ANNUAL REPORT 2017-18





Ravi Capoor, IAS
Chairman, AGCL and Additional Chief
Secretary, Industries & Commerce
Deptt, Govt of Assam
(w.e.f. 07.09.2016)



V. B. Pyarelal, IAS
Director, AGCL and Additional Chief
Secretary, Finance Department,
Govt of Assam (w.e.f. 07.08.2016
to 23.05.2017)



Sanat Kumar Kalita, ACS (Retd.)

Commissioner & Secretary,

P.E. Deptt. Govt. of Assam

and Director, AGCL

(w.e.f. 23-05-2017)



Achintya Kr. Nath (Retd.)
Director, Assam Gas Company
Limited & GM (GMS), Oil India
Limited up to 23-05-2017



Shehla Rahman, ACS (Retd.)
Director, Assam Gas Company
Limited and Secretary, Industries
& Commerce Deptt, Govt of
Assam (w.e.f. 27.01.2016 to
18.07.2018)



Umananda Doley Secy, Industries & Commerce Deptt., Govt of Assam & Director, AGCL (w.e.f. 18.07.2018)



Aditya Kr. Sharma Managing Director, AGCL



Sidhartha Bordoloi Chief General Manager (GMS) Oil India Ltd. and Director, AGCL (w.e.f 23-05-2017)



Mayuri Chetia, ACS Jt. Secretary, Finance Deptt., Govt. of Assam and Director, AGCL (w.e.f. 23-05-2017)



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)



Rajib Hazarika Director, AGCL (w.e.f. 29.01.2015 to 16.10.2017)



Anuj Kumar Borkotoky

Director, AGCL
(up to 16-10-2017)



Hellal Ahmed Khan Director, AGCL (up to 16-10-2017)



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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. S. K. Mallick & Co. (CA1807) Chartered Accountants P.O.: Moran Hat Dibrugarh-785670 Assam

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 56th Annual General Meeting of the Shareholders of Assam Gas Company Limited will be held in the Co-ordination Office of the Company at "Adams Plaza", 1st Floor, Christian Basti, G. S. Road, Guwahati-781005 on Friday, the 28th September, 2018 at 11.30 A.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, 2018 and Statement of Profit & Loss for the year ended 31st March, 2018 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
- 1. Approval of Remuneration of the Cost Auditor for the financial year 2018-19

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 2018-19 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."

By Order of the Board of Directors

Place: Guwahati Date: 27/09/2018

(**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

(D. Dev Gupta)

Company Secretary

Place: Guwahati Date: 27/09/2018

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 26th September, 2018.

Item No. B.

1. Approval of Remuneration of Cost Auditor for the financial year 2018:

M/s Subhadra Dutta & Associates, Cost Accountants, Guwahati was appointed by the Board as the Cost Auditor of the Company for the year 2018-19 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.

By Order of the Board of Directors

(**D. Dev Gupta**)
Company Secretary

Place: Guwahati Date: 27/09/2018

Directors' Report

Your Directors have pleasure in presenting the 56^{th} Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31^{st} March, 2018.

Financial Results

The Company's financial performance, for the year ended March $31^{\rm st}\,2018$ as compared to that of the previous year is summarised below:-

(₹in lakhs)

Particulars	2017-2018	2016-2017
A. Revenue		
(a) From operations	22,617.76	22,141.41
(b) Other Income	4,189.04	4,775.82
Total Revenue (A)	26,806.80	26,917.23
B. Expenses		
(a) Depreciation and amortization expenses	633.07	610.55
(b) Other Expenses	15,316.02	15,740.29
Total Expenditure (B)	15,949.09	16,350.84
C. Profit/Loss before exceptional and extraordinary items and tax: (A-B) = C	10,857.71	10,566.39
D. Prior period & Extraordinary items	0	(9.80)
E. Profit before tax (C-D) = E	10,857.71	10,556.59
F. Tax Expenses	3,744.94	3,681.77
G. Profit for the period after Tax (E-F)=G	7,112.77	6,874.82
H. Balance of Profit transferred to Reserve & Surplus A/c	7,112.77	6,874.82
I. Earnings per equity share (in ₹) Basic & Diluted	421	406

Directors propose to appropriate this amount as under:	2017-2018	2016-2017
Accumulated Profit & Loss Reserve	71520.44	66203.06
Adjustments for expenses, taxes and Reserves		
Dividend:	211.43	211.43
Dividend Tax	13.52	13.52
Balance in Profit & Loss Reserve	71295.49	65,978.11
Summarized Cash Flow Statement:		
Inflow / (outflow) from operations	4,789.15	4,439.29
Inflow/ (Outflow) from investing activities	(5549.40)	(7,880.07)
Inflow/ (Outflow) from financing activities	1372.51	3,335.72
Net increase/(decrease) in cash & cash equivalents	612.26	(105.06)

PERFORMANCE HIGHLIGHTS

(a) Physical Performance

During the year 2017-18, your Company transported 1425.85 MMSCM of natural gas to its consumers as against 1433.60 MMSCM transported in the previous year.

While the transportation of gas to bulk consumers reduced by 1.62% from 1244.88 MMSCM to 1224.76 MMSCM, gas distribution to the CGD sector comprising of domestic, commercial and industrial (tea) consumers increased by 6.55% from 188.72 MMSCM to 201.09 MMSCM. Overall utilisation of the gas transportation and distribution infrastructure was lower by 0.54% during 2017-18 as compared to the 2016-17.

The value of fixed assets as on 31st March, 2018 stood at ₹123.26 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 ₹300.92 Crores [comprising of income from Operations (inclusive of taxes) and Other Income] as against ₹301.81 Crores during the previous year. The profit before tax for the year was ₹108.58 Crores, which is 2.85% higher compared to ₹105.57 Crores in 2016-17. The profit after tax for the year stood at ₹71.13 Crores as against ₹68.75 Crores recorded in 2016-17. The earnings per share in 2017-18 was ₹421 compared to ₹406 in the previous year.

The internal generation of cash during the year stood at ₹6.12 Crores (inflows) as against ₹1.05 Crores (outflow) in the previous year.

Your Company through effective utilization of available surplus funds, was able to earn an interest income of ₹28.16 Crores during the year. During the year the Company acquired various fixed Assets of ₹6.77 Crores (at cost) as against ₹6.63 Crores (at cost) during the previous year.

OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The Company continues to endeavour to transport the required quantity of gas at the agreed pressure and to meet the rising consumers' expectations. Gas is being transported to the following consumers:

- Bulk consumers such as NTPS & LTPS of APGCL; AGBPP of NEEPCO; BVFCL and APL.
- Over 402 Industrial and Tea consumers spread across the six districts of upper Assam (Tinsukia, Dibrugarh, Sibsagar, Charaideo, Jorhat and Golaghat).
- Over 31900 domestic and 1050 commercial consumers spread over 12 towns in upper Assam as of August 2018.

Domestic and commercial consumers are being constantly added to the various town gas grids. Some 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 Titabar 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 in Jorhat District, Demow in Sivasagar District and Doomdooma in Tinsukia District where natural gas sources are available nearby or connectivity can be established. The company may thus add 10,000 new domestic and commercial consumers from these satellite towns.

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, an increase rate of dividend compared to that of the previous year 2016-201 by 7.5%, (that is, 20%) per equity share of ₹100.00 each on the paid-up Share Capital of ₹16.91 Crores for the year 2017-2018 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.

Till 31st March 2018, DNPL has repaid an amount of ₹56.00 Crores to your company.

CONTRIBUTION TO EXCHEQUER

Your Company has contributed a total of ₹44.82 Crores to the Central Exchequer and ₹25.61 Crores to the State Exchequers in the form of taxes, duties and dividends compared to ₹55.18 Crores and ₹17.54 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, 2018 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. All related party transactions are negotiated 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

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report.

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 continuation of its business or pose a threat to its existence. 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. The Company has embarked on a Business Process Re-Engineering Project, 'Unmilon – rejuvenation' under which Business Risk Management will be addressed.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial 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.

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%, out of which till March, 2018, ₹56.00 Crores has already been repaid by DNPL.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The Company is taking effective steps at every level of its activities for conservation of Energy. The Company is also pursuing options of setting up solar power projects for captive use. To reduce the consumption of power, the company has installed LED lighting in the Compressor Station.

As part of technology absorption, the company is in the final stages of implementing a Geographical Information System for its wide network of steel and PE pipelines under which all pipeline assets will be mapped and digitized records of the assets, RoU / RoW will be available at the tap of a key.

FOREIGN EXCHANGE EARNINGS & OUTGO

There were no direct foreign exchange earnings or outgo during the year 2017-18.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes in the relevant financial year 2017-2018 affecting the financial position of the company.

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 26.09.2017, 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	MI.214/2002/Pt/57-A dated 7 th September,2016	27 th October,2016	-	Chairman
2.		MI.214/2002/163-A dated 3 rd May, 2017	23 rd May, 2017	1 st March, 2018	Director
3.	Ms. Shehla Rahman	MI.214/2002/137 dated 27 th January, 2016	27 th January, 2016	18 th July, 2018	Director
4.	Ms.Mayuri Chetia	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	-	Managing Director
6.	Shri Siddartha Bordoloi	MI.214/2002/163-C dated 23 rd May, 2017	23 rd May, 2017	-	Director
7.	Shri Anuj Kumar Borkotoky	MI.214/2002/132-A dated 10 th December, 2015	10 th December, 2015	16 th October, 2017	Director
8.	Mr. Helal Ahmed Khan	MI.214/2002/132 dated 10 th December, 2015	29 th January,2016	16 th October, 2017	Director
9.	Shri Rajib Hazarika	MI.214/2002/132-B dated 10 th December, 2015	29 th January, 2016	16 th October, 2017	Director
10.	Mrs. Kalyani Baruah	MI.214/2002/167-A dated 16 th August, 2017	16 th August, 2017	-	Director
11.	Shri Tarun Ch. Saharia	MI.214/2002/Pt/82-A dated 16 th May, 2018	16 th May, 2018	-	Director
12.	Shri Umananda Doley	MI.42/2015/569-A dated 18 th July, 2018	18 th July, 2018	-	Director

The Directors have placed on record their appreciation of the valuable contribution made and guidance given by Shri Sanat Kumar Kalita, Ms. Shehla Rahman, Shri Anuj Kumar Borkotoky, Mr. Helal Ahmed Khan and Shri Rajib Hazarika for the development and progress of AGCL's business during their tenure as Directors of the Company.

Key Managerial Personnel

The following are the Key Managerial Personnel of the company:

(a) Shri Aditya Kumar Sharma : Managing Director & Chief Executive Officer
 (b) Shri Vijay Kumar L : Sr. Manager (F&A) & Chief Financial Officer

(c) 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, 2018, 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, 2018 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 and effective during the financial year 2017-18.

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, 2018 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 $\stackrel{>}{\sim}60.00$ Lakh/ $\stackrel{>}{\sim}5.00$ 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 S.K. Mallick & Co., (CA1807) Chartered Accountants, Post Moran Hat, Dibrugarh -785670 was appointed as Statutory Auditors of the Company for the year 2017- 18 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 2017-18. The Secretarial Audit Report for the financial year 2017-18 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 2016-17 in accordance with the provisions of Section 148(3) of the Companies Act, 2013. Cost Audit Report for the year 2016-17 was filed with the Ministry of Corporate Affairs on 23rd September 2017 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 2017-18. 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 2017-18 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 seventh full year of its operation transported approximately 267.92 MMSCM (Million Standard Cubic Metres) of natural gas to NRL as against the annual contracted quantity of 300 MMSCM.

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

During the year 2017-18, DNP Ltd. registered a profit of ₹64.70 Crores before interest, depreciation and taxes against a turnover of ₹80.06 Crores and a profit after tax of ₹32.31 Crores as against profit after tax of ₹13.49 Crores in the previous year.

As on 31st March, 2018 and your company's investment in DNP Limited stands at ₹85.30 crores.

DNP Ltd has recommended a dividend of 9.70% (excluding corporate dividend tax) of the paid-up share capital of ₹167.25 Crores (i.e. ₹0.97 per fully paid equity shares of ₹10/- each) to its shareholders which would absorb a sum of ₹19.56 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%. The company has developed a business plan whereby the company will be making capital investments of ₹75.00 Crores of which the promoters shall invest ₹24.00 Crores.

Your company, at the request of TNGCL has taken necessary actions to increase their investment by ₹6.00 Crores, which has been approved by the Public Investment Board (PIB), Government of Assam.

(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 going on in full speed and is targeted to be completed by September, 2019. The 200 TPD formalin project is being set up at Boitamari, Bongaigaon district of

Assam. The Government of Assam has already approved the investment proposal of your company to the tune of ₹28.00 Crores in equity. 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 Mrs. 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 comprises of Shri T. C. Saharia as Chairman of the Committee, Shri Siddhartha Bordoloi as Member and Shri A.K. Sharma as Member.

NUMBER OF MEETINGS OF THE BOARD

Six nos. meetings of the Board of Directors were held during the year 2017-18, 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 comprises of Mrs. Kalyani Baruah as Chairperson of the Committee, Shri Siddhartha Bordoloi as Member, Shri T. C. Saharia as Member and Shri A. K. Sharma, 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 providing 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 Company organized a two-day workshop on 'Gender Sensitization' in the month of June, 2017 which was well received amongst the employees. Also, expert views on the topic and workings of the ICC were taken from the Resource Person to ensure congenial working environment and upheld the good name of the Company. There were no cases filed for Sexual Harassment of Women at Workplace during the Financial Year 2017-18.

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 2017-2018.

EXTRACT OF ANNUAL RETURN

In accordance with Section134(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, 2018 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: 26/09/2018 Place: Guwahati (Ravi Capoor)
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. Phase-II of the SCADA project has already been initiated to cover the rest of the 325 plus consumer locations and intermediate points of the transmission network.

Directors perception of the future of the Company

To grow, the company has to expand its operations. The Company was part of the team actively involved in developing Govt of India's Hydrocarbon Vision 2030 for North Eastern Region. In May 2017, the Company submitted an Expression of Interest to PNGRB to develop the 730 kms Barauni Guwahati Gas Pipeline Project. It initiated a discussion amongst several hydrocarbon companies on the project and on 2nd February 2018, it was announced that GAIL (India) Ltd. has been authorized to execute the project as an extension of 2500 kms Urja Ganga Project. At the Advantage Assam Summit held at Guwahati on February 3rd and 4th 2018, the creation of the North East Gas Grid by five leading hydrocarbon Central

PSUs was announced. These developments 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 are in the process of forming a joint venture company to execute the projects.

The Company had also 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 2018-2019. It has also bid for gas from ONGCL's fields near Silchar. Decision by ONGCL on both the tenders is expected soon.

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 business

environment and 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.

Risks & Concerns

Risks and associated concerns for 2018-19 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 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.

Safety

During the year 2017-2018, 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 has also recruited a full time Safety Officer to guide the company is enhancing the safety aspects of its operations.

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, 2018, total employees strength was 399(including MD) of which 325 belonged to the staff category and 74 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 2017-18. 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 2017-2018 was ₹199.00 Lakhs. However, after considering the unspent amount of ₹72.21 Lakhs earmarked for the year 2016-2017 and projects withdrawn for ₹40.00 Lakhs, total fund available for the year 2017-2018 was ₹311.21 Lakhs.

As against above, total amount spent on CSR activities during the financial year 2017-2018 was ₹174.62 Lakhs and committed and unspent amount was ₹114.30 Lakhs. The balance unspent amount of ₹22.29 Lakhs has been carried forward to the financial year i.e. 2018-2019.

Date: 26/09/2018 Place: Guwahati 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 five upper Assam districts of Tinsukia, Dibrugarh, Sibsagar, 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 five districts of Assam.

The company 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.

For and on behalf of Board of ASSAM GAS COMPANY LIMITED

(Ravi Capoor)
Chairman

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 2017-2018 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, 2018, the Board of AGCL comprised of three Part time (Ex-Officio) Directors nominated by the Government of Assam represented by Industries and Commerce Department and Finance Department, 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 Generaltion Corporation Limited (APGCL) is represented in the AGCL Board by its Managing Director. 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.

The Public Enterprises Department, Government of Assam nominates one of its representatives as one of the Directors on the Board of the Company.

Additional Chief Secretary, Industries & Commerce Department, Govt of Assam is presently holding the position of chairman of the Company. 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:-

Six Board Meetings were held during the financial year 2017-2018, details of which are as follows-

Sl. No.	Board Meetings	Date	Place
1.	$273^{\rm rd}$	28 th June, 2017	Guwahati
2.	274 th	24 th July, 2017	Guwahati
3.	275 th	12 th September, 2017	Guwahati
4.	276 th	26 th September, 2017	Guwahati
5.	277 th	20 th December, 2017	Guwahati
6.	278 th	28 th March, 2018	Guwahati

The relevant details of the Directors of the company as on 31st March, 2018 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 Capoor, IAS	B.Com, MBA	07/09/2016	6	100		Director 1. AIDCL 2. ATPO 3. NRL 4. BCPL 5. TNGCL Chairman 1. ASIDC 2. ATCL
2.	Shri Sanat Kumar Kalita, ACS (ceased w.e.f 01/03/2018)	B.A. (Hons)	23/05/2017	5	100		Director 1. APL 2. ATCL
3.	Ms. Shehla Rahman, ACS, (ceased w.e.f 18/07/2018)	B.A(History)	27/01/2016	4	67	-	Managing Director 1. ASIDC Director 1.AHECL 2.AMDCL 3. APL 4. ATCL

4.	Shri Aditya Kumar Sharma	B.Com (Hons.), ACMA, MBA(Finance) from IISWBM, Calcutta University	10/09/2015	5	83		Director 1. DNPL
5.	Mr. Helal Ahmed Khan (<i>ceased w.e.f.</i> 16/10/2017)	B.A	29/01/2016	2	50	-	Proprietor 1. M/s Rahi Enterprise
6.	Shri Rajib Hazarika (ceased w.e.f. 16/10/2017)	MBA (Marketing & Personnel) from Pune University	29/01/2016	4	100		Proprietor 1. Demow HP Gas Service Partner 1.East India Construction
7.	Shri Anuj Kumar Borkotoky (<i>ceased w.e.f.</i> 16/10/2017)	H.S Pass	10/12/2015	1	25		Director 1.AR Medical Pvt. Ltd. Partner 1. N.R. Marketing 2. Gautam Tea Plantations Pvt. Ltd.
8.	Shri Siddartha Bordoloi	B.E (Mechanical)	23/05/2017	5	83	-	
9.	Smt. Mayuri Chetia, ACS	M.A	28/06/2017	3	50	-	Director 1. AEDCL (Amtron) Member 1. ASFCL 2.Committee for
10.	Mrs. Kalyani Baruah		16/08/2017	3	75	-	Managing Director 1. APGCL Director 1. APPCL

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, AMDCL: Assam Mineral Development Corporation Ltd, APL: Assam Petrochemicals Limited, DNPL: DNP Ltd. NRL: Numaligarh Refinery Limited, AEDCL(Amtron): Assam Electronics Development Corporation Ltd, ASFCL: Assam State Fertilizer & Chemicals Limited, Committee for IT (Assam State Wide Area Network), APGCL: Assam Power General Corporation Limited, APPCL: Assam Power Project Company Limited.

2. Audit Committee

AGCL introduced Corporate Governance in the organization during the year 2008 itself 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 of AGCL was reconstituted by the Board in its 273^{rd} Meeting held on 28/06/2017 with the following three (3) Members of the Board:-

- 1. Shri Sanat Kumar Kalita, as Chairman of Audit Committee
- 2. Shri Siddhartha Bordoloi, Member
- 3. Shri Rajib Hazarika, Member

The Audit Committee was further reconstituted by the Board in its 280th Meeting held on 18/06/2018 due to retirement of Shri Sanat Kumar Kalita from Government services on 1st March, 2018 on attaining the age of superannuation and subsequent withdrawal of nomination of Shri Sanat Kumar Kalita by Pubic Enterprises Deptt., Govt. of Assam. The Audit Committee was reconstituted 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

2.2. Role 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 2017-2018, details of which are as follows-

Sl. No.	Audit Committee Meetings	Date	Place
1.	9 th	24 th July, 2017	Guwahati
2.	10 th	19 th September, 2017	Guwahati

2.4 Attendance of the Audit Committee meeting during the financial year 2017-18:

Name of the members	No. of meetings attended	%age thereof (out of 2 meetings held)	Attendance at the last Annual General Meeting
Shri Sanat Kr. Kalita, Chairman of Audit Committee (ceased to be a director w.e.f. 01/03/2018)	2	100	√
Shri Siddharta Bordoloi, Member	2	100	✓
Shri Rajib Hazarika, Member (w.e.f. 16/10/2017)	1	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 Committee was approved in its 277th Meeting of the Board of Directors held on 20th December, 2017 with the following members:-

- (i) Shri Sanat Kumar Kalita, ACS, Chairman
- (ii) Mrs. Kalyani Baruah, Member
- (iii) Shri Siddhartha Bordoloi, Member
- (iv) Shri Aditya Kumar Sharma, MD, Permanent Invitee

The Committee was further reconstituted by the Board in its 280th Meeting held on 18/06/2018 due to retirement of Shri Sanat Kumar Kalita from Government services on 1st March, 2018 on attaining the age of superannuation and subsequent withdrawal of nomination of Shri Sanat Kumar Kalita by Pubic Enterprises Deptt., Govt. of Assam.

As on 31st August, 2018, the Nomination and Remuneration Committee was represented by the following members:-

- (i) Mrs. Kalyani Baruah, Chairperson
- (ii) Shri Siddhartha Bordoloi, Member
- (iii) Shri T. C. Saharia, Member
- (iv) Shri Aditya Kumar Sharma, MD, Permanent Invitee

No Nomination and Remuneration Committee Meeting was held in the Financial Year 2017-2018

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 273rd Meeting held on 28/06/2017 with the following three (3) Members of the Board:

- 1. Shri Sanat Kumar Kalita, as Chairman of CSR Committee
- 2. Shri Siddhartha Bordoloi, Member
- 3. Shri A. K. Sharma, Member

The CSR Committee was further reconstituted by the Board in its 280^{th} Meeting held on 18/06/2018 due to retirement of Shri Sanat Kumar Kalita from Government services on 1^{st} March, 2018 on attaining the age of superannuation and subsequent with drawal of nomination of Shri Sanat Kumar Kalita by Pubic Enterprises Deptt., Govt. of Assam.

As on 31st August, 2018, the CSR Committee was represented by the following members:-

- 1. Shri T. C. Saharia, Chairman of CSR Committee
- 2. Shri Siddhartha Bordoloi, Member
- 3. Shri Aditya Kumar Sharma, Member

5.1 Meeting of the Corporate Social Responsibility Committee:

Two Corporate Social Responsibility (CSR) Committee Meetings were held during the financial year 2017-2018, details of which are as follows:-

Sl. No.	CSR Committee Meetings	Date	Place
1.	$7^{ m th}$	24 th July, 2017	Guwahati
2.	8 th	29 th January, 2018	Guwahati

Attendance of the CSR Committee meeting during the financial year 2017-18:

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 Sanat Kr. Kalita, Chairman of CSR Committee (ceased to be a director w.e.f. 01/03/2018)	2	100	-
Shri Siddhartha Bordoloi, Member	2	100	-
Shri A. K. Sharma, Member	2	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
53 rd Annual General Meeting	_	Registered office of AGCL, Duliajan, Duliajan-786602
54 th Annual Genaral Meeting	_	Registered office of AGCL, Duliajan, Duliajan-786602
55 th Annual General Meeting	T. T	Co-ordination office of AGCL at Adam's Plaza, 1 st 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 Ravi Capoor, IAS

Shri Ravi Capoor was appointed as Nominee Director as well as the Deputy Chairman of the Government of Assam 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/57-A dated 7th September, 2016. Subsequently Shri Capoor was appointed as Chairman of the Company vide Govt of Assam Notification No. MI.214/2002/Pt./62-A dated 27th September, 2016.

Ravi Capoor, is an Indian Administrative Service (IAS) officer of 1986 batch of Assam Meghalaya joint Cadre. He served as Director of Petroleum Conservation Research Association of Ministry of Petroleum and Natural Gas, Government of India. He has been working in different capacities in Government of Assam and Central Government for more than three decades.

Ravi Capoor is presently serving as Additional Chief Secretary to the Govt. of Assam, Industries & Commerce, Public Enterprises Department, Mines & Minerals Department, Act East Policy and Environment & Forests.

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

(2) Shri Aditya Kumar Sharma

Shri A. K. Sharma was appointed as Additional Director of the Company w.e.f. 10^{th} September, 2015 as per the provisions of Section 161 of the Companies Act, 2013 in pursuance of his appointment by Government of Assam Notification dated 28/08/2015 and thereafter in the 53^{rd} Annual General Meeting of the Company held on 30/9/2015.

Shri A.K. Sharma is a Member of the Institute of Cost & Works Accountants of India and MBA (Finance) from Indian Institute of Social Welfare & Business Management (IISWBM), Calcutta

University. Shri Sharma joined AGCL in the year 1988 as Accounts Officer. He has more than 30 years of rich and varied experience in Project Financing, Budgeting, Financial Management, etc. Prior to his appointment as Managing Director, he was holding the position of Deputy General Manager (F&A) in AGCL.

(3) 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.

(4) Smt. Mayuri Chetia, ACS

Smt. Mayuri Chetia was appointed as Nominee Director by the Government of Assam under Section161(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.

(5) 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).

(6) 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, Washington 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) Shri Umananda Doley, ACS

Shri Umananda Doley was appointed as a Nominee Director by Govt. of Assam under Section 161(3) of the Companies Act 2013 read with Article 94(a) of the Article of Association of the Company and Government of Assam Notification No.42/2015/569-A dated 18th July 2018.

Shri Umananda Doley is an Assam Civil Service (ACS) Officer of 1992 batch. He served as Circle Officer, Sub-Divisional Officer (civil) Nazira, Additional Deputy Commissioner, Joint Director of Assam Administrative Staff College, Joint Secretary Cultural affairs, MD, Assam Finance Corporation, MD, Assam Plain Tribes Development Corporation and Director of Welfare of Plain Tribes and Backward Classes.

Shri Umananda Doley is presently serving as Secretary, Industries & Commerce Department, Govt of Assam.

He is already completed 26 years of service in different departments and is an experienced officer of the civil administration who has deep and wide experience in administration.

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. The Company has spent ₹174.98 Lakhs on CSR and Sustainability activities out of the budgeted amount of ₹305.00 Lakhs during the financial year 2017-2018. The balance amount of committed and unspent amount of ₹69.84 Lakhs on CSR activities has been carried to the financial year 2018-2019.
- 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, 2018.

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 website **(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	56th Annual General Meeting
Date and Time	28 th September, 2018
	Time: 9.30 A.M.
Venue	Assam Gas Company Limited
	Co-ordination Office:
	Adams Plaza, 1 st 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 31-03-2018:

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

(Ravi Capoor) Chairman

Date: 26/09/2018 Place: Guwahati

BIMAN DEBNATH

Company Secretaries

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 **31**st **March**, **2018** 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

Company Secretaries

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Email: csbimandebnath@gmail.com

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: 04/09/2018 Place: Guwahati Biman Debnath (Proprietor) C.P. No. 5857 FCS No. 6717

BIMAN DEBNATH

Company Secretaries

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 B

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST March, 2018

[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** (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 **31**st **March, 2018** 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 **31**st **March, 2018** 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

Company Secretaries

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

- 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.

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 Section 149 of the Companies Act read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 with relation to the appointment of Independent Director during the financial year under review.
- **2.** The alterations of the Articles of Association of the Company as per the new Companies Act, 2013 is still pending.
- **3.** 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.
- **4.** 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.
- **5.** Registration of Company own land is still pending in few cases.
- **6.** The internal Compliance System is not commensurate with the size and nature of the Company.

BIMAN DEBNATH

Company Secretaries

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

Place: Guwahati Date: 04-09-2018 (C S Biman Debnath) Proprietor C.P. No. 5857/ FCS No. 6717

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

BIMAN DEBNATH

Company Secretaries

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

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: 04-09-2018

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. (₹155.45 Lakh)	2009	Nil
DNP Limited (DNPL)	Payment of rental and electricity charges for office accommodation to AGCL	Ongoing transactions	₹4.90 Lakhs	Not applicable	Nil
DNP Limited (DNPL)	Payment of Interest on Loan to AGCL	Ongoing transaction	₹ 254.59 Lakhs	February, 2016	Nil
DNP Limited (DNPL)	Sale of Project Surplus Pipes	One-time Transaction	Nil	6 th August, 2016	Nil
DNP Limited (DNPL)	Dividend received from DNPL	Ongoing transaction	₹213.25 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.	1.	Name of the subsidiary	DNP Limited
2.	2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4.	4.	Share capital	₹ 1,672,500
5.	5.	Reserves & surplus	₹ 351,551
6.	6.	Total assets	₹ 2,886,512
7.	7.	Total Liabilities (excluding shareholders fund)	₹862,461
8.	8.	Investments	NIL
9.	9.	Turnover	₹665,080
101	.0.	Profit before taxation	₹307,035
111	1.	Provision for taxation (MAT + Deferred Tax Provision)	₹172,160
121	2.	Profit after taxation	₹134,875
131	3.	Proposed Dividend	₹41,813
141	4.	% of shareholding	51%

As per our report of even date

For and on behalf of the Board of Directors

For S. K. Mallick & Co. Chartered Accountants Firm Regd. No. 324892E

A. K. Sharma S. Bordoloi
Managing Director DIN: 07285877 DIN:07804287

(CA PRADIP BAKSI)

Partner

(Membership No. 054264)

Vijay Kr. L.,

Chief Financial Officer

Company Secretary

Place: Guwhati Date: 27th July, 2018

Part "B": Associates and Joint Ventures

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

I.

