

# SARASWATI & CO.

CHARTERED ACCOUNTANTS

SHWETA AGARWALA

B.Com(H), F.C.A.,A.C.S,DISA (ICAI)

Dr. B.C.Das Lane, F. A. Road,  
Kumarpara, Guwahati – 781 001  
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## INDEPENDENT AUDITOR'S REPORT

To  
The members of  
**Indradhanush Gas Grid Limited**  
(CIN- U40300AS2018GOI018660)

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

#### **Opinion**

We have audited the accompanying standalone financial statements of Indradhanush Gas Grid Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, (including the statement of Other Comprehensive Income), the Cash Flow Statement and the statement of changes in the Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2025, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.



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## **Basis of Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SA"s) 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 Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the Financial Year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying standalone financial statements. We have determined the matters described below to be the key audit matters to be communicated in our report:



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<b>Key Audit Matters</b>	<b>Auditor's Response to the Key Audit Matters</b>
<p>Property, Plant &amp; Equipment and Intangible Assets. There are areas where management judgement impacts the carrying value of property, plant and equipment, intangible assets and their respective depreciation/amortisation rates. These include the decision to capitalise or expense costs; the annual asset life review; the timeliness of the capitalisation of assets and the use of management assumptions and estimates for the determination or the measurement and recognition criteria for assets retired from active use. Due to the materiality in the context of the Balance Sheet of the Company and the level of judgement and estimates required, we consider this to be as area of significance.</p>	<p>We assessed the controls in place over the fixed asset cycle, evaluated the appropriateness of capitalisation process, performed tests of details on costs capitalised, the timeliness of the capitalisation of the assets and the de-recognition criteria for assets retired from active use.</p> <p>In performing these procedures, we reviewed the judgements made by management including the nature of underlying costs capitalised; determination of realizable value of the assets retired from active use; the appropriateness of assets lives applied in the calculation of depreciation/amortisation; the useful lives of assets prescribed in Schedule II to the Act and the useful lives of certain assets as per the technical assessment of the management. We observed that the management has regularly reviewed the aforesaid judgements and there are no material changes.</p>



### **Information Other than the Standalone Financial Statements and Auditors' Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and analysis, Board's Report including Annexure to Board's Report, Corporate Governance and Shareholders information but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities;



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

In preparing the standalone financial statements, 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 Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 standalone financial statements.



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

- Identify and assess the risks of material misstatement of the standalone 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of



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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 Standalone financial statements, including the disclosures, and whether the standalone 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.

## Other Matters:

1. As required under Para 51 of Ind AS 116, disclosures in relation to the lease liabilities has not been made in the notes of the Standalone Financial Statements of the Company.

However, our opinion is not modified in respect of above matters.



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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including of Other comprehensive income), the Cash Flow Statement and the statement of changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended.
  - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.



(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

(g) With respect to managerial remuneration, the company has paid professional fees to its group concerns to compensate the directors and other managerial personnel. In our opinion the same is outside the purview of the overall maximum managerial remuneration as allowed under section 197 of the Act.

(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 other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company 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.



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- iv. a) The Management has represented that, to the best of its knowledge and belief, other than its disclosed to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the "Ultimate Beneficiaries".
- b) The Management has represented, that, to the best of its knowledge and belief, in the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



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c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice attention that caused us to believe that the representations under sub-clauses (a) and (b) above contain any material misstatement.

- v. No dividend has been declared and paid during the year by the Company.
- vi. The company has used accounting software naming SAP for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

**For, SARASWATI & CO.**  
**Chartered Accountants**  
**FRN No.: 317097E**



**CA Shweta Agarwala**  
**Partner**  
**Membership No.: 310283**



**Place: Guwahati**  
**Date: 28.04.2025**  
**UDIN: 25310283BMINOQ9384**

**Annexure (A) to the Independent Auditors' Report**

Referred to in paragraph 1 to "Report on Other legal and regulatory requirements" of the Independent Auditors' Report of even date to the members of Indradhanush Gas Grid Limited on the Standalone Financial Statements for the year ended March 31, 2025.

**Reports under The Companies (Auditor`s Report) Order, 2020 (CARO 2020) for the year ending on 31<sup>st</sup> March, 2025**

**As required in the aforesaid order, we report as under:**

(i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situations of Property, plant & Equipment and relevant details of Right-of-Use Assets;

(B) The company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of Property, Plant and Equipment by which Property, Plant and Equipment are verified in a phased manner. In accordance with this programme, certain Property, Plant and Equipment including Right of use assets and Investment Property were verified during the year and no material discrepancies were noticed on such verification. In our opinion and as per information and explanation given to us by the management the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us, we report that, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease arrangements are duly executed in the favour of the lessee), disclosed in the financial statements are held in the name of company. The details of exceptions are given in "**Appendix A**" attached.



(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.

(e) The company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) (a) The inventories have been physically verified during the year by the Management at regular intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of physical verification by the management is appropriate and no material discrepancies were noticed during physical verifications.

b) The Company has not taken working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under Clause 3(ii)(b) of the Order is not applicable to the Company

(iii) The company has given Bank Guarantee to various State/Central Government agencies in the course of project activities in the nature of security deposits for pipeline laying/crossing permissions from various state/central authorities against which security has been pledged with the bank in the form of fixed deposits with the banks. However, the same is not in the nature of loan as per confirmation from the management. Accordingly, reporting under Clause 3(iii) of the Order is not applicable to the Company.



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- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act with respect to the loans, guarantees and securities made during the year.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits or amount which deemed to be deposits. As such, the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder are not applicable to the Company.
- (vi) Maintenance of Cost records in not applicable to the company at this point of time as the project is under execution stage. Accordingly, reporting under Clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to records of the Company and information and explanation given to us the Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to information and explanation given to us there are no outstanding statutory dues as referred above as at the last day of the financial year under audit for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub clause (a) which have not been deposited with the appropriate authorities on account of any dispute.



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- (viii) In our opinion and according to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts. Accordingly, reporting under Clause 3(viii) of the Order is not applicable to the Company.
- (ix) a) According to the records of the Company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanation given to us the company is not declared wilful defaulter by any bank or financial institution or other lender.
- c) In our opinion and according to the information and explanation given to us the company has availed term loan from OADB and has been used for the purposes for which the loan has been availed.
- d) According to the information and explanation given to us and as per the test check of the financial statement done by us, no fund raised on short term basis have been used for long-term purposes of the company.
- e) According to the information and explanation given to us and our overall examination of the financial statements of the Company, no funds have been taken from any entity or person on account of or to meet the obligations of its joint venturers.
- f) In our opinion and according to the information and explanation given to us the company has not raised loans during the year on the pledge of securities held in its joint venture companies.



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- (x) (a) To the best of our knowledge and belief and according to the information and explanations given to us, the Company did not raise any moneys by way of initial public offer or further public offer (including debt instrument) during the year. Accordingly, reporting under Clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, during the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally) during the year. Accordingly, provisions of clause 3(x)(b) of the order are not applicable to the company.
- (xi) a) According to the information and explanations given to us by the management, no material fraud by the Company or on the Company has been noticed or reported during the year.
- b) We have not submitted any report under sub section (12) of section 143 of the Companies Act, 2013 in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this audit report.
- c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year. Accordingly, reporting under Clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under Clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion, the Company has complied with provisions of sections 177 and 188 of Companies Act, 2013 in respect of transactions with the related parties and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.



- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the Internal Audit reports of the company issued till date, for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions specified under section 192 of the Act with directors, or persons connected with directors and therefore, reporting under clause (xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a), 3(xvi)(b), 3(xvi)(c) & 3(xvi)(d) is not applicable to the Company.
- (xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses during the current financial year and immediately preceding financial year. Accordingly, the reporting under Clause 3(xvii) is not applicable to the Company.
- (xviii) There has not been any resignation of the statutory auditors during the year. Accordingly, reporting under Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists



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as on the date of the audit report and that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, the company has incurred expenditure under Corporate Social Responsibility as required by the provisions of Section 135 of the Act and there are no unspent amounts which are to be transferred pursuant to section 135(5) and 135(6) of the Act.

(xxi) (b) Since there are no unspent amounts which are to be transferred pursuant to section 135(5) and 135(6) of the Act, hence, provisions of clause 3(xx)(b) of the order are not applicable to the Company.

**For, SARASWATI & CO.**  
**Chartered Accountants**  
**FRN No.: 317097E**

  
**CA Shweta Agarwala**  
**Partner**  
**Membership No.: 310283**



**Place: Guwahati**  
**Date: 28.04.2025**  
**UDIN: 25310283BMINOQ9384**

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## **ANNEXURE "B" TO THE AUDITOR'S REPORT**

### **IN RESPECT OF INDRADHANUSH GAS GRID LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2025**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial statements of **INDRADHANUSH GAS GRID LIMITED** ("the Company") (CIN-U40300AS2018GOI018660) as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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



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## **Auditors' Responsibility**

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

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

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



# **SARASWATI & CO.**

CHARTERED ACCOUNTANTS

**SHWETA AGARWALA**

**B.Com(H), F.C.A.,A.C.S,DISA (ICAI)**

Dr. B.C.Das Lane, F. A. Road,  
Kumarpara, Guwahati – 781 001

Mobile: 97491-36671

E-Mail: [jyotiashok@gmail.com](mailto:jyotiashok@gmail.com)

## **Meaning of Internal Financial Controls With Reference to these Financial Statements**

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

## **Inherent Limitations of Internal Financial Controls with Reference to these Financial Statements**

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



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## **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these Financial Statements such internal financial controls with reference to these Financial Statements were operating effectively as at March 31,2025 based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

**For, SARASWATI & CO.**  
**Chartered Accountants**  
**FRN No.: 317097E**

  
**CA Shweta Agarwala**  
**Partner**  
**Membership No.: 310283**



**Place: Guwahati**  
**Date: 28.04.2025**  
**UDIN: 25310283BMINOQ9384**

**ANNEXURE "C" TO THE AUDITOR'S REPORT**

**IN RESPECT OF INDRADHANUSH GAS GRID LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2025**

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

1. Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.

