

ANNUAL REPORT | 2015-16



TRANSFORMING OUR ECOLOGY TO GREENER ENVIRONMENT



AAVANTIKA GAS LIMITED

A Joint Venture Company of GAIL & HPCL



INAUGURATION OF PNG & CNG SUPPLY





BOARD OF DIRECTORS



Anil Kumar
Managing Director



Yogesh Gawali
Chairman



V. Kannan
Director (Commercial)
w.e.f. 28th July, 2016



**Maj.Gen. Bhagwati
Prasad Tiwari**
Independent Director



Prafulla Kumar Gupta
Director



**Penumatsa Ashok
Bangar Raju**
Independent Director



M. Ananth Krishnan
Ex-Director (Commercial)
upto 25th July, 2016

Company Secretary

Ms. Rashi Joshi

Statutory Auditors

M/s Suresh S. Kimtee & Co., Chartered Accountants, Indore

Cost Auditors

M/s ABK & Associates, Cost Accountants, Mumbai

Internal Auditors

M/s Mahesh C. Solanki & Co., Chartered Accountants, Indore

Bankers

Bank of Baroda, Indore

Registered Office

**202 B, IInd Floor NRK Business Park, Vijay Nagar Square,
A.B. Road, Indore (M.P.)-452010**



**Employees
Training Session**



**Customers Engagement Session
with Director (GP) MoPNG**





VISION

“To provide environmental friendly economic fuel to the domestic, commercial, industrial and automobile sectors of Madhya Pradesh to lead a pollution free, healthy and safe life”.

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NOTICE

NOTICE is hereby given that the **Tenth Annual General Meeting** of the members of Aavantika Gas Limited will be held on **Wednesday, September 21, 2016 at 4.00 pm at 202-B, II Floor, NRK Business Park, Vijay Nagar Square, A.B. Road, Indore (M.P.) 452010** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements for the financial year ended on March 31, 2016 and the reports of the Board of Directors and the Auditors thereon.
2. To appoint a director in place of Mr. P. K. Gupta (DIN 01237706), who retires by rotation, and being eligible, offers himself for reappointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 142 and all other applicable provisions of the Companies Act, 2013 (the "Act") and rules, circulars, notifications made/ issued there under, including any amendment, modification, variation or re-enactment thereof, the remuneration of M/s Suresh S. Kimtee & Co., Chartered Accountants, Indore (Firm Reg. No.001270C) appointed by Comptroller and Auditor General of India for the financial year 2016-17 be and is hereby fixed at Rs. 50,000/- (Rupees Fifty Thousand Only) and out of pocket expenses plus applicable service tax".

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of section 148 of the Companies Act, 2013 and rule 4 of Companies (Cost Records and Audit) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 as may be amended from time to time, M/s. ABK & Associates, Cost Accountants (Firm Reg. No. 000036) being the Cost Auditor appointed by the board of directors of the company to conduct the audit of the cost records for the financial year 2016-17, at a remuneration of Rs. 30,000/- (Rupees Thirty Thousand Only) plus applicable taxes and out-of-pocket expenses of Rs. 4000/- (Rupees Four Thousand Only) be and is hereby ratified and confirmed."

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

"RESOLVED THAT pursuant to the provisions of section 161 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. V. Kannan (DIN 07569790), who was appointed as an additional director of the company w.e.f. 28th July, 2016, by the board of directors and who holds office upto the date of this Annual General Meeting of the company and in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director, be and is hereby appointed as a director of the company, not liable to retire by rotation."



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

“RESOLVED THAT pursuant to the provisions of sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and Articles of Association, consent of the members of the company be and is hereby accorded to appoint Mr. V. Kannan (DIN 07569790) as a Whole Time Director and hold a position as Key Managerial Personnel of the company w.e.f. 28th July, 2016, not liable to retire by rotation for a term of three years as per the terms and conditions of the deputation policy of HPCL including remuneration as under:

1. Basic Pay : Rs. 72,130/-
2. DA and CCA as per the policy of Hindustan Petroleum Corporation Limited (HPCL).
3. Annual Increment as per HPCL policy.
4. Deputation Allowance @ 15% of Basic Salary.
5. Following as per HPCL Policy / Rules and Regulations:
 - i. HRA/ Housing
 - ii. Leave, LFA, Medical Insurance, PF, Gratuity, SBFS
 - iii. Productivity Performance Linked Payment, Conveyance Reimbursement
6. Other allowance / benefits as per HPCL policy unless specifically altered by Aavantika Gas Limited.

RESOLVED FURTHER THAT board of directors of the company be and is hereby authorized to alter and vary the terms and conditions of the appointment and remuneration so that the altered terms and conditions shall be in conformity with Schedule V to the Companies Act, 2013 and /or other applicable provisions, if any, as may be amended from time to time and agreeable to Mr. V. Kannan.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, Managing Director and/or Company Secretary of the company be and are hereby severally/jointly authorised to file e-forms /returns to Registrar of Companies and to do all such acts, deeds, and things as may be deemed necessary or incidental to give effect to the aforesaid resolution.”

**By Order of the Board
For Aavantika Gas Limited**

**Sd/-
Rashi Joshi
(Company Secretary)**

Indore, September 01, 2016

Registered Office:

202-B, II Floor, NRK Business Park,
Vijay Nagar Square, A.B. Road,
Indore (M.P.)-452010

CIN: U40107MP2006PLC018684

**NOTES**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY, OR WHERE THAT IS ALLOWED, ONE OR MORE PROXIES, TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND THAT A PROXY NEED NOT BE A MEMBER.** A person can act as a proxy on behalf of the members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital carrying voting rights may appoint a single person as proxy for any other member.
2. Proxies, if any, in order to be valid and effective, must be received at the company's registered office not later than forty-eight (48) hours before the time fixed for commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
3. Corporate members intending to send their authorized representatives to attend the meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the company, a certified copy of the relevant board resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the meeting.
4. The relevant statement pursuant to section 102 of the Companies Act, 2013, in respect of special business to be transacted at the meeting, is annexed hereto and forms part of this notice.
5. Members desirous of obtaining any information concerning the accounts and operations of the company are requested to address their queries to the company, so as to reach the registered office of the company at least seven working days before the date of the meeting, to enable the company to make available the required information at the meeting, to the extent practicable.
6. Members / proxy are requested to bring a copy of annual report to the meeting.
7. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of folio number.
8. Relevant documents referred to in the accompanying notice and in the statements are open for inspection by the members at the company's registered office on all working days of the company, during business hours up to the date of the meeting.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**ITEM NO. 4**

In pursuance of section 148 of the Companies Act, 2013 and rule 14 of the Companies (Audit and Auditors) Rules, 2014, read with Companies (Cost Records and Audit) Rules, 2014, the company is required to appoint cost auditor to audit the cost records of the company and consequent ratification of remuneration of cost auditor by the members of the company thereon.

The Board has considered and approved appointment of M/s ABK & Associates (Firm Registration No. 000036) for conducting the audit of the company's cost records for the financial year 2016-17 at a remuneration of Rs. 30,000/- (Rupees Thirty Thousand Only) plus applicable taxes and out-of-pocket expenses of Rs. 4000/- (Rupees Four Thousand Only).

The resolution at Item No. 4 of the notice is set out as an Ordinary Resolution for your approval and ratification by the members in terms of section 148 of the Companies Act, 2013.

None of the promoters, directors, and key managerial personnel of the company and none of their relatives are deemed to be concerned or interested financially or otherwise in the said resolution.

**ITEM NO. 5**

Pursuant to the joint venture agreement between GAIL (India) Limited and Hindustan Petroleum Corporation Limited (HPCL) dated 16th November, 2005 and Articles of Association of the company, HPCL has nominated Mr. V. Kannan as Director (Commercial) on the board of Aavantika Gas Limited vide their letter dated 21st July, 2016.

