



VADODARA GAS LIMITED

(A Joint Venture of GAIL Gas Limited & Vadodara Municipal Corporation)

ANNUAL REPORT

2019-2020



VADODARA GAS LIMITED

Regd. Office – Shri Muni Commi Gas Office, Gas Office Building, Dandiya Bazar, Vadodara - 390001

CIN: U40106GJ2013PLC076828

Website: www.vgl.co.in

NOTICE OF AGM

Notice is hereby given that the SEVENTH ANNUAL GENERAL MEETING of the Members of Vadodara Gas Limited will be held on Wednesday, 30th September, 2020 at 3:00 p.m. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended 31st March, 2020, together with the reports of Board of Directors and Auditors thereon and to pass the following resolution as an *Ordinary Resolution*:

“**RESOLVED THAT** the audited Financial Statements of the Company for the financial year ended 31st March, 2020 together the reports of the Board of Directors and Auditors thereon be and are hereby received, considered and adopted.”

2. To appoint a Director in place of Shri Ajay Sinha (DIN: 08585727) who retires by rotation, and being eligible, offers himself for re-appointment and to pass the following resolution as an *Ordinary Resolution*:

“**RESOLVED THAT** Shri Ajay Sinha (DIN: 08585727), Nominee Director of GAIL Gas Limited, be and is hereby re-appointed as Director of the Company, liable to retire by rotation.”

3. To appoint a Director in place of Shri Pankaj Walia (DIN: 07862980) who retires by rotation, and being eligible, offers himself for re-appointment and to pass the following resolution as an *Ordinary Resolution*:

“**RESOLVED THAT** Shri Pankaj Walia (DIN: 07862980), Nominee Director of GAIL Gas Limited, be and is hereby re-appointed as Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS

4. **Re-appointment of Shri Rajeev Singhal (DIN: 07818095) as an Independent Director of the Company for a second term**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a *Special Resolution*:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Shri Rajeev Singhal (DIN: 07818095) whose first term as Independent Director shall expire on 21st September, 2020 and who has submitted a declaration that he meets the criteria for independence as provided under section 149(6) of the Act, be and is hereby re-appointed as an Independent



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Director of the Company, not liable to retire by rotation, for a second term of consecutive three (3) years commencing from 22nd September, 2020 upto 21st September, 2023.

RESOLVED FURTHER THAT any of the Directors or the Company Secretary be and is hereby severally authorized to do all such acts, matters, deeds and things including filing of necessary e-forms and documents with the Registrar of Companies, Ministry of Corporate Affairs, as may be required, to give effect to this resolution.”

5. Ratification of Remuneration of Cost Auditors for the financial year 2020-21

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of Rs. 60,000/- (Rupees Sixty Thousand only) plus applicable taxes and out-of-pocket expenses at actuals, payable to M/s. Y. S. Thakar & Co., Cost Accountants, Vadodara [Firm Registration No.: 000318], appointed by the Board of Directors of the Company as the Cost Auditors to carry out the audit of Cost Records maintained by the Company and submit the Cost Audit Report thereon for the financial year 2020-21, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors
For Vadodara Gas Limited

Sd/-
(Palak Shah)
Company Secretary

Date: 07.09.2020

Place: Vadodara

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NOTES

1. In view of the outbreak of COVID-19, the Ministry of Corporate Affairs (MCA), Government of India, has vide its General Circular No. 14/ 2020 dated 8th April 2020, General Circular No. 17/ 2020 dated 13th April 2020, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19” and General Circular No. 20/ 2020 dated 5th May 2020, in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” (collectively referred to as “MCA Circulars”) have permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”), without the physical presence of the Members at a common venue, and also send notice of the Meeting and other correspondences related thereto, through electronic mode.

In compliance with the applicable provisions of the Companies Act, 2013 (the “Act”) (including any statutory modification or re-enactment thereof for the time being in force), as amended from time to time, read with the MCA Circulars, the Annual General Meeting (“AGM”) of the Company is scheduled to be held on Wednesday, 30th September, 2020 at 3:00 p.m. through VC/OAVM and the voting for items to be transacted in the Notice to this AGM shall be through show of hands.

2. In compliance with the requirements of the MCA Circulars, electronic copy of the Notice along with the Annual Report for the financial year ended 31st March, 2020 consisting of financial statements including Board’s Report, Auditors’ Report and other documents required to be attached therewith (Collectively referred to as “Notice”) have been only sent to those members whose e-mail addresses are registered with the Company or the Registrar and Share Transfer Agent or the Depository Participants(s) through electronic means and no physical copy of the Notice has been sent by the Company to any member. The Notice has also been hosted on the website of the Company.

If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.

The members who have not yet registered their e-mail ids with the company may contact the Company Secretary on e-mail cs@vgl.co.in for registering their email IDs.

3. Members holding shares in physical form are requested to consider converting their holding to dematerialized form.



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4. As per the provisions of Clause 3.B.IV. of the General Circular No. 20/ 2020 dated 5th May 2020, the matters of Special Business as appearing at Item Nos. 4 and 5 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
5. The relative Explanatory Statement pursuant to Section 102 of the Act, in regard to the business as set out in Item Nos. 4 and 5 above and the relevant details of the Director seeking re-appointment as set out in Item Nos. 2 and 3 as per Secretarial Standards - 2 on General Meetings issued by The Institute of Company Secretaries of India, is annexed hereto.
6. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
7. Corporate Members are requested to send to the Company, a certified copy of the Board Resolution, pursuant to section 113 of the Companies Act 2013, authorizing their representative to attend and vote at the Meeting through VC.
8. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. The VC facility shall be made available through Microsoft Teams or any other alternative platform. The link of the Meeting will be shared before the Meeting commences. The facility for joining the Meeting is kept 15 minutes before the time scheduled to start the Meeting and will be closed after expiry of 15 minutes after such scheduled time.



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ANNEXURE TO NOTICE

Details of Directors seeking appointment / re-appointment at the 7th AGM of the Company

Name of Director	Shri Rajeev Singhal	Shri Ajay Sinha	Shri Pankaj Walia
DIN	07818095	08585727	07862980
Date of Birth	01.10.1954	06.02.1969	30.12.1963
Qualification	LL.B, PG in Masters of Social Work	B.E. (Elec.), MBA	B. Sc., F.C.A.
Overall Experience	More than 35 years	More than 29 years	More than 27 years
No. of shares held in the Company	-	-	One (1) No. Equity Share of Rs. 10/- each held jointly with GAIL Gas Limited
Directorship in other companies	-	-	-
Chairman / Member of the Statutory Committees of the Board of Directors of the Company	- HR Subcommittee (Chairman) - Nomination & Remuneration Committee (Chairman) - Corporate Social Responsibility Committee (Member)	-	- Audit Committee (Member) - Nomination and Remuneration Committee (Member)



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EXPLANATORY STATEMENT PURSUANT TO SEC. 102 OF THE COMPANIES ACT, 2013

Item No. 4

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors approved the re-appointment of Shri Rajeev Singhal (DIN: 07818095) as an Independent Director of the Company, not liable to retire by rotation, for a second term of consecutive three (3) years i.e. from 22nd September, 2020 up to 21st September, 2023 subject to approval of the shareholders of the Company by way of passing a Special Resolution.

Shri Rajeev Singhal is associated with the Company in the capacity of Independent Director since almost three years. A brief profile of Shri Rajeev Singhal is as under –

Rajeev Singhal is a graduate in Law with a post-graduation in Master of Social Work. He has more than 35 years of varied experience in legal and HR functions with more than three decades of specialized exposure in the Oil and Gas Sector. He has hands on experience in dealing with all facets of HR encompassing recruitment, placement, transfers and promotions with major emphasis on industrial relations, employee relations and statutory compliances. He has led teams in structuring large commercial transactions, negotiation and finalization of long term gas contracts, project documents and handling litigation. Besides this, he also has hands-on experience in strategic planning & management, liaising and coordination with Government Departments, commercial contracts, regulatory practices, team management and building government business.

Shri Rajeev Singhal has given his declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director. In the opinion of the Board, Shri Rajeev Singhal is a person of integrity, possesses the relevant expertise and experience and fulfills the conditions specified in the Act for appointment as an Independent Director and he is independent of the management.

Given his rich and vast experience, the Board considers it desirable and in the interest of the Company to have Shri Rajeev Singhal on the Board of the Company and accordingly the Board recommends the re-appointment of Shri Singhal as an Independent Director as proposed in the resolution set out at Item No. 4 for approval by the shareholders by way of Special Resolution.

Except for Shri Singhal, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.



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Item No. 5

Pursuant to section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to have the audit of its cost records for specified products conducted by a Cost Accountant. Based on the recommendation of the Audit Committee, the Board of Directors at their Meeting held on 7th August, 2020 approved the re-appointment of M/s. Y.S. Thakar & Co., Cost Accountants, as Cost Auditors to conduct the audit of the cost records maintained by the Company for the financial year 2020-21 at a remuneration of Rs. 60,000/- (Rupees Sixty Thousand only). M/s. Y.S. Thakar & Co. have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, ratification for the remuneration payable to the Cost Auditors for the financial year 2020-21 by way of an Ordinary Resolution is being sought from the Members as set out at item no. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders. None of the other Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

By Order of the Board of Directors
For Vadodara Gas Limited

Sd/-
(Palak Shah)
Company Secretary

Date: 07.09.2020

Place: Vadodara

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DIRECTORS' REPORT

To
The Members of
Vadodara Gas Limited

The Board of Directors present the Seventh Annual Report of the Company and the Audited Financial Statements for the Financial Year ended 31st March, 2020.

FINANCIAL HIGHLIGHTS:

The important financial highlights are as under –

1. Financial Highlights:

(Amount in Rs.)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Revenue from operations		
(a) Sale of products	1,78,54,37,110	1,53,71,64,266
(b) Other operating Revenues	14,19,74,621	13,95,90,455
Total Operating Revenue	1,92,74,11,731	1,67,67,54,722
Other income	1,69,59,334	2,51,34,632
Total Revenue	1,94,43,71,065	1,70,18,89,354
Expenses		
Gas consumed	1,10,42,85,946	97,01,88,733
Other Operating Expenses	43,31,43,330	41,16,54,840
Employee benefits expenses	4,55,37,223	4,30,08,957
Other expenses	18,61,03,241	16,10,59,931
Total expenses	1,63,23,22,042	1,47,12,88,358
Earnings Before Interest, Taxation, Depreciation, and Amortization (EBITDA)	17,53,01,325	11,59,76,894
Finance costs	4,48,06,787	2,15,27,906
Depreciation and amortization expense	8,32,91,287	4,18,90,593
Profit/(loss) Before Tax and Prior Period & Extraordinary Items	4,72,03,252	5,25,58,395



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Less: Prior Period Expense	-	-
Profit/(loss) before Tax	4,72,03,252	5,25,58,395
Less: Tax expense:		
Current tax	(5,71,531)	2,23,84,975
Deferred Tax	10,04,07,412	(2,50,97,069)
Profit/(Loss) for the period	(5,26,32,629)	5,52,70,489
Earnings per equity share:		
Basic & Diluted	-0.22	0.23

Note: The financials have been prepared in accordance with IND AS.

- All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparing these financial statements.
- The company has adopted IND 116 "Leases" w.e.f 1st April, 2019. The Standard primarily requires the Company, as a lessee to recognize, at the commencement of the lease a right-of-use (ROU) asset and a lease liability (representing the present value of unpaid lease payments to be made over the lease term). Such ROU assets are subsequently depreciated in accordance with the depreciation requirements as per Ind AS 16, Property, Plant and Equipment and the lease liability reduced when paid, with the interest on the lease liability recognized as finance costs.
- During the current year company has earned revenue of Rs 109.01 cr as against Rs. 92.37 in FY 18-19 from sale of Compressed Natural Gas. Sales have increased from 2,09,14,714 kgs to 2,32,73,926 kgs.
- During the current year, the company has earned revenue of Rs. 69.54 crores as against Rs. 61.35 crores in FY 18-19 from sale of Piped Natural Gas. Sales have increased from 2,40,59,193 SCM to 2,68,95,470 SCM in FY 19-20.
- GAIL India Limited issued debit note to VGL for Rs. 1.34 crores against revision of tariff of South Gujarat pipeline as per PNGRB order dated 29.12.2014. GAIL claimed the net amount payable citing the quadripartite agreement. This led to increase in gas purchase cost by Rs. 1.34 crores in current financial year.
- Other operating expenses have increased from Rs. 41.16 crores in FY 18-19 to Rs. 43.31 crores, main reason being increase in maintenance expenses (which includes Operational & Maintenance expense, wet lease expense, facility charges) on account of setting up on new 8 CNG DBS in FY 19-20 which led to increase in cost by Rs. 2.09 crores.



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- In FY 2019-20, the number of DBS increased as compared to FY 2018-19. Hence, the cost towards LCV charges increased from Rs. 1.61 crores in FY 2018-19 to Rs. 5.38 crores in FY 2019-20. In FY 2019-20, the impact as per IND AS 116 is provided for fixed LCV charges.
- Finance cost includes interest on Term Loan. In FY 18-19 said cost was Rs. 1.53 crores pertaining to term Loan of Rs 13 crores. In FY 19-20 New term loan sanctioned worth Rs. 75 crores, disbursed Rs. 28.65 crores as on 31st March, 2020 thus said interest cost increased to Rs. 3.32 crores.
- Increase in electricity expenses by Rs. 57.65 lacs due to New DBS commissioned in FY 19-20 at Sardar Grahak Kelanpur, Alfa Petroleum Atladra, Shree Dutt Waghodia, Prem Shanti Bhilapur, Krishna dumas, Pioneer ajwa, LG Petroleum Bhayli, F Patel Padra.
- Repair cost of Building Increased by Rs. 1.71 crores due to major Repairing Expense carried out at CNG mother Stations and at Dandiya Bazar office.
- Since GST is not applicable on Natural gas thus GST credit is not available to VGL on various bills received from contractors, vendors & service providers, said GST is expensed out. Said GST cost increased by Rs. 1.20 crores in FY 19-20.
- Pursuant to the introduction of Section 115BAA of the Income Tax Act, 1961 vide Taxation Laws (Amendment) Act, 2019 the company has an option to pay corporate income tax at the rate of 22% plus applicable surcharge and cess (lower rate) as against the earlier rate of 25% plus applicable surcharge and cess, subject to certain conditions. Considering the provisions under said section 115BAA of the Income Tax Act, 1961 the Company has decided to avail the lower rate from FY 2019-20. Accordingly, the Company has recognized Provision for Income tax for the year ended 31st March, 2020 and re-measured its net Deferred Tax liabilities on the basis of the rate prescribed in the said section.
- The net impact on deferred tax due to this change is Rs. 10,03,85,730/-. The MAT balance as on April 01, 2019 amounting to Rs. 9,53,16,156/- has not been carried forward as per provision of Section 115BAA of the Income Tax Act, 1961. However, the same would be available for utilization against any tax liabilities pertaining to past periods.
- The Profit After Tax is (- Rs 5.26) crores in current year as compared to Rs 5.5 crores in previous year.



