

ANNUAL REPORT

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INDRADHANUSH GAS GRID LIMITED

General Information

Name	: INDRADHANUSH GAS GRID LIMITED
CIN	: U40300AS2018GOI018660
Address	: 5 th Floor, Central Mall, Christian Basti, G.S. Road, Guwahati – 781005, Assam
Website	: www.iggl.co.in
Email	: info@iggl.co.in
Phone	: +91 95311 01226

Board of Directors

Name	Designation	Nominated By
Shri Harendra Kumar Singh	Chairman	IOCL
Shri Mahesh Vishwanathan Iyer	Director	GAIL
Shri Rakesh Kaul	Director	ONGC
Shri Aruni Prosad Chakravorty	Director	NRL
Shri Sandip Goswami	Director	OIL

Key Managerial Personnel and Managerial Heads

Name	Designation	Nominated By
Shri Arun Modi	CEO	GAIL
Shri Tilak Chandra Lahkar	CHRCM	OIL
Shri Sujit Kumar Das	CPM	NRL
Shri Mahesh Prasad Sarraf	CFO	ONGC
Shri Arpan Baid	Company Secretary	

BANKERS	State Bank of India RBL Bank IndusInd Bank
STATUTORY AUDITOR	M/s Hari Singh & Associates (FRN 323509E) House No. 3, Opp. ICICI Bank, Chilarai Nagar Path, Bhangagarh, Guwahati, Assam – 781032 Email ID : hsa.audit@gmail.com Phone No. : 0361- 2525055; 2526161
SECRETARIAL AUDITOR	M/s Bhaskarjit Goswami & Associates (CP No. 15295) House No.-44, Behind Hanuman Mandir Kekura Nagar, Ganeshguri, GS Road, Guwahati-781006, Assam Email ID : csbhaskarjit@gmail.com Phone No. 7086019877
REGISTRAR & TRANSFER AGENT	Alankit Assignments Ltd "Alankit Hosue", 4E/2, Jhandewalan Extension New Delhi-110055 Website : www.alankit.com Tel No.: 011-4254 1234 Email id : rta@alankit.com



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INDRADHANUSH GAS GRID LIMITED

CHAIRMAN'S MESSAGE

Dear Shareholders,

2020 has been a turbulent year due to unprecedented COVID-19 situation and various restrictions which came with it, but these have not hampered the spirit of IGGL. We are re-emphasising our plans and walking an extra mile for completing the project within the set timelines.

During the year, IGGL has moved ahead towards fulfilling the Government's vision for developing the 1650 Km long North East natural gas pipeline grid by successfully completing Detailed Engineering Survey in five out of nine states. Cadastral Survey in Assam and Tripura state along with publication of 3 (1) notifications under P&MP act for a total length of 870 Km has been completed as a part of Right of Use (ROU) acquisition for laying the gas pipeline. Distribution of the notices u/s 3(1) is now in progress for the Guwahati-Numaligarh section which has been identified to be executed on priority.

Despite having logistical disadvantages, IGGL have been successful in implementing the project activities and achieving the desired milestones in its endeavour to connect Guwahati to the capital cities/ major cities of the North East region like Itanagar, Dimapur, Kohima, Imphal, Aizawl, Agartala, Shillong, Silchar, Gangtok and Numaligarh with National Gas Grid.

It gives me immense pleasure to apprise you that Cabinet Committee on Economic Affairs (CCEA), chaired by Hon'ble Prime Minister Shri Narendra Modi, have approved Viability Gap Funding/ Capital Grant of INR 5,559 Crore (60% of the estimated total cost of Project i.e. INR 9,265 Crore) for the NEGG project. It is also noteworthy to mention that Capital Grant to the extent of 60% of the project cost is a first for any such project in India which is a defining moment in the implementation of the project and a bold statement of intent from Government of India towards the development of natural gas grid in the North Eastern states for their accelerated economic development through gas based economy.

On behalf of the Board of Directors, I would like to acknowledge the valuable guidance and support extended to IGGL by the Government of India especially MoP&NG, the State Governments and the Promoters Companies. Your Company also wish to place on record its deep sense of appreciation for the credible services by the employees of your Company.

We reaffirm our commitment to excellence in the coming year with a determination to sustain our success and momentum.

Date : 24.08.2020

Place : Noida

Sd/-
Harendra Kumar Singh
Chairman



INDRADHANUSH GAS GRID LIMITED

BOARD OF DIRECTORS



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

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



Shri Mahesh Vishwanathan Iyer is an Electrical Engineering Graduate from MANIT, Bhopal and graduated in 1986. He carries a rich experience of 34 years in the hydrocarbon sector. He is also serving as Executive Director (Projects) in GAIL (India) Limited since April, 2016 as head of Corporate Projects Department leading multidisciplinary team consisting of technical, Contracts & Procurement, Finance, Civil and Survey & Land Records teams. He has been in Projects execution delivering Projects amounting to INR 40,000 crores including current projects worth INR 36,800 crores spanning 16 states, 150 districts and City Gas Distribution (CGD) projects in 6 cities and has gained varied experience and competence in the areas related to Project Management, Operation & Maintenance of Pipelines, Contracts Management etc. He is also recipient of 11th CIDC Vishwakarma Award 2019 for category of Public Officer.



Shri Rakesh Kaul is nominated as Director of IGGL by ONGC. He is Graduate in Electrical Engineering and MBA with 36 years of experience in ONGC. He is currently working as Executive Director (Chief – Business development and Jt. Venture) at ONGC. He is having wide experience in the areas of Field Maintenance, Quality assurance, Marine Planning, Project execution, ERP-SAP implementation and Business development and JV Management. He also a Certified lead auditor for QMS, EMS and ISMS systems, certified in Project Management (GW university, USA) and Speaker at various International forums like American SAP user Group (ASUG), and SAP-EAM, USA



INDRADHANUSH GAS GRID LIMITED

BOARD OF DIRECTORS



Shri Aruni Prosad Chakravorty is nominated as Director of IGGL by NRL. He is an Electrical Engineering Graduate from Assam Engineering College and a diploma holder in Business Management. He has over 35 years of rich experience in Electrical Maintenance and Operation, Construction & Project Management and in Commercial functions in Petroleum Refining and Petrochemical sector. He started his career in Bongaigoan Refinery & Petrochemical Limited. He joined NRL in 1998 during the construction and pre-commissioning stage and established the Electrical Department in NRL. He also successfully completed various vital projects for NRL including Diesel Quality Up-gradation Project, Wax Project, NG project and DHDT Project.

Presently he is holding the post of Sr. CGM (Projects) in NRL and he is heading NRL's visionary 6 MMTPA Refinery Expansion and Pipeline Projects worth INR 22,594.00 Crores, Indo-Bangla Friendship Pipeline Project and the In-house Project.



Shri Sandip Goswami joined OIL INDIA LIMITED in 1985 and has over 35 years of rich and varied experience in Midstream sector of Oil & Gas Industry. He holds B.E degree in Mechanical discipline from Jorhat Engineering College. Shri S Goswami has served the organization in various capacities across all the functions of Pipeline Department like Operations, Oil Movement, Pipeline Maintenance, Projects etc. and was posted in various capacities. Shri Goswami during his tenure at Numaligarh was responsible for overseeing the construction and commissioning of the Numaligarh Pump Station under the NSPL Project including the pipelaying part from Numaligarh to Kaziranga Repeater Station.

Shri Goswami was also involved in Rs 1200 Crore Project of Up-gradation of Pump Stations & Receipt Terminals of Naharkatiya – Baruni Crude Oil Pipeline in phase 1 from 2014 to 2018. This was the highest value project ever executed by Pipeline Department of OIL and was a challenging assignment due to the project being a brown field in nature and carries with it a string of complexities in execution of Project across three states Assam, West Bengal & Bihar. Shri Goswami has actively contributed for satisfactory completion of this project.

Later, he took over the charge of Operations & Maintenance of the Pipeline Department of OIL INDIA LIMITED and presently posted as Chief General Manager (Ops&MM).



INDRADHANUSH GAS GRID LIMITED

CEO'S MESSAGE

Dear Shareholders,

As we step into third year of IGGL's existence, I am happy to note that the guidance & actions of the Board, the hard work and tireless efforts put by team IGGL, has borne fruit in the form of laying a foundation for building a natural gas pipeline for connecting eastern region of India with National Gas Pipeline Grid, thus bringing Urja Ganga to the door steps of capital/ major cities of the north east region of India.

IGGL has already been blessed with VGF approval of INR 5,559 Cr. from Cabinet Committee on Economic Affairs which demonstrates the strong commitment of Government of India towards the implementation of NEGG project for ushering gas based economic development of North-Eastern region of India. IGGL is now in the last leg of getting final approvals from promoter companies for implementation of NEGG project and, is thus poised to take a big leap forward by rolling out major works and procurement packages in preparation for commencing the pipeline laying activities in the coming months. I am sure that team IGGL will rise to the occasion by overcoming whatever challenges comes in its way. Cohesive team work, decisive leadership at all levels as well as effective planning and execution are going to be the key factors to succeed and make NEGG one of the benchmark cross-country pipelines in the nation, traversing the hills and rivers alike.

The global Covid-19 pandemic did affect our project activities since the last quarter of FY20, but it has only strengthened our resilience as a company and the belief in our people. Team IGGL is, thus, working relentlessly to reach uncharted milestones in the coming years in its pursuit to develop a state of the art NEGG grid. We will make sure that no stone is left unturned in ensuring the timely commissioning of the project which will be a gamechanger in the industrial and social landscape of the region by providing continuous clean energy to the people of the North East.