The directors of the company in their board meeting held on 28th July, 2016 appointed Mr. V. Kannan as an additional director of the company, to hold office upto the date of next Annual General Meeting. The company has received a notice in writing under the provisions of section 160 of the Companies Act, 2013 along with a deposit of Rs. 1,00,000/- (Rupees One Lakh Only) proposing his candidature for the office of the director, not liable to retire by rotation.

A brief profile of Mr. V. Kannan is attached to this notice.

Your directors recommend the resolution set out at Item No. 5 to be passed as an Ordinary Resolution by the members.

Except Mr. V. Kannan, being the appointee and Hindustan Petroleum Corporation Limited, none of the promoter, directors, key managerial personnel of the company and their relatives is concerned or interested financially or otherwise in the resolution set out at Item No. 5.

ITEM NO. 6

Pursuant to the joint venture agreement between GAIL (India) Limited and Hindustan Petroleum Corporation Limited (HPCL) dated 16th November, 2005 and Articles of Association of the company, HPCL has nominated Mr. V. Kannan as Director (Commercial) on the board of Aavantika Gas Limited vide their letter dated 21st July, 2016.

The directors of the company in their board meeting held on 28th July, 2016 appointed Mr. V. Kannan as a whole-time director and key managerial personnel of the company for a period of three years subject to the member's approval in general meeting.

Mr. V. Kannan has been deputed from HPCL as a Director (Commercial). The terms and conditions of his appointment is as per the deputation policy of HPCL including remuneration as under:

1. Basic Pay : Rs. 72,130/-
2. DA and CCA as per the policy of HPCL.
3. Annual Increment as per HPCL policy.
4. Deputation Allowance @ 15% of Basic Salary.
5. Following as per HPCL Policy / Rules and Regulations:
 - i. HRA / Housing
 - ii. Leave, LFA, Medical Insurance, PF, Gratuity, SBFS
 - iii. Productivity Performance Linked Payment, Conveyance Reimbursement
6. Other allowance / benefits as per HPCL policy unless specifically altered by Aavantika Gas Limited.

A brief profile of Mr. V. Kannan is attached to this notice.

Your Directors recommend the resolution set out at Item No. 6 to be passed as an Ordinary Resolution by the members.

Except Mr. V. Kannan, being the appointee and Hindustan Petroleum Corporation Limited, none of the promoter, directors, key managerial personnel of the company and their relatives is concerned or interested financially or otherwise in the resolution set out at Item No. 6.

**By Order of the Board
For Aavantika Gas Limited**

**Sd/-
Rashi Joshi
(Company Secretary)**

Indore, September 01, 2016

Registered Office:

202-B, II Floor, NRK Business Park, Vijay Nagar Square,
A.B. Road, Indore (M.P.)-452010

CIN: U40107MP2006PLC018684



**ANNEXURE TO THE NOTICE
BRIEF PROFILE OF DIRECTOR PROPOSED FOR APPOINTMENT/ RE-APPOINTMENT
AT THE ANNUAL GENERAL MEETING**

1. PRAFULLA KUMAR GUPTA (DIN 01237706)

As regards appointment of Mr. Prafulla Kumar Gupta referred to in Item No. 2 of the notice, following necessary disclosures are made for the information of the members.

Information about the Appointee

Date of Birth	14/03/1961
Date of Appointment on the Board	14/11/2014
List of other Companies in which he holds directorship	ONGC Petro Additions Limited.

Brief Biography

Mr. Prafulla Kumar Gupta has got 33 years of rich experience in hydrocarbon sector. He has completed his graduation in mechanical engineering. With his rich experience, he endowed his versatility comprising job stints not only in Projects & O&M but also in HRD and Marketing. Besides that, he had headed largest CGD company of India i.e. Mahanagar Gas Limited, Mumbai as its Managing Director.

He also served Indian Oil Corporation Limited and Oil & Natural Gas Corporation Limited and is working in country's Maharatna Company – GAIL (India) Limited for the last 31 years holding current position of Executive Director (Marketing – Petrochemical & Retail).

2. V. KANNAN (DIN 07569790)

As regards appointment of Mr. V. Kannan referred to in Item No. 5 & 6 of the Notice, following necessary disclosures are made for the information of the members.

Information about the Appointee

Date of Birth	05/03/1966
Date of Appointment on the Board	28/07/2016
List of other Companies in which he holds directorship	-

Brief Biography

He is a Chartered Accountant and has completed his graduation in Commerce from Bharathiar University, Tamil Nadu. Mr. V. Kannan joined Hindustan Petroleum Corporation Limited (HPCL) in December, 1991 and has handled various assignments in Refineries, Marketing and Corporate Divisions of the Corporation during his tenure of around 25 years in HPCL. He has also handled assignments over various functions covering Pricing, General Accounts and Corporate Strategy & Planning.

For a brief period in 1995, he had carried out OCC Cost Audit, as a member of OCC Cost Audit team. Also, during the period from August 2000 to June 2005, on deputation to LPG Equipment Research Centre, he has worked as Secretary Cum Treasurer.



BOARD'S REPORT

Dear Members,

Your Directors have great pleasure in presenting the Tenth Annual Report and the company's audited financial statement for the financial year ended March 31, 2016.

NATURE OF BUSINESS

Aavantika Gas Limited (AGL) is a joint venture company of GAIL (India) Limited (GAIL) and Hindustan Petroleum Corporation Limited (HPCL). It is committed in supplying safe and uninterrupted natural gas to domestic, commercial, industrial and automotive sector at Indore, Pithampur, Ujjain and Gwalior cities of Madhya Pradesh.

During the year under review, there was no change in the nature of the business of the company.

FINANCIAL HIGHLIGHTS & REVIEW

The company's financial performance, for the year ended March 31, 2016 is summarized below:

(Rs. in Crores)		
Particulars	2015-16	2014-15
Total Revenue (Net)	115.17	110.07
Profit before Financial Costs, Depreciation & Tax	34.18	25.78
Financial Costs	7.45	6.21
Profit before Depreciation & Tax	26.73	19.57
Depreciation & Amortization expenses	5.14	3.57
Net Profit before Tax	21.59	16.00
Provision for Tax /Deferred Tax Liabilities	4.44	5.44
Net Profit after Tax	17.15	10.56
Balance of Profit/ (Loss) brought forward	8.42	(2.15)
Transfer to General Reserve	-	-
Surplus carried to Balance Sheet	25.57	8.42

The highlights of the company's performance during 2015-16 are as under:

The company has registered Profit before Depreciation, Interest and Tax (PBDIT) of Rs. 34.18 Crores and Profit after Tax (PAT) of Rs. 17.15 Crores. The PAT increased by 62% year on year from Rs. 10.56 Crores in 2014-15 to Rs. 17.15 Crores in 2015-16. This increase in profitability is due to increase in margins of Rs. 12.74 Crores & other operating income of Rs. 0.54 Crore, offset by increase in other expenses, depreciation, financial cost, employees benefit expenses and tax of Rs. 6.69 Crores.

AGL achieved a gross turnover of Rs. 142.29 Crores in 2015-16 as compared to gross turnover of Rs. 134.37 Crores in 2014-15 representing an increase of 5.89%. This increase was due to growth in sales volumes of CNG by 10.35%. There was an increase in domestic connections which also contributed to the increase in turnover. PNG industrial volumes decreased due to availability of cheaper alternative fuels.

