989,474	128,427	2,371	4,150,914	448,349	16,439,896	695,020	8,931,516	990,623,020

Depreciation and impairment	PNG Project	CNG Project	Building-CNG Station	Office Equipments	Furniture & fixture	Vehi- cle-CNG Auto	Fire Extin- gisher	Internal Decora- tion	Inverter System	Aqua Guard	Computer System	Air Con- ditioner	Freehold Land	P & M -Other Equip- ments	Capital Work-in- Prograss	Total
At 31 March 2017	58,977,330	2,504,135	17,801,075	247,662	1,053,448	35,765	82,204	225,757	34,403	1,599	2,137,120	282,445	-	-	-	83,382,943
Depreciation expense	47,365,959	27,141,497	6,159,247	187,964	383,862	5,892	5,386	341,054	24,481	-	742,978	118,251	-	-	-	82,476,571
Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2018	106,343,288	29,645,632	23,960,323	435,627	1,437,311	41,657	87,590	566,811	58,884	1,599	2,880,097	400,696	-	-	-	165,859,514
Depreciation expense	50,906,140	26,075,274	5,728,437	151,736	362,293	3,515	4,037	252,732	18,037	-	682,003	7,068	-	54,858	-	84,246,131
Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31st March 2019	157,249,428	55,720,906	29,688,760	587,363	1,799,604	45,172	91,627	819,542	76,921	1,599	3,562,101	407,763	-	54,858	-	250,105,645

Net Book value	PNG Project	CNG Project	Building-CNG Station	Office Equipments	Furniture & fixture	Vehi- cle-CNG Auto	Fire Extinguisher	Internal Decoration	Inverter System	Aqua Guard	Computer System	Air Con- ditioner	Freehold Land	P & M -Other Equip- ments	Capital Work-in- Progress	Total
At 31 March 2018	428,973,940	114,688,973	113,597,571	274,867	1,291,630	8,745	16,953	1,422,664	69,543	772	1,225,268	47,654	16,710,765	-	25,876,200	678,329,344
At 31st March 2019	471,730,501	127,870,160	121,279,236	289,620	1,093,067	5,230	12,916	1,169,932	51,506	772	588,813	40,586	16,439,896	640,162	8,931,516	741,212,395

Capital work in progress

The capital work in progress includes payment made to contractors for execution of projects, Plant & Machinery received but not yet installed, customs duty & freight material, consultancy charges paid related to projects etc/ value of materials/ equipments/ etc. received at site for use in the projects.

Security

Charge has been created for Land and building, plant and machineries to the extent of assets created against the term loan of INR 17,00,00,000 (out of which INR 4,39,78,290 is outstanding as on 31st March 2019 and INR 6,79,78,290 is outstanding on 31 March 2018) from State bank of India.

Note 4 - Financial assets

Amount in Rs.

Particulars	As at		As at	
	31-Mar-19		31-Mar-18	
	Current	Non current	Current	Non current
4A) Loans				
Other loans:				
Security Deposit Paid (Paid to BSNL & Others)	-	100,220	-	100,220
Loan/Advance against Salary	224,539	-	540,649	-
Interest accrued but not due	16,383,509	-	13,020,383	-
Total Loans	16,608,048	100,220	13,561,032	100,220
4B) Other financial assets				
Balance with bank deposits exceeding 12 months	-	9,371,733	-	8,683,066
Total	-	9,371,733	-	8,683,066

Note 5 - Deferred taxation

Amount in Rs.

Particulars	As at	As at
	31-Mar-19	31-Mar-18
Non current:		
Deferred tax liability	19,635,715	14,093,099
Deferred tax assets/liabilities-net	19,635,715	14,093,099

Note 6 - Other non financial assets

Particulars	As at		As at	
	31-Mar-19		31-Mar-18	
	Current	Non current	Current	Non current
Advance to Suppliers	428,407	-	139,744	-
Cenvat Credit-Capital Goods-Deferred A/c	-	-	-	862,139
Contingency & TA Advance	280,724	-	80,000	-
Advance to Employees	55,990	-	-	-
Tax Deducted at Source	459,930	-	-	-
Pre-Paid Insurance Premium	468,948	-	337,752	-
Pre-Paid Lease rent	40,708	710,032	40,708	750,740
Advance TVAT Paid	2,559,680	-	271,354	-
GST receivable	-	-	15,450	-
Application Money -Court Case & Sales Tax Assessment Appeal	-	7,406,159	-	7,406,159
Advance Income Tax Paid	5,656,915	-	-	-
Total	9,951,302	8,116,191	885,008	9,019,038

Note 7 - Inventories

Amount in Rs.

Particulars	As at 31-Mar-19	As at 31-Mar-18
Current:		
Stores and Spares including Capital Goods(PNG)	28,420,395	34,457,008
Stock of O&M PNG Materials	298,241	404,901
Stock of O&M CNG Materials	19,957,618	9,192,588
Stock of CNG at DBS	103,940	128,653
Total	48,780,193.21	44,183,150.78

Note 8 Trade receivables

Amount in Rs.

Particulars	As at 31-Mar-19	As at 31-Mar-18
Current:		
Unsecured		
Considered good	136,940,794	75,395,368
Considered doubtful	-	15,352,478
Trade and other receivables	136,940,794	90,747,846
Allowance for bad and doubtful debts		
Considered doubtful	-	(15,352,478)
Total Trade and other receivables	136,940,794	75,395,368

Trade receivables includes INR 5,816/- due from directors of the company towards gas bill on 31st March 2019 (INR 3882/- on 31 March 2018). No trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

For terms and conditions relating to related party receivables, refer to note 26.

Trade receivables are non-interest bearing and are generally on terms of not more than 30 days.

Note 9 - Cash and Bank balances

Amount in Rs.

Particulars	As at 31-Mar-19	As at 31-Mar-18
9A) Cash and cash equivalents		
Balances with banks:		
- Current accounts	26,992,374	78,928,121
Deposit with maturity of less than 3 months	7,551,455	39,167,108
Cash on hand	1,777,111	788,822
Total	36,320,940	118,884,051
9B) Bank Balance others		
Earmarked accounts:		
Fixed Deposits Kept under lein for issue of LC/BG :	334,893,754	97,197,591
Term Deposits:	104,419,367	182,740,700
Total	439,313,121	279,938,291

Note 10 - Equity share capital

Particulars	Amount in Rs.	
	As at 31-Mar-19	As at 31-Mar-18
Share capital		
Authorised		
10,00,000 Equity Shares of INR 100 each	100,000,000	100,000,000
(Previous year 10,00,000 Equity Shares of INR 100 each)		
	100,000,000	100,000,000
Issued, subscribed and fully paid up		
(392000 Nos.of Fully paid-up Equity Shares of INR 100/- each)	39,200,000	39,200,000
(Previous year 3,92,000 Equity Shares of INR 100 each)		
	39,200,000	39,200,000

Terms/ rights attached to equity shares:

For all matters submitted to vote in a shareholders meeting of the Company every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have one vote in respect of each share held. Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company all preferential amounts if any shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

2. Reconciliation of Shares outstanding at the beginning and at the end of the reporting period

Particulars	31-Mar-19	31-Mar-18
Shares outstanding at the beginning of the year	392000	392000
(+) Shares issued during the year	-	-
(-) Shares bought back during the year	-	-
Shares outstanding at the end of the year	392,000	392,000

3. Details of Shareholders holding more than 5% shares in the Company:

Particulars	31-Mar-19	31-Mar-18
Gail India Limited		
Number of equity shares	192000	192000
% of holding	48.98%	48.98%
Tripura Industrial Development Corporation Limited		
Number of equity shares	99996	99996
% of holding	25.51%	25.51%
Assam Gas Company Limited		
Number of equity shares	99996	99996
% of holding	25.51%	25.51%

Note 11 - Other equity

Amount in Rs.