Name of associates/Joint Ventures	Tripura Natural Gas Company Limited
Latest audited Balance Sheet Date	31st March 2018
2. Shares of Associate/Joint Ventures held by the company on the year end	1,00,000 equity shares
No.	1,00,000@ ₹100 each share ₹1,00,00,000/-
Amount of Investment in Associates/Joint Venture	25.51%
Extend of Holding%	Associate
3. Description of how there is significant influence	
4. Reason why the associate/joint venture is not consolidated	₹19,46,01,224/-
5. Net worth attributable to shareholding as per latest audited Balance Sheet	₹ 11,73,46,927/-
6. Profit/Loss for the year	-
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	-

- 1. Names of associates or joint ventures which are yet to commence operations- N.A.
- 2. 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 S. K. Mallick & Co. Chartered Accountants

Firm Regd. No. 324892E A. K. Sharma S. Bordoloi Managing Director Director

DIN: 07285877 DIN: 07804287

(CA PRADIP BAKSI)

Partner

(Membership No. 054264) Vijay Kr. L., D. Dev Gupta

Chief Financial Officer Company Secretary

Place: Guwhati Date: 27th July, 2018

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, 2018

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 det	ails
	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 Ag	ents (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.	_	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)
	Tripura Natural Gas Company Limited	U23201TR1990SGC003451	Associate	25.51%	2(6)

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

Category-wise Share Holding

forward of	No. of S	nares held	at the begi	No. of Shares held at the beginning of the year	No.	of Shares k	neld at the	No. of Shares held at the end of the vear
Shareholders	Demat	Physical	Total	% of Total Shares	De	Physical	Total	% of Total Shares
A. Promoter s								
(1) Indian								
a) Individual/ HUF	1	ı		1			1	
b) Central Govt	1	ı		1		1	1	
c) State Govt	1	16,91,449	16,91,449	100.00%		16,91,449	16,91,449	100.00%
d) Bodies Corp.								
e) Banks / FI		ı		-	,		-	
f) Any other								
Nominee of Promoter (7 Nos) i.e. BPCL/GOA		1		-	,	-	-	•
(2) Foreign								
a) NRI - Individual/	1	1		1			-	-
b) Other - Individual/	1	1		-		-	-	•
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 16,91,449	100.00%
B. Public Shareholding								
1. Institutions								
a) Mutual Funds	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-
c) Central Govt		1			-	-	1	
d) State Govt(s)	-	-	-	-	-	-	-	-
e) Venture Capital Funds	1			1				•

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

Shareholding of Promoters

%	change in share holding during the year	NO CHANGE		-
Share holding at the end of the year	%of Shares Pledged / holding encumbered to total during the year	ı		-
nolding at	% of total Shares of the	%66'66	0.01%	100.00%
Share k	No. of Shares	16,91,448 99.99%	1	16,91,449 100.00%
Shareholding at the beginning of the year	% of Shares Pledged / encumbered to total shares	-		-
ding at the l	% of total Shares of the company	%66'66	0.01%	100.00%
Sharehol	No. of Shares	16,91,448 99.99%	1	16,91,449 100.00%
	Shareholder's Name	1 Government of Assam	2 Secretary Finance, Govt. of Assam	TOTAL
	SI No.	\vdash	2	

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

		Shareholding at the beginning of the year	g at the he year	Cumulativ	Cumulative Shareholding during the year
Sl. No. I - Government of Assam		No. of shares	% of total shares of the company	No. of shares	No. of % of total shares of shares the company
At the beginning of the year		16,91,448	%66'66	16,91,448	%66'66
Changes During the Year		No Change			
Increase					
Date	Reason for Increase	No Change			
Decrease					
Date	Reason for Decrease	No Change			
At the End of the year		16,91,448	%66'66	99.99% 16,91,448	%66'66

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

Not applicable

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

		Shareholding at the	at the		
		beginning of the year	he year	Cumulativ	Cumulative Shareholding during the year
Sl. No.: 2 For Each of the Top	e Top 10 Shareholders	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	date of separation, if separated				
during the year)					

į

Shareholding of Directors and Key Managerial Personnel: NIL

		Shareholding at the	at the	Cumulat	Cumulative Shareholding during the
		beginning of the year	he year		year
S. No.: 1 Mr.		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					

		Shareholding at the	g at the	Cumulati	Cumulative Shareholding during the
		beginning of the year	he year		year
S. No.: 2 Mr.			% of total	J - 14	- 1+3 1-1-+3- /0
		No. of shares	snares of the	No. or shares	% or total snares of the company
			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					

INDEBTEDNESS

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

Indebtedness at the beginning of the financial year 2017-18	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	ı	-	Nil	-
ii) Interest due but not paid	1	-	Nil	-
iii) Interest accrued but not due				
Total (i+ii+iii)	-	-	Nil	-
Change in Indebtedness during the financial year 2017-18				
* Addition	1	-	Nil	-
* Reduction	-	-	Nil	-
Net Change	1	•	Nil	-
Indebtedness at the end of the financial year 2017-18				
i) Principal Amount	-	-	Nil	-
ii) Interest due but not paid	ı		Nil	-
iii) Interest accrued but not due	ı	-	Nil	-
Total (i+ii+iii)	ı	-	Nil	,

V

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

 $Remuneration \ to \ Managing \ Director, \ Whole-time \ Directors \ and/or \ Manager:$

Sl.		Name of MD	/W'	TD/	
	Particulars of Remuneration	Manage	er		Total Amount
no.		A.K.Sharma			
1	Gross salary	19,84,177			19,84,177
	(a) Salary as per provisions contained in	19,00,954			19,00,954
	section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	83,223			83,223
	(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)	19,84,177			19,84,177
	Ceiling as per the Act	•		_	being 11% of the
		Net Profit a	as p	er Se	ection 197 & 198 of
		Co	mp	anie	s Act,2013

Remuneration to other directors:

Sl.	Particulars of Remuneration	Name	of Directors	3	Total
no.	Particulars of Remuneration	A	В	С	Amount
1	Independent Directors				
	Fee for attending board committee meetings				
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)				
2	Other Non-Executive Directors	R. Hazarika	A. K. Borkotoky	H.A. Khan	
	Fee for attending board committee meetings	15000	5000	5000	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)				
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				
	Overall Ceiling as per the Act		NA		

REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

61		Key Mai	nagerial Pe	rsonnel
Sl. no.	Particulars of Remuneration	CFO	Company Secretary	Total
1	Gross salary	16,62,432	9,23,108	25,85,540
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	16,25,276	9,04,503	25,29,779
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	37,156	18,605	55,761
	(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	16,62,432	9,23,108	25,85,540

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

NIL

Туре	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. CO	OMPANY		
Penalty	-	-	Nil	-	-
Punishment	-	-	Nil	-	-
Compounding	-	-	Nil	-	-
B. DIRECTORS					
Penalty	-	-	Nil	-	-
Punishment	-	-	Nil	-	-
Compounding	-	-	Nil	-	-
		C. OTHER OFF	ICERS IN DEFAULT		
Penalty	-	-	Nil	-	-
Punishment	-	-	Nil	-	-
Compounding	-	-	Nil	-	-

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 ₹16.08 L for Tikak Kalibari, Ledo and Chowkidinghee, Dibugarh.

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 ₹24.64 Lakhs. The expenditure till date is ₹21.93 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 Rotary Club of Duliajan is responsible for garbage collection to selling of Organic manure. This project has provided indirect employment to four unemployed youth of the region. Expenditure till date is ₹31.40 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 221 candidates were trained in the year 2016-17 out of which 171 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 II for the year 2017-18. The first batch of 41 candidates completed the training and six batches of 320 candidates are undergoing training at present. Mobilization is going on in our operational areas.

The expenditure till date is ₹39.37 Lakhs for Pratyasha I and ₹33.49 Lakhs for Pratyasha II.

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. The delivery process was not to the satisfaction of the CSR Tier II committee. Hence, order was placed directly to the manufacturer Greenlight Planet Inc. at Mumbai for 325 nos. 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 in progress on the heritage property of Bagh Hazarika, the commander-in-chief of battle of Saraighat.

The expenditure till date is ₹17.26 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 200 toilets have been built in Chapatoli Village which is to be declared as Open Defecation Free (ODF) shortly. 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 ₹100.00 Lakhs.

Project Aparajeya (2017-18)

A project to provide financial aid to underprivileged children suffering from cancer being treated at Dr. 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. 250) 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.

The expenditure till date is ₹75.00 Lakhs

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2017-18

ANNEXURE - F TO DIRECTORS' REPORT (contd)

1	or programs p	of the Company's CSR Policy including overview of projects roposed to be undertaken and a reference to the web-link icy and projects or programs and the composition of CSR	
	Outline of CSR (a) (b)	Policy: 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. Promoting education, employment enhancing vocation skills, livelihood enhancement projects under Clause-	Refer to following Sections of the Directors' Report: (a) Corporate Social Responsibility and
	(c)	(ii) of Schedule VII of the Companies (Corporate Social Responsibility Policy) Rules, 2014 of the Companies Act, 2013 Promoting gender equality, empowering women and measures for reducing inequalities faced by socially and economically backward groups under Clause- (iii)	(b) Disclosures: CSR Committee in this Report.
	(d)	of Schedule VII of the Companies (Corporate Social Responsibility Policy) Rules, 2014 of the Companies Act, 2013 Ensuring environmental sustainability, ecological	
	(e)	balance under Clause (iv) of Schedule VII of the Companies (Corporate Social Responsibility Policy) Rules, 2014 of the Companies Act, 2013. Promotion and development of traditional arts and handicrafts under Clause v Responsibility Policy) Rules,	
	(f)	2014 of the Companies Act, 2013. 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.	
	_	ment Projects under Clause- (x) of Schedule VII of the orporate Social Responsibility Policy) Rules, 2014 of the	
	Proposed Proje Developme Project Ruj Project Pra Project Dee Janitorial S	ects during the year 2016-2017 : ent work at Soraguri Sapori pkathar Gaon – Chapatoli 1 into a model village atyasha – Skill development & placement epsikha – Rehabilitation Centre for Cancer patients fervice at AMCH,Dibrugarh hadeep – Distribution of 500 solar lamps	
	Web link to CS	R Policy & Projects : ww.assamgas.org/csr.html	

2	Average net profit of the Company for last three financial years	₹9949.00
3	Prescribed CSR expenditure (Two percent of the amount mentioned in item 2 above)	₹ 199.00 Lakhs
4	Details of CSR spent during the financial year	₹ 174.62 Lakhs
5	Total Amount to be spent for the Financial Year 2017-18 (including carried over from previous year) (a) Total Funds Available (b) Allocated for Projects	₹ 311.21 Lakhs ₹ 287.00 Lakhs
6	Amount unspent, if any (including committed but not spent till 31st March 2018)	₹ 122.33 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 2017-18

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 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)	Projects or Programs. Sub Heads (1) Direct	Cumulative Expenditure upto the Reporting Period, i.e.,FY 2017- 2018 (₹in lakhs)	Amount Spent Direct or through Implementing Agency
1	Project Parimal Basudha	Clause(i)	Dibrugarh	50.08	12.50	46.32	Direct
2	Project Shyamalima	Clause(iv)	Duliajan	43.00	9.76	30.00	Direct
3	Project Rupkathar Gaon	Clause(x)	Dibrugarh	150.00	60.38	100.78	Implementing Agency
4	Project Pratyasha I	Clause(ii)	Upper Assam	40.00	15.94	39.36	Implementing Agency
5	Project Pratyasha II	Clause(ii)	Upper Assam	100.00	16.40	33.49	Implementing Agency
6	Project Deepsikha	Clause(iii)	Jorhat	34.00	8.63	17.26	Implementing Agency
7	Environmental support services AMCH	Clause(ii)	Dibrugarh	29.95	11.17	21.93	Implementing Agency
8	Project Ashadeep	Clause(ii)	Tinsukia	10.00	4.79	9.29	Direct
9	Project Aparajeya	Clause(i)	Guwahati	150.00	25.00	50.00	Direct
10	One term misc. exp		Upper Assam	22.00	8.13	8.13	
11	Overheads			9.95	1.92	1.91	
	Total			638.98	174.62	358.47	

Addendum to the Directors' Report for the Financial Year 2017-2018

Sl. No.	Secretarial Auditor's Observation	Management Reply
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 Qualification of Directors) Rules, 2014 with relation to the appointment of Independent Directors during the Financial Year under review.	who are eligible for Independent Directors.
2.	The Alterations of the Articles of Association of the Company as per the new Companies Act, 2013 is still pending.	Action initiated
3.	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.	Noted for compliance
4.	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.	Noted for compliance
5.	Registration of Company own land is still pending in few cases.	Noted
6.	The internal compliance System is not commensurate with the size and nature of the Company.	Action initiated for installation of a software

Managements' Reply to

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF ASSAM GAS COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2018.

- A. Comments on the Profitability
- 1. Statement of Profit & Loss

Expenses

Other Expenses (Note-27)

Other operating Expenses (Note-27 C): ₹9.79 crore

The above includes ₹0.17 crore being compensation paid to land owners for diversion of pipeline. This should have been capitalized under Property, Plant and Equipments – Pipelines, Plant & Machinery instead of charging in Revenue account. This resulted in understatement of 'profit for the year' and Property, Plant & Equipment (gross block) by ₹0.17 crore each.

Managements' Reply: This inadvertent mistake is due to oversight and will be rectified in the next years' accounts i.e 2018-19.

- B. Comments on the Financial Position
- 1. Balance Sheet

Assets

Current Assets

Financial Assets

Trade Receivables (Note-9): ₹110.47 crore

The above includes Doubtful debts of ₹28.01 crore {i.e. EIPL (under Arbitration) – ₹20.32 crore and Tea Gardens – ₹7.69 crore} pending realisation for more than 3 years, against which the Company made provisions of ₹5.59 crore only. This resulted in overstatement Reserves and Surplus and Current Assets, by ₹22.42 crore each.

Managements' Reply: Regarding Trade Receivables of ₹28.01 crore, the amounts are pending realisation for a period of more than three years and therefore as advised by various auditors from time to time, have been classified under "Bad and doubtful debts".

It may further be noted that in case of EIPL (₹20.32 crore) till the gas was being supplied, no dispute was raised by EIPL on any issues like quantity / quality of gas supplied or any other matter till stoppage of gas supply in January 2013. However, subsequently EIPL raised objections on the legal rights of the Company in demanding payments and interest on delayed payments in the absence of Gas Supply Agreement. Though EIPL had raised objections, at the same time had also agreed to pay the dues upon receiving the payments from ASEB / Govt. of Assam (GOA) accordingly.

Since, the Company (AGCL) didn't receive any payment from EIPL, the Company initiated legal proceedings (Arbitration) as per the terms of the agreement for realization of the dues.

Regarding the receivables from Tea Gardens (₹7.68 crore), some of our customers witheld part of bills raised by us over certain issues and filed cases with different courts. Since the matter is subjudice, necessary realisation of the dues or accounting treatment thereof will be done in the year in which the verdict is given.

Further, The Company has been making provision for bad and doubtful debts to the extent of 2 percent of the revenue from operation every year as per its accounting policy and accordingly that amount will be sufficient to cover any eventualities arising in this case.

Therefore in our opinion the amounts are good and realisable only and hence no additional provision has been made on this account.

Also, writing off or provisioning for the above mentioned Trade receivables in the accounts, may amount to relinquishment of the Receivable amounts and therefore may give an upper hand to the parties (customers) in making their case stronger.

However, in the light of the observation the management assures to look into this and make necessary provisions if required in the next years' accounts.

C. Other Comments

Inventories (Note-8) includes ₹1.41 crore which has not been issued for a period ranging from 9 – 42 years. These stock should have been classified as non-movong / unserviceable / obsolete stocks, as the case may be, after physical verification.

Managements' Reply: Considering the geographical locational disadvantage and delay in receiving materials, the company keeps some minimum stock of spares for the compressors and pipelines to meet the emergency requirements so as to ensure un interrupted gas supply.

However, considering the non utilisation of some of the stock items for a considerable time and to ascertain the fitness of such spares and materials, the management has appointed a firm of Chartered Accountants – R K Choudhry & Co, Dibrugarh, to conduct a physical verification of all items of Stores & Spares and reconciliation of the same with the Stock Ledger, to identify the obsolete / un serviceable items and to submit a report to the management for further necessary action.

Therefore, upon receipt of the above report, appropriate adjustments / provisioning shall be made in the accounts for the next year, i.e., 2018-19, accordingly.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ASSAM GAS COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2018.

A. Comments on the Profitability

1. Statement of Consolidated Profit & Loss

Expenses

Other Expenses (Note-28)

Other operating Expenses(Note-28 C): ₹12.81 crore

The above includes ₹0.17 crore being compensation paid to land owners for diversion of pipeline. This should have been capitalized under Property, Plant and Equipments – Pipelines, Plant & Machinery instead of charging in Revenue account. This resulted in understatement of 'profit for the year' and Property, Plant & Equipment (gross block) by ₹0.17 crore each.

Managements' Reply: This inadvertent mistake is due to oversight and will be rectified in the next years' accounts i.e 2018-19.

B. Comments on the Financial Position

1. Consolidated Balance Sheet

Assets

Current Assets

Financial Assets

Trade Receivables (Note-9): ₹122.40 crore

The above includes Doubtful debts of ₹28.01 crore {i.e. EIPL (under Arbitration) – ₹20.32 crore and Tea Gardens – ₹7.69 crore} pending realisation for more than 3 years, against which the Company made provisions of ₹5.59 crore only. This resulted in overstatement Reserves and Surplus and Current Assets, by ₹22.42 crore each.

Managements' Reply: Regarding Trade Receivables of ₹28.01 crore, the amounts are pending realisation for a period of more than three years and therefore as advised by various auditors from time to time, have been classified under "Bad and doubtful debts".

It may further be noted that in case of EIPL (₹20.32 crore) till the gas was being supplied, no dispute was raised by EIPL on any issues like quantity / quality of gas supplied or any other matter till stoppage of gas supply in January 2013. However, subsequently EIPL raised objections on the legal rights of the Company in demanding payments and interest on delayed payments in the absence of Gas Supply Agreement. Though EIPL had raised objections, at the same time had also agreed to pay the dues upon receiving the payments from ASEB / Govt. of Assam (GOA) accordingly.

Since, the Company (AGCL) didn't receive any payment from EIPL, the Company initiated legal proceedings (Arbitration) as per the terms of the agreement for realization of the dues.

Regarding the receivables from Tea Gardens (₹7.68 crore), some of our customers witheld part of bills raised by us over certain issues and filed cases with different courts. Since the matter is subjudice, necessary realisation of the dues or accounting treatment thereof will be done in the year in which the verdict is given.

Further, The Company has been making provision for bad and doubtful debts to the extent of 2 percent of the revenue from operation every year as per its accounting policy and accordingly that amount will be sufficient to cover any eventualities arising in this case.

Therefore in our opinion the amounts are good and realisable only and hence no additional provision has been made on this account.

Also, writing off or provisioning for the above mentioned Trade receivables in the accounts, may amount to relinquishment of the Receivable amounts and therefore may give an upper hand to the parties (customers) in making their case stronger.

However, in the light of the observation the management assures to look into this and make necessary provisions if required in the next years' accounts.

C. Other Comments

Inventories (Note-8) includes ₹1.41 crore which has not been issued for a period ranging from 9 – 42 years. These stock should have been classified as non-movong / unserviceable / obsolete stocks, as the case may be, after physical verification.

Managements' Reply: Considering the geographical locational disadvantage and delay in receiving materials, the company keeps some minimum stock of spares for the compressors and pipelines to meet the emergency requirements so as to ensure un interrupted gas supply.

However, considering the non utilisation of some of the stock items for a considerable time and to ascertain the fitness of such spares and materials, the management has appointed a firm of Chartered Accountants – R K Choudhry & Co, Dibrugarh, to conduct a physical verification of all items of Stores & Spares and reconciliation of the same with the Stock Ledger, to identify the obsolete / un serviceable items and to submit a report to the management for further necessary action.

Therefore, upon receipt of the above report, appropriate adjustments / provisioning shall be made in the accounts for the next year, i.e., 2018-19, accordingly.

Managements' Reply to Standalone Independent Auditor's Report for the year ended 31st March, 2018

Sl. No		Standalone Independent Auditor's Report	Managements' Reply
1.	Opinion		
	In our or given to required with the financial including	pinion and to the best of our information and according to the explanations us, the aforesaid standalone Ind AS financial statements give the information by the Act in the manner so required and give a true and fair view in conformity accounting principles generally accepted in India including the Ind AS, of the position of the Company as at 31 March, 2018, and its financial performance gother comprehensive income, its cash flows and the changes in equity for the ed on that date.	Noted.
2.	Report o	on Other Legal and Regulatory Requirements	
	issı we	required by the Companies (Auditor's Report) Order, 2016 ("the Order") and by the Central Government of India in terms of section 143(11) of the Act, give in the "Annexure A", a statement on the matters specified in the paragraph and 4 of the order.	
	2. As i	required by Section 143(3) of the Act, we report that:	Compliance Report, Noted for future
	(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.	guidance.
	(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, 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 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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"; 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 on its financial position in its standalone Ind AS financial statements – Refer Note 31 (v) & 31(x) to the standalone Ind AS financial statements;	
		 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 – Refer Note 9 to the standalone Ind AS financial statements; 	
		iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;	

		Annexure - A to the Auditors' Report	
Com	npany	exure referred to in Independent Auditors' Report to the members of the ron the standalone Ind AS financial statements for the year ended 31 March report that:	
(i)		The Company has maintained proper records showing full particulars, uding quantitative details and situation of fixed assets.	Noted.
	(b)	The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this 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 of immovable properties are 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 initiated action in this regard.	
	(d)	The amount receivable from various parties as reflected under Trade Receivables amounting to ₹116 05 64 462/- remains mostly unreconciled and unconfirmed.	
ii) <i>I</i>	at re	plained to us, the inventories of store items and spares were physically verified egular intervals by the Management and discrepancies noticed on physical fication of stocks as compared to book records were not material and have a properly dealt with in the books of account.	Noted.
(iii)		Company has granted loans to one (two) bodies corporate covered in the ster maintained under section 189 of the Companies Act, 2013 ('the Act').	Noted.
	(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. Noted.

(v) The Company has not accepted any deposits from the public.

Noted.

(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.

Noted.

(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, GST, 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.

Noted.

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, GST, 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 (Rs)	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	21 87 170	A.Y. 2009-10	Assessing Officer
Income Tax Act	Tax	49 51 760	A.Y. 2010-11	Assessing Officer
Income Tax Act	Tax	1 14 780	A.Y. 2011-12	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	Additional Commissioner, Assam VAT
Assam VAT ACT	Tax (including interest)	2 31 54 048	F.Y. 2007-08	Assam Board of Revenue
Assam VAT ACT	Tax (including interest)	21 43 54 758	F.Y. 2008-09	In the process to file appeal
Assam VAT ACT	Tax (including interest)	21 85 79 385	F.Y. 2009-10	In the process to file appeal
Assam VAT ACT	Tax (including interest)	14 31 89 703	F.Y. 2013-14	In the process to file appeal
Assam VAT ACT	Tax (including interest)	13 41 66 525	F.Y. 2014-15	In the process to file appeal
Assam VAT ACT	Tax (including interest)	15 18 35 749	F.Y. 2015-16	In the process to file appeal
Service Tax	Tax	4 02 28 701	2007 to 2012	CESTAT, Kolkata
Service Ta	Tax	52 28 245	2012-2013	CESTAT, Kolkata
Service Ta	Tax	87 72 606	Oct'12 to Sep'13	CESTAT, Kolkata
Service Ta	Tax	1 52 56 361	Apr'09 to Mar'14	CESTAT, Kolkata
Service Ta	Tax	24 28 855	2013-2014	CESTAT, Kolkata
Service Ta	Tax	88 36 530	Oct'13 to Sep'14	CESTAT, Kolkata
Service Ta	Tax	36 07 464		CESTAT, Kolkata
Service Ta	Tax	22 31 226	2014-15	Commissioner Appeal (Guwahati)
Service Ta	Tax	55 15 259	Oct'14 to Sep'15	CESTAT, Kolkata
Service Ta	Tax	143 96 654	Oct'15 to Sep'16	Commissioner

Noted for necessary action. In case of Income Tax, amounts due on account of disallowance of expenses for different years are on appeal and we have taken up the matter with the AO through our Tax consultants. In case of Service Tax, on issues like tax on MDC TC, Marketing Margin and other misc. Issues, the appeals are pending before the CESTAT and are yet to come *up for hearing and we* are following up the same through our Tax consultants. In case of VAT - VAT demanded on TC, are on appeal.

(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.	Noted.
((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.	Noted.
(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.	Noted.
(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.	Noted.
(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.	Noted.
(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.	Noted.
(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.	Noted.
(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.	Noted
(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934	Noted.
Annexure - B to the Auditors' Report	
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 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.	Noted.

ASSAM GAS COMPANY LIMITED

Managements' Reply to

Independent Auditors' Report on the Consolidated Financial Statements Opinion

1. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2018, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

We did not audit the financial statements of one subsidiary and one associate and jointly controlled entity of the holding company. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Ind AS financial statements.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of 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 statement on the matters specified in the paragraph 3 and 4 of the order.
- 2. As required by Section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the 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, the consolidated 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 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 31 March 2018 taken on record by the Board of Directors, none of the directors of the Holding Company and 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 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

Noted.

Noted the compliance Report.

- (f) with respect to the adequacy of the internal financial controls over financial reporting 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 the Annexure 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;
 - 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 were no amounts which were 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.

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)

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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Noted.

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 31 MARCH 2018

The preparation of financial statements of **ASSAM GAS COMPANY LIMITED** for the year ended **31 March, 2018**, 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 if expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **27 July, 2018**.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **ASSAM GAS COMPANY LIMITED** for die year ended **31 March 2018 under section 143(6)(a) of the Act**. This supplementary audit has been carried out independently, without access to the working papers of die 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 manors 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 PUOI'TTABILITY

1. Statement of Profit and Loss

Expenses

Other Expenses (Note-27)

Other operating Expenses (Notc-27 C): =₹9.79 crore

The above includes 30.17 crore being compensation paid to land owners for diversion of pipeline. This should have been capitalised under Property. Plant and Equipment - Pipelines, Plant & Machinery instead of charging to Revenue account. This resulted in understatement of 'profit for the year' and Property, Plant and Equipment (gross block) by ₹0.17 crore each.

B. COMMENTS ON FINANCIAL POSITION

1. Balance Sheet Assets

Current Assets

Financial Assets

Trade Receivables (Noic-9): ₹110.47 crore

The above includes Doubtful debts of ₹28.01 crore {i.e. EIPL (under arbitration) - ₹20.32 crore and Tea Gardens - ₹7.69 crore} pending realisation for more than 3 years, against which the Company made provisions of ₹5.59 crore only. This resulted in overstatement of Reserve and Surplus and current assets, by ₹22.42 crore each.

C. OTHER COMMENTS

1. Inventories (Note-8) includes stock of ₹1.41 crore which has not been issued for a period ranging from 9 to 42 years. These stock should have been classified as non-moving /unserviceable/obsolete stocks, as the case may be, after physical verification.

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

Place: Guwahati Date: 27/09/2018 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 31 MARCH 2018

The preparation of Consolidated financial statements of **ASSAM GAS COMPANY LIMITED** for the year ended **31 March, 2018**, in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act), is the responsibility of the management of the company. The statutory auditors, appointed by the Comptroller and Auditor General of India, under section 139(5) read with section 129(4) of the Act, are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **27 JULY, 2018**.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit, of the consolidated financial 'statements oi" **ASSAM CAS COMPANY LIMITED** for the year ended **31 March 2018** under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statement 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 lo the working paper of the Statutory Auditors and is limited preliminary lo inquiries of the Statutory Auditors and Company personnel and a selective examination of sum 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 belter understanding of the financial statements and Ihe related audit report:

A. COMMENTS ON-PROFITABILITY

1. Statement of Consolidated Profit and Loss

Expenses

Other Expanses (Note-28)

Other operating Expenses (Note-28 C): ₹12.81 crore

The above includes ₹0.17 crore being compensation paid to land owners for diversion of pipeline. This should have been capitalised under Property, Plant and Equipment - Pipelines, Plant & Machinery instead of charging to Revenue account. This resulted in understatement of 'profit for the year' and Property, Plant and Equipment (gross block) by ₹0.17 crore each.

B. COMMENTS ON FINANCIAL POSITION

1. Consolidated Balance Sheet Assets

Current Assets

Financial Assets

Trade Receivables (Note-9): ₹122.40 crore

The above includes Doubtful debts of ₹28.01 crore {i.e. EIPL (under arbitration) - ₹20.32 crore and Tea Gardens - ₹7.69 crore} pending realisation for more than 3 years, against which the Company made provisions of ₹5.59 crore only. This resulted in overstatement of Reserve and Surplus and current assets, by ₹22.42 crore each.

C. OTHER COMMENTS

Inventories (Note-8) includes stock of ₹1.41 crore which has not been issued for a period ranging from 9 to 42 years. These stock should have been classified as non-moving /unserviceable/obsolete stocks, as the case may be, after physical verification.

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

Place: Guwahati

Date: 27/09/2018

Sd/-Accountant General (Audit), Assam

ASSAM GAS COMPANY LIMITED

Independent Auditor's Report

To the Members of ASSAM GAS COMPANY LIMITED

Report on the Standalone Ind AS Financial Statements

1. We have audited the accompanying standalone Ind AS financial statements of 'Assam Gas Company Limited' ('the Company'), which comprise the balance sheet as at 31 March 2018, the 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 a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

- 3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
- 4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
- 5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

- 6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.
- 7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

1. 8. 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 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 including the Ind AS, of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.
- 2. As required by Section 143(3) of the Act, 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, 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 thereunder;
 - (e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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"; 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 on its financial position in its standalone Ind AS financial statements Refer Note 31 (v) & 31(x) to the standalone Ind AS 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 Refer Note 10 to the standalone Ind AS financial statements;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S. K. Mallick & Co.** *Chartered Accountants*(Firm Registration No. 324892E)

Place : Guwahati (Camp) Dated : 27th July 2018

[Pradip Baksi]

Partner

Membership No. 054264

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2018, 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 fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this 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 of immovable properties are 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 initiated action in this regard.
 - (d) The amount receivable from various parties as reflected under Trade Receivables amounting to ₹116 05 64 462/- remains mostly unreconciled and unconfirmed.
- (ii) As explained to us, the inventories of store items and spares were physically verified at regular intervals by the Management and discrepancies noticed on physical verification of stocks as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) The Company has granted loans to one (two) bodies 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	Forum Where The
		()	Amount Relates	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	21 87 170	A.Y. 2009-10	Assessing Officer
Income Tax Act	Tax	49 51 760	A.Y. 2010-11	Assessing Officer
Income Tax Act	Tax	1 14 780	A.Y. 2011-12	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	Assessing Officer
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	In the process to file appeal
Assam VAT ACT	Tax (including interest)	14 31 89 703	F.Y. 2013-14	In the process to file appeal
Assam VAT ACT	Tax (including interest)	13 41 66 525	F.Y. 2014-15	In the process to file appeal
Assam VAT ACT	Tax (including interest)	15 18 35 749	F.Y. 2015-16	In the process to file appeal
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)

- (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 **S. K. Mallick& Co.** *Chartered Accountants*(Firm Registration No. 324892E)

Place: Guwahati (Camp) Dated: 27th July 2018 [Pradip Baksi] <u>Partner</u> Membership No. 054264

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 2018 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 is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S. K. Mallick& Co.** *Chartered Accountants*(Firm Registration No. 324892E)

Place : Kolkata Dated : 27-07-2018 [Pradip Baksi]

Partner

Membership No. 054264

Independent Auditors' Report on the Consolidated Financial Statements

TO THE MEMBERS OF ASSAM GAS COMPANY LIMITED

Report on the Consolidated Financial Statements

1. 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, 2018, 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").