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BUSINESS AND OPERATIONS:

Natural Gas is the cleanest fossil fuels among the available fossil fuels. It is used as a feedstock in the manufacture of fertilizers, plastics and other commercially important organic chemicals as well as used as a fuel for electricity generation, heating purpose in industrial and commercial units. Natural gas is also used for cooking in domestic households and a transportation fuel for vehicles.

The Government of India (GOI) is focusing on increasing the share of natural gas to 15% by 2030 in the energy basket from the present level of approximately 6.2% and make India a gas-based economy. The Government has taken various steps and initiatives in order to promote the expansion of City Gas Networks and enhance the usage of natural gas in cities.

Your Company is a City Gas Distribution (CGD) company which is engaged in the business of supplying Piped Natural Gas (PNG) to domestic households, industrial and commercial customers and Compressed Natural Gas (CNG) to vehicles in Vadodara Geographical Area (GA) including Chhota Udepur.

CNG Operations

During the FY 2019-20, the Company has successfully added 07 new CNG stations which has led to an increase in compression capacity by around 38,507.46 Kgs/day. As on March 31, 2020, the Company is operating 18 Nos. CNG stations in Vadodara GA i.e. 03 Mother Stations, 02 Online Station and 13 Daughter Booster Stations with total compression capacity of 207,536.14 Kgs per day. The Company has achieved average sales of 63,590 Kgs/day in the FY 2019-20 compared to 57,270 Kgs/day during the FY 2018-19.

PNG Operations

In FY 2019-20, the Company has provided additional Domestic PNG connections to 24,789 households, Commercial PNG connections to 32 establishments and Industrial PNG connections to 2 establishments. The cumulative Domestic PNG connections, Commercial PNG connections and Industrial PNG connections are 1,47,785, 2,570 and 2 respectively as on 31st March, 2020.

The Company has registered a growth of 20.15% in providing domestic PNG connections, growth of about 1.26% in PNG commercial connections and opening of the new industrial segment from the previous FY 2018-19. Further, the Company has laid 430 kms of PE Pipeline network in FY 2019-20, leading to 2236 kms of PE gas pipeline spread across Vadodara.

The Company has also made commendable progress in achieving the D-PNG & CNG targets of MOPNG.



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New Initiatives

The Company has concentrated on supplying PNG to industrial units of Waghodia GIDC on Liquefied Natural Gas (LNG) terminal based methodology. Gas Sale Agreements (GSAs) have been signed with industrial units in Waghodia GIDC.

The Company has also initiated action for setting up an LNG dispensing station at Por, as per the directives of MoPNG.

Further, the Company has enhanced customer-centric approach by introducing the digital approach of sending e-bills to Domestic PNG customers.

SHARE CAPITAL

Presently, the paid-up equity share capital of the Company stands at Rs. 2,402,935,480/- consisting of 240293548 equity shares of Rs. 10/- each. GAIL Gas Limited (along with nominee shareholders) holds 17.07% (41008943 equity shares), GAIL (India) Limited holds 32.93% (79137831 equity shares) and Vadodara Mahanagar Seva Sadan / Vadodara Municipal Corporation (along with nominee shareholders) holds 50.00% (120146774 equity shares) in your Company.

Your Company has secured International Security Identification Number (ISIN) for its equity shares from the National Securities Depository Limited (NSDL) and has appointed M/s. MCS Share Transfer Agent Limited as its Registrar and Transfer Agent (RTA) for facilitating dematerialisation of the Company's shares in accordance with Rule 9A of the Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company is a joint venture of GAIL Gas Limited and Vadodara Mahanagar Seva Sadan (i.e. Vadodara Municipal Corporation). There are no subsidiary companies, associate companies or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ('the Act').

DIVIDEND

The company has not declared any dividend during the financial year 2019-20.

DEPOSITS

During the year under review, your company has not accepted any deposits under Section 73 to 76 of the Companies Act, 2013 and the rules made there under.



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TRANSFER TO RESERVES

The Company has transferred the Profit After Tax for the year of Rs (5,26,32,629/-) to Other Equity in the Balance sheet comprising of Retained Earnings.

AUDITORS

Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 (“the Act”) and the rules made there under, M/s. K. C. Mehta & Co., Chartered Accountants (Firm Registration no. 106237W) were appointed as the Statutory Auditors of the Company for a second term of 5 (five) consecutive years to hold office from the conclusion of the 6th (Sixth) Annual General Meeting until the conclusion of the 11th (Eleventh) Annual General Meeting in the financial year 2023-24 and their remuneration was approved by the shareholders of the Company.

The Notes to Financial Statements referred to in the Auditors’ Report are self-explanatory and do not call for any further comments. The statutory audit report for the financial year 2019-20 does not contain any qualification, reservation or adverse remark or disclaimer made by statutory auditor.

Cost Auditors

In accordance with the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has made and maintained cost accounts and records. The Board has appointed M/s. Y.S. Thakar & Co., Cost Accountants (Firm Registration No. 000318) as the Cost Auditors for conducting Cost Audit relating to the products of the Company i.e. CNG and PNG for the financial year 2020-21. The necessary resolution has been included in the Notice convening this AGM, seeking ratification by Members to the remuneration proposed to be paid to the Cost Auditors for the financial year 2020-21.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made there under, M/s. Swati Bhatt & Co., Practising Company Secretaries, were appointed as the Secretarial Auditors to carry out the Secretarial Audit of the Company for the financial year 2019-20 and submit the Secretarial Audit Report thereon. The secretarial audit report for the financial year 2019-20 which is given as an Annexure forming part of this Report does not contain any qualification, reservation or adverse remark or disclaimer made by secretarial auditor. The report is self-explanatory and does not call for any comments.



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Internal Auditors

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and the rules made thereunder, the Board of Directors appointed M/s. ASM & Co., Chartered Accountants (Firm Registration No.: 131591W) as the Internal Auditors to carry out the Internal Audit of the Company for the financial year 2019-20 and submit the Internal Audit Reports thereon as per the agreed scope / terms of reference.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, the Board of Directors of your Company confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2020 and the loss of the company for the year ended on that date;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis;
- (e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUT GO

The particulars regarding conservation of energy, technology absorption, foreign exchange earnings and outgo etc., as required to be disclosed under the Act, are given in an Annexure which forms part of this Report.

EXTRACT OF ANNUAL RETURN:

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the extract of the annual return for FY 2019-20 is given as an Annexure, in the prescribed Form No. MGT-9, which is a part of this report. The same is available on www.vgl.co.in.

PARTICULARS OF EMPLOYEES

During the year under review, there were no employees in receipt of remuneration exceeding the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended.



VADODARA GAS LIMITED

Regd. Office: Shri Muni Commi Gas Office, Gas Office Building, Dandia Bazar, Vadodara – 390001
CIN: U40106GJ2013PLC076828 Website – www.vgl.co.in

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Shri Nalin Upadhyay, IAS (DIN: 08571889), Municipal Commissioner, Vadodara and Nominee of Vadodara Municipal Corporation, was appointed as the Nominee Director on the Board of the Company w.e.f. 25th September, 2019 in place of outgoing Municipal Commissioner Shri Ajay Bhadoo, IAS (DIN: 05333433) who ceased to be Director of the Company w.e.f. 24th July, 2019.

Shri Nalin Upadhyay, IAS (DIN: 08571889), has ceased to be Director of the Company with effect from 20th August, 2020 in view of his Transfer vide Notification of the Government of Gujarat.

Shri Ajay Sinha (DIN: 08585727), Nominee of GAIL Gas Limited, was appointed as Nominee Director on the Board of the Company w.e.f. 14th October, 2019 in place of Shri Rajeev Garg (DIN: 07674683), who ceased to be Director of the Company w.e.f. 15th May, 2019.

Shri Manmohan Sutaria (DIN: 07506763) was appointed as Independent Director at the 6th Annual General Meeting of the Company held on 30th September, 2019 for a second term of three years w.e.f. 18th July, 2019, not liable to retire by rotation.

Shri Pravin Mohanbhai Patel (DIN: 07746026), Nominee Director on the Board of the Company, has retired from his parent organization i.e. Vadodara Municipal Corporation, and consequently ceased to be Director on the Board of the Company with effect from the close of business hours of 30th June, 2020. It has been communicated by Vadodara Municipal Corporation that another Nominee Director in place of Shri Pravin Mohanbhai Patel shall be nominated shortly.

The Board places on record its sincere thanks and appreciation for the invaluable counsel and contribution of Shri Ajay Bhadoo, IAS, Shri Pravin Mohanbhai Patel, Shri Rajeev Garg and Shri Nalin Upadhyay, IAS towards the Company's growth during their tenure as Board Members.

Pursuant to provisions of Section 152(6) of the Companies Act, 2013, Shri Pankaj Walia (DIN: 07862980) and Shri Ajay Sinha (DIN: 08585727) retire by rotation at this Annual General Meeting and being eligible, have offered themselves for re-appointment.

In accordance with the provisions of the Companies Act, 2013, independent directors are not liable to retire by rotation. As per Clause 146 (iii) of the Articles of Association of the Company, the Managing Director and Director (Commercial) of the Company are not liable to retire by rotation.



VADODARA GAS LIMITED

Regd. Office: Shri Muni Commi Gas Office, Gas Office Building, Dandia Bazar, Vadodara – 390001
CIN: U40106GJ2013PLC076828 Website – www.vgl.co.in

NUMBER OF MEETINGS OF THE BOARD

During the year under review, a total of 4 (Four) Board Meetings were held i.e. on 18th July, 2019, 3rd September, 2019, 30th December, 2019 and 21st January, 2020. The intervening gap between two Board Meetings was within the period prescribed by the Companies Act, 2013.

The attendance of Directors is as under:

Sr. No.	Name of the Director	Designation	No. of Board Meetings held during the year	No. of Board Meetings attended
1.	Shri Ajay Bhadoo, IAS	Nominee Director	4	-
2.	Shri Nalin Upadhyay, IAS	Nominee Director	4	1
3.	Shri Ashok Kumar Das	Nominee Director, Managing Director & KMP	4	4
4.	Shri Pankaj Walia	Nominee Director	4	2
5.	Shri Shailesh Naik	Nominee Director, Director (Commercial)	4	4
6.	Shri Pravin M Patel	Nominee Director	4	4
7.	Shri Ajay Sinha	Nominee Director	4	1
8.	Shri Manmohan Sutaria	Independent Director	4	3
9.	Shri Rajeev Singhal	Independent Director	4	4
10.	Shri Rajeev Garg	Nominee Director	4	-

Notes –

1. Shri Ajay Bhadoo, IAS ceased to be Director w.e.f. 24th July, 2019.
2. Shri Nalin B. Upadhyay, IAS was appointed as Director w.e.f. 25th September, 2019.
3. Shri Pravin Mohanbhai Patel ceased to be Director w.e.f. close of business hours of 30th June, 2020 on account of his retirement from his parent organization i.e. Vadodara Municipal Corporation.
4. Shri Manmohan Sutaria had resigned as Director w.e.f. 3rd May, 2019 and subsequently appointed for second term w.e.f. 18th July, 2019.
5. Shri Rajeev Garg ceased to be Director w.e.f. 15th May, 2019.



VADODARA GAS LIMITED

Regd. Office: Shri Muni Commi Gas Office, Gas Office Building, Dandia Bazar, Vadodara – 390001
CIN: U40106GJ2013PLC076828 Website – www.vgl.co.in

COMMITTEES OF THE BOARD

Audit Committee

During the year, the Audit Committee comprised of five members as per details in the following table:

Sr. No.	Name	Role
1	Shri Manmohan Sutaria	Chairperson
2	Shri Ashok Kumar Das	Member
3	Shri Shailesh Naik	Member
4	Shri Pravin M Patel*	Member
5	Shri Pankaj Walia	Member

* Shri Pravin M Patel ceased to be Member of the Committee on account of his retirement from his parent organization i.e. Vadodara Municipal Corporation w.e.f. close of business hours of 30th June, 2020.

The Company Secretary acts as the Secretary of the Audit Committee.

Nomination and Remuneration Committee

During the year, the Nomination and Remuneration Committee is comprised of five members as per details in the following table:

Sr. No.	Name	Role
1	Shri Rajeev Singhal	Chairperson
2	Shri Ashok Kumar Das	Member
3	Shri Shailesh Naik	Member
4	Shri Pravin M Patel*	Member
5	Shri Pankaj Walia	Member

* Shri Pravin M Patel ceased to be Member of the Committee on account of his retirement from his parent organization i.e. Vadodara Municipal Corporation w.e.f. close of business hours of 30th June, 2020.

The Company Secretary acts as the Secretary of the Nomination and Remuneration Committee.

The Board has formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.



VADODARA GAS LIMITED

Regd. Office: Shri Muni Commi Gas Office, Gas Office Building, Dandia Bazar, Vadodara – 390001
CIN: U40106GJ2013PLC076828 Website – www.vgl.co.in

Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee is comprised of four members as per details in the following table:

Sr. No.	Name	Role
1	Shri Manmohan Sutaria	Chairperson
2	Shri Rajeev Singhal	Member
3	Shri Ashok Kumar Das	Member
4	Shri Shailesh Naik	Member

The Company Secretary acts as the Secretary of the CSR Committee.

POLICY ON CSR INITIATIVES

The provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder relating to Corporate Social Responsibility were applicable to the Company during the year under review. A copy of the CSR policy is placed on the website of the Company at www.vgl.co.in. The Annual Report on CSR activities carried out by the Company during the financial year under review is given as an Annexure which forms part of this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, your Company has not given any loan, guarantee, or provided security under Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

None of the related party transactions of the Company fall under the scope of Section 188 of the Companies Act, 2013 as all related party transactions of the Company during the financial year were in the ordinary course of business and at arm's length.

The particulars of contracts or arrangements with related parties referred to in the applicable provisions of the Companies Act, 2013, during the financial year under review, are furnished in Form AOC-2 which forms part of this Report.

Members may refer Note 35 to the Financial Statements which sets out related party disclosures pursuant to Ind AS.



