

INDEPENDENT AUDITOR'S REPORT

**TO THE BOARD OF DIRECTORS OF
ADANI GAS LIMITED**

Report on the Interim Standalone Financial Statements

Opinion

We have audited the accompanying interim standalone financial statements of Adani Gas Limited ("the Company"), which comprise the Balance Sheet as at June 30, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the three months period ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the interim standalone financial statements").

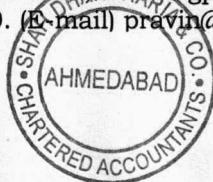
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid interim standalone financial statements give a true and fair view in conformity with Indian *Accounting Standard 34* *Interim Financial Reporting* ("Ind AS 34") and other accounting principles generally accepted in India, of the state of affairs of the Company as at June 30, 2018, the profit or loss, total comprehensive income, changes in equity and its cash flows for the three months period ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the preparation and presentation of these interim standalone 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 Ind AS 34 prescribed under Section 133 of the Companies Act, 2013 ("the Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the interim standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

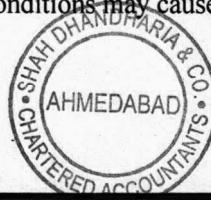
The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Interim Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the interim standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting 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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the interim standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the interim standalone financial statements, including the disclosures, and whether the interim standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

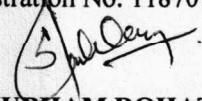
We also communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings.

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.

For SHAH DHANDHARIA & CO.

Chartered Accountants

(Firm's Registration No. 118707W)



SHUBHAM ROHATGI

Partner

(Membership No.183083)



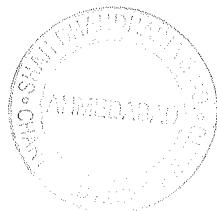
Place : Ahmedabad

Date : **15 OCT 2018**

ADANI GAS LIMITED
BALANCE SHEET AS AT 30-Jun-2018

(₹ in Lakhs)

Particulars	Notes	As at		
		30 Jun 2018	31 Mar 2018	
ASSETS				
I NON-CURRENT ASSETS				
(a) Property, Plant & Equipment	3	87,657.55	86,816.42	
(b) Capital Work-In-Progress	4	9,913.55	10,182.81	
(c) Goodwill		2,549.18	2,549.18	
(d) Other Intangible Assets	3	268.47	307.37	
(f) Financial Assets				
(i) Investment	5	13,400.00	12,400.00	
(ii) Other Financial Assets	6	906.76	1,901.78	
(g) Income Tax Assets (Net)	7	94.00	316.75	
(h) Other Non-current Assets	8	1,331.78	717.48	
		1,16,121.29	1,15,191.79	
II CURRENT ASSETS				
(a) Inventories	9	4,234.93	4,215.74	
(b) Financial Assets				
(i) Investments	10	24,358.43	1,251.22	
(ii) Trade Receivables	11	6,823.64	6,426.03	
(iii) Cash & cash equivalents	12	2,910.03	2,383.30	
(iv) Bank Balances other than (iii)	13	31.39	45.09	
(v) Loans	14	35,804.81	35,916.31	
(vi) Other Financial Assets	15	1,251.74	386.04	
(c) Other Current Assets	16	1,773.84	1,671.66	
		77,188.81	52,295.39	
	TOTAL	1,93,310.10	1,67,487.18	
EQUITY AND LIABILITIES :				
I SHAREHOLDERS' FUNDS				
(a) Equity Share Capital	17	25,674.20	25,674.20	
(b) Other Equity		68,619.25	63,114.95	
Total Equity		94,293.45	88,789.15	
LIABILITIES				
II NON-CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings	18	38,186.62	30,991.90	
(ii) Other Financial Liabilities	19	24,178.64	23,251.78	
(b) Provisions	20	194.03	230.52	
(c) Deferred Tax Liabilities (net)		10,173.50	9,959.01	
(d) Other Non Current Liabilities		-	-	
		72,732.79	64,433.21	



ADANI GAS LIMITED
BALANCE SHEET AS AT 30-Jun-2018

(₹ in Lakhs)

Particulars	Notes	As at	
		30 Jun 2018	31 Mar 2018
III CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	21	10,000.00	-
(ii) Trade Payables	22	6,274.01	6,068.61
(iii) Other Financial Liabilities	23	7,455.97	7,029.55
(b) Provisions	24	100.78	335.84
(c) Other Current Liabilities	25	1,402.21	604.77
(d) Income Tax Liabilities (Net)	26	1,050.89	226.05
		26,283.86	14,264.82
TOTAL		1,93,310.10	1,67,487.18

Significant Accounting Policies (Note 2)

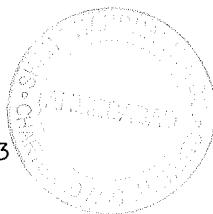
The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

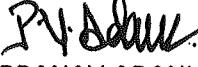
For and on behalf of the Board
Adani Gas Ltd

For SHAH DHANDHARIA & CO.
Chartered Accountants
Firm Registration Number : 118707W

SHUBHAM ROHATGI
Partner
Membership No. 183083



Place : Ahmedabad
Date : **15 OCT 2018**


PRANAV ADANI
Director
DIN 00008457

NARESH PODDAR
CFO

Place : Ahmedabad
Date : **15 OCT 2018**


RAJEEV SHARMA
Whole-time Director
DIN 00084188

GUNJAN TAUNK
Company Secretary

ADANI GAS LIMITED
STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 30-Jun-2018

(₹ in Lakhs)

S.No.	Particulars	NOTES	For the Period Ended 30-Jun-2018	For the Year Ended 31-Mar-2018
I	Revenue from Operations	27	39,585.21	1,38,529.68
II	Other Income	28	1,092.05	828.12
III	Total Income (I+II)		40,677.26	1,39,357.80
IV	EXPENSES			
	Cost of Materials consumed	29	8,448.83	28,736.02
	Purchase Of Stock In Trade	30	15,050.10	51,293.43
	Changes In Inventory of Finished Goods, Work In Progress & Stock In Trade	31	49.79	64.08
	Excise duty on Sale of Compressed Natural Gas (CNG)		2,341.98	8,398.54
	Employee benefits expense	32	1,164.38	3,828.22
	Finance costs	33	1,059.53	4,522.24
	Depreciation and amortization expense	3	1,586.81	6,101.17
	Other expenses	34	2,549.48	9,684.65
	Total Expenses		32,250.90	1,12,628.35
V	Profit / (Loss) for the year before Exceptional Items & Taxation (III - IV)		8,426.36	26,729.45
VI	Exceptional items		-	-
VII	Profit / (Loss) before Taxation (V - VI)		8,426.36	26,729.45
VIII	Tax Expense:			
	(1) Current Tax		2,749.00	8,282.00
	(2) Adjustment of earlier years		-	45.08
	(3) Deferred Tax		200.01	1,111.97
	Total Tax Expenses		2,949.01	9,439.05
IX	Profit / (Loss) for the year (VII - VIII)		5,477.35	17,290.40
X	Other Comprehensive Income			
	- Item that will be reclassified to Profit & Loss			
	- Item that will not be reclassified to Profit & Loss			
	(a) Remeasurement of employee benefit obligations		41.43	18.60
	(b) Income tax relating to these items		(14.48)	(4.41)
	Total Other Comprehensive Income		26.95	14.19
XI	Total Comprehensive Income for the Year (IX + X)		5,504.30	17,304.59
XII	Earning per Equity Share of ₹ 10/- each :	39		
	- Basic		2.13	6.73
	- Diluted		2.13	6.73

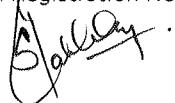
Significant Accounting Policies (Note 2)

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

As per our attached report of even date

For and on behalf of the Board
Adani Gas Ltd

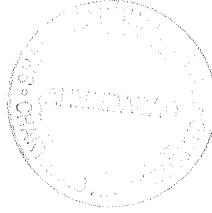
For SHAH DHANDHARIA & CO.
Chartered Accountants
Firm Registration Number : 118707W

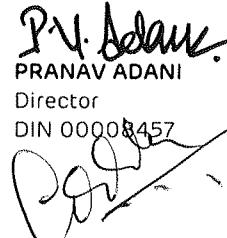


SHUBHAM ROHATGI
Partner
Membership No. 183083

Place: Ahmedabad

Date : 15 OCT 2018

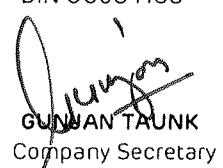



PRANAV ADANI
Director
DIN 00008457


NARESH PODDAR
CFO

Place: Ahmedabad
Date : 15 OCT 2018


RAJEEV SHARMA
Whole-time Director
DIN 00084188

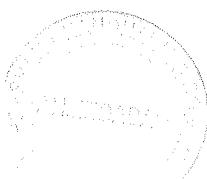

GUNJAN TAUNK
Company Secretary

ADANI GAS LIMITED

STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30-Jun-2018

(₹ in Lakhs)