*The Company maintains its books of account on IT system, SAP, which is an ERP system. All accounting transactions are processed in accounts maintained on SAP.*

*Based on the audit procedures carried out and as per the information and explanations given to us, no accounting transactions have been processed or carried outside the IT system of the Company. Accordingly, in our opinion, there are no implications on the integrity of the accounts.*

2. Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/ loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case lender is a Government Company, then this direction is also be applicable for statutory auditor of lender company.)

*In accordance with the audit procedures carried out and as per the information and explanations given to us by the Company, there was no restructuring of existing loans or cases of waiver/write off of debts/ loans/interest made by a lender to the Company due to the Company's inability to repay the loan.*



# SARASWATI & CO.

CHARTERED ACCOUNTANTS

**SHWETA AGARWALA**

**B.Com(H), F.C.A.,A.C.S,DISA (ICAI)**

Dr. B.C.Das Lane, F. A. Road,  
Kumarpara, Guwahati – 781 001

Mobile: 97491-36671

E-Mail: jyotiashok@gmail.com

3. Whether funds, (Grants/Subsidy etc.) received/ receivable for specific schemes from central/ state government or its agencies were properly accounted for/ utilized as per its terms & conditions? List the case of Deviation.

*According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company, the funds, (Grants/Subsidy etc.) received/ receivable for specific schemes from central/ state government or its agencies were properly accounted for/ utilized as per its terms and conditions. We did not encounter any deviation.*

**For, SARASWATI & CO.  
Chartered Accountants  
FRN No.: 317097E**



**CA Shweta Agarwala  
Partner  
Membership No.: 310283**

**Place: Guwahati  
Date: 28.04.2025  
UDIN: 25310283BMINOQ9384**

# SARASWATI & CO.

CHARTERED ACCOUNTANTS

SHWETA AGARWALA

B.Com(H), F.C.A.,A.C.S,DISA (ICAI)

Dr. B.C.Das Lane, F. A. Road,  
Kumarpara, Guwahati – 781 001

Mobile: 97491-36671

E-Mail: jyotiashok@gmail.com

## Reporting as per Companies (Auditor's Report) Order 2020 –Immovable Property not held in the name of the Company

### Appendix A

Description of property Asset ID	Assets Capitalised value (Rs. in Lakhs)	Whether title deed holder is a promoter, director or a relative of promoter/ director or employee of promoter/ director	Period held	Title in the name of	Reason for not being held in the name of the company
Compressor Land 1000001	3,162.13	No	2022-23	Private	Registration process in progress.
SV/SPPL/09 1000026	53.19	No	2023-24	Private	Govt acquisition process in progress.
DDPL/SV/01 1000037	39.62	No	2023-24	Private	Registration process in progress.
DDPL/SV/02 1000038	20.35	No	2023-24	Private	Registration process in progress.
SV/GNPL/13A (New Tap off cum DT at Lakhimpur) 1000040	20.40	No	2023-24	Private	Registration process in progress.
SPPL/SV/11 1000043	6.58	No	2023-24	Private	Registration process in progress.
SV/SPPL/10 1000046	49.35	No	2023-24	Private	Mutation process is in progress
DT- Panikhaiti 1000047	237.00	No	2023-24	PSU	MOU with PSU
GSPL/SV/02 1000048	9.40	No	2023-24	Government	Awaiting demand note for land premium payment
SV/GNPL/01 1000060	0.00*	No	2024-25	Government	Awaiting demand note for land premium payment
SV/GNPL/02 1000061	16.65	No	2024-25	Government	Mutation process is in progress
SV/GNPL/05-A 1000062	0.00*	No	2024-25	Government	Awaiting demand note for land premium payment
RT BSPL 1000063	0.00*	No	2024-25	Government	Awaiting demand note for land premium payment

\*Four number of Govt. Lands for which land premium demand has not been received/value not available, have been capitalised at Rs. 1 Each



Particulars	Note	As at 31st March 2025	As at 31st March 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	<u>2</u>	1,34,703.67	29,520.75
(b) Capital Work in Progress	<u>3</u>	3,43,004.05	3,46,011.87
(c) Capital Stores	<u>4</u>	23,017.87	66,895.93
(d) Assets under lease	<u>5</u>	2,616.84	2,325.52
(e) Intangible assets (Right of Use)	<u>6</u>	1,19,069.13	90,113.90
(f) Other Intangible assets	<u>7</u>	75.08	108.94
(g) Financial Assets	<u>8</u>	-	-
(i) Others	<u>8</u>	2,634.29	296.43
(h) Deferred tax assets	<u>9</u>	-	200.70
(i) Other non-current assets	<u>10</u>	863.82	1,189.62
<b>Total Non-Current Assets</b>		<b>6,25,984.75</b>	<b>5,36,663.65</b>
<b>Current assets</b>			
(a) Financial Assets			
(i) Cash and Cash Equivalent	<u>11</u>	45,794.16	26,270.76
(ii) Others (Margin Money)	<u>12</u>	350.31	2,990.91
(b) Current tax assets (net)	<u>13</u>	4,263.57	4,039.44
(c) Other current assets	<u>14</u>	51,581.14	17,831.71
<b>Total Current Assets</b>		<b>1,01,989.17</b>	<b>51,132.81</b>
<b>Total Assets</b>		<b>7,27,973.92</b>	<b>5,87,796.46</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
(a) Equity Share Capital	<u>15</u>	1,15,280.00	1,11,180.00
(b) Other Equity	<u>16</u>	1,502.64	1,591.43
<b>Total Equity</b>		<b>1,16,782.64</b>	<b>1,12,771.43</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	<u>17</u>	1,10,750.00	64,750.00
(ii) Lease Liabilities	<u>18</u>	302.53	551.60
(iii) Other financial liabilities	<u>19</u>	-	-
(c) Deferred tax liabilities	<u>9</u>	818.47	-
(b) Other non-current liabilities	<u>20</u>	4,21,453.58	3,60,937.35
<b>Total Non-Current Liabilities</b>		<b>5,33,324.58</b>	<b>4,26,238.95</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	<u>21</u>	1,250.00	1,250.00
(ii) Lease Liabilities	<u>22</u>	252.92	28.94
(b) Other current liabilities	<u>24</u>	16,734.90	14,044.76
(c) Provisions	<u>25</u>	59,628.88	33,462.38
(d) Current Tax Liabilities (Net)		-	-
<b>Total Current Liabilities</b>		<b>77,866.70</b>	<b>48,786.08</b>
<b>Total Liabilities</b>		<b>6,11,191.28</b>	<b>4,75,025.03</b>
<b>Total Equity and Liabilities</b>		<b>7,27,973.92</b>	<b>5,87,796.46</b>

This is the balance sheet referred to in our report of even date  
The accompanying notes 1-43 are an integral part of these standalone financial statements

In terms of our report of even date attached

For and on behalf of the Board

For SARASWATI & CO  
Chartered Accountants  
Firm Registration No. : 317097E

CA Shweta Agrewala  
Membership No. 310283  
UDIN: 253102838 HIND 93384  
Place: Guwahati  
Date: 28/04/2025



*N. Shafiq*  
28/04/2025  
(Bhaskar Chowdhary Nettem)  
Chairman  
DIN:10622394

*Subrata Das*  
(Subrata Das)  
Chief Executive Officer

*Sanjay Khatri*  
(Sanjay Khatri)  
Chief Financial Officer



*Arpan Baid*  
(Arpan Baid)  
Company Secretary  
M/No. A33467  
Place: Numaligach  
Date: 28-04-2025



**Profit and Loss Account for the period ended 31st Mar 2025**

(₹ in lakhs)

	Particulars	Note	Twelve months ended March 31st, 2025	Twelve months ended March 31st, 2024
I	<b>Revenue from Operations</b>		-	-
II	<b>Other Income</b>		1,102.84	598.46
III	<b>Total Income (I+II)</b>	<u>29</u>	<b>1,102.84</b>	<b>598.46</b>
IV	<b>Expenses</b>			
	Employee Benefit Expense	<u>30</u>	247.88	215.34
	Finance Costs	<u>31</u>	58.17	-
	Depreciation and amortization expense	<u>32</u>	979.71	33.56
	Other expenses	<u>33</u>	536.73	276.20
	<b>Total expenses (IV)</b>		<b>1,822.49</b>	<b>525.10</b>
V	Profit/(loss) before exceptional items and tax (III-IV)		(719.66)	73.36
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		(719.66)	73.36
VIII	Tax Expense:			
	(1) Add/Less: Current Tax		45.50	52.21
	(2) Add: Deferred Tax		(1,019.17)	-
	(3) Add: Excess Provision of previous periods		-	6.87
IX	Profit/(loss) for the period from continuing operations (VII-VIII)		(1,693.33)	28.02
X	Profit/(loss) from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from discontinued operations (after tax) (X-XI)		-	-
XIII	<b>Profit/(loss) for the period (IX+XII)</b>		<b>(1,693.33)</b>	<b>28.02</b>
XIV	Other Comprehensive Income			
	A (i) Items that will not be reclassified to Profit or Loss		-	-
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		-	-
	B (i) Items that will be reclassified to Profit or Loss		-	-
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss		-	-
XV	Total Comprehensive Income for the period (XIII+XIV)		(1,693.33)	28.02
XVI	Earning per Equity share (for continuing operation):			
	(1) Basic(in ₹)	<u>35</u>	(0.15)	0.01
	(2) Diluted(in ₹)		(0.15)	0.01
	Earning per Equity share (for discontinued operation):		-	-
XVII	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	Earning per Equity share (for discontinued and continuing operations):			
	(1) Basic(in ₹)		(0.15)	0.01
	(2) Diluted(in ₹)		(0.15)	0.01