Particulars	As at 31-Mar-19	As at 31-Mar-18
Other equity:		
Retained earnings	723,642,902	607,714,114
Add: Profit during the year	137,701,777	117,346,927
Less: Re-measurement gain/ (losses) on defined benefit plans (net of tax)	167,854	(1,418,139)
Total	861,512,533	723,642,902

Note 12 - Borrowings

Amount in Rs.

Particulars	As at 31-Mar-19	As at 31-Mar-18
Non current borrowings		
Secured Term loans:		
- SBI A.D.Nagar Branch	49,407,449	67,978,290
Less: Current maturities of long term borrowings	(24,000,000)	(24,000,000)
Total Non Current Borrowings	25,407,449	43,978,290

* Secured against assets taken on finance lease by Gail (India) Limited.

Term Loans from Banks consists of the following:

Name of Bank	Date of Maturity	EIR	Nature of security
- SBI A.D.Nagar Branch	30 April 2018 to 31 March 2020	8.85%	Secured against all project assets including Land and building.

Bank loans contain certain debt covenants relating to current ratio(2.09 times),total outstanding/total net worth(0.63),Interest Coverage ratio(8.93),return on capital employed(15.34%),GDSCR(1.90) .Any variation in these covenants upto 20% is accepted/permitted. The Company has also satisfied all other debt covenants prescribed in the terms of bank loan.

Note 13A - Trade Payables

Amount in Rs.

Particulars	As at 31-Mar-19	As at 31-Mar-18
Trade payable:		
- micro and small enterprises	16,332,515	11,141,999
- other than micro and small enterprises	12,800,244	3,089,801
- related party	31,130,584	16,241,092
Total	60,263,343	30,472,892

Trade payables are non-interest bearing and are normally settled on 60-day terms

Note 13B - Other Payables

Amount in Rs.

Particulars	As at 31-Mar-19	As at 31-Mar-18
Others Payables	3,275,957	306,500
Total	3,275,957	306,500

Note 14 - Other Financial Liabilities

Amount in Rs.

Particulars	As at 31-Mar-19		As at 31-Mar-18	
	Current	Non current	Current	Non current
Other financial liabilities at amortised cost:				
Current maturities of borrowing	24,000,000	-	24,000,000	-
Others:				
Security Deposit (From Major Industrial Consumers)	2,209,350	-	1,450,720	-
Security Deposit Collected from the Consumers	98,967,018	-	84,808,558	-
Security Deposit Collected from Contractors	54,575,629	-	41,035,843	-
Earnest Money Deposit (EMD)	2,881,288	-	3,179,100	-
Security Deposit (Galileo)	3,489,194	-	3,489,194	-
Security Deposit/Retention Money(Suppliers)	8,146,836	-	4,087,449	-
Liability For Capital Expenditure	10,407,682	-	6,435,217	-
Total other financial liabilities at amortised cost	204,676,997	-	168,486,081	-

Note 15 - Provisions

Amount in Rs.

Particulars	As at 31-Mar-19		As at 31-Mar-18	
	Current	Non current	Current	Non current
Provision for Gratuity Payable	246,704	11,239,005	214,164	10,322,797
Provision for Leave Encashment	191,294	13,548,931	156,368	11,665,127
Provision for Income Tax	-	-	7,509,726	-
Provision for Vat payable				
Total	437,998	24,787,936	7,880,258	21,987,924

Note 16 - Other non financial liabilities

Amount in Rs.

Particulars	As at 31-Mar-19		As at 31-Mar-18	
	Current	Non current	Current	Non current
Other non financial liabilities:				
Government Grants	972,589	9,265,185	1,074,684	10,237,774
TDS Payable	517,944		455,178	
Goods and Service Tax Payable A/c	568,623	-	180,442	-
Total	2,059,156	9,265,185	1,710,304	10,237,774

Note 17 - Contract Liabilities

Particulars	As at 31-Mar-19		As at 31-Mar-18	
	Current	Non current	Current	Non current
Deferred Revenue	22,471,831	182,652,353	18,321,581	174,537,164
Total	22,471,831	182,652,353	18,321,581	174,537,164

Note 18 - Revenue from Operations

Particulars	As at 31-Mar-19	As at 31-Mar-18
Income from operations		
Sale of CNG	643,131,731	514,565,572
Sales of PNG	312,810,890	245,483,210
Total	955,942,621	760,048,783

1. Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	31-Mar-19	31-Mar-18
Revenue by type of customers		
Sale to Domestic customers	182,984,874	150,334,801
Sale to Industrial Customers	64,666,312	43,204,409
Sale to Commercial customers	65,159,704	51,944,000
Total revenue from contracts with customers	312,810,890	245,483,210
Timing of revenue recognition		
Services transferred over time	312,810,890	245,483,210
Total revenue from contracts with customers	312,810,890	245,483,210

NOTE: No single customer represents 10% or more of the total Company's revenue during the year ended 31st March 2019 & 31st March 2018. The company earns its entire revenue from contract with customers from operation in India.

2. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

		31-Mar-19
Trade receivables (Net)*		136,940,794
Contract liabilities		
Advances from customers		205,124,184

* Trade receivables are non-interest bearing and are generally on terms of 10 to 17 days.

3. Changes in contract liabilities		31-Mar-19
Balance at the beginning of the year		192,858,745
Revenue recognised that was included in Advances balance at the beginning of the year		19,779,466
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year		32,044,904
Balance at the end of the year		205,124,184

For details Refer Note No 47

Note 19 - Other Income

Particulars	As at 31-Mar-19	As at 31-Mar-18
Interest income on fixed deposits from banks	23,693,732	17,896,106
HP Rent for Computer from Employees	38,400	36,600
Misc. Receipts	999,497	392,104
Application Fees from Consumers	-	1,900
Amortisation of Govt Grants & Installation Cost	20,854,150	25,905,059
Total	45,585,779	44,231,769

Note 20 - Purchase of traded goods

Particulars	As at 31-Mar-19	As at 31-Mar-18
Purchase of Gas	339,237,387	237,321,221
Change in inventories	24,713	(24,937)
Total	339,262,100	237,296,284

Note 21 - Employee Benefit expense

Particulars	As at 31-Mar-19	As at 31-Mar-18
Salaries and wages	32,842,422	30,177,213
Employer Contribution to PF	2,038,210	1,826,621
Leave Encashment	2,935,233	5,661,739
Company Contribution to Gratuity	1,205,437	983,202
Staff Welfare	3,049,642	3,707,454
Total	42,070,944	42,356,229

Employee Benefits

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for defined benefit plans:

Net employee benefit expense (recognized in Employee Cost) for the year ended

Particulars	Gratuity 2018-19	Leave encashment 2018-19	Gratuity 2017-18	Leave encashment 2017-18
Current Service Cost	399,932	1,275,563	418,645	1,093,970
Net Interest Cost / (Income) on the Net Defined Benefit Liability	805,505	903,702	564,557	608,882
Actuarial (Gain)/ Loss		755,968		3,958,887
Total expenses included in employee benefit expense	1,205,437	2,935,233	983,202	5,661,739