VADODARA GAS LIMITED

Regd. Office: Shri Muni Commi Gas Office, Gas Office Building, Dandia Bazar, Vadodara – 390001
CIN: U40106GJ2013PLC076828 Website – www.vgl.co.in

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENT RELATE AND THE DATE OF REPORT

During the period from the end of the financial year to the date of this Report, there were no material changes and commitments that have affected the financial position of the Company.

DISCLOSURE OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS / COURTS / TRIBUNAL

During the financial year under review, no orders were passed by the regulators / courts / tribunal impacting the going concern status and company's operations.

DISCLOSURE OF ESTABLISHMENT OF VIGIL MECHANISM POLICY

The Company has established a Whistle Blower (Vigilance Mechanism) Policy with a view to encourage its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. The policy also aims to provide an avenue for employees and other stakeholders to raise concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. The Policy is available on the Company's website at www.vgl.co.in.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has framed a Policy in accordance with the The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 (POSH Act) and has constituted an Internal Complaints Committee (ICC) in line with the provisions of the POSH Act to redress the complaints received regarding sexual harassment. During the financial year, there were no complaints received by the Company under the POSH Act.

RISK MANAGEMENT POLICY

Your Company was in the process of appointing an external consultants / agency to prepare a comprehensive enterprise risk management framework including the risk management policy in line with the business activities of the Company. However, due to the spread of COVID-19 pandemic and its adverse impact on the revenues of the Company, the process of appointment was kept on hold. The Company intends to appoint the said consultants in the current year.

INTERNAL FINANCIAL CONTROLS

Your Company has in all material respects, an adequate Internal Financial Controls system over financial reporting and the same were operating effectively as at 31st March, 2020. This is as per the requirement in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.



VADODARA GAS LIMITED

Regd. Office: Shri Muni Commi Gas Office, Gas Office Building, Dandia Bazar, Vadodara – 390001
CIN: U40106GJ2013PLC076828 Website – www.vgl.co.in

SECRETARIAL STANDARDS

The Company has followed applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

DECLARATION BY INDEPENDENT DIRECTORS

In compliance of Section 149(6) of the Act, the Company has received the declaration from Independent Directors, Shri Rajeev Singhal and Shri Manmohan Sutaria confirming that –

- (a) they meet the criteria of independence as laid down under section u/s, 149(6) of the Companies Act, 2013 and have complied with Schedule IV of the Act.
- (b) they have registered their names in the Independent Directors' Databank.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act for their appointment as Directors.

OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

In the opinion of the Board, the Independent Directors on the Board of the Company hold high standards of integrity. They are qualified and have vast experience. They are professionals and add to the diversity and value on the Board.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the Ministry of Petroleum and Natural Gas, Petroleum Natural Gas Regulatory Board, State Government of Gujarat, our Bankers, customers, consultants, suppliers and all stakeholders of the Company for their continued support and encouragement to the Company during the year. Your Directors also gratefully acknowledge the shareholders for their support and confidence reposed in the Company.

**For and on behalf of Board of Directors
of Vadodara Gas Limited**

sd/-
A K Das
Managing Director
DIN: 07209092

sd/-
Shailesh Naik
Director (Commercial)
DIN: 06546482

Date: 07.09.2020
Place: Vadodara

FORM NO. MR - 3

Secretarial Audit Report

(For the financial year ended 31st March, 2020)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s. Vadodara Gas Limited
CIN: U40106GJ2013PLC076828
Shri Municipal Commissioner Gas Office,
Gas Office Building, Dandia Bazar,
Vadodara, Gujarat - 390001.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. VADODARA GAS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provides us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Vadodara Gas Limited** ("**The Company**") for the year ended on 31st March, 2020 according to the provisions of:
 - I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
 - II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there under; - As the company is an Unlisted public limited company, hence, the said Act, is not applicable to it.

- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; - The Company has secured International Security Identification Number (ISIN) for its equity shares from the National Securities Depository Limited (NSDL) and has appointed M/s. MCS Share Transfer Agent Limited as its Registrar and Transfer Agent (RTA) for facilitating dematerialisation of the Company's equity shares. The shares are in the process of being dematerialised. Hence, the said Act is applicable to the Company.
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; -

It has been observed that during the year there is no transaction occurred which has come under the purview of the said Act, hence the Act and the rules and regulations made there under is not applicable to the Company.

- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company:- As the company is an Unlisted public limited company, hence, the said Acts, and rules and regulations made thereunder are not applicable to it.

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

- g) The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited;

VI. The Memorandum and Articles of Association of the Company.

It has been observed that during the year, the Company has complied necessary clauses of Memorandum and Articles of Association of the Company, wherever required.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited – As the company is an unlisted public limited company, hence, the said agreement, is not applicable to it.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, ~~Listing Agreements~~ etc as mentioned above.

- 2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Rules made under the said Act and the Memorandum and Articles of Association of the Company, with regard to:

- a) Maintenance of various statutory registers and documents and making necessary entries therein;
- b) Closure of the Register of Members;
- c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- d) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) Notice of Board meetings and Committee meetings of Directors;

- f) The meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- g) The Annual General Meeting held on 30th September, 2019 for the financial year 2018-19;
- h) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j) Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
- k) Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
- l) Appointment and remuneration of Auditors and Cost Auditors;
- m) Transfers and transmissions of the Company's shares and make necessary endorsement on the reverse side of the respective Share Certificates;

During the year under review, the Company has not received a single transfer request.

- n) Declaration and payment of dividends;

During the year under review, the Company has not declared and paid any dividend to its members. Therefore, the said provisions of the Companies Act, 2013 is not applicable to the Company.

- o) Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;

Since, the Company has not declared and paid any dividend since incorporation, there is no transfer of any amount to Investor Education and Protection Fund during the year under review.

- p) Borrowings and registration, modification and satisfaction of charges wherever applicable;
- q) Investment of the Company's funds including investments and loans to others;
- r) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
- s) Directors' report;
- t) Contracts, common seal, registered office and publication of name of the Company; and
- u) Generally, all other applicable provisions of the Act and the Rules made under the Act.

3. I further report that:

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- d) The Company has obtained all necessary approvals under the various provisions of the Act; and
- e) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, ~~SEBI Act, SCRA, Depositories Act, Listing Agreement~~ and Rules, Regulations and

Guidelines framed under these Acts against / on the Company, its Directors and Officers.

- f) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;
- 4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

The Company is an unlisted public limited Company hence, the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under the said Act are not applicable.

- 5. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Bye laws framed there under by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

It has been observed that as the shares of the Company are in process of demat form, hence the provisions of the said Act, is applicable and complied by the Company.

- 6. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

It has been observed that during the year, there is no transaction occurred which has come under the purview of the said Act, hence the Act and the rules and regulations made there under is not applicable to the Company.

- 7. I further report that:
 - a) The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited and Calcutta Stock Exchange Limited – As the Company is an unlisted public limited Company, hence, the said requirements are not applicable to the Company.

- b) The Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations - As the Company is an unlisted public limited Company, hence, the said Regulations are not applicable to the Company.
- c) The Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations - As the Company is an unlisted public limited Company, hence, the said Regulations are not applicable to the Company.
8. I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

Place: Vadodara

For, Swati Bhatt & Co.

Date: 07/09/2020

Swati Bhatt
Practicing Company Secretary
M. No. 7323
COP: 8004
UDIN: F007323B000677982

Note : This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.

“ANNEXURE A”

To,
The Members,
M/s. Vadodara Gas Limited
CIN: U40106GJ2013PLC076828
Shri Municipal Commissioner Gas Office,
Gas Office Building, Dandia Bazar,
Vadodara, Gujarat - 390001.

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

1. Maintenance of Secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we follow provide a responsible basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Vadodara

Date: 07/09/2020

For, Swati Bhatt & Co.

Sd/-
Swati Bhatt
Practicing Company Secretary
M. No. 7323
COP: 8004
UDIN: F007323B000677982



VADODARA GAS LIMITED

FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	U40106GJ2013PLC076828
Registration Date	13/09/2013
Name of the Company	Vadodara Gas Limited
Category / Sub-Category of the Company	Company limited by shares/Non-Government Company
Address of the Registered office and contact details	Shri Muni Commi Gas Office, Gas Office Building, Dandia Bazar, Vadodara-390001
Whether listed company Yes / No	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Limited 1 st Floor, 88 Neelam Apartment, Sampatrao Colony, Vadodara – 390007 Tel: 0265-2314757

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	Natural Gas	D2	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES – N.A.

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section



VADODARA GAS LIMITED

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
g) Individual	-	8	8	0.00	-	8	8	0.00	-
h) Central Govt		79137831	79137831	32.93	79137831	-	79137831	32.93	-
i) State Govt(s)	-	-	-	-	-	-	-	-	-
j) Bodies Corp.		41008939	41008939	17.07	41008939	-	41008939	17.07	-
k) Banks / FI	-	-	-	-	-	-	-	-	-
l) Any other (Municipal Corporation)	-	120146770	120146770	50.00	-	120146770	120146770	50.00	-
Sub-total (A)(1)	-	240293548	240293548	100.00	120146770	120146778	240293548	100.00	-
(2) Foreign									
a) NRIS-Individual	-	-	-	-	-	-	-	-	-
b) Others-Individual	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
l) Any other	-	-	-	-	-	-	-	-	-
Sub Total(A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of promoter(A)=(A)(1)+(A)(2)	-	240293548	240293548	100.00	120146770	120146778	240293548	100.00	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-



VADODARA GAS LIMITED

h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-									
2. Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	240293548	240293548	100.00	120146770	120146778	240293548	100.00	-

Note: GAIL (India) Limited and GAIL Gas Limited have dematerialized their holding in the Company during the financial year. The dematerialization of shares of the Company held by Vadodara Municipal Corporation and all 8 nos. joint holders is pending as on date.



VADODARA GAS LIMITED

(ii) Shareholding of Promoters:

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	GAIL Gas Limited	41008939	17.07	-	41008939	17.07	-	-
2.	Vadodara Mahanagar Seva Sadan ("VMSS") or (Vadodara Municipal Corporation)	120146770	50.00	-	120146770	50.00	-	-
3.	GAIL (India) Limited	79137831	32.93	-	79137831	32.93	-	-
4.	Mr. Pravin Patel (Nominee of VMSS)	1	0.000	-	1	0.00	-	-
5.	Mr. Shailesh Naik (Nominee of VMSS)	1	0.000	-	1	0.00	-	-
6.	Mr. Ravindra Sugoor (Nominee of VMSS)	1	0.000	-	1	0.00	-	-
7.	Pankaj Walia j/w. GAIL Gas Ltd.	1	0.00	-	1	0.00	-	-
8.	Mr. Kunal Kumar Ghosh J/w. GAIL Gas Ltd.	1	0.00	-	1	0.00	-	-
9.	Shri Ajay Bhadoo (Nominee of VMSS)	1	0.00	-	1	0.00	-	-
10.	Mr. A K Das J/w. GAIL Gas Ltd.	1	0.00	-	1	0.00	-	-
11.	Mr. Saurabh Saxena J/w. GAIL Gas Ltd.	1	0.000	-	1	0.00	-	-

Note: There were no transfer of shares during the FY 2019-20



VADODARA GAS LIMITED

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

There is no change in the shareholding during the year.

S.N. 1	Name of Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease(e.g.allotment/transfer/bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable

S. N.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):				
	At the end of the year(or on the date of separation, if separated during the year)				



VADODARA GAS LIMITED

(iv) Shareholding of Directors and Key Managerial Personnel (during the year):

S.N. 1	Shri Shailesh Kalidas Naik Director (Commercial)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1	0.000	1	0.000
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	1	0.000
	At the End of the year	1	0.000	1	0.000

S.N. 2	Shri Ajay Bhadoo, IAS Nominee Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1	0.000	1	0.000
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	-	-	1	0.000
	At the End of the year	1	0.000	1	0.000

S.N. 3	Shri Ashok Kumar Das Managing Director and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1	0.000	1	0.000
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	1	0.000
	At the End of the year	1	0.000	1	0.000



VADODARA GAS LIMITED

S.N. 4	Shri Manmohan Sutaria Independent Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

S.N. 5	Shri Pankaj Walia Nominee Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1	0.00	1	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	1	0.00
	At the End of the year	1	0.00	1	0.00

S.N. 6	Shri Pravin M Patel Nominee Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1	0.000	1	0.000
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	1	0.000
	At the End of the year	1	0.000	1	0.000



VADODARA GAS LIMITED

S.N. 7	Shri Rajeev Singhal Independent Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

S.N. 8	Shri Rajeev Garg Nominee Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

S.N. 9	Shri Nalin Upadhyay, IAS Nominee Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-



VADODARA GAS LIMITED

S.N. 10	Shri Ajay Sinha Nominee Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

S.N. 11	Smt. Palak Shah Company Secretary & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

S.N. 12	Smt. Ritu Thakkar* Chief Financial Officer & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

*Appointed w.e.f. 01.04.2019



VADODARA GAS LIMITED

V. INDEBTEDNESS:

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

Amount in RS.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	172,647,468	-	-	172,647,468
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	172,647,468	-	-	172,647,468
Change in Indebtedness during the financial year				
* Addition	287,014,893	-	-	287,014,893
* Reduction	74,008,000	-	-	74,008,000
Net Change	213,006,893	-	-	213,006,893
Indebtedness at the end of the financial year				
i) Principal Amount	385,654,361	-	-	385,654,361
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	385,654,361	-	-	385,654,361

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs.)
		Shri Ashok Kumar Das - MD	WTD/Mana ger	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act,	73,37,197	-	73,37,197



VADODARA GAS LIMITED

	1961			
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - Others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	73,37,197	-	73,37,197
	Ceiling as per the Act			

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors	Shri Manmohan Sutaria	Shri Rajeev Singhal			-
	• Fee for attending board committee meetings • Commission • Others, please specify	1,35,000	1,50,000			2,85,000
	Total (1)	1,35,000	1,50,000			2,85,000
2.	Other Non-Executive Directors	-	-			-
	• Fee for attending board committee meetings • Commission • Others, please specify	-	-			-
	Total (2)	-	-			-
	Total (B) = (1 + 2)	1,35,000	1,50,000			2,85,000
	Total Managerial Remuneration	-	-			-
	Overall Ceiling as per the Act	-	-			-

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD:

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (in Rs.) (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section	-	8,54,690	7,52,411	16,07,101



VADODARA GAS LIMITED

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
	17(3) Income-tax Act, 1961				
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (in Rs.)	-	8,54,690	7,52,411	16,07,101

PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: - Not Applicable

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT /COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For Vadodara Gas Limited

sd/-
A K Das
Managing Director
DIN: 07209092

sd/-
Shailesh Naik
Director (Commercial)
DIN: 06546482

Date: 07.09.2020
Place: Vadodara



VADODARA GAS LIMITED

Regd. Office: Shri Muni Commi Gas Office, Gas Office Building, Dandia Bazar, Vadodara – 390001
CIN: U40106GJ2013PLC076828 *Website – www.vgl.co.in*

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and reference to the web-link thereof –

Vadodara Gas Limited recognizes its responsibility towards the society and has started carrying out CSR activities from the end of financial year 2017-18. As required under the Companies Act, 2013, the CSR Policy and guidelines are in place. The highlights of the Policy are as follows:

- In every financial year, two per cent of the Average Net Profits of the Company made during the immediately 3 preceding financial years will be earmarked for undertaking CSR activities.
- A CSR Committee of the Board headed by an Independent Director is in place.
- The Company takes the CSR projects pertaining to areas specified in Schedule VII to the Companies Act, 2013, as amended from time to time.