Management's Responsibility for the Consolidated Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated Ind AS 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 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 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.

Auditor's Responsibility

- 3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.
- 4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
- 5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

- 6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.
- 7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

- 8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2018, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.
 - We did not audit the financial statements of one subsidiary and one associate and jointly controlled entity of the holding company. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Ind AS financial statements.

Report on Other Legal and Regulatory Requirements

- 9. 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 statement on the matters specified in the paragraph 3 and 4 of the order.
- 10. 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, the consolidated 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 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 31 March 2017 taken on record by the Board of Directors, none of the directors of the Holding Company and 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 31 March 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 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 the Annexure 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 were no amounts which were 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 S. K. Mallick& Co.

Chartered Accountants (Firm Registration No. 324892E)

Place: Guwahati (Camp)
Dated: 27th July 2018

[Pradip Baksi]

<u>Partner</u>

Membership No. 054264

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, 2018, 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 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.

Auditors' Responsibility

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

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

assessment of the risks of material misstatement of the 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 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, 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S. K. Mallick& Co.**Chartered Accountants

(Firm Registration No. 324892E)

Place : Guwahati (Camp) [Pradip Baksi]

Dated : 27th July 2018 Partner

Membership No. 054264

ASSAM GAS COMPANY LIMITED

Independent Auditors' Compliance Certificate

We have conducted the Statutory audit of Assam Gas Company Limited; Duliajan, for the year ended 31st March 2018 in accordance with the directions/sub - directionsu/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 **S. K. Mallick & Co.** Chartered Accountants Firm Regd. No. 324892E

(CA. PRADIP BAKSI)

Partner (Membership No. 054264)

Place: Kolkata Date: 27th July, 2018

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

SI. 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. 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 initiated action in this regard. We have not come across any other cases where deeds are not available or that title is disputed or the property in under encroachment
2	Whether there are any cases of waiver / write off of debts /loans /interest ete. Jfyes, the reasons 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 / grant(s) from Government or other authorities.	No such case.

In terms of our report of even date attached to herewith

For **S. K. Mallick & Co.** Chartered Accountants Firm Regd. No. 324892E

(CA. PRADIP BAKSI)

Partner (Membership No. 054264)

Place: Kolkata Date: 27th July, 2018

ASSAM GAS COMPANY LIMITED DULIAJAN :: ASSAM

BALANCE SHEET

(Amount in Rupees)

		(A	
Particulars	Note No.	AS AT 31-03-2018	AS AT 31-03-2017
A ASSETS			
1) Non-current assets			
(a) Property, Plant & Equipments			
(i) Tangible assets	3		
a. Gross Block		141 44 10 375	134 67 32 562
b. <u>Less</u> : Depreciation		18 18 00 869	11 84 94 151
c. Net Block		123 26 09 506	122 82 38 411
	_	123 26 09 506	122 82 38 411
(b) Capital Work in progress	4	7 88 00 357	5 66 36 437
(c) Non-current investments	5	86 30 00 000	86 30 00 000
(d) Financial Assets	6	11 70 699	10 91 15 327
(e) Other non-current assets	7	14 72 768	13 06 908
		94 44 43 824	103 00 58 672
2) Current assets			
(a) Inventories	8	18 49 72 053	17 61 44 306
(b) Financial Assets			
- Trade receivables	9	110 46 93 173	92 42 22 962
- Cash and cash equivalents	10	476 99 20 486	395 55 86 071
- Short-term loans and advances	11	17 99 28 661	36 20 46 390
(c) Other current assets	12 _	10 72 42 430	11 87 50 258
	_	634 67 56 803	553 67 49 987
	TOTAL _	852 38 10 133	779 50 47 070
B EQUITY AND LIABILITIES	TOTAL_	852 38 10 133	779 50 47 070
B EQUITY AND LIABILITIES 1. Equity	TOTAL_	852 38 10 133	779 50 47 070
	TOTAL	852 38 10 133 16 91 44 900	
1. Equity	_		16 91 44 900
1. Equity a. Equity Share Capital b. Other Equity	13	16 91 44 900	16 91 44 900 661 26 55 955
1. Equity a. Equity Share Capitalb. Other Equity 2. Liabilities	13	16 91 44 900 714 03 47 329	16 91 44 900 661 26 55 955
 Equity Equity Share Capital Other Equity Liabilities Non Current Liabilities 	13	16 91 44 900 714 03 47 329	16 91 44 900 661 26 55 955
 Equity Equity Share Capital Other Equity Liabilities Non Current Liabilities Financial Liabilities 	13	16 91 44 900 714 03 47 329	16 91 44 900 661 26 55 955
 1. Equity a. Equity Share Capital b. Other Equity 2. Liabilities a. Non Current Liabilities Financial Liabilities - Borrowings 	13	16 91 44 900 714 03 47 329	16 91 44 900 661 26 55 955 678 18 00 855
 1. Equity a. Equity Share Capital b. Other Equity 2. Liabilities a. Non Current Liabilities Financial Liabilities - Borrowings - Other Financial Liabilities 	13 14 ——————————————————————————————————	16 91 44 900 714 03 47 329 730 94 92 229 0 52 92 43 789	16 91 44 900 661 26 55 955 678 18 00 855 0 51 32 91 369
 1. Equity a. Equity Share Capital b. Other Equity 2. Liabilities a. Non Current Liabilities Financial Liabilities Borrowings Other Financial Liabilities b. Deferred tax liability (net) 	13 14 ——————————————————————————————————	16 91 44 900 714 03 47 329 730 94 92 229 0 52 92 43 789 23 88 68 519	16 91 44 900 661 26 55 955 678 18 00 855 0 51 32 91 369 7 21 94 005
 1. Equity a. Equity Share Capital b. Other Equity 2. Liabilities a. Non Current Liabilities Financial Liabilities - Borrowings - Other Financial Liabilities 	13 14 ——————————————————————————————————	16 91 44 900 714 03 47 329 730 94 92 229 0 52 92 43 789	779 50 47 070 16 91 44 900 661 26 55 955 678 18 00 855 0 51 32 91 369 7 21 94 005 18 65 016 58 73 50 390

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3.	Current 1	Laa	hı	lities

			T . 1		
а	Finan	cial	Lia	hıl	111165

- Trade payables	19	17 72 53 025	22 22 91 940
- Other Financial Liabilities	16	2 60 86 679	2 59 08 200
b. Other current liabilities	20	22 00 98 381	16 70 04 942
c. Provisions	21 _	57 76 748	1 06 90 743
		12 02 14 022	12 50 05 025

TOTAL	852 38 10 133	779 50 47 070

CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

1 & 2

In terms of our report of even date attached to herewith

Vijay Kr. L. Chief Financial Officer **A. K. Sharma** Managing Director DIN-07285877 For **S. K. Mallick & Co.** Chartered Accountants Firm Regd. No. 324892E

D. Dev Gupta Company Secretary **S. Bordoloi**Director
DIN-07804287

(CA. PRADIP BAKSI)
Partner
(Membership No. 054264)

Place: Kolkata

Date: 27th July, 2018

ASSAM GAS COMPANY LIMITED DULIAJAN :: ASSAM

STATEMENT OF PROFIT & LOSS

(Amount in Ruppees)

		(
Particulars	Note No.	AS AT 31-03-2018	AS AT 31-03-2017
I. Revenue from operations	22	226 17 76 296	221 41 41 301
II. Other income	23	41 89 03 672	47 75 82 116
III. Total Revenue (I + II)		268 06 79 968	269 17 23 417
IV. Expenses:			
Purchases of stock in trade	24	85 54 30 606	93 86 00 163
Employee benefit expenses	25	43 78 08 331	41 79 10 652
Finance costs	26	1 47 27 308	1 50 30 815
Depreciation and amortization	3	6 33 06 718	6 10 54 788
Other expenses	27	22 36 36 504	20 24 88 479
Total expenses		159 49 09 467	163 50 84 897
V. Profit before exceptional and extraordinary			
items and tax (III - IV)		108 57 70 501	105 66 38 520
VI. Exceptional Items		0	0
VII. Profit before extraordinary items and tax (V - VI)		108 57 70 501	105 66 38 520
VIII. Prior period & Extraordinary Items		0	9 79 220
IX. Profit before tax (VII - VIII)		108 57 70 501	105 56 59 300
X. Tax expenses			
1) Current tax	28	(36 89 09 322)	(36 15 59 952)
2) Deferred tax	17	(55 84 363)	(66 16 891)
		(37 44 93 685)	(36 81 76 843)
XI. Profit for the period from continuing operations (IX - X)		71 12 76 816	68 74 82 457
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)		71 12 76 816	68 74 82 457
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)	71 12 76 816	68 74 82 457
XVIII. Earnings per equity share: 29	9	
(1) Basic	421	406
(2) Diluted	421	406

In terms of our report of even date attached to herewith

For S. K. Mallick & Co.

(Membership No. 054264)

Chief Financial Officer	Managing Director DIN-07285877	Chartered Accountants Firm Regd. No. 324892E
D. Dev Gupta	S. Bordoloi	(CA. PRADIP BAKSI)
Company Secretary	Director	Partner
	DIN-07804287	(Membership No. 054264)

A. K. Sharma

Place: Kolkata

Date: 27th July, 2018

Vijay Kr. L.

ASSAM GAS COMPANY LIMITED DULIAJAN :: ASSAM

CASH FLOW STATEMENT

(Amount	in	Ru	nees)

Statement of Cash Flow		For the year 2017-18	For the year 2016-17	
I.	CASH FL	OW FROM "OPERATING ACTIVITIES"		
	a)	Net Profit before Tax	108 57 70 501	105 66 38 520
	b)	Adjustments for :		
	i)	Depreciation	6 33 06 718	6 04 90 048
	ii)	Interest on Loans	(2 54 58 904)	(5 24 58 907)
	iii)	Misc. Expenditure	8 47 348	6 44 706
	iv)	Interest on Fixed Deposit	(25 61 90 647)	(24 57 03 657)
	v)	Dividend received	(2 13 25 000)	(1 45 01 000)
		Operating Profit before working capital changes	84 69 50 016	80 51 09 710
	c) Working capital changes:			
	i)	Increase in inventories	(88 27 747)	(3 12 57 005)
	ii)	Decrease in Trade Receivables (Fin. Assets)	(18 04 70 211)	8 04 44 719
	iii)	Increase in Short Term Loans & Advances (Fin. Asset)	19 19 01 305	(5 54 59 084)
	iv)	Decrease in other Current Liabilities	5 30 93 439	29 36 502
	v)	Decrease in Trade payable (Financial Liabilities)	(4 50 38 915)	(5 01 44 393)
		Cash generated from operations	85 76 07 887	75 16 30 449
	Less:	Income Tax Payment	(37 86 92 897)	(30 67 22 072)
		Cash Flow before extra ordinary items	47 89 14 990	44 49 08 377
	Add:	Earlier year adjustment		9 79 220
		Net Cash from operating activities	47 89 14 990	44 39 29 157
II.		CASH FLOW FROM "INVESTING ACTIVITIES"		
	i)	Purchase of Fixed Assets	(8 98 41 733)	(6 42 64 391)
	ii)	Sale of Asset	0	9 11 447
	iii)	Fixed Deposits	(75 31 08 342)	(96 99 12 243)
	iv)	Dividend received	2 13 25 000	1 45 01 000
	v)	Interest received on Fixed Deposits	26 76 98 475	23 13 94 899
	vi)	Misc. Exp - VRS Payments	(10 13 208)	(638186)
		Net Cash used in investing activities	(55 49 39 808)	(78 80 07 474)

III.	III. CASH FLOW FROM "FINANCING ACTIVITIES"					
	i)	Increase in Non Current other financial liabilities	1 59 52 421	1 13 56 560		
	ii)	Interest on Loans	2 54 58 904	5 24 58 907		
	iii)	Dividend & Tax paid	(2 24 95 291)	(18447724)		
	iv)	Decrease in Current other Financial Liabilities	1 78 479	(1 07 32 500)		
	v)	Decrease in Financial Asset	10 79 44 628	29 98 69 988		
	vi)	Decrease in Current Liabilities provisions	(49 13 995)	(1086008)		
	vii)	Increase in provisions	1 51 25 746	1 53 355		
		Net Cash used in financing activities	13 72 50 892	33 35 72 578		
		Net Increase in Cash & Cash equivalents	6 12 26 073	(1 05 05 738)		
		Cash & Cash equivalents at the begining of the year	3 00 68 808	4 05 74 546		
		Cash & Cash equivalents at the end of the year	9 12 94 881	3 00 68 808		

In terms of our report of even date attached to herewith

Vijay Kr. L.
Chief Financial Officer

A. K. SharmaManaging Director
DIN-07285877

For **S. K. Mallick & Co.** Chartered Accountants Firm Regd. No. 324892E

D. Dev GuptaCompany Secretary

S. BordoloiDirector
DIN-07804287

(CA. PRADIP BAKSI)
Partner
(Membership No. 054264)

Place: Kolkata

Date: 27th July, 2018

ASSAM GAS COMPANY LIMITED

Consolidated Financial statements - 2017-18

CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

1. Corporate Information

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

The Financial Statements for the year ended on 31st March 2018 were authorized for issue in accordance with the resolution of the Board of Directors on 16th July 2018.

2. Significant Accounting Policies

2.1 (i) Convention

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.

(ii) Change in Accounting Policy

- 1. 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 ₹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.

2. 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.

3. 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).

(iii) 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 and the reported amount of revenues and expenses during the reporting year. Difference between the actual results and estimates are recognized in the year in which the results are known / materialized.

(iv) Tangible Assets

- i) Fixed Assets are stated at their original cost 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.
- ii) 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.
- iii) 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.
- iv) Capital cost recovered from consumers, are credited to Capital Reserve and the Fixed Assets are valued at cost.

(v) Accounting of Work In Progress

- i) Cost of Right of way (ROW) of land for laying pipelines is capitalized as capital work-in-progress.
- ii) Crop and other compensation paid are accounted for under capital workin-progress on the basis of actual payments as and when work commences where ROW is acquired.
- iii) Capital work-in-progress includes value of materials received at site for use in the projects.
- iv) 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.

(vi) Depreciation

a. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 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.

(vii) Investments

- a. Non Current Investments 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.

(viii) Stock of Stores

- a. Stock of Stores 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 ₹5 000/- is to be adjusted in account and is to be written off as per policy. Difference if any, of ₹5 000/- and above is adjusted in accounts after proper investigation.
- c. Stock of spares, with individual value of more than ₹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.

(ix) 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).

(x) Statement of Profit & Loss

- i) Gas Sale 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.
- ii) In case of Gas Sales, invoices / bills are raised and accounted for in the same year on the basis of provisional rates / prices which are subject to confirmation by the producers of gas and / or Central Government. Revised bills raised due to change in the prices effected by the producers and / or Central Government are accounted for in the year in which such intimation is received by the Company.
- iii) In case of Gas purchases, invoices / bills raised by supplier of Natural Gas are accounted for in the same year on the basis of provisional rates / prices. Revised bills, if any, raised by suppliers due to change in the prices effected by the producers and / or Central Government are accounted for in the year in which such intimation is received.
- iv) 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.
- v) The only component of the Deferred Tax Liability is on the tax effect of timing differences on depreciation has been considered.

- vi) 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.
- vii) 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.
- viii) 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.
- ix) Sales Tax VAT on Gas sales and Service Tax/ 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, Service Tax 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.

(xi) 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.

(xi) 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.

NOTE 3: Property, Plant & Equipment (2017-18)

	GR	GROSS BLOCK				DEPR	DEPRECIATION		NET BLOCK (on SLM / WD	LOCK / WDV)
PARTICULARS	COST AS AT 01-04-16	ADDITION FOR THE YEAR	ADJUST- MENTS (discard)	COST AS AT 31-04-17	UP TO 01-04-16	FOR THE YEAR	Adjustment to Assets (during year)	TOTAL AT 31-03-17	AS AT 31-03-17	AS AT 31-03-16
A. Land	2 12 90 317	0	0	2 12 90 317	0	0	0	0	2 12 90 317	2 12 90 317
B. Residential & Factory Building	8 19 67 448	20 50 211	0	8 40 17 659	88 18 979	45 42 536	0	13361515	7 06 56 144	7 31 48 469
C. Pipe Lines & Plant & Machinery	119 05 28 819	5 99 60 151	0	125 04 88 970	9 66 56 781	5 12 19 283	0	147876064	110 26 12 906	109 38 72 038
D. Office Equipment	21 33 193	1 34 640	0	22 67 833	10 45 631	3 62 817	0	1408448	8 59 385	1087562
E. Hospital Equipments	110295	0	0	1 10 295	14 594	7 287	0	21881	88 414	95 701
F. Miscellaneous Fixed Assets	3 99 051	0	0	3 99 051	82 928	42 833	0	128501	2 70 550	3 13 383
G. Electrical Installation	1 50 21 045	1 56 440	0	1 51 77 485	28 15 543	13 85 590	0	4201133	1 09 76 352	1 22 05 502
H. Roads, Drains and Water Works	1 05 03 881	17 93 095	0	1 22 96 976	37 56 176	16 26 141	0	5382317	69 14 659	67 47 705
I. Furniture & Fixture	39 72 915	2 65 592	0	42 38 507	8 90 813	4 66 893	0	1357706	28 80 801	30 82 102
J. Motor Vehicles	1 53 18 112	0	0	1 53 18 112	28 80 164	20 65 094	0	4945258	1 03 72 854	1 24 37 948
K. E.D.P. System	39 91 941	31 65 726	0	71 57 667	12 50 224	14 16 105	0	2666329	44 91 338	27 41 717
L. Communication System	1495545	151958	0	16 47 503	2 79 578	1 72 139	0	451717	11 95 786	12 15 967
Total	134 67 32 562	6 76 77 813	0	141 44 10 375	11 84 94 151	63306718	0	18 18 00 869	123 26 09 506	122 82 38 411
Previous Year's Figures	128 18 40 128	6 62 66 698	(13 74 264)	134 67 32 562	5 80 04 103	6 10 54 788	(5 64 740)	11 84 94 151	122 82 38 411	122 38 36 025

ASSAM GAS COMPANY LIMITED DULIAJAN :: ASSAM

NOTES ON ACCOUNTS - 2017-18 (Continued)

(Amount in Ruppees)

			11)
No.		AS AT 31-03-2018	AS AT 31-03-2017
4	CAPITAL WORK - IN - PROGRESS		
	Pipeline H.D.P.E.	1 52 85 075	3 82 15 371
	CNG/LNG Project	82 01 359	34 74 857
	Scada	5 29 07 328	1 34 98 809
	Power Project	14 47 400	14 47 400
	PS Water Tank	2 06 500	0
	Electrical Upgradation	7 52 695	0
	_	7 88 00 357	5 66 36 437
5	NON CURRENT INVESTMENTS		
	Total Investment valued at cost (unless stated otherwise)		
	Equity contribution in Tripura Natural Gas Co. Ltd. (unqoated)	1 00 00 000	1 00 00 000
	(100000 equity shares @₹100 each fully paid)		
	Investment in Subsidiary Company		
	Equity Conribuion in DNP Limited	85 30 00 000	85 30 00 000
	(85300000 equity shares @ ₹10 each fully paid)		
	Other Investments	0	0
	_	86 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.		
6	Financial Assets		
	A. Loans		
	Loans to Related Party :		
	- Loan to DNP Limited	0	10 80 00 000
	B. Other Financial Assets		
	AGCL Gratuity Trust Account	1 000	1 000
	Security Deposit	11 69 699	11 69 699
	Assam Entry tax	0	(55372)
	_	11 70 699	10 91 15 327
7	OTHER NON-CURRENT ASSETS		
	Misc. Expenditure (to the extent not written off)		
	VRS Payments - Accumulated balance	13 06 908	13 13 428
	Add: Paid during the year	10 13 208	6 38 186
		23 20 116	19 51 614
	Less : Adjusted during the year	8 47 348	6 44 706
		14 72 768	13 06 908

8.	INVENTORIES		
	(As taken, valued and certified by the Management at cost)		
	Stock of Stores and Spares	16 71 24 381	9 90 73 688
	Stock of Stores(Project)	0	5 88 75 243
	Stock with Instrument Deptt. & Crisis Mgmt.com.	30 94 422	38 77 035
	Stock of Medical Stores	2 60 662	20 95 807
	Stock of Stores at Site Office	1 44 92 588	1 22 22 533
		18 49 72 053	17 61 44 306
9.	FINANCIAL ASSETS - TRADE RECEIVABLES		
	(Unsecured and considered good)		
	Brahmaputra Valley Fertiliser Corpn. Ltd.	5 77 76 008	3 97 14 117
	Assam State Electricity Board, Namrup	4 90 03 032	3 01 50 673
	Assam State Electricity Board, Maibela	52 84 74 838	40 38 37 114
	Assam Petro Chemicals Ltd.	21 56 145	20 87 542
	Sonari area T E	1 50 51 950	1 24 65 821
	NEEPCO	1 05 26 220	1 38 97 179
	Oil India Limited, Duliajan	45 58 656	7 42 197
	Domestic Consumers Receivable	10 94 71 701	10 01 08 020
	Moran Plantation line	1 10 70 515	99 50 995
	Naharkatia/Duliajan Area gardens	1 08 54 551	71 68 973
	Dibrugarh area T.E.	2 02 99 790	1 88 03 876
	Doomdooma area T.E.	1 87 71 456	1 77 40 299
	Margherita Tea Gas Grid	1 32 48 350	69 66 147
	Tinsukia Tea Gas Grid	1 47 57 095	1 67 83 418
	Jorhat-Golaghat Line T.E.	1 82 32 791	2 15 61 017
	ASEB NRPP	3 14 257	3 14 257
	Hindustan Lever Limited (WC)	2 31 882	0
	Suspense a/c	(43 48 976)	(29 21 390)
		88 04 50 261	69 93 70 255
	(Unsecured and considered doubtful)	T (0.0T (F)	55405445
	Tea Gardens (Under Court Case)	7 68 87 652	7 74 97 447
	DLF Project (EIP Limited)	20 32 26 549	20 32 26 549
		28 01 14 201	28 07 23 996
	Less: Provision for Bad and doubtful debts	1 16 05 64 462	98 00 94 251
	Less: Provision for Bad and doubtful debts	5 58 71 289	5 58 71 289
	Sunday debtore Age Analysis	1 10 46 93 173	92 42 22 962
	Sundry debtors - Age Analysis Less than six months	22 11 27 061	20 20 05 162
	More than six months	32 44 27 864 78 02 65 309	28 29 05 162 69 71 89 089
	More than six months	1 16 05 64 462	98 00 94 251
10	FINANCIAL ASSETS - CASH & CASH EQUIVALENTS	1 10 03 04 402	90 00 94 231
10.	a) Cash in hand:		
	With Head Office, Duliajan	1 10 782	1 64 060
	With Officials (Imprest)	2 26 671	2 14 047
	Cash at Guwahati Office	1 31 482	74 947
	Cash at Silchar Office	6 104	6 017
	Gasii at Siiciiai Giiice	4 75 039	4 59 071
		T / 3 037	T 37 0/1

b) Balances with Banks:		
State Bank of India, Mathurapur	68 716	81 365
State Bank of India, Moran	5 35 199	4 97 163
State Bank of India, Nazira	67 705	96 671
State Bank of India, Duliajan, A/C No. 124 (Gen)	2 43 59 887	25 94 992
State Bank of India, Sibsagar	2 64 945	3 75 462
State Bank of India, Dibrugarh	5 06 642	2 39 270
State Bank of India, Digboi	5 09 023	3 28 229
State Bank of India, Gargaon	2 07 367	75 946
State Bank of India, Silchar	3 294	19 969
State Bank of India, Tinsukia	3 59 672	8 96 469
State Bank of India, Duliajan (Dividend A/C)	0	176
State Bank of India, Duliajan (Domestic bills A/C)	1 93 10 755	16 619
United Bank of India, Duliajan	32 53 714	3 08 957
United Bank of India, Chawkidinghi, Dibrugarh	5 32 186	1 19 824
United Bank of India, Digboi	5 78 806	3 05 496
United Bank of India, Naharkatia	1 51 801	21 42 998
United Bank of India, Ledo	2 49 458	69 559
UCO Bank, Sibsagar	3 02 773	9 17 493
UCO Bank, Duliajan (Lien A/C)	16 74 804	85 484
Assam Co-Op.Apex Bank Ltd.Duliajan (Non Schedule)	14 05 764	24 21 410
Allahabad Bank, Duliajan	2 65 37 506	1 09 70 824
Allahabad Bank, Dibrugarh (47)	16 48 556	6 84 581
Allahabad Bank, Sibsagar	6 14 268	4 87 334
Allahabad Bank, Tinsukia	6 63 652	6 63 653
Punjab National Bank, R.G.Baruah Rd, Guwahati	1 15 835	22 657
Canara Bank, Duliajan	16 63 196	1 54 624
Canara Bank, Titabar	11 59 627	3 86 124
Indian Bank, Dibrugarh	15 54 979	22 16 840
Vijaya Bank, Jorhat	6 01 308	5 15 011
Axis Bank, Duliajan	13 55 094	9 14 091
Central Bank of India, Margherita	5 63 310	10 00 446
	9 08 19 842	2 96 09 737
Balances with banks in Deposit accounts:		
Fixed Deposit With Scheduled Banks	466 23 62 801	391 26 00 749
Fixed Deposit With Non Scheduled Banks	1 62 62 804	1 29 16 514
•	467 86 25 605	392 55 17 263
	476 99 20 486	395 55 86 071
1. 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)	10 80 00 000	27 00 00 000
· · · · · · · · · · · · · · · · · · ·		
DNP Limied (short term advance)	3 39 498	1 58 06 945

_		
b) Loans & advances to employees		
Advance to staff	2 37 90 261	2 58 22 95
_	2 37 90 261	2 58 22 95
c) Prepaid expenses		
Pre-paid Insurance Premium	81 10 906	77 24 23
-	81 10 906	77 24 23
d) Balance with Government Authorities		
Current Tax Assets :	04.60.04.050	00 50 04 00
- Advance Income Tax	34 62 01 273	32 53 24 83
- Tax deducted at source	5 50 46 391	5 75 15 30
	40 12 47 664	38 28 40 13
Less: Transferred from Provision a/c.	37 01 57 432	35 90 64 56
	3 10 90 232	2 37 75 56
Service Tax on Advances	63 91 350	55 28 10
GST paid on Advances	27 900	40.00 =
Input Tax Credit	5 74 879	68 28 71
-	3 80 84 361	3 61 32 38
e) Other advances	0.50.000	F0.00 F
Advance to Contractors & Suppliers	2 58 308	58 88 74
(Less than 1 year - ₹2,21,926)		
(More than 1 yaer Less than 3 years - ₹36,382)	04.500	5 0.00
AGC Staff Recreation Centre	84 500	50 00
AGCL Executive Club	81 000	88 50
AGCL Sarbajanin Namghar	12 000	80 00
Receivable from Gratuity Trust	7 15 198	4.50.66
Receivable from OIL	4 52 629	4 52 62
-	16 03 635	65 59 87
II	17 99 28 661	36 20 46 39
Unsecured and considered good	17 99 28 661	36 20 46 39
Unsecured and doubtful of recovery	17.00.20.661	26.20.46.26
OTHER CHREENT ACCETS	17 99 28 661	36 20 46 39
OTHER CURRENT ASSETS	10 72 42 420	11 07 50 25
Interest accrued on Fixed Deposit	10 72 42 430	11 87 50 25
EQUITY CHADE CADITAL.	10 / 2 42 430	11 87 50 25
EQUITY SHARE CAPITAL:		
AUTHORISED SHARE CAPITAL:		
20,00,000 Equity Shares of ₹100/- each	20 00 00 000	20 00 00 00
ISSUED, SUBSCRIBED, CALLED & PAID-UP:		
16,91,449 Equity shares of ₹100/- each, fully called and fully paid	16 91 44 900	16 91 44 90
up (1691449 Equity Shares of ₹100/- each held by Govt. of Assam)		
	16 91 44 900	16 91 44 90

Equity Shares	31-03-2018	31-03-2017
Face Value of the Equity Shares (each)	100	100
No of Shares outstanding at the beginning of the year	16 91 449	16 91 449
Amount of Shares outstanding at the beginning of the year	16 91 44 900	16 91 44 900
No of Shares Issued during the year	0	0
Amount of Shares Issued during the year	0	0
No of Shares bought back during the year	0	0
Amount of Shares bought back during the year	0	0
No of Shares outstanding at the end of the year	16 91 449	16 91 449
Amount of Shares outstanding at the end of the year	16 91 44 900	16 91 44 900

b) Terms and rights attached to equity shares

The Company has only class only one class of equity share par value of ₹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

Name of Shareholder	31-03-2018	31-03-2017
1. Governor of Assam		
- No of Shares held	16 91 449	16 91 449
- Percentage of Shares held	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	660 13 57 880	0
Add: Amount transferred from P&L	71 12 76 816	660 13 57 880
Less: Dividend for 2016-17	2 11 43 113	0
Less: Dividend Tax form 2016-17	13 52 178	0
Less: Def Tax adj on Depreciation (2015-16)	16 10 90 151	0
Closing balance	712 90 49 254	660 13 57 880