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

The accompanying notes 1-43 are an integral part of these standalone financial statements  
In terms of our report of even date attached

For SARASWATI & CO  
Chartered Accountants  
Firm Registration No. : 317097E



CA Shweta Agarwal  
Membership No.: 3102803  
UDIN: 25310283BMIND09384  
Place: Guwahati  
Date: 28/04/2025

*N. Khap*  
(Bhaskar Chowdhary Nettem)  
Chairman  
DIN:10622394

*Subrata Das*  
(Subrata Das)  
Chief Executive Officer

*Sanjay Khatri*  
(Sanjay Khatri)  
Chief Financial Officer



*Arpan Baid*  
(Arpan Baid)  
Company Secretary  
M/No. A33467  
Place: Numalgauh  
Date: 25-04-2025



**Cash Flow Statement for the Period ended 31st March' 2025**

(₹ in lakhs)

Particulars	Period ended 31st March' 2025	Period ended 31st March' 2024
<b>A. Cash flows from operating activities</b>		
Profit/ (loss) before tax	(719.66)	73.36
<b>Adjustments for:</b>		
IND AS Amortization of Financial Guarantee Fees	383.57	162.42
Provisions for Income Tax	45.50	(45.34)
Interest income & Other Income	(1,102.84)	(598.46)
<b>Operating cash flows before working capital changes (A)</b>	<b>(1,393.42)</b>	<b>(408.02)</b>
<b>Cash from operating activities</b>	-	-
<b>Net cash generated from operating activities (B)</b>	-	-
<b>B. Cash flows from investing activities</b>		
Increase/Procurement of Capital Stores	43,878.06	28,916.51
Procurement of other financial assets (current and non-current)	302.74	(202.68)
Procurement of other assets	(32,426.80)	(14,222.61)
Increase / (Decrease) in other financial liabilities	223.97	(178.97)
Increase/ (Decrease) in provisions	26,166.50	(30,979.28)
Increase / (Decrease) in other current liabilities	2,690.14	(3,012.10)
Acquisition/Disposal of property, plant and equipment	(1,05,182.92)	(24,015.47)
Capital work-in-progress	3,007.82	(94,969.67)
Acquisition of Intangible Assets	(29,212.69)	(22,982.26)
Interest and other Income	1,102.84	598.46
Proceeds from / (investment in) deposits with banks	-	-
Proceeds from / (investment in) deposits with others (net)	-	-
<b>Net cash generated used in investing activities (C)</b>	<b>(89,450.34)</b>	<b>(1,61,048.06)</b>
<b>C. Cash flows from financing activities</b>		
Interest paid (financing Activity)	-	-
Proceeds from/ (buy back) of Equity Shares	4,100.00	12,180.00
Proceeds from Share Application Money	-	-
Proceeds from Govt Grants (capital grants) (net)	60,516.23	1,04,201.98
Proceeds from/Repayment of short term borrowings (net)	46,000.00	56,000.00
Proceeds from/ (repayment) of lease Liability	(249.06)	(164.02)
<b>Net cash generated from/ (used in) financing activities (D)</b>	<b>1,10,367.17</b>	<b>1,72,217.96</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)</b>	<b>19,523.41</b>	<b>10,761.88</b>
<b>Cash and cash equivalents at the beginning of the Year</b>	<b>26,270.76</b>	<b>15,508.88</b>
<b>Cash and cash equivalents at the end of the Year</b>	<b>45,794.16</b>	<b>26,270.76</b>
<b>Components of cash and cash equivalents:</b>		
Balances with banks in current Accounts	1,724.19	3,033.86
Deposit with Banks	-	-
Deposits with original maturity of less than three months	-	-
FD with Schedule Banks	43,600.00	23,055.80
Cheques on hand	-	-
Cash on hand	-	-
Bank overdraft	-	-
Interest Accrued on FD & CLTD	469.97	181.10
<b>Total cash and cash equivalents (Note 11)</b>	<b>45,794.16</b>	<b>26,270.76</b>

The accompanying notes 1-43 are an integral part of these standalone financial statements

Statement of Cash Flow has been prepared using indirect method as per IND AS 7- Statement of Cash Flows  
 In terms of our report of even date attached

For and on behalf of the Board

For SARASWATI & CO  
 Chartered Accountants  
 Firm Registration No. : 317097E



CA Shweta Agarwala  
 Membership No. 310283  
 UDIN: 25310283BM1N089384  
 Place: Guwahati  
 Date: 28/04/2025

(Bhaskar Chowdhary Nettem)  
 Chairman  
 DIN:10622394

(Subrata Das)  
 Chief Executive Officer

(Sanjay Khatri)  
 Chief Financial Officer



(Arpan Baid)  
 Company Secretary  
 M/No. A33467  
 Place: Humaigrah  
 Date: 25-04-2025





cont.  
(₹ in lakhs)

	Share Application money pending allotment	Equity Component of compound financial statement	Reserves and Surplus						Total				
			Capital Reserve	Securities Premium	Other Reserves	Retained Earnings	Debt instruments through Other comprehensive income	Equity instruments through Other comprehensive income		Effective Portion of Cash Flow Hedges	Revaluation Surplus	Exchange difference on translating the financial statements of a foreign operation	Other Items of Other comprehensive Income
Balance at the beginning of the previous reporting period						(610.35)							(610.35)
Changes in accounting policy or prior period errors													
Restated balance at the beginning of the previous reporting period													
Total comprehensive income for the previous year						(610.35)							(610.35)
Dividends													
Transfer to retained earnings						28.02							28.02
Allotted to Share Capital													
Balance at the end of the previous reporting period						(582.33)							(582.33)

The accompanying notes are an integral part of these standalone financial statements  
In terms of our report of even date attached

For SARASWATI & CO  
Chartered Accountants  
CIN Registration No. : 317097E



CA Shweta Agarwala  
Membership No. 310283  
UDIN: 25310283BHINO99384  
Place: Guwahati  
Date: 22/04/2025

For and on behalf of the Board  
Sanjay Khatri  
Chief Financial Officer

(Subrata Das)  
Chief Executive Officer  
Chairman  
DIN:10622394



(Arpan Baid)  
Company Secretary  
M/No. A33467  
Place: Numniganj  
Date: 25-04-2025



Notes to the financial statements as on 31st March 2025

**Non Current Assets**

**2. Property, plant and equipment**

Particulars	Gross block			Accumulated depreciation			Net block		
	As at 1st April 2024	Additions	Disposals/ adjustments	As at 31st Mar 2025	As at 1st April 2024	Additions	Disposals/ adjustments	As at 31st Mar 2025	As at 31st March 2024
Compressor Land	3,162.13	1.05	1.05	3,162.13	-	-	-	3,162.13	3,162.13
Permanent Land for SV/P/RT/DI*	2,864.10	617.76	-	3,481.86	-	-	-	3,481.86	2,864.10
Office Equipment	189.89	0.19	-	190.09	35.73	24.36	-	130.00	154.17
Furniture & Fixtures	513.55	1.27	-	514.82	70.37	48.83	-	119.20	443.17
Computers	158.44	2.37	-	160.80	97.58	32.05	-	129.63	60.86
Air Conditioner	62.73	-	-	62.73	9.42	5.96	-	47.35	53.31
Main Line 24" SEC 1	22,816.57	96,085.48	-	1,18,902.04	33.56	952.87	-	986.43	22,783.01
Telecommunication system	-	1,080.89	-	1,080.89	-	4.76	-	4.76	-
Renewable Energy equipments	-	1,993.06	-	1,993.06	-	4.56	-	4.56	-
SCADA	-	737.09	-	737.09	-	1.69	-	1.69	-
Building - Office/Others	-	5,750.87	-	5,750.87	-	10.98	-	10.98	-
<b>Total</b>	<b>29,767.41</b>	<b>1,06,270.03</b>	<b>1.05</b>	<b>1,36,036.38</b>	<b>246.66</b>	<b>1,086.05</b>	<b>-</b>	<b>1,332.71</b>	<b>29,520.75</b>

**3. Capital Work in Progress**

Particulars	As at 1st April 2024	Additions	Disposals/ adjustments	As at 31st Mar 2025
Capital Work-in Progress- Pipeline	3,46,011.87	5,816.97	8,824.79	3,43,004.05
Capital Work-in Progress- Intangible	-	-	-	-
<b>Total</b>	<b>3,46,011.87</b>	<b>5,816.97</b>	<b>8,824.79</b>	<b>3,43,004.05</b>

**4. Capital Stores**

Particulars	As at 1st April 2024	Procurement	Consumption during the year	As at 31st Mar 2025
Capital Stores (Other than Pipeline)	-	10,193.79	10,193.35	0.44
Capital stores (Including MIT)	66,895.93	9,122.30	53,000.79	23,017.43
<b>Total</b>	<b>66,895.93</b>	<b>19,316.08</b>	<b>63,194.14</b>	<b>23,017.87</b>