The Company's CSR Policy is available on the website of the Company at www.vgl.co.in

2. Composition of CSR Committee –

The CSR Committee of the Company comprises the following –

- (a) Shri Manmohan Sutaria – Chairperson – Independent Director
- (b) Shri Rajeev Singhal – Member – Independent Director
- (c) Shri A K Das – Member – Managing Director
- (d) Shri Shailesh Naik – Member – Director (Commercial)

Note: The CSR Committee held two meetings during the financial year 2019-20.

3. Average Profits of the Company for the last 3 financial years under Section 198 of the Companies Act, 2013 is Rs. 9,94,47,174.22/-
4. Prescribed CSR expenditure (2% of the average profit mentioned above) is Rs. 19,88,943.48/-
5. Details of amount spent during the financial year 2019-20 –

During the year, the Company spent Rs. 2,12,400/- towards direct supply of hand gloves to the Sanitation Department of Vadodara Municipal Corporation under the area "Sanitation" specified under clause (i) of Schedule VII to the Companies Act, 2013 to support their sanitation workers to handle the pandemic situation in Vadodara city.



VADODARA GAS LIMITED

Regd. Office: Shri Muni Commi Gas Office, Gas Office Building, Dandia Bazar, Vadodara – 390001
CIN: U40106GJ2013PLC076828 *Website – www.vgl.co.in*

6. Amount unspent during financial year 2019-20 and reasons therefor –

During the year, the CSR Committee of the Company had approved contribution towards an ongoing Sanitation project of VMC under Swachh Bharat Mission and in pursuance of clause (i) of Schedule VII to the Companies Act, 2013, under the head / area - Sanitation. Under this project, it was decided to undertake supply and installation of required number of dustbins in the VMC gardens and commercial areas across Vadodara City through an NGO, in line with the CSR policy of the Company.

While the company was in the process of completing the necessary documentation, India was hit by COVID 19 pandemic. The said pandemic led to complete lockdown in the country and the Company was not able to implement the desired project.

In addition to the above, considering the lockdown in the country due to the pandemic situation, the Company's revenues took an adverse hit and thus it was not viable to spend the entire CSR amount in the current financial year. Hence, taking into consideration the lockdown situation due to COVID-19 pandemic and the resultant drastic fall in Company's revenues, the unspent CSR amount for FY 2019-20 of Rs. 17,76,543.48/- is carried forward and will be spent in the FY 2020-21.

The CSR Committee confirms that the implementation and the monitoring policy is in compliance of the CSR objectives and Policy of the Company.

**For and on behalf of Board of Directors
of Vadodara Gas Limited**

sd/-
A K Das
Managing Director
DIN: 07209092

sd/-
Shailesh Naik
Director (Commercial)
DIN: 06546482

sd/-
Manmohan Sutaria
Chairman, CSR Committee
DIN: 07506763

Date: 07.09.2020
Place: Vadodara



VADODARA GAS LIMITED

Regd. Office: Shri Muni Commi Gas Office, Gas Office Building, Dandia Bazar, Vadodara – 390001
CIN: U40106GJ2013PLC076828 Website – www.vgl.co.in

DISCLOSURE PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

I] Conservation of energy -

During FY 2019-20, 18 nos. (13 nos. Daughter Booster Stations, 3 Nos. Mother Stations and 2 No. Online Station) CNG stations operated by the Company are running on Light Emitting Diode (LED) lights in place of previously used CFL lights.

Note: As on date, total CNG station 19 Nos. (14 nos. Daughter Booster Stations, 3 Nos. Mother Stations and 2 No. Online Station) operated by the company.

II] Technology absorption-

- (i) the efforts made towards technology absorption - NIL
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution - NIL
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - N.A.
- (a) the details of technology imported;
- (b) the year of import;
- (c) whether the technology been fully absorbed;
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- (iv) the expenditure incurred on Research and Development - NIL

III] Foreign Exchange Earnings/ Outgo:

Particulars	2019-20 (Rs.)	2018-19 (Rs.)
Foreign Exchange Earnings	-	-
Foreign Exchange Outgo	-	-

For and on behalf of Board of Directors of Vadodara Gas Limited

sd/-
A K Das
Managing Director
DIN: 07209092

sd/-
Shailesh Naik
Director (Commercial)
DIN: 06546482

Date: 07.09.2020

Place: Vadodara

Vadodara Gas Limited

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto (FY 2019-20)

1	Details of contracts or arrangements or transactions not at arm's length basis							
Sr No	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

2	Details of material contracts or arrangement or transactions at ordinary course of business and at arm's length basis					
Sr No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1	GAIL (India) Limited-Holding company of Enterprise having significant influence	Purchase of Gas	NA	Purchase of Gas of Rs.1,26,56,50,145/-		
2	Vadodara Mahanagar Seva Sadan-Enterprise having Significant influence	Service Charges and Taxes paid to	NA	Service Charges and Taxes paid of Rs. 1,60,89,546/-		
3	Vadodara Mahanagar Seva Sadan-Enterprise having Significant influence	Services received - Deputation of manpower and other charges	NA	Services received of Rs.91,03,797/-		
4	Gail Gas Limited-Enterprise having significant influence	Services received - Deputation of manpower and other charges	NA	Services received of Rs.1,34,88,696/-		
5	Mr. Ashok Das (GAIL Gas Limited) - Key Managerial Personnel	Reimbursement of Remuneration to Key Managerial person	NA	Reimbursement of Remuneration of Rs. 73,37,197/-		
6	Mr. Shailesh Naik (Vadodara Mahanagar Seva Sadan)	Reimbursement of Remuneration to Key Managerial person	NA	Reimbursement of Remuneration of Rs. 8,87,735/-		
7	Ms. Palak Shah	Reimbursement of Remuneration to Key Managerial person		Reimbursement of Remuneration of Rs. 8,54,690/-		
8	Ms. Ritu Thakkar	Reimbursement of Remuneration to Key Managerial person		Reimbursement of Remuneration of Rs. 7,52,411/-		
9	Mr. Ashok Das	Reimbursement of Expenses to	NA	Reimbursement of Expenses of Rs. 6,71,707/-		
10	Ms. Palak Shah	Reimbursement of Expenses to	NA	Reimbursement of Expenses of Rs. 43,049/-		
11	Ms. Ritu Thakkar	Reimbursement of Expenses to		Reimbursement of Expenses of Rs. 25,179/-		

12	GAIL Gas Limited	Payment made on behalf of company by	NA	Payment made on behalf of company is Rs. 86,637/-		
13	Vadodara Mahanagar Seva Sadan	Payment made on behalf of company by		Payment made on behalf of company is Rs. 82,600/-		
14	Gail Gas Limited	Sitting fees for Directors paid to	NA	Sitting fees for Directors paid Rs.75,000/-		
15	Mr. Manmohan Panubhai Sutaria (Independent Director)	Sitting fees for Directors paid to	NA	Sitting fees for Directors paid Rs.1,35,000/-		
16	Mr. Rajeev Jagdish Saran Singhal (Independent Director)	Sitting fees for Directors paid to	NA	Sitting fees for Directors paid Rs. 1,50,000/-		
17	Vadodara Mahanagar Seva Sadan-Enterprise having Significant influence	Rent Paid	NA	Rent paid Rs. 15,93,000/-		
18	Vadodara Mahanagar Seva Sadan-Enterprise having Significant influence	Security Deposit paid	NA	Security Deposit paid Rs. 15,00,000/-		

For and on behalf of Board of Directors of Vadodara Gas Limited

sd/-
A K Das
Managing Director
DIN: 07209092

sd/-
Shailesh Naik
Director (Commercial)
DIN: 06546482

Date: 07.09.2020
Place: Vadodara

INDEPENDENT AUDITORS' REPORT

To the Members of
Vadodara Gas Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Vadodara Gas Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss including Other Comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 specified 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 March 31, 2020, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matters

We draw your attention to:

- (a) Note 39 of the financial statements, which states the balances with parties are subject to confirmation and adjustment, if any, on reconciliation/settlement.
- (b) Note 40 of the financial statements, which describes impairment consideration in carrying value of goodwill.
- (c) Note 41 of the financial statements, which describes the impact of coronavirus disease 2019 (COVID19) on the operations and financials of the Company.

Our opinion is not modified in respect of the above matters.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

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

The Company's Board of Directors is 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes

maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act;
- e. on the basis of the written representations received from the directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act;
- f. with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
- g. with respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

- h. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31 to the financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts as at March 31, 2020 for which there were any material foreseeable losses;

- iii. there were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For K.C. Mehta & Co.

Chartered Accountants

Firm's Registration No. 106237W

Sd/-

Vishal P. Doshi

Partner

Membership No. 101533

UDIN: 20101533AAAADR7520

Place: Vadodara

Date: September 7, 2020

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The annexure referred to in our Independent Auditors' Report to the members of **Vadodara Gas Limited** ("the Company") on the financial statements for the year ended March 31, 2020, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of fixed assets which, in our opinion is reasonable. However, no assets have been physically verified by the management during the year. As the management has not carried out any verification during the year, we are unable to comment whether the discrepancies, if any, are material.
- (c) In our opinion and according to the information and explanations given to us, the company is in process of transferring the title deeds in the name of the Company for the below mentioned immovable properties-

Particulars	Leasehold/Freehold	Gross Block as at March 31, 2020	Net Block as at March 31, 2020
Land and Building at Dashrath	Leasehold	56,42,723	42,95,828

- ii. In our opinion and according to the explanations given to us, the Inventories (excluding lying with the third parties) were physically verified during the year by the management at reasonable intervals. On the basis of our examinations of the records of inventory, we are of the opinion of that the discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account.
- iii. The Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and therefore, reporting under clause (iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company does not have any loans, investments, guarantees and security, which are subject to the provisions of section 185 and 186 of the Act. Therefore, reporting under clause (iv) of the Order is not applicable to the Company.

- v. According to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of provisions of section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder and therefore, reporting under clause (v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employee's state insurance, income-tax, value added tax, goods and service tax, cess and other statutory dues applicable to it. Further, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, value added tax, goods and service tax, cess and any other statutory dues were in arrears, as at March 31, 2020 for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and goods and service tax which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The company has not taken any loans from financial institutions and Government and has not issued any debentures.
- ix. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised. The Company has not raised money by way of initial public offer or further public offer (including debt instrument) during the year.
- x. To the best of our knowledge and according to information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

- xii. The Company is not a Nidhi company and therefore, reporting under clause (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore, reporting under clause (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors and therefore, reporting under clause (xv) of the Order is not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For K.C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Sd/-
Vishal P. Doshi
Partner
Membership No. 101533
UDIN: 20101533AAAADR7520
Place: Vadodara
Date: September 7, 2020

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **Vadodara Gas Limited** on the financial statements of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to financial statements of **Vadodara Gas Limited** (“the Company”) as of March 31, 2020 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 Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the, “Guidance note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material

weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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 financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K.C. Mehta & Co.

Chartered Accountants

Firm's Registration No. 106237W

Sd/-

Vishal P. Doshi

Partner

Membership No. 101533

UDIN: 20101533AAAADR7520

Place: Vadodara

Date: September 7, 2020

VADODARA GAS LIMITED
BALANCE SHEET AS AT 31st MARCH, 2020

(Amount in Rs.)

Particulars	Note	As at 31st March 2020	As at 31st March 2019
ASSETS			
(1) Non Current Assets			
(a) Property, Plant and Equipment	6	1,45,89,11,066	1,19,86,05,619
(b) Right of Use Assets	6	23,54,93,471	-
(c) Capital work-in-progress	7	37,02,53,265	39,08,38,553
(d) Goodwill	8	1,06,06,35,683	1,06,06,35,683
(e) Intangible Assets	8	22,48,188	3,08,137
(f) Financial Assets			
(i) Security Deposits	9	75,65,341	53,24,082
(g) Other non current assets	10	10,47,387	19,84,75,044
Total Non-current Assets		3,13,61,54,402	2,85,41,87,118
(2) Current Assets			
(a) Inventories	11	9,91,58,973	9,88,33,636
(b) Financial Assets			
(i) Trade receivables	12	15,04,40,059	7,01,54,905
(ii) Cash and cash equivalents	13	8,79,05,878	7,43,95,005
(iii) Other bank balances	14	19,46,36,265	18,88,79,374
(iv) Others	9	10,10,49,106	11,96,76,668
(c) Current tax assets (net)	15	2,31,36,126	51,86,793
(d) Other current assets	10	45,63,191	74,98,900
Total Current Assets		66,08,89,599	56,46,25,281
TOTAL ASSETS		3,79,70,44,000	3,41,88,12,399
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	16	2,40,29,35,480	2,40,29,35,480
(b) Other Equity	17	23,26,82,561	28,53,15,190
Total equity		2,63,56,18,041	2,68,82,50,670
LIABILITIES			
(1) Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	35,95,27,659	9,11,79,210
(ii) Other Financial Liabilities	20	48,96,413	-
(b) Deferred Tax Liabilities (net)	21	11,66,81,235	1,62,73,823
Total Non-current Liabilities		48,11,05,307	10,74,53,033
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	2,61,26,702	8,14,68,258
(ii) Trade Payables	19	16,43,99,396	16,08,09,658
(iii) Other Financial Liabilities	20	39,62,91,535	31,31,77,510
(b) Other current liabilities	22	9,35,03,019	6,76,53,269
Total Current Liabilities		68,03,20,652	62,31,08,695
Total Equity and Liabilities		3,79,70,44,000	3,41,88,12,399
See accompanying notes to the financial statements	1-43		

As per our report on financial statements of even date attached.