Profit & Loss A/C		
Opening balance	5 00 000	593 28 23 147
Add: Depreciation written back due to change to SLM	0	0
Add: Amount transferred from P&L	71 12 76 816	68 74 82 457
Amount adjusted from others (Dividend Tax 2013-14)	0	0
Amount available for appropriation	71 17 76 816	662 03 05 604
Appropriations:	711770010	
Dividend	0	1 69 14 490
Dividend Tax	0	15 33 234
Transfer to General Reserve account	(71 12 76 816)	660 13 57 880
		 -
Closing balance	5 00 000	5 00 000
	714 03 47 329	661 26 55 955
15. FINANCIAL LIABILITIES - BORROWINGS		
Long term Loans	0	0
16. FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES		
NON CURRENT FINANCIAL LIABILITIES		
(i) Security Deposit From Domestic Consumers		
Duliajan Gas Grid	92 85 630	88 07 630
Sibsagar Gas Grid	70 64 026	67 88 026
Moran Gas Grid	44 89 520	41 86 500
Nazira/Simaluguri Gas Grid	35 49 486	34 04 300
Digboi Gas Grid	36 71 840	35 43 240
Dibrugarh Gas Grid	1 60 81 265	1 40 13 156
Naharkatia Domestic Grid	11 45 000	11 21 000
Margerita Domestic Grid	28 71 514	26 50 320
Jorhat Domestic Grid	32 95 980	29 34 300
Ledo Domestic Grid	6 60 460	5 09 200
Tinsukia Domestic Grid	1 01 91 703	94 17 623
Titabar Domestic Grid	2 50 380	49 500
Domestic Consumers (Materials cost)	2 59 57 500	1 65 90 000
(") CECHDIEN DEDOCKE FROM THE COMMERCE	8 85 14 304	7 40 14 795
(ii) SECURITY DEPOSIT FROM T.E. & OTHERS:	2.00 57 540	2 52 00 54 4
Tea Estates/Gardens.	2 80 57 519	2 52 89 514
Duliajan College	1 000	1 000
(:::) ADDITIONAL DEPOSIT FROM TE AND OTHERS.	2 80 58 519	2 52 90 514
(iii) ADDITIONAL DEPOSIT FROM T.E. AND OTHERS: Tea Gardens	40 89 04 377	40 77 25 608
T.E. (Capital Cost) Adv. For Transportation Charges (Non current)	5 25 000 32 41 589	5 25 000 57 35 452
Auv. For Transportation Charges (Non current)	41 26 70 966	41 39 86 060
(iv) Suspense Receivable	41 20 70 900	41 39 00 000
(A)	52 92 43 789	51 32 91 369
(A)	<u> </u>	3132 71307

CHRRENT	FINANCIAL.	LIABILITIES

Security Deposit from Contractors		1 39 26 960	1 43 20 985
Earnest Money		83 21 446	69 87 210
T.E. (Gas Meter)		12 25 001	20 00 001
Advance for Transportation Charges (current)		26 13 272	26 00 004
	(B)	2 60 86 679	2 59 08 200
	(A+B)	55 53 30 468	53 91 99 569

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 ₹55 84 363/- against the net tax liability of ₹66 16 891/- during the previous year i.e. 2016-17. The position of the Deferred Tax Liabilities and Assets at the end of the year are as under

Deferred Tax Liability

NON CURRENT LIABILITIES -		
Net Deferred Tax Liability	23 88 68 519	7 21 94 005
Deferred Tax Assets	0	0
	23 88 68 519	7 21 94 005
Add: Adj for Dep w/back (2015-16)	16 10 90 151	0
Difference of Booked Depreciation and Tax Depreciation	7 77 78 368	7 21 94 005

18. PROVISIONS

O L for Superannuation benefits of employees	1 69 90 762	18 65 016
	1 69 90 762	18 65 016

19. FINANCIAL LIABILITIES - TRADE PAYABLES

Oil India Ltd., Duliajan	6 61 25 220	6 19 05 342
ONGC, Sibsagar	11 11 27 805	16 03 86 598
	17 72 53 025	22 22 91 940

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 LIABILITIES

(I) STATUTORY LIABILITIES:

(i) Shire real Embilities		
Staff Professional Tax	83 850	84 324
Employees Income Tax deducted at source	43 75 915	44 60 536
Contractors' Income Tax	23 56 163	18 68 591
Salary Savings Scheme	10 87 185	11 08 923
Recurring Deposit (Staff)	26 500	30 500
Group Savings Link Insurance	71 790	1 50 218
Assam Sales Tax	69 702	69 702
Providend Fund Recovery	51 28 364	54 30 248
GST payable	53 51 474	0
VAT (Value added tax)	17 715	8 68 313
VAT on Natural Gas	1 23 02 625	53 87 219
	3 08 71 283	1 94 58 574
(II) OTHER LIABILITY		
AGCL Staff Co-op. Society	3 13 465	3 29 917
AGCL Tea Canteen	1 15 090	79 573
AGCL Executive Club	26 289	68 194

AGCL Staff Recreation Centre

11 663

24 991

KWH Pipes (India) Ltd.			1 20 100	1 20 100
Outstanding Liabilities for expenses	3		18 86 27 163	14 69 36 921
			18 92 27 098	14 75 46 368
(III) CURRENT MATURITIES OF LONG	G TERM LOAN		0	0
			22 00 98 381	16 70 04 942
21. CURRENT LIABILITIES - PROVISIONS				
Provision for Income Tax/FBT			37 01 57 432	35 90 64 568
Less: Transferred to Advance Tax a/c			37 01 57 432	35 90 64 568
Provision of Service Tax on TC/GM Ma	aint bills		0	1 06 90 743
Provision for GST			57 76 748	0
			57 76 748	1 06 90 743
22. REVENUE FROM OPERATIONS				
a) Gas Sales	185 170 886	SCM	186 32 94 634	113 67 53 648
Less: VAT on Gas Sales	100 17 0 000	00.1	23 59 66 868	14 39 73 748
			162 73 27 766	99 27 79 900
b) Operating Income (Transmission Charges)	1 425 851 017	SCM	72 69 79 644	140 37 08 364
Less: Service Tax on TC			3 23 78 276	18 23 46 963
Less: CGST & SGST			6 01 52 838	0
			63 44 48 530	122 13 61 401
			226 17 76 296	221 41 41 301
23. OTHER INCOME			05 64 00 645	045500655
Interest on Fixed Deposit			25 61 90 647	24 57 03 657
Interest on Loan to DNP Limited			2 54 58 904	5 24 58 907
Minimum Demand Charges (Gas Sales)			8 00 07 194	3 87 83 041
Minimum Demand Charges (TC)			0	8 83 74 533
Interest on Delay payment			1 02 34 529	1 00 54 304
Interest from Employees on Loan			10 42 096	10 75 280
Dividend Income from Investment			2 13 25 000	1 45 01 000
Sale of Materials			20 11 320	17 74 676
Service charges			17 97 836 36 53 867	11 95 700 20 35 450
Compensation Charges			1 61 560	
Guest House Charge realised				1 10 391
House rent realised from employees Gas Charges realised from employees			7 86 952	8 25 455 88 842
Miscellaneous receipts			90 625 89 90 602	1 59 32 465
Income from works contracts			8 79 917	
				30 25 570
House rent realised from OTHERS Insurance Claim			4 89 756 57 82 867	15 90 922 0
Profit on sale of assets			5/8286/	51 923
Front on sale of assets				47 75 82 116
24. PURCHASES OF STOCK IN TRADE			41 89 03 672	47 /3 02 110
Gas Purchases	185 513 063	SCM	85 54 30 606	93 86 00 163
das i dichases	103 313 003	JUNI	85 54 30 606	93 86 00 163
			22 21 20 000	

25. EMPLOYEE BENEFITS EXPENSE		
(a) EMPLOYEES REMUNERATION & BENEFITS:		
Salary & Wages	35 06 13 542	34 27 06 107
Provident Fund / Pension Fund Contribution	3 06 70 778	3 19 77 052
Bonus & Ex-gratia to Employees	1 15 99 927	1 53 60 752
Ex-Gratia on Death of Employees	0	40 000
Employees Training Expenses	10 12 317	4 25 311
Group Gratuity Scheme	1 81 25 746	91 53 355
Welfare Expenses for Employee	22 80 518	14 55 480
Medical Expenses	1 71 77 935	98 76 189
Leave Travel Assistance	5 27 196	10 86 886
Leave Travel Concession	3 70 714	5 28 912
Retirement Journey Benefits	63 500	99 960
Group Superannuation Scheme	25 22 401	26 08 582
VRS & Prematured Settlement Scheme	8 47 348	6 44 706
	43 58 11 922	41 59 63 292
(b) MD'S REMUNERATION & BENEFITS		
Remuneration	18 13 457	17 67 972
Provident/Pension Fund	1 82 952	1 79 388
	19 96 409	19 47 360
	43 78 08 331	41 79 10 652
26. FINANCE COSTS		
Interest on Deposit & Advance	1 47 27 308	1 50 30 815
	1 47 27 308	1 50 30 815
27. OTHER EXPENSES		
a) POWER & FUEL / COMPRESSION CHARGES		
Electricity Charges	51 28 302	52 86 602
Compressor Gas Fuel Expenses	1 09 53 538	89 42 979
Gas Compression charges	1 45 43 519	1 18 74 163
a>=-===	3 06 25 359	2 61 03 744
(b) RATES & TAXES:	05 50 045	40.44.050
Fees & Fines	85 52 045	18 41 073
Rent, Rates & Taxes	6 53 561	1 74 376
Company's Professional Tax	2 500	2 500
	92 08 106	20 17 949
(c) OTHER OPERATING EXPENSES:		
P.F. Administrative Expenses	16 94 753	23 04 647
Deposit Linked Insurance	24 17 552	9 23 448
Stipend to Trainees	7 35 751	10 34 941
MD's office Expenses	38 299	64 517
Guwahati office expenses	3 16 692	1 97 590
Printing & Stationery	10 58 199	22 92 126
Postage & Telegrams	1 13 420	1 13 366
Telephone charges	3 88 826	4 82 031
Vehicle Hire charges	1 19 09 865	83 82 883
Vehicle running expenses	19 57 072	42 76 985

Liveries	2 74 368	3 58 800
Advertisement	1 31 16 826	58 53 206
Bank charges	20 64 920	11 98 105
Legal expenses	18 23 530	58 27 104
Insurance premium	1 07 86 882	1 05 76 508
House rent	16 10 572	12 94 959
Books, Maps & periodicals	1 10 753	1 93 166
Carriage, Cartage & Freight	2 99 171	1 23 054
Meeting expenses	7 77 265	1 58 254
Donation & Subscription	30 89 888	30 80 787
Exhibition & Business development expenses	1 05 200	4 70 774
Miscellaneous Expenses	60 62 452	52 10 594
Guest House Expenses	3 14 768	2 83 485
Tools & Plants Consumed	3 98 875	1 92 560
Company's Celebration expenses	4 00 475	2 59 731
Sanitary Expenses	3 12 744	1 47 558
Land Survey Expenses	42 501	21 410
Compensation paid	17 08 210	7 70 000
Consultancy charges	37 59 952	1 60 000
Gas loss on transmission	1 46 81 085	1 65 92 886
Meter reading expenses	23 69 506	17 88 037
Discount/ Rebate (net)	(43 73 749)	2 46 088
CSR expenses	1 75 17 233	1 11 92 797
	9 78 83 856	8 60 72 397
(d) TRAVELLING EXPENSES:		
Employees	64 01 010	44 51 351
Managing Director'	9 14 999	8 87 039
Director's	2 25 157	4 38 943
Candidates/others	1 45 365	3 01 569
	76 86 531	60 78 902
(e) AUDIT FEE & EXPENSES:		
Statutory Audit Fee	1 18 000	1 00 000
Statutory Auditor' Fees for other services	40 000	40 000
Statutory Auditor' expenses	20 000	80 000
Cost Audit Fee	50 000	50,000
Fees & expenses to Tax Consultant	2 04 616	1 14 300
Fees to oher Auditors (Other services)	2 02 126	44 220
		44 220 35,780
Fees to oher Auditors (Other services)	2 02 126	
Fees to oher Auditors (Other services)	2 02 126 0	35,780
Fees to oher Auditors (Other services)	2 02 126 0	35,780
Fees to oher Auditors (Other services) Audit expenses for others	2 02 126 0	35,780
Fees to oher Auditors (Other services) Audit expenses for others (f) CHAIRMAN'S EXPENSES:	2 02 126 0 6 34 742	35,780 4 64 300
Fees to oher Auditors (Other services) Audit expenses for others (f) CHAIRMAN'S EXPENSES: Travelling expenses	2 02 126 0 6 34 742 21 638	35,780 4 64 300 460

(g) REPAIRS & MAINTENANCE

Compressor	1 06 36 559	1 46 12 634
Pipelines	4 18 72 220	4 67 58 959
Gas Meter	9 37 420	20 87 556
Building	1 05 71 392	53 87 987
Vehicles	3 92 845	3 74 027
Colony	5 16 163	5 54 312
Compressor Station	2 58 782	4 86 711
Electrical Installation	34 92 145	30 21 142
Roads & Drains	5 76 706	17 09 040
Water Supply	12 28 013	10 71 357
EDP System	25 35 230	19 84 386
Plant & Machinery	12 52 801	4 74 969
Domestic Gas Lines	29 26 212	27 71 207
Odorisation plant	1 45 784	0
Other Assets	1 07 373	4 28 464
	7 74 49 645	8 17 22 751
	22 36 36 504	20 24 88 479

28. Current Tax for the year 2017-18 - ₹36 89 09 322/- (₹36 15 59 952/- for 2016-17) includes an amount of ₹37 01 57 432/- being the Provision for Income Tax for the current year (against an amount of ₹35 90 64 568/- for the previous year 2016-17) made as per the provisions of the Income Tax Act,1949 and the balance amounts represents the Tax adjustment (net) for the earlier period.

29. Earning Per Equity Share

Equity Shares	31-03-2018	31-03-2017
Face Value of the Equity Shares (each)	100	100
Net Profit as per Profit & Loss account available to Equity Shareholders	71 12 76 816	68 74 82 457
Weighted Number of Equity Shares outstanding during the year	16,91,449	16,91,449
Basic Earning Per Share (₹)	421	406
Diluted Earning Per Share (₹)	421	406

30. 1. Amount paid to Managing Director:

Remuneration ₹ 18 13 457

P.F. Contribution & Pension Fund ₹ 182 952

- Number of employees who are in receipt of emoluments
 aggregating to ₹24 00 000/- or more or ₹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.

31. 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 2017-18 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 ₹6 33 06 718/- has been charged to Profit & Loss account for the current Financial Year.

- ii. 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 ₹1 00 00 000/- (as against ₹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: NIL Expenses: NIL

A copy of the Financial statements of M/s.TNGCL Limited for the year 2017-18, along with Consolidated Financial Statements, as required under 'Ind As -27', are annexed to herwith.

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 ₹150 00 00 000/-, divided into 15 00 00 000 equity shares of ₹10/- each and the pattern of Equity Share holding structure was agreed at (w.e.f. 17th March 2009) which has increased to ₹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 ₹1 67 25 00 000/- in total, including ₹85 30 00 000/- invested by M/s. Assam Gas Company Limited.

Dividend for the Finnacial year 2016-17 amounting to ₹2 13 25 000 declared by DNPL have since been received 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. 17th March 2009)

DNP Limited, Guwahati (Assam), India. Name & Country of Incorporation:

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) 3 39 498 Dividend: 2 13 25 000 10 80 00 000 Loans & Adv. Interest on Loan: 2 54 58 904 Liability: NIL Rental Income: 4 89 756 NIL

Expenses:

A copy of the Financial statements of M/s. DNP Limited for the year 2017-18, along with Consolidated Financial Statements, as required under 'Ind As - 27', are annexed to herewith.

iii. Financial Assets:

During the year 2015-16, Company has given to DNP Limited term loan amounting to ₹ 66 80 00 000/- at an interest rate of 10% p.a. which is repayable at ₹2.25 Crores per month alongwith interest. Long term advance (Note: 6 (A)) represents an outstanding amount of ₹NIL of the above loan amount. Further current portion of outstanding amount of ₹10 80 00 000 of the above loan amount is shown under Short Term Loans & Advances (Note: 11 (A)).

iv. Stock of Stores:

- a. Stock with Instrumentation department and crisis management amounting to ₹30 94 422/- includes ₹14 35 707/- being the realizable value of 11 numbers of Gas meters returned from the site from 2007-08 to 2016-17.
- b. No stock of spares of individual value of more than ₹5.00 lakhs have been capitalized during the year.

v. Trade receivables :

- a. Trade Receivables includes an amount of ₹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 stopped making payments the same has been classified under 'Sundry Debtors – Unsecured and considered doubtful'. The Company has resorted to legal remedies through Arbitration for the recovery of the amount due.
- b. Trade Recivable includes an amount of ₹52 84 74 838/- due from ASEB-LTPS (Previous year 40 38 37 114/-). ASEB 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 ₹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 ASEB has started recovering the amounts through adjustment against the subsequent bills raised on them.
- c. Trade Recivable includes an amount of ₹4 90 03 032/- due from ASEB-NTPS (Previous year ₹3 01 50 673/-). ASEB NTPS has raised dispute over charging of Minimum Demand Charges bills whenever there has been distruption 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 ₹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. 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. However, no additional provision / adjustments for bad and doubtful debts have been made in the current year due to decline in the 'Revenue from Operations'.
- e. 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.

vi. 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 ₹14 05 764/- as on 31-03-2018 as against the balance of ₹24 21 410/- as on 31-03-2017. The maximum balance at any point of time during the year in the said account was ₹27 53 079/.

vii. Other Equity:

- a. Capital Reserves ₹69 10 823/- represents non-refundable contributions received from the consumers towards capital cost (cost of Pipelines etc.).
- b. An amount of ₹71 12 76 816/- 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.

viii. 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, 2018. 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.

ix. Profit & Loss Account:

- a. Operating Income (Transmission Charges) under Schedule 22 (b) includes an amount of ₹26 13 272/- for the period 2017-18 and ₹25 20 397/- for the period 2016-17 on account of adjustment towards fair valuation of Seurity Deposit from Tea Gardens.
- b. ASEB 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 ₹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 ASEB 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 disputes. No provision for any probable reversal of TC already accounted for and booked in Profit & Loss. However, same is shown under contingent liability.
- c. As required by the Accounting Standard on "Taxes on Income" (Ind As-12), the deferred tax provision amounting to ₹55 84 363/- for the year under review, has been adjusted against the Statement of Profit and Loss, the only component of the Deferred Tax Liability based on the tax effect of timing differences on depreciation has been considered. Further, an amount of ₹16 10 90 151/- has been transferred from the General Reserve Account to the Accumulated deferred Tax Liability Account upon rectification of Deferred Tax Liability on depreciation written back during the year 2015-16.
- d. Current Tax includes amounts of ₹37 01 57 432/- (Dr) being the provision made for the Financial year 2017-18 and ₹12 48 110/- (Cr) being difference of provision made for the Financial years 2016-17.
- e. Miscellaneous Expenses under other operating expenses (Note 27.c) amounting to ₹60 62 452/- includes amounts expended on purchase of curtain cloth, sanitary

materils, periodical cleaning charges, miscellaneous township maintenance, reversal of inadmissible CENVAT credit and other miscellaneous expenditures incurred for the corporate offices and all other site offices, are furnished below.

Particulars			Amount
Security Expenses	Dr	₹	10 86 204
CENVAT reversal	Dr	₹	21 59 431
Consumables	Dr	₹	4 44 620
Misc. Expenses at site offices	Dr	₹	10 26 488
Cleaning & Sweeping	Dr	₹	7 09 226
Administrative Expenses	Dr	₹	1 89 293
Other expenses	Dr	₹	4 47 190
TOTAL	Dr	₹	60 62 452

f. Miscellaneous Receipts under Other Income (Note-23) – ₹89 90 602/- (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 2017-18 and other receipts in the nature of cost of Tender papers, fees and fines for late payment, rent, recovery from contractors, etc., as furnished below.

Particulars			Amount
Expenses Recovery	Cr	₹	68 85 403
Fines & Fees from Domestic	Cr	₹	16 73 288
Cost of Tender paper / Fees	Cr	₹	2 93 932
Other Receipts	Cr	₹	87 979
Reconnection Charge	Cr	₹	50 000
TOTAL	Cr	₹	89 90 602

- g. During the year under review ₹10 13 208/- has been paid towards VRS payments and an amount of ₹8 47 348/- (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.
- h. 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 $\stackrel{>}{\sim} 181\ 25\ 746$ /- has been charged under Gratuity, consisting of current year's and past service liability.
- i. 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.

- j. During the year under audit, an amount of ₹3,17,82,343/- (up to Previous year ₹3,81,18,644/-) has been included in Employees Remuneration and Benefits (Note 25 (a), being provision for arrear salary due from January, 2016 up to March, 2018.
- k. Interest on delayed payments due from ASEB 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.
- l. 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.

x. 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 ₹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 ₹75.62 lakhs being TDS disallowed by the department for the Financial years 2008-09 to 2015-16. 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:

The Company has made a rectification petition / appeal 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 ₹2 31 54 048/- for the Assessment Year 2007-08, ₹21 43 54 758/- for the Assessment Year 2008-09, ₹21 03 41 937/- for the Assessment Year 2006-07, ₹21 85 79 385 /- for the Assessment Year 2009-10, ₹15 18 35 749 for the Assessment Year 2015-16, ₹14 31 89 703 for the Assessment Year 2013-14 and ₹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 and 31.01.18 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 ₹10 65 01 901/- exclusive of interest and penalty, for the period November 2006 to March 2018. 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	Assessing Officer
Income Tax Act	Tax	54 479	A.Y. 2007-08	Assessing Officer
Income Tax Act	Tax	21 87 170	A.Y. 2009-10	Assessing Officer
Income Tax Act	Tax	49 51 760	A.Y. 2010-11	Assessing Officer
Income Tax Act	Tax	1 14 780	A.Y. 2011-12	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	Assessing Officer
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	In the process to file appeal
Assam VAT ACT	Tax (including interest)	14 31 89 703	F.Y. 2013-14	In the process to file appeal
Assam VAT ACT	Tax (including interest)	13 41 66 525	F.Y. 2014-15	In the process to file appeal
Assam VAT ACT	Tax (including interest)	15 18 35 749	F.Y. 2015-16	In the process to file appeal
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)

- 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 ₹9 85 02 303/- (previous year ₹9 85 02 303/-) which includes ₹3 19 616/- on account of Royalty on MGQ bills raised by M/s. Oil India Limited, an amount of ₹2 41 08 680/- on account of disputed interest on loan (2009-10) claimed by UCO Bank which has not been acknowledged by the Company and a debit note raised by ONGC Ltd. during 2012-13 and 2014-15 amounting to ₹7 40 74 007/- for the period from June'10 to March'15 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) ASEB 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 ₹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 ASEB 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.

xi. GENERAL:

- a. GST on Transmission charges amounting to ₹52 67 534/- & GS tax on other services amounting to ₹5 09 214/-, which are outstanding for collection during the year under consideration (bills raised in 2018-19) 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 (102 nos.) Individual Tea factory consumers and efforts have been taken for the renewal of the same at the earliest.
- d. During the year 2017-18 the Company has issued Bank Guarantees amounting to ₹1 57 75 000/- in favour of PNGRB being the PBG for Authorisation of CGD and Common carrier net works, amounting to ₹4 53 34 296/- in favour of ONGC towards PBG for natural gas auction and amounting to ₹9 36 250/- to PED Assam towards ROW matters. The accumulated balance of the valid Bank Guarantees as on 31/03/2018 amounts to ₹10 28 45 546/-.
- e. The difference in quantities of gas purchased and sold 3 42 177 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

Shri Ravi Capoor
 Shri Sanat Kumar Kalita
 Ms. Shehla Rahman
 Shri Adiya Kr. Sharma
 Shri Siddartha Bordoloi
 Mr. H Ahmed Khan
 Shri Rajib Hazarika
 Shri Anuj Kr. Borkotoky

9. Smt. Mayuri Chetia 10. Smt. Kalyani Baruah

(b) Joint venture - Tripura Natural Gas Company Limited., Agartala, Tripura - Associated Company

DNP Limited, Guwahati, Assam - Subsidiary Company

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

Nature of transaction	<u>Directors / Key Managerial Personnel</u>	Joint venture
Remuneration, T.A. $(\overline{\epsilon})$	32 84 830	
and other benefits (₹)	(33 01 778)	

Balance as at 31.03.2018

Receivables	NIL	NIL
	(NIL)	(NIL)
Advance against issue of Shares		NIL
		(NIL)
Loans (₹)		10 80 00 000
		(37 80 00 000)
Advance (reimbursable) (₹)		3 39 498
		(158 06 945)

(Figures in brackets relate to previous years)

g. 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.

h. IMPAIRMENT OF ASSETS:

No adjustments have been carried out during the year.

32. Reconciliation of Expenditure on Corporate Social Responsibility (CSR) Activities is as follows:

	2015-16	2016-17	2017-18
Amount unspent (for earlier years) at the beginning of the year	1 79 35 440	3 32 45 502	4 18 54 402
Amount earmarked for CSR activities during the year	1 90 10 939	1 98 01 697	1 99 94 808
Amount actually spent for CSR activities	37 00 877	1 11 92 797	1 75 17 233
Amount remaining unspent at the end of the year	3 32 45 502	4 18 54 402	4 43 31 977

33. 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 $\stackrel{?}{\sim} 21143113$ /- and $\stackrel{?}{\sim} 1352178$ /- being the dividend and the Tax on dividend respectively declared and paid during the year (for the year 2016-17) has been accounted for during this year.

For the Financial Year 2017-18, the company has proposed to recommend, declare and pay a dividend at the rate of 12.50% on the average paid up equity share capital of the company.

STATEMENT OF CHANGES IN EQUITY 2017-18

(Amount in Rs.)

7,14,03,47,329 6,61,26,55,955 6,45,15,65,803 13,52,178 (16,10,90,151)71,12,76,816 2,11,43,113 Total against ceived share warrants Income (speci-0ther Compre-henfy na-ture) sive a foreign operation ences on translat-Exchange differing the financial ments of state-38,87,252 38,87,252 38,87,252 Revalua-Surplus tion tion of Cash Flow Hedg-es porhensive Income through Compre-Equity Instruments 0ther Other Equity through Other hensive ments instru-Income Compre-5,00,000 5,00,000 71,12,76,816 5,00,000 71,12,76,816 (71,12,76,816) Retained Earnings Reserves and Surplus 6,60,13,57,880 6,44,02,67,728 2,11,43,113 13,52,178 - 7,12,90,49,254 (16,10,90,151)General Re-Securities
ties
Pre-Re-serve 69,10,823 69,10,823 69,10,823 Reserve Capital pound finanin-stru-ments po-nent of comcial cation money pending al-lotment appli-Equity
Particulars Share Capi-16,91,44,900 16,91,44,900 16,91,44,900 tal the begin-ning of the prehensive Income for Balance at 31-Mar-18 Changes in accounting riod errors Transfer to Tax on Dis-Total Com-Balance at 01-April-2017 policy or prior pebalance at reporting Dividends tribution Restated earnings the year retained period Profits

STATEMENT OF CHANGES IN EQUITY 2016-17

						Oth	Other Equity							
				Reserve	Reserves and Surplus						-	Other 		
Equity Share Capital	Share compo- appli- nent of cation com- money pound pend- finan- ing al- cial lotment instru-	Equity component of component of component of financial instruments	Capital Reserve	Secu- rities Pre- mium Re- serve	General Re- serve	Retained Earnings	Debt instru- ments through Other Com- pre- hensive Income	Equity Instru- ments through Other Compre- hensive Income	Effective portion of Cash Flow Hedge	Re- tion Sur- plus	Exchange differ- ences on translat- ing the financial state- ments of a foreign operation	of Other Com- pre- hen- sive Income (speci- fy na- ture)	Money re- ceived against share war- rants	Total
16,91,44,900			1,07,98,075.00			5,93,28,23,147								5,94,36,21,222
,														1
16,91,44,900	-	'	- 1,07,98,075.00	1	,	5,93,28,23,147	-	'	1	1	-	1	1	5,94,36,21,222
						68,74,82,457								68,74,82,457
						1,69,14,490								1,69,14,490
					6,60,13,57,880	5,00,000								6,60,18,57,880
						15,33,234								15,33,234
16,91,44,900	1	1	- 1,07,98,075.00	1	- 6,60,13,57,880	5,00,000	1	1	1	1	1	1	'	- 6.61,26,55,955

NOTES ON ACCOUNTS 2017-18 (Continued)

31 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.)

	Carr	ying amo	ount			Fair	value	
March 31, 2018	Mandatorily at FVTPL	FVTOCI - desig- nated as such	Amortised Cost	Total	Level	Level 2	Level	Total
Financial assets								
Cash and cash equivalents			476 99 20 486	476 99 20 486				
Trade receivables			116 05 64 462	116 05 64 462				_
Short-term loans and advances			17 99 28 661	17 99 28 661				
			611 04 13 609	611 04 13 609		_		_
Financial liabilities		<u>-</u>						
Deposit from Customer	53 30 82 062			53 30 82 062		53 30 82 06	2	53 30 82 062
Trade and other payables			17 72 53 025	17 72 53 025				
Other current financial liabilities			2 22 48 406	2 22 48 406				
	53 30 82 062		19 95 01 431	73 25 83 493		53 30 82 06	2	53 30 82 062

(Amount in Rs.)

	Carry	ing amo	unt			Fair value		
March 31, 2017	Mandatorily at FVTPL	FVTOCI - desig- nated as such	Amortised Cost	Total	Level	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents			395 55 86 071	395 55 86 071			-	
Trade receivables			92 42 22 962	92 42 22 962	!		-	
Short-term loans and advances			72 11 10 958	72 11 10 958	3		-	
	_	-	560 09 19 991	560 09 19 991	-	-		

(Financial instruments - Fair values and Risk Management (continued)

Financial liabilities

	51 78 91 374	24 36 00 135	76 14 91 509	51 78 91 374	51 78 91 374
financial liabilities					
payable Other current		2 13 08 195	2 13 08 195		
Trade and other		22 22 91 940	22 22 91 940		
Deposit from Customer	51 78 91 374		51 78 91 374	51 78 91 374	51 78 91 374
i manciai mabini	103				

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

Туре	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 Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee (the Committee), which is responsible for developing and monitoring the Company's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

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.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

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 payable 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 counter party 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 ₹116 05 64 462 as at 31st March 2018 and ₹98 00 94 251 as at 31st March 2017; 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, 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	83,63,76,928	-	-
	1,16,05,64,462	-	-

March 31, 2017	Gross carrying amount	Weighed average loss rate - range	Loss allowance
Neither past due not impaired	27,90,82,575	-	-
Past due 1–90 days	3,19,10,134	-	-
More than 90 days	66,91,01,542	-	-
	98,00,94,251	-	-

Cash and cash equivalents

The Company held cash and cash equivalents of $\raiset{4}$ 76 99 20 486 as at March 31, 2018 and $\raiset{3}$ 95 55 86 071 as at March 31, 2017. 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.