**5. Assets under lease**

Particulars	Gross block			Accumulated depreciation			Net block		
	As at 1st April 2024	Additions	Disposals/ adjustments	As at 31st Mar 2025	As at 1st April 2024	Additions	Disposals/ adjustments	As at 31st Mar 2025	As at 31st March 2024
Asset under Lease Under IND AS 116	1,294.64	1,230.48	1,400.50	1,124.62	572.24	850.13	774.77	647.60	722.39
Land & Building	93.77	139.66	120.05	113.38	31.07	54.06	42.97	42.16	62.70
Railway Way Leave Charges	1,388.40	1,370.14	1,520.55	1,238.00	603.31	904.19	817.74	689.76	785.09
<b>Sub Total</b>	<b>1,540.42</b>	<b>622.58</b>	<b>94.39</b>	<b>2,068.61</b>	<b>603.31</b>	<b>904.19</b>	<b>817.74</b>	<b>689.76</b>	<b>1,540.42</b>
Other than IND AS 116 Lease Hold Land	2,928.83	1,992.72	1,614.94	3,306.60	-	-	-	-	-
<b>Total</b>	<b>2,928.83</b>	<b>1,992.72</b>	<b>1,614.94</b>	<b>3,306.60</b>	<b>603.31</b>	<b>904.19</b>	<b>817.74</b>	<b>689.76</b>	<b>2,325.52</b>





Notes to the financial statements as on 31st March 2025

**6. Intangible Assets**

Particulars	Gross block		Accumulated depreciation		Net block	
	As at 1st April 2024	As at 31st Mar 2025	As at 1st April 2024	As at 31st Mar 2025	As at 31st Mar 2025	As at 31st March 2024
ROU Land	90,113.90	1,19,069.13	-	-	1,19,069.13	90,113.90
Total	90,113.90	1,19,069.13	-	-	1,19,069.13	90,113.90

**7. Other Intangible assets**

Particulars	Gross block		Accumulated depreciation		Net block	
	As at 1st April 2024	As at 31st Mar 2025	As at 1st April 2024	As at 31st Mar 2025	As at 31st Mar 2025	As at 31st March 2024
Brand or Trademarks	0.36	0.36	0.11	0.14	0.22	0.25
Computer softwares ( SAP S4 HANA)	190.04	193.25	81.35	118.39	74.86	108.69
Total	190.40	193.61	81.46	118.53	75.08	108.94



**INDRADHANUSH GAS GRID LIMITED**

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**Notes to the financial statements as on 31st March 2025**

(₹ in lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
<b>8 Other financial assets</b>		
(i) FD Margin Money against Bank guarantee	2,634.29	296.43
	<b>2,634.29</b>	<b>296.43</b>
<b>9 Deferred Tax Assets/(Liability)</b>		
Opening asset/(liability)	200.70	200.70
Add: Deferred Tax Expenses	(1,019.17)	
Closing asset/(liability)	<b>(818.47)</b>	<b>200.70</b>
<b>10 Other non-current assets</b>		
(i) Capital Advances incl. mobilisation advances	30.27	159.86
(ii) Advances other than capital advances		
(a) Security Deposits	54.87	32.65
(iii) Deferred Corporate Guarantee Fee(IND AS 109)	778.68	997.11
	<b>863.82</b>	<b>1,189.62</b>
<b>Current Assets</b>		
<b>11 Cash and Cash Equivalents</b>		
(a) i) Balances with Banks - In TSA (RBI)	-	-
ii) Balances with Banks - In Current Account with SBI & CLTD	50.80	359.03
iii) Balances with Banks - In Current Account with Canara Bank & CLTD	1,671.11	2,674.52
iv) Balances with Banks - In Current Account with Axis bank	2.28	0.30
(b) Balances with Banks - In Share Application Account	-	-
(c) STDR-others	43,600.00	23,055.80
(d) Interest Accrued on STDR & CLTD	469.97	181.10
	<b>45,794.16</b>	<b>26,270.76</b>
<b>12 Other Financial assets</b>		
FD against Bank guarantee	350.31	2,990.91
	<b>350.31</b>	<b>2,990.91</b>
<b>13 Tax Credits</b>		
<u>Balance with Statutory Authorities</u>		
(a) GST Credit	3,611.50	3,934.17
(b) Tax Deducted at Source	498.92	93.52
(c) Tax Collected at Source	1.98	8.12
(d) TDS Cert pending A/C	-	3.63
(e) Advance GST	141.87	-
(f) GST TDS Receivable	9.29	-
	<b>4,263.57</b>	<b>4,039.44</b>
<b>14 Other Current assets</b>		
(a) Deposit with Competent Authority	45,614.50	14,825.32
(b) Deposits with Purchase of Land (Others)	-	138.69
(c) Advance to employees	15.55	12.91
(d) Other Current Assets (Claim recoverable)	64.43	78.87
(e) Deferred Corporate Guarantee Fee (IND AS 109)	2,405.90	966.51
(f) Deposits with State/ Central Govt/PSU/Govt Bodies	1,681.52	1,789.38
(g) Other Receivables	1,735.01	20.03
(h) Prepaid Exp	64.22	-
	<b>51,581.14</b>	<b>17,831.71</b>





Notes to the financial statements as on 31st March 2025

(₹ in lakhs)

**Equity**

**15 Equity Share capital**

**a. Equity shares of INR 10 each**

**i. Authorised**

**ii. Issued, Subscribed and Paid-up**

As at 31st March 2025		As at 31st March 2024	
Number of Shares	Amount	Number of Shares	Amount
1,20,00,00,000	1,20,000	1,20,00,00,000	1,20,000
1,15,28,00,000	1,15,280	1,11,18,00,000	1,11,180

**b. Reconciliation of number of shares outstanding at the**

**Outstanding at the beginning of the Year**

**Equity shares issued during the Year**

**Outstanding at the end of the Year**

As at 31st March 2025		As at 31st March 2024	
Number of shares	Amount	Number of shares	Amount
1,11,18,00,000	1,11,180	99,00,00,000	99,000
4,10,00,000	4,100	12,18,00,000	12,180
<b>1,15,28,00,000</b>	<b>1,15,280</b>	<b>1,11,18,00,000</b>	<b>1,11,180</b>

**c. Shareholders holding more than 5% shares in the company \***

GAIL India Limited (GAIL) \*\*#

Indian oil Corporation Ltd (IOCL) \*\*#

Numaligarh Refinery Limited (NRL) \*\*#

Oil and Natural Gas Corporation (ONGC) \*\*

Oil India Limited (OIL) \*\*#

As at 31st March 2025		As at 31st March 2024	
Number of shares	Percentage	Number of shares	Percentage
23,05,60,000	20.00%	22,23,60,000	20.00%
23,05,60,000	20.00%	22,23,60,000	20.00%
23,05,60,000	20.00%	22,23,60,000	20.00%
23,05,60,000	20.00%	22,23,60,000	20.00%
23,05,60,000	20.00%	22,23,60,000	20.00%

**d. Weighted average number of shares for EPS**

No. of Shares	Opening date	Reporting date	No. of Days o/s	Weighted Avg
990000000	01-04-2024	31-03-2025	365	99,00,00,000.0
243600000	01-04-2024	31-03-2025	365	2,43,60,000.0
974400000	01-04-2024	31-03-2025	365	9,74,40,000.0
410000000	28-03-2025	31-03-2025	4	4,49,315.1
<b>1152800000</b>				<b>1,11,22,49,315.07</b>

**e. Share holding of Promoters**

Shares held by promoters at the end of the period				% Change during the year
SL No.	Promoter Name	No. of Shares	% of total shares	
1	GAIL India Limited (GAIL) **#	23,05,60,000	20%	NIL
2	Indian oil Corporation Ltd (IOCL) **#	23,05,60,000	20%	NIL
3	Numaligarh Refinery Limited (NRL) **#	23,05,60,000	20%	NIL
4	Oil and Natural Gas Corporation (ONGC) **	23,05,60,000	20%	NIL
5	Oil India Limited (OIL) **#	23,05,60,000	20%	NIL
		<b>1,15,28,00,000</b>		

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

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

# The above information include share held by nominee of the promoter company.

**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.



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Notes to the financial statements as on 31st March 2025

(₹ in lakhs)

	As at 31st March 2025	As at 31st March 2024
<b>16 Other Equity</b>		
<b>i Other Reserves</b>		
a. Share application money pending allotment	-	-
b. Deemed Equity (Corporate Guarantee)	3,778.30	2,173.76
	<u>3,778.30</u>	<u>2,173.76</u>
<b>ii Capital reserve</b>		
Balance at the beginning of the year		
Add: Addition/ deletion during the year		
Balance at the end of the year	-	-
<b>iii General reserve</b>		
Balance at the beginning of the year		
Add: Contingency reserve transferred to general reserve		
Balance at the end of the year	-	-
<b>iv Contingency reserve</b>		
Balance at the beginning of the year		
Additions during the year		
Less: Contingency reserve transferred to general reserve		
Balance at the end of the year	-	-
<b>v Retained earnings</b>		
Balance at the beginning of the Year	(582.33)	(610.35)
Add: Profit/(Loss) for the Year	(1,693.33)	28.02
<i>Items of other comprehensive income/ (expense) recognized directly in retained earnings</i>		
Remeasurement of post employment benefit obligation, net of tax		
Balance at the end of the Year	<u>(2,275.66)</u>	<u>(582.33)</u>
<b>Total other equity</b>	<u>1,502.64</u>	<u>1,591.43</u>
<b><u>Non- Current Liabilities</u></b>		
<b>17 Borrowings</b>		
a. Loan from OADB (Term Loan)	1,10,750.00	64,750.00
<b>18 Lease Liability</b>	302.53	551.60
<b>19 Other Financial Liabilities</b>		
a. Interest Accrued	-	-
b. Unpaid Dividends	-	-
c. Application money received to the extent refundable	-	-
<b>20 Other non current liabilities</b>		
<b>a. Government Grant</b>		
Amount received at the beginning of the year	3,60,189.14	2,55,849.83
Received during the year	61,192.00	1,04,339.30
Total amount received	4,21,381.14	3,60,189.14
Add :Interest on VGF (cumulative)	1,568.77	1,568.77
Less: Amortized Deferred Revenue(cumulative)	1,496.32	820.56
Balance at the end of the year	<u>4,21,453.58</u>	<u>3,60,937.35</u>
<b>Total other non current liabilities</b>	<u>4,21,453.58</u>	<u>3,60,937.35</u>