For K. C. Mehta & Co.
Chartered Accountants

For and on behalf of the Board

sd/-
Vishal P. Doshi
Partner
M. No. 101533
Place : Vadodara
Date: September 7, 2020

sd/-
Ashok Kumar Das
Managing Director
DIN: 07209092

sd/-
S K Naik
Director
DIN: 06546482

sd/-
Palak Shah
Company Secretary
M.No.A27260

sd/-
Ritu Thakkar
Chief Financial Officer
M. No. 154664

Place : Vadodara
Date: September 7, 2020

VADODARA GAS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020

(Amount in Rs.)

	Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
I.	Revenue from operations	23	1,92,74,11,731	1,67,67,54,722
II.	Other income	24	1,69,59,334	2,51,34,632
III.	Total Income (I + II)		1,94,43,71,065	1,70,18,89,354
IV.	EXPENSES			
	Gas consumed	25	1,10,42,85,946	97,01,88,733
	Other Operating Expenses	26	43,31,43,330	41,16,54,840
	Employee benefits expenses	27	4,55,37,223	4,30,08,957
	Finance costs	28	4,48,06,787	2,15,27,906
	Depreciation and amortization expense	6-8	8,32,91,287	4,18,90,593
	Other expenses	29	18,61,03,241	16,10,59,931
	Total expenses (IV)		1,89,71,67,813	1,64,93,30,960
V.	Profit before Tax (III-IV)		4,72,03,252	5,25,58,395
VI	Tax expense:	30		
	Current tax		(5,71,531)	2,23,84,975
	Deferred Tax		10,04,07,412	(2,50,97,069)
VII.	Profit for the period (V - VI)		(5,26,32,629)	5,52,70,489
VIII.	Other comprehensive income			
	Items that will not be reclassified to profit or loss		-	-
	Items that will be reclassified to profit or loss			
	Other comprehensive income for the year, net of tax		-	-
IX.	Total Comprehensive Income for the year (VII+VIII) (Comprising Profit and Other Comprehensive Income for the year)		(5,26,32,629)	5,52,70,489
	Earnings per equity share:			
	Basic & Diluted		-0.22	0.23
	See accompanying notes to the financial statements	1-43		

As per our report on financial statements of even date attached.

For K. C. Mehta & Co.
Chartered Accountants

sd/-
Vishal P. Doshi
Partner
M. No. 101533
Place : Vadodara
Date: September 7, 2020

For and on behalf of the Board

sd/-
Ashok Kumar Das
Managing Director
DIN: 07209092

sd/-
S K Naik
Director
DIN: 06546482

sd/-
Palak Shah
Company Secretary
M.No.A27260

sd/-
Ritu Thakkar
Chief Financial Officer
M. No. 154664

Place : Vadodara
Date: September 7, 2020

VADODARA GAS LIMITED**Statement of Changes in Equity for the Year ended 31st March, 2020****A Equity Share Capital**

Particulars	(Amount in Rs.)
Balance as at 1st April, 2018	2,40,29,35,480
Changes in equity share capital during the year	-
Balance as at 31st March, 2019	2,40,29,35,480
Changes in equity share capital during the year	-
Balance as at 31st March, 2020	2,40,29,35,480

B Other Equity

	(Amount in Rs.)	
	Reserves and surplus	
Particulars	Retained earnings	Total
Balance as at 31st March, 2018	23,00,44,702	23,00,44,702
Profit for the year	5,52,70,489	5,52,70,489
Balance as at 31st March, 2019	28,53,15,190	28,53,15,190
Profit for the year	(5,26,32,629)	(5,26,32,629)
Balance as at 31st March, 2020	23,26,82,561	23,26,82,561

As per our report on financial statements of even date attached.

For K. C. Mehta & Co.
Chartered Accountants

For and on behalf of the Board

sd/-
Vishal P. Doshi
Partner
M. No. 101533

sd/-
Ashok Kumar Das
Managing Director
DIN: 07209092

sd/-
S K Naik
Director
DIN: 06546482

Place : Vadodara
Date: September 7,2020

sd/-
Palak Shah
Company Secretary
M.No.A27260

sd/-
Ritu Thakkar
Chief Financial Officer
M. No. 154664

Place : Vadodara
Date: September 7,2020

VADODARA GAS LIMITED
Cash Flow Statement for the year ended 31st March, 2020

	Particulars	For year ended 31st March, 2020	For year ended 31st March, 2019
[A]	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax	4,72,03,252	5,25,58,395
	<u>Adjustments to reconcile profit before tax to net cash flows:</u>		
	Depreciation and amortization	8,32,91,287	4,18,90,593
	Amortisation of Prepayments of Land	-	58,53,991
	Interest income	(1,69,59,334)	(2,51,34,632)
	Finance costs	4,27,92,930	1,78,04,027
	<u>Working capital adjustments:</u>		
	(Increase)/ Decrease in Current Assets:		
	Inventories	(3,25,337)	(2,12,49,116)
	Trade receivables	(8,02,85,155)	2,51,52,961
	Other financial assets	1,64,42,345	(3,27,74,850)
	Other non financial assets	3,56,92,396	(1,23,61,700)
	Increase / (Decrease) in Current Liabilities:		
	Trade Payables	35,89,738	4,56,97,884
	Other Financial Liabilities	3,81,32,316	(3,29,663)
	Other non Financial Liabilities	2,58,49,750	92,66,761
		19,54,24,188	10,63,74,650
	Income tax (paid)/ Refund	(1,73,77,802)	1,58,14,792
	Net cash flows from operating activities (A)	17,80,46,386	12,21,89,442
	Investing activities		
	Purchase of property, plant and equipment (including CWIP)	(31,18,32,388)	(15,94,55,132)
	Bank Balances not considered as Cash and Cash Equivalents	(57,56,890)	(2,54,81,599)
	Interest received (finance income)	1,69,03,292	1,56,04,700
	Net cash flows used in investing activities (B)	(30,06,85,986)	(16,93,32,031)
	Financing activities		
	Repayment(Proceeds) of Long term Borrowings	26,83,48,449	(1,89,84,000)
	Net proceeds from short term borrowings	(5,53,41,556)	8,14,68,258
	Interest and Finance charges paid	(4,27,92,930)	(1,88,66,457)
	Payment of Lease Rent	(3,40,63,491)	
	Net cash flows from/(used in) financing activities (C)	13,61,50,472	4,36,17,801
	Net increase in cash and cash equivalents (A+B+C)	1,35,10,872	(35,24,789)
	Cash and cash equivalents at the beginning of the year	7,43,95,006	7,79,19,794
	Cash and cash equivalents at year end	8,79,05,878	7,43,95,006

Notes:		(Amount in Rs.)	
1	Cash & Bank Balances consists of the following:		
	Cash & Cash Equivalents		
	a. Balances with Banks	8,65,08,969	6,80,00,460
	b. Cash on hand	13,96,909	63,94,545
	Closing Cash & Cash Equivalents	8,79,05,878	7,43,95,006
2	Reconciliation of change in liabilities arising from financial activities:		
	Long-term borrowings		
	Opening Balance	11,01,87,210	13,02,33,640
	Less : Cash flow	(26,83,48,449)	1,89,84,000
	Less: Non Cash Changes	-	10,62,430
	Closing Balance	37,85,35,659	11,01,87,210
3	Previous year's figures have been regrouped / rearranged to confirm to the current years presentation, wherever necessary.		

As per our report on standalone financial statements of even date attached.

For K. C. Mehta & Co.
Chartered Accountants

sd/-
Vishal P. Doshi
Partner
M. No. 101533

Place : Vadodara
Date: September 7,2020

For and on behalf of the Board

sd/-
Ashok Kumar Das
Managing Director
DIN: 07209092

sd/-
Palak Shah
Company Secretary
M.No.A27260
Place : Vadodara
Date: September 7,2020

sd/-
S K Naik
Director
DIN: 06546482

sd/-
Ritu Thakkar
Chief Financial Officer
M. No. 154664

Vadodara Gas Limited

Notes to the Financial Statements

1 Corporate information

Vadodara Gas Limited ('VGL' or 'the Company') is a public limited company domiciled and incorporated in India having its registered office at Shri Muni Commi Gas Office, Gas Office Building, Dandiya Bazar, Vadodara - 390001. VGL is a Joint Venture Company (JVC) of Gail Gas Limited and Vadodara Mahanagar Seva Sadan. It was incorporated on 13th September, 2013 for Gas Distribution in the city of Vadodara and its adjoining areas. Presently Gail (India) Ltd holds 32.93 %, Gail Gas Ltd holds 17.07 % & Vadodara Mahanagar Seva Sadan holds 50% of equity shares of Vadodara Gas Limited. VGL operates Compressed Natural Gas (CNG) stations and also supplies Piped Natural Gas (PNG) to consumers in domestic and commercial sectors.

2 Statement of Compliance

These Financial Statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

3 Application of new Indian Accounting Standard

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparing these financial statements. There is no other Indian Accounting Standard that has been issued as of that date but was not mandatorily effective.

The Company has adopted Ind AS 116, "Leases" with effect from 1st April, 2019 with modified retrospective approach method i.e. where the cumulative impact, if any, is recognized in the opening retained earnings on the date of initial application (1st April 2019).

4 Significant Accounting Policies

4.1 Basis of Preparation

These financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), under Section 133 of the Act read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended. These financial statements are prepared in accordance with Ind ASs, under the historical cost convention on the accrual basis except for certain assets and liabilities which are measured at fair value/amortized cost/net present value at the end of each reporting period; as explained in the accounting policies below. These accounting policies have been applied consistently over all periods presented in these financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Company does not have any subsidiary, associates and joint ventures, hence these financial statements are individual financial statements and does not require any consolidated financial statements.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest rupees except otherwise stated.

4.2 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in notes below. Accounting estimates could change from period to period. Actual results could differ from these estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, then effects are disclosed in the notes to the financial statements.

4.3 Fair value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or company's assumptions about pricing by market participants.

4.4 Property, Plant & Equipment

Property, Plant & Equipment (PPE) comprises of Tangible assets and Capital Work in progress. PPE are stated at cost, net of tax/duty credit availed, if any, after reducing accumulated depreciation and accumulated impairment losses, if any; until the date of the Balance Sheet. The cost of PPE comprises of its purchase price or its construction cost (net of applicable tax credit, if any), any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management and decommissioning costs. Direct costs are capitalized until the asset is ready for use and includes borrowing cost capitalised in accordance with the Company's accounting policy.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015, measured as per the previous GAAP, and use the "carrying value" as the deemed cost of such property, plant and equipment.

Works under erection/installation /execution (including such work pertaining to a new project) are shown as Capital Work in Progress. Capital work in progress includes the cost of PPE that are not yet ready for the intended use.

In the case of commissioned assets where final payment to the Contractors is pending, capitalization is made on provisional basis, including provisional liability pending approval of competent authority, subject to necessary adjustment in cost and depreciation in the year of settlement.

Capital Spares which can be used only in connection with an item of tangible assets and whose use is not of regular nature are capitalized at cost.

Freehold Land is not depreciated. Depreciation of these PPE commences when the assets are ready for their intended use. Depreciation is provided in accordance with the useful life as specified in Schedule II of the Companies Act, 2013, on straight line method (SLM) on pro-rata basis (monthly pro-rata for bought out assets).

Useful lives of each class of PPE as prescribed under Part C of Schedule II to the Companies Act, 2013 are as under:-

Asset Description	Assets Useful life (in Years)
CNG Stations Building	30
Other Buildings	60
Roads	5
Plant & Machinery	15
Furniture and Fixtures	10
Office Equipment	5
Computers	3
Electrical installation	10
Vehicle	8

Capital Spares are depreciated over the useful life of such Spares but not exceeding the remaining useful life of related tangible asset.

Leasehold land is amortised over the period of lease.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions. 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 estimated useful lives, residual values and depreciation method are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the PPE. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the PPE and is recognised in the Statement of Profit and Loss.

4.5 Intangible Assets

Intangible assets with finite useful life acquired separately, are recognized only if it is probable that future economic benefits that are attributable to the assets will flow to the enterprise and the cost of assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The Company has elected to continue with the carrying value of its Intangible assets recognised as of 1st April, 2015 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the statement of profit and loss when the asset is derecognized.

Goodwill represents the cost of the acquired businesses in excess of the fair value of identifiable net assets purchased and is not amortised but tested for impairment annually.

Intangible assets including Computer software are amortized on straight-line basis over a period of three years.

4.6 Impairment of Assets

The Company reviews at each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit & Loss. If at the reporting period, there is an indication that there is change in the previously assessed impairment loss, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted

An assessment is made at the end of each reporting period to see if there are any indications that impairment losses recognized earlier may no longer exist or may have come down. The impairment loss is reversed, if there has been a change in the estimates used to determine the asset's recoverable amount since the previous impairment loss was recognized. If it is so, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of Impairment loss are recognized in the Statement of Profit and Loss.

Goodwill is tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired. For the purpose of impairment testing, the goodwill is allocated to a cash-generating-unit('CGU') or group of CGUs, which are expected to benefit from the acquisition-related synergies and represent the lowest level within the entity at which the goodwill is monitored for internal management purposes, within an operating segment. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Impairment occurs when the carrying value of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less costs to sell and its value in use. Value-in-use is the present value of future cash flows expected to be derived from the CGU.

The total impairment loss of a CGU is allocated first to reduce the carrying value of Goodwill allocated to that CGU and then to the other assets of that CGU - on pro-rata basis of the carrying value of each asset .

4.7 Non-current assets held for sale

Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions 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.

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

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

4.8 Inventories

Inventory of stores and spares are valued at cost or estimated net realizable value, whichever is lower on first in first out principle.

Net realizable value is determined based on estimated selling price, less further costs expected to be incurred to completion and disposal.

4.9 Revenue Recognition

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

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 based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Contract assets are recognized when there is right to consideration in exchange for goods or services that are transferred to a customer and when that right is conditioned on something other than the passage of time.

a. Revenue from Operations

a. Revenue from Operations: Revenue from sale of natural gas is recognized, at the point of transfer of title to customers at delivery point. Revenue from natural gas is recognised at fair value including excise duty but excluding value added tax and service tax. Revenue recognized but not invoiced to customer is disclosed as unbilled revenue under other current assets

b. Other Operating Revenue

Other operating income is recognized on accrual basis except when ultimate realization of such income is uncertain. Revenue recognized but not invoiced to customer is disclosed as unbilled revenue under other current financial assets.

c. Interest Income

Interest is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

d. Other Income

Other income is recognized on accrual basis except when realization of such income is uncertain.