NOTES ON ACCOUNTS 2017-18 (Continued)

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)

	Contractual cash flows					
March 31, 2018	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
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 payable	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

(Amount in Rupees)

Contractual cash flows

			Com	auctuui cusii i	10113	
March 31, 2017	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities						
Deposit from Customer	51 78 91 374	51 78 91 374	4 26 96 333	18 90 13 235	6 19 31 044	22 42 50 762
Trade and other payable	22 22 91 940	22 22 91 940	3 70 47 863		5 31 81 324	13 20 62 753
Other current liabilities	2 13 08 195	2 13 08 195	91 23 050	90 33 183	28 17 272	3 34 690

The Company has not carried any derivative financial liabilities as on 31st March 2017 and 31st March 2018

ASSAM GAS COMPANY LIMITED DULIAJAN, (ASSAM) CONSOLIDATED BALANCE SHEET

(Amount in Rupees)

	Particulars	Note No.	AS AT 31-03-2018	AS AT 31-03-2017
A	ASSETS			
	1) Non-current assets			
	(a) Property, Plant & Equipment			
	(i) Tangible assets	3		
	a. Gross Block		428 17 44 099	420 84 32 226
	b. Less: Depreciation		60 12 98 756	40 92 53 203
	c. Net Block	_	368 04 45 343	379 91 79 023
	d. Revalued Fixed Assets		0	0
		_	368 04 45 343	379 91 79 023
	(b) Capital Work in progress	4	7 91 92 437	5 67 26 437
	(c) Non-current investments	5	19 42 41 011	16 50 29 111
	(d) Financial Assets	6	20 44 785	19 87 713
	(e) Other non-current assets	7	14 72 768	13 06 908
		_	27 69 51 001	22 50 50 169
	2) Current assets	_		
	(a) Inventories	8	26 51 18 581	22 63 17 439
	(b) Financial Assets			
	- Trade receivables	9	122 40 06 520	104 45 19 585
	- Cash and cash equivalents	10	504 45 36 790	408 91 77 776
	- Short-term loans and advances	11	9 30 79 598	8 63 01 173
	(c) Other current assets	12	10 84 28 223	11 92 35 660
		_	673 51 69 712	556 55 51 633
		TOTAL	1069 25 66 056	958 97 80 824

B EQUITY AND LIABILITIES			
1. Equity			
a. Equity Share Capital	13	16 91 44 900	16 91 44 900
b. Other Equity	14	764 27 42 208	694 67 36 819
c. Minority Interest	15	112 56 39 324	99 20 00 189
	_	893 75 26 432	810 78 81 908
2. Liabilities			
a. Non Current Liabilities			
Financial Liabilities			
- Borrowings	16	0	0
- Other Financial Liabilities	17	54 53 09 006	53 32 79 196
b. Deferred tax liabiltiy (net)	18	67 57 74 000	44 65 91 251
c. Provisions	19	1 69 90 762	18 65 016
	_	123 80 73 769	98 17 35 463
3. Current Liabilities	_		
a. Financial Liabilities			
- Trade payables	20	17 72 53 025	22 22 91 940
- Other Financial Liabilities	17	8 78 96 398	8 44 60 107
b. Other current liabilities	21	24 60 39 684	18 27 20 663
c. Provisions	22	57 76 748	1 06 90 743
	_	51 69 65 855	50 01 63 453
	TOTAL	1069 25 66 056	958 97 80 824

CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

1 & 2

In terms of our report of even date attached to herewith

For S. K. Mallick & Co.

Chief Financial Officer	Managing Director DIN-07285877	Chartered Accountants Firm Regd. No. 324892E
D. Dev Gupta	S. Bordoloi	(CA. PRADIP BAKSI)
Company Secretary	Director	Partner
	DIN-07804287	(Membership No. 054264)

A. K. Sharma

Place: Kolkata

Date: 27th July, 2018

Vijay Kr. L.

ASSAM GAS COMPANY LIMITED DULIAJAN, (ASSAM) STATEMENT OF CONSOLIDATED PROFIT & LOSS

		Note	AS AT	(Amount in Rupees) AS AT
Daw	i aulawa			
Par	ticulars	No.	31-03-2018	31-03-2017
I.	Revenue from operations	22	306 23 94 684	287 92 21 697
II.	Other income	23	38 63 96 476	42 11 89 833
III.	Total Revenue (I + II)		344 87 91 160	330 04 11 530
IV.	Expenses:			
	Purchases of stock in trade	24	85 54 30 606	93 86 00 163
	Employee benefit expenses	25	46 64 24 031	44 79 58 343
	Finance costs	26	1 74 70 972	1 70 32 260
	Depreciation and amortization	3	19 20 45 553	19 80 22 110
	Other expenses	27	36 04 04 777	35 09 25 825
	Total expenses		189 17 75 939	195 25 38 701
V.	Profit before exceptional and extraordinary			
	items and tax (III - IV)		155 70 15 221	134 78 72 829
VI.	Exceptional Items		0	69 02 475
VII.	Profit before extraordinary items and tax (V - VI)		155 70 15 221	134 09 70 354
VIII.	Prior period & Extraordinary Items		0	9 79 220
IX.	Profit before tax (VII - VIII)		155 70 15 221	133 99 91 134
X.	Tax expenses			
	1) Current tax	28	47 34 31 195	42 67 88 190
	2) Deferred tax	17	6 80 92 597	113549119
			54 15 23 792	54 03 37 309
371	D			
XI.	Profit for the period from continuing operations (IX - X)		101 54 91 429	79 96 53 825
VII	Profit from discontinuing			
Λ11.	operations		0	0
XIII.	Tax expenses of discontinuing operations		0	0
XIV.	Profit from Discontinuing operations (after tax) (XII - XIII)		0	0
ΧV	Profit for the period (XI + XIV)		101 54 91 429	79 96 53 825

ASSAM GAS COMPANY LIMITED DULIAJAN, (ASSAM) STATEMENT OF CONSOLIDATED PROFIT & LOSS (Continued)

		(Amount in Rupees)
Note	AS AT	AS AT
No.	31-03-2018	31-03-2017
ofit or loss	0	0
t be		
	0	0
or loss	0	0
reclassified		
	0	0
` '		
	101 54 91 429	79 96 53 825
30		
	612	486
	612	486
	No. rofit or loss t be or loss reclassified d (XV+XVI) rehensive	No. 31-03-2018 ofit or loss 0 t be 0 or loss 0 reclassified 0 d (XV+XVI) rehensive 101 54 91 429

In terms of our report of even date attached to herewith

Vijay Kr. L. Chief Financial Officer	A. K. Sharma Managing Director DIN-07285877	For S. K. Mallick & Co. Chartered Accountants Firm Regd. No. 324892E
D. Dev Gupta Company Secretary	S. Bordoloi Director DIN-07804287	(CA. PRADIP BAKSI) Partner (Membership No. 054264)

Place: Kolkata

Date: 27th July, 2018

ASSAM GAS COMPANY LIMITED DULIAJAN, (ASSAM) NOTES ON CONSOLIDATED ACCOUNTS 2017-18 (Continued)

Statement of Cash Flow

	Statement of Gash Flow	2017-18	2016-17
	N. D. Gul, C	455 50 45 004	404 50 50 000
a)	Net Profit before Tax	155 70 15 221	134 78 72 829
b)	Adjustments for :		
i)	Depreciation	19 20 45 553	19 80 22 110
ii)	Interest on Loans	5 42 072	0
iii)	Misc. Expenditure	8 47 348	6 44 706
iv)	Interest on Fixed Deposit	(26 97 52 176)	(25 59 22 845)
v)	Fair Value of Invest in TNGCL	2 92 11 900	2 88 27 376
	Operating Profit before working capital changes	150 99 09 918	131 94 44 176
c)	Working capital changes:		
i)	Increase in inventories	(3 88 01 142)	(4 86 33 696)
ii)	Decrease in Trade Receivables (Fin. Assets)	(17 94 86 935)	9 49 07 713
iii)	Increase in Short Term Loans & Advances (Fin. Asset)	95 36 718	(444342)
iv)	Decrease in other Current Liabilities	6 33 19 021	(2 62 53 402)
v)	Decrease in Trade payable (Financial Liabilities)	(4 50 38 915)	(5 01 44 393)
	Cash generated from operations	131 94 38 665	128 88 76 056
Less :	Income Tax Payment	(48 97 46 336)	(37 41 33 490)
	Cash Flow before extra ordinary items	82 96 92 329	91 47 42 566
Add:	Earlier year adjustment	0	(979220)
	Net Cash from operating activities	82 96 92 329	91 37 63 346
	CASH FLOW FROM "INVESTING ACTIVITIES"		
i)	Purchase of Fixed Assets	(9 57 77 873)	(11 16 46 448)

iii)	Dividend & Tax paid	(5 14 94 831)	(3 81 67 412)

ii)

iii)

iv)

v)

i)

ii)

III.

Sale of Asset

Fixed Deposits

Interest on Loans

Interest received on Fixed Deposits

Net Cash used in investing activities

Increase in Non Current Investment

CASH FLOW FROM "FINANCING ACTIVITIES"

Increase in Non Current other financial liabilities

Misc. Exp - VRS Payments

9 11 447

24 13 31 258

(91 21 48 816)

(638186)

91 68 838

(28827376)

(89 25 02 031) (104 21 06 887)

26 97 52 176

(10 13 208)

1 20 29 810

(542072)

(2 92 11 901)

(71 95 40 936)

(Amount in Rupees)

For the year

For the year

iv)	Decrease in Current other Financial Liabilities	34 36 291	3 83 64 857
v)	Decrease in Financial Asset	(57072)	(130012)
vi)	Decrease in Current Liabilities provisions	34 19 619	(1086008)
vii)	Increase in provisions	1 51 25 746	1 53 355
	Net Cash used in financing activities	(4 72 94 410)	(2 05 23 758)
	Net Increase in Cash & Cash equivalents	6 28 56 983	(1 89 09 228)
	Cash & Cash equivalents at the beginning of the year	3 09 39 086	4 98 48 314
	Cash & Cash equivalents at the end of the year	9 37 96 069	3 09 39 086

In terms of our report of even date attached to herewith

Vijay Kr. L.
Chief Financial Officer

A. K. SharmaManaging Director
DIN-07285877

For **S. K. Mallick & Co.** Chartered Accountants Firm Regd. No. 324892E

D. Dev GuptaCompany Secretary

S. BordoloiDirector
DIN-07804287

(CA. PRADIP BAKSI)
Partner
(Membership No. 054264)

Place: Kolkata

Date: 27th July, 2018

ASSAM GAS COMPANY LIMITED

Consolidated Financial statements – 2017-18 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 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 ₹170 00 00 000/-, divided into equity shares of ₹10/- each and a paid up capital of ₹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 ₹10 00 00 000/-, divided into equity shares of ₹10/- each and the paid up capital is ₹3 92 00 000/-. Assam Gas Company is having 25.51% Equity Share holdings in M/s. Tripura Natural Gas Company Limited.

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

D. Other significant accounting policies

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

Consolidated Financial statements - 2017-18

NOTE 4

Property, Plant & Equipment (2017-18)

							TA OTTEN			200
	GRO	GROSS BLOCK				DEFRECIALION	ALION		NEI BLOCK	LUCK
			٠			(SLM)	(I)		on SLM / WDV	/ WDV
PARTICULARS	COST AS AT 01-04-17	ADDITION FOR THE YEAR	ADJUST- MENT (discard)	COST AS AT 31/03/2018	UP TO 01-04-17	FOR THE YEAR	Adjustment to Assets (during year)	TOTAL (under SLM)	AS AT 31-03-18	AS AT 31-03-17
A. Land	4 21 55 515	0	0	4 21 55 515	0	0	0	0	4 21 55 515	4 21 55 515
B. Residential & Factory Building	20 32 67 152	20 50 211	0	20 53 17 363	1 60 92 537	81 79 315		2 42 71 852	18 10 45 511	18 71 74 615
C. Pipe Lines & Plant & Machinery	373 18 79 812	6 36 67 572	0	379 55 47 384	29 93 92 650	15 45 09 927		45 39 02 577	334 16 44 807	343 24 87 160
D. Office Equipment	21 33 193	1 34 640	0	22 67 833	10 45 631	3 62 817		14 08 448	8 59 385	10 87 562
E. Hospital Equipments	1 10 295	0	0	110295	14 594	7 287		21 881	88 414	95 701
F. Miscellaneous Fixed Assets	4 71 956	22113	1425	4 92 644	1 58 573	64 946	(1425)	2 22 094	2 70 550	3 13 383
G. Electrical Installation	13 71 69 055	4 87 194	0	13 76 56 249	3 97 91 154	1 99 66 332		5 97 57 486	7 78 98 763	9 73 77 901
H. Roads, Drains and Water Works	3 31 82 008	17 93 095	0	3 49 75 103	2 38 24 205	20 68 841		2 58 93 046	90 82 057	93 57 804
I. Furniture & Fixture	45 67 287	12 77 475	0	58 44 762	10 95 436	6 27 761		17 23 197	41 21 565	34 71 851
J. Motor Vehicles	1 53 18 112	0	0	1 53 18 112	28 80 164	20 65 094		49 45 258	1 03 72 854	1 24 37 948
K. E.D.P.System	3 66 82 296	37 34 178	5139	4 04 11 335	2 46 78 681	40 22 532	(13)	28701200	1 17 10 135	1 20 03 615
L. Communication System	14 95 545	1 51 958	0	16 47 503	2 79 578	1 72 139		4 51 717	11 95 786	12 15 967
Total	420 84 32 226	7 33 18 436	6564	428 17 44 098	40 92 53 203	19 20 46 991	-1438	60 12 98 756	368 04 45 342	379 91 79 022
Previous Year's Figures	414 35 39 792	7 19 07 322	(1367700)	134 67 32 562	348763155	18 97 95 061	(563302)	11 84 94 151	122 82 38 411	379 47 76 637

ASSAM GAS COMPANY LIMITED DULIAJAN, (ASSAM) NOTES ON CONSOLIDATED ACCOUNTS 2017-18 (Continued)

(Amount in Rupees)

		(AI	nount in Kupees
No.		AS AT 31-03-2018	AS AT 31-03-2017
4	CAPITAL WORK - IN - PROGRESS		
	Inventory Management Software	90 000	90 00
	Pipeline H.D.P.E.	1 52 85 075	3 82 15 37
	CNG/LNG Project	82 01 359	34 74 85
	Scada	5 29 07 328	1 34 98 80
	Power Project	14 47 400	14 47 40
	PS Water Tank	2 06 500	
	Electrical Upgradation	7 52 695	
	Buildings	3 02 080	
	_	7 91 92 437	5 67 26 43
5	NON CURRENT INVESTMENTS		
	Total Investment valued at cost (unless stated otherwise)		
	Equity contribution in Tripura Natural Gas Co. Ltd. (unqoated)	19 42 41 011	16 50 29 11
	(100000 equity shares @ Rs.100 each fully paid)		
	Other Investments		
	_	19 42 41 011	16 50 29 11
	AGCL hold 26% Equity Shares in Tripura Natural Gas Co. Limited		
6	DNP Limited is a subsidiary company, AGCL holding 51% shares. Financial Assets		
	A. Loans		
	Loans to Related Party:	0	
	B. Other Financial Assets		
	AGCL Gratuity Trust Account	1 000	1 00
	Security Deposit	20 43 785	20 42 08
	Assam Entry tax	0	(55 372
	_	20 44 785	19 87 71
7	OTHER NON-CURRENT ASSETS		
	Misc. Expenditure (to the extent not written off)		
	VRS Payments - Accumulated balance	13 06 908	13 13 42
	Add: Paid during the year	10 13 208	6 38 18
		23 20 116	19 51 61

	Less : Adjusted during the year	8 47 348	6 44 706
		14 72 768	13 06 908
8	INVENTORIES		
	(As taken, valued and certified by the Management at cost)		
	Stock of Stores and Spares	24 72 70 909	14 92 46 821
	Stock of Stores(Project)	0	5 88 75 243
	Stock with Instrument Deptt. & Crisis Mgmt.com.	30 94 422	38 77 035
	Stock of Medical Stores	2 60 662	20 95 807
	Stock of Stores at Site Office	1 44 92 588	1 22 22 533
		26 51 18 581	22 63 17 439
9	FINANCIAL ASSETS - TRADE RECEIVABLES		
	(Unsecured and considered good)		
	Brahmaputra Valley Fertiliser Corpn. Ltd.	5 77 76 008	3 97 14 117
	Assam State Electricity Board, Namrup	4 90 03 032	3 01 50 673
	Assam State Electricity Board, Maibela	52 84 74 838	40 38 37 114
	Assam Petro Chemicals Ltd.	21 56 145	20 87 542
	Sonari area T E	1 50 51 950	1 24 65 821
	NEEPCO	1 05 26 220	1 38 97 179
	Oil India Limited, Duliajan	45 58 656	7 42 197
	Domestic Consumers Receivable	10 94 71 701	10 01 08 020
	Moran Plantation line	1 10 70 515	99 50 995
	Naharkatia/Duliajan Area gardens	1 08 54 551	71 68 973
	Dibrugarh area T.E.	2 02 99 790	1 88 03 876
	Doomdooma area T.E.	1 87 71 456	1 77 40 299
	Margherita Tea Gas Grid	1 32 48 350	69 66 147
	Tinsukia Tea Gas Grid	1 47 57 095	1 67 83 418
	Jorhat-Golaghat Line T.E.	1 82 32 791	2 15 61 017
	ASEB NRPP	3 14 257	3 14 257
	Hindustan Lever Limited (WC)	2 31 882	0
	Suspense a/c	(43 48 976)	(29 21 390)
	NRL	11 93 13 347	12 02 96 623
		99 97 63 608	81 96 66 878
	(Unsecured and considered doubtful) ASEB Namrup		
	Tea Gardens (Under Court Case)	7 68 87 652	7 74 97 447
	DLF Project (EIP Limited)	20 32 26 549	20 32 26 549
		28 01 14 201	28 07 23 996
		127 98 77 809	110 03 90 874
	Less: Provision for Bad and doubtful debts	5 58 71 289	5 58 71 289
		122 40 06 520	104 45 19 585
	Sundry debtors - Age Analysis		
	Less than six months	32 44 27 864	28 29 05 162
	More than six months	78 02 65 309	69 71 89 089

)	FINANCIAL ASSETS - CASH & CASH EQUIVALENTS		
	a) Cash in hand:		
	With Head Office, Duliajan	1 10 782	2 04 060
	With Officials (Imprest)	2 26 671	2 14 047
	Cash at Guwahati Office	1 31 482	74 947
	Cash at Silchar Office	6 104	6 017
		4 75 039	4 99 071
	b) Balances with Banks:		
	State Bank of India, Mathurapur	68 716	81 365
	State Bank of India, Moran	5 35 199	4 97 163
	State Bank of India, Nazira	67 705	96 671
	State Bank of India, Duliajan, (Gen)	2 68 61 075	34 25 270
	State Bank of India, Sibsagar	2 64 945	3 75 462
	State Bank of India, Dibrugarh	5 06 642	2 39 270
	State Bank of India, Digboi	5 09 023	3 28 229
	State Bank of India, Gargaon	2 07 367	75 946
	State Bank of India, Silchar	3 294	19 969
	State Bank of India, Tinsukia	3 59 672	8 96 469
	State Bank of India, Duliajan (Dividend A/C)	0	176
	State Bank of India, Duliajan (Domestic bills A/C)	1 93 10 755	16 619
	United Bank of India, Duliajan	32 53 714	3 08 957
	United Bank of India, Chawkidinghi, Dibrugarh	5 32 186	1 19 824
	United Bank of India, Digboi	5 78 806	3 05 496
	United Bank of India, Naharkatia	1 51 801	21 42 998
	United Bank of India, Ledo	2 49 458	69 559
	UCO Bank, Sibsagar	3 02 773	9 17 493
	UCO Bank, Duliajan (Lien A/C)	16 74 804	85 484
	Assam Co-Op.Apex Bank Ltd. Duliajan (Non Schedule)	14 05 764	24 21 410
	Allahabad Bank, Duliajan	2 65 37 506	1 09 70 824
	Allahabad Bank, Dibrugarh (47)	16 48 556	6 84 581
	Allahabad Bank, Sibsagar	6 14 268	4 87 334
	Allahabad Bank, Tinsukia	6 63 652	6 63 653
	Punjab National Bank, R.G.Baruah Rd, Guwahati	1 15 835	22 657
	Canara Bank, Duliajan	16 63 196	1 54 624
	Canara Bank, Titabar	11 59 627	3 86 124
	Indian Bank, Dibrugarh	15 54 979	22 16 840
	Vijaya Bank, Jorhat	6 01 308	5 15 011
	Axis Bank, Duliajan	13 55 094	9 14 091
	Central Bank of India, Margherita	5 63 310	10 00 446
		9 33 21 030	3 04 40 015
	Balances with banks in Deposit accounts:		
	Fixed Deposit With Scheduled Banks	493 44 77 917	404 53 22 176
	Fixed Deposit With Non Scheduled Banks	1 62 62 804	1 29 16 514

		495 07 40 721	405 82 38 690
		504 45 36 790	408 91 77 776
11	FINANCIAL ASSETS - SHORT TERM LOANS & ADVANCES		
	(Unsecured, considered good unless otherwise stated)	0	0
	a) Loans & advances to employees		
	Advance to staff	2 38 39 691	2 58 22 956
		2 38 39 691	2 58 22 956
	b) Prepaid expenses		
	Pre-paid Insurance Premium	95 84 324	85 46 330
		95 84 324	85 46 330
	c) Balance with Government Authorities		
	Current Tax Assets :		
	- Advance Income Tax	35 60 04 176	32 85 96 171
	- Tax deducted at source	5 50 46 391	5 75 15 303
		41 10 50 567	38 61 11 474
	Less: Transferred from Provision a/c.	37 01 57 432	35 90 64 568
		4 08 93 135	2 70 46 906
	Service Tax on Advances	1 21 98 344	75 87 545
	GST paid on Advances	9 06 566	0
	Input Tax Credit	5 74 879	79 04 958
		5 45 72 924	4 25 39 409
	d) Other advances		
	Advance to Contractors & Suppliers	37 37 332	87 21 349
	AGC Staff Recreation Centre	84 500	50 000
	AGCL Executive Club	81 000	88 500
	AGCL Sarbajanin Namghar	12 000	80 000
	Receivable from Gratuity Trust	7 15 198	0
	Receivable from OIL	4 52 629	4 52 629
		50 82 659	93 92 478
		9 30 79 598	8 63 01 173
	Unsecured and considered good	0	0
	Unsecured and doubtful of recovery	20 14 19 096	36 20 46 390
12	OTHER CURRENT ASSETS		
	Interest accrued on Fixed Deposit	10 84 28 223	11 92 35 660
		10 84 28 223	11 92 35 660
13	EQUITY SHARE CAPITAL:		
	AUTHORISED SHARE CAPITAL :		
	20,00,000 Equity Shares of ₹100/- each	20 00 00 000	20 00 00 000
	ISSUED, SUBSCRIBED, CALLED & PAID-UP:		
	16,91,449 Equity shares of ₹100/- each, fully called and fully	16 91 44 900	16 91 44 900
	paid up (1601440 Equity Shares of \$100 / each hold by Coyt, of Assem)		
	(1691449 Equity Shares of ₹100/- each held by Govt. of Assam)	16 91 44 900	16 91 44 900
		10 71 44 700	10 71 44 700

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

<u>Equity Shares</u>	31-03-2018	31-03-2017
Face Value of the Equity Shares (each)	100	100
No. of Shares outstanding at the beginning of the year	16 91 449	16 91 449
Amount of Shares outstanding at the beginning of the year	16 91 44 900	16 91 44 900
No. of Shares Issued during the year	0	0
Amount of Shares Issued during the year	0	0
No of Shares bought back during the year	0	0
Amount of Shares bought back during the year	0	0
No of Shares outstanding at the end of the year	16 91 449	16 91 449
Amount of Shares outstanding at the end of the year	16 91 44 900	16 91 44 900

b) Terms and rights attached to equity shares

The Company has only one class of equity share par value of ₹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

Name of Shareholder	31-03-2018	31-03-2017
1. Governor of Assam		_
- No of Shares held	16 91 449	16 91 449
- Percentage of Shares held	100%	100%
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	693 54 28 728	25 39 08 334
Add: Amount transferred from P&L	87 88 88 486	665 22 03 035
Less: Dividend for 2016-17	4 16 30 613	0
Less: Dividend Tax form 2016-17	98 64 218	0
Less: Def Tax adj on Depreciation (2015-16)	16 10 90 151	0
Add : Surplus in Associates - TNGCL	2 92 11 900	2 88 27 376

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	Closing balance	763 09 44 133	693 49 38 744
	Profit & Loss A/C		
	Opening balance	10 00 000	
	Add: Amount transferred from P&L	103 43 42 605	
	Amount available for appropriation	103 53 42 605	675 56 80 478
	Appropriations:		
	Dividend	0	3 08 45 990
	Dividend Tax	0	73 21 422
	Transfer to General Reserve account	(103 43 42 605)	(675 46 80 478)
	Closing balance	1000000	10 00 000
		764 27 42 208	694 67 36 819
15	MINORITY INTEREST		
	Value of Equity Shares in DNPL	81 95 00 000	81 95 00 000
	Share of Capital Profits		
	Share of Revenue Profits	30 61 39 324	17 25 00 189
		112 56 39 324	99 20 00 189
16	FINANCIAL LIABILITIES - BORROWINGS		
	Long term Loans - AGCL	0	0
17	FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES		
	NON CURRENT FINANCIAL LIABILITIES		
	(i) Security Deposit From Domestic Consumers		
	Duliajan Gas Grid	92 85 630	88 07 630
	Sibsagar Gas Grid	70 64 026	67 88 026
	Moran Gas Grid	44 89 520	41 86 500
	Nazira/Simaluguri Gas Grid	35 49 486	34 04 300
	Digboi Gas Grid	36 71 840	35 43 240
	Dibrugarh Gas Grid	1 60 81 265	1 40 13 156
	Naharkatia Domestic Grid	11 45 000	11 21 000
	Margerita Domestic Grid	28 71 514	26 50 320
	Jorhat Domestic Grid	32 95 980	29 34 300
	Ledo Domestic Grid	6 60 460	5 09 200
	Tinsukia Domestic Grid	1 01 91 703	94 17 623
	Titabar Domestic Grid	2 50 380	49 500
	Domestic Consumers (Materials cost)	2 59 57 500	1 65 90 000
	· · ·	8 85 14 304	7 40 14 795
	(ii) SECURITY DEPOSIT FROM T.E. & OTHERS:		
	Tea Estates/Gardens.	4 14 82 121	4 05 18 430
	Domestic Consumers (Materials cost)		
	Duliajan College	1 000	1 000
	, 0	4 14 83 121	4 05 19 430
	(iii) ADDITIONAL DEPOSIT FROM T.E. AND OTHERS:		
	Tea Gardens	40 89 04 377	40 77 25 608
	T.E. (Capital Cost)	5 25 000	5 25 000
	(1)		

		E0 00 00 4	4.04.04.060
Adv. For Transportation Charges (Non current)		58 82 204	1 04 94 363
		41 53 11 581	41 87 44 971
(iv) Suspense Receivable		0	0
	(A)	54 53 09 006	53 32 79 196
CURRENT FINANCIAL LIABILITIES			
Security Deposit fromContractors		1 59 55 527	1 60 67 317
Earnest Money		96 80 015	93 76 107
Advance against project		4 55 11 380	4 55 11 380
T.E. (Gas Meter)		12 25 001	20 00 001
Advance for Transportation Charges (current)		47 31 568	47 18 300
Deposit from Customer		1 07 92 907	67 87 002
	(B)	8 78 96 398	8 44 60 107
	(A+B)	63 32 05 404	61 77 39 303
DECEDDED TAVIJADIJITY (No+)			

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. 66 16 891.00 against the net tax liability of Rs.82 36 769.00 during the previsous year i.e. 2015-16. The position of the Deferred Tax Liabilities and Assets at the end of the year are as under

Deferred Tax Liability

19.