S.No.	Particulars	For the Period Ended on 30-Jun-2018	For the Year Ended on 31-Mar-2018
A	CASHFLOW FROM OPERATIONS		
	Net Profit Before Tax	8,426.36	26,729.45
	Adjustment for:		
	Depreciation/Amortization	1,586.81	6,101.17
	Finance Cost	1,059.53	4,522.24
	Interest Income	(832.08)	(127.32)
	(Income)/Loss from Sale of Current Investments	(163.88)	(368.55)
	(Gain)/Loss on Sale of Fixed Assets	-	28.69
	Actuarial Gain/(Loss) Transferred to OCI	41.43	18.60
	Provision for Doubtful Debt, Loans & Advances (Net)	-	(39.14)
	Liabilities No Longer Required	-	(9.93)
	Unamortization of ancillary cost of borrowing	7.94	
	Write-off for Doubtful Debt, Loans & Advances	-	189.92
	Exceptional Item	-	-
	Total Adjustments to Net Profit	1,699.75	10,315.68
	Operating Profit Before Working Capital Changes	10,126.11	37,045.13
	Adjustment for:		
	Trade and Other Receivables	(542.25)	(1,091.73)
	Inventories	(19.19)	(347.24)
	Other Financial Assets	7.19	(174.18)
	Other Non Financial Assets	(102.18)	1,764.15
	Trade Payables	205.41	811.09
	Provisions	(271.55)	(17.55)
	Other Financial Liabilities	(815.75)	(767.33)
	Other Non Financial Liabilities	797.44	(56.13)
	Total Working Capital Changes	(740.88)	121.08
	Cash Generated From Operations	9,385.23	37,166.21
	Direct Tax (Paid)/ Refund	(1,701.41)	(8,176.46)
	Net Cash From Operating Activities	7,683.82	28,989.75
B	CASHFLOW FROM INVESTING ACTIVITIES		
	Purchase/Additions to Fixed Assets & Capital Work in Progress	(2,119.79)	(14,140.54)
	Capital Advances	(614.30)	139.43
	Sale of Fixed Assets	0.00	0.36
	Redemption/(Investment) in Deposits	13.70	(42.54)
	Interest Received	107.64	110.13
	Investment in Joint Venture	-	(4,900.00)
	Gain on sale of Mutual Fund	163.88	368.55
	Loans, Advances and Deposits given to/ received back from Related Party	102.71	12,615.07
	Net Cash Used in Investing Activities	(2,346.16)	(5,849.54)
C	CASHFLOW FROM FINANCING ACTIVITIES		
	Proceeds of Long Term Borrowings	9,450.00	24,530.23
	Repayment of Long Term Borrowings	(1,213.24)	(27,677.32)
	Proceeds/ Repayment from Commercial paper	10,000.00	(15,000.00)
	Proceeds / Repayment of Short Term Borrowings	-	(2,000.00)
	Repayment of Loans and Advances	-	-
	Interest Paid	(845.29)	(4,502.73)
	Security Deposit from Customer & contractors	904.81	3,026.97
	Net Cash Used for Financing Activities	18,296.28	(21,622.85)



ADANI GAS LIMITED

STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30-Jun-2018

(₹ in Lakhs)

S.No.	Particulars	For the Period Ended on 30-Jun-2018	For the Year Ended on 31-Mar-2018
D	Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)	23,633.94	1,517.36
	Cash and Cash Equivalents at the beginning of the year	3,634.52	2,117.16
	Cash and Cash Equivalents at the end of the year	27,268.46	3,634.52
	Components of cash and cash equivalents		
	Cash on hand	7.68	7.68
	Cheque on hand	-	-
	Balances with Local banks		
	- In Current Account	647.35	810.62
	- In Fixed Deposit Account	2,255.00	1,565.00
	Highly Liquid mutual Fund	24,358.43	1,251.22
	Total cash and cash equivalents (Refer note 10 & 12)	27,268.46	3,634.52

Significant Accounting Policies (Note 2)

Notes to Cash Flow Statement:

i) The Statement of Cash Flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash Flow'.

ii) As per the amendment in "Ind AS 7 Statement of Cash flows : Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This amendment has become effective from 1st April, 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendment.

Particulars	As at 31st March, 2018	Cash Flows	Unamortization of ancillary cost of borrowing	As at 30th June, 2018
Non - Current borrowings	30,991.90	7,186.78	(7.94)	38,186.62
Current maturity of Non-Current borrowings	3,771.18	1,049.98	-	4,821.16
Current borrowings	-	10,000.00	-	10,000.00

iii) The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For and on behalf of the Board

Adani Gas Ltd


PRANAV ADANI

Director

DIN 00008451


RAJEEV SHARMA

Whole-time Director

DIN 00084188


NARESH PODDAR

CFO


GUNJAN TAUNK

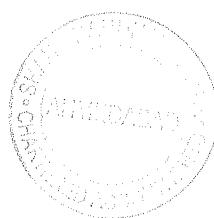
Company Secretary

For SHAH DHANDHARIA & CO.

Chartered Accountants

Firm Registration Number : 118707W





SHUBHAM ROHATGI

Partner

Membership No. 183083

Place: Ahmedabad

Date :

15 OCT 2018

Place: Ahmedabad

Date :

15 OCT 2018

ADANI GAS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED ON 30-Jun-2018

A. Equity Share Capital

(₹ in Lakhs)

Particulars	No. of Shares	Amount
As at 1st April 2017	25,67,42,040	25,674.20
Changes in the Equity Share Capital	-	-
As at 31st March 2018	25,67,42,040	25,674.20
Changes in the Equity Share Capital	-	-
As at 30th April 2018	25,67,42,040	25,674.20

(₹ in Lakhs)

Particulars	Retained Earnings
Balance as at 1st April 2017	45,810.36
<i>Adjustments</i>	
Add : Profit for the year	17,290.40
Other Comprehensive Income	
Remeasurement of employee benefit obligations	14.19
As at 31st March 2018	63,114.95
Balance as at 1st April 2018	63,114.95
<i>Adjustments</i>	
Add : Profit for the year	5,477.35
Other Comprehensive Income	
Remeasurement of employee benefit obligations	26.95
As at 30th June 2018	68,619.25

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

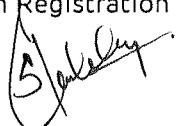
For and on behalf of the Board

Adani Gas Ltd

For SHAH DHANDHARIA & CO.

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Firm Registration Number : 118707W



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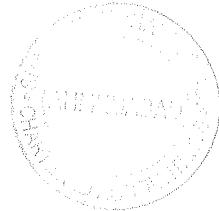
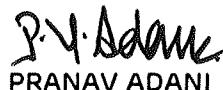
Partner

Membership No. 183083

Place : Ahmedabad

Date :

15 OCT 2018

PRANAV ADANI

Director

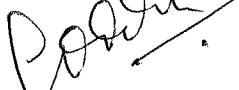
DIN 00008457



RAJEEV SHARMA

Whole-time Director

DIN 00084188



NARESH PODDAR

CFO



GUNJAN TAUNK

Company Secretary

Place : Ahmedabad

Date : 15 OCT 2018

ADANI GAS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

NOTE : 1 CORPORATE INFORMATION

Adani Gas Limited (AGL) was originally incorporated as Adani Energy (U.P.) Limited on 5th August 2005 as Public Limited Company under the Companies Act 1956 vide CIN U40100GJ2005PLC046553 & is having registered address at "Adani House", Nr. Mithakali Cross Roads, Ahmedabad & is having corporate office at 8th Floor, Heritage House, Nr. C.N.Vidhayala, Usmānpura, Ahmedabad - 380009. Subsequently Adani Energy (U.P.) Ltd. was renamed as Adani Gas Limited vide fresh Certificate of Incorporation consequent upon change of name dated 8th January, 2010. It is a wholly owned subsidiary of Adani Gas Holding Limited. The company carries on the activity of City Gas Distribution and distributes and transports Natural Gas to Domestic, Commercial, Industrial and Vehicle users. The company is presently operating in Ahmedabad, Vadodara, Faridabad and Khurja.

NOTE : 2 SIGNIFICANT ACCOUNTING POLICIES ADOPTED BY THE COMPANY IN THE PREPARATION & PRESENTATION OF THE ACCOUNTS :-

a) STATEMENT OF COMPLIANCE

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

b) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These interim financial statements have been prepared in accordance with Indian Accounting Standard 34 (Ind AS 34), under historical cost convention on the accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The Financial statements are presented in INR except when otherwise stated.

c) USE OF ESTIMATES

The preparation of financial statements in conformity with Ind AS requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

Estimates and assumptions are required in particular for:

i) Useful life of tangible assets:

Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalised. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

ii) Recognition of deferred tax

Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies including estimates of temporary differences reversing on account of available benefits from Income Tax Act, 1961. Deferred tax assets recognized to the extent of the corresponding deferred tax liability.

iii) Fair value measurement of financial instruments

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 36 (b).

iv) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

v) Defined benefit plans (Gratuity benefits):

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and life expectancy.