Amount recognised in Other Comprehensive Income for the year ended 31 March 2018

Particulars	Gratuity 2018-19	Gratuity 2017-18
Actuarial (gain)/ loss - experience variance (i.e. Actual experience vs assumptions)	-256,689	2,168,674
Return on plan assets (excluding amounts included in net interest expense)	-	-
Experience adjustments	-	-
Recognised in other comprehensive income	-256,689	2,168,674

Changes in the present value of the defined benefit obligation for the year ended :

Particulars	Gratuity 2018-19	Leave encashment 2018-19	Gratuity 2017-18	Leave encashment 2017-18
Present value of obligation at the beginning:	10,536,961	11,821,495	7,385,085	7,964,900
Current service cost	399,932	1,275,563	418,645	1,093,970
Interest cost	805,505	903,702	564,557	608,882
Transfer In	-	-	-	(1,805,144)
Benefits paid	-	-1,016,503	-	-
Actuarial (gain)/ loss - experience variance (i.e. Actual experience vs assumptions)	-256,689	755,968	2,168,674	3,958,887

Defined benefit obligation at the end	11,485,709	13,740,225	10,536,961	11,821,495
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Bifurcation of Present value of obligation at the end of the year as per revised schedule III of the Companies Act, 2013:

Particulars	Gratuity 2018-19	Leave encashment 2018-19	Gratuity 2017-18	Leave encashment 2017-18
Current liability	246,704	191,294	214,164	156,368
Non-current liability	11,239,005	13,548,931	10,322,797	11,665,127
Defined benefit obligation at the end	11,485,709	13,740,225	10,536,961	11,821,495

The principal assumptions used in determining above-mentioned obligations for the Company's plans are shown below:

Particulars	Gratuity 2018-19	Leave encashment 2018-19	Gratuity 2017-18	Leave encashment 2017-18
Discount rate (in %)	7.70%	7.70%	7.65%	7.65%
Salary Growth rate per annum (in %)	11.70%	11.70%	11.70%	11.70%
Mortality rate (% of IALM 06-08)	100%	100%	100%	100%
Normal retirement age	60 years	60 years	60 years	60 years
Attrition Rate, based on age: (per annum)				
Upto 30 years	3%	3%	3%	3%
31 - 44 years	2%	2%	2%	2%
Above 44 years	1%	1%	1%	1%
Rate of Leave Availment (per annum)		0%		0%
Rate of Leave Encashment during employment (per annum)		0%		0%

A quantitative sensitivity analysis for significant assumption as at 31 March 2019 is as shown below:

Particulars	Gratuity		Leave encashment	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%) (% change compared to base due to sensitivity)	12,642,030 10.1%	12,642,030 (8.6%)	15513057 12.9%	12263289 (10.7%)
Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity)	11,199,472 (2.5%)	11,771,980 2.5%	12,299,952 (10.5%)	15,427,164 12.3%
Attrition Rate (- / + 50% of attrition rates) (% change compared to base due to sensitivity)	11,389,740 (0.8%)	11,566,952 0.7%	14,081,965 2.5%	13,433,572 (2.2%)

Mortality Rate (- / + 10% of mortality rates) (% change compared to base due to sensitivity)	11,473,591 (0.1%)	11,497,740 0.1%	13,756,961 (0.1%)	13,723,581 0.1%
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A quantitative sensitivity analysis for significant assumption as at 31 March 2018 is as shown below:

Particulars	Gratuity		Leave encashment	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%) (% change compared to base due to sensitivity)	1,16,83,731 10.9%	95,59,634 (9.3%)	1,34,45,226 13.7%	1,04,76,149 (11.4%)
Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity)	1,02,41,530 (2.8%)	1,08,44,264 2.9%	1,05,10,017 (11.1%)	1,33,65,560 13.1%
Attrition Rate (- / + 50% of attrition rates) (% change compared to base due to sensitivity)	1,04,69,636 (0.6%)	1,05,91,652 0.5%	1,21,52,380 2.8%	1,15,26,817 (2.5%)
Mortality Rate (- / + 10% of mortality rates) (% change compared to base due to sensitivity)	1,05,26,890 (0.1%)	1,05,46,954 0.1%	1,18,37,054 0.1%	1,18,06,021 (0.1%)

Maturity Profile of Defined Benefit Obligation

Particulars	Gratuity 2018-19	Leave encashment 2018-19	Gratuity 2017-18	Leave encashment 2017-18
Within the next 12 months (next annual reporting period)	10 years	12 years	10 years	13 years

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	Gratuity 2018-19	Leave encashment 2018-19	Gratuity 2017-18	Leave encashment 2017-18
Within the next 12 months (next annual reporting period)	246,704	191,294	214,164	156,368
Between 2 and 5 years	5,208,088	4,048,651	3,497,626	3,033,837
Between 5 and 10 years	6,676,283	8,581,227	6,456,243	6,930,859
Beyond 10 years	17,020,802	30,966,035	17,935,417	29,701,670
Total expected payments	29,151,877	43,787,207	28,103,450	39,822,734

Note 22 - Finance Costs

Particulars	As at 31-Mar-19	As at 31-Mar-18
Processing charges for LC	-	-
Interest expense on Term Loan	5,429,159	7,059,745
Total	5,429,159	7,059,745

Note : 23 Other Expenses

Particulars	As at 31-Mar-19	As at 31-Mar-18
Operation & Maintenance-CNG	42,795,208	31,944,749
Operation & Maintenance-PNG	16,794,004	15,477,267
Printing & Stationery	606,565	746,412
Professional Tax	2,500	2,500
Professional/Consultancy Service Fees	3,481,316	2,096,591
Postage & Telegram	19,097	33,435
Commission on Sales(CNG)	3,634,256	1,971,799
Legal Expenses	59,000	-
Service Tax	-	260,228
Office Rent	1,453,764	1,385,667
Repairs & Maintainance	307,524	172,909
Telephone, Fax & Internet Expenses	786,566	765,412
Lease Rent (CNG & PNG)	1,899,309	1,702,139
Bank Charges	2,678,952	707,285
Shed rent	142,308	161,492
Audit Fees	1,106,814	505,224
TA to Directors	751,074	671,234
Board Meeting Expenses	197,861	115,775
Electricity Expenses	3,112,755	4,213,368
Audit Expenses	219,140	482,661
Insurance	1,019,885	909,524
Conveyance Expenses	20,429	12,028
Misc. Expenses	464,400	590,714
Office House Keeping & Maintenance Expenses	1,176,853	1,089,029
Provision for Doubtful Debts	-	15,352,478
Awareness on CNG & PNG / National Safety Day	109,469	437,595
Sales/Business Promotion Expenses	-	-
Vehicle Running & Maintenance	2,041,809	2,299,070
Notice & Advertisement	312,901	856,946
TA to Employees / Tour Expenses	2,248,906	1,378,948

Security Service Charges	6,339,290	5,475,450
Entertainment Expenses	529,110	627,321
Inauguration of CNG Station	3,065,849	232,317
TVAT	82,250,643	69,387,561
News Paper, Books & Periodicals	11,609	30,874
Calander & Dairy Printing Expenses	104,000	-
Website Maintenance Expenses	24,935	221,189
Rates & Taxes	434,911	500,198
Seminar, Conferefnce & Training Expenses	120,992	133,180
India International Trade Fair	600,000	600,000
Industries & Commerce Fair Expenses	298,360	1,219,829
Festival Expenses	748,690	1,340,269
Fire Safety Day	40,189	-
TNGCL Foundation Day Celebration Expenses	-	621,850
Corporate Social Responsibility (CSR)	3,000,000	470,607
Water Charges	124,147	122,804
Canteen Running Expenses	-	-
Transportation Charges (CNG)	43,630,390	17,880,709
Billing System	9,661,573	7,679,570
Wages to Outsource Staff (Service Charges)	5,555,001	4,729,336
Charity and Donation	1,100,000	-
PBGRB Bidding Expenses	1,616,871	-
TRD Cess	7,288,191	-
Total	253,987,416	197,615,543

Details of payments to auditors:

Particulars	As per Ind AS As at 31-Mar-19	As per Ind AS As at 31-Mar-18
Payment to auditors:		
Third party/T4 audit fee	795,814	223,724
Statutory Audit Fee	88,500	88,500
Tax audit Fee	47,200	47,200
In other capacities:		
Secreteriate Audit	41,300	75,000
Internal Audit	59,000	29,500
Cost Audit	75,000	41,300
Other Audit Expenses	219,140	482,661
Total	1,325,954	987,885

Note 24 - Tax Expenses

Amount in Rs.