Difference of Booked Depreciation and Tax Depreciation	51 46 83 849	48 46 85 009
Add : Adj for Dep w/back (2015-16)	16 10 90 151	0
	67 57 74 000	48 46 85 009
Deferred Tax Assets	0	(3 80 93 758)
Net Deferred Tax Liability	67 57 74 000	44 65 91 251
NON CURRENT LIABILITIES - PROVISIONS		
O L for Superannuation benefits of employees	1 69 90 762	18 65 016
	1 69 90 762	18 65 016

20. FINANCIAL LIABILITIES - TRADE PAYABLES

Oil India Ltd., Duliajan	6 61 25 220	6 19 05 342
ONGC, Sibsagar	11 11 27 805	16 03 86 598
Others		
	17 72 53 025	22 22 91 940

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	83 850	84 324
Employees Income Tax deducted at source	43 75 915	44 60 536
Contractors' Income Tax	23 56 163	18 68 591
Salary Savings Scheme	10 87 185	11 08 923
Recurring Deposit (Staff)	26 500	30 500
Group Savings Link Insurance	71 790	1 50 218

	Assam Sales Tax	60.702	69 702
		69 702 51 28 364	54 30 248
	Providend Fund Recovery	53 51 474	
	GST payable	17 715	0 8 68 313
	VAT (Value added tax) VAT on Natural Gas	1 23 02 625	
	vai on natural Gas	3 08 71 283	53 87 219
	(II) OTHER LIABILITY	3 00 / 1 203	1 94 58 574
		3 13 465	3 29 917
	AGCL Staff Co-op. Society AGCL Tea Canteen	1 15 090	79 573
	AGCL Executive Club	26 289	68 194
	AGCL Staff Recreation Centre	24 991	11 663
		1 20 100	1 20 100
	KWH Pipes (India) Ltd.	21 45 68 466	16 26 52 642
	Outstanding Liabilities for expenses	21 45 68 400	16 32 62 089
	(III) CUDDENT MATUDITIES OF LONG TEDM LOAN	21 51 66 401	0
	(III) CURRENT MATURITIES OF LONG TERM LOAN	24 60 39 684	18 27 20 663
22.	CURRENT LIABILITIES - PROVISIONS	24 00 39 004	10 27 20 003
22.		27 01 57 422	25.00.64.560
	Provision for Income Tax/FBT	37 01 57 432 37 01 57 432	35 90 64 568 35 90 64 568
	Less: Transferred to Advance Tax a/c.		
	Provision of Service Tax on TC/GM Maint bills	0	1 06 90 743
	Provision for GST	57 76 748 57 76 748	1 06 90 743
23	REVENUE FROM OPERATIONS	37 70 740	1 00 90 743
20.	a) Gas Sales	186 32 94 634	113 67 53 648
	Less: VAT on Gas Sales	23 59 66 868	14 39 73 748
	Ecss. VIII on das saics	162 73 27 766	99 27 79 900
	b) Operating Income(Transmission Charges)	152 75 98 032	206 87 88 760
	Less: Service Tax on TC	3 23 78 276	0
	Less: CGST & SGST	6 01 52 838	18 23 46 963
	2000. GGG 1 & 5GG 1	143 50 66 918	188 64 41 797
		306 23 94 684	287 92 21 697
24.	OTHER INCOME	000 20 71 001	207 72 21 077
	Interest on Fixed Deposit	26 97 52 176	25 59 22 845
	Minimum Demand Charges (Gas Sales)	8 00 07 194	3 87 83 041
	Minimum Demand Charges (TC)	0	8 83 74 533
	Interest on Delay payment	1 02 34 529	1 00 54 304
	Interest from Employees on Loan	10 42 096	10 75 280
	Sale of Materials	20 11 320	17 74 676
	Service charges	17 97 836	11 95 700
	Compensation Charges	36 53 867	20 35 450
	Guest House Charge realised	1 61 560	1 10 391
	House rent realised from employees	7 86 952	8 25 455
	Gas Charges realised from employees	90 625	88 842
	das onarges reansea from employees	70 023	00 012

	Miscellaneous receipts	97 05 781	1 60 18 507
	Income from works contracts	8 79 917	30 25 570
	House rent realised from OTHERS	4 89 756	15 90 922
	Insurance Claim	57 82 867	2 62 394
	Profit on sale of assets	0	51 923
		38 63 96 476	42 11 89 833
25.	PURCHASES OF STOCK IN TRADE		
	Gas Purchases	85 54 30 606	93 86 00 163
		85 54 30 606	93 86 00 163
26.	EMPLOYEE BENEFITS EXPENSE		
	(a) EMPLOYEES REMUNERATION & BENEFITS:		
	Salary & Wages	37 69 29 226	37 07 71 427
	Providend Fund / Pension Fund Contribution	3 19 46 092	3 31 34 121
	Arrear D.A.		
	Bonus & Exgratia to Employees	1 15 99 927	1 53 60 752
	Ex-Gratia on Death of Employees		40 000
	Employees Training Expenses	10 12 317	4 25 311
	Group Gratuity Scheme	1 84 93 519	93 96 381
	Welfare Expenses for Employee	29 37 447	20 37 756
	Medical Expenses	1 71 77 935	98 76 189
	Leave Travel Assistance	5 27 196	10 86 886
	Leave Travel Concession	3 70 714	5 28 912
	Retirement Journey Benefits	63 500	99 960
	Group Superannuation Scheme	25 22 401	26 08 582
	VRS & Prematured Settlement Scheme	8 47 348	6 44 706
		46 44 27 622	44 60 10 983
	(b) MD'S REMUNERATION & BENEFITS		
	Remuneration	18 13 457	17 67 972
	Providend/Pension Fund	1 82 952	1 79 388
		19 96 409	19 47 360
		46 64 24 031	44 79 58 343
27.	FINANCE COSTS		
	Interest on Loan	5 42 072	0
	Interest on Deposit & Advance	1 69 28 900	1 70 32 260
	·	1 74 70 972	1 70 32 260
		-	

28. OTHER EXPENSES		
a) POWER & FUEL / COMPRESSION CHARGES		
Electricity Charges	51 28 302	52 86 602
Compressor Gas Fuel Expenses	6 94 01 688	7 24 37 047
Gas Compression charges	1 45 43 519	89 42 979
	8 90 73 509	8 66 66 628
(b) RATES & TAXES		
Fees & Fines	85 52 045	18 41 073
Rent, Rates & Taxes	20 90 898	26 35 985
Company's Professional Tax	2 500	2 500
Interest on Entry Tax	0	1 28 39 292
	1 06 45 443	1 73 18 850
(c) OTHER OPERATING EXPENSES		
P.F. Administrative Expenses	16 94 753	23 04 647
Deposit Linked Insurance	24 17 552	9 23 448
Stipend to Trainees	7 75 930	10 34 941
MD's office Expenses	38 299	64 517
Guwahati office expenses	3 16 692	1 97 590
Printing & Stationery	49 76 449	45 90 437
Postage & Telegrams	1 13 420	1 13 366
Telephone charges	3 88 826	4 82 031
Vehicle Hire charges	1 19 09 865	83 82 883
Vehicle running expenses	19 57 072	42 76 985
Liveries	2 74 368	3 58 800
Advertisement	1 31 16 826	58 53 206
Bank charges	34 04 631	20 95 644
Legal expenses	18 23 530	58 27 104
Insurance premium	1 72 25 503	1 57 61 266
House rent	16 10 572	12 94 959
Books, Maps & periodicals	1 10 753	1 93 166
Carriage, Cartage & Freight	2 99 171	10 61 120
Meeting expenses	7 77 265	1 58 254
Donation & Subscription	45 93 773	30 80 787
Exhibition & Business development expenses	1 05 200	4 70 774
Miscellaneous Expenses	1 41 15 488	1 45 73 912
Guest House Expenses	3 14 768	2 83 485
Tools & Plants Consumed	3 98 875	1 92 560
Company's Celebration expenses	4 12 040	12 20 220
Sanitary Expenses	3 12 744	1 47 558

Land Survey Expenses	42 501	21 410
Compensation paid	17 08 210	7 70 000
Consultancy charges	37 59 952	1 60 000
Gas loss on transmission	1 46 81 085	1 65 92 886
Meter reading expenses	23 69 506	17 88 037
Discount/ Rebate (net)	(43 73 749)	67 13 831
CSR expenses	2 64 48 563	1 23 15 954
	12 81 20 433	11 33 05 778
(d) TRAVELLING EXPENSES:		
Employees	1 16 75 160	78 39 996
Managing Director	9 14 999	8 87 039
Director's	2 25 157	4 38 943
Candidates/others	1 45 365	3 01 569
·	1 29 60 681	94 67 547
(e) AUDIT FEE & EXPENSES:		
Statutory Audit Fee	1 58 000	1 40 200
Statutory Auditor' Fees for other services	98 300	66 100
Statutory Auditor' expenses	29 850	84 526
Cost Audit Fee	80 000	80 000
Fees & expenses to Tax Consultant	2 04 616	1 14 300
Fees to other Auditors (Other services)	2 42 126	64 220
Audit expenses for others	37 184	72 907
	8 50 076	6 22 253
(f) CHAIRMAN/Dy. CH 'S EXPENSES:	24 (22	4.60
Travelling expenses	21 638	460
Office expenses	1 26 627	27 976
Honorarium	2 40 000	0
(g) REPAIRS & MAINTENANCE	3 88 265	28 436
Compressor	3 46 69 514	3 83 57 031
Pipelines	4 18 72 220	4 67 58 959
Gas Meter	9 37 420	20 87 556
Building	1 12 68 987	78 34 717
Vehicles	3 92 845	3 74 027
Colony	5 16 163	5 54 312
Compressor Station	2 58 782	4 86 711
Electrical Installation	34 92 145	30 21 142
Roads & Drains	5 76 706	17 09 040
Water Supply	12 28 013	10 71 357
EDP System	25 35 230	19 84 386
Plant & Machinery	1 48 51 558	1 44 83 259
Domestic Gas Lines	29 26 212	27 71 207

Odorisation plant	1	45 784	0
Other Assets	26	94 791	20 22 629
	11 83	66 370	12 35 16 333
	36 04	04 777	35 09 25 825

29. Current Tax for the year 2016-17 - ₹36 15 59 952/- (₹34 28 80 224/- for 2015-16) includes an amount of ₹35 90 64 568.00 being the Provision for Income Tax for the current year (against an amount of ₹34 62 64 806.00 for the previous year 2015-16) made as per the provisions of the Income Tax Act,1949 and the balance amounts represents the Tax adjustment (net) for the earlier period.

30. Earning Per Equity Share

Equity Shares	31-03-2018	31-03-2017
Face Value of the Equity Shares (each)	100	100
Net Profit as per Profit & Loss account available to Equtiy		
Shareholders	103 43 42 605	82 23 57 331
Weighted Number of Equity Shares outstanding		
during the year	16,91,449	16,91,449
Basic Earning Per Share (₹)	612	486
Diluted Earning Per Share (₹)	612	486

31 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.

							7)	(Amount in Rs.)
		Carr	Carrying amount			Fai	Fair value	
March 31, 2018	Mandatorily at FVTPL	FVTOCI - designated as such	FVTOCI - designated Amortised Cost as such	Total	Level 1	Level 1 Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents			504 45 36 790	504 45 36 790				
;								
Trade receivables			127 98 77 809	127 98 77 809			•	
Short-term loans and advances			9 30 79 598	9 30 79 598				
	1	-	641 74 94 197	641 74 94 197 -				
Financial liabilities								
Deposit from Customer	56 20 58 482			56 20 58 482		56 20 58 482	C1	56 20 58 482
Trade and other payables			17 72 53 025	17 72 53 025				
Other current financial								
liabilities			7 11 46 922	7 11 46 922				
	56 20 58 482		24 83 99 947	81 04 58 429		56 20 58 482	2	56 20 58 482

						<u> </u>		(Amount in Rs.)
		Carr	Carrying amount			Fa	rair value	
March 31, 2017	Mandatorily at FVTPL		FVTOCI - designated Amortised Cost as such	Total	Level 1	Level 1 Level 2 Level 3	Level 3	Total
Financial assets								
Cash and cash equivalents								
			408 91 77 776	408 91 77 776			ı	
Trade receivables			110 03 90 874	110 03 90 874			ı	
Short-term loans and advances								
			8 63 01 173	8 63 01 173			'	
		ı	527 58 69 823	527 58 69 823	ı			1
Financial liabilities								
Deposit from Customer	54 67 84 499			51 78 91 374		51 78 91 374	4	51 78 91 374
Trade and other payables			22 22 91 940	22 22 91 940				
Other current financial								
liabilities			7 09 54 804	2 13 08 195				
	54 67 84 499		29 32 46 744	76 14 91 509	r.)	51 78 91 374	4	51 78 91 374

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

Туре	Valuation technique	Significant unobservable inputs	Significant significant significant anobservable 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 Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee (the Committee), which is responsible for developing and monitoring the Company's risk management policies. The Committee reports regularly to the Board of Directors on its activities. 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.

reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and results of which are reported to the audit committee

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

- redit rick .
- 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 The maximum exposure to credit risk in case of all the financial instuments covered below is resticted to their respective carrying amount. obligations, and arises principally from the Company's receivables from customers.

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.127 98 77 809/-s at 31st March 2018 and Rs.110 03 90 874/-at 31st March 2017; 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, 2018	Gross carrying amount	Weighed average loss rate - range	Loss allowance
Neither past due not impaired			
	33 86 09 362		
Past due 1–90 days			
	10 41 71 127		
More than 90 days			
	83 70 97 320		
	127 98 77 809		-

March 31, 2017	Gross carrying amount	Weighed average loss rate - range	Loss allowance
Neither past due not impaired			
	33 75 78 388		1
Past due 1–90 days			
	9 37 10 944	ı	ı
More than 90 days			
	66 91 01 542		ı
	110 03 90 874		ı

Cash and cash equivalents

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. The Company held cash and cash equivalents of ₹504 45 36 790/- as at March 31, 2018 and ₹408 91 77 776/- as at March 31, 2017. The cash

ASSAM GAS COMPANY LIMITED DULIAJAN, (ASSAM) NOTES ON CONSOLIDATED ACCOUNTS 2017-18 (Continued)

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 Ruppees)

			Con	tractual cash	flows	
March 31, 2018	Carrying amount	Total	Up to 1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities						
Deposit from Customer	56 30 82 062	56 30 82 062	1 81 19 278	17 75 61 473	12 12 81 028	24 61 20 283
Trade and other payables	20 09 54 662	20 09 54 662	6 46 58 988	0	0	13 62 95 674
Other current liabilities	7 11 46 922	7 11 46 922	6 07 01 049	81 29 865	19 81 318	3 34 690

(Amount in Ruppees)

Contractual cash flows

			0011	ti uctuui cusii i	20110	
March 31, 2017	Carrying amount	Total	Up to 1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities						
Deposit from Customer	54 78 91 374	54 78 91 374	4 26 96 333	18 90 13 235	9 19 31 044	22 42 50 762
Trade and other payables	25 04 24 297	25 04 24 297	6 51 80 220	0	5 31 81 324	13 20 62 753
Other current liabilities	7 09 54 804	7 09 54 804	5 87 69 659	90 33 183	28 17 272	3 34 690

The Comapny has not carried any derivative financial liabilities as on 31st March 2017 and 31st March 2018

32. 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 31-03-2018	AS AT 31-03-2017
17,00,00,000 equity shares of ₹10/- each	170,00,00,000	170,00,00,000
Issued, subscribed and paid up:		
16,72,50,000 equity shares of ₹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 ₹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 31-03-2018	AS AT 31-03-2017
8 53 00 000 equity shares of ₹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-	2018 AS A	Т 31-03-2017
	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%

b. Associated Company (Tripura Natural Gas Co. Limited)

Authorised Capital:	AS AT 31-03-2018	AS AT 31-03-2017
10 00 000 equity shares of ₹100/- each	10 00 00 000	100 00 00 000
Issued, subscribed and paid up:		
3 92 000 equity shares of ₹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 31-03-2018 AS AT 31-03-2017

1,00,000 equity shares of ₹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 ₹66 80 00 000/- on 1^{st} 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 ₹2 00 00 000/- (or more) each along with the interest accrued thereon on the last day of each remaining months.

An amount of ₹10 80 00 000/- is outstanding as on 31/03/2018.

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.

33. Previous years' figures have been regrouped / rearranged wherever necessary for comparison and confirms to current years' classifications and recasting.

DNP Limited Duliajan

KANOI ASSOCIATES

CHARTERED ACCOUNTANTS CENTRAL CHOWKIDINGHEE DIBRUGARH 786 001, ASSAM Phone: 2324408 & 2328951

Fax: 91-0373-2320531 info@kanoiassociates.com

AUDITOR'S COMPLIANCE CERTIFICATE

We have conducted the statutory audit of DNP Limited, Duliajan for the year ended 31st March 2018 in accordance with the directions/sub-direction 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.

For **KANOI ASSOCIATES**

Chartered Accountants (ICAI Regn. No: 309101E)

(AAKASH AGARWALLA)

Partner

Membership. No: 058427

PLACE: DIBRUGARH DATE: 11TH JULY, 2018

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.	Freehold land owned by the company as on 31.03.2017 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	Whether there are any cases of waiver/ write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	No such case.
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Government or other authorities.	No such case.

For KANOI ASSOCIATES

Chartered Accountants (ICAI Regn. No: 309101E)

(AAKASH AGARWALLA)

Partner

Membership. No: 058427

PLACE: DIBRUGARH DATE: 11TH JULY, 2018

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 ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018 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 provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for Standalone Financial Statements

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

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

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 a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "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 purposes of our audit.

- (a) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (b) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of 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 F. No. 1/2/2014-CL. V dated 5th June, 2015 of Ministry of Corporate Affairs.
- (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 Investor Education and Protection Fund by the Company.

For KANOI ASSOCIATES Chartered Accountants ICAI Regn. No: 309101E

Sd/-(AAKASH AGARWALLA) Partner M. No: 058427

Place: DIBRUGARH Date: 11TH JULY, 2018

THE ANNEXURE-A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF DNP LIMITED, DULIAJAN FOR THE YEAR ENDED ON 31ST MARCH, 2018. WE REPORT THAT:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (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 31.03.2018 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.
- (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 products/providing of services, 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.
 - (b) 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 of Central Excise & Service Tax, Dibrugarh vide their Order dated 31/03/2015 which has been disclosed under Note No. 32 of Financial Statement as Contingent Liability.

- (viii) 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.
- (ix) 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 loans were applied for the purpose for which the loans were obtained.
- (x) 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.
- (xi) According to the information and explanations given to us and the records examined by us, the Company's managerial remuneration has been paid and provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) The Company is not a Nidhi Company as specified in the Nidhi Rules, 2014 as such this clause is not applicable to the company.
- (xiii) According to the information and explanations given to us and the records examined by us, the Company's transactions 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;
- (xiv) 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.
- (xv) 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.
- (xvi) 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 KANOI ASSOCIATES Chartered Accountants ICAI Regn. No: 309101E

Sd/-(AAKASH AGARWALLA) Partner M. No: 058427

Place: DIBRUGARH Date: 11TH JULY, 2018

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, 2018 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 an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 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, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KANOI ASSOCIATES Chartered Accountants ICAI Regn. No: 309101E

Sd/-(AAKASH AGARWALLA) Partner M. No: 058427

Place: DIBRUGARH Date: 11TH JULY, 2018

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 2018

The preparation of financial statements of DNP Limited for the year ended 31 March, 2018, 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, is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 11 July, 2018.

I, on the 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 2018 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. Clause 73(c) of Ind AS 16 requires that, the financial statements shall disclose, for every class of Property, Plant & Equipment, the useful lives or the depreciation rates used, which was however, not disclosed in the financial statement.
- 2. Inventory consisting of stores and spares and projects surplus includes t107.75 lakh being inventory purchased against deposit from National Highway & Infrastructure Development Corporation Limited (NHIDCL) for extension/strengthening/re-routing of pipelines of OIL/DNPL for proposed four laning of NH-3 7. This should have been shown under a separate head as the inventory belongs to NHIDCL.

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

Place : Guwahati Date : 17-09-2018

Sd/-Accountant General (Audit), Assam

Balance Sheet

		_		₹ in thousands
	PARTICULARS	NOTE NO	AS AT 31-MAR-2018	AS AT 31-MAR-2017
ASSETS				
1	1 NON-CURRENT ASSETS			
	a. Property,Plant and Equipment	3 (i)	24,47,836	25,70,941
	b. Capital work-in-progress	3 (ii)	302	
	c. Intangible assets under development	4	90	90
	d.Other non-current assets	5	874	872
		_	24,49,102	25,71,903
2	2 CURRENT ASSETS			
	a. Inventories	6	80,147	50,173
	b. Financial Assets			
	(i) Trade Receivables	7	1,19,313	1,20,297
	(ii) Cash and Cash Equivalents	8	2,60,369	1,18,517
	(iii) Bank Balances other than (ii) above	9	14,247	15,075
	c. Current Tax Assets (Net)	10	9,803	3,271
	d. Other current assets	11	12,873	7,276
	***		4,96,752	3,14,609
TOTAL A	ASSETS		29,45,854	28,86,512
EQUITY	AND LIABILITIES			
	1 Equity			
	a. Equity Share Capital	12	16,72,500	16,72,500
	b. Other Equity	13	6,24,292	3,51,551
			22,96,792	20,24,051
	LIABILITIES			
7	Non-current Liabilities			
	a. Financial Liabilities			
	(i) Borrowings	14	-	1,08,000
	(ii) Other financial liabilities	15	16,066	19,988
	b. Deferred Tax Liabilities (Net)	16	4,36,905	3,74,397
			4,52,971	5,02,385
;	3 Current Liabilities			
	a. Financial Liabilities			
	(i) Trade payables	17	23,702	28,133
	(ii) Other financial liabilities	15	1,69,809	3,28,552
	b. Other Current Liabilities	18	2,577	3,388
	c. Provisions	19	3	3,555

Corporate Information & Significant Accounting Policies ${\bf 1}$ & ${\bf 2}$

Notes to Financial Statement 3 - 36

The accompanying notes are an integral part of these financial statements.

In terms of our Report of even date attached

TOTAL EQUITY AND LIABILITIES

For and on behalf of Kanoi Associates

Chartered Accountants Firm Reg. No. 309101E

Sd/-(CA. Aakash Agarwalla) Membership No. 058427

Place: Dibrugarh Date: 11/07/2018

For and on behalf of the Board of Directors

29,45,854

Sd/-A. K. Sharma

Director & Chief Executive Officer

DIN-07285877

Place: Guwahati Date: 30/06/2018

Sd/-

Samujjal Borah **Company Secretary**

Place: Guwahati Date: 30/06/2018 Sd/-Ashwini Pait

Director

DIN-07778447 Place: Guwahati Date: 30/06/2018

28,86,512

Statement of Profit and Loss

₹ in thousands

			YEAR ENDED	YEAR ENDED
	PARTICULARS	N OTE NO	31-MAR-2018	31-MAR-2017
I	Revenues from Operations	20	8,00618	6,65,080
II	Other Income	21	14,277	19,823
III	Total Revenue (I+II)		8,14,895	6,84,904
IV	Expenses:			
	Employee Benefits Expense	22	28,656	30,048
	Finance Costs	23	28,203	54,460
	Depreciation and Amortisation		1,28,739	1,36,967
	Other Expenses	24	1,39,201	1,49,491
	Total Expenses		3,24,799	3,70,966
V	Profit before exceptional items and tax (III-IV)		4,90,096	3,13,938
	Exceptional items	25	-	6,902
VII	Profit before tax (V - VI)		4,90,096	3,07,035
VIII				
	1. Current tax	10	1,04,522	65,228
	2. Deferred tax	16	62,508	1,06,932
IX	Profit (Loss) for the period from continuing operations (VII - VIII)		3,23,066	1,34,875
	Profit/(loss) from discontinued operations		-	-
ΧI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)			-
XIII	Profit/(loss) for the period (IX+XII)		3,23,066	1,34,875
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)		3,23,066	1,34,875
XVI	Earnings per equity share (for continuing operations)	28		
	[Equity Shares of Rs. 10/- each]			
	1. Basic		1.93	0.81
	2. Diluted		1.93	0.81

Corporate Information & Significant Accounting Policies ${\bf 1} \ {\bf \&} \ {\bf 2}$

Notes to Financial Statement $\bf 3$ - $\bf 36$

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 Kanoi Associates

Chartered Accountants Firm Reg. No. 309101E

Sd/-

(CA. Aakash Agarwalla)

Membership No. 058427

Place: Dibrugarh Date: 11/07/2018 For and on behalf of the Board of Directors

Sd/-

A. K. Sharma

Director & Chief Executive Officer

DIN- 07285877 Place: Guwahati Date : 30/06/2018

Sd/-

Samujjal Borah

Company Secretary Place: Guwahati Date: 30/06/2018 **Ashwini Pait** Director

DIN- 07778447 Place: Guwahati Date: 30/06/2018

Statement of Changes in Equity

₹ in thousands			TOTAL	2,50,897	•	2,50,897	1,34,875	(28,433)	1	(5,788)	3,51,551
₹in			Money received against share warrants			1					
	4		Other items of Other Comprehensive Income (specify nature)			1					
			Exchange differences on translating the financial statements of a foreign operation			1					1
			Revaluation Surplus								
			Effective portion of Cash Flow Hedges			ı					
	ITY		Equity Instruments through Other Comprehensive Income			1					•
	OTHER EQUITY		Debt instruments through Other Comprehensive Income			ı					1
	OTHE		Retained Earnings	200		200	1,34,875	(28,433)	1,00,654 (1,00,654)	(5,788)	200
		RESERVES AND SURPLUS	General Reserve	2,50,397		2,50,397			1,00,654		3,51,051
		ESERVES	Securities Premium Reserve			1					1
		2	Capital Reserve			1					•
			Equity component of compound financial instruments			1					1
			Share application money pending allotment			1					•
			EQUITY SHARE CAPITAL	16,72,500	1	16,72,500					16, 72,500
			PARTICULARS	Balance at 01-April- 2016	Changes in accounting policy or prior period errors	Restated balance at the beginning of the reporting period	Total Comprehensive Income for the year	Dividends	Transfer to/from retained earnings	Tax on Distribution Profits	Balance at 31-Mar-17

in thousands		TOTAL	3,51,551		3,51,551	3,23,066	(41,813)	•	(8,512)	6,24,292
٠		Money received against share warrants			ı					1
		Other items of Other Comprehensive Income (specify nature)			1					ı
		Exchange differences on translating the financial statements of a foreign operation			ı					ı
		Revaluation Surplus			ı					ı
		Effective portion of Cash Flow Hedges			1					ı
OTHER EQUITY		Equity Instruments through Other Comprehensive Income			1					ı
OTHE		Debt instruments through Other Comprehensive Income			I					
	rns	Retained Earnings	200		200	3,23,066	ı	1		3,23,566
	RESERVES AND SURPLUS	General Reserve	3,51,051		3,51,051		(41,813)	ı	(8,512)	3,00,726
	SERVES	Securities Premium Reserve			I					ı
	RE	Capital Reserve			ı					ı
		Equity component of compound financial instruments			I					1
		Share application money pending allotment			ı					ı
		EQUITY SHARE CAPITAL	16,72,500		16,72,500					16,72,500
		PARTICULARS	Balance at 01-April- 2017	Changes in accounting policy or prior period errors	Restated balance at the beginning of the reporting period	Total Comprehensive Income for the year	Dividends	Transfer to/from retained earnings	Tax on Distribution Profits	Balance at 31-Mar-18

Cash Flow Statement for the period ended

			n thousands		n thousands
A.	CASH FLOW FROM OPERATING ACTIVITIES	31-M		31-M	ar-17
	Profit before exceptional items and tax		4,90,096		3,13,938
	ADD ADJUSTMENTS FOR				
	Impact on Fair Valuation of Financial Instruments	83		(117)	
	Provision for Project Surplus Material/ Inventory	-		(9,256)	
	Depreciation	1,28,739		1,36,967	
	Interest paid	26,001	1,54,823	52,459	1,80,053
			6,44,919		4,93,991
	LESS ADJUSTMENTS FOR				
	Interest / Dividend / Brokerage Income		13,562		10,219
	Other Non Cash Items		-		-
	Operating profit before working capital changes		6,31,357		4,83,772
	ADJUSTMENTS FOR				
	Trade and other receivables	(3,914)		29,078	
	Inventories	(29,973)		(8,121)	
	Trade and other payables	(1,67,247)		27,697	
	Cash generated from operations (Before Exceptional Items)		(2,01,134)		48,654
	Exceptional Items (Loss on account of Fire)		-		(6,902)
	Direct taxes paid		(1,11,053)		(67,411)
	NET CASH FROM OPERATING ACTIVITIES (AFTER TAX)		3,19,170		4,58,112
В.	CASH FLOW FROM INVESTING ACTIVITIES				
	a) INVESTMENT IN PROPERTY PLANT & EQUIPMENTS		(6,678)		(47,577)
	b) INVESTMENT IN FIXED DEPOSITS		828		(15,074)
	c) INTEREST ON FIXED DEPOSITS		12,861		9,936
	d) LONG TERM SECURITY DEPOSIT		(2)		-
	NET CASH FROM INVESTING ACTIVITIES		7,009		(52,715)
C.	CASH FLOW FROM FINANCING ACTIVITIES				
	a) INTEREST PAID		(26,001)		(52,459)
	b) ISSUE OF SHARE CAPITAL		-		-
	c) SECURED LOAN		-	•••••	-
	d) UNSECURED LOAN		(1,08,000)		(2,70,000)
	e) PAYMENT OF DIVIDEND AND DIVIDEND TAX		(50,325)		(34,221)
	NET CASH FROM FINANCING ACTIVITIES		(1,84,326)		(3,56,680)
D.	NET INCREASE IN CASH AND CASH EQUIVALENT		1,41,852		48,717
E.	CASH AND CASH EQUIVALENT CONSISTS OF :				
	a) CLOSING CASH AND CASH EQUIVALENT				
	i) Cash and Bank Balance		2,501		870
	ii) Short Term Deposit with Banks		2,57,868		1,17,647
	b) LESS : OPENING CASH AND CASH EQUIVALENT				
	i) Cash and Bank Balance		870		9,274
	ii) Short Term Deposit with Banks		1,17,647		60,527
F.	INCREASE IN CASH AND CASH EQUIVALENT		1,41,852		48,717

In terms of our Report of even date attached

For and on behalf of Kanoi Associates

Chartered Accountants Firm Reg. No. 309101E

Sd/-(CA. Aakash Agarwalla) Membership No. 058427

Place: Dibrugarh Date: 11/07/2018

For and on behalf of the Board of Directors

Sd/-A. K. Sharma

Director & Chief Executive Officer

DIN-07285877 Place: Guwahati

Date: 30/06/2018

Sd/-

Samujjal Borah

Company Secretary Place: Guwahati Date: 30/06/2018

Sd/-Ashwini Pait

Director

DIN-07778447 Place: Guwahati Date: 30/06/2018

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

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) Fixed Asset other than Land

Fixed Assets 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 fixed assets to which it is related. The Company considers spare parts, stand-by equipment and servicing equipment costing R1,000 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 36.

d) Expenditure during construction period:

Direct expenses including borrowing cost 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 fixed assets, other than those mentioned below is provided on Straight Line Method, at rates prescribed under schedule II to the Companies Act, 2013. Additions to fixed assets during the year are being depreciated from the date such Assets are capitalized.

- (a) Assets costing up to ₹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.