4.10 Leasing

The Company as a Lessee:

The Company's lease asset class primarily consist of leases for immovable properties and LCV services for transpiration. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if there is an explicit or implicit identified asset in the contract and Customer controls the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (1) the contract involves the use of an identified asset (2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Transition

"Effective 1st April 2019, the Company has adopted Indian Accounting Standard (Ind AS) 116 "Leases". The Standard primarily requires the Company, as a lessee to recognize, at the commencement of the lease a right-of-use (ROU) asset and a lease liability (representing the present value of unpaid lease payments to be made over the lease term). Such ROU assets are subsequently depreciated in accordance with the depreciation requirements as per Ind AS 16, Property, Plant and Equipment and the lease liability reduced when paid, with the interest on the lease liability recognized as finance costs. The Company has elected to use the "Modified retrospective approach", i.e., where the cumulative impact, if any, is recognized in the opening retained earnings on the date of initial application (1st April 2019). Accordingly previous period information has not been restated.

4.11 Employee Benefits

a. Post employment benefits

- Defined contribution plan

The company's contribution to defined contribution plan paid/payable for the year is charged to the Statement of Profit and loss.

-Defined benefit plan

Provision for gratuity has been made on accrual basis as per the Payment of Gratuity Act, 1972.

b. Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability. These benefits include salary, wages, bonus, performance incentives etc.

4.12 Income Taxes

Income tax expense represents the sum of the current tax and deferred tax.

a. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax assets in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

c. Current and deferred tax for the year

Current and deferred tax are recognized in Statement of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

4.13 Borrowing Costs

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings.

General and specific borrowing costs attributable to acquisition and construction of qualifying assets is added to the cost of the assets upto the date the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

4.14 Earnings per share

Basic earnings per share is computed by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving the basic earnings per share and the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

4.15 Current/non current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current if it satisfies any of the following conditions:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current if it satisfies any of the following conditions:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- is due to be settled within twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash Equivalents.

The Company has identified twelve months as its operating cycle.

4.16 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

4.17 Statement of Cash Flow

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

4.18 Financial instruments

Financial assets and financial liabilities are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except when the effect is immaterial. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of profit and loss.

a. Financial assets

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business 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.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition.

Impairment of Financial assets

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset in its entirety, (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in statement of profit and loss.

b. Financial liabilities and equity instruments

Financial liabilities are measured at amortized cost using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities.

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

5 Critical accounting judgements, assumptions and Key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

Critical Judgements

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

5.1 Contingencies

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

5.2 Determining whether an arrangement contain leases and classification of leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

5.3 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

5.4 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

5.5 Recognition of Deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties.

5.6 Impairment of Goodwill

Goodwill is tested for impairment at-least on an annual basis and when events that occur / changes in circumstances indicate that the recoverable amount of the CGU is less than its carrying value. In calculating the value in use, the Company is required to make significant judgements, estimates and assumptions inter-alia concerning the growth in EBITDA, long-term growth rates; discount rates to reflect the risks involved. Also, judgement is involved in determining the CGU /grouping of CGUs for allocation of the goodwill.

5.7 Allowance for impairment of trade receivables

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

VADODARA GAS LIMITED
Notes to the Financial Statements
6 Property, plant and equipment

Property, plant and equipment are as follows:

(Amount in Rs.)

Cost or deemed cost	Freehold Land	Buildings (refer note b)	Right of Use Assets	Roads (refer note b)	Plant & Machinery	Furniture & Fittings	Office Equipment	Computers	Electrical Installation	Vehicles	Total
At 31 March 2018	41,98,90,552	4,21,56,151	-	54,79,540	87,68,70,766	11,55,983	56,41,282	16,41,658	18,23,862	4,38,849	1,35,50,98,644
Additions	-	-	-	-	11,69,98,285	1,27,162	13,20,923	7,93,489	-	-	11,92,39,859
Disposals/ adjustments	13,29,76,000	1,21,394	-	-	-	-	-	-	-	-	13,30,97,394
At 31 March 2019	28,69,14,552	4,20,34,757	-	54,79,540	99,38,69,051	12,83,145	69,62,205	24,35,147	18,23,862	4,38,849	1,34,12,41,109
Additions	-	-	26,90,88,271	-	30,86,29,303	52,620	2,53,163	1,71,515	-	-	57,81,94,872
Disposals/ adjustments	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2020	28,69,14,552	4,20,34,757	26,90,88,271	54,79,540	1,30,24,98,354	13,35,765	72,15,368	26,06,662	18,23,862	4,38,849	1,91,94,35,982

Depreciation and impairment	Freehold Land	Buildings	Right of Use Assets	Roads	Plant and machinery	Furniture and fixtures	Office Equipment	Computers	Electrical Installation	Vehicle	Total
At 31 March 2018	-	51,98,787	-	34,50,210	8,73,02,986	2,38,350	27,58,938	11,49,316	5,33,739	1,66,180	10,07,98,506
Charge for the year	-	12,78,525	-	11,50,070	3,75,68,284	1,14,455	11,87,253	3,01,325	1,81,684	55,393	4,18,36,990
Disposals/ adjustments	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2019	-	64,77,312	-	46,00,280	12,48,71,270	3,52,806	39,46,191	14,50,640	7,15,423	2,21,573	14,26,35,496
Charge for the year	-	12,82,028	3,35,94,799	5,76,610	4,50,57,237	1,29,224	10,75,451	4,42,874	1,82,182	55,545	8,23,95,951
Disposals/ adjustments	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2020	-	77,59,340	3,35,94,799	51,76,890	16,99,28,507	4,82,030	50,21,641	18,93,515	8,97,605	2,77,118	22,50,31,446

Net carrying value											
At 31 March 2019	28,69,14,552	3,55,57,445	-	8,79,260	86,89,97,781	9,30,339	30,16,015	9,84,507	11,08,439	2,17,276	1,19,86,05,614
At 31 March 2020	28,69,14,552	3,42,75,417	23,54,93,471	3,02,650	1,13,25,69,847	8,53,735	21,93,727	7,13,148	9,26,257	1,61,731	1,69,44,04,535

Notes:

- Land and building, plant and machineries, electrical installation, furniture and fixtures, office equipments and other movable assets of the company are subject to first charge to secure Term loan from Bank of Baroda.
- Includes cost of Rs. 56,42,723/- of Building and Rs.39,87,000/- of Roads for which the formal transfer of lease rights of the Land on which such building and related assets are standing are yet not completed.

VADODARA GAS LIMITED
Notes to the Financial Statements

7 Capital work-in -progress (Amount in Rs.)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital work-in-progress	37,02,53,265	39,08,38,553
Total	37,02,53,265	39,08,38,553

7.1 The details of Capital Works-in-progress is as follows:- (Amount in Rs.)

Particular	As at 31st March, 2020	As at 31st March, 2019
CNG Plant and Machinery	26,68,19,819	32,19,99,282
PNG Pipelines	10,30,70,984	6,70,42,283
Computer Software	3,62,462	17,96,988
Total	37,02,53,265	39,08,38,553

7.2 The Capital Work in Progress consists of the following:- (Amount in Rs.)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balance as at 1st April 2019	39,08,38,553	32,37,21,331
Add: Additions during the year	29,11,24,295	18,35,43,200
Less: Capitalised during the year	31,17,09,583	11,64,25,978
Balance as at 31st March 2020	37,02,53,265	39,08,38,553

8 Intangible Assets

Intangible assets are as follows:

(Amount in Rs.)

Cost or deemed cost	Goodwill	Software	Total
At 31 March 2018	1,06,06,35,683	3,68,102	1,06,10,03,785
Additions	-	3,30,400	3,30,400
Disposals/ adjustments	-	-	-
At 31 March 2019	1,06,06,35,683	6,98,502	1,06,13,34,185
Additions	-	28,35,388	28,35,388
Disposals/ adjustments	-	-	-
At 31 March 2020	1,06,06,35,683	35,33,890	1,06,41,69,573

Accumulated amortization and impairment	Goodwill	Software	Total
At 31 March 2018	-	3,36,762	3,36,762
Charge for the year	-	53,603	53,603
Disposals/ adjustments	-	-	-
At 31 March 2019	-	3,90,365	3,90,365
Charge for the year	-	8,95,337	8,95,337
Disposals/ adjustments	-	-	-
At 31 March 2020	-	12,85,702	12,85,702

Net book value	Goodwill	Software	Total
At 31 March 2019	1,06,06,35,683	3,08,137	1,06,09,43,820
At 31 March 2020	1,06,06,35,683	22,48,188	1,06,28,83,871

9 Other Financial assets

(Amount in Rs.)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured considered good		
Non-Current		
Security deposits	75,65,341	53,24,082
Total (A)	75,65,341	53,24,082
Current		
Security deposits	1,00,000	1,00,000
Others:-		
Other receivables	2,79,01,613	2,79,01,613
Interest accrued on fixed deposits	72,23,962	71,67,920
Unbilled revenue	6,58,23,531	8,45,07,135
Total (B)	10,10,49,106	11,96,76,668
Total Other Financial Assets(A+B)	10,86,14,447	12,50,00,750

10 Other Assets

(Amount in Rs.)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non current		
Balances with Government authorities	20,000	20,000
Leasehold land Prepayments	-	19,83,38,501
Prepaid expenses	10,27,387	1,16,543
Total (A)	10,47,387	19,84,75,044
Current		
Balances with Government authorities	22,56,599	24,36,555
Advances to suppliers	-	6,00,000
Leasehold land Prepayments	-	22,55,018
Prepaid expenses	23,06,592	22,07,327
Total (B)	45,63,191	74,98,900
Total Other Assets(A+B)	56,10,578	20,59,73,944

11 Inventories

(Amount in Rs.)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Stores and spares (at lower of cost or Net realisable value)	9,91,58,973	9,88,33,636
Total	9,91,58,973	9,88,33,636

The inventories have been charged as security against the letter of credit facility taken from the banks.

12 Trade receivables

(Amount in Rs.)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(Unsecured unless otherwise stated)		
Considered Good	14,87,98,366	6,85,13,212
Considered as having significant increase in Credit Risk	3,95,63,450	3,95,63,450
Less: Impairment of receivables having significant increase in Credit Risk	(3,79,21,757)	(3,79,21,757)
Total Trade receivable	15,04,40,059	7,01,54,905

- Generally, the Company enters into gas sales arrangement with its customers. The average credit period on sales of gas is generally between 3 to 15 days. Interest is charged at agreed rate as per terms on the overdue balance on PNG customers.
- The Company assesses impairment loss on dues from its customers based on the ageing of the receivable balances and historical experience.
- Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on an annual basis.

d. Movement of Impairment of receivables

(Amount in Rs.)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	3,79,21,757	3,79,21,757
Additions	-	-
Balance at the end of the year	3,79,21,757	3,79,21,757

e. The Trade receivables have been charged as security against the letter of credit facility taken from the banks.

13 Cash and Cash Equivalents

(Amount in Rs.)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Cash in hand	13,96,909	63,94,545
(b) Balances with banks:	8,65,08,969	6,80,00,460
Total	8,79,05,878	7,43,95,005

14 Other Bank balances

(Amount in Rs.)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Bank deposits	7,16,95,352	6,75,20,101
(b) Bank deposits under lien	12,29,40,913	12,13,59,273
Total	19,46,36,265	18,88,79,374

15 Current tax assets (net)

(Amount in Rs.)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advance tax (net of provisions)	2,31,36,126	51,86,793
Total	2,31,36,126	51,86,793

16 Equity share capital**a. Share Capital Consists of the following**

(Amount in Rs.)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Share capital		
Authorised		
250,000,000 Equity Shares of Rs. 10 each (Previous year 250,000,000 Equity shares of Rs. 10 each)	2,50,00,00,000	2,50,00,00,000
	2,50,00,00,000	2,50,00,00,000
Issued, subscribed and fully paid up		
240,293,548 Equity Shares of Rs. 10 each Previous year : 240,293,548 Equity shares of Rs. 10 each)	2,40,29,35,480	2,40,29,35,480
Total	2,40,29,35,480	2,40,29,35,480

b. Right, preferences and restrictions attached to shares

For all matters submitted to vote in a shareholders meeting of the Company every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have one vote in respect of each share held. Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company all preferential amounts if any shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

c. Reconciliation of Shares outstanding at the beginning and at the end of the reporting period

Particulars	No. of Shares	Share Capital (Amount in Rs.)
As at 1st April,2018	24,02,93,548	2,40,29,35,480
Additions/(Reductions)	-	-
As at 31st March,2019	24,02,93,548	2,40,29,35,480
As at 1st April,2019	24,02,93,548	2,40,29,35,480
Additions/(Reductions)	-	-
As at 31st March,2020	24,02,93,548	2,40,29,35,480

d. Shares in the company held by shareholders holding more than 5% is as under:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	Extent of Holding	No. of shares	Extent of Holding
GAIL Gas Limited	4,10,08,943	17.07%	4,10,08,943	17.07%
GAIL (India) Limited	7,91,37,831	32.93%	7,91,37,831	32.93%
Vadodara Mahanagar Seva Sadan	12,01,46,774	50.00%	12,01,46,774	50.00%

- e. 24,02,93,548 Equity shares of Rs.10 each fully paid were issued for consideration other than cash pursuant to "Business Transfer Agreement" entered with GAIL (India) Limited and GAIL Gas Limited respectively for acquisition of its business relating to CNG stations and with Vadodara Mahanagar Seva Sadan (VMSS) for acquisition of its business relating to the PNG supply along with infrastructure therein with all rights and specified liabilities attached thereto as a going concern on a slump sale basis, taking effect from closing business hours of 30th September, 2014.

17 Other Equity

a Other equity consist of the following:

(Amount in Rs.)

Particular	As at 31st March, 2020	As at 31st March, 2019
Retained Earnings	23,26,82,561	28,53,15,190
Total	23,26,82,561	28,53,15,190

b Particulars relating to Other Equity

(Amount in Rs.)