**INDRADHANUSH GAS GRID LIMITED**

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Notes to the financial statements as on 31st March 2025

(₹ in lakhs)

	As at 31st March 2025	As at 31st March 2024
<b>Current Liabilities</b>		
<b>21 Borrowings</b>	1,250.00	1,250.00
<b>22 Lease Liability</b>	252.92	28.94
<b>23 Other Financial Liabilities</b>		
a. Interest Accrued	-	-
b. Unpaid Dividends	-	-
c. Application money received to the extent refundable	-	-
<b>24 Other current liabilities</b>		
Creditors - Capital Expenses (Project) & Other Expenses	444.59	511.24
Creditors - Related Party (JV Co.)	367.15	365.94
Liability for Statutory Payments	668.42	1,029.87
Security Deposits	45.81	8.95
Earnest Money Deposit	43.78	27.30
Retention Money	14,235.08	12,101.47
Advance received for Hook-Up facility	930.06	-
	<b>16,734.90</b>	<b>14,044.76</b>
<b>25 Provisions</b>		
a. Provision for RoU Compensatation	54,717.02	27,245.47
b. Provision for Permanent Land	831.31	280.34
c. Provision for Other expenses	4,080.55	5,891.08
d. Provision for Tax	-	45.50
	<b>59,628.88</b>	<b>33,462.38</b>
<b>26 Disclosure relating to CSR</b>		

As per Section 135 of the Companies Act, 2013, the Company is required to spend, in every financial year at least two percent of the average net profits the company made during the three immediately preceding financial year in accordance with its CSR policy. The details of CSR Expenses are as under:

Particulars	FY 24-25 (In Lakhs)	FY 23-24 (In Lakhs)
1. Amount required to be spent by the company during the year	2.75	3.26
Annual CSR Allocation	2.75	3.26
Carry Forward from Previous Year	0	0
Gross Amount required to be spent @2%	2.75	3.26
Amount of Expenditure incurred	2.78	3.30
Shortfall at the end of the year	NA	0
Total of Previous years shortfall	0	0
Reason for Shortfall	NA	NA
Nature of CSR Activities	Infrastructure for school	Distribution of School Bag
Details of Related Party transactions, contributions to a trust controlled by the company in relation to CSR expenditure as per relevant accounting standards	NIL	NIL
<b>Movement of Provision for CSR Expenses</b>		
Opening Balance	3.30	0
Additional Provision made during the year	2.78	3.30
Amount paid during the year	6.04	0
Closing Balance	0.04	3.30





Notes to the financial statements as on 31st March 2025

	As at 31st March 2025	(₹ in lakhs) As at 31st March 2024
<b>27 Contingent Liabilities and Commitments</b>		
<b>I Contingent Liabilities</b>		
a. Claims against the company not acknowledged as debt	17.00	-
b. Guarantees including financial guarantees (PNGRB)	2,000.00	2,000.00
c. Guarantees including financial guarantees (others)	1,258.25	1,225.29
<b>II Commitments</b>		
a. Estimated amount of contracts remaining to be executed on capital account and not provided for	2,12,713.61	2,65,400.00
b. uncalled liability on shares and other investments partly paid		

**28 Additional Regulatory Information**

**I Title deeds of immovable properties not held in name of the company, but in possession.**

Assets ID	Description of property	Assets Capitalised value (Rs. in Lakhs)	Whether title deed holder is a promoter, director or a relative of promoter/director or employee of promoter/director	Date of capitalisation	Title in the name of	Reason for not being held in the name of the company
1000001	DT/GNPL/COMPRESSOR	3,162.13	No	30-06-2022	Government	Registration process In progress.
1000060	SV/GNPL/01	0.00	No	30-06-2024	Government	Awaiting demand note for land premium payment
1000061	SV/GNPL/02	16.65	No	30-06-2024	Government	Mutation process is in progress
1000062	SV/GNPL/05-A	0.00	No	30-06-2024	Government	Awaiting demand note for land premium payment
1000040	SV/GNPL/13A (New Tap off cum DT at Lakhimpur)	20.40	No	06-12-2023	Private Owner	Registration process in progress.
6710014	SV/ITPL/01	140.26	No	01-12-2024	Forest Land	Forest Land, Permission from MoEF available
1000037	SV/DDPL/01	39.62	No	30-09-2023	Private Owner	Registration process in progress.
1000038	SV/DDPL/02	20.35	No	24-05-2023	Private Owner	Registration process in progress.
6710015	SV/DDPL/03	15.26	No	30-11-2023	Forest Land	Forest Land, Permission from MoEF available
6710016	SV/DDPL/04	21.41	No	08-08-2023	Forest Land	Forest Land, Permission from MoEF available
6710017	SV/DDPL/05	17.69	No	08-08-2023	Forest Land	Forest Land, Permission from MoEF available
6710007	SV/DDPL/06	58.61	No	01-09-2023	Forest Land	Forest Land, Permission from MoEF available
6710008	RT/DT Dimapur (RT cum IP)	432.45	No	01-10-2023	Private Owner	Leasehold Land
6710018	Injection Pt. Bebejia	20.05	No	05-03-2024	Forest Land	Forest Land, Permission from MoEF available
6710019	Injection Pt. Khoraghat	15.85	No	05-03-2024	Forest Land	Forest Land, Permission from MoEF available
6710020	Injection Pt. KSAB	7.29	No	05-03-2024	Forest Land	Forest Land, Permission from MoEF available
6710022	Injection Pt. SUA8	15.85	No	05-03-2024	Forest Land	Forest Land, Permission from MoEF available
1000047	DT- Panikhaiti	237.00	No	01-12-2023	PSU	MOU with PSU
1000048	SV/GSPL/02	9.40	No	12-12-2023	Government	Awaiting demand note for land premium payment
1000026	SV/SPPL/09	53.19	No	13-01-2023	Private Owner	Govt acquisition process in progress.
1000046	SV/SPPL/10	49.35	No	20-11-2023	Private Owner	Mutation process is in progress
1000043	SV/SPPL/11	6.58	No	08-12-2023	Government	Registration process in progress.
1000063	RT BSPL	0.00	No	30-06-2024	Government	Awaiting demand note for land premium payment
6710002	SV/PAPL/01	27.06	No	22-12-2023	Forest Land	Forest Land, Permission from MoEF available
6710003	SV/PAPL/03	3.99	No	28-12-2023	Forest Land	Forest Land, Permission from MoEF available
6710004	SV/PAPL/04	5.76	No	28-12-2023	Forest Land	Forest Land, Permission from MoEF available
6710011	SV/PAPL/06	4.69	No	30-06-2024	Forest Land	Forest Land, Permission from MoEF available
6710013	SV/PZPL/05	4.55	No	30-06-2024	Forest Land	Forest Land, Permission from MoEF available
6710005	SV/DIPL/01	68.74	No	16-11-2023	Private Owner	Leasehold Land
6710006	SV/DIPL/02	66.30	No	16-11-2023	Private Owner	Leasehold Land
6710009	SV/SGPL/07	213.67	No	01-03-2024	Private Owner	Leasehold Land
6710012	SV/SGPL/08	276.70	No	10-05-2024	Private Owner	Leasehold Land
6710010	RT/SGPL	652.42	No	01-03-2024	Private Owner	Leasehold Land
	<b>Grand Total</b>	<b>5,683.29</b>				

II Four number of Govt. Lands for which land premium demand has not been received/value not available, have been capitalised at Re. 1 Each



III State Wise break up of GST paid on RCM basis for compensatory afforestation to CAMPA against which refund is applied

State	Amount (Rs. in Lakhs)	Date of Refund Application	Current Status
Assam	437.98	20.02.2024	Refund Rejection order passed on 07.04.2025. Appeal shall be filed against
Meghalaya	232.71	02.05.2024	Appeal filed on 26.11.2024. However, no hearing is scheduled yet.
Tripura	457.12	27.03.2024	In Person Appeal was done 12.09.2024. However Orders is pending from Competent Authority
<b>Total</b>	<b>1127.81</b>		

IV Loans and Advances granted to promoters, directors, KMPs and the related parties  
a. repayable on demand

Type of Borrower	Amount of Loan or Advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans
Promoter	0	0
Directors	0	0
KMPs	0	0
Related parties	0	0

V Capital-work-in Progress

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Project in Progress	-	91,961.85	2,51,042.21	-	3,43,004.05
Capital Store	-	7,381.20	15,636.67	-	23,017.87

VI Intangible assets under development

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Project in Progress					
Project temporarily suspended					

VII Foreign Currency Earnings and Outgo

During twelve month ended 31.03.2025 foreign currency outflows were Rs. 2.38 Lakhs