Warm Regards,
Arun Modi
Chief Executive Officer

Notice to the Members

Notice is hereby given that the **2nd (Second) Annual General Meeting** of the Members of **Indradhanush Gas Grid Limited** (herein afterwards also called as “IGGL”) will be held on **Tuesday, the 22nd Day of September, 2020** at **11:00 Hours through Video Conferencing** to transact the following business:

As Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended on 31st March, 2020 and the Reports of the Board of Directors and the Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon.
2. To appoint a Director in place of Shri Harendra Kumar Singh, Director (DIN: 07045323), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Mahesh Vishwanathan Iyer, Director (DIN: 08198178), who retires by rotation and being eligible, offers himself for reappointment.
4. To authorize the Board of Directors to decide remuneration of the Statutory Auditors for the financial year 2020-21 in terms of the provisions of Section 142 of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and to pass the following resolution, with or without modification, as an Ordinary Resolution: -

“RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to fix the remuneration of the Statutory Auditors as appointed by the Comptroller & Auditor General of India for the financial year 2020-21”

As Special Business:

5. Appointment of Shri Aruni Prosad Chakravorty as Director

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 (the “Act”) and the Rules framed thereunder, Shri Aruni Prosad Chakravorty (DIN 08717462), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 16th March, 2020 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act, be and is hereby appointed as a Director (Non-Executive) of the Company, liable to retire by rotation”

6. Appointment of Shri Sandip Goswami as Director

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 (the “Act”) and the Rules framed thereunder, Shri Sandip



Goswami (DIN 08740923), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 12th May, 2020 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act, be and is hereby appointed as a Director (Non-Executive) of the Company, liable to retire by rotation”

7. Increase of Authorised Capital and amendment of Memorandum of Association

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

“RESOLVED THAT pursuant to the provisions of Section 13, 61 and all other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) read with Companies (Share Capital and Debentures) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the consent of the members of the company be and is hereby accorded to increase the Authorised Share Capital of the Company from INR 500,00,00,000/- (Rupees Five Hundred Crore) divided into 50,00,00,000 (Fifty Crore) Equity Shares of INR 10/- (Rupees Ten) each to INR 1200,00,00,000/- (Rupees One Thousand and Two Hundred Crore) divided into 120,00,00,000 (One Hundred and Twenty Crore) Equity Shares of INR 10/- (Rupees Ten) each by the creation of additional capital of INR 700,00,00,000/- (Rupees Seven Hundred Crore) divided into 70,00,00,000 (Seventy Crore) Equity Shares of INR 10/- (Rupees Ten) each and such new Equity Shares shall rank pari-passu in all respects with the existing Equity Shares of the Company.”

“FURTHER RESOLVED THAT pursuant to the provisions of Section 13, 61 and all other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) read with Companies (Share Capital and Debentures) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the consent of the members of the company be and is hereby accorded to substitute the Clause V of the Memorandum of Association of the Company as given below :

V. The Authorized Share Capital of the company is INR 1200,00,00,000 (Rupees One Thousand and Two Hundred Crore) divided into 120,00,00,000 (One Hundred and Twenty Crore) equity shares of INR 10/- (Rupees Ten only) each.”

“FURTHER RESOLVED THAT Company Secretary be and is hereby authorized to take necessary steps to give effect for alteration of the capital clause of the Memorandum of Association and to sign all / any e-forms, other forms, returns, documents as may be required to be filed electronically with the Ministry of Corporate Affairs, Registrar of Companies, consequent upon proposed increase in the Authorised Share Capital of the Company and consequent change in the Capital clause of the Memorandum of Association of the Company.”

8. Borrowing powers of Board

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

“RESOLVED THAT pursuant to the provisions of Section 180(1)(c) & 180(2) and other applicable

provisions, if any, of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) thereto or re-enactment(s) thereof, the consent of the members of the company be and is hereby accorded to the Board of Directors of the company to borrow money, notwithstanding that money so borrowed together with the monies already borrowed by the company, if any, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, may exceed the aggregate of the paid-up share capital of the company, free reserves (that is to say reserves not set apart for any specific purpose) and securities premium, provided that the total amount so borrowed by the Board shall not at any time exceed of INR 2,594 Crores (Rupees Two Thousand Five Hundred and Ninety Four Crores only)"

By Order of the Board of Directors

Date: 24.08.2020
Place: Guwahati

Sd/-
Arpan Baid
Company Secretary

**Note:**

1. In view of the outbreak of COVID-19 pandemic, social distancing measures are a pre-requisite and in terms of Ministry of Corporate Affairs (“MCA”) Circular No. 20/2020 dated May 5, 2020 read with Circular 14/2020 dated April 8, 2020, Circular 17/2020 dated April 13, 2020 (“MCA Circulars”), physical presence of the Members at common venue the Annual General Meeting (AGM) is being conducted through Video Conference (“VC”)/ Other Audio Visual Means (“OAVM”). The deemed venue for the AGM shall be the Registered Office of the Company.
2. Explanatory statements are annexed to the Notice of Annual General Meeting of the Company pursuant to Section 102 of the Companies Act, 2013 relating to the Business set out above hereto.
3. Members are informed that in case of joint holders attending the meeting, only such joint holder who is first in the order of names will be entitled to vote.
4. In line with the MCA Circulars, the Notice calling the AGM and Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that Notice and Annual Report 2019-20 will also be made available on the Company’s website at www.iggl.co.in
5. Corporate Members intending to appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, are requested to send the signed copy of the nomination letter in advance.
6. A member entitled to vote at the AGM is entitled to appoint proxy to attend and vote on his/ her behalf and proxy need not be a member. Further in terms of MCA Circulars, since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, facility of appointment of proxies by Members under Section 105 of the Act, will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
7. VC link for the AGM will be shared separately.
8. Since the AGM will be held through VC/OAVM, the route map is not annexed with the Notice.

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

For Item No. 5 : Appointment of Shri Aruni Prosad Chakravorty as Director

In pursuance of the Joint Agreement dated July 20, 2018 and Article 72 of Articles of Association, Shri Aruni Prosad Chakravorty was nominated by Numaligarh Refinery Ltd (vide its letter dated March 3, 2020) to act as Director in the Board of IGGL. Accordingly pursuant to Section 161(1), Board appointed Shri. Aruni Prosad Chakravorty as Additional Director (Non-Executive) of IGGL w.e.f. March 16, 2020.

Further Additional Director appointed by Board pursuant to Section 161(1), may hold office upto the date of next AGM. Also as per Section 152 (2) of Companies Act, 2013, every Director shall be appointed by the company in the general meeting. Since this is the first AGM after his appointment made by the Board, his appointment as Director in the AGM has become due. In pursuance of Section 160, the Company has received necessary Notice from him for his candidature and the Board has also recommended for his appointment in its Seventeenth Board Meeting held on August 17, 2020.

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

Your Directors recommend passing of the Resolution at Item Nos. 5 as Ordinary Resolution.

For Item No. 6 : Appointment of Shri Sandip Goswami as Director

In pursuance of the Joint Agreement dated July 20, 2018 and Article 72 of Articles of Association, Shri Sandip Goswami was nominated by Numaligarh Refinery Ltd (vide its email dated May 9, 2020) to act as Director in the Board of IGGL. Accordingly pursuant to Section 161(1), Board appointed Shri. Sandip Goswami as Additional Director (Non-Executive) of IGGL w.e.f. May 12, 2020.

Further Additional Director appointed by Board pursuant to Section 161(1), may hold office upto the date of next AGM. Also as per Section 152 (2) of Companies Act, 2013, every Director shall be appointed by the company in the general meeting. Since this is the first AGM after his appointment made by the Board, his appointment as Director in the AGM has become due. In pursuance of Section 160, the Company has received necessary Notice from him for his candidature.

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

Your Directors recommend passing of the Resolution at Item Nos. 6 as Ordinary Resolution.

For Item No. 7: Increase of Authorised Capital and amendment of Memorandum of Association

As envisaged in Detailed Feasibility Report (DFR) of NEGG Project (approved by Board of IGGL), the estimated cost of the project comes to INR 9,265 (Nine Thousand Two Hundred and Sixty-Five Crores Only). Further Cabinet Committee on Economic Affairs (CCEA) in its meeting held on January 8, 2020 has approved NEGG Project with Viability Gap Funding (VGF) at 60% of estimated cost i.e. INR 5,559 Crore (Rupees Five Thousand Five Hundred and Fifty-Nine Only).

Also as per DFR, remaining 40% of the estimated project cost is to be arranged from Debt and Equity in the ratio of 70:30. Hence total equity contribution envisaged in DFR turns out to be INR 1,111.80 Crore (Rupees One Thousand One Hundred Eleven Crores and Eighty Lakhs).



At present the Authorised Capital of the Company is INR 500 Crore (Rupees Five Hundred Crore) divided into 50 Crores (Fifty Crores) Equity Shares of INR 10/- (Rupees Ten) each. Therefore in order to facilitate the total equity contribution, Authorised Capital of the Company is required to be increased from INR 500 Crore (Rupees Five Hundred Crore) to INR 1200 Crores by creation of additional capital of INR 700,00,00,000/- (Rupees Seven Hundred Crore) divided into 70,00,00,000 (Seventy Crore) Equity Shares of INR 10/- (Rupees Ten) each.

As per Section 61 read with Section 13 of Companies Act, 2013, a Company by means of resolution passed in a general meeting may alter its memorandum for increasing its authorised capital. Accordingly your Directors recommend passing of the Resolution at Item Nos. 7 as Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions as set out at Item No 8 of the Notice.

For Item No. 8: Borrowing powers of Board

As envisaged in Detailed Feasibility Report (DFR) of NEGG Project (approved by Board of IGGL), the estimated cost of the project comes to INR 9,265 (Nine Thousand Two Hundred and Sixty-Five Crores Only). Further Cabinet Committee on Economic Affairs (CCEA) in its meeting held on January 8, 2020 has approved NEGG Project with Viability Gap Funding (VGF) at 60% of estimated cost i.e. INR 5,559 Crore (Rupees Five Thousand Five Hundred and Fifty-Nine Only).

Also as per DFR, remaining 40% of the estimated project cost is to be arranged from Debt and Equity in the ratio of 70:30. Hence total debt envisaged in DFR turns out to be INR 2,594 Crore (Rupees Two Thousand Five Hundred and Ninety-Four Crores Lakhs).