Particulars	As at	As at
	31-Mar-19	31-Mar-18
Current tax	69,343,085.00	62,214,633.00
Deferred Tax	5,542,616.00	3,457,828.00
Additional Income Tax paid for FY-2016-17	-	6,741,535.00
Total	74,885,701	72,413,996

a) Income tax related to items charged or credited directly to profit or loss during the year:

Statement of profit or loss	31-Mar-19	31-Mar-18
Current income tax:		
Current income tax charge	69,343,085	62,214,633
Adjustments in respect of current income tax of previous year	-	6,741,535
Deferred tax:		
Relating to origination and reversal of temporary differences	5,453,781	3,457,828
Tax expense	74,796,866	72,413,996

b) Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate

	31-Mar-19	31-Mar-18
Profit before tax from continuing operations	212,498,643	189,760,923
Applicable Tax Rate	34.61%	34.61%
Tax at Indian Tax rate	73,541,530	65,672,460
Effect of Income not considered for tax purpose	(5,542,616)	(3,457,828.21)
Effect of Expense not allowed for tax purpose		
Adjustments in respect of current income tax of previous year	-	6,741,535
Adjustment for Tax Deducted at Source		
Movement in deferred tax liability	5,542,616	3,457,828
Income tax expense	73,541,530	72,413,995
Effective tax rate	34.61%	38.16%

c) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	31-Mar-19	31-Mar-18
Property, Plant and Equipment	5,542,616	3,457,828
Deferred tax on remeasurements losses on defined benefit plans	(88,835)	(750,535)
Deferred tax (assets)/ liabilities	5,453,781	2,707,294
Offsetting of deferred tax assets and deferred tax liabilities	(2,707,294)	(11,385,805)
Net Deferred tax (assets)/ liabilities	8,161,074	14,093,099

Note 25 - Changes in accounting policies and disclosures

New and amended standards and interpretations

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in 2019, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards, interpretations or amendments that have been issued, but are not yet effective.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 1 April 2018.

The cumulative effect of initially applying Ind AS 115 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18.

On 1 April 2018, the effect of new standard on the company is due to classification, hence, the impact on the Company's retained earnings as at 1 April 2018 is Nil.

Set out below, are the amounts by which each financial statement line item is affected as at and for the year ended 31 March 2019 as a result of the adoption of Ind AS 115. The first column shows amounts prepared under Ind AS 115 and the second column shows what the amounts would have been had Ind AS 115 not been adopted:

ASSETS	31-Mar-19		
	As per Ind AS 115	Previous Ind AS	Increase / (decrease)
Non Current Assets			
Property, Plant and Equipment	741,212,395	741,212,395	-
Capital work-in-progress	8,931,516	8,931,516	-
Financial Assets			-
-Loans	100,220	100,220	-
-Other Financial Assets	9,371,733	9,371,733	-
Other Non-Current Assets	8,116,191	8,116,191	-
Subtotal (A)	767,732,056	767,732,056	-
Current Assets			
Inventories	48,780,193	48,780,193	-
Financial Assets	-	-	-
-Trade receivables	136,940,794	136,940,794	-
-Cash and cash equivalents	36,320,940	36,320,940	-
-Other bank balances	439,313,121	439,313,121	-
-Loans	16,608,048	16,608,048	-
-Other Financial Assets	-	-	-
Other Current Assets	9,951,302	9,951,302	-
Subtotal (B)	687,914,398	687,914,398	-
Total Assets (A+B)	1,455,646,454	1,455,646,454	-
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	39,200,000	39,200,000	-
Other Equity	861,512,533	861,512,533	-
Total equity (C.)	900,712,533	900,712,533	-
LIABILITIES			
Non Current Liabilities			
Contract liabilities*	182,652,353		182,652,353
Financial Liabilities	-	-	-
-Borrowings	25,407,449	25,407,449	-
-Other Financial Liabilities	-	-	-
Provisions	24,787,936	24,787,936	-

Deferred Tax Liability	19,635,715	19,635,715	-
Other Non Current Liabilities	9,265,185	191,917,538	(182,652,353)
Subtotal (D)	261,748,637	261,748,637	-
Current Liabilities			
Contract liabilities*	22,471,831		22,471,831
Financial Liabilities	-	-	-
-Trade Payables	-		-
(i) total outstanding dues of micro and small enterprises	16,332,515	16,332,515	-
(ii) total outstanding dues other than (i) above	43,930,828	43,930,828	-
-Other Payables	3,275,957	3,275,957	
-Other Financial Liabilities	204,676,997	204,676,997	-
Provisions	437,998	437,998	-
Other Current Liabilities	2,059,156	24,530,987	(22,471,831)
Subtotal (E)	293,185,282	293,185,282	-
Total Equity and Liabilities (C+D+E)	1,455,646,452	1,455,646,452	-

Statement of profit and loss for the year ended 31 March 2019

	31-Mar-19		
	As per Ind AS 115	Previous Ind AS	Increase / (decrease)
Revenue from contract with customers	955,942,621	955,942,621	-
Other income	45,585,779	45,585,779	-
Total Revenue	1,001,528,400	1,001,528,400	-
Gas Consumed	24,713	339,262,100	- 339,237,387.00
Excise duty	64,034,007	64,034,007	-
Employee benefits expenses	42,070,944	42,070,944	-
Depreciation and amortization expenses	84,246,131	84,246,131	-
Other expenses	253,987,416	253,987,416	-
Finance Cost	5,429,159	5,429,159	-
Total Expenses	449,792,370	789,029,757	(339,237,387)
Profit before tax	551,736,030	212,498,643	339,237,387
Tax expenses			
Current tax			
- Current Year	69,343,085	69,343,085	-

- Earlier Years	-	-	-
Deferred tax charge/ (credit)	5,453,781	5,453,781	-
Profit for the period	476,939,164	137,701,777	339,237,387
Other Comprehensive income	167,854	167,854	-
Total Comprehensive income	477,107,018	137,869,631	339,237,387
Earnings per share (₹)			
- Basic, profit for the year attributable to ordinary equity holders of the parent	351.28	351.28	-
- Diluted, profit for the year attributable to ordinary equity holders of the parent	351.28	351.28	-

* This includes Advance from Customers which was earlier presented as a part of Non financial liabilities

Note 26A - Contingent Liabilities

Claims made against the company not acknowledged as debts

Particulars	31-Mar-19	31-Mar-18
Show cause/ demand notices received from government authorities/Other Agencies -	-	-
Sales tax / VAT liability that may arise in respect of matters in appeal -Appeal Case No:21-22/Ch.VII/2012 ,TNGCL vs Superintendent of Taxes,Charge-VII,TVAT Assessment FY-2005-06 & 2006-07	11,534,682	11,534,682
Procurement of Compressor from Galileo GNCArgentina vide PO/LOA No:TNGCL/PMC/01/PART1/COMPRESSOR dt:02.05.2011/. Machine acceptability is yet to be finalized due to Technical Deviations.	17,346,000	
	28,880,682	11,534,682

Note 26B - Commitments

	31-Mar-19	31-Mar-18
a.Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	141,223,790	172,733,100

a) The Company does not expect any reimbursement in respect of the above contingent liabilities.

b) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters above, pending resolution of the arbitration/ appellate proceedings.

