

DIRECTORS' REPORT

To,
The Members

Gujarat State Petronet Limited

The Directors take pleasure in presenting the 21st Annual Report and Audited Accounts of the Company for the year ended 31st March, 2019.

FINANCIAL HIGHLIGHTS

Your Company has excelled in most of the performance parameters.

Major Highlights of the Company are summarized below:

	(₹ in Crore)	
Particulars (Standalone Accounts)	2018-19	2017-18
Total Income	1936.62	1405.21
Employee Benefit Expenses	64.55	43.20
Other Expenses	270.11	140.75
Total Expenses	334.66	183.95
PBDITA	1601.96	1221.26
Finance Cost	219.20	35.41
Depreciation & Amortisation	179.98	175.04
Profit Before Tax	1202.78	1010.81
Tax including Deferred Tax	408.11	342.38
Profit After Tax	794.67	668.43
EPS (₹)	14.09	11.86
Appropriations		
Transfer to General Reserves	NIL	NIL

PERFORMANCE HIGHLIGHTS

- The Company has successfully commissioned Anjar Mundra Pipeline.
- The Company has successfully commissioned and made operational its 5.5 MW (1 Standby +1 Working) Gas Compressor Station at Gana.
- 100% Pipeline grid availability and “accident free” year of operations.
- Total Income stood at ₹ 1936.62 Crore, as compared to ₹1405.21 Crore and PBT was ₹ 1202.78 Crore as compared to ₹ 1010.81 Crore over Previous Year.
- The Profit After Tax for FY 2018-19 is ₹ 794.67 Crores vis-à-vis ₹ 668.43 Crores for FY 2017-18 registering a growth of 19%.
- In FY 2018-19, PNGRB determined final tariffs of your Company's Pipeline Network, which saw a ≈28% increase.

CAPITAL

During the year, the Board has approved allotment of 1,37,761 Shares to the eligible employees under ESOP – 2010 Scheme of the Company upon exercise of Options by them, consequent to which the paid up Share Capital of the Company has increased to ₹ 563.97 Crore.

DIVIDEND

As per the provisions of the Regulation 43 (A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the

Company adopted a Dividend Policy which is broadly based on the same policy as has been followed by the Company since long. Keeping in view the various factors including the fund requirements for expansion of projects and subsidiaries as mentioned in the Policy, the Board of Directors of the Company is pleased to recommend Dividend of ₹ 2.00 (i.e. @ 20 %) per Equity Share of the face value of ₹ 10 each for the Financial Year 2018-19 subject to the approval of Shareholders in the ensuing Annual General Meeting. The total cash outflow on account of the proposed Dividend (including Dividend Distribution Tax after considering the credit of Dividend receivable from Subsidiary companies) for the Financial Year 2018 - 19 would be approx ₹ 128.31 Crore.

GAS GRID PROJECT

Government of Gujarat has always played a pro-active role in the development of the energy value chain in the State. Gujarat is the first State to plan and execute a State-wide Gas Grid on an Open Access principle.

The pipeline grid has been designed as per the highest international standards with inbuilt flexibility to cater to varying loads.

The pipeline grid map of GSPL for Gujarat is enclosed herewith as Annexure - X.

The map showing the Cross-Country Natural Gas Transmission Pipelines being implemented through special purpose vehicles is enclosed herewith as Annexure – XI.

Projects Commissioned:

During the year under review, the Company has successfully commissioned Anjar Mundra Pipeline and 18” Amboli Vantevad Pipeline and provided natural gas connectivity to various customer(s) (connectivity projects) in Sanand GIDC, Dahej, Ahmedabad, Mundra etc. Your Company has also successfully commissioned the 5.5 MW (1 Standby +1 Working) Gas Compressor Station at Gana and the same is now operational.