As per Section 180(1)(c) of the Companies Act, 2013, Board of a Company shall exercise the power to borrow money, where the money to be borrowed, together with the money already borrowed by the company, and which will exceed the aggregated of paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the company's bankers in the ordinary course of business, only with the consent of the company by a special resolution.

Further as per Section 180(2) of the Act, Special Resolution passed by the company in general meeting in relation to the exercise of the powers referred to in Section 180 (1) (c), shall specify the total amount up to which monies may be borrowed by the Board of Directors.

Since total estimated debt as envisaged in DFR i.e. INR 2594 Crore, is beyond current Paid Up Capital i.e. INR 75 Crores and shall also be beyond total envisaged equity contribution (i.e. Paid Up Capital) of INR 1,111.80 Crores, accordingly approval of members via Special Resolution is required pursuant to Section 180(1)(c) & 180(2) so that Board can make Debt arrangement upto INR 2594 Crore as envisaged in DFR.

Your Directors recommend passing of the Resolution at Item Nos. 8 as Special Resolutions.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions as set out at Item No 8 of the Notice.

BOARD'S REPORT TO SHAREHOLDERS

Dear Shareholders,

Your Directors take pleasure in presenting the 2nd (Second) Board's Report of **Indradhanush Gas Grid Limited (IGGL)** along with audited financial statements for the financial year 2019-20.

1. PROJECT DETAILS, FUTURE OUTLOOK AND ASPECTS

Brief of Project:

Indradhanush Gas Grid Limited (IGGL) was incorporated on 10th August 2018 as a Joint Venture Company of Indian Oil Corporation Limited (IOCL), Oil and Natural Gas Corporation Limited (ONGC), GAIL (India) Limited (GAIL), Oil India Limited (OIL) and Numaligarh Refinery Limited (NRL). IGGL is implementing prestigious North East Gas Grid (NEGG), an approx. 1656 Km long natural gas pipeline grid spanning across all North Eastern states, at an estimated cost of INR 9,265 crores. The pipeline will traverse through challenging terrains of North East and would connect Guwahati to capital cities/ major cities of the region like Itanagar, Dimapur, Kohima, Imphal, Aizawl, Agartala, Shillong, Silchar, Gangtok and Numaligarh.

A major milestone moment came in the reporting year when Cabinet Committee on Economic Affairs (CCEA), chaired by Hon'ble Prime Minister Shri Narendra Modi, approved Viability Gap Funding/ Capital Grant of INR 5,559 Crore (60% of the estimated total cost of Project i.e. INR 9,265 Crore) for the NEGG project. It is noteworthy to mention that Capital Grant to the extent of 60% of the project cost is a first for any such project emphasizing strong intent of Government of India towards development of natural gas grid in North East region as a thrust towards gas based economy.

Brief status of important project activities as on date:

- Detailed Engineering Survey has been completed for 5 states and is in process for 4 states.
- Cadastral Survey of Pipeline routes in Assam and Tripura completed. Cadastral survey is under progress in the state of Meghalaya in coordination with District Authorities.
- Publication of notification under Section 3(1) of P&MP Act 1962 has been completed for a total length of 870 Km in Assam and Tripura. Distribution of the notices u/s 3(1) is in progress for Guwahati-Numaligarh section.
- M/s MECON has been engaged as the Project Management Consultant.
- Investment proposal for the project has been recommended by IGGL Board and has been submitted to the promoter companies for their approval for commitment of entire equity contribution.
- SBI Caps has been engaged as Financial Advisor for Debt Syndication



2. FINANCIAL PERFORMANCE

The summarized financial results of the Company for the year under review is given below

2.1 Financial Results

Particulars	(INR In Lakhs)	
	Current Year 2019-20	Previous Year 2018-19
Revenue from Operations	NIL	NIL
Other Income	168.54	57.71
Total Expenses	886.15	1,269.94
Profit/ (Loss) before taxation and prior period adjustments	(717.62)	(1,212.23)
Prior Period Adjustments	NIL	NIL
Profit/ (Loss) before taxation	(717.62)	(1,212.23)
Tax Expense, including Deferred Tax Income	186.58	NIL
Profit/ (Loss) for the year	(531.04)	(1,212.23)
Other Comprehensive Income/(Expenses), net of tax	NIL	NIL
Total comprehensive income/(expenses) for the period	(531.04)	(1,212.23)
Earnings per share (INR)	(1.46)	(10.39)
Networth	4256.73	1,287.77

2.2 Dividend

Since the Company has not started its operation accordingly there has been no revenue from operations during the year. In absence of requisite profit, the Company incurred Net Loss and so the Board is not recommending any dividend for the year 2019-20.

2.3 Capital Expenditure

The total amount of Capital Expenditure incurred during the reporting FY was INR 1,516.54 Lakhs.

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

Apart from depositing in the Fixed Deposits with Bank (please refer to Note 5 of the Financial Statement), the Company has not made any investment or given loans / guarantees during the year under review.

3. SHARE CAPITAL:

3.1 Authorised Share Capital:

The authorized capital of the Company is INR 500,00,00,000 (Rupees Five Hundred Crores Only) divided into 50,00,00,000 (Fifty Crores Only) shares of INR 10/- (Rupees Ten Only) each. There was no change in the Authorised Share Capital of the Company during the year under review.

3.2 Paid-up Share Capital:

During the year under review, the Company's raised paid-up capital twice by making right offers as follows: -

- i. On July 12, 2019, IGGL made a right offer of 1,50,00,000 (One Crore & Fifty Lakhs Only) Equity Shares of INR 10/- (Rupees Ten Only) each (at par) to the Promoter Companies i.e. 30,00,000 Equity Shares were offered to each of the Promoter Company at INR 10/- each. The same was fully subscribed and the subsequent allotment was done on August 29, 2019.
- ii. On January 27, 2020, IGGL made a right offer of 2,00,00,000 (Two Crores Only) Equity Shares of INR 10/- (Rupees Ten Only) each (at par) to Promoter Companies i.e. 40,00,000 Equity Shares were offered to each of the Promoter Company at INR 10/- each. The same was fully subscribed and the subsequent allotment was done on February 15, 2020.

Accordingly, Paid-up Capital of the Company increased from INR 25 Crores to INR 60 Crores during the year under review.

3.3 Changes between the end of the F.Y. & the date of this report

In order to meet its capital requirements, the Company made a right offer of 1,50,00,000 (One Crore & Fifty Lakhs Only) Equity Shares of INR 10/- (Rupees Ten Only) each (at par) to the promoter companies on July 17, 2020. The offer was accepted in full and shares were allotted accordingly. Accordingly, paid-up Capital of the Company has increased from INR 60 Crore (Rupees Sixty Crores) to INR 75 Crores (Rupees Seventy-Five Crores).

4. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

4.1 Directors

During the year under review, Shri Aruni Prosad Chakravorty has been nominated by NRL as its Nominee on the Board of your Company (effective date of appointment as Additional Director in the Board of IGGL: March 16, 2020) in place of Shri Bruno Ekka (who superannuated at NRL on February 29, 2020). The Board appreciated and is thankful to Shri Bruno Ekka for his valuable services offered to the Company during his tenure.

4.2 Key Managerial Personnel

During the year under review, Shri Arpan Baid was appointed as Company Secretary of IGGL w.e.f. June 18, 2019.

4.3 Changes in Board of Director, KMP and other important position between the end of the FY under review and date of this Report

- i. OIL vide its email dated May 9, 2020, have nominated Shri Sandip Goswami, CGM (PL-Operations), OIL, as Director in the Board of IGGL in place of Shri Samir Kumar Das w.e.f. May 9, 2020. Accordingly Board appointed Shri. Sandip Goswami as Additional Director w.e.f.



May 12, 2020. Board appreciates Shri Samir Kumar Das for his valuable services offered to the Company during his tenure.

- ii. GAIL vide its Office Order dated June 8, 2020, have nominated Shri Arun Modi, CGM (O&M- LPG P/L), GAIL as CEO of IGGL, in place of Dr. Deben Buragohain. Accordingly, Dr. Deben Buragohain has been relieved from duties and Shri Arun Modi have been appointment as CEO w.e.f. July 15, 2020. Board appreciates Dr. Deben Buragohain for leading the company from its inception to bringing to its current stage and also for his passion, dedication & sincerity in delivering every work assigned to him within timeline.
- iii. OIL vide its letter dated June 19, 2020, have nominated Shri Tilak Chandra Lahkar, GM(Vigilance-PL), OIL, as CHRCM of IGGL, in place of Shri Pallab Nag. Accordingly, Shri Pallab Nag has been relieved from duties w.e.f. June 28, 2020 and Shri Tilak Chandra Lahkar have been appointment as CHRCM w.e.f. July 10, 2020. Board appreciates Shri Pallab Nag for his valuable services.

4.4 Re-appointment

- i. In accordance with statutory requirements of Section 152(6) of the Companies Act, 2013, Shri Harendra Kumar Singh, Chairman (Nominee Director from IOCL) and Shri Mahesh Vishwanathan Iyer (Nominee Director from GAIL) would retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for reappointment. Board also recommends their appointment.
- ii. In accordance of provisions of Section 161(1) of the Companies Act, 2013, Shri Aruni Prosad Chakravorty (Nominee Director of NRL) and Shri Sandip Goswami (Nominee Director of OIL), who were appointed as Additional Directors of the Company after the date of last Directors' Report, shall vacate their offices at the ensuing Annual General Meeting. Necessary notices have been received from them/Member(s) under Section 160 of Companies Act, 2013 proposing their candidature for appointment. Board also recommends their appointment

4.5 Board Meetings and Attendance.

During the financial year under review, 7 (seven) Board Meetings were held on the following dates :-

Name	Designation	Date of Board Meeting (DD.MM.YY)						
		03.04.19	15.05.19	01.07.19	29.08.19	05.11.19	18.12.19	15.02.20
Harendra Kumar Singh	Chairman	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mahesh Vishwanathan Iyer	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Rakesh Kaul	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Bruno Ekka (#1)	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Samir Kumar Das (#2)	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Aruni Prosad Chakravorty (#1)	Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A

- #1 NRL have nominated Shri Aruni Prosad Chakravorty as Director in the Board of IGGL and who was appointed w.e.f. March 16, 2020 in place of Shri Bruno Ekka (retired from IGGL Board w.e.f. March 1, 2020).
- #2 OIL have nominated Shri Sandip Goswami as Director in the Board of IGGL and who was appointed w.e.f. May 12, 2020 in place of Shri Samir Kumar Das (retired from IGGL Board w.e.f. May 9, 2020).