ADANI GAS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

d) CURRENT & NON-CURRENT CLASSIFICATION

- Any asset or liability is classified as current if it satisfies any of the following conditions:
- i) The asset/liability is expected to be realized/settled in the Company's normal operating cycle;
 - ii) The asset is intended for sale or consumption;
 - iii) The asset/liability is held primarily for the purpose of trading;
 - iv) The asset/liability is expected to be realized/settled within twelve months after the reporting period;
 - v) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
 - vi) In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

e) INVENTORIES

- i) Inventories are valued at lower of cost or net realisable value.
- ii) Stores and Spares are valued at Cost or NRV which ever is less. Cost is determined on Weighted Average basis & comprises of expenditure incurred in the normal course of business in bringing inventories to their location & condition including appropriate overheads.
- iii) Quantity of CNG in cascades and Natural Gas in pipelines are estimated on a volumetric basis & are valued on Weighted Average basis considering lower of cost or net realisable value.
- iv) Net Realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

f) CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASHFLOW STATEMENTS)

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

g) CASH FLOW STATEMENT

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

h) REVENUErecognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

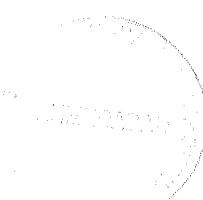
Based on the Educational Material on Ind AS 18 issued by the ICAI, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, sales tax/ value added tax (VAT)/ Goods and Service Tax (GST) is not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded

- i) Revenue on sale of natural gas is recognized on transfer of title to customers at delivery point. Sales are billed bi-monthly for domestic customers, fortnightly for commercial, Non commercial & Industrial Customer.
- ii) Revenue on sale of Compressed Natural Gas (CNG) is recognized on sale of gas to customers from CNG stations.
- iii) Gas Transportation Income is recognized in the same period in which the related volumes of gas are delivered to the customers.
- iv) The amounts charged from customers for initial gas connections are accounted based on the terms of the underlying contract with customers when the performance obligation is satisfied. The performance obligation is considered to be satisfied on completion of the connection which is separate from supply of gas.
- v) Interest revenues are recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- vi) Gas supplied to domestic customers for which billing have not been done as per the billing cycle is treated as stock and revenue for the same is accounted in the year in which Sales are billed.
- vii) Dividend income from investments is recognised when the Company's right to receive payment is established.

i) PROPERTY, PLANT & EQUIPMENTS

- i) Property, Plant and Equipment's, including Capital Work in Progress, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses & net of Taxes (net of Input Tax Credit and VAT credit wherever applicable).



ADANI GAS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

- ii) All direct cost attributable to respective assets are capitalized to the assets. Other indirect expenses are capitalized to assets in proportion of the value of the assets. Borrowing cost relating to acquisition / construction of Property, Plant and Equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.
- iii) Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant and Equipment's, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the profit and loss for the period during which such expenses are incurred.
- iv) Spare parts or stores meeting the definition of PPE, either procured along with equipment or subsequently, are capitalized in the asset's carrying amount or recognized as separate asset, if appropriate. However cost of day to day servicing are recognized in profit or loss as incurred. Cost of day to day service primarily include costs of labor, consumables and cost of small spare parts.
- v) Leasehold land is carried at Cost, comprising of Lease Premium and expenses on acquisition thereof, as reduced by accumulated amortization.
- vi) The Natural Gas (NG) distribution systems for PNG connections commissioned on commencement of supply of gas to the individual consumers.
- vii) The CNG outlets are commissioned on commencement of sale of CNG to the customers.
- viii) The cost of Fixed Assets not put to use before the year end and Capital Inventory, are disclosed under capital work-in-progress.
- ix) Expenditure incurred during the period of construction including, all direct & indirect overheads, incidental and related to construction is carried forward and on completion, the costs are allocated to the respective fixed assets.
- x) Depreciation on assets acquired/ disposed off during the year provided on pro-rata basis with reference to date of addition/ disposal.
- xi) Property, Plant and Equipment are depreciated on straight line basis over the estimated useful lives as follow:

Assets Class	Estimated Useful Life
Compressors	8 years
Dispensers	8 years
Canopy	10 years
Cascades	15 years
Steel Pipes & Fittings	20 years
PE pipes & Fittings	20 Years
Mobile Devices	100% in the year of incurrence

- xii) An item of Property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of Property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

j) INTANGIBLE ASSETS

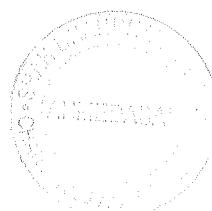
- i) Intangible assets are recorded at the consideration paid for acquisition and are amortized over their estimated useful lives on a straight-line basis, commencing from the date the asset is available to the company for its use. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization method is revised to reflect the changed pattern.
- ii) Goodwill acquired as a result of demerger of CGD business from Adani Energy Ltd is measured at net value as at 31-Mar-15. As per the requirements of Ind AS, Goodwill shall not be amortized but will be checked for impairment at regular intervals of time when there are certain indications that the operations of the company or any of its unit is impaired.
- iii) Intangible assets are amortised on straight line basis over their estimated useful life as below:

Assets Class	Estimated Useful Life
Leased Hold Land	Over the period of lease
Right of Use of Land	Over the period of Rights

k) FINANCIAL INSTRUMENTS

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

Financial assets and financial liabilities are initially measured at fair value. 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 recognised immediately in Statement of Profit and Loss.



ADANI GAS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

A) Financial Assets

All financial assets, except investment in subsidiaries, associates and joint ventures are recognised initially at fair value.

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

1) At amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met :

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise, on specified dates, to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

2) At Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI) and on derecognition , cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss. For equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment.

3) At Fair Value through Profit & Loss (FVTPL)

FVTPL is a residual category for debt instruments and default category for equity instruments. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Derecognition

'On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

Impairment of financial assets

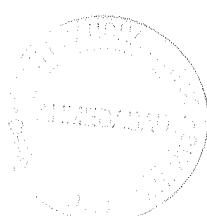
The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Company assesses on a forward looking basis the expected credit losses associated with its receivables based on historical trends and past experience.

The Company follows 'Simplified Approach' for recognition of impairment loss allowance on all trade receivables or contractual receivables. Under the simplified approach the Company does not track changes in credit risk, but it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contracted cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / (expense) in the Statement of Profit and Loss.

B) Financial Liabilities

Financial liabilities are classified, at initial recognition as at amortised cost or fair value through profit or loss. The measurement of financial liabilities depends on their classification, as described below:



ADANI GAS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

At amortised cost

This is the category most relevant to the Company. After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

At fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as such. Subsequently, any changes in fair value are recognised in the Statement of Profit and Loss.

Derecognition of Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

C) Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments such as forward and options currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised and subsequently measured at fair value through profit or loss (FVTPL). Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivative financial instrument are recognised in the Statement of Profit and Loss and reported with foreign exchange gains/(loss) not within results from operating activities. Changes in fair value and gains/(losses) on settlement of foreign currency derivative financial instruments relating to borrowings, which have not been designated as hedge are recorded as finance expense.

I) FOREIGN CURRENCY TRANSACTIONS

i) Functional and presentation

The financial statements are presented in Indian Rupee (INR), which is entity's functional and presentation currency.

ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency, for initial recognition, using the exchange rates at the dates of the transactions.

All foreign currency denominated monetary assets and liabilities are translated at the exchange rates on the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss with the exception of exchange differences arising on long-term foreign currency monetary items recognised in the financial statements as at June 30, 2018 and related to acquisition of a fixed assets and such differences are capitalised and depreciated over the remaining useful life of the related asset. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

m) EMPLOYEE BENEFITS

Employee benefits includes gratuity, compensated absences, contribution to provident fund, employees' state insurance and superannuation fund.

A) Short term Employee Benefits

A liability is recognised for benefits accruing to employees in respect of salaries and wages at the undiscounted amount of the benefits expected to be paid wholly within twelve months of rendering the service.

B) Post Employment Benefits

i) Defined Benefit Plans

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary, using the projected unit credit method. The liability for gratuity is funded annually to a gratuity fund maintained with the Life Insurance Corporation of India.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets (excluding net interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. Net interest is calculated by applying the discount rate to the net balance of defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Standalone Financial statement of profit and loss in the line item "Employee Benefits Expense":

- > Service cost including current service cost, past service cost, gains and losses on curtailments and non-routine settlements; and
- > Net interest expense or income

For the purpose of presentation of defined benefit plans, the allocation between short term and long term provisions has been made as determined by an actuary.



ADANI GAS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

ii) Defined Contribution Plans

Retirement benefits in the form of provident fund and superannuation fund are defined contribution schemes. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid.

iii) Other Long-term employee benefits

Other long term employee benefits comprise of compensated absences/leaves. The Company allocates accumulated leaves between short term and long term liability based on actuarial valuation as at the end of the period. The actuarial valuation is done as per projected unit credit method.

iv) The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve month after the reporting date.

n) BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

o) SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting to management. For management purposes, the Company is organised into business units based on its products and services.

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 in the financial statements themselves as at and for the financial period ended June 30, 2018.

p) RELATED PARTY TRANSACTIONS

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set out in a separate note. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company.

q) LEASES

- i) The determination of whether an arrangement is / or contains a lease is based on the substance of the arrangement at the inception of the lease. A lease is classified at the inception date as a finance lease or an operating lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.
- ii) Lease arrangement where risk and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as Operating Leases. The company's leasing arrangements are in respect of operating lease for office premises. The aggregate lease rent payable is charged as rent including lease rentals.

r) EARNING PER SHARE

Basic EPS has been computed by dividing the profit for the year available to attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the accounting year. Diluted EPS has been computed by dividing the profit attributable to equity holders of the parent (after adjusting for costs associated with dilutive potential equity shares) by the weighted average number of equity shares and dilutive potential equity shares outstanding during the accounting year.

s) TAXES ON INCOME

i) Deferred Taxation

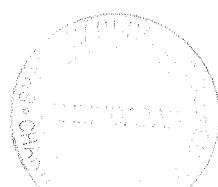
Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset. The deferred tax account is used solely for reversing timing difference as and when crystallized.

ii) Current Taxation

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.