Note 27 - Related Party transactions

- (A) **Names of Related parties and nature of related party relationships**
- (a) **Entities which exercise control/ joint-control/ significant influence over the company**
 Gail (India) Limited
 Tripura Industrial Development Corporation Limited
 Assam Gas Company Limited
- (b) **Key management personnel**
 Mr. Narayan Gangopadhyay-Managing Director
 Mr. Banani Debbarman - Director (Commercial)
 Mr. Atanu Dutta Chaudhary- CFO
 Mr.Pradeep Kr. Mahato-CS

The following table provides the total amount due to or due from the related parties as on 31st March 2019 and 31 March 2018

Particulars	31 March, 2019	31 March, 2018
Gail (India) Limited		
Sale/ Purchase of goods	27,464,665	12,915,880
Other-Director Salary & Perks Payable	2,548,335	-
Total	30,013,000	12,915,880
Tripura Industrial Development Corporation Limited		
Lease arrangements	739,807	695,162
Other	-	-
Total	739,807	695,162

Note 28 - Segment Reporting

The Company has a single operating segment that is "Sale of Natural Gas". Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected by the financial statements themselves as at and for the financial year ended 31st March 2019.

Entity wide disclosures:

- I. Information about products and services:
 The Company is in a single line of business of "Sale of Natural Gas".
- II. Geographic Informations:
 The company operates presently in the business of city gas distribution in India. Accordingly, revenue from customers and all assets are located in India only.
- III. Information about major customers:
 The number of customers during the year ended 31st March 2019 were 7 and the number of customers during the year ended 31 March 2018 were 6 contributed to more than 15.39% of the revenue individually. Revenue from these customers was INR 4,81,34,446 and INR 2,74,84,764 during the year ended 31st March 2019 and 31 March 2018 respectively.

Note 29 - Financial Risk Management

(Amount in INR, unless otherwise stated)

The Company's financial risk management is an integral part of how to plan and execute its business strategies. This note explains the sources of risk which the entity is exposed to and how the company manages the risk. The Company is exposed to market risk, credit risk and liquidity risk.

The Company board of directors has overall responsibility for the establishment and oversight of the company's risk management framework.

1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It is a risk of changes in market prices such as foreign exchange rates and interest rates that will affect Company's income or the value of its holding of financial instruments.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and investing in fixed interest instruments.

Sensitivity analysis:

The table below summarizes the impact of a potential increase or decrease on the Company's profit before tax, as applied to the variable element of interest rates on loans and borrowings. The increase/decrease is based on management estimates of potential interest rate movements.

Reporting period	Increase/decrease in basis points	Effect on profit before tax
Sunday, March 31, 2019		
Secured loan from SBI A.D.Nagar Branch	+100	494,074
Secured loan from SBI A.D.Nagar Branch	-100	-494,074
Saturday, March 31, 2018		
Secured loan from SBI A.D.Nagar Branch	+100	679,783
Secured loan from SBI A.D.Nagar Branch	-100	-679,783

The sensitivity analysis is limited only to variable rate loans and borrowings and is conducted with all other variables held constant. The analysis is prepared with the assumption that the amount of variable rate liability outstanding at the balance sheet date was outstanding for the whole year.

(b) Foreign currency risk

The Company does not have significant exposure in currency other than INR.

2. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system.

The contractual maturities of the Company's financial liabilities are presented below:

As at 31st March 2019	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Interest-bearing loans and borrowings-Interest Payable	-	746,949	2,509,121	-	-	3,256,070
Interest-bearing loans and borrowings-Principal Payable	-	3,253,051	46,154,398	-	-	49,407,449
Trade and other payables	-	27,464,665	-	-	-	27,464,665
Expenses Payable	-	33,203,377	-	-	-	33,203,377
Liability For Capital Expenditure	-	10,407,682	-	-	-	10,407,682
Security Deposit (From Major Industrial Consumers)	2,209,350	-	-	-	-	2,209,350
Security Deposit Collected from the Consumers	98,967,018	-	-	-	-	98,967,018
Security Deposit Collected from Contractors	-	46,575,610	8,000,019	-	-	54,575,629
Earnest Money Deposit (EMD)	-	-	2,881,288	-	-	2,881,288
Security Deposit (Galileo)	3,489,194	-	-	-	-	3,489,194
Security Deposit/Retention Money(Suppliers)	-	7,565,898	580,938	-	-	8,146,836
Total	104,665,562	129,217,232	60,125,764	-	-	294,008,558

As at 31 March 2018	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Interest-bearing loans and borrowings-Interest Payable	-	994,110	4,315,453	3,114,918	-	8,424,481
Interest-bearing loans and borrowings-Principal Payable	-	3,005,890	15,684,547	49,287,853	-	67,978,290
Trade and other payables	-	12,915,880	-	-	-	12,915,880
Expenses Payable	-	17,557,012	-	-	-	17,557,012
Liability For Capital Expenditure	-	6,435,217	-	-	-	6,435,217
Security Deposit (From Major Industrial Consumers)	1,450,720	-	-	-	-	1,450,720
Security Deposit Collected from the Consumers	84,808,558	-	-	-	-	84,808,558
Security Deposit Collected from Contractors	-	33,941,481	7,094,362	-	-	41,035,843
Earnest Money Deposit (EMD)	-	-	3,179,100	-	-	3,179,100
Security Deposit (Galileo)	3,489,194	-	-	-	-	3,489,194
Security Deposit/Retention Money(Suppliers)	-	2,451,968	1,635,481	-	-	4,087,449
Total	89,748,472	77,301,558	31,908,943	52,402,771	-	251,361,744

3. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure. There are no Impairment losses on financial assets to be recognised in statement of profit and loss as on 31 March 2019 and for the comparative period as on 31 March 2018.

Trade and other receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The management does not expect any significant credit risk out of exposure to trade and other receivables, as the major part of the revenue is contributed by either through cash sales or sales to government owned oil marketing companies like IOCL with a credit period ranging from 3 days to 45 days. Accordingly company does not expect any impairment loss on trade receivables.

The Board has established Credit Policy under which each customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The summary of the company's product wise Credit Period is tabulated below:

Product	Credit period
1. Compressed Natural Gas (CNG)	
(a) Oil Marketing Companies like IOCL etc.,	7 Days from the Invoice Receipt date
(c) Others	Cash and Carry Basis
2. Piped Natural Gas (Domestic)	15 Days from the Invoice date
3. Piped Natural Gas (Industrial)	3 Days from the Invoice Receipt date
4. Piped Natural Gas (Commercial)	15 Days from the Invoice Receipt date

Cash and cash equivalents: The company held cash and cash equivalents of INR 3,63,20,940.2 as at 31 March 2019 (31 March 2018: INR 11,88,84,050.5). The cash and cash equivalents are held with public sector banks and leading private sector Bank. There is no impairment on cash and cash equivalents as on the reporting date and the comparative period.