4.6 Disclosure of Interest by Director:

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

4.7 Independent Directors:

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

4.8 Managerial Remuneration

No remuneration has been paid to any Director for the year 2019-20. Further details of remuneration paid to KMP is given in Form MGT – 9 (enclosed as **Annexure I**).

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

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

5. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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

6. BUSINESS RISK MANAGEMENT:

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



7. AUDIT

7.1 Statutory Auditor

In exercise of the power conferred by Section 139 of the Companies Act, 2013, the office of the Comptroller & Auditor General of India (C&AG) has appointed M/s Hari Singh & Associates (FRN 323509E) for the FY 2019-20.

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

C&AG has issued Non-Review Certificate on financial statements of the Company for the FY 2019-20.

7.2 Secretarial Auditor

M/s Bhaskarjit Goswami & Associates, Practicing Company Secretaries (M. No. 41141 & CP No. 15295), was appointed by Board of Director to conduct the Secretarial Audit of the Company for the financial year 2019-20 as required under Section 204 of Companies Act, 2013 and rules thereunder.

A Secretarial Audit Report submitted by M/s Bhaskarjit Goswami & Associates, is annexed with this report as **Annexure II** along with Management's Reply on the Secretarial Audit Report for the Financial Year 2019-20.

8. EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Board's Report is enclosed as **Annexure I**.

(weblink : <https://iggl.co.in/investors/annual-reports/>)

9. DEPOSITS:

The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 73 read with Companies (Acceptance of Deposits) Rules, 2014, during the financial year ended March 31, 2020.

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

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

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

- a. Your Company has always been taking proper steps for the conservation of the energy

keeping in mind the fact regarding the scarcity of energy in the Country.

- b. Your Company has always been trying to keep itself technologically updated from time to time.
- c. There was no foreign exchange earnings and outgo during the year under review.

12. ANNUAL EVALUATION OF THE BOARD

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Directors, including Chairman of the Board. The evaluation was conducted based on a structured evaluation process considering various aspects of the Board's functioning such as composition of Board, experience and competencies, performance of specific duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

13. INTERNAL FINANCIAL CONTROLS

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

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

The Company has provided a gender friendly work place with equal opportunity for men and women. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is in force to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints therewith or incidental thereto. IGGL has an internal Complaints Committee per provisions of the Act which is pro-active and functional. During the year 2019-20, no complaint of sexual harassment was received by the Company.

15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

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

Your Directors draw attention of the members to Note No. 21 to the Financial Statement which sets out related party disclosures.

16. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

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



17. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

18. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their deep gratitude for the untiring efforts put in by our Promoter Companies: IOCL, ONGC, GAIL, OIL and NRL, in building up the Company. Whether it be by way of providing employees on deputation, office space from time to time, assistance in completing pre-project activities or providing guidance and help whenever asked for, the Promoter Companies have always been there as guardian to the Company. IGGL is also grateful to the MoP&NG and Nodal Officers of Promoter Companies for all the guidance and support.

Your Directors are also thankful to the employees of the Company, various Government Departments & agencies.

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

For Indradhanush Gas Grid Limited

Sd/-

(Harendra Kumar Singh)

Chairman

DIN 07045323

Date : 24.08.2020

Place : Noida

ANNEXURE I

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2020

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

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

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

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



IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF		4	4	0.00	4	-	4	0.00	0.00
b) Central Govt			-	0.00			-	0.00	0.00
c) State Govt(s)			-	0.00			-	0.00	0.00
d) Bodies Corp.		2,49,99,996	2,49,99,996	100.00	5,99,99,996	-	5,99,99,996	100.00	140.00
e) Banks / FI			-	0.00			-	0.00	0.00
f) Any other			-	0.00			-	0.00	0.00
Sub Total (A) (1)	-	2,50,00,000	2,50,00,000	100.00	6,00,00,000	-	6,00,00,000	100.00	140.00
(2) Foreign									
a) NRI Individuals			-	0.00			-	0.00	0.00
b) Other Individuals			-	0.00			-	0.00	0.00
c) Bodies Corp.			-	0.00			-	0.00	0.00
d) Any other			-	0.00			-	0.00	0.00
Sub Total (A) (2)	-	-	-	0.00	-	-	-	0.00	0.00
TOTAL (A)	-	2,50,00,000	2,50,00,000	100.00	6,00,00,000	-	6,00,00,000	100.00	140.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds			-	0.00			-	0.00	0.00
b) Banks / FI			-	0.00			-	0.00	0.00
c) Central Govt			-	0.00			-	0.00	0.00
d) State Govt(s)			-	0.00			-	0.00	0.00
e) Venture Capital Funds			-	0.00			-	0.00	0.00

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



Foreign Bodies - D R			-	0.00			-	0.00	0.00
Sub-total (B) (2):-	-	-	-	0.00	-	-	-	0.00	0.00
Total Public (B)	-	-	-	0.00	-	-	-	0.00	0.00
C. Shares held by Custodian for GDRs & ADRs			-	0.00				0.00	0.00
Grand Total (A+B+C)	-	2,50,00,000	2,50,00,000	100.00	6,00,00,000	-	6,00,00,000	100.00	140.00

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2019)			Shareholding at the end of the year (as on 31.03.2020)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Indian Oil Corporation Ltd	49,99,999	20.00	-	1,19,99,999	20.00	-	140.00
2	GAIL (India) Ltd	49,99,999	20.00	-	1,19,99,999	20.00	-	140.00
3	Numaligarh Refinery Ltd	49,99,999	20.00	-	1,19,99,999	20.00	-	140.00
4	Oil India Ltd	49,99,999	20.00	-	1,19,99,999	20.00	-	140.00
5	Oil And Natural Gas Corporation Ltd	50,00,000	20.00	-	1,20,00,000	20.00	-	140.00
6	Hamonta Kumar Sarmah (Jointly with Numaligarh Refinery Ltd)	1	0.00	-	1	0.00	-	0.00
7	Mahesh Vishwanathan Iyer [Jointly with GAIL (India) Ltd]	1	0.00	-	1	0.00	-	0.00
8	Joydev Lahiri (Jointly with Oil India Ltd)	1	0.00	-	1	0.00	-	0.00
9	Pankaj Sinha	1	0.00	-	-	0.00	-	-100.00
10	Gagan Deep Singh Kohli	-	0.00	-	1	0.00	-	0.00
	Total	2,50,00,000	100.00	-	6,00,00,000	100.00	-	140.00

(iii) Change in Promoters' Shareholding						
SN	Particulars	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	01.04.2019	2,50,00,000	100.00	2,50,00,000	100.00
	<u>Changes during the year</u>					
	a) Further Allotment via Right Issue	29.08.2019	1,50,00,000	60.00	4,00,00,000	100.00
	b) Further Allotment via Right Issue	15.02.2020	2,00,00,000	80.00	6,00,00,000	100.00
	At the end of the year	31.03.2020	6,00,00,000	240.00	6,00,00,000	100.00

(iv) Shareholding Pattern of top ten Shareholders = Nil
 (Other than Directors, Promoters and Holders of GDRs and ADRs): Not applicable as all shares are hold by Promoters and Directors.

SN	For each of the Top 10 shareholders	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares	No. of shares	% of total shares
1						
	At the beginning of the year	01.04.2019		0.00	-	0.00
	Changes during the year		-	0.00	-	0.00
	At the end of the year	31.03.2020	-	0.00	-	0.00

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares	No. of shares	% of total shares
1	Mahesh Vishwanathan Iyer [Jointly with GAIL (India) ltd]					
	At the beginning of the year	01.04.2019	1	0.00	1	0.00
	Changes during the year			0.00		0.00
	At the end of the year	31.03.2020	1	0.00	1	0.00



V. INDEBTEDNESS				
Indebtedness of the Company including interest outstanding/accrued but not due for payment.				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL			
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:			
SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	-	(in INR)
	Designation	-	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-

3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	-	-

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



C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD					
SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name	DEBEN BURAGOHAİN	MAHESH PRASAD SARRAF	ARPAN BAID (w.e.f. 18.06.2019)	(in INR)
	Designation	CEO	CFO	Company Secretary	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	69,86,260	51,65,299	9,33,333	1,30,84,892
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	4,44,532	2,01,878	-	6,46,410
	(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	74,30,792	53,67,177	9,33,333	1,37,31,302

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**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 :-

Name (s) of the related party & nature of relationship	Nature of contracts / arrangements / transaction	Duration of the contracts / arrangements / transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
Indian Oil Corporation Limited (Joint Venturer of IGGL)	Availing of Services	Onetime transaction	Pre-Project Activities : INR 193.55 Lakhs	Not required	Nil
Oil India Limited (Joint Venturer of IGGL)	Availing of Services	Onetime transaction	Reimbursement of Expenses : INR 0.17 Lakhs	Not required	Nil
Indian Oil Corporation Limited (Joint Venturer of IGGL)	Availing of Services	Ongoing transaction	Salary & Allowances of Employees on deputation :- INR 128.96 Lakhs	Not required	Nil
Oil and Natural Gas Corporation Limited (Joint Venturer of IGGL)	Availing of Services	Ongoing transaction	Salary & Allowances of Employees on deputation :- INR 230.80 Lakhs	Not required	Nil
GAIL (India) Ltd (Joint Venturer of IGGL)	Availing of Services	Ongoing transaction	Salary & Allowances of Employees on deputation :- INR 340.70 Lakhs	Not required	Nil
Oil India Limited (Joint Venturer of IGGL)	Availing of Services	Ongoing transaction	Salary & Allowances of Employees on deputation :- INR 271.88 Lakhs	Not required	Nil
Numaligarh Refinery Limited (Joint Venturer of IGGL)	Availing of Services	Ongoing transaction	Salary & Allowances of Employees on deputation :- INR 218.00 Lakhs	Not required	Nil

**BHASKARJIT GOSWAMI & ASSOCIATES
COMPANY SECRETARIES**

House No.-44, Behind Hanuman Mandir,
Kekura Nagar, Ganeshguri, GS Road,
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E-Mail: csbhaskarjit@gmail.com
Mobile: +91-7086019877, +91-7005210097

**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020**
[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 of
Indradhanush Gas Grid Limited
5th Floor, Central Mall Christian Basti,
G.S. Road Guwahati-781005

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Indradhanush Gas Grid Limited (CIN-U40300AS2018GOI018660)**(hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the statutory compliances and expressing my opinion thereon.