ADANI GAS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

Current tax items, relating to items recognised outside the statement of profit and loss, are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Provision for current tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Income Tax Act, 1961.

Current tax assets and liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

t) IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

u) PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised in the financial statements. The nature of such assets and an estimate of its financial effect are disclosed in notes to the financial statements.

v) EXCEPTIONAL ITEMS

Exceptional items are generally non-recurring items of income and expense within profit or loss from ordinary activities, which are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year.

w) RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

i) Standards issued but not yet effective

On 28th March, Ministry of Corporate Affairs ("MCA") has notified new standards and amendments to existing standards. These amendments are effective for annual periods beginning after 1st April, 2018

Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The core principle of the new standard that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

This Standard permits two possible methods of transition i.e. retrospective approach and modified retrospective method.

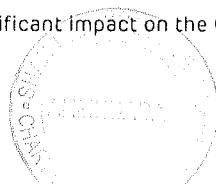
The company continues to assess significant impacts on transition to Ind AS 115. Based on nature of company's business and preliminary assessment of terms of contract with customers, the company does not expect any significant impacts on transition. A reliable estimate of the quantitative impact of Ind AS 115 on the financial statements will only be possible once the implementation project has been completed. However the impact would be finalised and reflected in the financial statement for the annual period based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition option to be considered.

ii) Amendment to existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards:

- a. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
- b. Ind AS 40 - Investment Property
- c. Ind AS 12 - Income Taxes
- d. Ind AS 28 - Investments in Associates and Joint Ventures and
- e. Ind AS 112 - Disclosure of Interests in Other Entities

Application of above standards are not expected to have any significant impact on the Company's financial statements.



ADANI GAS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

NOTE : 3 PROPERTY, PLANT & EQUIPMENTS & INTANGIBLE ASSETS

PARTICULARS	Freehold Land	Leasehold Land	Building	Office Equipments	Property, Plant & Equipments			Furniture	Plant & Machinery	Total	Computer Software	Right of Use of Land	Intangible Assets	(₹ in Lakhs)
					Computer	Vehicles	Total							
Year Ended 31st March 2018														
Gross Carrying Value														
Opening Gross Carrying Amount	1,652.96	4,351.92	5,245.64	403.55	310.74	35.75	872.09	77,792.55	90,665.22	765.92	11.71	777.63		
Addition during the Year	-	-	105.51	46.92	270.20	-	36.90	12,150.42	12,609.95	12.81	-	-	12.81	
Deduction during the Year	-	-	-	0.42	0.46	10.04	-	111.11	122.03	-	-	-	-	
Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	
Closing Gross Carrying Value	1,652.96	4,351.92	5,351.15	450.05	580.48	25.71	908.99	89,831.86	1,03,153.13	778.73	11.71	790.44		
Accumulated Depreciation														
Opening Accumulated Depreciation	97.95	185.12	154.40	93.45	13.85	349.28	9,581.35	10,475.39	326.01	10.18	336.19			
Deduction during the Year	-	49.17	119.85	76.83	93.48	6.61	134.77	5,473.58	5,954.29	145.46	1.42	146.88		
Disposals	-	-	-	0.42	0.27	6.86	-	85.42	92.97	-	-	-	-	
Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	
Closing Accumulated Depreciation	147.12	304.97	230.81	186.66	13.60	484.05	14,969.51	16,336.71	1,03,153.12	778.73	11.71	790.44		
Net Carrying Amount	1,652.96	4,204.80	5,046.19	219.24	393.81	12.11	424.94	74,862.36	86,816.42	307.26	0.11	307.37		
Period Ended 30th June 2018														
Gross Carrying Value														
Opening Gross Carrying Amount	1,652.96	4,351.92	5,351.15	450.05	580.48	25.71	908.99	89,831.86	1,03,153.12	778.73	11.71	790.44		
Addition during the Year	-	-	-	0.23	0.21	-	-	2,388.61	2,389.05	-	-	-	-	
Deduction during the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	
Closing Gross Carrying Value	1,652.96	4,351.92	5,351.15	450.28	580.69	25.71	908.99	92,220.47	1,05,542.18	778.73	11.71	790.44		
Accumulated Depreciation														
Opening Accumulated Depreciation	-	147.12	304.97	230.81	186.66	13.60	484.05	14,969.51	16,336.71	471.47	11.60	483.07		
Deduction during the year	-	12.26	30.10	16.78	31.41	1.10	32.57	1,423.70	1,547.91	38.79	0.11	38.90		
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	
Closing Accumulated Depreciation	-	159.37	335.06	247.59	218.07	14.70	516.62	16,393.21	17,884.63	510.26	11.71	521.97		
Net Carrying Amount	1,652.96	4,192.54	5,016.09	202.69	362.62	11.01	392.38	75,827.26	87,657.55	268.47	-	268.47		

Notes:

- a) Lease hold land is amortised over a period of lease. Amount of amortisation for the current year is shown in depreciation column.
- b) **Impairment of Fixed Assets**

Management has carried out a review, of the carrying value of assets as June 30, 2018 in accordance with the provisions of Ind AS – 36 Impairment of Assets. Based on this review, the management is of the opinion, that there are no impairment indicators that necessitate any adjustments to the carrying value of the assets. The same has been relied by the auditor.

- c) For Securities refer note no 18

ADANI GAS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

NOTE : 4 CAPITAL WORK IN PROGRESS

PARTICULARS	(₹ in Lakhs)	
	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Capital Work in Progress including Capital Inventory	9,913.55	10,182.81
	9,913.55	10,182.81

NOTE : 5 NON CURRENT INVESTMENT

PARTICULAR	(₹ in Lakhs)	
	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Investment in Equity Instruments		
Unquoted-Trade Investment		
In Joint Venture		
13,40,00,000 (P.Y 12,40,00,000) shares of Indian Oil -Adani Gas Pvt. Ltd. of ₹ 10/- each	13,400.00	12,400.00
	13,400.00	12,400.00
Aggregate value of unquoted investments	13,400.00	12,400.00

NOTE : 6 OTHER NON CURRENT FINANCIAL ASSETS

PARTICULARS	(₹ in Lakhs)	
	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Other Receivable from Related Parties	-	-
Security Deposits		
Unsecured, considered good		
- With Government	212.27	211.83
- With Others	508.92	507.76
Interest Accrued and due on deposit	179.37	179.37
Interest Accrued and not due on deposit	6.20	2.82
Share application money pending allotment		
JV-Indian Oil-Adani Gas Pvt. Ltd	-	1,000.00
	906.76	1,901.78

Note: Refer note no:41 for Related Party Balances

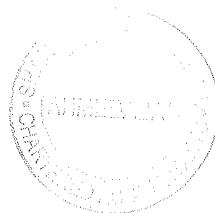
NOTE : 7 INCOME TAX ASSETS (NET)

PARTICULAR	(₹ in Lakhs)	
	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Advance Payment of Income Tax (net of current tax provision)	94.00	316.75
	94.00	316.75

NOTE : 8 OTHER NON CURRENT ASSETS

PARTICULAR	(₹ in Lakhs)	
	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Balance with Government Authorities	613.24	613.24
Advance against Expenses		
Unsecured, considered good		
- Capital Advances	718.54	104.24
	1,331.78	717.48

Note: Refer note no:41 for Related Party Balances



ADANI GAS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

NOTE : 9 INVENTORIES

(At cost or net realisable value whichever is lower)		(₹ in Lakhs)
PARTICULARS	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Stock in trade / Finished Goods	624.76	674.55
Stores and spares	3,610.17	3,541.19
	4,234.93	4,215.74

NOTE : 10 CURRENT INVESTMENTS

PARTICULAR	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Unquoted Mutual Funds		
12268.274 (P.Y: 28885.899) Units in Indiabulls Liquid Fund - Direct Plan Growth (LFG1) of Rs. 1000 each	212.09	490.55
NIL (P.Y: 7944.246) Units in LIC NOMURA MF Liquid Fund - DIRECT - Growth Plan - Growth of Rs. 1000 each	-	250.37
1948.8026 (P.Y: 26668.891) Units in Peerless Liquid Fund - Direct Plan - Growth of Rs. 1000 each	1,112.85	510.30
76925.899 (P.Y: NIL) Religare Invesco Liquid Fund - Direct Plan - Growth of Rs. 1000 each	1,872.97	-
9997430.712 (P.Y: NIL) JM High Liquidity Fund (Direct) - Growth Option of Rs. 10 each	4,841.18	-
227947.535 (P.Y: NIL) HDFC Liquid Fund-Direct Plan-Growth Option of Rs. 1000 each	7,941.24	-
98195.757 (P.Y: NIL) Edelweiss Liquid Fund - Direct Plan Growth of Rs. 1000 each	2,232.97	-
2673643.254 (P.Y: NIL) Units in DHFL Pramerica Insta Cash Plus Fund - Direct Plan - Growth of Rs 100 each	6,145.13	-
	24,358.43	1,251.22
Aggregate value of unquoted investments	24,358.43	1,251.22