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 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 Fixed Assets 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

₹ in thousands

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Eq
Plant and
Property,
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		Gros	Gross Block/Cost			Depreciation	ciation			
PARTICULARS	As at	Addition	Deductions on account of Retirement/ Adjustments	As at	As at	Addition	Deductions on ac count of Retiremer Adjustments	As at	As at	As at
	01-Apr-16			31-Mar-17	01-Apr-16			31-Mar-17	31-Mar-17	31-Mar-16
	(1)	(2)	(3)	(4) = (1 + 2 - 3)	(5)	(9)	(7)	(8) = (5 + 6 - 7)	(9) = (4 - 8)	(10) = (1 - 5)
Land	20,865	1	1	20,865		1	,	1	20,865	20,865
Buildings										
1) Building (Other than Factory Building) RCC Frame Structure	38,663	1	1	38,663	653	653	1	1,306	37,357	38,010
2) Factory Building	82,637		1	82,637	2,984	2,984	•	5,968	76,669	79,653
Roads & Drains										
1) Carpeted Roads - Other than RCC	22,678	-	1	22,678	18,661	1,407	•	20,068	2,610	4,017
Plant & Machinery										
1) Continous Process Plant(Compressors)	3,62,317	1,452	1	3,63,769	16,131	16,157	1	32,288	3,31,481	3,46,186
2) Pipeline	19,62,889	42,659	1	20,05,548	20,668	70,786	1	1,41,454	П	18,92,221
3) Other Plant & Machinery	1,72,034	1	1	1,72,034	14,497	14,497	•	28,994	1,43,040	1,57,537
Furniture & Fixtures										
1) Furniture General	520	74	1	594	102	103	•	205	389	418
Computers & Data Processing Units										
1) Servers & Networks	29,998	2,103	1	32,101	11,577	11,726	•	23,303	8,798	18,421
2) End use devices - Desktops, Laptops etc.	195	395		290	74	51	1	125	465	121
Electrical Installation and Equipment	1,21,521	627	1	1,22,148	18,444	18,531	1	36,975	85,173	1,03,077
Small Value Assets	1	72		73	1	72	,	73	,	1
					(1		1
TOTAL	28,14,318	47,382	1	28,61,700	1,53,792	1,36,967	1	2,90,759	25,70,941	26,60,526

₹ in thousands

1. Free hold land owned by the company as on 31.03.2017 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 thousan

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	Addit								
7-10 lings		Deduction on account Retirement Adjustmen	As at	As at	Addition	Deduction on account Retirement Adjustmen	As at	As at	
sgii		of t/	31-Mar-18	01-Apr-17		of t/	31-Mar-18	31-Mar-18	31-Mar-17
lings	(2)	(3)	(4) = (1 + 2 - 3)	(5)	(9)	(7)	(8) = (5 + 6 - 7)	(9) = (4 - 8)	(10) = (1 - 5)
(Orl. 1) Forton D. (1) (1)	1	1	20,865	1	1	1	1	20,865	20,865
1) Bunding (Other than ractory Bunding) 50,003 RCC Frame Structure	1	-	38,663	1,306	653	1	1,959	36,704	37,357
2) Factory Building 82,637	1	1	82,637	5,968	2,984	1	8,952	73,685	76,669
Roads & Drains									
1) Carpeted Roads - Other than RCC 22,678	1	ı	22,678	20,068	443	1	20,511	2,167	2,610
Plant & Machinery									
1) Continous Process Plant(Compressors) 3,63,769	1,144	1	3,64,913	32,288	16,199	1	48,487	3,16,426	3,31,481
2) Pipeline 20,05,548	1	1	20,05,548	1,41,454	72,418	1	2,13,872	17,91,676	18,64,094
3) Other Plant & Machinery 1,72,034	2,563	1	1,74,597	28,994	14,673	1	43,667	1,30,930	1,43,040
Furniture & Fixtures									
1) Furniture General	1,012	1	1,606	202	161	1	398	1,240	389
Computers & Data Processing Units									
1) Servers & Networks 32,101	-	1	32,101	23,303	2,388	1	25,691	6,410	8,798
2) End use devices - Desktops, Laptops etc. 590	268	5	1,153	125	218	1	343	810	465
Electrical Installation and Equipment 1,22,148	331	1	1,22,479	36,975	18,581	1	55,556	66,923	85,173
Small Value Assets	22	1	94	73	22	1	94	1	1
TOTA1 28 61 700	5 640	9	78.67 33.4	2 90 759	1 28 740	-	4.19.498	24.47.836	25 70 941

^{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

+c · V +c · V				III UIOGOGIIG
As at	at	1	As at As at	As at
01-Apr-17 Addition Deductions 31-Mar-18 31-Mar-17	r-17 Addition	Deauchons	31-Mar-18	31-Mar-17
Suilding (Other than Factory Building) RCC	302	1	302	1
Traine out uccure - Office Duffullig	300	1	302	

Notes Forming Part of Financial Statements

4	INTANGIBLE ASSETS UNDER DEVELOPMENT		in thousands
		31-Mar-18	31-Mar-17
	SOFTWARE		
	a) Inventory Management Software	90	90
		90	90

Development of the Inventory management software has neither been capitalised nor been amortised as the company is yet to firmly demonstrated either the fulfilment or failure to fulfil the conditions under Para 57 of Ind-AS 38.

5	OTHER NON-CURRENT ASSETS		₹ in thousands
Э	OTHER NON-CURRENT ASSETS		(III uiousaiius
		31-Mar-18	31-Mar-17
	Security Deposits		
	Security Deposits (Unsecured, considered good)	874	872
		874	872
6	INVENTORIES		₹ in thousands
		31-Mar-18	
	Stores and spares valued at Weighted Average Cost	1,26,531	96,557

7	TRADE RECEIVABLES		in thousands
		31-Mar-18	31-Mar-17
	Unsecured Outstanding for a period exceeding six months from the date they are due for payment:		
	Considered good	-	-
	Considered doubtful	-	-
	Provision for doubtful receivable	-	-
	Not Exceeding Six Months :	-	-
	Other receivables	-	-
	Considered good	1,19,313	1,20,297
	Considered doubtful	-	-
		1,19,313	1,20,297
		1,19,313	1,20,297

8	CASH AND CASH EQUIVALENTS	₹	in thousands
		31-Mar-18	31-Mar-17
	Cash in Hand	-	40
	Balances with bank		
	In current account	2,501	830
	Deposits with original maturity of less than three months	2,57,868	1,17,647
		2,60,369	1,18,517

9	OTHER BANK BALANCES	₹	in thousands
		31-Mar-18	31-Mar-17
	Deposits with original maturity for more than three months	14,247	15,075
		14,247	15,075

80,147

50,173

10	10 CURRENT TAX ASSETS (NET)		₹ in thousands	
		31-Mar-18	31-Mar-17	
	Advance Income Tax	1,79,538	68,484	
	Provision for Income Tax	(1,69,735)	(65,213)	
		9,803	3,271	

Reconciliation of effective tax rate		₹ in thousands	
	For the year ended March 31, 2018	ended March	
Profit before tax	4,90,096	3,07,035	
Tax using the Company's domestic tax rate at MAT (Current year 21.34% and 21.34 % Previous Year)			
Increase in tax rate			
Tax effect of:			
Amount withdrawn from reserves or provisions	(36)	(322)	
Tax-exempt income			
Interest expense not deductible for tax purposes		9	
Others (Prior Years)	(36)	15	
Current Tax (A)	1,04,522	65,228	
Amount of deferred tax expense (income) relating to the origination and reversal of temporary differences (B)	62,508	1,06,932	
Tax expense as per Statement of Profit & Loss (A+B)	1,67,030	1,72,160	

The applicable normal Indian statutory tax rate for fiscal 2018 and fiscal 2017 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.

OTHER CURRENT ASSETS	₹	in thousands	
	31-Mar-18	31-Mar-17	
Security Deposits			
(Unsecured, considered good.)	130	-	
Loans and advances to releated parties			
(Secured, considered good)	-	-	
Other Loans and advances			
To Employees			
(Secured, considered good.)	49	-	
To Others			
(Unsecured, considered good)	3,317	2,801	
(Unsecured, considered doubtful)	-	-	
Less: Provision for doubtful advances	-	-	
Prepaid Expenses	1,473	822	
Deposit with Statutory Authorise	5,807	2,060	
Claimable CENVAT on Service Tax	-	1,076	
Claimable GST Tax credit	879	-	
Interest accrued but not due on Fixed Deposits	1,186	485	
Other Receivables	32	32	
	12,873	7,276	

- (i) Deposits with Statutory Authorities include IGST Input Credit `5,806 thousand (previous year CENVAT credit on capital goods of ₹196 thousand and CENVAT on Service Tax ₹1,862 thousand).
- (ii) Claimable GST Tax Credit includes $\stackrel{?}{\sim}$ 212 thousand which will be availed in the forthcoming financial year consequent to amendment of Rule 42 to the GST Rules.

12	EQUITY SHARE CAPITAL	₹	in thousands
		31-Mar-18	31-Mar-17
	Equity Shares		
	Authorised		
	17,00,00,000 (31 March 2017 : 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 2017 : 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

₹	in	thousand	S

	31-Mar-18		31-Mar-17	
Equity Shares	Number Amount		Number	Amount
Shares outstanding at the beginnig 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-18	31-Mar-17
Assam Gas Company Limited (with nominees)		
8,53,00,000 (31st March 2017 : 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

	31-Mar-18		31-Mar-17	
	Number % of Holding		Number	% of Holding
Name of Shareholders				
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				
			General Reserve	Profit & Loss Account	Total
	As at 01-April- 2016		2,50,397	500	2,50,897
	Profit/(Loss) for the year		-	1,34,875	1,34,875
	Dividend to Equity shareholders for the year ended	31-Mar-16	-	(28,433)	(28,433)
	Tax on Distribution of Profits for the year ended	31-Mar-16	-	(5,788)	(5,788)
	Transfer (to)/from		1,00,654	(1,00,654)	-
	As at 31-Mar-17		3,51,051	500	3,51,551
	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

 $Proposed\ Dividend\ (including\ Dividend\ Distribution\ Tax\ on\ Proposed\ Dividend)\ on\ Equity\ Shares\ is\ accounted\ for\ on\ payment\ basis.$

14	BORROWINGS					
			Non-current portion		turities	
			31-Mar-17	31-Mar-18	31-Mar-17	
	Term Loans					
	From Assam Gas Company Limited					
	Secured		-		-	
	Unsecured	-	1,08,000	1,08,000	2,70,000	
	Amount disclosed under the head "Other Financial Liabilities".		-		(2,70,000)	
		-	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 ₹6,48,000 thousand bearing interest at the rate of 10.00% is repayable in 29 (twenty-nine) monthly installments, consisting of 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-18	31-Mar-17
	Non-Current:			
	Deposits from Customer (Non Current)	•	13,425	15,229
	Advance for Transportation Charge (Non Current)		2,641	4,759
		(A)	16,066	19,988
	Current:			
	Current maturities of long term debt		1,08,000	2,70,000
	EMD from Contractors & Suppliers		1,109	2,140
	Security Deposits from Contractors		2,029	1,746
	Retentions from Contractors		249	250
	Advance against Project		45,511	45,511
	Advance for transportation Charge (Current)		2,118	2,118
	Deposits from Customer (Current)		10,793	6,787
		(B)	1,69,809	3,28,552
	TOTAL	(A+B)	1,85,875	3,48,540

- (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 same will be amortised against expenses incurred for the same in due course of time.
- (ii) Deposits from Customer (Current/ Non-Current) pertains to the fair value of Security Deposit received from Numaligarh Refinery Limited.

DEFERRED TAX LIABILITIES (NET)		₹ in thousands
	31-Mar-18	31-Mar-17
Deferred Tax Liability		
Deposits from Customer	354	379
Property,Plant and Equipment	4,36,551	4,12,112
TOTAL	4,36,905	4,12,491
Deferred Tax Assets		
Property,Plant and Equipment	-	38,094
Other Items	-	-
TOTAL	-	38,094
Net Deferred Tax Liability	4,36,905	3,74,397

The Company had recognized Deferred Tax Asset in respect of Unabsorbed Depreciation on the basis of Gas Transportation Agreement between the Company and Numaligarh Refinery Limited for a period of 15 years, being convincing evidence to substantiate Virtual Certainity of sufficient future taxable income for realisation of such deferred assets. The full realisation of the said Deferred Tax Asset has completed in the current financial year.

17	TRADE PAYABLE	₹ in thousands	
		31-Mar-18	31-Mar-17
	Creditors for Capital Expenditure	564	1,307
	Other Trade Payable	23,138	26,826
		23,702	28,133

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, 2018 and 31st March, 2017. 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.

18	OTHER CURRENT LIABILITIES		₹ in thousands
		31-Mar-18	31-Mar-17
	Statutory Liabilities	1,534	2,353
	Other Payable	1,043	1,035
		2,577	3,388

19	PROVISIONS			₹ in thousands
			31-Mar-18	31-Mar-17
	Other Provisions			
	Provision for Professiona	l Tax	3	3
			3	3

20	REVENUES FROM OPERATIONS	₹ in thousands	
		April - Mar 18	April - Mar 17
	Sale of Services		
	Transportation of Gas	8,00,618	6,65,080
		8,00,618	6,65,080

Transportation of Gas includes ₹2,118 thousand for the period Apr-Mar 18 and ₹2,118 thousand for the period Apr-Mar 17 on account of adjustment towards fair valuation of Security Deposit from Numaligarh Refinery Limited.

21	OTHER INCOME		₹ in thousands
		April - Mar 18	April - Mar 17
	Interest Income		
	On Bank Deposits	13,562	8,624
	Others	-	1,595
	Insurance Claim Received	-	262
	Inventory Provision Written Back	-	9,256
	Other non-operating income	715	86
		14,277	19,823

22	EMPLOYEE BENEFITS EXPENSE	₹ in thousand	
		April - Mar 18 April - Mar 17	April - Mar 18
	Salaries and wages		
	Employees	12,545	12,545
	Deputed Employees (AGCL)	13,771 17,49	
	Stipend to Trainees	40 -	40
	Contribution to Provident Fund	1,275 1,15	1,275
	Contribution to Gratuity Fund	368 24	368
	Welfare & Training Expenses	657 58	657
		28,656 30,04	28,656

23	FINANCE COSTS	₹ in thousands	
		April - Mar 18	April - Mar 17
	Interest expenses on loans		
	OIDB Loan	542	-
	Assam Gas Company Limited	25,459	52,459
	Interest on Fair Valuation	2,202	2,001
		28,203	54,460

Interest on Fair Valuation pertains to the adjustments made to restate the carrying amount of Security Deposit from Numaligarh Refinery Limited at Fair Value.

4 OTI	HER EXPENSES		₹ in thousands
		April - Mar 18	April - Mar 17
Pot	wer & Fuel	58,448	60,563
Op	eration & Maintenance		
	- Compressor	19,456	19,257
	- Others	1,730	1,17 3
RO	W Expenses		
	- ROW Rental Charges	4,161	4,079
	- ROW Supervision Charges	416	408
Rei	nt	808	1,839
Rej	pair & Maintenance		
F	Plant & Machinery	13,599	14,008
E	Building	698	2,447
C	Others	857	421
Ins	urance	6,439	5,185
Rat	tes and Taxes-excluding taxes on income	630	623
Au	ditors' Remuneration		
S	Statutory Audit Fees	40	40
C	Cost Audit Fee	30	30
Т	ax Audit Fee	18	18
S	Secretarial Audit Fee	40	20
F	For Other Matters (Statutory Auditor)	40	8
F	For Other Matters (Cost Auditor)	15	30
F	Reimbursement of Out of Pocket Expenses (Statutory Auditor)	10	5
F	Reimbursement of Out of Pocket Expenses (AG Auditor)	12	7
	Reimbursement of Out of Pocket Expenses (Cost Auditor)	1	-
F	Reimbursement of Out of Pocket Expenses (Secretarial Auditor)	9	-
Tra	velling and Conveyance	5,274	3,389
Sta	tionery, Postage, Telephone & Advertisement	3,918	2,298
Sec	curity Expenses	7,767	7,422
Aco	counting Service Charges	285	1,942
CSI	R Expenses	8,931	1,123
Pro	ofessional Charges	2,474	1,054
Tra	insportation Charges	-	938
Fir	e & Safety Expenses	11	960
Int	erest on Entry Tax	-	12,839
Но	norarium to Directors	240	-
Do	nation & Subscription	1,504	-
Baı	nk Charges & Other Misc. Expenses	1,340	897
	scount/ Loss on Sale of Inventory	-	6,468
		1,39,201	1,49,491

EXCEPTIONAL ITEMS		₹ in thousands
	April - Mar 18	April - Mar 17
Loss on Account of Fire	-	6,902
	-	6,902

56	FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT	
		ls in the fair value hierarchy. It does not include able approximation of fair value.
		₹ in thousands
	Carrying amount	Fair value

		Carrying amount				Fair value	/alue	
March 31, 2018	Mandatorily at FVTPL	FVTOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents			2,60,369	2,60,369				
Other Bank Balances			14,247	14,247				
			1,19,313	1,19,313				1
	•		3,93,929	3,93,929	-		•	
Financial liabilities								
Deposit from Customer	28,976			28,976		28,976		28,976
			1,08,000	1,08,000				1
Trade and other payables			23,702	23,702				1
Other current financial liabilities			48,899	48,899				1
	28,976		1,80,601	2,09,577		28,976	1	28,976
		Carrying amount					Fair value	
March 31, 2017	Mandatorily at FVTPL	FVTOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents			1,18,517	1,18,517				
Other Bank Balances			15,075	15,075				
			1,20,297	1,20,297				-
		•	2,53,889	2,53,889	-		•	
Financial liabilities								
Deposit from Customer	28,893			28,893		28,893		28,893
			3,78,000	3,78,000				1
Frade and other payables			28,133	28,133				-
Other current financial liabilities			49,647	49,647				1
	28,893		4.55,780	4.84.673	•	28.893	•	28,893

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

Financial instruments measured at fair value	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	Deposit from Customer Present Value techniques using appropriate discounting Not applicable 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

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 counter party 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 $\overline{1,19,313}$ thousand as at 31^{st} March 2018 and $\overline{1,20,296}$ thousand as at 31^{st} March 2017; 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.

_	-	_			_	
₹	in	th	OII	Sa	nd	C

31-Mar-18	Gross carrying amount	Weighed average loss rate - range	Loss allowance
Neither past due not impaired	58,495	-	-
Past due 1-90 days	60,098	-	-
More than 90 days	720	-	-
	1,19,313	-	-

31-Mar-17	Gross carrying amount	Weighed average loss rate - range	Loss allowance
Neither past due not impaired	58,496	-	-
Past due 1–90 days	61,801	-	-
More than 90 days	-	-	-
	1,20,297	-	-

Cash and cash equivalents

The Company held cash and cash equivalents of ₹2,60,368 thousand as at March 31, 2018 and ₹1,18,517 thousand as at March 31, 2017. 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

₹ in thousands

			Con	tractual cash	ı flows	
March 31, 2018	Carrying amount	Total	Up to 1 year	1-3 years	3-5 years	More than 5 years
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	48,899	48,899	48,899			

		_			₹	in thousands
			Con	tractual cash	flows	
March 31, 2017			1 year	1-3 years	3-5 years	More than 5 years
Deposit from Customer	28,893	30,000	-	-	30,000	
Term loans	3,78,000	3,78,000	2,70,000	1,08,000	-	-
Trade and other payable	28,133	28,133	28,133			
Other current liabilities	49,647	49,647	49,647			

The Company has not carried any derivative financial liabilities as on 31st March 2018 and 31st March 2017.

Provision for taxation for the financial year 2017-18 amounting to ₹1,04,521 thousand (Previous Year ₹65,228 thousand) has been arrived at after availing MAT Credit of ₹6,056 thousand u/s 115JAA of the Income Tax,1961 in the FY 2017-18 (Previous Year`Nill) due to certainity of recovery of the same.

28	Earnings per equity share	;	₹ in thousands
		31-Mar-18	31-Mar-17
	Face value ₹10/- each		
	Net profit as per Profit and Loss account available to Equity Shareholders	3,23,066	1,34,875
	Weighted average number of Equity Shares outstanding during the year	16,72,50,000	16,72,50,000
	Basic earnings per share (₹)	1.93	0.81
	Diluted earnings per share (₹)	1.93	0.81

- 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.
- 30 Trade Receivables and Trade Payable including Creditors for Capital Expenditure are subject to Confirmation.

31 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 31^{st} March 2018 and 31^{st} March 2017.

32	Contingent Liabilities		₹ in thousands
		31-Mar-18	31-Mar-17
	Contingent Liabilities :		
	Claims against the Company not acknowledged as debts :		-
	In respect of Taxation matters		
	Service Tax	2,229	2,229
	Guarantees:		-
	Other Money for which the company is contingently liable :		
	Rental and Supervision Charges for ROW to Oil India Limited	11,868	10,070
		14,097	12,299
	Commitments:		
	Estimated amount of contracts remaining to be executed on capital account and not		
	provided for (Net off Advance)	39,481	4,173
		39,481	4,173

33	Related Party Transactions					
	The Company has adopted the exemption under para the control of the same Govt.	25 of Ind AS-24 related to disclosure	e pertaining to relate	d parties under		
	List of Related Parties					
	Particulars	Nature of Relations	ship			
	1. Assam Gas Company Limited (AGCL)	Parent Company a Govt. Viz. Governm	nd under the control ent of Assam	of the same		
	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 t	he Company			
	5. Shri Ashwini Pait	Being Director of t	the Company			
	The details of amounts (due to) or due from related p	arties as at 31st March 2018 and 31°	st March 2017 are as follows:			
				₹ in thousands		
	Particulars		31-Mar-18	31-Mar-17		
	Numaligarh Refinery Limited (NRL)		91.732	91.403		

		(III ullousalius
Particulars	31-Mar-18	31-Mar-17
Numaligarh Refinery Limited (NRL)	91,732	91,403
Oil India Limited (OIL)	(14,634)	(5,970)

Terms and Conditions and nature of consideration for settlement:

- 1. 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.
- 2. The balance of OIL includes other trade payable 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 31^{st} March 2018 and 31^{st} March 2017 are as follows:

		₹	in thousands
Particulars	Nature of Transactions	31-Mar-18	31-Mar-17
Revenue Transactions:			
1. Assam Gas Company Limited (AGCL):	Key Management Personnel on Deputation	1,813	1,768
 2 Numalizanh Definant Limited (NDL)	Transportation of Natural Gas	8,00,618	6,65,080
2. Numaligarh Refinery Limited (NRL) :	Project Management Consultancy Fees	611	-
	Consumption of Natural Gas	50,980	53,919
3. Oil India Limited (OIL) :	ROW rental & Supervision charges	4,577	4,487
	Maintenance of CPS	1,542	2,613
4. Shri Rupam Goswami	Honorarium	120	-
5. Shri Ashwini Pait	Honorarium	120	-

		₹ in thousands
Key management personnel compensation	31-Mar-18	31-Mar-17
1. Nagen Chandra Adhikary, Company Secretary (up to 27th December, 2017)		
(a) Short-term employee benefits	433	262
(b) Post-employement 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	92	-
(b) Post-employement benefits	-	-
(c) Other long-term benefits	-	-
(d) Termination benefits	-	-
(e) Share-based payments	-	-

34	Reconciliation of Expenditure on Corporate Social Responsibility (CSR) Activities are as fo	ollows:	
		₹	in thousands
		2017-18	2016-17
	Amount unspent (for earlier years) at the begining of the year	4,930	2,624
	Amount earmarked during the financial year for CSR activities	4,859	3,430
	Amount actually spent for CSR activities	8,931	1,123
	Amount remaining unspent at the end of the year	858	4,930

35 Dividend The Board of Directors of the Company has proposed to declare a dividend @ 9.7% of Paid up Share Capital for the FY 2017-18 (previous year @ 2.5% of Paid up Share Capital)

36	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)

Balance Sheet as at 31 March 2018

Particulars	Note	As at 31 March 2018	As at 31 March 2017
ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	67,83,29,344	62,94,66,041
Capital work-in-progress	3	2,58,76,200	3,50,03,205
Financial Assets		-	-
-Loans	4A	1,00,220	1,00,220
-Other Financial Assets	9B	86,83,066	4,90,82,057
Other Non-Current Assets	6	90,19,038	98,56,536
Subtotal (A)		72,20,07,868	72,35,08,059
Current Assets			
Inventories	7	4,41,83,151	1,63,39,127
Financial Assets		-	-
-Trade receivables	8	7,53,95,368	5,75,50,927
-Cash and cash equivalents	9A	11,88,84,051	18,69,84,868
-Other bank balances	9B	27,99,38,291	11,31,65,111
-Loans	4A	1,35,61,032	1,29,61,748
-Other Financial Assets	4B	-	
Other Current Assets	6	8,85,008	5,07,737
Subtotal (B)		53,28,46,900	38,75,09,519
Total Assets (A+B)		1,25,48,54,769	1,11,10,17,578

EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	10	3,92,00,000	3,92,00,000
Other Equity	11	72,36,42,902	60,77,14,114
Total equity (C.)		76,28,42,902	64,69,14,114
LIABILITIES			
Non Current Liabilities			
Financial Liabilities			
-Borrowings	12	4,39,78,290	6,07,18,545
-Other Financial Liabilities	14	-	23,56,043
Provisions	15	2,19,87,924	1,53,49,985
Deferred Tax Liability	5	1,40,93,099	1,13,85,805
Other Non Current Liabilities	16	18,47,74,938	17,13,96,047
Subtotal (D)		26,48,34,251	26,12,06,425
Current Liabilities			
Financial Liabilities			
-Trade Payables	13	3,07,79,392	2,24,93,062
-Other Financial Liabilities	14	16,84,86,081	13,68,09,134
Provisions	15	78,80,258	75,45,137
Other Current Liabilities	16	2,00,31,885	3,60,49,706
Subtotal (E)		22,71,77,616	20,28,97,038
Total Equity and Liabilities (C+D+E)		1,25,48,54,769	1,11,10,17,577
Refer accompanying notes to the financial			

In terms of our report of even date

For S. A. Majumdar & Associates

Chartered Accountants FRN: 312032E

statements

S.Majumdar

Proprietor

Membership No: 050476

Place: Agartala

Date:

Banani Debbarman

(Director Commercial) DIN -07211011

Pradeep Kr. Mahato

(Company Secretary) PAN-AGUPD6174A

N.Gangopadhayay (Managing Director)

DIN -07564256

Atanu Datta Choudhury

(Chief Financial Officer) PAN-AGUPD6174A

Statement of Profit & Loss for the Year ended 31st March 2018

Amount in Rs.

Particulars	Note	Year Ended	Year Ended
	No.	31 March 2018	31 March 2017
I. Revenue from Operations (Gross)	17	76,00,48,783	66,98,01,251
II. Other Income	18	4,42,31,769	3,24,67,005
III Total Revenue (I+II)		80,42,80,552	70,22,68,255
Gas Consummed	19	23,72,96,284	20,94,04,735
Depreciation and amortization expenses	3	8,24,76,571	7,25,38,916
Excise duty		4,77,15,256	4,12,40,862
Other expenses	21	19,76,15,543	16,80,85,226
Finance Cost	22	70,59,745	89,95,524
Employee benefits expenses	20	4,23,56,229	3,02,55,362
IV. Total Expenses		61,45,19,628	53,05,20,624
V. Profit before Tax (III - IV)		18,97,60,923	17,17,47,631
VI. Tax Expenses		7,24,13,996	5,87,44,319
- Current Year	23	6,22,14,633	4,83,58,955
- Earlier Years	23	67,41,535	-
Deferred Tax	9	34,57,828	1,03,85,364
VII. Profit for the Period (V-VI)		11,73,46,927	11,30,03,312
Other Comprehensive income			
VIII. Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurement losses of defined benefit obligations		(21,68,674)	-
Income tax effect relating to these items		7,50,535	-
		(14,18,139.30)	-
IX. Net other comprehensive loss not to be reclassified to profit or loss in subsequent periods		(14,18,139.30)	-
Total comprehensive income (VII+ IX)		11,59,28,788	11,30,03,311.52

Earning Per Equity Share (Face Value ₹100/-each)

- Basic	299.35	288.27
- Diluted	299.35	288.27

Statement of Cash Flows for the year ended 31 March 2018

	Dantiaulana	As at 31 March	Amount in As. As at 31 March
	Particulars	2018	2017
	Cash Flow from Operating Activities		
	Profit / (loss) before tax	18,97,60,923	17,17,47,631
	Adjustment to reconcile profit before tax to net cash flows		
	Depreciation and amortisation	8,24,76,571	7,25,38,916
	Adjustment for Depreciation relating to Previous Years		
	Interest income	(1,78,96,106)	(1,67,02,118)
	Income from unwinding of security deposits	-	(2,62,845)
	Finance costs (including fair value change in financial instruments)	70,59,745	89,95,524
	Operating Profit before Working Capital changes	26,14,01,133	23,63,17,108
	Movements in working capital:		
	Increase/(Decrease) in trade payables	82,86,330	(83,31,098)
	Increase/(Decrease) in provisions	48,04,386	73,40,748
	Decrease / (Increase) in Other Financial Liabilities	2,93,20,905	3,33,07,728
	Decrease / (Increase) in Non Financial Liabilities	(26,38,930)	3,78,52,346
	Decrease / (Increase) in Non Financial assets	4,60,227	11,09,993
	(Increase)/Decrease in trade receivables	(1,78,44,441)	(1,02,36,653)
	(Increase)/Decrease in Inventories	(2,78,44,024)	(28,45,003)
	(Increase)/Decrease in Loans	(5,99,284)	5,60,859
	(Increase)/Decrease in Other Financial assets	4,03,98,991	
	Cash Generated From Operations	29,57,45,294	29,50,76,028
	Less : Direct Tax paid (net of refunds)	(6,89,56,168)	(4,49,40,619)
I.	Net Cash Flow from Operating Activities	22,67,89,126	25,01,35,409
	Cash Flow from Investing Activities:		
	Purchase of fixed assets	(13,13,39,874)	(8,68,86,204)
	Decrease/(Increase) in Capital Work in Progress	91,27,005	(2,56,62,484)
	Interest income	1,78,96,106	1,33,49,648
	Redemption / (increase) in Investments	(16,67,73,180)	83,95,195
II.	Net cash flow (used in) investing activities	(27,10,89,943)	(9,08,03,845)
	Net Cash Flow From Financing Activities:		
	Repayment of long term borrowings	(1,67,40,255)	(2,35,57,376)
	Interest paid	(70,59,745)	(89,95,524)
1	Net cash flow (used in) financing activities	(2,38,00,000)	(3,25,52,900)
IV.	Net (decrease) / In cash and cash equivalents (I+II+III)	(6,81,00,817)	12,67,78,663
	Cash and cash equivalents (Opening)	18,69,84,868	6,02,06,205
	Cash and cash equivalents (Closing)	11,88,84,051	18,69,84,868

Statement of Changes in Equity for the period ended 31 March 2018

(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 2016	3,92,000	3,92,00,000
Issue of share capital	-	-
As at 31 March 2017	3,92,000	3,92,00,000
Issue of share capital	-	-
As at 31 March 2018	3,92,000	3,92,00,000

(b) Other equity

For the year ended 31 March 2018:

Attributable to the equity sharehold	lers	
	Retained	Total
	earnings	10001
As at 31 March 2016	49,47,10,803	49,47,10,803
Profit for the year	11,30,03,312	11,30,03,312
Employee benefits re-measurement	-	-
As at 31 March 2017	60,77,14,114	60,77,14,114
Profit for the year	11,73,46,927	11,73,46,927
Employee benefits re-measurement	(14,18,139)	(14,18,139)
As at 31 March 2018	72,36,42,902	72,36,42,902