Based on our verification of the Indradhanush Gas Grid Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Indradhanush Gas Grid Limited** for the financial year ended on **31st March, 2020** according to the provisions of:
 - a. The Companies Act, 2013 (the Act) and the rules made thereunder;
 - b. Memorandum and Articles of Association of the Company;

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-
- c. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India.
 - b. Joint Venture agreement executed by Promoter Companies of Indradhanush Gas Grid Limited on 20th July, 2018.
2. We 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:
- a. The Petroleum and Natural Gas Regulatory Board Act, 2006 (hereinafter called the 'PNGRB Act')
 - b. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder.

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.

3. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:
 - a. Company has not complied with the provision of Section 203 of Companies Act, 2013, for a period from 1st April, 2019 to 17th June, 2019 due to non-appointment of Company Secretary during the said period.
 - b. Although proper notices of Board Meetings were duly sent to its Directors seven days in advance, but agenda and detailed notes were not sent to Directors before seven days of Board Meetings held on 3rd April, 2019; 1st July, 2019 and 15th February, 2020.

Annexure –III**BHASKARJIT GOSWAMI & ASSOCIATES
COMPANY SECRETARIES**

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4. We further report that:

The Board of Directors of the Company is duly constituted. 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 are carried out unanimously as recorded in the minutes of the Meetings of the Board of Directors.

5. We 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.

6. We further report that during the audit period the company has made following right issue of shares –

- a. 1,50,00,000 (One Crore & Fifty Lakhs Only) Equity shares at ₹ 10 (Rupees Ten only) each and allotted on 29th August , 2019.
- b. 2,00,00,000 (Two Crores Only) Equity shares at ₹ 10 (Rupees Ten only) each and allotted on 15th February , 2020.

No further major decisions having a bearing on Company's affairs in pursuance of the above referred laws, rules, regulations and guidelines, were taken by the Company.

This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

**For, Bhaskarjit Goswami and Associates
Company Secretaries**

Sd/-
Bhaskarjit Goswami

M.No: 41141

CP No: 15295

UDIN- A041141B000411368

Place : Guwahati
Dated-03/07/2020

**BHASKARJIT GOSWAMI & ASSOCIATES
COMPANY SECRETARIES**

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Annexure 'A'

To,
The Members,
Indradhanush Gas Grid Limited

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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial record. 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. 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 procedures 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.
7. During the course of our examination of the books and records of the Company carried out in accordance with generally accepted practices in India, we have neither come across any instance of material fraud on or by the Company, nor the Company has noticed and reported any such case during the year and accordingly the Company has not informed us of any such case.

**For, Bhaskarjit Goswami and Associates
Company Secretaries**

**Place : Guwahati
Dated-03/07/2020**

**Sd/-
Bhaskarjit Goswami
M.No: 41141
CP No: 15295
UDIN- A041141B000411368**

Annexure –III**Management’s Reply on the Secretarial Audit Report for the
Financial Year 2019-20**

Secretarial Auditor’s Observation	Management’s Reply
<p>Company has not complied with the provision of Section 203 of Companies Act, 2013, for a period from 1st April, 2019 to 17th June, 2019 due to non-appointment of Company Secretary during the said period.</p>	<p>During the mentioned period of 1st April 2019 to 17th June 2019, M/s Biman Debnath & Associates, Company Secretaries, were looking after the compliances and secretarial work on retainership basis.</p> <p>Further pursuant to Section 203, Sh. Arpan Baid was appointed as Company Secretary w.e.f. 18th June, 2019.</p>
<p>Although proper notices of Board Meetings were duly sent to its Directors seven days in advance, but agenda and detailed notes were not sent to Directors before seven days of Board Meetings held on 3rd April, 2019; 1st July, 2019 and 15th February, 2020.</p>	<p>Due to exigency of the matter the meeting couldn’t have been deferred and accordingly Agendas were sent on shorter notice.</p>

**HARI SINGH & ASSOCIATES****CHARTERED ACCOUNTANTS****Firm Regn. No. 323509E**

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Ph. (0361)2525055, 2526161; Fax : 0361-2462966

INDEPENDENT AUDITOR'S REPORT**To the Members of Indradhanush Gas Grid Limited****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the standalone financial statements of Indradhanush Gas Grid Limited (“the Company”), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss (along with other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the director’s report but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, we considered whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We conclude that there is no material misstatement of this other information and we have nothing to report in this regard.

IN RESPECT OF INDRADHANUSH GAS GRID LIMITED FOR THE YEAR ENDED 31ST MARCH, 2020**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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

IN RESPECT OF INDRADHANUSH GAS GRID LIMITED FOR THE YEAR ENDED 31ST MARCH, 2020

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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Report on Other Legal and Regulatory Requirements

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

1. 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to managerial remuneration, the company has paid professional fee to its group concerns to compensate the directors and other managerial personnel. In our opinion, the same is outside the purview of overall maximum managerial remuneration as allowed under section 197 of the Act.
 - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

IN RESPECT OF INDRADHANUSH GAS GRID LIMITED FOR THE YEAR ENDED 31ST MARCH, 2020

- h. As required by section 143(5) of the Companies Act 2013, our comments with regard to directions and additional directions issued by the Comptroller and Auditor General of India is given in **Annexure C**
- i. 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:



HARI SINGH & ASSOCIATES

CHARTERED ACCOUNTANTS

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- 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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Place of Signature: Guwahati
Date: The 15thDay of May, 2020
UDIN: 20519831AAAABF2487

Sd/-
GOVIND BERIA
(PARTNER)
Membership No. 519831

HARI SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 323509E

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IN RESPECT OF INDRADHANUSH GAS GRID LIMITED FOR THE YEAR ENDED 31ST MARCH, 2020

Annexure A to the Auditors' Report

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub Section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of INDRADHANUSH GAS GRID LIMITED as of 31st March 2020 in conjunction with our audit of the IND AS financial statement for the company for the year ended on that date.

Management's Responsibility for the Internal Financial Controls

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

Auditor's Responsibility

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



HARI SINGH & ASSOCIATES

CHARTERED ACCOUNTANTS

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

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

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Annexure A to the Auditors' Report (contd...)

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the information given to us, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance



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Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place of Signature: Guwahati
Date: The 15thDay of May, 2020
UDIN: 20519831AAAABF2487

Sd/-
GOVIND BERIA
(PARTNER)
Membership No. 519831

HARI SINGH & ASSOCIATES
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IN RESPECT OF INDRADHANUSH GAS GRID LIMITED FOR THE YEAR ENDED 31ST MARCH, 2020

Annexure B to the Auditors' Report

**Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year
ending on 31st March, 2020**

To the Members of INDRADHANUSH GAS GRID LIMITED

1. In respect of Company's fixed assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - b. The property, plant and equipment has been physically verified during the year by the management in accordance with a regular programme of physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c. As per the information and explanations given to us, there is no immovable property in case of the company.
2. The company is yet to commence operation. There is no inventory and hence, comment under the head is not applicable.
3. The company has not granted any loan, secured or unsecured, to companies, firm, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act 2013.
4. In our opinion and according to the information and explanation given to us the Company has complied with the provision of Section 185 and 186 of the Companies Act, 2013 in the respect of grant of loan, making investment and provided guarantees and securities, as applicable.
5. According to the information and explanation given to us, the Company has not accepted any deposit during the year and according to the question of complying with Section 73 and 76 of the Companies Act, 2013 does not arise.
6. To the best of our knowledge and according to the information given to us, the Central Government has not prescribed maintenance of cost records under Section 148 of the Companies Act, 2013.



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7. According to the information and explanations given to us, in respect of statutory dues:
- a. The company is regular in depositing undisputed statutory dues including goods and services tax, TDS and any other statutory dues to the appropriate authorities. There are no undisputed statutory dues as at the last day of the financial year which have been outstanding for a period of more than six months from the date they become payable

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Annexure B to the Auditors' Report (contd...)