NOTE : 11 TRADE RECEIVABLES

(Unsecured, considered good unless stated otherwise) (₹ in Lakhs)

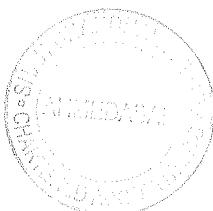
PARTICULARS	AS AT 30-Jun-2018	AS AT 31-Mar-2018
(i) Unsecured, considered good	6,823.64	6,426.03
(ii) Doubtful	34.13	34.13
	6,857.77	6,460.16
(iii) Provision for doubtful receivable	(34.13)	(34.13)
	6,823.64	6,426.03

Note: Refer note no:41 for Related Party Balances

NOTE : 12 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

PARTICULARS	AS AT 30-Jun-2018	AS AT 31-Mar-2018
i) Balances with banks		
- In Current Account	647.35	810.62
- In Fixed Deposit Account	2,255.00	1,565.00
ii) Cash on hand	7.68	7.68
	2,910.03	2,383.30



ADANI GAS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

NOTE : 13 OTHER BANK BALANCES

PARTICULARS	(₹ in Lakhs)	
	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Deposits with original maturity over 3 months but less than 12 months	31.39	45.09
	31.39	45.09

NOTE : 14 CURRENT LOANS

PARTICULARS	(₹ in Lakhs)	
	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Loans to related parties	35,788.31	35,891.02
Loan to employees	16.50	25.29
	35,804.81	35,916.31

Note: Refer note no:41 for Related Party Balances

NOTE : 15 OTHER CURRENT FINANCIAL ASSETS

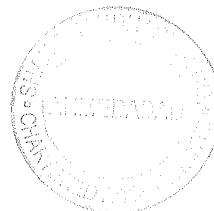
PARTICULARS	(₹ in Lakhs)	
	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Interest Accrued and Not Due	729.27	8.21
Unbilled Receivable	4.40	-
Other Receivables from Related Parties	518.07	377.83
	1,251.74	386.04

Note: Refer note no:41 for Related Party Balances

NOTE : 16 OTHER CURRENT ASSETS

PARTICULARS	(₹ in Lakhs)	
	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Advance against expenses	100.65	303.34
Balance with Government Authorities	1,214.74	1,356.33
Prepaid Expenses	458.45	11.99
	1,773.84	1,671.66

Note: Refer note no:41 for Related Party Balances

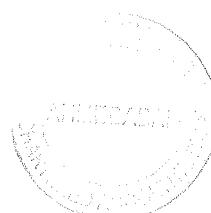


ADANI GAS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

NOTE : 17 SHARE CAPITAL

Particulars	AS AT 30-Jun-2018		AS AT 31-Mar-2018	
	No. of Share	(₹ in Lakhs)	No. of Share	(₹ in Lakhs)
AUTHORISED Equity Shares of ₹ 10/- each	260000000	26,000.00	260000000	26,000.00
	260000000	26,000.00	260000000	26,000.00
ISSUED, SUBSCRIBED & PAID-UP Equity shares of ₹ 10/- Each Fully Paid up	256742040	25,674.20	256742040	25,674.20
	256742040	25,674.20	25,67,42,040	25,674.20
(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year				
Equity shares				
Particulars	AS AT 30-Jun-2018		AS AT 31-Mar-2018	
	No. of Share	(₹ in Lakhs)	No. of Share	(₹ in Lakhs)
At the beginning of the year	256742040	25,674.20	256742040	25,674.20
Issued during the period	-	-	-	-
Outstanding at the end of the year	256742040	25,674.20	256742040	25,674.20
(b) Terms/ rights attached to equity shares				
The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the no. of equity shares held by the shareholders. The company declares and pays dividends in Indian rupees. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except interim dividend.				
(c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates				
Out of equity shares issued by the company, shares held by its holding company are as below:				
Equity shares of ₹ 10/- Each Fully paid				
Name of Share Holders	AS AT 30-Jun-2018		AS AT 31-Mar-2018	
	No. of Share	(₹ in Lakhs)	No. of Share	(₹ in Lakhs)
Adani Gas Holdings Ltd (along with its nominees)	256742040	25,674.20	256742040	25,674.20
(d) Details of shareholders holding more than 5% shares in the company				
Equity shares of ₹ 10/- Each Fully paid				
Name of Share Holders	AS AT 30-Jun-2018		AS AT 31-Mar-2018	
	No. of Share	% holding in the Class	No. of Share	% holding in the Class
Adani Gas Holdings Ltd (Along with its nominees)	256742040	25,674.20	256742040	25,674.20



ADANI GAS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

NOTE : 18 LONG TERM BORROWINGS

PARTICULARS	(₹ in Lakhs)	
AS AT 30-Jun-2018	AS AT 31-Mar-2018	
Term loans - Secured		
From Bank	38,186.62	30,991.90
	38,186.62	30,991.90

Note:

i) Security Details:

Rupee Term Loans from bank is secured by

- First exclusive charge of Immoveable Property of Ahmedabad and hypothecation charge over Plant and Machinery and other assets of the company at Ahmedabad, Vadodara, Khurja & Faridabad plants.

- Second pari passu charge over all present & future current assets of AGL, uncalled capital present & future, goodwill, cash flows, receivables, book debt & revenue of Adani Gas Ltd.

ii) Repayment terms:

a) Long Term Rupee Term Loan of ₹ 12852 Lakhs is repayable in 16 Quarterly Installment of ₹ 357 Lakhs each from Q3 F.Y 19 to Q2 of FY 23, 10 Quarterly Installments of ₹ 571.21 Lakhs each from Q3 F.Y 23 to F.Y. 25 and installment of ₹ 785.41 Lakhs in Q1 F.Y 26 and final installment of ₹ 642.59 lakhs and said loan carries Interest Rate equal to the benchmark rate, presently @ 8.20% and is payable on monthly basis.

b) Long Term Rupee Term Loan of ₹ 22794 Lakhs is repayable at 15 Quarterly Installment of ₹ 651.24 Lakhs each from Q 3 F.Y 19 to Q1 F.Y 23, 11 Quarterly Installments of ₹ 1041.99 Lakhs each from Q2 F.Y 23 to F.Y. 25 and final installment of ₹ 1563.22 Lakhs in Q1 F.Y 26 and said loan carries Interest Rate equal to the benchmark rate, presently @ 8.35% and is payable on monthly basis.

c) Long Term Rupee Term Loan of ₹ 7,585 Lakhs is repayable in 17 Quarterly Installment of ₹ 205 Lakhs each from Q3 F.Y 19 to Q3 F.Y 23, 8 Quarterly Installments of ₹ 328 Lakhs each from Q3 F.Y 23 to Q2 F.Y. 25 and 4 Quarterly Installments of ₹ 369 Lakhs each from Q3 F.Y. 25 to Q2 F.Y 26 and said loan carries Interest Rate equal to the benchmark rate, presently @ 8.65% and is payable on monthly basis.

d) For Current maturities of Long term borrowing refer Note No-23 "Other Current Financial Liabilities"

NOTE : 19 OTHER NON CURRENT FINANCIAL LIABILITIES

PARTICULARS	(₹ in Lakhs)	
AS AT 30-Jun-2018	AS AT 31-Mar-2018	
Retention Money	100.36	84.22
Security Deposit From Customers	24,078.28	23,167.56
	24,178.64	23,251.78

Note:

i) Deposits from all Customers of natural gas refundable on termination / alteration of the gas sales agreements are considered as long term liabilities.

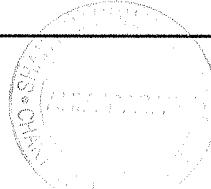
ii) Retention Money is considered as long term liabilities considering the long term contracts with them.