VIII Ratios	FY-24-25	FY-23-24	% Change	Reasons for change more than 25%
a. Current Ratio	1.31	1.05	-24.89%	NA
b. Debt-Equity Ratio	0.96	0.57	-67.07%	During the year additional debt raised was Rs. 460 Cr against Rs. 41 Cr of equity.
c. Debt Service Coverage Ratio	NA	NA	NA	NA
d. Return on Equity Ratio	0.00	0.00	NA	NA
e. Inventory Turnover Ratio	NA	NA	NA	NA
f. Trade Receivable Turnover Ratio	NA	NA	NA	NA
g. Trade Payable Turnover Ratio	NA	NA	NA	NA
h. Net Capital Turnover Ratio	NA	NA	NA	NA
i. Net Profit Ratio	NA	NA	NA	NA
j. Return on Capital Employed	0.00	0.00	NA	NA
k. Return on Investment	NA	NA	NA	NA

Current Ratio : Current Asset/Current Liabilities

Debt-Equity Ratio: Total Debt/Total Equity

Net Profit Ratio: PAT/Net Sales

Return on Equity : Net Profit before Tax/Average Shareholder's Equity

Return on Capital Employed : Net Profit before Tax/(Average Share Holder Equity+Average Grant received from Government)



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Notes to the financial statements for the period ended 31st March 2025

(₹ in lakhs)

Particulars	Twelve months ended March 31st, 2025	Twelve months ended March 31st, 2024
<b>29 Other income</b>		
(i) <b>Interest income on</b>		
Fixed Deposits with Bank	410.02	508.19
Loans	-	-
Income Tax Refund	3.80	8.23
Others	-	0.00
<b>Other Income</b>		
Guest House Receipt	-	-
Others	13.25	-
Deferred Revenue	675.76	82.03
	<b>1,102.84</b>	<b>598.46</b>
<b>30 Employee Benefit Expense</b>		
Manpower Expenses- Deputation	3,195.23	3,019.73
Salaries, wages, allowances and other benefits	141.28	90.66
Salary - Stipend to Trainees	3.41	5.75
Contribution to Provident and other funds	7.78	5.33
	<b>3,347.71</b>	<b>3,121.46</b>
Less : Allocated to capital work-in-progress and others	3,154.95	2,906.12
	<b>192.76</b>	<b>215.34</b>
<b>Pre-Operative Expenses</b>		
Manpower Expenses- Deputation	51.78	-
Salaries, wages, allowances and other benefits	3.17	-
Salary - Stipend to Trainees	0.07	-
Contribution to Provident and other funds	0.11	-
	<b>55.12</b>	<b>-</b>
<b>31 Finance Cost</b>		
Bank Charges	4.09	1.13
Finance Charges (Net off Interest Income on Borrowing)	3,804.89	1,959.70
Finance Charges (Lease Liab IND 116)	50.09	71.64
	<b>3,859.07</b>	<b>2,032.46</b>
Less : Allocated to capital work-in-progress and others	3,859.08	2,032.46
	<b>-0.01</b>	<b>-</b>
<b>Pre-Operative Expenses</b>		
Bank Charges		
Finance Charges (Net off Interest Income on Borrowing)	56.44	
Finance Charges (Lease Liab IND 116)	1.74	
	<b>58.18</b>	<b>-</b>
<b>32 Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment	1,066.24	147.11
Depreciation / Amortisation of ROU Assets & Intangible Assets	37.07	31.95
Depreciation on Lease Asset	226.86	56.91
	<b>1,330.17</b>	<b>235.96</b>
Less : Allocated to capital work-in-progress and others	370.27	202.40
	<b>959.89</b>	<b>33.56</b>
<b>Pre-Operative Expenses</b>		
Depreciation on property, plant and equipment	19.81	-
	<b>19.81</b>	<b>-</b>



### 33 Other expenses

Advertisement Expenses	4.71	2.11
Rent, Rates and Taxes	36.07	131.28
Audit Fees	6.91	4.84
Professional Expenses	42.58	127.94
Director Sitting Fees	2.80	3.70
Office Expenses	71.04	58.39
IND AS Amortization of Financial Guarantee Fees	383.57	162.42
Printing & Stationery	2.12	0.03
Telephone, Communication & Networking Expenses	0.39	0.93
Meeting Expenses	45.90	7.86
Office Maintenance	-	18.84
Recruitment Expenses	15.01	7.38
Tours & Travelling Expenses	186.25	73.72
Training Expenses	0.69	0.20
Insurance Expenses	9.21	0.32
CSR Expenses	2.78	3.30
Other Expenses (Pre-Operative Expenses)	40.33	-
Other Expenses	145.05	96.31
	<u>995.41</u>	<u>699.55</u>
Less : Allocation to capital work-in-progress and others	466.18	423.36
	<u>529.23</u>	<u>276.20</u>

### Pre-Operative Expenses

For Head Office

	7.50	
	<u>7.50</u>	-





**Notes to the financial statements for the period ended 31st March 2025**

34 The previous year figures has been regrouped wherever required.

**35 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 shareholder of the Company by the weighted number of equity shares outstanding during the year

Particulars	Unit	For the period ended 31st Mar' 2025
Profit/ (loss) after tax attributable to equity shareholders	(₹ in lakhs)	-1693.33
Weighted average number of equity shares outstanding during the year	(in number) Lakhs	11122.49
Nominal value per share	₹	10.00
Basic and diluted earnings/ (loss) per share	₹	-0.15

**36 Related party transactions**

**a) List of related parties**

**I Key Management Personnel**

Designation	Name of Incumbent	Date of Appointment	Nominated By
Chairman and Director	Bhaskar Chowdary Nettem	01-06-2024	ONGC
Chairman and Director	Anfor Ali Haque	Upto 27-08-2024	OIL
Director	Sanjay Kumar	Upto 31-05-2024	ONGC
Director	N Senthil Kumar	07-07-2023	IOCL
Director	Dilip Kumar Goswami	01-09-2024	OIL
Director	Anoop Gupta	16-10-2023	GAIL
Director	Nalini Kanta Buragohain	01-12-2023	NRL
Independent Director	Rupshikha Saikia Borah	13-08-2024	
Independent Director	Nalini Padmanabhan	Upto 12-08-2024	
Chief Executive Officer	Subrata Das	11-09-2024	NRL
Chief Executive Officer	Ajit Kr. Thakur	Upto: 10-09-2024	IOCL
Chief Financial Officer	Sanjay Khatri	25-09-2024	OIL
Chief Financial Officer	Pradeep Kr. Mohapatra	Upto: 16-09-2024	GAIL
Company Secretary	Arpan Baid	18-06-2019	

**II Associate Companies**

NIL

**b) Transactions with related parties**

Name of Related Party	Nature of Transaction	Fig in ₹ For the period ended 31st Mar' 2025
<b>(i) Services Received from:</b>		
Indian Oil Corporation Ltd (IOCL)	Deputation of Employees	6,20,80,223.09
Oil and Natural Gas Corporation (ONGC)	Deputation of Employees	3,78,43,147.06
GAIL India Limited (GAIL)	Deputation of Employees	10,06,81,758.31
Oil India Limited (OIL)	Deputation of Employees	3,77,24,906.54
Numaligarh Refinery Limited (NRL)	Deputation of Employees	8,96,97,691.29
<b>(ii) Services Received from:</b>		
Numaligarh Refinery Limited (NRL)	Lease Rent of Corporate Office	2,93,36,144.11
GAIL India Limited (GAIL)	Line Pack Procurement	3,63,92,822.99
Indian Oil Corporation Ltd (IOCL)	Hydraulic Oil Procurement	43,711.92
<b>(iii) Services Received from:</b>		
Mrs. Nalini Padmanabhan, Independent Director	Director Sitting Fees	1,40,000.00
Mrs. Rupshikha Saikia Borah	Director Sitting Fees	1,54,000.00
<b>(iv) Services provided to:</b>		
Numaligarh Refinery Limited (NRL)	ROU Sharing with NRL	1,77,23,34,999.08
<b>(v) Deemed Equity for Corporate Guarantee Fees:</b>		
Indian Oil Corporation Ltd (IOCL)	Corporate Guarantee	11,20,00,000.00
Oil and Natural Gas Corporation (ONGC)	Corporate Guarantee	8,52,62,393.57
GAIL India Limited (GAIL)	Corporate Guarantee	4,06,29,942.71
Oil India Limited (OIL)	Corporate Guarantee	7,01,77,073.75
Numaligarh Refinery Limited (NRL)	Corporate Guarantee	6,97,60,865.84



<b>(vi) Amounts Payable:</b>		
Indian Oil Corporation Ltd (IOCL)	Deputation of Employees	92,66,124.60
Oil and Natural Gas Corporation (ONGC)	Deputation of Employees	45,51,293.80
GAIL India Limited (GAIL)	Deputation of Employees	77,30,589.70
Oil India Limited (OIL)	Deputation of Employees	88,62,211.80
Numaligarh Refinery Limited (NRL)	Deputation of Employees	38,25,752.70
Numaligarh Refinery Limited (NRL)	Lease Rent, Electricity and HVAC	24,79,498.86

<b>(vii) Amounts Receivable:</b>		
Numaligarh Refinery Limited (NRL)	ROU Sharing with NRL	17,35,00,571.08

**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.

**37 Auditor's Remuneration**

Particulars	For the period ended 31st Mar' 2025
Statutory audit fee	1.65
Certification charges	0.03
Reimbursement of expenses	0.01
Others	-
<b>Total (A)</b>	<b>1.69</b>
Other services	-
Tax audit fee	-
<b>Total (B)</b>	<b>-</b>
<b>Total (A + B)</b>	<b>1.69</b>

**38 Amortisation**

A sum of Rs. 9583.37 lakhs has been adjusted with RoU asset during the twelve months ended 31.03.2025 on account of RoU sharing with NRL for Total 386Kms. Proportionate amount of Rs. 68.12lakhs has been transferred to deferred revenue income during the period against amortisation of VGF with respect to capitalised asset of 260.417Kms.