The total capitalization during 2015-16 amounted to Rs. 65.76 Crores, as compared to Rs. 42.00 Crores in 2014-15. The following assets have been commissioned during the year:

- 11 Km. Steel Pipeline laid during 2015-16.
- 601 Km. MDPE Pipeline for supplying gas to industrial, commercial and domestic customers.
- Number of domestic connections added during the year 3858 (Indore including Ujjain GA and Gwalior GA).
- CNG Mother Station was commissioned in Pithampur.
- PNG Domestic connection commenced at Gwalior.



The company has a total installed steel network of 84 km & MDPE network of 945 km in the cities of Indore, Ujjain, Gwalior and Pithampur as on March 31, 2016.

The company has 20 CNG stations, which includes 4 mother stations, 7 online stations & 9 daughter stations. The company had a PNG customer base of around 6500 domestic customers, 37 commercial customers & 59 industrial customers as on March 31, 2016.

MAJOR ACHIEVEMENTS

The domestic PNG supply commenced at Gwalior on 6th September, 2015. This was inaugurated by Hon'ble Chief Minister of Madhya Pradesh, Shri Shivraj Singh Chouhan, in the presence of Union Minister of Steel and Mines-Government of India, Shri Narendra Singh Tomar.

The new CNG mother station was also commissioned at Pithampur on 29th January, 2016.

FUTURE PLANS AND OUTLOOK

During the financial year 2016-17, for achieving higher number of domestic connections, expansion of existing MDPE network in the cities of Indore, Ujjain & Gwalior are being planned.

The company's aim is to increase number of CNG stations and also domestic customers to drive profitability, while meeting PNGRB & Ministry's targets of achieving 1,00,000 domestic connections & green corridors for CNG.

The company has planned for expanding customer base for Industrial & Commercial customers at Indore & Pithampur for increasing market share through aggressive marketing.

TRANSFER TO RESERVES & DIVIDEND

To strengthen the net worth of the company and to ensure sustainable growth in assets and revenue, it is important for your company to conserve the financial resources and evaluate various opportunities in the different business segments in which your company operates. Therefore, your directors have not proposed to transfer any amount to reserves out of the profits earned and also not recommended any dividend for the financial year 2015-16.

DEPOSITS

Your company has not accepted any deposits within the meaning of section 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposit) Rules, 2014, amended from time to time, during the financial year 2015-16.

DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the company's financial position have occurred between the end of the financial year of the company and the date of this report.

INTERNAL FINANCIAL CONTROLS

Your company has in place adequate internal financial controls with reference to the financial statements commensurate with the size, scale and complexity of its operations. Such controls have been assessed during the year under review taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India. Based on the results of such assessments carried out by Management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was observed. Nonetheless your company recognizes that any internal control framework, no matter how well designed, has inherent limitations and accordingly, regular audits and review processes ensure that such systems are reinforced on an ongoing basis.

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

No significant and material orders have been passed by any regulator or court or tribunal which can have an impact on the going concern status and the company's operations in future.

SHARE CAPITAL

The paid-up share capital of the company as on March 31, 2016 is Rs. 45, 02, 50,000.00 (Rupees Forty Five Crores



Two Lakh Fifty Thousand Only) consisting of 4,50,25,000 (Four Crore Fifty Lakh Twenty Five Thousand) Equity Shares of Rs.10.00 each. The authorised share capital of the company as on March 31, 2016 is Rs. 1,00,00,00,000.00 (Rupees One Hundred Crores Only) consisting of 10,00,00,000 (Ten Crore) Equity Shares of Rs. 10.00 each during the year, there was no change in the authorised share capital and paid-up share capital of the company.

DISCLOSURE RELATING TO EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The company has not issued any equity shares with differential rights during the year under review and hence no information as per provisions of rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is required.

DISCLOSURE RELATING TO SWEAT EQUITY SHARE

The company has not issued any sweat equity shares during the year under review and hence no information as per provisions of rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is required.

DISCLOSURE RELATING TO EMPLOYEE STOCK OPTION SCHEME

The company has not issued any employee stock option during the year under review and hence no information as per provisions of rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is required.

DISCLOSURES IN RESPECT OF VOTING RIGHTS NOT DIRECTLY EXERCISED BY EMPLOYEES

There are no shares held by trustees for the benefit of employees and hence no disclosure under rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 is required.

MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL**BOARD OF DIRECTORS**

Mr. V. Kannan, nominee of HPCL was appointed as an additional director w.e.f. 28th July, 2016 who shall hold office till the date of the ensuing Annual General Meeting in terms of section 161 of the Companies Act, 2013 in place of Mr. M. Ananth Krishnan. Further, Mr. V. Kannan has been appointed as a Whole Time Director and Key Managerial Personnel for a term of three years commencing from 28th July, 2016, subject to the approval of members in the ensuing Annual General Meeting of the company. Mr. M. Ananth Krishnan has resigned from the company as a Whole Time Director and Key Managerial Personnel of the company w.e.f. 25th July, 2016.

During the year, Mr. Pushp K. Joshi resigned from the post of director w.e.f. 14th July, 2015 and in his place Mr. Y.K. Gawali had been appointed as an additional director w.e.f. 16th July, 2015 by the board of directors in their meeting held on 16th July, 2015 who shall hold office till the date of ensuing Annual General Meeting in terms of section 161 of the Companies Act, 2013 as representative director of HPCL. Further, Mr. Y.K. Gawali has been confirmed as director in the 9th Annual General Meeting of the company held on 28th September, 2015.

The Board placed on record its appreciation for the assistance and guidance provided by Mr. Pushp K. Joshi and Mr. M. Ananth Krishnan during their tenure as Board Members.

Pursuant to provisions of section 149 of the Companies Act, 2013 read with rules made thereunder, the Board in its meeting held on March 31, 2015 appointed Mr. P A B Raju and existing director Maj. Gen. B.P. Tiwari as additional & independent director(s) w.e.f. 1st April, 2015, for the period of three years, and in terms of section 161 of the Companies Act, 2013, they shall hold office till the date of ensuing Annual General Meeting. Further, Mr. P A B Raju and Maj. Gen. B.P. Tiwari have been confirmed as independent director(s) in the 9th Annual General Meeting of the company held on 28th September, 2015.

The company has received declarations from the independent director(s) individually confirming that they fulfill the criteria of independence as provided in section 149(6) of the Companies Act, 2013.

In accordance with the provisions of the Act and the Articles of Association of the company, Mr. P.K. Gupta, nominee director of GAIL, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

**KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of section 203 of the Companies Act, 2013 and rules made thereunder, the key managerial personnel of the company are- Mr. Anil Kumar, Managing Director, Mr. V. Kannan, Director (Commercial) and Chief Financial Officer and Ms. Rashi Joshi, Company Secretary of the company.

During the year, Ms. Rashi Joshi has been appointed as Company Secretary and Key Managerial Personnel w.e.f. August 03, 2015 in the Board Meeting held on 1st September, 2015 in place of Mr. Rachit Inani, who had resigned from the company w.e.f. 11th June, 2015.

Mr. V. Kannan has been appointed as Chief Financial Officer w.e.f. 29th June, 2016 in place of Mr. M. Ananth Krishnan.

PERFORMANCE EVALUATION

The board of directors has carried out an annual evaluation of its own performance, its committees and individual directors based on the criteria and frame work adopted by the Board. The results of such evaluation were placed before the Board.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated. The same was discussed in the board meeting that followed the meeting of the independent directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

MEETINGS OF THE BOARD

The board of directors met ten (10) times during the financial year ended March 31, 2016 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. All the directors actively participated in the meetings and contributed valuable inputs on the matters brought before the board of directors from time to time. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

The agenda and notes on agenda are circulated to directors in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

NUMBER OF BOARD MEETINGS AND ATTENDANCE OF EACH DIRECTOR AT BOARD MEETINGS

During the financial year ten (10) board meetings were held - May 06, 2015, June 03, 2015, June 26, 2015, July 16, 2015, September 01, 2015, September 14, 2015, October 29, 2015, December 30, 2015, January 25, 2016 and March 08, 2016.