NOTE : 20 LONG TERM PROVISIONS

PARTICULARS	(₹ in Lakhs)	
AS AT 30-Jun-2018	AS AT 31-Mar-2018	
Provision for Gratuity (refer note 40)	-	-
Provision for Leave Encashment (refer note 40)	194.03	230.52
	194.03	230.52

NOTE : 21 SHORT TERM BORROWINGS

PARTICULARS	(₹ in Lakhs)	
AS AT 30-Jun-2018	AS AT 31-Mar-2018	
Unsecured Borrowings		
Commercial Paper	10,000.00	-
Term Loan - Unsecured		
From Bank	-	-
	10,000.00	-



ADANI GAS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

NOTE : 22 TRADE PAYABLE

PARTICULARS	(₹ in Lakhs)	
	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Trade payables		
- Micro, small and medium enterprise	-	-
- Others	6,274.01	6,068.61
	6,274.01	6,068.61

Note:

- a) There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
- b) Refer note no:41 for Related Party Balances

NOTE : 23 OTHER CURRENT FINANCIAL LIABILITIES

PARTICULARS	(₹ in Lakhs)	
	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Current maturities of long term debt (refer sub note of note 18 for security offered)		
- Loan from Bank	4,821.16	3,771.18
	4,821.16	3,771.18
Interest accrued but not due on borrowings	316.08	101.84
Security Deposit from Contractor	96.11	102.02
Other payables		
- Creditors for Capital Goods	1,352.97	2,163.55
- Retention Money	869.65	890.96
- Others	-	-
	7,455.97	7,029.55

NOTE : 24 SHORT TERM PROVISIONS

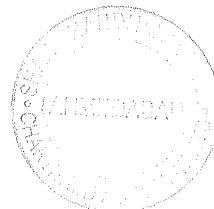
PARTICULARS	(₹ in Lakhs)	
	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Provision for Gratuity (refer note 40)	36.57	254.03
Provision for Leave Encashment (refer note 40)	64.21	81.81
	100.78	335.84

NOTE : 25 OTHER CURRENT LIABILITIES

PARTICULARS	(₹ in Lakhs)	
	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Statutory Dues Payable (includes TDS, GST,VAT, PF etc.)	1,223.78	426.26
Customer Advances	178.43	178.51
	1,402.21	604.77

NOTE : 26 INCOME TAX LIABILITIES (NET)

PARTICULAR	(₹ in Lakhs)	
	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Provision for Tax (net of advance tax and tax deducted at source)	1,050.89	226.05
	1,050.89	226.05



ADANI GAS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

NOTE : 27 REVENUE FROM OPERATIONS

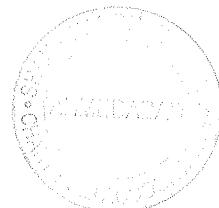
(₹ in Lakhs)		
PARTICULARS	For the Period Ended 30-Jun-2018	For the Year Ended 31-Mar-2018
Sale of Goods		
(i) CNG Sales	19,092.40	68,341.22
(ii) PNG Sales	20,052.83	68,585.54
Sale of Services		
(i) Connection Income	210.93	750.35
(ii) Transportation Income	60.46	236.36
Other Operating revenues	168.59	616.21
	39,585.21	1,38,529.68

NOTE : 28 OTHER INCOME

(₹ in Lakhs)		
PARTICULARS	For the Period Ended 30-Jun-2018	For the Year Ended 31-Mar-2018
Interest Income	832.08	127.32
Foreign Exchange Gain	-	-
Net Gain on sale of Current Investments	163.88	368.55
Liabilities no longer required written back	-	9.93
Sale of Stores and Spares	19.14	18.61
Other non-operating income	15.33	56.57
Corporate Guarantee Income	61.62	247.14
	1,092.05	828.12

NOTE : 29 COST OF RAW MATERIALS CONSUMED

(₹ in Lakhs)		
PARTICULARS	For the Period Ended 30-Jun-2018	For the Year Ended 31-Mar-2018
Opening Stock	-	-
Add : Transfer from Purchase of Stock in trade	8,448.83	28,736.02
	8,448.83	28,736.02
Less : Closing Stock	-	-
	8,448.83	28,736.02



ADANI GAS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

NOTE : 30 PURCHASE OF STOCK IN TRADE

(₹ in Lakhs)

PARTICULARS	For the Period Ended 30-Jun-2018	For the Year Ended 31-Mar-2018
Purchase of Stock in Trade	23,498.93	80,029.45
Less: Transfer for CNG Conversion	8,448.83	28,736.02
	15,050.10	51,293.43

NOTE : 31 CHANGES IN INVENTORY OF FINISHED GOODS, WORK IN PROGRESS & STOCK IN TRADE

(₹ in Lakhs)

PARTICULARS	For the Period Ended 30-Jun-2018	For the Year Ended 31-Mar-2018
Opening stock of Finished Goods / Stock in Trade	674.55	738.63
Less: Closing Stock of Finished Goods / Stock in Trade	624.76	674.55
	49.79	64.08

NOTE : 32 EMPLOYEE BENEFIT EXPENSE

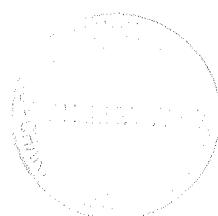
(₹ in Lakhs)

PARTICULARS	For the Period Ended 30-Jun-2018	For the Year Ended 31-Mar-2018
Salaries and wages	840.41	2,514.20
Contractual Manpower Expenses	181.10	842.23
Contribution to provident and other funds	47.81	216.46
Staff Welfare Expenses	95.06	255.33
	1,164.38	3,828.22

NOTE : 33 FINANCE COSTS

(₹ in Lakhs)

PARTICULARS	For the Period Ended 30-Jun-2018	For the Year Ended 31-Mar-2018
I. Interest		
Interest on Term Loan	806.71	3,184.74
Interest on Security Deposit	100.21	283.26
Interest on Commercial Paper	33.82	843.09
Interest on Income Tax	-	4.41
Interest Others	2.43	1.73
II. Other Borrowing Cost		
Bank & Other Finance Charges	116.36	205.01
	1,059.53	4,522.24

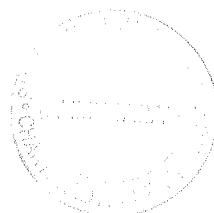


ADANI GAS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

NOTE : 34 OTHER EXPENSES

PARTICULARS	For the Period Ended 30-Jun-2018	(₹ in Lakhs) For the Year Ended 31-Mar-2018
Consumption of stores and spare parts	338.64	960.92
Power and fuel	739.69	2,679.78
Transportation Charges	69.87	332.85
Foreign Exchange Loss	-	8.56
Security Expenses	47.79	203.58
Commission & Brokerage	46.93	122.09
Rent	55.92	240.49
Repairs to buildings	5.84	162.67
Repairs to machinery	345.72	1,661.23
Repairs to Others	29.98	160.56
Insurance	11.31	36.06
Rates and taxes	93.60	354.70
Legal and Professional Fees	401.49	918.36
Travelling and Conveyance Expenses	80.85	396.55
Advertisement and Business Promotion Expenses	8.37	164.52
Office Expenses	31.43	81.14
Communication & IT Expenses	82.98	464.46
Printing and Stationery Expenses	9.33	103.93
Donation	50.00	26.00
Corporate Social Responsibility Expenses (refer note 41)	93.24	283.20
Director Sitting Fees	-	1.12
Payment to Auditors		
(i) Statutory Audit Fees	-	9.30
(ii) Tax Audit Fees	-	-
(iii) Other Attestation Services	-	0.27
Miscellaneous expenses	6.50	132.84
Provision for Doubtful Debt, Loans & Advances (Net)	-	(39.14)
Write-off for Doubtful Debt, Loans & Advances	-	189.92
Loss on Sale on Property, Plant & Equipment	-	28.69
	2,549.48	9,684.65



ADANI GAS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

Note : 35 INCOME TAX EXPENSE

a) Calculation of Deferred Tax Liability / Asset (net)

PARTICULARS	(₹ in Lakhs)	
	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Deferred Tax Liabilities on account of		
Timing difference between books and tax depreciation	10,398.71	10,205.53
Ind As Adjustment on following:		
Ancillary Borrowing cost	-	-
Total	10,398.71	10,205.53
Deferred Tax Assets on account of		
Leave Encashment & Gratuity	174.19	197.91
Provision for Doubtful debts	11.93	11.93
Bonus	39.10	36.69
Total	225.21	246.52
	10,173.50	9,959.01

b) Reconciliation of Income Tax Expense and the Accounting Profit multiplied by India's tax rate :

This note presents the reconciliation of Income Tax charged as per the Tax Rate specified in Income Tax Act, 1961 and the actual provision made in the Financial Statements as at 30th June 2018 and 31st March 2018 with breakup of differences in Profit or loss as per the Financial Statements and as per Income Tax Act, 1961.

Particulars	For the Period Ended 30-Jun-2018	For the Year Ended 31-Mar-2018
Profit Before Tax	8,426.36	26,729.45
Tax Rate for Corporate Entity as per I. Tax Act, 1961	34.94%	34.61%
Tax Expense as per Income Tax Act, 1961	2,944.51	9,250.53
Tax Effect of Non Deductible Items under Income Tax Act		
CSR Expenses	16.29	49.00
Donation	8.74	4.50
Interest on Income Tax	-	1.66
Changes in Tax Rate	-	95.76
Tax Adjustments of earlier years	-	45.08
Others	(20.52)	(7.48)
	2,949.01	9,439.05

Note : 36 FINANCIAL INSTRUMENTS AND RISK REVIEW

a) Accounting Classification and Fair Value Hierarchy

Financial Assets and Liabilities

The Company's principal financial assets include loans and trade receivables, cash and cash equivalents and other receivables. The Company's principal financial liabilities comprise of borrowings, provisions, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and projects.

Fair Value Hierarchy

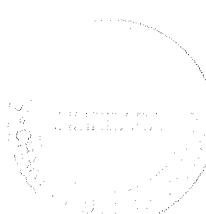
The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level-1 : Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level-2 : Inputs are other than quoted prices included within Level-1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level-3 : Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on the assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following tables summarises carrying amounts of financial instruments by their categories and their levels in fair value hierarchy for each year end presented.