Other Equity	As at 31st March, 2020	As at 31st March, 2019
Retained Earnings		
Opening Balance	28,53,15,190	23,00,44,702
Add: Profit after tax for the year	(5,26,32,629)	5,52,70,489
Balance at the end of the year	23,26,82,561	28,53,15,190

18 Borrowings

(Amount in Rs.)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non current Secured borrowings		
From Banks:		
Term Loan	35,95,27,659	9,11,79,210
Total Non Current Borrowings	35,95,27,659	9,11,79,210
Current Secured borrowings		
Loan repayable on demand:		
Bank Overdrafts*	2,61,26,702	8,14,68,258
Total current borrowings	2,61,26,702	8,14,68,258

* Secured against Fixed deposits

a. Term Loans from Banks consists of the following:

Name of Bank	Date of Maturity	Rate of Interest	No. of Equated Monthly Installments due after the balance sheet date	Amount of each Equated Installments (Rs.)
Bank of Baroda (Secured against all project assets including Land and building to be financed out of fresh credit facilities)	20-06-2028	8.85%*	84 (84)	Monthly installment of Rs.89,29,000/- and last installment of Rs.88,93,000/-
Bank of Baroda (Secured against all project assets including Land and building to be financed out of fresh credit facilities)	31-03-2025	9.35%*	60 (84)	Monthly installment of Rs.1,584,000/- and last installment of Rs.1,582,000/-

* floating rate - 1year MCLR + Strategic premium

b. Particulars	As at 31st March, 2020	As at 31st March, 2019
Current Maturities of loans	1,90,08,000	1,90,08,000
Outstanding loan amount	37,85,35,659	11,01,87,210

19 Trade Payables

(Amount in Rs.)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Due to Micro & Small Enterprise	6,90,58,745	6,34,91,983
Due to others	9,53,40,651	9,73,17,675
Total	16,43,99,396	16,08,09,658

- a. The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. Further information of the same is as follows:-

(Amount in Rs.)

Trade payables -Total outstanding dues of Micro & Small enterprises*	As at 31st March 2020	As at 31st March 2019
(a) Principal & Interest amount remaining unpaid but due as at year end - Principal - Interest	6,90,58,745 4,60,281	6,34,91,983 9,20,235
(b) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	4,60,281	9,20,235
(d) Interest accrued and remaining unpaid as at year end	-	-
(e) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	4,60,281	9,20,235

Contractual retentions not due for payments are not considered here

20 Other financial liabilities

(Amount in Rs.)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-Current		
Other lease financial liabilities	48,96,413	-
Total	48,96,413	-
Current		
Current Maturities of Loans	1,90,08,000	1,90,08,000
Current maturities of other lease financial liabilities	3,36,67,532	-
Deposits from Customers and Contractors	26,75,63,253	23,09,51,974
Retention Money and Earnest money deposit from Contractors	1,17,79,062	70,97,756
Payable for capital assets	1,67,99,421	3,72,75,109
Expenses Payable	4,74,74,267	1,88,44,671
Total	39,62,91,535	31,31,77,510

21 Deferred tax liabilities (net)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deferred Tax Assets	18,48,34,587	26,87,55,976
Deferred Tax Liabilities	30,15,15,822	28,50,29,799
Total	11,66,81,235	1,62,73,823

As at 31st March, 2020	Opening Balance	Recognized in profit and loss	Closing Balance
Deferred tax liabilities / assets in relation to:			
Deferred Tax Assets			
Unpaid liability allowable on payment basis	8,28,845	1,10,412	9,39,257
Unabsorbed depreciation / business loss*	16,27,51,319	1,11,00,514	17,38,51,833
Impairment of receivables having significant increase in Credit	98,59,657	(5,75,804)	92,83,853
Mat Credit	9,53,16,156	-	9,53,16,156
Mat Credit Allowance	-	(9,53,16,156)	(9,53,16,156)
Others		7,59,644	7,59,644
Total Deferred Tax Assets	26,87,55,976	(8,39,21,390)	18,48,34,587
Deferred Tax Liabilities			
Property, plant and equipment	28,40,40,555	1,74,75,267	30,15,15,822
Others	9,89,245	(9,89,245)	-
Total Deferred Tax Liabilities	28,50,29,799	1,64,86,023	30,15,15,822
Net Deferred Tax Liabilities	1,62,73,823	10,04,07,412	11,66,81,235

* it includes deferred tax of Rs 11,06,609/- (P Y Rs. 11,06,609/-) on business loss of Rs 42,56,188/- for the Assessment year 2014-15.

(Amount in Rs.)

As at 31st March, 2019	Opening Balance	Recognized in profit and loss	Closing Balance
Deferred tax liabilities / assets in relation to:			
Deferred Tax Assets			
Unpaid liability allowable on payment basis	7,81,190	47,655	8,28,845
Unabsorbed depreciation / business loss*	16,70,35,932	(42,84,613)	16,27,51,319
Impairment of receivables having significant increase in Credit Risk	1,18,31,588	(19,71,931)	98,59,657
Mat Credit	7,22,07,952	2,31,08,203	9,53,16,156
Total Deferred Tax Assets	25,18,56,663	1,68,99,313	26,87,55,976
Deferred Tax Liabilities			
Property, plant and equipment	29,38,52,406	(98,11,851)	28,40,40,555
Others	8,55,616	1,33,629	9,89,245
Total Deferred Tax Liabilities	29,47,08,021	(96,78,222)	28,50,29,799
Net Deferred Tax Liabilities	4,28,51,359	(2,65,77,536)	1,62,73,823

Pursuant to the introduction of Section 115BAA of the Income Tax Act, 1961 vide Taxation Laws (Amendment) Act, 2019 the company has an option to pay corporate income tax at the rate of 22% plus applicable surcharge and cess (lower rate) as against the earlier rate of 25% plus applicable surcharge and cess, subject to certain conditions. Considering the provisions under said section 115BAA of the Income Tax Act, 1961 the Company has decided to avail the lower rate from FY 2019-20. Accordingly, the Company has recognized Provision for Income tax for the year ended 31st March, 2020 and re-measured its net Deferred Tax liabilities on the basis of the rate prescribed in the said section.

The net impact on deferred tax due to this change is Rs. 10,03,85,730/-. The MAT balance as on April 01, 2019 amounting to Rs. 9,53,16,156/- has not been carried forward as per provision of Section 115BAA of the Income Tax Act, 1961. However, the same would be available for utilization against any tax liabilities pertaining to past periods.

22 Other Current liabilities

(Amount in Rs.)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Statutory Dues Payable	84,38,036	66,25,344
Advance from customers	8,50,64,983	6,10,27,925
Total	9,35,03,019	6,76,53,269

VADODARA GAS LIMITED
Notes to the Financial Statements
23 Revenue from Operations

(Amount in Rs.)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
a.		
A. Revenue from Operations		
Sale of Compressed natural gas (CNG) (including excise duty)	1,09,00,73,394	92,36,83,202
Sale of PNG	69,53,63,716	61,34,81,065
Total (a)	1,78,54,37,110	1,53,71,64,266
B. Other Operating Revenues		
Faulty meter and By-pass charges	54,34,032	81,09,800
Income from PNG installation	10,63,95,017	10,37,19,622
Other Operating income*	3,01,45,572	2,77,61,033
Total (b)	14,19,74,621	13,95,90,455
Total (a+b)	1,92,74,11,731	1,67,67,54,722

* None of the items individually account for more than 1% of total revenue.

b Disaggregation of revenue from contracts with customers

(Amount in Rs.)

For the year ended 31st March, 2020	CNG	PNG	TOTAL
Sale of Natural Gas	1,09,00,73,394	69,53,63,716	1,78,54,37,110
Sale of services	-	10,63,95,017	10,63,95,017
Other operating Revenues	-	3,55,79,604	3,55,79,604
Timing of revenue recognition			
At a point in time	1,09,00,73,394	83,73,38,337	1,92,74,11,731

24 Other Income

(Amount in Rs.)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest income	1,37,37,396	1,70,00,630
Other Income- Recovery of Rent	32,21,938	-
Interest on Income Tax Refund	-	81,34,002
Total	1,69,59,334	2,51,34,632

25 Gas Consumed

(Amount in Rs.)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Gas consumed	1,10,42,85,946	97,01,88,733
Total	1,10,42,85,946	97,01,88,733

26 Other Operating Expenses

(Amount in Rs.)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Maintenance Charges	22,13,70,658	20,52,70,896
Consumption of stores and spare parts	1,53,87,858	4,06,36,324
Excise Duty	13,71,95,419	11,48,69,331
Rent on CNG Station	70,979	2,27,830
Forecourt charges	3,17,87,609	3,31,31,281
Freight Expense	1,80,190	6,38,300
Transportation Charges	2,61,48,803	1,60,92,237
Testing & Weighing charges	10,01,813	7,88,641
Total	43,31,43,330	41,16,54,840

27 Employee Benefit Expenses

(Amount in Rs.)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salary	4,39,02,957	4,10,10,607
Contribution to provident and other funds	4,67,995	2,44,414
Staff Welfare	11,66,271	17,53,936
Total	4,55,37,223	4,30,08,957

All the employees (Except 28 (P.Y 18) other employees whose total salary amounts to Rs.1,31,93,835/- (Rs.61,93,226/-)) posted at Vadodara Gas Limited during the year are on the rolls of either GAIL Gas Limited or Vadodara Mahanagar Seva Sadan. Salary inclusive of all benefits are being paid by the respective Employers and recovered from the Company. All statutory compliances in this regard are being made by respective employers.

The employees on the payroll of the Company include contract employees. The Company has recognized an amount of Rs. 4,37,305/- (P.Y Rs. 2,29,081/-) as expenses under the defined contribution plan in the Statement of Profit and Loss for the year ended 31st March, 2020 for these employees.

28 Finance Costs

(Amount in Rs.)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest Expenses	4,27,92,930	1,78,04,027
Other borrowings costs	20,13,857	37,23,879
Total	4,48,06,787	2,15,27,906

29 Other Expenses

(Amount in Rs.)

a. Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Audit Fee	6,00,000	6,00,000
Bad debts	1,68,207	7,40,365
Electricity expenses	1,91,55,665	1,33,90,135
Insurance expense	21,54,292	18,82,636
Interest on late payment of taxes	7,380	1,48,806
Legal & Professional	58,08,357	77,04,045
Miscellaneous Expense*	98,69,281	71,11,110
Rent	5,29,977	1,05,98,294
Rates & taxes	96,73,754	94,77,084
Repairs and Maintenance		
- Building	2,02,39,248	30,59,299
Security charges	83,71,612	77,45,170
CSR Expense	2,12,400	20,00,000
Selling & Distribution	2,12,11,229	2,36,57,573
GST Expense	8,18,33,833	6,98,36,011
Travel & Conveyance	62,68,005	31,09,403
Total	18,61,03,241	16,10,59,931

* None of the items individually account for more than 1% of total revenue.

b. Payment to auditors has been classified as follows (Excluding Service Tax):

(Amount in Rs.)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Payments to the auditor as:		
(i) Auditor	6,00,000	6,00,000
(ii) For taxation matters	13,38,500	12,60,730
(iii) For company law matters	57,612	1,37,342
(iv) Other services	85,596	3,02,500

c. Details of CSR Expenditure are as under:

(a) Gross amount required to be spent by the Company during the year:Rs.19,88,943/- (Previous Year: Rs. 9,31,189/-)

(ii) Amount spent in cash during the year on:

Particulars	In Cash	Yet to be paid in cash	Total
(i) Construction / acquisition of an asset	-	-	-
	(6,00,000)	(14,00,000)	(20,00,000)
(ii) On purposes other than above	2,12,400	-	2,12,400
	-	-	-

Amounts in bracket indicate previous year figures.

30 Tax Expense

(Amount in Rs.)

Particular	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Current Tax		
- current year	-	2,16,27,737
- earlier years	(5,71,531)	7,57,238
Total Current Tax	(5,71,531)	2,23,84,975
Deferred Tax	10,04,07,412	(2,50,97,069)
Total	9,98,35,881	(27,12,094)

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Profit before tax from continuing operations	4,72,03,252	5,25,58,395
Income tax expense calculated at 26%	-	1,28,67,136
Effect of:		
Adjustments in respect of previous years	(5,71,531)	7,57,238
(Income) / expense (net) not (taxable) / deductible	21,682	20,42,037
The net impact on deferred tax due to adoption of Section 1158AA of the Income Tax Act, 1961	10,03,85,730	
Tax rate difference	-	(1,91,76,552)
Income tax expense recognised in Statement of Profit and Loss	9,98,35,881	(35,10,141)

The tax rate used for the year ended 31st March, 2020 and 31st March, 2019 reconciliations above is the corporate tax rate of 24.48% (P.Y.26%) payable by corporate entities in India on taxable profits under the Indian tax laws.

No income tax has been recognised directly in Equity.

Since there is no Other comprehensive income; there is no tax on the same.

31 Contingent liabilities, Contingent Assets and commitments (to the extent not provided for) :

(Amount in Rs.)

a.	As at 31st March , 2020	As at 31st March , 2019
A. Contingent Liabilities not provided in respect of :		
I. Claims against the company not acknowledged as debt (Refer note b. below)	7,49,27,976	8,83,39,792
II. Bank Guarantee (given against commitment of Gas distribution through pipe lying in Vadodara district in three years)	3,00,00,000	3,00,00,000

b. For the claims against the Company in the previous year, the Company did not expect the outcome of few of the claims to have a material impact on its financial position. Future cash outflows in respect of the same are determinable only on receipt of decisions pending with various forums/ authorities.

c. For the claims against the Company in the previous year, the Company did not expect the outcome of few of the claims relating to interest claim, RLNG ATOP and other claims of Gail (India) Limited to have a material impact on its financial position. Future cash outflows in respect of the same are determinable only on receipt of decisions pending with various forums/ authorities.

d. A contingent asset is a possible asset that arises 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 entity. During the normal course of business, several unresolved claims are currently outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances.

e. Estimated amount of Contract remaining to the executed on capital accounts (Net of Advances)

(Amount in Rs.)

Particulars	As at 31st March, 2020	As at 31st March, 2019
B. Capital Commitments		
Estimated amount of Contract remaining to the executed on capital accounts (Net of Advances)	11,38,46,371	10,59,99,952

VADODARA GAS LIMITED**Notes to the Financial Statements****32 Segment Reporting**

- a. The Company has a single operating segment that is "Sale of Natural Gas". Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected by the financial statements themselves as at and for the financial year ended 31st March, 2020.

b. Entity wide disclosures :Information about products and services:

The Company is in a single line of business of "Sale of Natural Gas".

Geographic Informations:

The company operates presently in the business of city gas distribution in Vadodara District. Accordingly, revenue from customers and all assets are located in Vadodara District, India only.

Information about major customers:

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

33 Leases**Company as a lessee**

The company has lease contracts for rented premises used in its operations. The company's obligations under its lease are secured by the lessor's title to the leased asset.