The grid operations account for approx 2621 Kms and approx. 69 Kms pipeline completed & ready for Gas-In as on 31st March, 2019. Gas is flowing from Hazira / Dahej / Vapi to various industries and City Gas Distribution (“CGD”) Networks located in various Districts of Gujarat including Surat, Bharuch, Narmada, Baroda, Anand, Ahmedabad, Dahod, Gandhinagar, Sabarkantha, Panchmahal, Patan, Bhavnagar, Mehsana, Banaskantha, Surendranagar, Botad, Rajkot, Morbi, Jamnagar, Navsari, Kutch, Kheda, Valsad, Amreli, Gir & Somnath.

Projects under execution:

Your Directors are pleased to inform that the Company continues to develop additional Pipeline infrastructure in the State of Gujarat. The Company has also started laying additional customer connectivities in the areas of Anjar, Dahej SEZ and Pipavav etc. The Company is a co-developer in Dahej SEZ and is developing pipeline infrastructure therein. Several customers have started receiving gas in Dahej SEZ through Company's network with more getting connected on regular basis.

CITY GAS DISTRIBUTION PROJECT

Your Directors are pleased to inform you that the Company being

authorized to develop the City Gas Distribution (CGD) Network in the Geographical Area (GA) of Amritsar District (Punjab) and Bhatinda (GA) Punjab has commissioned 3 CNG Stations and started gas supplies in GA of Amritsar. Further, ground works for development of CGD Network in Bhatinda is progressing steadily.

WIND POWER PROJECT

Your Company being committed to promote clean and green energy has set up Wind Power Project of 52.5 MW in the areas of Maliya Miyana, Rajkot and Gorsar & Adodar, Porbandar. During the year, the Company has sold 11,85,38,758 KWH of electricity generated through Windmill.

FUTURE PLANS

The Company is working on future expansion projects based on the demand in various regions around the gas grid. The Company is also gearing up its pipeline by developing connectivity with new terminals that are being developed in Gujarat to ensure connectivity with all sources in Gujarat.

OPERATION & MAINTENANCE ACTIVITIES

The Company has transported 12618 MMSCM of gas during the Financial Year 2018 - 19 (Previous year: 11511 MMSCM).

To safeguard pipeline assets and optimize utilization of the pipeline system, the Company is giving utmost importance to efficient operations and preventive maintenance. The Company is in the process of implementing Pipeline Integrity Management System in line with PNGRB guidelines to safeguard the pipeline assets.

SUBSIDIARY, ASSOCIATE & JOINT VENTURE COMPANIES

Subsidiary Companies:

Your Company has following three Subsidiary companies within the meaning of the Section 2(87) of the Companies Act, 2013:

- 1) GSPL India Gasnet Limited (GIGL) for development of Mehsana – Bhatinda (approx 1834 Kms) and Bhatinda - Jammu - Srinagar (approx 740 Kms) Pipeline Projects.
- 2) GSPL India Transco Limited (GITL) for development of Mallavaram - Bhopal – Bhilwara – Vijapur (approx. 1881 Kms) Pipeline Project.
- 3) Gujarat Gas Limited (GGL) is India's largest city gas distribution player with presence spread across 41 Districts in the State of Gujarat, Punjab, Rajasthan, Haryana, Madhya Pradesh, Maharashtra and Union Territory of Dadra Nagar Haveli.

Associate Company:

As on 31st March, 2019, your Company has one Associate Company viz. Sabarmati Gas Limited.

To avoid duplication between the Directors' Report and Management Discussion and Analysis Report, the performance highlights/summary of the Subsidiary companies/Joint Venture companies /Associate companies of GSPL is given in Management Discussion and Analysis Report.

Accounts of Subsidiary, Associate & Joint Venture companies:

Pursuant to notification dated 16th February, 2015 of Ministry of Corporate Affairs notifying the Companies (Indian Accounting Standard) Rules, 2015, the Company, its Associate, Subsidiary and Joint Venture Companies have adopted Ind AS w.e.f. 1st April, 2016.