The details of attendance of each director at the board meetings are given below:

Name of Director	No. of Board Meetings held during the year	No. of Board Meeting Attended
*Mr. Y. K. Gawali	10	7
Mr. P.K. Gupta	10	8
Mr. Anil Kumar	10	10
Mr. M. Ananth Krishnan	10	10
Maj. Gen. B.P. Tiwari	10	8
Mr. P A B Raju	10	8
*Mr. P.K. Joshi	10	3

*During the year Mr. Y.K. Gawali was appointed in place of Mr. P.K. Joshi in the Board Meeting held on 16th July, 2015.

**COMMITTEES****AUDIT COMMITTEE**

The Audit Committee was reconstituted due to resignation of Mr. M. Ananth Krishnan, Whole Time Director of the company in the board meeting held on 28th July, 2016 who was earlier the member of the Audit Committee. The Committee's composition and terms of reference meets with the requirements of section 177 of the Companies Act, 2013. All the members of the committee possess strong accounting and financial management knowledge. The Company Secretary of the company is the Secretary of the committee.

All the recommendations of the Audit Committee were accepted by the Board.

The composition of the Audit Committee is as under:

Name of Members	Category
Maj. Gen. B. P. Tiwari	(Chairman) Independent Director
Mr. PAB Raju	Independent Director
Mr. V. Kannan	Whole Time Director

During the year two Audit Committee meetings were held on September 01, 2015 and September 29, 2015.

The details of attendance of each director at the Audit Committee are given below:

Name of Director	No. of Committee Meetings held during the year	No. of Committee Meeting Attended
Maj. Gen. B.P. Tiwari	2	2
Mr. P A B Raju	2	1
Mr. M. Ananth Krishnan	2	2

NOMINATION AND REMUNERATION COMMITTEE

The board of directors in their meeting held on 28th July, 2016 reconstituted the Nomination and Remuneration Committee due to resignation of Mr. M. Ananth Krishnan, Whole Time Director of the company who was earlier the member of the committee.

The Committee's composition and terms of reference meets with the requirements of section 178 of the Companies Act, 2013. The committee requires to formulate a policy in relation to appointment and removal of directors and key managerial personnel which inter-alia includes the criteria of appointment and qualifications, term/tenure of appointment, timely evaluation, removal, retirement, etc. and remuneration payable to them. The board of directors in the board meeting held on 6th May, 2016 approved the 'Nomination, Remuneration and Evaluation' policy which is annexed herewith as **Annexure I** and forms part of this board's report.

The composition of the Nomination and Remuneration Committee is as under:

Name of Members	Category
Mr. P.K. Gupta	(Chairman) Non-Executive Director
Maj. Gen. B.P. Tiwari	Independent Director
Mr. PAB Raju	Independent Director
Mr. V. Kannan	Whole Time Director

During the year one Nomination and Remuneration Committee meeting was held on September 01, 2015.

The details of attendance of each director at the Nomination and Remuneration Committee are given below:

Name of Director	No. of Committee Meetings held during the year	No. of Committee Meeting Attended
Mr. P.K. Gupta	1	1
Maj. Gen. B.P. Tiwari	1	1
Mr. P A B Raju	1	1
Mr. M. Ananth Krishnan	1	1

**CORPORATE SOCIAL RESPONSIBILITY**

The brief outline of the corporate social responsibility (CSR) policy of the company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure II** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The board of directors in their meeting held on 28th July, 2016 reconstituted the Corporate Social Responsibility Committee due to resignation of Mr. M. Ananth Krishnan, Whole Time Director of the company who was earlier the member of the committee.

The composition of this committee is as under

Name of Members	Category
Mr. Anil Kumar	(Chairman) Executive Director
Maj. Gen. B.P. Tiwari	Independent Director
Mr. M. V. Kannan	Whole Time Director

During the year one CSR Committee meeting was held on September 01, 2015.

The details of attendance of each director at the CSR Committee are given below:

Name of Director	No. of Committee Meetings held during the year	No. of Committee Meeting Attended
Mr. Anil Kumar	1	1
Maj. Gen. B.P. Tiwari	1	1
Mr. M. Ananth Krishnan	1	1

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the company for the year ended March 31, 2016, the board of directors hereby confirms that -

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

REPORT ON PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The company does not have any subsidiaries, associates and joint venture companies for the year ended March 31, 2016.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The company had no employees who were in receipt of remuneration of not less than Rs. 60, 00,000.00 during the year ended March 31, 2016 or not less than Rs. 5, 00,000.00 per month during any part of the year.

AUDITORS AND THEIR REPORTS

The matters related to Auditors and their reports are as under:

OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2016

The auditor's report does not contain any qualification, reservation or adverse remark or disclaimer. Notes to accounts and auditors remarks in their report are self-explanatory and do not call for any further comments.

**SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED MARCH 31, 2016**

It is not mandatory for the company to conduct the secretarial audit pursuant to the provisions of section 204 of the Companies Act, 2013. However, in line with good corporate governance practice and to ensure the secretarial compliance, secretarial audit was conducted by the company. Mr. Ritesh Gupta, Practicing Company Secretary, Indore has been appointed to undertake secretarial audit for the financial year 2015-16. The company has annexed to this board report as **Annexure III**, secretarial audit report given by the secretarial auditor.

The said report does not contain any adverse observation or qualification requiring explanation or comments from the Board. The report is self-explanatory and do not call for any further comments.

STATUTORY AUDITORS APPOINTMENT

The statutory auditor of the company is appointed by the Comptroller and Auditor General of India (CAG) pursuant to section 139(5) of the Companies Act, 2013. M/s Suresh S. Kimtee & Co., Chartered Accountants, Indore, was appointed as statutory auditors of the company for the financial year 2015-16 who shall hold office till the conclusion of the Tenth Annual General Meeting.

Further, M/s Suresh S. Kimtee & Co., Chartered Accountants, Indore, has been appointed as statutory auditors of the company for the financial year 2016-17 by the Comptroller and Auditor General of India (CAG) via letter no. No CA.V/COY/CENTRAL GOVERNMENT, AGL (1)/116 dated 11/07/2016.

COST AUDITORS

The Board had appointed M/s. ABK & Associates, Cost Accountants, (Firm Registration Number: 000036) as the Cost Auditors of the company for conducting the audit of the cost records of the company for the financial year 2015-16 in terms of the provisions of section 148 of the Companies Act, 2013 read with notifications/ circulars issued by the Ministry of Corporate Affairs from time to time. The Cost Audit Report will be filed within the period stipulated under the Companies Act, 2013.

The board of directors on the recommendation of Audit Committee appointed M/s. ABK & Associates, Cost Accountants, (Firm Registration No.: 000036) as the cost auditors of the company for financial year 2016-17 under section 148 of the Companies Act, 2013 to conduct the audit of cost records of the company. M/s. ABK & Associates have confirmed that their appointment is within the limits of section 141(3) (g) of the Companies Act, 2013 and also confirmed that they are not disqualified under any of the provisions specified under section 141(3) of the Companies Act, 2013.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the members in a General Meeting for their ratification. Accordingly, a resolution seeking members' ratification for the remuneration payable to M/s. ABK & Associates, Cost Auditor is included in the notice convening the Annual General Meeting.

INTERNAL AUDITORS

M/s Mahesh C. Solanki & Co., Chartered Accountants (Firm Registration No.: 06228C), Indore carried out the internal audit exercise for the financial year 2015-16 and submitted their report.