ADANI GAS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

As at 30th June, 2018 :

Particulars	Fair Value through profit or loss (Level-2)	Amortised cost	Total
Financial Assets			
Cash and cash equivalents	-	2,910.03	2,910.03
Other Bank balances	-	31.39	31.39
Investments	24,358.43	-	24,358.43
Trade Receivables (including bill discounted)	-	6,823.64	6,823.64
Loans	-	35,804.81	35,804.81
Other Financial assets	-	2,158.50	2,158.50
Total	24,358.43	47,728.37	72,086.80
Financial Liabilities			
Borrowings (including the bills discounted)	-	48,186.62	48,186.62
Trade Payables	-	6,274.01	6,274.01
Other Financial Liabilities	-	31,634.61	31,634.61
Total	-	86,095.24	86,095.24

As at 31st March, 2018 :

Particulars	Fair Value through profit or loss (Level-2)	Amortised cost	Total
Financial Assets			
Cash and cash equivalents	-	2,383.30	2,383.30
Other Bank balances	-	45.09	45.09
Investments	1,251.22	-	1,251.22
Trade Receivables (including bill discounted)	-	6,426.03	6,426.03
Loans	-	35,916.31	35,916.31
Other Financial assets	-	2,287.82	2,287.82
Total	1,251.22	47,058.55	48,309.77
Financial Liabilities			
Borrowings (including the bills discounted)	-	30,991.90	30,991.90
Trade Payables	-	6,068.61	6,068.61
Other Financial Liabilities	-	30,281.33	30,281.33
Total	-	67,341.84	67,341.84

Notes :

- (a) Investments exclude Investment in Joint Ventures.
 (b) Carrying amounts of current financial assets and liabilities as at the end of the each year presented approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other non-current financial assets and liabilities subsequently measured at amortised cost is not significant in each of the year presented.

b) Financial Risk Management Objective and Policies :

The Company's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives., the Company is mainly exposed to risks resulting from interest rate risk, credit risk and liquidity risk.

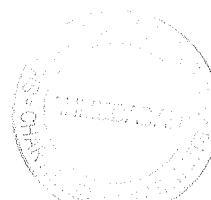
Interest risk

The Company is exposed to changes in interest rates due to its financing, investing and cash management activities. The risks arising from interest rate movements arise from borrowings with variable interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Companies risk management activities are subject to the management, direction and control of Central Treasury Team of the Adani Group under the framework of Risk Management Policy for interest rate risk. The Group's central treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

In case of fluctuation in interest rates by 50 basis points and all other variables were held constant, the Company's profit for the year would increase or decrease as follows :

Particulars	For the Period Ended 30-Jun-2018	For the Year Ended 31-Mar-2018
Impact on profit for the period	66.54	174.97



ADANI GAS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The company has adopted the policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial losses from default. The carrying amount of financial assets recorded in the financial statements represents the company's maximum exposure to credit risk. Cash are held with creditworthy financial institutions.

Liquidity risk

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

Maturity profile of financial liabilities :

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at 30th June, 2018 :

Particulars	Less than 1 year	1 to 5 years	More than 5	Total
Borrowings	14,853.00	30,356.33	8,021.62	53,230.95
Other Non Current Financial Liability	-	-	24,178.64	24,178.64
Other Current Financial Liability	2,634.81	-	-	2,634.81
Trade Payables	6,274.01	-	-	6,274.01
Total	23,761.82	30,356.33	32,200.26	86,318.41

As at 31st March, 2018 :

Particular	Less than 1 year	1 to 5 years	More than 5	Total
Borrowings	3,803.02	23,118.54	8,072.65	34,994.21
Other Non Current Financial Liability	-	-	23,251.78	23,251.78
Other Current Financial Liability	3,258.37	-	-	3,258.37
Trade Payables	6,068.61	-	-	6,068.61
Total	13,130.00	23,118.54	31,324.43	67,572.97

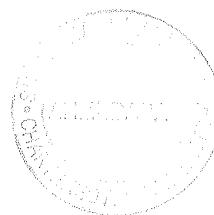
Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The Company monitors capital using gearing ratio, which is net debt (borrowing as detailed in note 18, 21 and 23 less cash and bank balances) divided by total capital plus debt.

Particulars	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Total Borrowings (Refer note 18, 21 and 23)	53,007.77	34,763.07
Less: Cash and bank balance (Refer note 12 and 13)	2,941.42	2,428.39
Net Debt (A)	50,066.35	32,334.68
Total Equity (B)	94,293.45	88,789.15
Total Equity and Net Debt (C=A+B)	1,44,359.81	1,21,123.84
Gearing Ratio	35%	27%

Management monitors the return on capital, as well as the level of dividends to equity shareholders. The company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the period ended 30th June, 2018 and year ended 31st March, 2018.



ADANI GAS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

NOTE : 37 Contingent Liabilities and Commitments:

Particulars	AS AT 30-Jun-2018	AS AT 31-Mar-2018
A) Contingent Liabilities		
a) Pending labour matters contested in various courts	65.67	65.67
b) Cases pending in Consumer Forums	2.04	2.04
c) Cases pending in MACT	10.00	10.00
d) In respect of Service tax, Excise Duty and VAT	5,295.35	5,295.35
f) In respect of Income tax	352.72	352.72
g) Special Civil Suits	25.00	25.00
h) Corporate Guarantee on behalf of JV company	2,47,138.00	2,47,138.00
i) Case pending in CCI	2,567.00	2,567.00
Total A	2,55,455.79	2,55,455.79
B) Commitments		
I) Capital		
Estimated amount of contracts on capital account to be executed and not provided for (Net of advances)	1,805.80	1,146.82
Total B	1,805.80	1,146.82
Total (A+B)	2,57,261.58	2,56,602.61

NOTE : 38 OPERATING LEASES

Disclosure as required by the IND AS 17, "Leases" as prescribed under Companies (Indian Accounting Standard) Rules, 2015 (as amended) are given below:

- a) The aggregate lease rentals payable are charged to the Statement of Profit and Loss as Rent in NOTE : 34
- b) The leasing arrangements which are cancellable at any time on month to month basis and in some cases between 11 months to 5 years are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally interest free refundable deposits have been given.
- c) Disclosure in respect of leasing arrangements which are non cancellable for a period exceeding 5 years is as under :

Particulars	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Total of Future minimum lease payment under non-cancellable operating lease for each of the following periods :		
Not later than one year	909.22	249.92
Later than one year and not later than five years	303.10	809.51
later than five years	1101.57	1168.24
Lease payment recognised in Statement of Profit & Loss	55.92	240.49

NOTE : 39 EARNING PER SHARE

Particulars	For the Period Ended 30-Jun-2018	For the Year Ended 31-Mar-2018
Net Profit after tax available for Equity Shareholders (₹ in Lakhs)	5477.35	17290.40
Weighted Avg. Number of shares used in computing Earning per Share Basic & Diluted	256742040	256742040
Earning per Share (Equity Shares, face value ₹ 10/-) Basic & Diluted (in ₹)	2.13	6.73



ADANI GAS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

NOTE : 40 DISCLOSURES IN RESPECT OF EMPLOYEE BENEFIT OBLIGATIONS

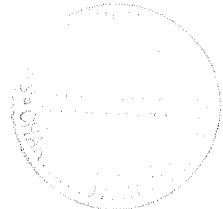
(a) Defined Benefit Obligations :

The Company provides for gratuity for eligible employees in India as per the Payment of Gratuity Act, 1972, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Liability in respect of Gratuity is determined based on actuarial valuation done by actuary as at the balance sheet date. Disclosures in respect of the defined benefit obligation (i.e. Gratuity) are as follows.

(₹ in Lakhs)

	Particulars	AS AT 30-Jun-2018	AS AT 31-Mar-2018
i) Change in Present Value of the defined benefit obligation			
Defined benefit obligation as at the beginning of period	635.16	559.91	
Current Service Cost	11.78	62.01	
Interest cost	12.00	42.52	
Actuarial loss/(gain) - Due to change in Demographic Assumptions	-	1.56	
Actuarial loss/(gain) - Due to change in Financial Assumptions	(29.20)	(13.98)	
Actuarial loss/(gain) - Due to experience	(12.15)	(6.10)	
Acquisition Adjustment	-	(0.34)	
Benefit paid	(31.50)	(10.42)	
Defined benefit obligation as at end of the period	586.08	635.16	
ii) Change in Fair Value of Plan Assets			
Fair value of plan assets as at the beginning of period	381.13	303.73	
Expected return on plan assets	7.20	23.07	
Employer's Contributions	192.61	64.67	
Actuarial (loss)/gain	0.07	0.07	
Benefit paid	(31.50)	(10.42)	
Fair value of plan assets as at end of the period	549.51	381.13	
iii) Net Asset / (Liability) recognised in the Balance Sheet			
Present value of defined obligation	586.08	635.16	
Fair Value of Plan Assets	549.51	381.13	
Net Asset / (Liability)	(36.57)	(254.03)	
iv) The major categories of plan assets as a percentage of fair value of total plan assets are as follows:			
Policy of Insurance	100%	100%	
v) Expense recognised in the Statement of Profit and Loss			
Current Service Cost	11.78	62.01	
Interest cost	12.00	42.52	
Expected return on the plan assets	(7.20)	(23.07)	
	16.58	81.46	
vi) Expense recognised in Other Comprehensive Income			
Actuarial (Gains) / Losses	(41.43)	(18.60)	
Return on plan assets, excluding amount recognised in net interest expense	-	-	
	(41.43)	(18.60)	
vii) Actuarial Assumptions & Sensitivity Analysis			
The principal actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, turnover rate and mortality. The same are shown below :			