Consequently, though as per provision of Section 2 (87) (ii) of the Companies Act 2013, GSPL India Gasnet Limited (GIGL) and GSPL India Transco Limited (GITL) fall within the meaning of Subsidiary Company, as per guidance of Indian Accounting Standards [Ind AS], GIGL and GITL fall within the criteria of Joint Venture and accordingly they have been considered as Joint Venture for the purpose of disclosures and compliances in relation to the Financial Statements of the Company for the Financial Year 2018-19.

Pursuant to provisions of Section 129 (3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, a separate statement in prescribed Form AOC - 1 containing salient features of the financial statement of Subsidiary, Associate & Joint Venture Companies is provided in the Annual Report.

Further, the audited annual accounts and related information of GIGL, GITL and GGL will be made available to any Member upon request. The annual accounts of GIGL, GITL and GGL will also be kept open for inspection at the Registered Office of the Company and that of the respective companies. The same are also available on the website of the Company viz. www.gspcgroup.com.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Ind AS - 28 on Investment in Associates and Joint Ventures read with Ind AS – 110 on Consolidated Financial Statements and Ind AS – 111 on Joint Arrangement, the Audited Consolidated Financial Statements are provided in the Annual Report.

HEALTH, SAFETY AND ENVIRONMENT

The Company, in order to fulfill its commitment towards Health, Safety and Environment, has taken active steps towards establishment of Safety Management Systems. Environment and safety features have been integrated into design, construction and O&M operations of the Company for ensuring utmost safety for the facilities, local community and the environment. The same is also being reflected in the QHSE policy of the Company. The Company is expanding and managing its operations in a manner which is safe and environmentally sustainable.

For developing effectiveness of Safety Management Systems, training of all employees across the Company is ensured through various training programs. The same is being monitored through internal audit teams and delegation of safety management up to the local level. Contractors' adherence to Company's QHSE policy is also assured through regular site visits and external audits. Regular site visits ensure the enhancement of safety culture which also facilitates safe commissioning of the new projects. The Company is proud to maintain its target of 'zero accident' year with full commitment of its employees and management.

The Company is re-certified to Integrated Management Systems (ISO 9001:2015, ISO 14001:2015 & OHSAS 18001:2007)

with validity till 30th October, 2020. Effectiveness of these certifications is being assured through planned audits of the system. Continuous improvement is visible in various O&M systems. Preventive Maintenance schedules are being adhered to with updating of records. Further, Emergency Response and Disaster Management Plan (ERDMP) of GSPL was re-accredited by Disaster Management Institute, Bhopal as per the requirement of ERDMP Regulations, 2010 under PNGRB Act, 2006. ERDMP is being reviewed and updated regularly. All conditions of Accreditation are being adhered to. Effectiveness of ERDMP is verified through regular mock drills as per specified intervals as identified by respective work bases.

DEPOSITS

During the year, the Company has not accepted Deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186 (11) of the Companies Act, 2013, loans made, guarantees given or securities provided or investment made by a company providing infrastructure facilities are exempted from compliance with Section 186 of the Companies Act, 2013 except sub Section (1). Accordingly, your Company being engaged in the Gas Transportation business is exempted from aforesaid compliance. However, the details of Loans, Guarantees, Securities and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188 (1) OF THE COMPANIES ACT, 2013

All Related Party Transactions that were entered into during the Financial Year were on an arm's length basis and were in the ordinary course of business.

Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of a foreseeable and repetitive nature and further would be executed on arm's length basis and in the ordinary course of business. Further, a statement giving details of all Transactions executed with Related Parties is placed before the Audit Committee on a quarterly basis for its approval/ ratification as the case may be.

The Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions as approved by the Board is uploaded on the Company's Website.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The particulars of contracts or arrangements with Related Parties referred to in Section 188 (1) of the Companies Act, 2013, as prescribed in Form AOC – 2 of the Companies (Accounts) Rules, 2014 is enclosed as Annexure - III to this Report.

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. Pursuant to provisions of Section 135 of the Companies Act, 2013, the Company has also formulated a Corporate Social Responsibility Policy which is available on the website of the Company at <http://gspcgroup.com/GSPL/csr>.