The board of directors in their meeting held on 29th June, 2016 has appointed M/s Mahesh C. Solanki & Co., Chartered Accountants (Firm Registration No.: 06228C), Indore for the financial year 2016-17 pursuant to the provisions of the section 138 of the Companies Act, 2013 and rules made thereunder.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors, Cost Auditors, Internal Auditors and Secretarial Auditor have not reported any instances of frauds committed in the company by its officers or employees to the Audit Committee under section 143(12) of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the financial year under review, the company has not given/ made loans, guarantees and investments and hence no information as per provisions of section 186 of the Companies Act, 2013 has been furnished.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

None of the transactions with related parties falls under the scope of section 188(1) of the Companies Act, 2013. Information on transactions with related parties pursuant to section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure IV** in Form AOC-2 and the same forms part of this report.

**VIGIL MECHANISM**

Your company has framed a vigil mechanism policy for their directors and employees to report their genuine concerns or grievances pursuant to section 177 (9) of the Companies Act, 2013 and rules made there under.

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

Our company is in the business of city gas distribution in the state of Madhya Pradesh. The risk management policy relating to various risks like operational, strategic, financial, etc. are in the process of being formulated.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of section 134(3)(a) of the Companies Act, 2013, extract of the annual return for the financial year ended March 31, 2016 made under the provisions of section 92(3) of the Act is attached as **Annexure V** which forms part of this report.

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

The particulars as required under the provisions of section 134(3) (m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo by the company during the review is given as below:

i. The steps taken or impact on conservation of energy:

1. CNG Compressors and other major equipment were properly maintained with the implementation of preventive maintenance schedule.
2. AGL follows the practice of switching off the lights and computers when not in use.
3. AGL has undertaken Green Initiative to reduce printing of documents – Print only when it is very ESSENTIAL.

ii. Steps taken by the Company for utilising alternate sources of energy:

AGL will explore the feasibility of provision of Solar Panels as a pilot project at Mother Stations to reduce power consumption from Power Distribution Company.

iii. The capital investment on energy conservation equipment:

Nil

The details relating to energy consumption in mother station and energy consumption per unit of production is given below:

Electricity & Fuel consumption:

Particulars	2015-16	2014-15
i) Electricity purchased		
Units consumed (kwh)	24,69,452.00	24,28,229.00
Total amount in (Rs.)	1,94,76,542.00	1,94,42,994.00
Rate / Unit (Rs./kwh)	7.89	8.0
ii) Natural gas as fuel (kg) consumed	2,83,304.00	2,18,584.69

Consumption per MT of production:

Particulars	2015-16	2014-15
Electricity Consumed (in kwh)	196.23	207.00
Natural Gas as fuel (in kg.)	23.90	25.15

TECHNOLOGY ABSORPTION

1. The efforts made towards technology absorption are **Nil**.
2. The benefits derived like product improvement, cost reduction, product development or import substitutions are **Nil**.



3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -
 - (a) the details of technology imported;
 - (b) the year of import;
 - (c) whether the technology been fully absorbed;
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.

All above imported technology are Nil during the last three years reckoned from the beginning of the financial year.

4. The expenditure incurred on Research and Development is also Nil.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The total foreign exchange earned and outflow by the company during the year under review, was Nil.

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

Your company has formulated a policy required under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGMENTS AND APPRECIATION

Your directors express their gratitude to the Ministry of Petroleum and Natural Gas, Petroleum and Natural Gas Regulatory Board, Government of India, State Government of Madhya Pradesh, District Administration of Indore, Ujjain and Gwalior and Promoter Companies (GAIL & HPCL) for their continuous patronage & support throughout the year.

The directors also acknowledge the support of all statutory & local authorities, bankers, customers, contractors, vendors and suppliers.

The directors wish to express their gratitude to all the shareholders for their continued trust and support and also sincerely acknowledge the contributions made by all the employees of AGL for their dedicated services to the company.

For and on behalf of the Board of Directors

New Delhi, July 28, 2016

Sd/-

**Yogesh Gawali
Chairman**



ANNEXURE I
NOMINATION, REMUNERATION AND EVALUATION POLICY

TABLE OF CONTENTS:

- Preamble
- Objective
- Definitions
- Role of Committee
- Term & Tenure
- Evaluation
- Remuneration
- Removal
- Retirement
- Amendment(s)

1. PREAMBLE

This Nomination, Remuneration and Evaluation Policy (the "Policy") applies to the Board of Directors (the "Board"), Key Managerial Personnel (the "KMP") and the Senior Management Personnel and other Employees of Aavantika Gas Limited (the "AGL").

This Policy has been formulated in accordance with the requirements of the provisions of Section 178 of the Companies Act, 2013 read along with the applicable Rules made thereunder.

2. OBJECTIVE

The Key objectives of the policy would be:

- To lay down criteria for identifying persons who are qualified to become Directors and who may be appointed in Senior Management of the Company in accordance with the criteria laid down by the Nomination & Remuneration Committee and recommend to the Board their appointment and removal.
- To lay down the criteria to carry out evaluation of every Director's performance.
- To formulate criteria for determining qualification, positive attributes and Independence of a Director.
- To recommend to the Board a policy, relating to remuneration of directors, key managerial personnel and other employees.

3. DEFINITIONS

- **Act** means the Companies Act, 2013 and rules framed thereunder, as amended from time to time.
- **Board** means Board of Directors of AGL.
- **Directors** mean Directors on the Board of AGL.
- **Key Managerial Personnel or KMP** means:
 - Chief Executive Officer or the Managing Director or the Manager;
 - Whole-time director;
 - Company Secretary;
 - Chief Financial Officer; and
 - Such other officer as may be prescribed.
- **Nomination and Remuneration Committee** means 'Nomination and Remuneration Committee' constituted by the Board of Directors of the Company from time to time under the provisions of the Act.
- **Policy means** the Nomination, Remuneration and Evaluation policy.
- **Other Employees** mean all the employees other than the Directors, KMPs and the Senior Management Personnel.



- **Senior Management** Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors comprising all members of management one level below the Executive Directors, including Functional Heads.
- Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 or the Rules made thereunder, as may be amended from time to time shall have the meaning respectively assigned to them therein.

4. ROLE OF COMMITTEE

i. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- Recommend to the Board a policy relating to remuneration for the directors, KMP and other employees.

ii. Policy for appointment and removal of Director, KMP and Senior Management

Appointment of Nominee Directors

- As per the JV agreement of AGL, two directors including Managing Director are nominated by GAIL and two directors including Director (Commercial) are nominated by HPCL, therefore their appointment criteria, qualification, expertise, experience etc, would be governed by GAIL & HPCL policies respectively and would be as per the provisions of the Companies Act, 2013 and rules made thereunder.
- Managing Director from GAIL and Director (Commercial) from HPCL would be the whole time directors and the other nominee directors from GAIL and HPCL would be non-executive directors.

Appointment of Independent Directors

- The Independent Directors shall be appointed as per the provisions of section 149 of the Companies Act, 2013 and rules made thereunder.
- The Independent Directors are abide by the provisions specified in Schedule IV- Code for Independent Directors of the Companies Act, 2013.

Appointment of KMP

- The KMP shall be appointed as per the provisions of section 203 of the Companies Act, 2013 and rules made thereunder.

Other Provisions

- The Committee shall identify and ascertain the integrity and probity, qualification, expertise and experience of the person for appointment as Director and KMP and accordingly recommend to the Board his / her appointment.
- The Committee should ensure that the person so appointed as Director/Independent Director shall not be disqualified under the Act, or any other enactment for the time being in force.
- The Senior Management Personnel and other employees shall be appointed and removed as per the HR policy and procedure of the Company.