Note 3 - Property, plant and equipment

Components of Property, plant and equipment (including assets held under finance leases) are as follows:

				,					,						
Cost/Valuation	PNG Project	PNG Project CNG Project Building-CNG		Office -	Furniture Vehicle-	Vehicle-	Fire Extin-	Internal	٠.		Computer	Air Condi-	Freehold	Capital	Total
			Station	Equipments	& fixture	CNG	guisher	Decoration	System	Guard	System	tioner	Land	Work-in- Progess	
At 31 March 2016	36,60,92,825	11,56,02,934	11,56,02,934 10,53,93,723	3,20,108	3,20,108 21,88,399	50,402	1,00,402	2,95,517	14,107	2,371	2,371 23,46,223	4,48,349	4,48,349 1,49,73,518	93,40,721	60,87,42,450
Additions	7,55,73,102	52,41,736	21,22,704	1,16,591	84,577	1		16,93,957	1,14,320		2,01,970		17,37,247	3,21,14,073	8,68,86,204
Acquisitions of a	•	•	•	1	'		•		•	'	•		1	•	•
Disposals			•									ľ		(64,51,589)	(64,51,589)
Exchange differences	•	•	•	,	,	,	•	•	1	'	1		'	•	'
Other	•	•				•	•		•			•	•		•
Ind AS adjustments	1,81,33,903														
At 31 March 2017	45,97,99,830	12,08,44,670 10,75,16,427	10,75,16,427	4,36,699	4,36,699 22,72,976	50,402	1,00,402	19,89,474 1,28,427	1,28,427	2,371	2,371 25,48,193	4,48,349	4,48,349 1,67,10,765	3,50,03,205	71,28,48,985
Additions	7,55,17,398	2,34,89,935	3,00,41,467	2,73,795	4,55,965		4,141				15,57,173	ľ		3,85,85,411	13,13,39,874
Acquisitions of a subsidiary	•	•		•	1	,	•	•	1	'	1	'	'	•	,
Disposals	-	•	-	-	-	•	-	-	•		•	•	•	(4,77,12,416)	(4,77,12,416)
Exchange differences	•	•		•	•	-	-	-	•	•	1	•	•	-	-
0ther	•	-	•	•	•	1	-	-	•	•	•	•	•	-	-
At 31 March 2018 53,53,17,228 14,43,34,605 13,75,57,894	53,53,17,228	14,43,34,605	13,75,57,894	7,10,494	7,10,494 27,28,941	50,402	1,04,543	19,89,474 1,28,427	1,28,427	2,371	2,371 41,05,366	4,48,349	1,67,10,765	2,58,76,200	4,48,349 1,67,10,765 2,58,76,200 84,41,88,859

Total	83,31,367	7,07,66,233		'	,				8,33,82,943	8,24,76,571	•	1	r		16,58,59,514
Capital Work-in- Progess	•	•	'	•	•	-			•	-	•	•	•	•	•
Freehold	•	1	•	,	•	-			•	•			•	•	
Air Condi- tioner	1,77,948	1,04,497	•	•					2,82,445	1,18,251	•		1		4,00,696
Computer System	1,599 17,01,470	4,35,649	1	'	•				1,599 21,37,120	7,42,978	•	•	•		1,599 28,80,097
Aqua Guard	1,599	'		ľ	'				1,599			'	'		1,599
Inverter System	4,876	29,528	•		'				34,403	24,481		•	,		58,884
Internal Decoration	79,905	1,45,852	•	,					2,25,757	3,41,054	•				5,66,811
Fire Extin- guisher	73,295	806'8	'	•	•				82,204	5,386	•	•	•		87,590
Vehicle- CNG Auto	25,878	6,887			'				35,765	2,892			•		41,657
Furniture & fixture	6,09,462	4,43,986	1	'	•				2,47,662 10,53,448	3,83,862	•	•	•		4,35,627 14,37,311
Office Equipments	1,59,894	87,768	•	,	1				2,47,662	1,87,964	•		-		4,35,627
Building-CNG Station	1,33,17,201	44,83,874	•	,					1,78,01,075	61,59,247	•		-		2,39,60,323
CNG Project Building-CNG Station	1,65,84,313 (2,44,45,183)	2,69,49,318	1	•	•				25,04,135	2,71,41,497	•	•	1		2,96,45,632
PNG Project	1,65,84,313	3,80,26,258	1	•	•	•	43,66,759		5,89,77,330	4,73,65,959	•		•	•	10,63,43,288
Depreciation and impairment	At 31 March 2016	Additions	Acquisitions of a subsidiary	Disposals	Exchange differences	0ther	Ind AS	adjustments	At 31 March 2017	Depreciation expense	Impairment	Disposal	Exchange differences	Other	At 31 March 2018 10,63,43,288

	041	344
Total	62,94,66,0	67,83,29,3
Capital Work-in- Progess	1,65,905 1,67,10,765 3,50,03,205 62,94,66,041	47,654 1,67,10,765 2,58,76,200 67,83,29,344
Freehold Land	1,67,10,765	1,67,10,765
Inverter Aqua Computer Air Condi- Freehold System Guard System tioner Land		
Computer System	772 4,11,073	12,25,268
Aqua Guard	772	772
Inverter System	94,023	69,543
Internal Inverter Decoration System 6	18,198 17,63,717 94,023	16,953 14,22,664 69,543 772 12,25,268
urniture Vehicle- Fire Extin- & fixture CNG guisher Auto	18,198	
Vehicle- CNG Auto	14,637	8,745
Furniture & fixture	,89,037 12,19,528 14,637	2,74,867 12,91,630
Office Equipments	1,89,037	. 7
Building-CNG Station	8,97,15,352	11,35,97,571
CNG Project	11,83,40,535	11,46,88,973
PNG Project	40,08,22,501	42,89,73,940
Net Book value PNG Project CNG Project Building-CNG Station	At 31 March 2017 40,08,22,501 11,83,40,535 8,97,15,352	At 31 March 2018 42,89,73,940 11,46,88,973 11,35,97,571

Capital work in progress

The capital work in progress includes payment made to contractors for execution of projects, Plant & Machinery recieved 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.

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Charge has been created for Land and building, plant and machineries to the extent of assets created against the term loan of INR17,00,00,000 (out of which INR 6,79,78,290 is outstanding as on 31 March 2017) from State bank of India.

Note 4 - Financial assets

Amount in Rs.

Particulars	As a		As at 31-Mar-17	
T ut trouture	Current	Non current	Current	Non current
4A) Loans				
Other loans:				
Security Deposit Paid (Paid to BSNL & Others)	-	1,00,220		1,00,220
Loan/Advance against Salary	5,40,649	-	1,75,100	
Interest accrued but not due	1,30,20,383	-	1,27,86,648	
Total Loans	1,35,61,032	1,00,220	1,29,61,748	1,00,220
4B) Other financial assets				
Balance with bank deposits	-	86,83,066	-	4,90,82,057
exceeding 12 months				
Total	-	86,83,066	-	4,90,82,057

Note 5 - Deferred taxation

Amount in Rs.

Particulars	As at 31-Mar-18	As at 31-Mar-17
Non current:		
Deferred tax liability	1,40,93,099	1,13,85,805
Deferred tax assets/liabilities-net	1,40,93,099	1,13,85,805

Note 6 - Other non financial assets

Particulars	As 31-Ma		As at 31-Mar-17	
Particulars	Current	Non current	Current	Non current
Advance to Suppliers	1,39,744	-	1,66,862	-
Cenvat Credit-Capital Goods-Deferred A/c	-	8,62,139	-	2,71,027
Contingency Advance	80,000	-	26,000	-
Advance to Employees	-	-	30,000	-
Tax Deducted at Source	-	-	-	14,47,902
Pre-Paid Insurance Premium	3,37,752	-	2,44,167	-
Pre-Paid Lease rent	40,708	7,50,740	40,708	7,91,448
Advance TVAT Paid	2,71,354	-	-	-
GST receivable	15,450	-	-	-
Application Money -Court Case & Sales Tax	-	74,06,159	-	73,46,159
Assessment Appeal				
Total	8,85,008	90,19,038	5,07,737	98,56,536

Note 7 - Inventories

Amount in Rs.

Particulars	As at 31-Mar-18	As at 31-Mar-17
Current:		
Stores and Spares including Capital Goods (PNG)	3,44,57,008	1,16,76,436
Stock of O&M PNG Materials	4,04,901	10,90,272
Stock of O&M CNG Materials	91,92,588	34,68,703
Stock of CNG at DBS	1,28,653	1,03,716
Total	4,41,83,150.78	1,63,39,127.12

Note 8 Trade receivables

Amount in Rs.

Particulars	As at 31-Mar-18	As at 31-Mar-17
Current:		
Unsecured		
Considered good	7,53,95,368	5,75,50,927
Considered doubtful	1,53,52,478	
Trade and other receivables	9,07,47,846	5,75,50,927
Allowance for bad and doubtful debts		
Considered doubtful	(1,53,52,478)	
Total Trade and other receivables	7,53,95,368	5,75,50,927

Trade receivables includes INR 3,882/-due from directors of the company towards gas bill on 31 March 2018 (INR 634/- on 31 March 2017). 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

Particulars	As at 31-Mar-18	As at 31-Mar-17
9A) Cash and cash equivalents		
Balances with banks:		
- Current accounts	7,89,28,121	18,63,98,604
Deposit with maturity of less than 3 months	3,91,67,108	
Cash on hand	7,88,822	5,86,264
Total	11,88,84,051	18,69,84,868
9B) Bank Balance others		
Earmarked accounts:		
Fixed Deposits Kept under lein for issue of LC/BG:	9,71,97,591	11,31,65,111
Term Deposits:	18,27,40,700	
Total	27,99,38,291	11,31,65,111

Note 10 - Equity share capital

Amount in Rs.

Particulars	As at 31-Mar-18	As at 31-Mar-17
Share capital		
Authorised		
10,00,000 Equity Shares of INR 100 each	10,00,00,000	10,00,00,000
(Previous year 10,00,000 Equity Shares of INR 100 each)		
	10,00,00,000	10,00,00,000
Issued, subscribed and fully paid up		
(392000 Nos. of Fully paid-up Equity Shares of INR 100/- each)	3,92,00,000	3,92,00,000
(Previous year 3,92,000 Equity Shares of INR 100 each)		
	3,92,00,000	3,92,00,000

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-18	31-Mar-17
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	3,92,000	3,92,000

3. Details of Shareholders holding more than 5% shares in the Company:

Particulars	31-Mar-18	31-Mar-17
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-18	As at 31-Mar-17
Other equity:		
Retained earnings	60,77,14,114.24	60,77,14,114
Add:Profit during the year	11,73,46,927.25	
Less: Re-measurement losses on defined benefit plans (net of tax)	4,18,139.30	
Total	72,36,42,902	60,77,14,114

Note 12 - Borrowings

Amount in Rs.

Particulars	As at 31-Mar-18	As at 31-Mar-17
Non current borrowings		
Secured Term loans:		
- SBI A.D.Nagar Branch	6,79,78,290	8,49,18,545
Less: Current maturities of long term borrowings	(2,40,00,000)	
Total Non Current Borrowings	4,39,78,290	6,07,18,545

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		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 13 - Trade Payables

Amount in Rs.

Particulars	As at 31-Mar-18	As at 31-Mar-17
Trade Payable to related party	1,29,15,880	1,09,87,785
Others Payable	1,78,63,512	1,15,05,277
Total	3,07,79,392	2,24,93,062

Trade payable are non-interest bearing and are normally settled on 60-day terms

Note 14 - Other financial liabilities

Amount in Rs.

As at As at				nt.
	31-Mar-18		31-Mar-17	
Particulars	Current Non current			Non current
Other financial liabilities at amortised cost:				
Current maturities of borrowing	2,40,00,000	-	2,42,00,000	
Others:				
Security Deposit (From Major Industrial Consumers)	14,50,720	-	14,50,720	
Security Deposit Collected from the Consumers	8,48,08,558	-	6,57,31,838	23,56,043
Security Deposit Collected from Contractors	4,10,35,843	-	3,25,14,095	
Earnest Money Deposit (EMD)	31,79,100	-	36,30,140	
Security Deposit (Galileo)	34,89,194	-	34,89,194	
Security Deposit/Retention Money (Suppliers)	40,87,449	-	57,93,147	
Liability For Capital Expenditure	64,35,217	-		-
Total other financial liabilities at amortised cost	16,84,86,081	-	13,68,09,134	23,56,043

Note 15 - Provisions

Amount in Rs.

Particulars	As at 31-Mar-18 Current Non current		As 31-Ma	
			Current	Non current
Provision for Gratuity Payable	2,14,164	1,03,22,797		73,85,085
Provision for Leave Encashment	1,56,368	1,16,65,127		79,64,900
Provision for Income Tax	75,09,726	-	63,58,955	
Provision for Vat payable			11,86,182	
Total	78,80,258	2,19,87,924	75,45,137	1,53,49,985

Note 16 - Other non financial liabilities

Particulars	As at 31-Mar-18		As 31-M	at ar-17
	Current	Current Non current		Non current
Other non financial liabilities:				
Government Grants	10,74,684	1,02,37,774	24,37,854	99,73,538
Deferred Revenue	1,83,21,581	17,45,37,164	3,35,50,179	14,89,05,353
TDS Payable	4,55,178		8,370	
Service Tax Payable A/c	1,80,442	-	53,303	
Advance Installation Cost	-	-		1,25,17,156
Total	2,00,31,885	18,47,74,938	3,60,49,706	17,13,96,047

Note 17 - Revenue from Operations

Amount in Rs.

Particulars	As at 31-Mar-18	As at 31-Mar-17
Income from operations		
Sale of CNG	51,45,65,572.49	45,65,01,171.18
Sales of PNG	24,54,83,210.46	21,33,00,079.34
Total	76,00,48,783	66,98,01,251

Note 18 - Other Income

Amount in Rs.

Particulars	As at 31-Mar-18	As at 31-Mar-17
Interest income on fixed deposits from banks	1,78,96,106	1,67,02,118
HP Rent for Computer from Employees	36,600	32,100
Misc. Reciepts	3,92,104	10,22,377
Application Fees from Consumers	1,900	-
Income from unwinding of security deposits	-	2,62,845
Amortisation of Govt Grants & Installation Cost	2,59,05,059	1,44,47,565
Total	4,42,31,769	3,24,67,005

Note 19 - Gas Consumed

Amount in Rs.

		111110 01110 111 1101
Particulars	As at 31-Mar-18	As at 31-Mar-17
Purchase of Gas	23,73,21,221	20,93,72,171
Change in inventories	(24,937)	32,564
Total	23,72,96,284	20,94,04,735

Note 20A - Employee Costs

Particulars	As at 31-Mar-18	As at 31-Mar-17
Salaries and wages	3,01,77,213	2,50,18,485
Employer Contribution to PF	18,26,621	16,98,990
Leave Encashment	56,61,739	20,40,653
Company Contribution to Gratuity	9,83,202	7,51,864
Staff Welfare	37,07,454	7,45,370
Total	4,23,56,229	3,02,55,362

Note 20B - 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 31 March 2018

Amount in Rs.

Particulars		Leave encashment
	2017-18	2017-18
Current Service Cost	4,18,645	10,93,970
Net Interest Cost / (Income) on the Net Defined Benefit Liability	5,64,557	6,08,882
Acturial (Gain)/ Loss		39,58,887
Total expenses included in employee benefit expense	9,83,202	56,61,739

Amount recognised in Other Comprehensive Income for the year ended 31 March 2018

Particulars -	
Particulars	2017-18
Actuarial (gain)/ loss - experience variance (i.e. Actual experience vs assumptions)	21,68,674
Return on plan assets (excluding amounts included in net interest expense)	-
Experience adjustments	-
Recognised in other comprehensive income	21,68,674

Changes in the present value of the defined benefit obligation for the year ended 31 March 2018 is as follows:

Particulars		Leave encashment
	2017-18	2017-18
Present value of obligation at the beginning:	73,85,085	79,64,900
Current service cost	4,18,645	10,93,970
Interest cost	5,64,557	6,08,882
Transfer In	-	(18,05,144)
Benefits paid	-	-
Actuarial (gain)/ loss - experience variance (i.e. Actual experience vs assumptions)	21,68,674	39,58,887
Defined benefit obligation at the end	1,05,36,961	1,18,21,495

Bifurcation of Present value of obligation at the end of the year as per revised schedule III of the Companies Act, 2013:

Particulars	Gratuity	Leave encashment
	2017-18	2017-18
Current liability	2,14,164	1,56,368
Non-current liability	1,03,22,797	1,16,65,127
Defined benefit obligation at the end	1,05,36,961	1,18,21,495

The principal assumptions used in determining above-mentioned obligations for the Company's plans are shown below:

Particulars		Leave encashment
	2017-18	2017-18
Discount rate (in %)	7.65%	7.65%
Salary Growth rate per annum (in %)	11.70%	11.70%
Mortality rate (% of IALM 06-08)	100%	100%
Normal retirement age	60 years	60 years
Attrition Rate, based on age: (per annum)		
Up to 30 years	3%	3%
31 - 44 years	2%	2%
Above 44 years	1%	1%
Rate of Leave Availment (per annum)		0%
Rate of Leave Encashment during employment (per annum)		0%

$A \ quantitative \ sensitivity \ analysis \ for \ significant \ assumption \ as \ at \ 31 \ March \ 2018 \ is \ as \ shown \ below:$

Particulars	Gratuity		Leave end	cashment
Particulars	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%) (% change compared to base due to sensitivity)	1,16,83,731 10.9%		1,34,45,226 13.7%	
Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity)	1,02,41,530 (2.8%)		1,05,10,017 (11.1%)	
Attrition Rate (- / + 50% of attrition rates) (% change compared to base due to sensitivity)	1,04,69,636 (0.6%)		1,21,52,380 2.8%	
Mortality Rate (- / + 10% of mortality rates) (% change compared to base due to sensitivity	1,05,26,890 (0.1%)		1,18,37,054 0.1%	

Maturity Profile of Defined Benefit Obligation

Particulars	Gratuity	Leave encashment
	2017-18	2017-18
Within the next 12 months (next annual reporting period)	10 years	13 years

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	Gratuity	Leave encashment
	2017-18	2017-18
Within the next 12 months (next annual reporting period)	2,14,164	1,56,368
Between 2 and 5 years	34,97,626	30,33,837
Between 5 and 10 years	64,56,243	69,30,859
Beyond 10 years	1,79,35,417	2,97,01,670
Total expected payments	2,81,03,450	3,98,22,734

Note 21 - Other Expenses

Particulars	As at	As at
i ai ticulai s	31-Mar-18	31-Mar-17
Operation & Maintenance-CNG	3,19,44,749	3,67,65,039
Operation & Maintenance-PNG	1,54,77,267	1,36,49,722
Printing & Stationery	7,46,412	7,49,518
Professional Tax	2,500	2,500
Professional/Consultancy Service Fees	20,96,591	19,76,451
Postage & Telegram	33,435	39,922
Commission on Sales(CNG)	19,71,799	10,75,308
Legal Expenses	-	6,000
Service Tax	2,60,228	11,94,869
Office Rent	13,85,667	10,58,065
Repairs & Maintainance	1,72,909	10,63,702
Telephone, Fax & Internet Expenses	7,65,412	8,22,009
Lease Rent (CNG & PNG)	17,02,139	12,38,197
Bank Charges	7,07,285	3,11,681
Shed rent	1,61,492	1,27,562
Audit Fees	5,05,224	3,40,325
TA to Directors	6,71,234	13,74,712
Board Meeting Expenses	1,15,775	1,18,244
Electricity Expenses	42,13,368	22,56,872
Audit Expenses	4,82,661	1,90,407
Insurance	9,09,524	9,02,189
Conveyance Expenses	12,028	29,682
Misc. Expenses	5,90,714	8,71,306
Office House Keeping & Maintenance Expenses	10,89,029	11,28,635
Provision for Doubtful Debts	1,53,52,478	-

Awareness on CNG & PNG / National Safety Day	4,37,595	3,41,473
Sales/Business Promotion Expenses	-	2,62,711
Vehicle Running & Maintenance	22,99,070	20,85,500
Notice & Advertisement	8,56,946	11,27,990
TA to Employees / Tour Expenses	13,78,948	18,15,871
Security Service Charges	54,75,450	45,18,427
Entertainment Expenses	6,27,321	5,76,706
Inauguration of CNG Station	2,32,317	-
TVAT	6,93,87,561	6,02,96,274
News Paper, Books & Periodicals	30,874	61,002
Calander & Dairy Printing Expenses	-	94,980
Website Maintenance Expenses	2,21,189	1,80,460
Rates & Taxes	5,00,198	90,580
Seminar, Conferefnce & Training Expenses	1,33,180	5,46,438
India International Trade Fair	6,00,000	5,00,000
Industries & Commerce Fair Expenses	12,19,829	2,83,467
Festival Expenses	13,40,269	32,29,113
Fire Safety Day	-	1,31,095
TNGCL Foundation Day Celebration Expenses	6,21,850	2,24,434
Corporate Social Responsibility (CSR)	4,70,607	8,40,285
Water Charges	1,22,804	1,86,227
Canteen Running Expenses	-	88,787
Transportation Charges (CNG)	1,78,80,709	1,33,52,271
Billing System	76,79,570	57,99,885
Wages to Outsource Staff (Service Charges)	47,29,336	41,58,332
Stipend to Apprentice/Trainee	-	-
Total	19,76,15,543	16,80,85,226

Details of payments to auditors:

Particulars	As per Ind AS As at	As per Ind AS As at
	31-Mar-18	31-Mar-17
Payment to auditors:		
Third party audit fee	2,23,724	78,100
Audit Fee	88,500	51,600
Tax audit Fee	47,200	40,000
In other capacities:		
Secretariat Audit	75,000	67,000
Internal Audit	29,500	28,625
Cost Audit	41,300	75,000
Other Audit Expenses	4,82,661	1,90,407
Total	9,87,885	4,52,632

Note 22 - Finance Costs

Amount in Rs.

Particulars	As at 31-Mar-18	As at 31-Mar-17
Processing charges for LC	-	4,60,673.00
Interest expense on security deposits	70,59,745.00	85,34,851.14
Total	70,59,745	89,95,524

Note 23 - Tax Expenses

Amount in Rs.

Particulars	As at	As at
	31-Mar-18	31-Mar-17
Current tax	6,22,14,633.00	4,83,58,955.00
Deferred Tax	34,57,828.00	1,03,85,364.50
Additional Income Tax paid for FY-2016-17	67,41,535.00	-
Total	7,24,13,996	5,87,44,319

Note 24 - Income Tax

Amount in Rs.

a) Income tax related to items charged or credited directly to profit or loss during the year:

Statement of profit or loss	31-Mar-18	31-Mar-17
Current income tax:		
Current income tax charge	6,22,14,633	4,83,58,955
Adjustments in respect of current income tax of previous year	67,41,535	-
Deferred tax:		
Relating to origination and reversal of temporary differences	34,57,828	1,03,85,364
Tax expense	7,24,13,996	5,87,44,319

b) Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate

	31-Mar-18	31-Mar-17
Profit before tax from continuing operations	18,97,60,923	17,17,47,631
Applicable Tax Rate	34.61%	34.61%
Tax at Indian Tax rate	6,56,72,460	5,94,38,420
Effect of Income not considered for tax purpose	(34,57,828)	(97,94,860.71)
Effect of Expense not allowed for tax purpose		9,66,434.28
Effect of Ind AS Adjustments	-	(8,03,137.64)
Adjustments in respect of current income tax of previous year	67,41,535	
Adjustment for Tax Deducted at Source		14,47,902
Movement in deferred tax liability	34,57,828	1,03,85,364
Income tax expense	7,24,13,995	5,87,44,318
Effective tax rate	38.16%	34.20%

c) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Amount in Rs.

	31-Mar-18	31-Mar-17
Property, Plant and Equipment	34,57,828	84,42,703
Deferred tax on re-measurent losses on defined benefit plans	(7,50,535)	29,43,102
Deferred tax (assets)/ liabilities	27,07,294	1,13,85,805
Offsetting of deferred tax assets and deferred tax liabilities	(1,13,85,805)	-
Net Deferred tax (assets)/ liabilities	1,40,93,099	1,13,85,805

Note 25A - Contingent Liabilities

Claims made against the company not acknowledged as debts

Amount in Rs.

Particulars	31-Mar-18	31-Mar-17
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	1,15,34,682	1,15,34,682
	1,15,34,682	1,15,34,682

Note 25B - Commitments

Amount in Rs.

Particulars	31-Mar-18	31-Mar-17
a. Estimated amount of Contracts remaining to be executed on Capital	17,27,33,100	22,40,16,701
Account and not provided for (Net of Advances)	17,27,33,100	22,40,10,701

- 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 26 - 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

Shri Ravi Capoor-Chairman Mr. Narayan Gangopadhyay-Managing Director Ms. Banani Debbarman-Director (Commercial) Shri V. G. Jenner - Director Mr. Atanu Dutta Chaudhary- CFO The following table provides the total amount due to or due from the related parties as on 31 March 2018 and 31 March 2017

Particulars	31 March, 2018	31 March, 2017
Gail (India) Limited		
Sale/ Purchase of goods	1,29,15,880	1,09,87,785
Other		-
Total	1,29,15,880	1,09,87,785
Tripura Industrial Development Corporation Limited		
Lease arrangements	6,95,162	13,25,051
Other	-	-
Total	6,95,162	13,25,051

Note 27 - 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 31 March 2018.

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 31 March 2018 were 6 and the number of customers during the year ended 31 March 2017 were 8 contributed to more than 11.20% of the revenue individually. Revenue from these customers was INR 2,74,84,764 and INR 3,49,52,115 during the year ended 31 March 2018 and 31 March 2017 respectively.

Note 28 - Financial risk management

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
31 March 2018		
Secured loan from SBI A.D. Nagar Branch	+100	6,79,783
Secured loan from SBI A.D. Nagar Branch	-100	-6,79,783
31 March 2017		
Secured loan from SBI A.D. Nagar Branch	+100	8,49,185
Secured loan from SBI A.D. Nagar Branch	-100	-8,49,186

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 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	-	9,94,110	43,15,453	31,14,918	-	84,24,481
Interest-bearing loans and borrowings- Principal Payable	-	30,05,890	1,56,84,547	4,92,87,853	-	6,79,78,290
Trade and other payables	-	1,29,15,880	-	-	-	1,29,15,880
Expenses Payable		1,75,57,012	-	-	-	1,75,57,012
Liability For Capital Expenditure		64,35,217				64,35,217
Security Deposit (From Major Industrial Consumers)	14,50,720	-	-	-	-	14,50,720
Security Deposit Collected from the Consumers	8,48,08,558	-	-	-	-	8,41,89,780
Security Deposit Collected from Contractors	-	3,39,41,481	70,94,362	-	-	4,10,35,843
Earnest Money Deposit (EMD)	-	-	31,79,100	-	-	31,79,100
Security Deposit (Galileo)	34,89,194	-	-	-	-	34,89,194
Security Deposit/ Retention Money(Suppliers)	-	24,51,968	16,35,481	-	-	40,87,449
Total	8,97,48,472	7,73,01,558	3,19,08,943	5,24,02,771	-	25,07,42,966

As at 31 March 2017	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Interest-bearing loans and borrowings- Interest Payable	-	18,55,584	47,39,690	-	-	65,95,274
Interest-bearing loans and borrowings- Principal Payable	-	60,00,000	1,82,00,000	6,07,18,545	-	8,49,18,545
Trade and other payable	_	1,09,87,785	-	_	-	1,09,87,785
Expenses Payable	-	1,12,73,477	-	-	-	1,12,73,477
Security Deposit (From Major Industrial Consumers)	14,50,720					14,50,720
Security Deposit Collected from the Consumers	,51,70,234	1,77,302	2,87,781	24,52,563		6,80,87,880
Security Deposit Collected from Contractors	3,25,14,095					3,25,14,095
Earnest Money Deposit (EMD)	36,30,140					36,30,140
Security Deposit (Galileo)	34,89,194					34,89,194
Security Deposit/ Retention Money(Suppliers)	57,93,147					57,93,147
Total	11,20,47,530	3,02,94,148	2,32,27,471	6,31,71,108	-	22,87,40,257

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 2018 and for the comparative period as on 31 March 2017.

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 11,88,84,050.5 as at 31 March 2018 (31st March 2017: INR 18,69,84,868.43). 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 29 - 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 30 - 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 31 March 2018, the Company held the following financial instruments carried at fair value on the statement of financial position:

Particulars	Carrying amount	Fair value	Fair value		
Particulars	31 March 2018	31 March 2018	Level 1	evel 1 Level 2 Lev	
Financial assets at amortised cost:					
Non current					
Loans and receivables	1,00,220	1,00,220			
Other Financial assets	86,83,066	86,83,066			
Total	87,83,286	87,83,286	-	-	-
Financial liabilities at amortised cost:					
Non current					
Borrowings	4,39,78,290	4,39,78,290			
Total	4,39,78,290	4,39,78,290			-

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 2017, the Company held the following financial instruments carried at fair value on the statement of financial position:

Particulars	Carrying amount	Fair value	Fair value		
Particulars	31 March 2017	31 March 2017	Level 1	Level 2	Level 3
Financial assets at amortised cost:					
Non current					
Loans and receivables	1,00,220	1,00,220			
Total	1,00,220	1,00,220	-	-	-
Financial liabilities at amortised cost:					
Non current					
Borrowings	6,07,18,545	6,07,18,545			
Other financial liabilities	23,56,043	23,56,043			24,65,754
Total	6,30,74,588	6,30,74,588			24,65,754

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 31 - Earnings Per Share (EPS)

	31-Mar-18 INR	31-Mar-17 INR
a) Basic earning per share		
Basic earning per share attributable to the equity holders of the company	299.35	288.27
b) Diluted earning per share		
Diluted earning per share attributable to the equity holders of the company	299.35	288.27

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-18 INR	31-Mar-17 INR
Profit attributable to equity holders of the Company:		
Continuing operations	11,73,46,927	11,30,03,312
Discontinued operation		
Profit attributable to equity holders of the Company for basic earnings	11,73,46,927	11,30,03,312
Profit attributable to equity holders of the Company adjusted for the effect of dilution	11,73,46,927	11,30,03,312
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.

^{32.} Previous year's figures have been regrouped/ reclassified whichever necessary to correspond with the current year's classification/ disclosure.



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