- S (b). According to the information and explanations given to us, there are no dues of duties, income tax or sales tax or service tax or value added tax or goods and services tax or TDS which have not been deposited on account of any dispute
8. As per our examination of the books of accounts, the company has not availed any loan from financial institutions, banks and government. Therefore, the question of any default in the repayment of loan or borrowings does not arise.
 9. The Company did not raise money by way of initial public offer or further public offer (including debt instruments) and term loan during the year.
 10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
 11. The company has paid professional fee to its associated companies to compensate the directors and other managerial personnel. Therefore, in our opinion, provisions of Section 197 read with Schedule V of the Companies Act, 2013 are not applicable in the instant case as the company is not paying salary/remuneration directly.
 12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3 (xii) of the order is not applicable.
 13. According to information and explanations given to us and based on our examinations of the records of the Company, transaction with related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
 14. During the year under review, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Hence, compliance with the provisions of Section 42 of The Companies Act, 2013 is not required. The company has issued shares to existing shareholders under section 62 of the Act.
 15. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non cash transactions with directors or person connected to its directors.
 16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

Place of Signature: Guwahati
Date: The 15thDay of May, 2020
UDIN: 20519831AAAABF2487

Sd/-
GOVIND BERIA
(PARNTER)
Membership No. 519831



HARI SINGH & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Regn. No. 323509E

House No.-3,
Opp. ICICI Bank, Chilarai Nagar Path,
Bhangagarh, Guwahati-781032
Ph. (0361)2525055, 2526161; Fax : 0361-2462966

IN RESPECT OF INDRADHANUSH GAS GRID LIMITED FOR THE YEAR ENDED 31ST MARCH, 2020

Annexure C (i) to the Auditors' Report

**Comments in regard to the directions under section 143(5) issued by the Comptroller
and Auditor General of India**

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

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

**Place of Signature: Guwahati
Date: The 15th Day of May, 2020
UDIN: 20519831AAAABF2487**

**Sd/-
GOVIND BERIA
(PARTNER)
Membership No. 519831**

HARI SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 323509E

House No.-3,
Opp. ICICI Bank, Chilarai Nagar Path,
Bhangagarh, Guwahati-781032
Ph. (0361)2525055, 2526161; Fax : 0361-2462966

IN RESPECT OF INDRADHANUSH GAS GRID LIMITED FOR THE YEAR ENDED 31ST MARCH, 2020

Annexure C (ii) to the Auditors' Report

**Comments in regard to the additional-directions under section 143(5) issued by the
Comptroller and Auditor General of India**

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

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

Place of Signature: Guwahati
Date: The 15th Day of May, 2020
UDIN: 20519831AAAABF2487

Sd/-
GOVIND BERIA
(PARTNER)
Membership No. 519831



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)
(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF INDRADHANUSH GAS
GRID LIMITED FOR THE YEAR ENDED 31st MARCH, 2020**

The preparation of financial statements of Indradhanush Gas Grid Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(7) of the Act is responsible for expressing opinion on these financial statements under section 143 of the Act based, on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 15 May 2020.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Indradhanush Gas Grid Limited for the year ended 31 March 2020 under section 143(6)(a) of the Act.

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

**Sd/-
(Suparna Deb)
Director General of Commercial Audit**

**Place: Kolkata
Date: 15.06.2020**

Indradhanush Gas Grid Limited

Balance Sheet as at 31st March 2020

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

Particulars	Note	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	1(i)	22.19	1.39
Capital work-in-progress	1(ii)	1,578.06	94.23
Intangible assets	1(iii)	3.50	-
RoU Assets - Leasehold	1(iv)	135.25	-
Deferred tax assets (net)	2	186.58	-
Other non-current assets	3	16.30	-
Total non-current assets		1,941.89	95.62
Current assets			
Inventories			
Financial assets			
(i) Cash and cash equivalents	4	1,366.11	416.29
(ii) Bank balances other than (i) above	5	1,600.00	1,400.00
(iii) Other financial assets	6	147.65	45.53
Current tax assets (net)			
Other current assets	7	297.41	176.18
Total current assets		3,411.16	2,038.00
Total assets		5,353.05	2,133.62
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	6,000.00	2,500.00



Other equity	9	(1,743.27)	(1,212.23)
Total equity		4,256.73	1,287.77
Non Current Liabilities			
Financial liabilities			
(i) Lease Liability		78.95	-
Other non-current liabilities	10	43.12	7.47
Total non-current liabilities		122.07	7.47
Current liabilities			
Financial liabilities			
(i) Other financial liabilities	11	663.66	664.63
Other current liabilities	12	83.09	70.37
Lease Liability	13	60.72	-
Provisions	14	166.78	103.39
Total current liabilities		974.25	838.38
Total liabilities		1,096.32	845.85
Total equity and liabilities		5,353.05	2,133.62

This is the balance sheet referred to in our report of even date.

The accompanying notes are an integral part of these financial statements 1 to 26

In terms of our report of even date attached

For Hari Singh & Associates

Chartered Accountants

Firm Registration No. : 323509E

For and on behalf of the Board

Sd/-
CA Govind Beria
Partner
Membership No. : 519831

Sd/-
(Arpan Baid)
Company Secretary

Sd/-
(Harendra Kumar
Singh)
Chariman
DIN: 07045323

Place: Guwahati

Date: 15/05/2020

Sd/-
(Dr. Deben
Buragohain)
Chief Executive
Officer

Sd/-
(Mahesh Sarraf)
Chief Financial
Officer

Place: Guwahati

Date: 15/05/2020

**Indradhanush Gas Grid Limited****Statements of Profit & Loss for the year ended 31st March 2020**

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

Particulars	Note	For the year ended 31st March 2020	As at 31st March 2019
Revenue			
Revenue from operations			
Other income	15	168.54	57.71
Total revenue (I)		168.54	57.71
Expenses			
Manpower/ Salaries Cost	16	614.18	245.10
Finance costs	17	15.71	2.27
Depreciation and amortisation expense	18	58.04	0.12
Other expenses	19	198.22	1,022.45
Total expenses (II)		886.15	1,269.94
Profit/ (Loss) before tax (I - II = III)		(717.62)	(1,212.23)
Tax expense: (IV)			
Current tax		-	-
Deferred Tax Income		186.58	-
Profit/(Loss) for the year ended 31st March 2020 (III - IV = V)		(531.04)	(1,212.23)
Attributable to:			
Shareholders of the Company			
Non-controlling Interests		(531.04)	(1,212.23)

Profit/loss for the year	<u>(531.04)</u>	<u>(1,212.23)</u>
Other comprehensive income (VI)		
Items that will not be reclassified to the statement of profit and loss	-	
Remeasurement of post employment benefit obligation (net of tax)		
Total other comprehensive income/ (expense) for the year ended 31.03.2020, net of taxes (VI)	<u>-</u>	<u>-</u>
Total comprehensive income/ (expense) for the year ended 31st March 2020 (V + VI = VII)	<u>(531.04)</u>	<u>(1,212.23)</u>
Attributable to:		
Shareholders of the Company		
Non-controlling Interests	(531.04)	(1,212.23)
Comprehensive Income/(loss) for the year ended 31st March 2020	<u>(531.04)</u>	<u>(1,212.23)</u>
Earnings/(loss) per equity share (INR)	(1.46)	(10.39)
Basic and diluted (nominal value of shares INR 10 each)		

This is the Statement of Profit and Loss referred to in our report of even date.

The accompanying notes are an integral part of these financial statements 1 to 26

In terms of our report of even date attached

For Hari Singh & Associates

Chartered Accountants

Firm Registration No. : 323509E

Sd/-
(Arpan Baid)
Company Secretary

For and on behalf of the Board

Sd/-
(Harendra Kumar Singh)
Chariman
DIN: 07045323



Sd/-

CA Govind Beria

Partner

Membership No. : 519831

Place: Guwahati

Date: 15/05/2020

Sd/-

(Dr. Deben Buragohain)

Chief Executive Officer

Sd/-

(Mahesh Sarraf)

Chief Financial Officer

Place: Guwahati

Date: 15/05/2020

Indradhanush Gas Grid Limited

Cash Flow Statement for the year ended 31st March 2020

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

Particulars	For the quarter ended 31st March 2020	For the year ended 31 March 2019
A. Cash flows from operating activities		
Profit/ (loss) before tax	(717.62)	(1,212.23)
Adjustments for:		
Depreciation and amortisation expense	58.04	0.12
Finance costs	10.70	-
Interest income	(135.92)	(57.71)
Operating cash flows before working capital changes	(784.79)	(1,269.82)
(Increase) / Decrease in other financial assets	(102.12)	(45.53)
(Increase) / Decrease in other assets	(121.22)	(176.18)
Increase/ (Decrease) in trade payables	-	-
Increase / (Decrease) in other financial liabilities	59.75	664.63
Increase / (Decrease) in other current liabilities	12.72	70.37
Increase/ (Decrease) in provisions	63.39	103.39
(Increase) / Decrease in remittances	-	-
Cash from operating activities	(872.27)	(653.15)
Net income tax refund (paid)	-	-
Net cash generated from operating activities (A)	(872.27)	(653.15)
B. Cash flows from investing activities		
Acquisition of property, plant and equipment - Tangible	(28.07)	(1.50)
Capital work-in-progress	(1,483.83)	(94.23)



Acquisition of Intangible Assets	(4.63)	-
Acquisition of other Assets	(184.89)	-
Interest received	135.92	57.71
Proceeds from / (investment in) deposits with banks	(200.00)	(1,400.00)
Proceeds from / (investment in) deposits with others (net)	19.35	7.47
Net cash generated used in investing activities (B)	(1,746.16)	(1,430.56)

C. Cash flows from financing activities

Interest paid - on Lease Liability	(10.70)	-
Proceeds from/ (buy back) of Equity Shares	3,500.00	2,500.00
Proceeds from/ (repayment) of lease liability	78.95	-
Net cash generated from/ (used in) financing activities (C)	3,568.25	2,500.00

Net increase/ (decrease) in cash and cash equivalents (A + B + C)	949.82	416.29
--	---------------	---------------

Cash and cash equivalents at the beginning of the quarter	416.29	-
--	--------	---

Cash and cash equivalents at the end of the quarter	1,366.11	416.29
--	-----------------	---------------

Components of cash and cash equivalents:

Balances with banks in current Accounts	1,366.11	416.29
Deposits with original maturity of less than three months	-	-
Cheques on hand	-	-
Cash on hand	-	-
Bank overdraft	-	-
Total cash and cash equivalents (Note 5)	1,366.11	416.29

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

1 to 26

In terms of our report of even date attached

For Hari Singh & Associates

Chartered Accountants

Firm Registration No. : 323509E

Sd/-

CA Govind Beria

Partner

Membership No. : 519831

Place: Guwahati

Date: 15/05/2020

For and on behalf of the Board

Sd/-

(Harendra Kumar
Singh)