5. TERM/TENURE

a) Managing Director/Whole-time Director:

The appointment or re-appointment of any person as its Chairman, Managing Director or Executive Director in the Company is as per the Joint Venture Agreement, Articles of Association and pursuant to the provisions of the Act.

b) Independent Director:

- An independent director shall hold office for a term maximum up to five consecutive years on the Board of a company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent



Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves as per the provisions prescribed under the Act.

c) KMPs

The Company shall appoint KMPs i.e. Company Secretary, Chief Financial Officer and Chief Executive Officer, if any, pursuant to the provisions of the Act.

d) Senior Management Personnel and other employees

The Company shall appoint the Senior Management Personnel and other employees as per the Company's prevailing policy. Also, their tenure/term shall be governed as per the Company's prevailing HR policy.

6. EVALUATION

The performance evaluation of the Executive and Non-Executive Director(s) shall be done by the Committee and also by the Independent Directors in their separate meetings. The performance evaluation of Independent Directors shall be done by the Committee and also by the entire Board of Directors excluding the Director being evaluated.

In conformity with the requirement of the Act, the performance evaluation of all the directors shall be done by the entire Board of Directors, excluding the director being evaluated.

a) Criteria for evaluation of Executive and Non-Executive Director(s) (including independent directors):

Evaluation of each Director of the Company including Independent Directors shall be based on the following Performance parameters:

1. Attendance and participations in the meetings in the Board Meetings, General Meetings and Committee meetings in which the director is member.
2. Abidance and behavior in accordance with ethical standards & code of conduct of Company.
3. Raising of concerns to the Board.
4. Rendering independent, unbiased opinion and resolution of issues at meetings.
5. Initiative in terms of new ideas and planning for the Company.
6. Compliance with respect to disclosure of independence.
7. Disclosure of interest.
8. Compliance with policies of the Company, ethics, code of conduct, etc.
9. Timely inputs on the minutes of the meetings of the Board.

In addition to the evaluation criteria Directors, as above-said, Executive Director(s) shall also be evaluated on the basis of following criteria:

1. Professional skills, problem solving, and decision-making.
2. Supervising & training the staff members and succession planning.

b) Criteria for evaluation of Board of Directors:

The performance evaluation of the entire Board of Directors to be considered on various aspects including the following:

1. Board Meeting are conducted in a manner that encourages open communication, meaningful participation, timely resolution of issues, and effective in decision making.
2. Timely inputs on the minutes of the meetings of the Board.
3. The Board receives regular financial updates and takes all necessary steps to ensure the operations of the organizations are sound.
4. The Board Chairman should be effectively and appropriately leads and facilitates the Board meeting and the policy and governance work of the Board.

**c) Criteria for evaluation of Committees of Board**

The Board has constituted the following committees:

1. Audit Committee
2. Corporate Social Responsibility Committee
3. Nomination and Remuneration Committee

The performance evaluation of each committee based on following aspects which inter alia includes:

1. The Committee Meetings are conducted in a manner that encourages open communication, meaningful participation, timely resolution of issues and effective decision making.
2. The number of Committee meetings is sufficient for it to accomplish its tasks.

7. REMUNERATION**1. Remuneration to the Managing Director, Whole-Time Director, KMP and Senior Management Personnel and other Employees**

As per the JV agreement of AGL, Managing Director and Director (Commercial) are nominated by the GAIL and HPCL, therefore their remuneration will be governed by GAIL & HPCL policies respectively, Schedule V and other provisions of the Companies Act, 2013.

The remuneration/compensation etc to the Company Secretary, Senior Management Personnel and other employees as decided by the Managing Director in concurrence with Director (Commercial) at the time of their appointment in adherence to the existing approved pay structure of the company.

2. Remuneration to Non- Executive / Independent Director:

Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof as per provision mentioned in the Articles of Association of the Company. Provided that the amount of such fees shall not exceed as may be prescribed by the Companies Act 2013 and rules made thereunder and Central Government from time to time.

8. REMOVAL**NOMINEE DIRECTORS**

Removal of nominee directors are as per the Joint Venture Agreement and the policy and procedure of GAIL and HPCL.

INDEPENDENT DIRECTORS

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of an Independent Director.

KMP AND SENIOR MANAGEMENT PERSONNEL

Removal of KMP and Senior Management Personnel as per the provisions of the Companies Act, 2013 and as per the prevailing HR policy of the Company.

9. RETIREMENT**NOMINEE DIRECTORS**

Retirement of nominee directors are as per the policy and procedure of GAIL and HPCL.

INDEPENDENT DIRECTORS

The Independent Director shall vacate the office at the end of the tenure for which they are appointed by the Board but shall be eligible for reappointment.

KMP AND SENIOR MANAGEMENT PERSONNEL

KMP and Senior Management Personnel and other employees shall retire as per the applicable provisions of the Act and the prevailing policy of the Company.

10. AMENDMENT(s)

Subject to the approval of Board of Directors, the committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company. The Policy may be amended by passing a resolution at a meeting of the Nomination and Remuneration Committee.



ANNEXURE II

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2015-16.

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

Aavantika Gas Limited (AGL) has strengthened its commitment to giving back to the community through its Corporate Social Responsibility (CSR) initiative. The key focus areas for CSR are environment protection, sanitation and accelerating the development of specially abled children. The projects undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013. During the year, AGL actively associated with Drishtiheen Kalyan Sangh, under the flagship of District Collector of Indore. The organization is set up for the welfare of blind children by M.P. Government.

In accordance with the Companies Act, 2013, your company has committed 2% (Profit before Tax) annually towards CSR initiatives. During the year, your company has spent Rs. 11.38 Lakhs on CSR activities.

It is mandatory for your company to comply with the provisions of section 135 of the Companies Act, 2013 accordingly, The Corporate Social Responsibility Committee has formulated and recommended to the board a Corporate Social Responsibility Policy ("CSR Policy") and the board approved on 6th April, 2016 which was subsequently adopted by it and is being implemented by the company. The policy, inter alia, covers the following:

- Vision
- Objectives
- Project, Programme and activities
- Area Identification
- Implementation
- Reporting

Web link to the CSR Policy, including overview of projects or programs proposed to be undertaken www.aglonline.net.

2. **Composition of the CSR Committee**

The company has a CSR committee of directors comprising of following:

- Anil Kumar- Chairman
- M. Ananth Krishnan- Member
- Maj. Gen. B. P. Tiwari- Member

3. **Average net profit of the company for last three financial years : Rs. 5.69 Crore.**

4. **Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above): Rs. 11.38 Lakh.**

5. **Details of CSR expenditure during the financial year:**

- a) Total amount to be spent for the Financial Year: Rs. 11.38 Lakh.
- b) Amount unspent, if any: **NIL**
- c) Manner in which the amount spent during the Financial Year is detailed below:



Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Project or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing agency
1	2	3	4	5	6	7	8
1.	Madhya Pradesh Drishtiheen Kalyan Sangh, 33 B/D Kila Maidan, Indore (M.P.) an organization set up for the welfare of blind children by M.P. Government and administered by the District Collector, Indore.	Whitewash, plumbing, sanitary and revamping of electricity works for the premise, renovation of flooring and repairing of glass of windows.	Indore	11.38 Lakh	11.38 Lakh	11.38 Lakh	M.P. Government and administered by the District Collector, Indore.

6. **In case the company has failed to spend the two per cent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report:** Not applicable, the above projects and activities fall within the purview of Schedule VII of the Companies Act, 2013.
7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:**
The implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the company.