Note 30 - Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the parent.

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Note 31 - Accounting classifications and fair value measurements

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Set out below is a comparison by class of the carrying amounts and fair values of the Company's financial instruments that are carried in the financial statements:

As at 31st March 2019, the Company held the following financial instruments carried at fair value on the statement of financial position:

Particulars	Carrying amount	Fair value	Fair value		
	31-Mar-19	31-Mar-19	Level 1	Level 2	Level 3
Financial assets at amortised cost:					
Non current					
Loans and receivables	100,220	100,220			
Other Financial assets	8,683,066	8,683,066			
Current					
Trade receivables	136,940,794	136,940,794			
Cash and cash equivalents	36,320,940	36,320,940			
Other bank balances	439,313,121	439,313,121			
Loans	16,608,048	16,608,048			
Other Financial Assets	-	-			
Total	637,966,189	637,966,189	-	-	-
Financial liabilities at amortised cost:					
Non current					
Borrowings	25,407,449	25,407,449			
Other Financial Liabilities	-	-			
Current					
Trade Payables					
(i) total outstanding dues of micro and small enterprises	16,332,515	16,332,515			
(ii) total outstanding dues other than (i) above	43,930,828	43,930,828			
Other Financial Liabilities	204,676,997	204,676,997			
Total	290,347,789	290,347,789			-

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, bank deposits, trade payables and other financial liabilities are considered to be same as their fair values, due to their short term nature

As at 31 March 2018, the Company held the following financial instruments carried at fair value on the statement of financial position:

Particulars	Carrying amount 31-Mar-18	Fair value 31-Mar-18	Fair value		
			Level 1	Level 2	Level 3
Financial assets at amortised cost:					
Non current					
Loans and receivables	100,220	100,220			
Other Financial assets	8,683,066	8,683,066			
Current					
Trade receivables	75,395,368	75,395,368			
Cash and cash equivalents	118,884,051	118,884,051			
Other bank balances	279,938,291	279,938,291			
Loans	13,561,032	13,561,032			
Other Financial Assets	-	-			
Total	496,562,028	496,562,028	-	-	-
Financial liabilities at amortised cost:					
Non current					
Borrowings	43,978,290	43,978,290			
Other financial liabilities	-	-			
Current					
Trade Payables	-	-			
(i) total outstanding dues of micro and small enterprises	11,141,999	11,141,999			
(ii) total outstanding dues other than (i) above	19,330,893	19,330,893			
Other Financial Liabilities	168,486,081	168,486,081			
Total	242,937,263	242,937,263	-	-	-

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, bank deposits, trade payables and other financial liabilities are considered to be same as their fair values, due to their short term nature.

Note 32 - Earnings Per Share (EPS)

	31-Mar-19 INR	31-Mar-18 INR
a) Basic earning per share		
Basic earning per share attributable to the equity holders of the company	351.28	299.35
b) Diluted earning per share		
Diluted earning per share attributable to the equity holders of the company	351.28	299.35

Basic EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/ (loss) attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31-Mar-19 INR	31-Mar-18 INR
Profit attributable to equity holders of the Company:		
Continuing operations	137,701,777	117,346,927
Discontinued operation		
Profit attributable to equity holders of the Company for basic earnings	137,701,777	117,346,927
Profit attributable to equity holders of the Company adjusted for the effect of dilution	137,701,777	117,346,927
Weighted average number of Equity shares for basic EPS *	392000	392000
Effect of dilution:		
Weighted average number of Equity shares adjusted for the effect of dilution *	392000	392000

* The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

Note 33 - Previous year's figures have been regrouped/ reclassified whichever necessary to correspond with the current year's classification/ disclosure.

Note 34 - Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

a) Ind AS 116

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods. The Company is still evaluating the method to be adopted for the application of new lease standard.

b) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition -

- i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The Company is evaluating requirements of the amendment and the effect on the financial statements is being evaluated.

c) Amendment to Ind AS 12 – Income taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

Company does not expect any impact of the amendment on its financial statements in FY 2019-20.

d) Amendment to Ind AS 19 – plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Company does not expect any impact of the amendment on its financial statements in FY 2019-20.

Accounting Policy Under Ind AS

Standalone Financial Statement of Tripura Natural Gas Company Limited for the year ended 31 March 2019

1. Corporate information

Tripura Natural Gas Company Limited ("TNGCL") is a company domiciled in India with registered office, in Agartala, Tripura.

GAIL (India) Limited entered in to a contractual agreement with Tripura Industrial Development Corporation ("TIDC"), Assam Gas Company Limited ("AGCL") on February 15, 2005 as a major shareholder to make TNGCL the fastest growing CGD entity in entire Eastern India for distribution and marketing of Natural Gas and Compressed Natural Gas (CNG) for use in residential, commercial, industrial and automotive sector, in the state of Tripura. TNGCL has established itself as a pioneer in the CGD business and has been the 100% Piped Natural Gas (PNG) supplier to the Domestic and CNG customers in the state of Tripura. This had been possible to achieve with the commendable visionary leadership, exemplary problem solving skills and untiring efforts, along with other stake holders - Tripura Industrial Development Corporation (TIDC) & Assam Gas Company Ltd (AGCL).

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 03-06-2019.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under section 133 of the Companies Act 2013, read together with Companies (Accounts) Rules 2014 (Indian GAAP). These financial statements for the year ended 31 March 2019 have been prepared by the Company in accordance with Ind-AS.

The financial statements have been prepared on a historical cost basis. Where there are assets and liabilities calculated on a different basis, this fact is disclosed in the relevant accounting policy.

The Company does not have any subsidiary, associates and joint ventures, hence these financial statements are individual financial statements and does not require any consolidated financial statements.

The financial statements are presented in Indian Rupees ('INR').

3. Significant accounting policies

3.1 Property, plant and equipment

(a) Tangible Assets

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation. All costs relating to acquisition of fixed assets till commissioning of such assets are capitalized. In the case of commissioned assets where final payment to the Contractors is pending, capitalization is made on provisional basis, including provisional liability pending approval of competent authority, subject to necessary adjustment in cost and depreciation in the year of settlement.

When significant parts of property, plant and equipment (identified individually as component) are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection/overhaul/repair is performed, its cost is recognized in the carrying amount of respective assets as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, plant and equipments are eliminated from financial statements, either on disposal or when retired from active use. Losses/gains arising in case retirement/disposals of property, plant and equipment are recognized in the statement of profit and loss.



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Subbagan, Agartala.

(B. Saha)
Managing Director,
Tripura Natural Gas Co. Ltd.

(Atanu Datta Choudhury)
Chief Financial Officer,
TNGCL Ltd, Agartala.
7.07.19

Accounting Policy Under Ind AS

Standalone Financial Statement of Tripura Natural Gas Company Limited for the year ended 31 March 2019

and loss in the year of occurrence.

Depreciation is provided in accordance with the useful life as specified in Schedule II of the Companies Act, 2013, on straight line method (SLM) on pro-rata basis (monthly pro-rata for bought out assets).

Leasehold lands are amortized over the lease period. Leasehold improvements are amortized over the remaining period of the primary lease or expected useful economic lives, whichever is shorter.

The asset's residual values, useful lives and method of depreciation/amortization are reviewed at each reporting period and adjusted prospectively, if appropriate.

(b) Capital Work in Progress

Capital work in progress includes construction stores including material in transit/ equipment / services, etc. received at site for use in the projects.