Chariman

DIN: 0704523

Sd/-
(Arpan Baid)

Company
Secretary

Sd/-

(Dr. Deben
Buragohain)

Chief Executive
Officer

Sd/-

(Mahesh Sarraf)

Chief Financial
Officer

Place: Guwahati

Date: 15/05/2020

**Indradhanush Gas Grid Limited****Statement of Changes in Equity for the year ended 31st March 2020**

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

Statement of Changes in Equity**a. Equity share capital**

Particulars	Note	Amount
Balance as at 31 March 2019	8	2,500
Changes in equity share capital during the year ended 31 March 2020		3,500
Balance as at 31st March 2020		6,000

b. Other equity

Particulars	Reserves & Surplus	Total
	Retained earnings	
Balance as at 1 April 2019	(1,212.23)	(1,212.23)
Profit/(Loss) for the year	(531.04)	(531.04)
Contingency reserve transferred to general reserve	-	-
Other comprehensive income/ (expense) for the year	-	-
Balance as at 31st March 2020	(1,743.27)	(1,743.27)

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

1 to 26

In terms of our report of even date attached

For Hari Singh & Associates

Chartered Accountants

Firm Registration No. : 323509E

Sd/-

CA Govind Beria

Partner

Membership No. : 519831

Place: Guwahati

Date: 15/05/2020

For and on behalf of the Board

Sd/-

(Harendra Kumar Singh)

Chariman

DIN: 0704523

Sd/-

(Dr. Deben Buragohain)

Chief Executive Officer

Sd/-

(Mahesh Sarraf)

Chief Financial Officer

Place: Guwahati

Date: 15/05/2020

**Indradhanush Gas Grid Limited****Notes to the financial statements for the year ended 31st March 2020**

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

As at
31st March 2020**1. Property, plant and equipment****(i) Tangible assets**

Particulars	Gross block			Accumulated depreciation			Net block	
	As at 1 April 2019	Additions Disposals/ adjustments	As at 31st March 2020	As at 1 April 2019	Additions Disposals/ adjustments	As at 31st March 2020	As at 31st March 2020	As at 31 March 2019
Office Equipment	0.92	1.00	1.92	0.05	0.32	0.37	1.55	0.87
Computers	0.58	27.07	27.65	0	6.94	7.00	20.65	0.52
Total	1.50	28.07	29.57	0.12	7.26	7.38	22.19	1.39

(ii) Capital work-in-progress

Particulars	As at 1 April 2019	Additions during the quarter	Disposals/ adjustments	As at 31st March 2020
Capital work-in-progress	94.23	1,483.83		1,578.06
Total	94.23	1,483.83	-	1,578.06

(iii) Intangible Assets

Particulars	Gross block			Accumulated depreciation			Net block		
	As at 1 April 2019	Additions	Disposals/ adjustments	As at 31st March 2020	As at 1 April 2019	Additions	Disposals/ adjustments	As at 31st March 2020	As at 31 March 2019
Softwares		4.47		4.47	-	1.11		3.35	-
Accounting Software (Tally)		0.17		0.17	-	0.02		0.15	
Total	-	4.63	-	4.63	-	1.13	-	3.50	-

(iv) RoU Assets - Leasehold

Particulars	Gross block			Accumulated depreciation			Net block		
	As at 1 April 2019	Additions	Disposals/ adjustments	As at 31st March 2020	As at 1 April 2019	Additions	Disposals/ adjustments	As at 31st March 2020	As at 31 March 2019
ROU - Assets (Leased Office Premises)		184.89		184.89	-	49.65		135.25	
Total	-	184.89	-	184.89	-	49.65	-	135.25	-

**Indradhanush Gas Grid Limited****Notes to the financial statements for the period ended 31st March 2020**

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

Particulars	As at 31st March 2020	As at 31 March 2019
2 Deferred Tax Assests (Net)		
Deferred Tax Assets		
Opening Assets / (Liability)	-	
Less: Deferred Tax Income in Current F.Y	186.58	
Closing Assets / (Liability)	186.58	
	186.58	-
3 Other non-current assets		
Security Deposits	16.30	-
	16.30	-
4 Cash and cash equivalent		
Balances with banks		
Balances With Bank - In Current Accounts	61.27	16.29
Deposits with original maturity of less than three months	1,304.84	400.00
	1,366.11	416.29

5 Bank balances other than cash and cash equivalents

Bank deposits with original maturity of more than three months but upto twelve months (under Bank Lien against Bank Guarantee)	1,600.00	1,400.00
	<u>1,600.00</u>	<u>1,400.00</u>

6 Other current financial assets

Interest accrued on bank deposits	147.65	45.53
	<u>147.65</u>	<u>45.53</u>

7 Other current assets

Balances with Statutory Authorities			
Input Credit (Goods & Service Tax)	276.81		
TDS Deposits	13.50		
IT Refundable	<u>5.77</u>	296.08	175.74
Others		1.33	0.45
		<u>297.41</u>	<u>176.18</u>

8 Share capital

	As at 31st March 2020	
Authorised	Number of Shares	Amount
	<u>50,00,00,000</u>	<u>50,000.00</u>
	As at 31st March 2020	
Issued, Subscribed and Paid-up	Number of shares	Amount
	<u>6,00,00,000</u>	<u>6,000.00</u>
	<u>6,00,00,000</u>	<u>6,000.00</u>



a Reconciliation of number of shares outstanding at the beginning and at the end of the quarter :

	As at 31st March 2020	
	Number of shares	Amount
Outstanding at the 31 March 2019	2,50,00,000	2,500.00
Equity shares issued during the year	3,50,00,000	3,500.00
Outstanding at the 31st March 2020	6,00,00,000	6,000.00

b Shareholders holding more than 5% shares in the company *

	As at 31st March 2020	
	Number of shares	Percentage
GAIL India Limited (GAIL) **	1,20,00,000	20.00%
Indian oil Corporation Ltd (IOCL)**	1,20,00,000	20.00%
Numaligarh Refinery Limited (NRL)**	1,20,00,000	20.00%
Oil and Natural Gas Corporation (ONGC)**	1,20,00,000	20.00%
Oil India Limited (OIL)**	1,20,00,000	20.00%

* The above information is furnished as per the shareholder's register as at the quarter end.

**These companies are classified as Associates for Indradhanush Gas Grid Limited (IGGL) in terms of Section 2(6) of the Companies Act 2013.

c Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share.

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

	As at 31st March 2020	
9 Other equity		
a Retained earnings		
Balance at the beginning of the quarter		(1,212.23)
Add: Profit/(Loss) for the quarter		(531.04)
Items of other comprehensive income/ (expense) recognised directly in retained earnings		
Remeasurement of post employment benefit obligation, net of tax		-
Balance at the end of the quarter		(1,743.27)
Total other equity		(1,743.27)
	As at 31st March 2020	As at 31 March 2019
10 Non Current Liabilities		
Deposits Withhold	14.22	-
Retention Money	28.89	7.47
	43.12	7.47
11 Financial Liabilities		
Creditors - Capital Expenses (Project)	409.36	17.66
Creditors - Related Party (JV Co.)	220.58	642.81
Creditors - Other Expenses	29.52	2.03
Other payables towards Liability for employees	4.20	2.12
	663.66	664.63

**12 Other current liabilities**

Liability for Statutory Payments	78.41	67.72
Security Deposits	4.68	2.65
	<u>83.09</u>	<u>70.37</u>

13 Lease Liability - Current

Lease Liability - Current	60.72	-
	<u>60.72</u>	<u>-</u>

14 Provisions

Provisions for Manpower expenses	57.08	72.95
Provisions for Other expenses	109.70	30.45
	<u>166.78</u>	<u>103.39</u>

15 Other income**Interest income on**

Financial assets at amortised cost:

Deposits with banks	135.92	57.71
Other	32.00	
Excess Provision Written Back	0.62	
	<u>168.54</u>	<u>57.71</u>

16 Manpower/ Salaries Cost

Manpower Expenses	1,106.62	245.10
Salaries, wages, allowances and other benefits	-	
	<u>1,106.62</u>	<u>245.10</u>
Less : Allocated to capital work-in-progress and others	492.44	
	<u>614.18</u>	<u>245.10</u>

17 Finance Cost

Bank Charge	5.01	2.27
Finance Expenses	10.70	-
	15.71	2.27

18 Depreciation and amortisation expense

Depreciation on property, plant and equipment	7.26	0.12
Amortisation on intangible assets	1.13	
Depreciation / Amortisation of ROU Assets	49.65	-
	58.04	0.12

19 Other expenses

Pre-Project Expenses	-	718.86
Advertisement Expenses	1.17	5.85
Audit Fees	1.20	0.50
Fees & Taxes	1.08	173.81
General Administration Expenses	185.34	40.59
Preliminary Expenses	-	77.33
Professional Expenses	9.43	5.51
	198.22	1,022.45

20 Earnings/ (loss) per share

Basic and diluted earnings/ (loss) per share

Basic and diluted earnings/ (loss) per share is calculated by dividing the profit/ (loss) during the year attributable to equity shareholders of the Company by the weighted number of equity shares outstanding during the year.