Sd/-
V. Kannan
Director (Commercial)

Sd/-
Anil Kumar
Chairman – CSR Committee

New Delhi, July 28, 2016



ANNEXURE III

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2016

TO,
THE MEMBERS,
M/S. AAVANTIKA GAS LIMITED
202-B, 2nd Floor NRK Business Park
Vijay Nagar Square, A. B. Road
Indore (MP) 452010

I have conducted the Secretarial Audit of the Compliances of applicable statutory provisions and the adherence to good corporate practices by **M/s. Aavantika Gas Limited** having **CIN:U40107MP2006PLC018684** (hereinafter called '**The Company**'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

I state that during the period under review and in terms of provisions of section 204 of the Companies Act, 2013 and rules made thereunder, **it is not mandatory for the Company to undergo secretarial audit**, however in view of good corporate governance practice, the Company considered its responsibilities towards the stakeholders of the company in seeking the Secretarial Audit done for the financial year 2015-16.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016, according to the provisions of:

- 1) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- 2) Secretarial Standards-1 pertaining to Board Meeting and Secretarial Standards-2 pertaining General Meetings issued by The Institute of Company Secretaries of India were applicable during the year.
- 3) Joint Venture Agreement dated 16th November, 2005.

I report that, during the year under review:

- 1) The Status of the Company during the financial year 2015-2016 has been that of an Unlisted Public Company.
- 2) The company is a Joint Venture Company of Gail (India) Limited and Hindustan Petroleum Corporation Limited (HPCL).

I further report that based on the information, representation and reports provided by the Company, its Board of Directors, its designated Officers, and authorized representatives during the conduct of audit and also review on quarterly compliance report submitted by the department heads and taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exists in the Company to monitor and ensure compliance with applicable Laws, Rules and Regulations and happening of events etc to the Company.



I further report that the compliances of applicable financial, cost and tax laws has not been reviewed in this audit since the same have been subject to review by statutory financial auditor and other designated professionals.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliances with the provisions of the Act.

Adequate notices is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company.

**For Ritesh Gupta & Co.
Company Secretaries**

**Date: 18.06.2016
Place: Indore**

**Sd/-
Ritesh Gupta
CP: 3764, FCS:5200**



ANNEXURE IV

FORM NO. AOC -2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis -

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2016, which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis -

The details of material contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2016 are as follows:

SL. No.	Name(s) of the related party & Nature of relationship	Nature of transactions	Transactions Value (Rs. in Crores)	Duration of transactions	Salient terms of transactions	Date of approval by the board	Amount paid in advance (Rs. in Crores)
1.	GAIL (India) Limited	Gas Purchase	72,60,23,008	F.Y (2015-16)	The related party transactions (RPTs) entered during the year were in the ordinary course of business and on arm's length basis.	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the board is not applicable.	NIL
2.	Hindustan Petroleum Corporation Limited	Gas Sale	26,34,26,114	F.Y (2015-16)			NIL

For and on behalf of the Board

Sd/-
Yogesh Gawali
(Chairman)

New Delhi, July 28, 2016

**ANNEXURE V****EXTRACT OF ANNUAL RETURN****As on financial year ended on March 31, 2016****[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.]****I. REGISTRATION & OTHER DETAILS**

CIN : U40107MP2006PLC018684
 Registration Date : June 07, 2006
 Name of the Company : Aavantika Gas Limited
 Category/Sub-category of the Company : Company Limited by Shares/ Indian Non-Government Company
 Address of the registered office & contact details : 202-B, II Floor, NRK Business Park, Vijay Nagar Square, A. B. Road, Indore (M.P.) – 452010
 Telephone No.: (0731) – 4222520
 e-mail id: csagl@aglonline.net
 Whether listed company : No
 Name, Address & contact details of the Registrar & Transfer Agent, if any. : N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Sale of CNG and PNG	4020	99.26

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
The Company do not have any holding, subsidiary and associate companies.			

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)


i. CATEGORY-WISE SHARE HOLDING

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	4	4	0.00	-	4	4	0.00	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies corp.	-	4,49,99,996	4,49,99,996	99.94	-	4,49,99,996	4,49,99,996	99.94	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	-	4,50,00,000	4,50,00,000	99.94	-	4,50,00,000	4,50,00,000	99.94	-
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A) (1)+(A) (2)	-	4,50,00,000	4,50,00,000	99.94	-	4,50,00,000	4,50,00,000	99.94	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	25,000	25,000	0.06	-	25,000	25,000	0.06	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs.1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)	-	-	-	-	-	-	-	-	-
Promoter Group entities	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Foreign Companies	-	-	-	-	-	-	-	-	-
Directors/ Relatives	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	25,000	25,000	0.06	-	25,000	25,000	0.06	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	25,000	25,000	0.06	-	25,000	25,000	0.06	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	4,50,25,000	4,50,25,000	100	-	4,50,25,000	4,50,25,000	100	-

ii. SHAREHOLDING OF PROMOTERS

S. N.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding the end of the year			at % change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	GAIL (India) Limited	2,24,99,998	49.97	NIL	2,24,99,998	49.97	NIL	0.00
2	Hindustan Petroleum Corporation Limited	2,24,99,998	49.97	NIL	2,24,99,998	49.97	NIL	0.00
3	R.K. Sharma	1	00.00	NIL	1	00.00	NIL	00.00
4	N.K. Nagpal	1	00.00	NIL	1	00.00	NIL	00.00
5	Shrikant Bhosekar	1	00.00	NIL	1	00.00	NIL	00.00
6	S.Bhattacharjee	1	00.00	NIL	1	00.00	NIL	00.00

iii. CHANGE IN PROMOTERS' SHAREHOLDING

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year as on 1st April 2015	4,50,00,000	99.94	4,50,00,000	99.94
Increase/Decrease in no. of shareholding	-	-	-	-
At the end of the year	-	-	4,50,00,000	99.94



iv. **SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS**
(Other than Directors, Promoters and Holders of GDRs and ADRs):

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
IL&FS INVESTMENT MANAGERS LIMITED				
At the beginning of the year	8,250	0.02	8,250	0.02
Increase /(Decrease)	-	-	-	-
At the end of the year			8,250	0.02
IDBI TRUSTEESHIP SERVICES LIMITED				
At the beginning of the year	8,250	0.02	8,250	0.02
Increase / (Decrease)	-	-	-	-
At the end of the year			8,250	0.02
INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED				
At the beginning of the year	3,500	0.01	3,500	0.01
(Decrease) due to transfer of shares	-	-	(3,500)	(0.01)
At the end of the year			0	0.00
IDFC BANK LIMITED				
At the beginning of the year	-	-	-	-
Increase due to transfer of shares	-	-	3,500	0.01
At the end of the year			3,500	0.01
IDFC ALTERNATIVES LIMITED				
At the beginning of the year	2,500	0.01	2,500	0.01
Increase / (Decrease)	-	-	-	-
At the end of the year			2,500	0.01
IDFC TRUSTEE COMPANY LIMITED A/C IDFC INFRASTRUCTURE FUND 2 A/C IDFC PRIVATE EQUITY FUND II				
At the beginning of the year	2,500	0.01	2,500	0.01
Increase / (Decrease)	-	-	-	-
At the end of the year			2,500	0.01

v. **SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	-	-	-	-
Increase/ (Decrease)	-	-	-	-
At the end of the year	-	-	-	-

None of the directors and key managerial personnel holds any shares of the company during the financial year 2015-16.

**V. INDEBTEDNESS**

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

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	86,56,67,342	-	6,18,46,436	92,75,13,778
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5,50,881	-	-	5,50,881
Total (i+ii+iii)	86,62,18,223	-	6,18,46,436	92,80,64,659
Change in Indebtedness during the financial year				
* Addition	45,38,70,794	10,00,00,000	2,69,90,648	58,08,61,442
* Reduction	10,84,39,089	-	-	10,84,39,089
Net Change	56,23,09,883	10,00,00,000	2,69,90,648	68,93,00,531
Indebtedness at the end of the financial year				
i) Principal Amount	1,21,16,49,928	10,00,00,000	8,88,37,084	1,40,04,87,012
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	7,17,378	4,06,849	-	11,24,227
Total (i+ii+iii)	1,21,23,67,306	10,04,06,849	8,88,37,084	1,40,16,11,239

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Amount in Rs.)