All revenue expenses incurred during construction period, which are exclusively attributable to acquisition / construction of fixed assets, are capitalized at the time of commissioning of such assets.

3.1 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets with finite lives (i.e. software and licenses) are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Research and development costs

Development costs that are expected to generate probable future economic benefits are capitalized as intangible assets. All other research and development expenditure is recognized in profit and loss account as incurred.

3.2 Impairment of non-financial assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipments and intangible assets with finite life may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

Carrying value of equity accounted investments are tested for impairment in accordance with the policy described above.

3.3 Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity. Stores & Spares which meet the definition of property plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.

Net realizable value is determined based on estimated selling price, less further costs expected to be incurred to completion and disposal.

3.4 Cash and cash equivalents

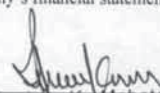
Cash and cash equivalents consist of cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value


For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

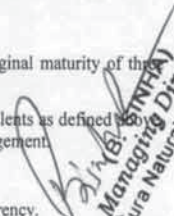
3.5 Foreign currency transactions

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




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Standalone Financial Statement of Tripura Natural Gas Company Limited for the year ended 31 March 2019

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction.

At each balance sheet date, foreign currency monetary items (such as Cash, Receivables, Loans, Payables, etc.) are reported using the closing exchange rate.

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.

Non-monetary items (such as Investments, Fixed Assets, etc.) which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognized in other comprehensive income or the statement of profit and loss is also recognized in other comprehensive income or the statement of profit and loss respectively).

3.6 Revenue and other income

(a) Sale of goods

Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. The Company has applied the modified retrospective approach on transition to Ind AS 115.

Revenue is recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Consideration includes goods or services contributed by the customer, as non cash consideration, over which Company has control.

Revenue from sale of goods and services is recognized on the transfer of control to the customer and upon the satisfaction of performance obligations under the contract.

Where performance obligation is satisfied over time, company recognizes revenue using input/ output method based on performance completion till date. Where performance obligation is satisfied point in time, company recognizes revenue when customer obtains control of promised goods and services in the contract.

(b) Interest income

Interest income is recognized on a time proportion basis.

3.7 Employee benefits

All employee benefits that are expected to be settled wholly within twelve months after the end of period in which the employee render the related services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc. are recognized during the period in which the employee renders related service.

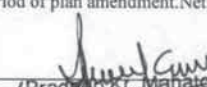
Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the service entitling them to the contribution.

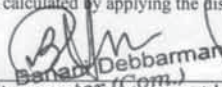
The Company's contribution to the Provident Fund is remitted to a separate trust established for this purpose based on a fixed percentage of the eligible employee's salary and debited to Statement of Profit and Loss. Further, the company makes provision as per actuarial valuation towards any shortfall in fund assets to meet statutory rate of interest in future period, to be compensated by the company to the Provident Fund Trust.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out annually, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

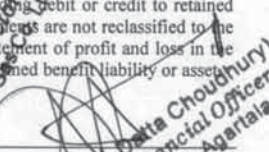
Remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the statement of profit and loss in the period of plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.




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Chief Financial Officer,
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Accounting Policy Under Ind AS

Standalone Financial Statement of Tripura Natural Gas Company Limited for the year ended 31 March 2019

Compensated absences and other benefits which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

3.8 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale, after netting off any income earned on temporary investment of such funds. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

All other borrowing costs are recognized as expense in the period in which they are incurred.

3.9 Leases

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

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.

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.

3.10 Earnings per share

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

3.11 Taxation

Tax expense represents the sum of tax currently payable and deferred tax.

a) Current Tax

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred Tax

Deferred tax is provided, using the balance sheet method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Tax relating to items recognized directly in equity is recognized in equity and not in the income statement.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in



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Accounting Policy Under Ind AS

Standalone Financial Statement of Tripura Natural Gas Company Limited for the year ended 31 March 2019

OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.12 Provisions, Contingent liabilities, Contingent assets and Commitments

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

3.13 Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as capital grant which is recognized as income in statement of profit and loss over the period and in proportion in which depreciation is charged.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

3.14 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset as current when it is:

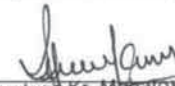
- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period


All other assets are classified as non-current.


A liability is current when:

- It is expected to be settled in normal operating cycle




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Standalone Financial Statement of Tripura Natural Gas Company Limited for the year ended 31 March 2019

- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.15 Fair value measurement

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:

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are 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.

3.16 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.

i) Financial assets

Classification

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

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent measurement

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

• Financial assets carried at amortized cost

A financial asset 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.

• Financial assets at fair value through other comprehensive income

A financial asset 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



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Accounting Policy Under Ind AS

Standalone Financial Statement of Tripura Natural Gas Company Limited for the year ended 31 March 2019

model.

- **Financial assets at fair value through profit or loss**

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

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.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables or contract revenue receivables and all lease receivables.

ii) Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdraft.

Subsequent measurement

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

- **Financial liabilities at amortized cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or 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.

- **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes 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.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

iii) 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.

4 Significant accounting judgements, estimates and assumptions



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Tripura Natural Gas Company Ltd.

(Ms. Banani Debbarman)
Director (Com.),
Tripura Natural Gas Co. Ltd.
Shilpa Nigam Bhawan,
Urbagan, Agartala.

(Ms. Sindhya)
Managing Director,
Tripura Natural Gas Co. Ltd.

(Atank Datta Choudhury)
Chief Financial Officer,
TNGC Ltd. Agartala.

Accounting Policy Under Ind AS

Standalone Financial Statement of Tripura Natural Gas Company Limited for the year ended 31 March 2019

The preparation of the Company's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the consolidated financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

4.1 Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the consolidated financial statements:

(a) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

4.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Revenue recognition

The Company uses output method in accounting for the revenue in respect of sale of services. Use of output method requires the Company to recognize revenue based on performance completion till date e.g. time elapsed, units delivered etc. The estimates are assessed continually during the term of the contract and the company re-measures its progress towards complete satisfaction of its performance obligations satisfied over time at the end of each reporting period.

Company updates its estimated transaction price at each reporting period, to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period including penalties, discounts and damages etc.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Defined benefit plans



(Pradeep Kr. Mahato)
Company Secretary,
Tripura Natural Gas Company Ltd.

Ms. Banani Debbarman
Director (Com.)
Tripura Natural Gas Co. Ltd.
Shilpa Nigam Bhawan
Kheturbagan, Agartala

(B. SINHA)
Managing Director
Tripura Natural Gas Co. Ltd.

(Atanu Datta Choudhury)
Chief Financial Officer,
TNGC Ltd., Agartala.

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Accounting Policy Under Ind AS

Standalone Financial Statement of Tripura Natural Gas Company Limited for the year ended 31 March 2019

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

5 Standards Issued but not yet Effective

Ind - AS 115 "Revenue from Contract with Customers"

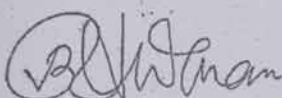
Ind AS 115 was issued in February, 2015. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

This standard will come into force from accounting period commencing on or after 1st April, 2018. The company will adopt the new standard on the required effective date. The Company is in the process of making an assessment of the impact of Ind-AS 115 upon initial application, which is subject to changes arising from a more detailed ongoing analysis.

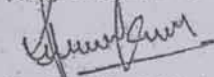
Amendments to Ind AS 7 "Statement of cash flows"

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

This amendment is effective for accounting period commencing on or after 1st April, 2017. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.