Your Company being committed in fulfilling its Corporate Social Responsibility has been engaged in various social initiatives through its intervention in the areas of education, promoting healthcare/ eradication of hunger, poverty & malnutrition, for conservation of natural resources like water/energy, etc. in accordance with the Corporate Social Responsibility Policy of the Company.

The Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed herewith as Annexure - IV to this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Since last Directors' Report, Shri Raj Gopal, IAS & Smt. Shridevi Shukla ceased to be Directors of the Company and Dr. T Natarajan, IAS ceased to be the Joint Managing Director of the Company consequent to their resignation from the Board of the Company.

Your Directors wish to place on record appreciation for the services rendered by Shri Raj Gopal, IAS & Smt. Shridevi Shukla as Directors and Dr. T Natarajan, IAS as Joint Managing Director of the Company.

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the erstwhile Listing Agreement, Prof. Yogesh Singh and Dr. Bakul Dholakia were appointed as Independent Directors to hold office for a term of five consecutive years i.e. up to 24th September, 2019 by the Members of the Company in the 16th Annual General Meeting held on 25th September, 2014. They are eligible for re-appointment as Independent Directors for another term of five consecutive years.

Pursuant to the provisions of the Companies Act, 2013, based on the recommendation of the Nomination and Remuneration Committee, the Board recommends for the approval of the Members through Special Resolution at the ensuing Annual General Meeting re-appointment of Prof. Yogesh Singh and Dr. Bakul Dholakia as Independent Directors for another term of five consecutive years from 25th September, 2019 upto 24th September, 2024.

Further, based on the recommendation of Nomination and Remuneration Committee, the Board has appointed Smt. Shridevi Shukla as an Additional Woman Independent Director w.e.f. 27th March, 2019 to hold office till the ensuing Annual General Meeting. It is proposed to regularize her appointment in the 21st Annual General Meeting.

These Directors have given the declarations to the Board that they meet the criteria of Independence as provided under Section 149 (6) of the said Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also confirmed

that they will abide by the provisions as mentioned in Schedule IV of the Companies Act, 2013.

Further, Shri Ajith Kumar T R. has been designated as Chief Financial Officer of the Company w.e.f. 8th February, 2019.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri M M Srivastava IAS (Retd.), Director & Chairman of the Company shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as Director liable to retire by rotation.

A brief resume of the Directors retiring by rotation/seeking appointment/re-appointment at the ensuing Annual General Meeting, nature of their expertise in specific functional areas and details regarding the companies in which they hold directorship, membership/chairmanship of committees of the Board is annexed to the Notice.

Directors' Independence:

Pursuant to the provisions of Section 149 (6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company have given confirmation/ declaration to the Board that they meet with the criteria of Independence and are Independent in terms of Section 149 (6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, the Independent Directors, fulfills the conditions of independence specified in Section 149 (6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors have carried out an annual performance evaluation of Chairman, Non-Independent Directors and the Board as a whole. Further, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of the various Committees of Directors of the Company.

The performance evaluation of individual Directors was carried out based on the various parameters after taking into consideration inputs received from the Directors and also parameters set out in the Policy for Evaluation of Performance of Directors, Committees & Board such as active participation & contributions in the Meetings, balance of knowledge, expertise and experience, safeguarding the interest of the Company and its Stakeholders etc. The performance evaluation of the Board as a whole and various Committees of Directors of the Company was carried out considering various parameters such as adequacy of the composition of the Board and its Committees, discharge of key functions and responsibilities prescribed under law, corporate governance practice etc. and the overall performance assessment was discussed in detail by the Board members.

Meetings:

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Board / Committee Meetings are pre-scheduled and

a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the Meetings. However, in case of a special and urgent business need, the approval is taken by passing resolutions through circulation to the Directors, as permitted by law, which are noted in the subsequent Board/Committee Meetings.