39 The balance (In ₹.) as on 31.03.2025 due and outstanding for more than 45 days for MSMEs vendors : NIL

40 Government Grant amounting to Rs. 611.92 Cr have been received through TSA with RBI from the Ministry of Petroleum and Natural Gas during Q4 of FY 24-25. Total VGF received upto 31.03.2025 is Rs. 4213.72 crores.

41 Corporate Guarantee of ₹2594 Crores has been issued by five promoter companies (Individual Share of ₹. 518.80 Crores) which has been submitted to OIDB against the sanction of Term Loan of ₹2594 Crores, without any fees and without any difference in interest rate with corporate guarantee or without corporate guarantee. The promoter companies have recognised the corporate guarantee fees on account of corporate guarantee provided to OIDB for extending term loan facility to IGGL. Guarantee fees have been waived by respective promoters for IGGL. However they have considered the fair value of notional fees and recognised it in their books of account in line with IND AS 109 for a total sum of ₹3778.30 lakhs as deemed investment upto 31.03.2025 (refer to related party transaction as per Para No. 36(b)(iv) above). IGGL has made mirror entries in its books of account as per the advice of promoters.

42 Rs. 460Cr of loan from OADB is received during FY 2024-25. Total Loan Outstanding as on 31.03.2025 is Rs 1120Cr. Interest Expense on the loan, amounted to Rs. 52.80 Cr for the year ended FY 24-25. Interest paid to OADB for FY 24-25 is Rs. 52.80 (including TDS). Interest Income earned on short term investment made out of the unutilised loan amount is Rs. 14.18Cr for FY 24-25.

43 The Financial Statements have been prepared based on the revised Accounting Policy as on date. Few changes / revision in the definition in line with INDAS have been made in the following INDAS to have more relevant and informative understanding without any Financial Impact on the Previous Year Accounts:

- a) PPE (INDAS 16),
- b) Lease Assets (INDAS 116),
- c) Revenue Recognition (INDAS 115)



## Note - 1A: Corporate Information & Significant Accounting Policies

### Corporate Information

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 Northeast India, thereby creating a Gas Grid, for easy transmission of Gas from Gas Fields to the consumers.

### Application of new Indian Accounting Standards

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.

### Basis of Preparation

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 have been prepared as a going concern on accrual basis of accounting. The Company has adopted historical cost basis for assets and liabilities except for certain items which have been measured on a different basis and such basis is disclosed in the relevant accounting policy. 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

## 1. Significant Accounting Policies

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

### 1.1 Property, Plant & Equipment (PPE)

- a) The Costs of an item of PPE is recognized as an asset if, and only if:
  - i) It is probable that the future economic benefits flow to the entity; and
  - ii) The cost of an item can be measured reliably.
- b) 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 brought into the location and condition necessary for it to be capable of operating in the manner intended by management. Assets in the course of construction are initially kept under assets under construction and capitalized when the assets are available for use in the manner as intended by the management. In the case of commissioned assets where the final payment to the contractor is pending, capitalisation is made on provisional basis including provisional liabilities pending approval from competent authority and subject to adjustment in cost and depreciation in the year of final settlement. Cost of metering skid on deposit work basis installed by third party has been considered as integral part of the primary asset and has been recognised accordingly.

- c) Line pack gas has been considered as part of property, plant and equipment.
- d) Incidental Expenses are incurred in connection with the construction or development of item of property, plant and equipment and are necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management. This incidental expenditure may occur before or during the construction or development activities for example, expenditure of Head Office which are incurred before or in course of construction or development of property, plant and equipment are recognised based on their carrying value standing at the time of apportionment to PPE. However, salary of CEO, CFO and CS and other revenue expenditures neither attributable to PPE and nor are necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management are charged off to Statement of Profit and Loss.
- e) Technical know-how/license fee incurred at the time of procurement of PPE are capitalized as part of the underlying asset.
- f) Items of PPE may be acquired for safety or environmental reasons. The acquisition of such PPE, although not directly increasing the future economic benefits of any particular existing item of PPE, may be necessary for an entity to obtain the future economic benefits from its other assets. Such items of PPE are recognized as assets.
- g) Property, plant, and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined as the difference between sale proceeds from disposal, if any, and the carrying amount of property, plant and equipment and are recognized in the statement of profit and loss. In circumstance, where an item of property, plant and equipment is abandoned/lost/damaged beyond repair, the net carrying cost relating to the property, plant and equipment is written off in the same period.
- h) Major inspection/overhaul/repair / Stores & Spares which meet the definition of PPE (whether as component or otherwise) and satisfy the recognition criteria, are capitalized as PPE in the underlying asset. Any remaining carrying amount of the cost of the previous inspection and overhaul is derecognized. The cost of replacing major part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the



part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized regardless of whether the replaced part has been depreciated separately. If it is not practicable to determine the carrying amount of the replaced part, the Company uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

## 1.2 Depreciation/Amortization

### a) Property Plant and Equipment (PPE)

- i) Pipeline assets which comprises of mainline(surface & underground ) , line pipes, Sectional valves , including metering skid and associated facilities are depreciated on straight line method over the useful life as per schedule II to the companies Act,2013 except in respect of Land-Freehold and leasehold -perpetual lease and 'Right of Use(ROU) assets- Land which are not depreciated/amortised. Line pack gas is not depreciated. Residual value of the pipeline assets has been considered as nil based on technical evaluation. Depreciation on additions/deletions during the year is provided on pro rata basis with reference to the date of additions/deletions except low value items not exceeding INR 5000 which are fully depreciated at the time of addition. Other PPE assets having different useful life and significant cost are accounted for and depreciated separately. The typical useful life of other PPE assets are as follows:

Particulars	Useful Life
Building	20 to 30 Years
Plant & Machinery	10 to 30 Years
Softwares	5 Years
Furniture & Fixtures	10 Years
Office Equipments (Including computers)	3 to 10 Years

Residual value of PPE assets other than Pipeline assets is determined considering technical evaluation and is upto 5% of the original cost till such asset is disposed.

Residual value of Pipeline Asset is considered as NIL.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

The expected useful life of PPE are reviewed on annual basis and, if necessary, impact arising out of changes in useful life are accounted for separately.

- ii) Cost of the leasehold land is amortised over the lease period except perpetual leases.  
 iii) Depreciation due to price adjustment in the original cost of fixed assets is charged prospectively.



- iv) An item of PPE assets other than Pipeline assets is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset is included in the statement of Profit & loss in the period in which the item is derecognized. Pipeline Assets is derecognized when designated pipeline assets will complete its useful life of 30 years and ceases to produce economic benefits.
- v) Assets i.e. Mobile etc provided to employees as per the company's internal scheme are also classified as PPE and recognized as asset. Such assets are depreciated based on the useful life as defined in the Company's internal scheme under Straight Line method.
- vi) Physical verification of the PPE assets(other than assets given to the employees ) is carried out by the company every year.

#### **b) Intangible Assets**

- i) 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.
- ii) After impairment, if any, amortisation is done on the revised carrying amount of the assets over its remaining useful life.

#### **Capital assets facilities installed at the consumers' premises.**

Capital assets facilities installed at the consumers' premises on the land whose ownership is not with the Company, has been depreciated on SLM basis in accordance with the useful life as specified in Schedule II of the Companies Act, 2013.

### **1.3 Intangible Assets**

- i) 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.
- ii) Procurement of software and License fees along with the system and application shall be capitalized with the value of the system.
- iii) 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.
- iv) Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.



- v) An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gain or loss on de-recognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of intangible assets and are recognized in the statement of profit and loss.

#### 1.4 Capital Work-in Progress

Expenses exclusively attributable to NEGG Project and incurred during construction or development period are considered as capital work in progress which includes-

- i) Construction Stores including Material in Transit/Equipment / Services received at site for use in the projects, including advance payment for land not yet capitalised etc.
- ii) Crop compensation is accounted under Capital Work-in- Progress on the basis of actual payments/estimated liability where ROU is acquired.
- iii) All 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.
- iv) Borrowing cost incurred during construction and development period on loans borrowed and utilized for project upto date of capitalization of the relevant portion is considered as CWIP.

##### 1.4.a Sharing of ROU Land :

Cost of ROU land are capitalized separately. However , in case of sharing of ROU Land with any third party , Consideration received towards Crop and Zirat compensation including any administrative cost except Cost of RoU land shall be adjusted against cost of CWIP. Amount received against sharing of RoU Land shall be adjusted against the capital cost of RoU Land.

#### 1.5 Inventories

- i) Stores and spares and other material for use in construction of capital asset are valued at weighted average cost or net realisable value, whichever is lower. It is valued at weighted average cost where the finished goods in which they will be incorporated are expected to be sold at/or above cost.
- ii) Surplus/Obsolete Stores and Spares are valued at cost or net realisable value, whichever is lower.
- iii) Surplus/Obsolete Capital Stores, other than held for use in construction of a capital asset, are valued at lower of cost or net realisable value.

#### 1.6 Impairment of non-financial assets



The company assesses at each reporting date as to whether there is any indication that any PPE and Intangible assets or group of assets , called cash generating units(CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the CGU to which the asset belongs. An asset is treated as impaired when the carrying amount of the asset exceeds its recoverable value. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired .The recoverable amount is higher of an assets' fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows , discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets .The impairment loss recognized in prior accounting periods is reversed if there has been an increase in the recoverable value due to change in the estimate.

### 1.7 Borrowing Cost

Borrowing costs consist of:

- i) interest expense calculated using the effective interest method as described in Ind AS 109 – 'Financial Instruments'
- ii) interest expense on lease liabilities recognized in accordance with Ind AS 116– 'Leases'

Borrowing cost of the funds specifically borrowed for the purpose of obtaining/construction of 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.