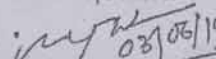
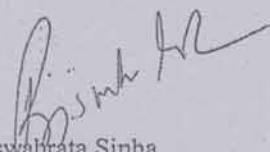
Banani Debbarman
(Director Commercial)
DIN -08119962
Ms. Banani Debbarman
Director (Com.)
Tripura Natural Gas Co. Ltd.,
Shilpa Nigam Bhawan,
Khejurbagan, Agartala.



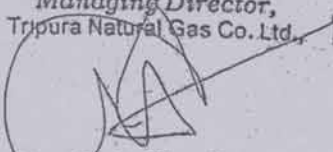
Pradeep Kr. Mahato
(Company Secretary)
Membership No-ACS31321
(Pradeep Kr. Mahato)
Company Secretary,
Tripura Natural Gas Company Ltd.


MANAGING DIRECTOR
Assam Gas Company Ltd.
Duliajan
DIN-07285877

For S. A. Majumdar & Associates.
Chartered Accountants.


(CA. S. Majumdar)

Biswabratra Sinha
(Managing Director)
DIN -0008460725
(B. SINHA)
Managing Director,
Tripura Natural Gas Co. Ltd.


Atanu Datta Choudhury
(Chief Financial Officer)
PAN-AGUPD6174A

(Atanu Datta Choudhury)
Chief Financial Officer,
TNGC Ltd., Agartala.



A glimpse of CSR Activities



*Solar Powered Drinking Water Plant
(Project Rupkathar Gaon)*



*Winter Vegetables
(Project Rupkathar Gaon)*



*Toilet
(Project Rupkathar Gaon)*



*Graduation Day
(Project Pratyasha)*

A glimpse of CSR Activities



Namghar_No 1 Chapatoli Village



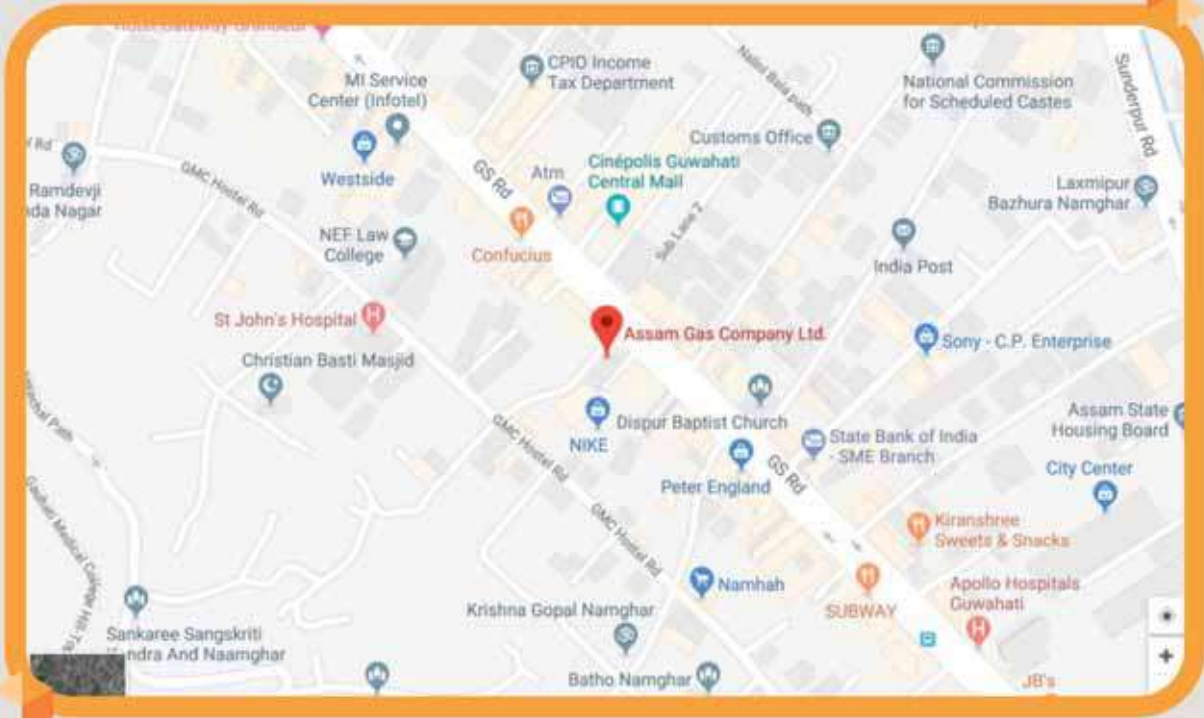
*Kharif Veg Cucumber
Project Rupkatha Gaon*



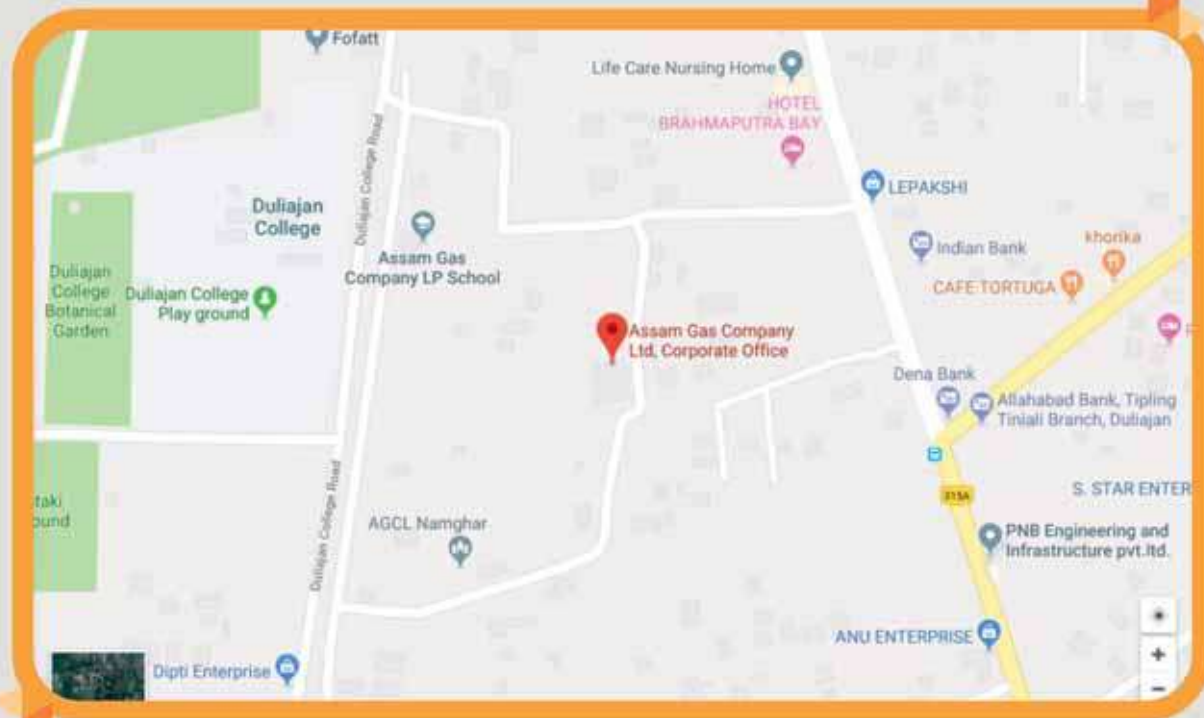
*Winter Vegetables
Project Rupkatha Gaon*



*Renovated LP School
Project Rupkatha Gaon*



AGCL Guwahati



AGCL Duliajan