During the year, five (5) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

AUDIT COMMITTEE

Audit Committee of Directors of the Company at its Meeting held on 9th May, 2019 approved the Annual Accounts for the Financial Year ended on 31st March, 2019 and recommended the same for approval of the Board.

AUDITORS

Statutory & C&AG Audit:

As your Company is a Government Company, the Statutory Auditors are appointed by the Comptroller & Auditor General of India (C&AG). Accordingly, the C&AG has appointed M/s Anoop Agarwal & Co., Chartered Accountants as Statutory Auditors of the Company for the Financial Year 2018 - 19.

The Company has received comments of Comptroller & Auditor General of India (C&AG) on the Standalone and Consolidated Financial Statements of the Company for the Financial Year 2018 - 19. The Reports of C&AG and the Management response to comments of C&AG have been placed before the Standalone & Consolidated Financial Statements respectively.

Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s Manoj Hurkat & Associates, Practising Company Secretaries, to conduct the Secretarial Audit of the Company for the Financial Year 2018 - 19.

The Report of Secretarial Auditor on Company's Secretarial Audit for the Financial Year 2018 - 19 is enclosed herewith as Annexure - V to this Report.

Cost Auditors:

Your Company is required to get the Cost Audit carried out for "Gas Transportation" business as well as "Generation of Electricity through Windmill" business pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014. The Company is maintaining the Cost Accounts and Records as specified by the Central Government under sub Section (1) of Section 148 of the Companies, Act, 2013.

Accordingly, your Company has got the Cost Audit carried out for the said business of the Company for the Financial Year 2018 - 19 through the Cost Auditor M/s N D Birla & Co. The Cost Audit Report 2018 - 19 will be submitted to the Central Government in the prescribed format within stipulated time period.

Further, your Directors has, on the recommendation of the Audit Committee, appointed M/s N D Birla & Co., Cost Accountants as Cost Auditor to audit the cost accounts of the Company for the Financial Year 2019 - 20 on a remuneration of ₹ 1,00,000/- plus applicable taxes and reimbursement of out of pocket expenses incurred by them during the course of Audit. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to M/s N D Birla & Co., Cost Auditors for the Financial Year 2019 - 20 is included in the Notice convening the Annual General Meeting.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

Risk Management:

The Company has a well-defined risk management framework. The Board of Directors of the Company has adopted a Risk Management Policy.

Internal Control System:

The Company has a proper and adequate system of Internal Controls commensurate with its size of operations and nature of business. These are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

The details about the identification of elements of Risk and Internal Control Systems are provided in detail in the Management Discussion & Analysis Report forming part of this Directors' Report.

VIGIL MECHANISM

The Company has established a Vigil Mechanism for Directors and Employees to report their genuine concerns, details of which have been given in the Corporate Governance Report forming part of this Directors' Report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- that in the preparation of the Annual Financial Statements for the year ended 31st March, 2019, the applicable accounting standards have been followed and no material departures have been made from the same;
- that accounting policies have been selected and applied consistently and judgment and estimates have been made 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, 2019 and of the profit & loss of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud

and other irregularities;

- that the Annual Financial Statements have been prepared on a going concern basis;
- that proper Internal Financial Controls were in place and that the financial controls were adequate and were operating effectively;
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

MANAGEMENT DISCUSSION & ANALYSIS

This Annual Report contains a separate section (Annexure-I) on the Management Discussion & Analysis, which forms part of this Directors' Report.

CORPORATE GOVERNANCE

Corporate Governance denotes the framework for companies to conduct their business in an ethical and responsible manner. It is determined primarily by the approach that a Company has towards its stakeholders as well as to the environment in which it operates. It stems from the belief and realization that corporate citizenship has a set of responsibilities, which must be fulfilled for a Company to progress and succeed over the long term.

The Company believes that good governance alone can deliver continuous good business performance. A Report on Corporate Governance as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is incorporated as a part of this Directors' Report (Annexure – II). A Compliance Certificate by the Practising Company Secretary is also attached to this Directors' Report.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

ANNUAL RETURN

The extract of Annual Return in Form MGT – 9 is enclosed herewith as Annexure – VII.