If the construction of asset gets extended for an abnormal period due to force majeure situation, borrowing cost shall be charged to Profit & Loss account.

### 1.8 Government Grants

Government grants including non-monetary grants are recognised at fair value, if there is a reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government Grants shall be presented in the balance sheet by setting up the grant as deferred income (which is recognised as income on a systematic and rational basis over the useful life of the asset)

Amortisation of Government Grant related to non-Depreciable assets like ROU-Land, Permanent Land etc shall be done on capitalisation of the primary asset on prospective basis and shall be recognised in Profit and Loss account on a systematic and rational basis over the useful life of the primary asset. Even though ROU/Permanent Land is a perpetual Asset, amortisation of government grant relating to ROU –Land/ Permanent land etc. shall be done over the useful life of the primary asset.



## 1.9 Revenue Recognition

- i) 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.
- ii) 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.
- iii) Revenue from rendering of services is recognized when agreed performance obligation has been fulfilled.
- iv) Interest income is recognized on a time proportion basis taking into account the amount outstanding and at the effective interest rate applicable. Interest on income tax refund is accounted on receipt basis.
- v) Insurance claims are accounted for on the basis of claims admitted by the insurers.
- vi) Claims (including interest on delayed realization from customers) are accounted for, when there is a significant certainty that the claims are realizable.
- vii) Liability in respect of Minimum Guaranteed Offtake (MGO) of Natural gas is not provided for where the same is secured by MGO recoverable from customers. Payments/receipts during the year on account of MGO are adjusted on receipt basis.
- viii) Hooking up Facility for customer
  - a. Initial Recognition of upfront fees received for hooking up is to be treated as contract liabilities (advance from customer) and the same shall be settled on commissioning of the facility with final invoice value (including all taxes and duties) raised on commissioning of the facility. The differential amount, if any, shall be refunded to/recovered from the customer. Final invoice value shall be transferred to Contract Liabilities (deferred income) and shall be amortised over the remaining contractual period.
  - b. Subsequent Charges received for Operating and maintaining the facility is to be recognised as other operating income as and when services are rendered.

## 1.10 Employee Benefits

- i) The employees of the company are mostly 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.



- ii) All short-term employee benefits are recognized at the undiscounted amount in the accounting period in which they are incurred.
- iii) The Company's contribution to the Provident Fund is remitted to EPFO account established for this purpose based on a fixed percentage of the eligible employee's salary and debited to Statement of Profit and Loss / CWIP.
- iv) Employee Benefits under Defined Benefit Plan including gratuity are recognized based on the present value of defined benefit obligation, which is computed on the basis of actuarial valuation using the Projected Unit Credit Method. Actuarial liability in excess of respective plan assets is recognized during the year.
- v) Obligations on other long term employee benefits, viz., leave encashment, are provided using the Projected Unit Credit method of actuarial valuation made at the end of the year.
- vi) Re-measurement including actuarial gains and losses are recognized in the balance sheet with a corresponding debit or credit to retained earnings through Statement of Profit and Loss or Other Comprehensive Income in the year of occurrence, as the case may be. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

#### 1.11 Taxes on Income

- i) Provision for current tax is made as per the provisions of the Income Tax Act, 1961.
- ii) Deferred tax is recognized on temporary difference between the carrying amount of the assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all the taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that is probable that taxable profits will be available against which those temporary differences can be utilized.
- iii) The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that is no longer probable that sufficient taxable profits will be available to allow the benefits of all or part of the deferred tax asset to be utilized. Any such reduction shall be reversed to the extent when it becomes probable that sufficient taxable profits will be available.
- iv) Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability to be settled or the asset to be realized, based on tax assets (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- v) Deferred tax relating to items recognized outside Statement of Profit and Loss is recognized outside Statement of Profit and Loss (either in Other Comprehensive Income or in Equity).

#### 1.12 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, the amount of a provision shall be the present



value of the expenditures expected to be required to settle the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement, if any.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

Show-cause notices issued by various Government Authorities/ are generally not considered as obligations.

When the demand notices are raised against such show cause notices and are disputed by the Company, these are classified as disputed obligations.

The treatment in respect of disputed obligations as stated above and other disputed obligations are as under:

- i) A provision is recognized in respect of present obligations as a result of past event where the outflow of resources is probable as per above.
- ii) All other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote.
- iii) Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, and it is probable that there will be an outflow of resources.
- iv) Contingent liabilities exceeding 5 lacs are disclosed in the note.



### 1.13 Lease

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 in line with IND AS 116

#### Company as a lessee (Assets taken on lease)

##### a) Identifying a 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.

##### b) Initial Recognition of Right of Use Asset (ROU)

The Company recognizes a ROU asset at the lease commencement date (i.e., the date the underlying asset is available for use). ROU assets are initially 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 recognized, adjusted for any lease payments made on or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

##### c) Subsequent Measurement of Right of Use Asset (ROU)

ROU assets are subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of ROU asset or the end of the lease term. 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. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurement of the lease liability.

#### Initial recognition of lease liability

Lease liabilities are initially measured at the present value of the lease payments to be paid over the lease term. Lease payments included in the measurement of the lease liabilities comprise of the following:

- i) Fixed payments, including in-substance fixed payments.
- ii) Variable lease payments that depend on an index or a rate; and



- iii) Variable lease payments that depend on an index or a rate; and
- iv) Amounts expected to be payable under a residual value guarantee
- v) The exercise price under a purchase option, extension option and penalties for early termination only if the Company is reasonably certain to exercise those options

**d) Subsequent measurement of lease liability**

Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**e) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (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.

Present value of Lease Assets upto Rs. 1 Lakh in each contract is considered as low-value asset. Lease payments on short-term leases and leases of low-value assets are recognized as expense in Statement of Profit and Loss/CWIP.

**As a Lessor**

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.

Determination of discount rate as a lessee company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. Company estimates its incremental borrowing rate, which is the rate of interest that the Company would have to pay to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment using observable available inputs (such as market interest rates).



### **Right of Way**

- i) Permission obtained from the authorities i.e., railways for crossing the railway land for the specific period are recognised as lease assets under right of way
- ii) Cost incurred towards such right of way are amortized on a straight-line basis over the specified period as per the terms of the agreement for right of way.

### **1.14 Segment Reporting**

The Management of the Company monitors the operating results of its business Segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. At Present the Company is having only one reportable segment (transportation of natural gas). However as and when need arises the Operating segments shall be identified on the basis of the nature of products/services.

- i) Segment revenue shall include directly identifiable with/allocable to the segment including inter-segment revenue.
- ii) Expenses that are directly identifiable with / allocable to segments shall be considered for determining the segment result.
- iii) Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
- iv) Income which relates to the Company as a whole and not allocable to segments shall be treated as unallocable income.
- v) Segment assets including CWIP, and liabilities shall include directly identifiable with the respective segments. Unallocable assets and liabilities shall represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

### **1.15 Liquidated damages/ Price Reduction Schedule**

Amount recovered towards Liquidated Damages/Price Reduction Schedule are adjusted against asset /appropriated as and when the matter is settled.

### **1.16 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.

### **1.17 Statement of Cash Flows**

Statement of cash flow is prepared in accordance with the indirect method prescribed in Ind AS 7, 'Statement of Cash Flows'.



### 1.18 Earnings Per Share (EPS)

#### Basic Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

#### 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.

### 1.19 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.

### 1.20 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



**a) 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.

**b) Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

**c) Subsequent measurement**

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

**i) 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.

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

A financial asset other than derivatives 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.

**iii) 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.

**v) Impairment of other financial assets**

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables or contract revenue receivables and all lease receivables etc.

**B. Financial Liabilities**

**a) 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.

**b) 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.

**c) Subsequent measurement**

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

**i) 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.

**ii) 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.

**iii) 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.

If the promoter companies recognise the corporate guarantee fees on account of corporate guarantee provided to any lender/banks/financial institution for extending credit facility to IGGL, latter shall make mirror entries in its books of account as per the advice of promoters.

**1.21 Non-Current Assets held for Sale**

Non-current assets or disposable groups classified as held for sale are measured at the lower of carrying amount and fair value less cost to sale.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.



Non-current assets or disposable groups are classified as held for sale if their carrying amount will be recovered principally through a sale rather than through continuing use. Management must be committed to the sale expected within one year from the date of classification. Action required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

PPE and Intangible assets once classified as held for sale are not depreciated or amortised.

#### **1.22 NEW STANDARDS/AMENDMENTS ISSUED BUT NOT YET EFFECTIVE**

Any amendment on Ind AS issued by MCA and applicable for future period to be given along with impact on financial statements.

### **Note – 1B:Significant Accounting Judgements, Estimates and Assumptions**

The preparation of the Company's standalone financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures, contingent liabilities/ assets at the date of the standalone financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require adjustment to the carrying amount of assets or liabilities affected in future periods. In particular, the Company has identified the areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

#### **1. Judgement**

In the process of applying the Company's accounting policies, management has made the judgments, which have the most significant effect on the amounts recognized in the standalone financial statements.

##### **1.1 Contingencies**

Contingent liabilities and assets which may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involve the exercise of significant judgments and the use of estimates regarding the outcome of future events.

##### **2. Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company determines its assumptions and estimates on parameters available when the financial



statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

### **2.1 Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

### **2.2 Defined benefit plans**

The cost of the defined benefit plan and other postemployment benefits and the present value of such obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date

### **2.3 Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### **2.4 Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Impairment of investment in subsidiaries, joint ventures or associates is based on the impairment calculations using discounted cash flow/net asset value method, valuation report of external agencies, Investee Company's past history etc.