(a) Amounts recognised in the Balance Sheet

Particulars	As at 31st March 2020	As at 31st March 2019
(i) Right-of-use Asset		
Cost	26,90,88,271	-
Accumulated Depreciation	3,35,94,800	-
Net Carrying Amount	23,54,93,471	-
(ii) Lease liabilities - Borrowings		
Beginning of the year/period	-	-
Additions	6,84,94,752	-
Accretion of interest	41,32,685	-
Payments	3,40,63,491	-
Deletion	-	-
Closing of the year/period	3,85,63,945	-
Current	3,36,67,532	-
Non-Current	48,96,413	-

(b) Amounts recognised in the Statement of Profit And Loss

Particulars	As at 31st March 2020	As at 31st March 2019
(i) Finance Cost		
Interest Expense On Lease Liability	41,32,685	-
(ii) Depreciation		
Depreciation on right of use lease asset	3,35,94,800	-

(c) Amounts recognised in Cash Flow Statement

Particulars	As at 31st March 2020	As at 31st March 2019
Total cash outflow for leases	3,40,63,491	-

(d) Expense relating to short-term leases and Low-value

Particulars	As at 31st March 2020	As at 31st March 2019
Amount recognised in statement of Profit and Loss	5,29,977	-

34 Earnings Per Share (EPS)

In accordance with Ind AS 33 – ‘Earnings Per Share’, the Basic and Diluted Earning Per Share (EPS) has been calculated as under :

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Profit available to equity shareholders	(5,26,32,629)	5,52,70,489
Weighted Average number of equity shares	24,02,93,548	24,02,93,548
Earning Per Share of Rs. 10/- each		
Basic & Diluted (Rs.)	-0.22	0.23

VADODARA GAS LIMITED
Notes to the Financial Statements
35 Related Party transactions

a. Names of Related parties and nature of related party relationships

Name of Related Parties	Nature of Relationship
GAIL Gas Limited	Enterprise having Significant influence
Vadodara Mahanagar Seva Sadan	Enterprise having Significant influence
GAIL (India) Limited	Enterprise having Significant influence
Mr. Ashok Kumar Das	Nominee Director & Managing Director
Mr. Ajay Bhadoo	Nominee Director (upto 24.07.2019)
Mr. Rajeev Garg	Nominee Director (upto 15.05.2019)
Mr. Nalin Upadhyay	Nominee Director (w.e.f. 25.09.2019)
Mr. Ajay Sinha	Nominee Director (w.e.f. 14.10.2019)
Mr. Shailesh Kalidas Naik	Nominee Director
Mr. Manmohan Panubhai Sutaria	Independent Director (resigned w.e.f. 03.05.2019, appointed for 2nd term w.e.f. 18.07.2019)
Mr. Pravin Mohanbhai Patel	Nominee Director
Mr. Rajeev Jagdish Saran Singhal	Independent Director
Mr. Pankaj Walia	Nominee Director
Ms. Palak Shah	Key Managerial Personnel
Ms. Ritu Thakkar	Key Managerial Personnel (w.e.f 1st April, 2019)

b. The following transactions were carried out with the Related Parties in ordinary course of business during the year.

(Amount in Rs.)

Nature of Transaction	Enterprise having Significant influence (including its Holding Company)	Key Management Personnel	Total
Transaction during the period			
Purchase of Gas	1,26,56,50,145	-	1,26,56,50,145
	(1,11,57,17,052)	-	(1,11,57,17,052)
GAIL (India) Limited	1,26,56,50,145	-	1,26,56,50,145
	(1,11,57,17,052)	-	(1,11,57,17,052)
Service Charges and Taxes paid to	1,60,89,546	-	1,60,89,546
	(1,56,60,366)	-	(1,56,60,366)
Vadodara Mahanagar Seva Sadan	1,60,89,546	-	1,60,89,546
	(1,56,60,366)	-	(1,56,60,366)
Services received - Deputation of manpower and other charges	2,25,92,493	-	2,25,92,493
	(2,79,56,856)	-	(2,79,56,856)
GAIL Gas Limited	1,34,88,696	-	1,34,88,696
	(1,64,00,053)	-	(1,64,00,053)
Vadodara Mahanagar Seva Sadan	91,03,797	-	91,03,797
	(1,15,56,803)	-	(1,15,56,803)
Reimbursement of Remuneration to Key Managerial Person	-	82,24,932	82,24,932
	-	(78,58,240)	(78,58,240)
GAIL Gas Limited			
-Mr. Ashok Das	-	73,37,197	73,37,197
	-	(70,26,948)	(70,26,948)
Vadodara Mahanagar Seva Sadan			
-Mr. Shailesh K. Naik	-	8,87,735	8,87,735
	-	(8,31,292)	(8,31,292)
Vadodara Gas Limited			
-Ms Palak Shah		8,54,690	8,54,690
		(6,98,287)	(6,98,287)
-Ms Ritu Thakkar		7,52,411	7,52,411
		-	-
Reimbursement of Expenses to	-	6,71,707	6,71,707
	-	(3,11,968)	(3,11,968)
-Mr. Ashok Das	-	6,03,479	6,03,479
	-	(3,11,968)	(3,11,968)
-Ms Palak Shah	-	43,049	43,049
	-	-	-
-Ms Ritu Thakkar	-	25,179	25,179
	-	-	-

Payment made on behalf of company by	86,637	-	86,637
GAIL Gas Limited	(7,49,414)	-	(7,49,414)
	86,637	-	86,637
	(7,49,414)	-	(7,49,414)
Payment made by company on behalf of	82,600		82,600
Vadodara Mahanagar Seva Sadan	-		-
	82,600		82,600
	-		-
Sitting fees for directors paid to	75,000	2,85,000	3,60,000
GAIL Gas Limited	(70,000)	(2,00,000)	(2,70,000)
	75,000	-	75,000
	(70,000)	-	(70,000)
Mr. Manmohan Panubhai Sutaria	-	1,35,000	1,35,000
	-	(90,000)	(90,000)
Mr. Rajeev Jagdish Saran Singhal	-	1,50,000	1,50,000
	-	(1,10,000)	(1,10,000)
Rent paid	15,93,000	-	15,93,000
	(91,360)	-	(91,360)
Vadodara Mahanagar Seva Sadan	15,93,000	-	15,93,000
	(91,360)	-	(91,360)
Security deposit paid	15,00,000	-	15,00,000
	(3,00,000)	-	(3,00,000)
Vadodara Mahanagar Seva Sadan	15,00,000	-	15,00,000
	(3,00,000)	-	(3,00,000)
Lease of Land	-	-	-
	(35,68,320)	-	(35,68,320)
Vadodara Mahanagar Seva Sadan	-	-	-
	(35,68,320)	-	(35,68,320)
Balance as at:			
Receivable	As at 31st March, 2020	As at 31st March, 2019	
Receivable			
Vadodara Mahanagar Seva Sadan	2,03,06,130	2,03,06,130	
GAIL (India) Limited	32,00,000	32,00,000	
GAIL Gas Limited	15,00,000	15,00,000	
Total	2,50,06,130	2,50,06,130	
Payables			
Vadodara Mahanagar Seva Sadan	1,00,89,912	77,24,312	
GAIL (India) Limited	5,36,75,924	4,99,99,590	
GAIL Gas Limited	88,15,892	1,54,27,818	
Total	7,25,81,728	7,31,51,720	

Previous year figures are in brackets

VADODARA GAS LIMITED
Notes to the Financial Statements

36 Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. This note explains the sources of risk which the entity is exposed to and how the company manages the risk. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's board of directors has overall responsibility for the establishment and oversight of the company's risk management framework.

1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It is a risk of changes in market prices such as foreign exchange rates and interest rates that will affect Company's income or the value of its holding of financial instruments.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and investing in fixed interest instruments.

Sensitivity analysis:

The table below summarizes the impact of a potential increase or decrease on the Company's profit before tax, as applied to the variable element of interest rates on loans and borrowings. The increase/decrease is based on management estimates of potential interest rate movements.

Reporting period	Increase/decrease in basis points	Effect on profit before tax (Amount in INR)
31-Mar-20		
Bank of Baroda Term Loan-1	+100	-9,20,520
Bank of Baroda Term Loan-1	-100	9,20,520
Bank of Baroda Term Loan-2	+100	-28,64,836
Bank of Baroda Term Loan-2	-100	28,64,836
Oriental Bank of Commerce OD	+100	-2,61,267
Oriental Bank of Commerce OD	-100	2,61,267
31-Mar-19		
Bank of Baroda Term Loan	+100	-11,01,872
Bank of Baroda Term Loan	-100	11,01,872
Oriental Bank of Commerce OD	+100	-8,14,683
Oriental Bank of Commerce OD	-100	8,14,683

The sensitivity analysis is limited only to variable rate loans and borrowings and is conducted with all other variables held constant. The analysis is prepared with the assumption that the amount of variable rate liability outstanding at the balance sheet date was outstanding for the whole year.

(b) Foreign currency risk

The Company does not have significant exposure in currency other than INR.

2. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system.

The contractual maturities of the Company's financial liabilities are presented below:

(Amount in Rs.)

As at 31 March 2020	On demand	upto 1 year	1 to 3 years	more than 3 years	Total
Interest-bearing loans and borrowings	-	1,90,08,000	36,66,46,361	-	38,56,54,361
Trade and other payables	-	16,43,99,396	-	-	16,43,99,396
Other Financial Liabilities	23,73,94,773	16,37,93,175	-	-	40,11,87,948
Total	23,73,94,773	34,72,00,571	36,66,46,361	-	95,12,41,705

As at 31 March 2019	On demand	upto 1 year	1 to 3 years	more than 3 years	Total
Interest-bearing loans and borrowings	-	-	13,57,51,243	3,68,96,225	17,26,47,468
Trade and other payables	-	16,08,09,658	-	-	16,08,09,658
Other Financial Liabilities	21,04,18,208	10,27,59,302	-	-	31,31,77,510
Total	21,04,18,208	26,35,68,961	13,57,51,243	3,68,96,225	64,66,34,637

3. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure. There are no Impairment losses on financial assets to be recognised in statement of profit and loss as on 31st March 2020 and for the comparative period as on 31st March 2019 ; except as disclosed in note 12.

Trade and other receivables: The Company's exposure to credit risk is influenced mainly by individual customer. The management does not expect any significant credit risk out of exposure to trade and other receivables, as the major part of the revenue is contributed either through cash sales or within credit period of 3 - 15 days. Accordingly company does not expect any impairment loss on trade receivables; except as disclosed in note 12.

Cash and cash equivalents: The company held cash and cash equivalents of **Rs. 8,79,05,878/-** as at 31 March 2020 (31st March 2019: Rs. 7,43,95,006/-). The cash and cash equivalents are held with public sector banks and leading private sector Bank. There is no impairment on cash and cash equivalents as on the reporting date and the comparative period.

VADODARA GAS LIMITED
Notes to the Financial Statements

37 Capital management

- a. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimize returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Company's management performs regular assessment of the net debt to capital employed ratio to ensure it maintains a balance between borrowings and capital position. The net debt to capital employed ratio enables the users to see how significant net debt is relative to capital employed.

The Company's net debt to equity ratio was as follows:

(Amount in Rs.)		
Particulars	As at 31 March 2020	As at 31 March 2019
Interest-bearing loans and borrowings	40,46,62,361	19,16,55,468
Less: cash and cash equivalents	8,79,05,878	7,43,95,005
Net debt	31,67,56,483	11,72,60,463
Equity	2,63,56,18,041	2,68,82,50,670
Total capital	2,63,56,18,041	2,68,82,50,670
Debt-equity ratio	0.12	0.04

- b. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to its interest-bearing loans and borrowings that form part of its capital structure requirements. Breaches in the financial covenants would permit the bank to immediately call interest-bearing loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current or prior period.

38 Categories of financial instruments

(Amount in Rs.)		
Particulars	As at 31st March, 2020	As at 31st March, 2019
Financial assets		
Measured at FVTPL		
No Assets	-	-
Measured at amortised cost		
(a) Trade receivables	15,04,40,059	7,01,54,905
(b) Cash and cash equivalents	8,79,05,878	7,43,95,005
(c) Other bank balances	19,46,36,265	18,88,79,374
(e) Other financial assets	10,86,14,447	12,50,00,750
Measured at FVTOCI		
No Assets	-	-
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	38,56,54,361	17,26,47,468
(b) Trade payables	16,43,99,396	16,08,09,658
(c) Other financial liabilities	40,11,87,948	31,31,77,510

39 The balances of Trade Receivables (Note No. 12), Other Current Financial Assets (Note No. 9) and Trade Payables are subject to confirmation and adjustment, if any, on reconciliation/settlement.

40 The company has not achieved the profit before tax in proportion to increase in turnover over last few years on account of revenues not materialized as desired, increase in operating and fixed overheads and unable to maintain cost efficiency. The management firmly believes that the company will achieve its profit before tax in proportion to increase in turnover in due course of time on account of initiatives taken to increase the sales, possible control over operating and fixed overhead and measures taken to achieve cost efficiency. Hence, in considered view of the management, no impairment in carrying values of goodwill is envisaged, as recoverable amounts of the this assets is expected to be considerably higher than their carrying amount as at March 31, 2020.

41 An outbreak of Covid-19 has significantly impacted economic activities in general. and, as a result, could affect the operations of the company. The management is of the opinion that subsequent to reporting date, the impact of Covid-19 on company's business operations is not expected to be significant because of positive factors like lifting of lockdown, reopening of economy, resumption of company's operations and stimulus package announced by the government of India. In assessing the impact of COVID-19 on realizability of the assets and discharge / settlement of liabilities as at March 31, 2020, the Company has considered internal and external information upto the date of approval of these financial statements. Based on current indicators of future economic conditions, the Company expects to recover/realise the carrying amount of its assets and face no issues in discharging its liabilities. Hence, there is no impact on the financial statements as at March 31, 2020 on account of Covid-19.

42 Figures of the previous year have been regrouped and reclassified wherever necessary.

43 The financial statements of the company for the year ended 31st March 2020 were authorized for issue in accordance with a resolution of the directors on September 7, 2020.

For K. C. Mehta & Co.
Chartered Accountants

For and on behalf of the Board

sd/-
Vishal P. Doshi
Partner
M. No. 101533

sd/-
Ashok Kumar Das
Managing Director
DIN: 07209092

sd/-
S K Naik
Director
DIN: 06546482

Place : Vadodara
Date: September 7,2020

sd/-
Palak Shah
Company Secretary
M.No.A27260
Place : Vadodara
Date: September 7,2020

sd/-
Ritu Thakkar
Chief Financial Officer
M. No. 154664