Particulars	Unit	For the year ended 31 March 2020
Profit/ (loss) after tax attributable to equity shareholders	(INR in lakh)	(531.04)



Weighted average number of equity shares outstanding during the year	(in number)	3,63,66,120
Nominal value per share	INR	10
Basic and diluted earnings/ (loss) per share	INR	(1.46)

21 Related party transactions

a) List of related parties

I Key Management Personnel

Designation	Name of Incumbent
Chairman and Director	Mr Harendra Kumar Singh
Director	Mr Rakesh Kaul
Director	Mr Samir Kumar Das
Additional Director	Mr Aruni Prasad Chakraborty
Director	Mr Mahesh Vishwanathan Iyer
Chief Executive Officer	Dr D Buragohain
Chief Financial Officer	Mr Mahesh Sarraf
Company Secretary	Mr. Arpan Baid

II Associate Companies

- (i) Indian oil Corporation Ltd (IOCL)
- (ii) Oil and Natural Gas Corporation (ONGC)
- (iii) GAIL India Limited (GAIL)
- (iv) Oil India Limited (OIL)
- (v) Numaligarh Refinery Limited (NRL)

b) Transactions with related parties

Name of Related Party	Nature of Transaction	Year ended 31st March 2020
(i) Issue of Equity Share Capital		
Indian Oil Corporation Ltd (IOCL)	Subscription of Equity Share Capital	1,200.00
Oil and Natural Gas Corporation (ONGC)	Subscription of Equity Share Capital	1,200.00

GAIL India Limited (GAIL)	Subscription of Equity Share Capital	1,200.00
Oil India Limited (OIL)	Subscription of Equity Share Capital	1,200.00
Numaligarh Refinery Limited (NRL)	Subscription of Equity Share Capital	1,200.00
(ii) Services Received from:		
Indian Oil Corporation Ltd (IOCL)	Deputation of Employees	128.96
Oil and Natural Gas Corporation (ONGC)	Deputation of Employees	230.80
GAIL India Limited (GAIL)	Deputation of Employees	340.70
Oil India Limited (OIL)	Deputation of Employees	271.88
Numaligarh Refinery Limited (NRL)	Deputation of Employees	218.00
(iii) Reimbursement of Expenses:		
Indian Oil Corporation Ltd (IOCL)	Reimbursement of Expenses	193.55
Oil India Limited (OIL)	Reimbursement of Expenses	0.17
(iii) Amounts Payable/(Receivable):		
Indian Oil Corporation Ltd (IOCL)	Deputation of Employees	42.24
Oil and Natural Gas Corporation (ONGC)	Deputation of Employees	78.77
GAIL India Limited (GAIL)	Deputation of Employees	81.58
Oil India Limited (OIL)	Deputation of Employees	0.00
Numaligarh Refinery Limited (NRL)	Deputation of Employees	55.74
(iv) Amounts Payable/(Receivable):		
Indian Oil Corporation Ltd (IOCL)	Reimbursement of Expenses	(37.76)

Terms and conditions of transactions with the related parties

Transactions with the related parties are made on normal commercial terms and conditions and at arm's length price.

**22 Auditor's Remuneration**

Particulars	For the year ended 31 March 2020
Statutory audit fee	1.20
Certification charges	-
Reimbursement of expenses	-
Others	-
Total (A)	1.20
Other services	-
Tax audit fee	-
Total (B)	-
Total (A + B)	1.20

Note: Fees are exclusive of applicable taxes wherever applicable.

23 Allcoation of Project Related Expenses

Particulars	For the year ended 31 March 2020
Manpower Expenses - For manpower directly attributable to project work	492.44
Tour, Travelling & Conveyance Expenses - directly attributable to project work	14.69
GST Input Tax Credit on capital goods & services which are not available (blocked u/s 17(5) of GST Law)	138.81
* (Including Rs 13.44 lacs for FY 2018-2019)	
Total	645.95

24 Contingent liabilities and commitments**A. Contingent liabilities**

The company has given bank guarantee of Rs. 2000.00 lakhs as performance guarantee to Petroleum & Natural Gas Regulatory Board. The non fund based loan has been availed from Ratnakar Bank Limited for a period of 3 years. Security of Rs. 1600.00 lakhs has been pledged with the bank in the form of fixed deposit.

B. Commitments**a) Capital commitments**

- i. Capital Expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows ;

Particulars	For the year ended 31 March 2020
Capital Work in Progress (Project Works)	13,399.14

b) Other commitments : NIL**25 Financial instruments – Fair values and risk management****A. Financial instruments – by category and fair values hierarchy**

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



i. As on 31 March 2020

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Current							
Cash	-	-	-	-	-	-	-
<u>Cash Equivalents</u>							
----Balances With Bank	-	-	61.27	61.27	-	-	-
----Deposits with original maturity of less than 3 months	-	-	1,304.84	1,304.84	-	-	-
Balances other than cash and cash equivalents	-	-	1,600.00	1,600.00	-	-	-
Other financial assets	-	-	147.65	147.65	-	-	-
Total	-	-	3,113.76	3,113.76			
Financial liabilities							
Current							
Other current financial liabilities			663.66	663.66	-	-	-
Total	-	-	663.66	663.66			

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

B. Financial risk management

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

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

Risk management framework

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

In terms of our report of even date attached

For Hari Singh & Associates

Chartered Accountants

Firm Registration No. : 323509E

Sd/-

CA Govind Beria

Partner

Membership No. : 519831

For and on behalf of the Board

Sd/-

(Arpan Baid)

Company Secretary

Sd/-

(Haredra Kumar Singh)

Chariman

DIN: 07045323

Place: Guwahati

Date: 15/05/2020

Sd/-

(Dr. Deben Buragohain)

Chief Executive Officer

Sd/-

(Mahesh Sarraf)

Chief Financial Officer

Place: Guwahati

Date: 15/05/2020



26 Accounting Policies

1 Corporate Information/ Company overview

Indradhanush Gas Grid Limited (“IGGL” or “the company”) is a limited company domiciled in India and was incorporated on August 10, 2018. IGGL is a Joint Venture Company of five PSUs i.e. Indian Oil Corporation Limited (IOCL), Oil and Natural Gas Corporation (ONGC), Gail India Limited (GAIL), Oil India Limited (OIL) and Numaligarh Refinery Limited (NRL). These companies are having equal equity of 20% each in IGGL. The registered office of the Company is located at 122A, G.S. Road, Christian Basti, Guwahati, Assam. The company has been incorporated to create infrastructure of Gas pipelines in North East India, thereby creating a Gas Grid, for easy transmission of Gas from Gas Fields to the consumers. The financial statements of the company for the year ended 31st March 2020 were authorized for issue in accordance with a resolution of the directors on 3rd May 2019.

2 Application of new Indian Accounting Standards

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

3 Significant Accounting Policies

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

3.1 Basis of preparation

(i) Compliance with Ind AS

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

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

(ii) Operating Cycle

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

(iii) Historical Cost Convention

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

3.2 Property, Plant & Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Land and

- (i) buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and impairment losses, if any. Freehold land and land under perpetual lease are not depreciated.

Property, plant and equipment are stated at their original cost net of eligible tax credit availed. The cost of PPE comprises of its purchase price, freight and directly attributable costs and any incidental expenses relating to acquisition, installation, construction and decommissioning costs as the case may be. These costs are capitalized until the asset is ready for intended use and includes borrowing cost capitalized in accordance with the Company's accounting policy.

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

The carrying amount of assets, including those assets that are not yet available for use, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, recoverable amount of asset is determined. An

- (iii) impairment loss is recognized in the statement of profit and loss whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognized



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

Depreciation/Amortization

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

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

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

3.3 Intangible Assets

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

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

Amortization

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

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

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

3.4 Capital Work in Progress

a) The capital work in progress includes Construction Stores including Material in Transit/ Equipment / Services, etc. received at site for use in the projects.

b) Crop compensation is accounted for under Capital Work-in- Progress on the basis of actual payments/estimated liability, as and when work commences where ROU is acquired.

c) Expenditure incurred during the period of construction exclusively attributable to projects including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated and capitalised, on a systematic basis, to the respective property, plant and equipment. Capital work-in-progress includes capital inventory.

d) All such expenses which are incurred during construction period until the assets is ready for intended use, which are exclusively attributable to acquisition / construction of the asset, are capitalized at the time of commissioning of such assets.

3.5 Impairment of non-financial assets

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

3.6 Foreign currency translations

(i) Functional and presentation currency

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



(ii) Transactions and balances

Initial recognition

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

Subsequent recognition

As at the reporting date, foreign currency monetary items are translated using the closing rate and non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction and those which are measured at fair value are translated using the exchange rate at the date on which such fair value is determined.

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

3.7 Borrowing Cost

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

3.8 Government Grants

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

3.9 Revenue Recognition

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

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

Revenue from rendering of services is recognized when agreed performance obligation has been fulfilled.

Interest income and expenses are reported on an accrual basis using the effective interest method.

3.10 Employee Benefits

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

3.11 Taxes on Income

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

i) Current tax

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

ii) Deferred tax

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



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

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

3.12 Provisions, Contingent Liabilities, Contingent Assets & Capital Commitments

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

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

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

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

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

3.13 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

A. Company as a lessee (Assets taken on lease)

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate.

b) Determination of discount rate as a lessee:

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease

c) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset

d) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of Property, Plant and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

**B. Company as lessor (assets given on lease)**

When the company acts as lessor, it determines at the lease commencement whether lease is finance lease or operating lease.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables and finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

3.14 Segment Reporting

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

Presently the company has only one operating and reporting segment.

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

3.15 Liquidated damages

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

3.16 Cash and Cash Equivalents

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

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

3.17 Cash Flow Statement

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

3.18 Earnings Per Share (EPS)

(i) Basic earnings per share

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

(ii) Diluted earnings per share

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

3.19 Fair Value Measurement

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

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

- (i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- (ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- (iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.



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

3.20 Financial Instruments

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

A. Financial Assets

(i) Classification

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

(ii) Initial recognition and measurement

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

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

(iii) Subsequent measurement

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

(a) Financial assets carried at amortized cost

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

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

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

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

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

(iv) Derecognition

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

B. Financial Liabilities**(i) Classification**

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

(ii) Initial recognition and measurement

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

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



(iii) Subsequent measurement

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

(a) Financial liabilities at amortized cost

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

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

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

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

(iv) Derecognition

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

C. Offsetting of financial instruments

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

MANAGEMENT TEAM



SHRI ARUN MODI
Chief Executive Officer



**SHRI TILAK CHANDRA
LAHKAR**
Chief HR &
Compliance Manager



SHRI SUJIT DAS
Chief Project Manager



SHRI MAHESH SARRAF
Chief Financial Officer



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