Particulars	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Discount Rate	8.20%	7.80%
Mortality	IALM(2006-08)	IALM(2006-08)
Turnover Rate	1.00%	1.00%
Rate of Escalation in Salary (p.a.)	8.00%	8.00%



ADANI GAS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below :

Particulars	Increase in assumptions		Decrease in assumptions	
	AS AT 30-Jun-2018	AS AT 31-Mar-2018	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Discount Rate (- / + 1%)	521.46	566.47	663.31	717.53
Salary Growth Rate (- / + 1%)	663.04	716.54	520.51	566.00
Attrition Rate (- / + 1%)	586.53	634.36	585.59	636.00
Mortality Rate (- / + 1%)	586.12	635.12	586.04	635.20

viii) Effect of Plan on Entity's Future Cash Flows

a) Funding arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

b) Expected Contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year is Rs. 9,100,363

c) Maturity Profile of Defined Benefit Obligation

The average duration of the defined benefit plan obligation at the end of the reporting period is 12 years (31 March 2018: 12 years). The expected maturity analysis of gratuity benefits is as follows :

Particulars	AS AT 30-Jun-2018	AS AT 31-Mar-2018
Less than a year	72.59	105.36
Between 2 to 5 years	94.02	92.17
Between 5 to 10 years	213.76	204.65
Beyond 10 years	1,639.31	1,634.49
	2,019.69	2,036.67

ix) Risk Exposure and Asset Liability Matching

Through its defined benefit plan of Gratuity, the Company is exposed to its number of risks, viz. asset volatility, changes in return on assets, inflation risks and life expectancy. The Company has purchased insurance policy, which is a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk.

(b) Defined Benefit Contributions :

The company operates defined benefit contribution in the form of Provident Fund, liability in respect of which is provided for on actual contribution basis.

(c) Other Long Term Employee Benefits :

Other long term employee benefits comprise of compensated absences/leaves, which are recognised based on actuarial valuation. The actuarial liability for compensated absences as at the year ended 30th June, 2018 is ₹ 258.24 Lakhs (31st March 2018: ₹312.33 Lakhs).



ADANI GAS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

NOTE : 41 RELATED PARTY TRANSACTIONS

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set below. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company.

i) Name of related parties & description of relationship

A Ultimate Holding Company

Adani Enterprises Ltd

B Holding Company

Adani Gas Holding Ltd

C Fellow Subsidiaries (With whom transactions done during the year)

Adani Energy Ltd.

D Joint Venture

Indian Oil-Adani Gas Pvt Ltd

E Common Control Entity

Adani Power Limited

Adani Power Mundra Limited

Adani Foundation

Adani Port & SEZ Ltd

F Key Management Personnel

Mr. Rajeev Sharma, Whole-time Director

Mr. Naresh Poddar, CFO

Mr. Hardik Sanghvi, Company Secretary

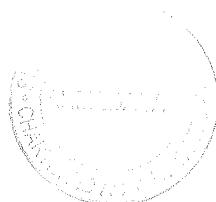
ii) Transaction with Related parties

(₹ in Lakhs)

Related Party	Relation	Nature of Transaction	For the Period ended 30-06-2018	For the year ended 31-03-2018
Adani Enterprises Ltd.	Ultimate Holding Company	Loan Given	-	-
		Loan Received back	102.71	12,615.06
		Loan taken	-	-
		Transfer of Employee Liabilities from related party	-	0.24
		Receipt of Int on Loan	803.03	-
		Purchase	813.63	921.86
		Services availed	267.02	277.68
		Sale of PNG	-	-
Adani Energy Ltd.	Fellow Subsidiary	Advances Written Off	-	189.92
Adani Power (Mundra) Ltd	Common Control Entity	Transfer of Employee Liabilities from related party	-	0.53
Adani Foundation	Common Control Entity	Donation	-	283.20
Adani Port & SEZ Ltd	Common Control Entity	Transfer of Employee Liabilities to related party	-	1.11
Indian Oil-Adani Gas Pvt Ltd	Joint Venture	Sale of Inventory	3.60	13.10
		Services Rendered	130.74	517.27
		Investment in equity	1,000.00	3,900.00
Rajeev Sharma	Whole Time Director	Remuneration	48.07	17.84
Naresh Poddar	CFO	Remuneration	13.97	-
Shridhar Tamraparni	Whole Time Director	Remuneration	-	124.64

The company is dealing in the CNG Sales & PNG sales to the domestic, industrial & commercial consumers. The above related party transaction does not include the transactions of PNG & CNG Gas sales to the related parties in ordinary course of business, as all such transactions are done at Arm's Length Price only.

As per Para 11(c)(iii) of IND AS-24 "Related Party Disclosures", normal dealings of company with related parties by virtue of public utilities are excluded from the purview of Related Party disclosures.

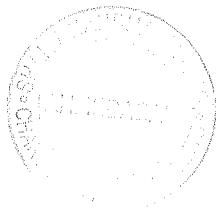


iii) **Balances with Related Parties**

Related Party	Relation	Nature of Transaction	Balance	Balance
			as at 30-06-2018	as at 31-03-2018
Adani Enterprises Ltd.	Ultimate Holding Company	Accounts Payable (incl provisions)	310.59	362.74
		Other Current Financial Asset	0.24	0.24
		Other Non Current Financial Assets	-	0.36
		Other Non Current Assets	-	65.49
		Other Current Assets	-	200.00
		Loans	35,788.30	35,891.02
Adani Power (Mundra) Ltd	Common Control Entity	Other Current Financial Asset	0.53	0.53
Indian Oil-Adani Gas Pvt Ltd	Joint Venture	Other Non Current Financial Assets	-	1,000.00
		Other Current Financial Asset	517.29	377.06

The amounts outstanding are unsecured and will be settled in cash or kind. No guarantees have been given or received. No expense has been recognised in current year or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

All above figures are net of taxes wherever applicable.



ADANI GAS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30-Jun-2018

NOTE : 42 OTHER DISCLOSURE

- a) The information on Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding as at the Balance Sheet date, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
 - b) In the opinion of the Management and to the best of their knowledge and belief, the value under the head of Current and Non-Current Assets (other than fixed assets and non-current investments), are approximately of the value stated, if realized in the ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.
 - c) Item of expenditure in Statement of Profit & Loss includes reimbursement to and by the company, as agreed upon between group companies.
 - d) The Company has constructed building and facilities for processing and distribution of natural gas on plots allotted on long term lease by Ahmedabad Municipal Corporation and has paid rent accordingly.
 - e) An amount of ₹ 686.88 Lakhs (P.Y. 686.88 Lakhs) is standing as CENVAT credit receivable being the difference between the amount of CENVAT credit availed in the books of account on Input, Capital Goods and Input Services and the credit claimed under statutory returns. Out of this, the company has made application to the excise & service tax dept. for availing this credit of ₹686.88 Lakhs in statutory returns.
- The Fixed Assets/ Expenses of the company is understated to the extent of the CENVAT credit taken by the company and the same will be charged to respective assets / revenue if, the claim of the company for CENVAT credit is not accepted by the department.
- f) Company has given certain refundable deposits as security for the performance of work for ongoing projects to various government authorities. As interest rates are not specified in the contracts, the same will be accounted for in the year in which it is received.
 - g) The company is in the process to review and reconcile its liabilities in connection with Retention Deposits, some of which are long outstanding. Effect of the same will be given in the year when the balances will be reconciled.
 - h) Security Deposit include amount of Rs. 209.14 Lakhs and interest due thereon of Rs. 179.37 Lakhs are outstanding for a substantial period of time. The company has been actively negotiating for recovery and the management is reasonably confident of recovery against the same.
- i) Value of Stores and Spares consumed:

Particulars	(₹ in Lakhs)	
	For the Period Ended 30-Jun-2018	For the Year Ended 31-Mar-2018
a) Imported	-	-
b) Indigenous	338.64	960.92
Total	338.64	960.92

NOTE : 43 PREVIOUS YEAR COMPARATIVES

Previous year's figures have been recast, regrouped and rearranged, wherever necessary to conform to this year's classification. Further the figures have been rounded off to the nearest rupees in Lakhs upto 2 decimal.

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For SHAH DHANDHARIA & CO.
Chartered Accountants
Firm Registration No. 118707W


SHUBHAM ROHATGI
Partner
Membership No. 183083

Place: Ahmedabad

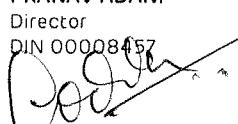
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15 OCT 2018

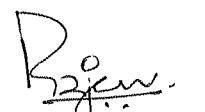
**For and on behalf of the Board of
Adani Gas Ltd**


PRANAV ADAM

Director
DIN 00008457


NARESH PODDAR

CFO


RAJEEV SHARMA
Whole-time Director
DIN 000084188


GUNJAN TAUNK
Company Secretary

Place: Ahmedabad

Date:

15 OCT 2018