The draft Annual Return of the Company for the Financial Year 2018 – 19 in the Form of MGT – 7 is available on the website of the Company at www.gspcgroup.com/GSPL/annual-returns.

GSPL EMPLOYEES STOCK OPTION PLAN (“ESOP”)

GSPL Employees Stock Option Plan – 2010 (ESOP – 2010) was instituted as incentives to attract, retain and reward the employees, and to enable them to participate in the future growth and success of the Company.

Under the said ESOP - 2010, each such Option has conferred a right upon the employee to apply for one Equity Share of the Company.

Auditors of the Company have certified that the Scheme is being implemented in accordance with the SEBI (Share Based Employee

Benefits) Regulations, 2014 and the resolution passed by the Members. The Certificate would be placed at the Annual General Meeting for inspection by Members.

Statutory disclosure regarding ESOP – 2010 is enclosed at Annexure – VI .

Further, the Disclosure regarding ESOP – 2010 pursuant to SEBI (Share Based Employee Benefits) Regulations, 2014 has been made on the website of the Company at <http://gspcgroup.com/GSPL/disclosures.aspx>.

PARTICULARS OF EMPLOYEES

Your Company being a Government Company is exempted from disclosing the information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company pursuant to Ministry of Corporate Affairs Notification dated 5th June, 2015.

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

Your Company has always believed that appropriate standard of conduct should be maintained by the employees in their conduct and that there should be a safe, indiscriminatory and harassment free (including sexual harassment) work environment for every individual working in the Company. The Company has in place a Policy on Prevention of Sexual Harassment at workplace as a part of its Human Resource Policy. It aims at prevention of harassment of employees and lays down the guidelines for reporting and prevention of sexual harassment.

The Company has constituted an Internal Complaints Committee (ICC) as required under the Act which is responsible for redressal of complaints related to sexual harassment.

The details of complaints filed/disposed/pending in relation to the Sexual Harassment of Woman at Workplace as on 31st March, 2019 is provided below:

Sr.	Particulars	No. of Complaints
1	No. of Complaints filed during the year	0
2	No. of Complaints disposed during the year	0
3	No. of Complaints pending at the end of the year	0

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information required to be disclosed pursuant to provisions of the Companies Act, 2013 read with Rules thereto with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo are furnished in Annexure - IX to this Report.

BUSINESS RESPONSIBILITY REPORT

Your Company has always given the highest importance to the environment, health and safety. The same is also reflected in the business practices of the Company e.g. Company has implemented practices towards preservation of natural resources, Green Gas emission reduction, lowering costs, etc over these years. The Company is also conscious of its responsibility towards its various stakeholders and is determined to increase its contribution to the society to bring positive social impact.

The Business Responsibility Report in the prescribed format describing the initiatives taken by the Company from an environmental, social and governance perspective among other things is enclosed as Annexure-VIII to this Report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no 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 Statements relate and the date of this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations during the year.

ACKNOWLEDGEMENTS

The Directors appreciate the continued support received from the valued customers and look forward to this mutually supportive relationship in future.

The Directors place on record their deep appreciation to employees of the Company at all levels for their hard work, dedication and commitment without whose contribution the excellent performance of the Company would not have been possible.

The Directors are extremely grateful for all the support given by the Government of Gujarat at all levels. Their guidance, encouragement and moral support have enabled the Company to expand the pipeline network in a professional manner.

The Directors also wish to place on record the sincere thanks to PNGRB and other regulatory authorities at Central and State level for the continuous support extended to the Company.

The Directors place on record their sincere thanks to the Promoters, Shareholders and Lenders for their valuable support, trust and confidence reposed in the Company.

For and on behalf of the Board of Directors

M M Srivastava, IAS (Retd.)
Chairman

Date: 27th August, 2019

Place: Gandhinagar