S.N.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Anil Kumar (Managing Director)	M. Ananth Krishnan (Whole- Time Director)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	47,62,315	42,47,080	90,09,395
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,16,650	1,90,172	3,06,822
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	48,78,965	44,37,252	93,16,217
	Ceiling as per the Act	-	-	-

**B. Remuneration to other directors**

(Amount in Rs.)

S. N.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	Major Gen. BP Tiwari	PAB Raju		
	Fee for attending board committee meetings	1,80,000	1,20,000	-	3,00,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	1,80,000	1,20,000	-	3,00,000
2.	Other Non-Executive Directors	Y.K. Gawali	P.K. Gupta	P.K. Joshi (Resigned)	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	1,80,000	1,20,000	-	3,00,000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTB

(Amount in Rs.)

S.N.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO*	Total
1.	Gross salary		Rachit Inani	Rashi Joshi	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	57,333	2,87,037	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	57,333	2,87,037	-

*The remuneration of CFO is the same as that of the Whole-Time Director, Mr. M. Ananth Krishnan, since he is the CFO for the purpose of the Companies Act, 2013.

**VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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



INDEPENDENT AUDITOR'S REPORT

TO,

THE MEMBERS OF AAVANTIKA GAS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **AAVANTIKA GAS LIMITED** ("the Company"), which comprise the Balance Sheet as at **31/03/2016**, the Statement of Profit and Loss, **the cash flow statement** for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2016**, and its **Profit and its cash flows** for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

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

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and **the cash flow statement** dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on **31/03/2016** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2016** from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (g) As required by section 143(5) of the Act, our report is as per Annexure II.
- (h) As required by section 143(3)(i) of the Act, our report is as per Annexure III.

Date : 16/05/2016
Place : INDORE

FOR SURESH S. KIMTEE & CO.
(Chartered Accountants)
Reg No. :001270C

Sd/-
CA SUDEEP KIMTEE
Partner
M.No. : 405935



ANNEXURE I TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(1) In Respect of Fixed Assets

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
- (c) As per the Information and explanations given to us all the deeds are in the name of the Company.

(2) In Respect of Inventories

Physical verification of inventory has been conducted at reasonable intervals by the management.

(3) Compliance under section 189 of the Companies Act, 2013

As informed, the company, company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

- (a) N.A.
- (b) N.A.
- (c) N.A.

(4) Compliance under section 185 and 186 of the Companies Act, 2013

The Company has not given any loans to its Directors.

(5) Compliance under section 73 to 76 of the Companies Act, 2013 and Rules framed thereunder while accepting Deposits

The company has not accepted any Deposits.

(6) Maintenance of cost records

The Company is maintaining cost accounting records which are being audited by cost accountant. We have not, however made a detailed examination of the records with a view to determine whether they are accurate or complete.

(7) Deposit of Statutory Dues

- (a) The company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty. Cess and other statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, no disputed amounts payable in respect of provident fund, income-tax, sales tax, duty of excise value added tax or cess and any other statutory dues with the appropriate authorities were in arrears, as at 31st March 2016 other than excise duty demand against which appeal is filed, which is also disclosed under contingent liabilities.

**(8) Repayment of Loans and Borrowings**

Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank of debenture holders.

(9) Utilization of Money Raised by Public Offers and Term Loan for which they Raised

The Company has applied term loans for the purposes for which those are raised.

(10) Reporting of Fraud During the Year

Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.

(11) Managerial Remuneration

Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

(12) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio

As per information and records available with us the company is not Nidhi Company.

(13) Related party compliance with Section 177 and 188 of Companies Act - 2013

Yes, All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(14) Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures

N.A.

(15) Compliance under section 192 of Companies Act - 2013

The company has not entered into any non-cash transactions with directors or persons connected with him.

(16) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act.

Place : INDORE
Date : 16/05/2016

FOR SURESH S. KIMTEE & CO.
(Chartered Accountants)
Reg No. :001270C

Sd/-
CA SUDEEP KIMTEE
(Partner)
Membership No. 405935

**Annexure II as required by directions given by Comptroller and Auditor General of India for the year 2015-16 under Section 143(5) of the Companies Act, 2013**

Based on the verification of records of the company and based on information and explanation given to us, we give below a report on the directions issued by the Comptroller and Auditor General of India in terms of Section 143(5) of the Act.

1. The Company has informed that they do not own any free hold land. The company is having 04 No.s of lease hold land and that lease deed of those lease hold lands were produced before us during the course of Audit.
2. There is no waiver of Debts/ Loans/ Interest, etc., during the year however the Company have made provision for Doubtful debt against the outstanding of UCTCL Rs. 51.46 Lacs. & Earth Connect Transway Ltd. Rs.3.44 Lacs. Further Rs. 0.015 Lacs on account of sundry balances written back during the year as rounding off differences.
3. Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities. :-
 - a) Regarding inventory lying with third parties: At the end of the accounting year there was no Inventory with Third Parties. However the stock in pipe line & Cascade at the dispensing Outlets, the same was quantified in terms of its capacity.
 - b) During the year the Company has not received any assets as gifts from Government or other authorities.

FOR SURESH S. KIMTEE & CO.
Chartered Accountants
Firm Reg. No. 001270C

Sd/-
Sudeep Kimtee
Partner
Membership No. 405935

**ANNEXURE III TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
FINANCIAL STATEMENTS OF AAVANTIKA GAS LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.**

1. We have audited the internal financial controls over financial reporting of **Aavantika Gas Limited** as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence I/we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for



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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. Our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Date : 16/05/2016
Place : INDORE

FOR SURESH S. KIMTEE & CO.
(Chartered Accountants)
Reg No. :001270C

Sd/-
CA SUDEEP KIMTEE
(Partner)
Membership No. 405935



COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of Aavantika Gas Limited for the year ended 31st March 2016 in accordance with the directions/ sub-directions issued by the C&AG of India under Section 143(5) of Companies Act, 2013 and certify that we have complied with all the directions/ sub-directions issued to us.

For Suresh S Kimtee & Co.

**Sd/-
CA Sudeep Kimtee
M. No. 405935
Date:- 16/05/2016**

**BALANCE SHEET AS AT 31st MARCH, 2016**

Amount in Rs.

Particulars	Note No.	As at 31 st March, 2016	As at 31 st March, 2015
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	45,02,50,000	45,02,50,000
(b) Reserves and Surplus	3	25,56,91,817	8,41,63,741
(c) Money received against share warrants		-	-
(2) Share application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings	4	1,11,41,15,912	75,77,72,278
(b) Deferred tax liabilities (Net)	5	8,77,52,115	4,33,62,876
(c) Other Long term liabilities	6	8,88,37,084	6,18,46,436
(d) Long term provisions	7	13,72,151	-
(4) Current Liabilities			
(a) Short-term borrowings	8	9,99,59,315	3,49,08,208
(b) Trade payables	9	3,03,73,719	6,70,99,944
(c) Other current liabilities	10	12,18,40,717	12,60,03,530
(d) Short-term provisions	11	1,46,15,877	87,53,786
Total		2,26,48,08,707	1,63,41,60,799
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		1,40,82,03,212	1,07,03,10,698
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		54,92,72,874	28,09,14,751
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	13	8,19,01,160	3,47,44,597
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	14	28,04,313	35,61,374
(c) Trade receivables	15	6,00,36,053	7,52,00,176
(d) Cash and Cash Equivalents	16	15,19,74,314	16,09,95,273
(e) Short-term loans and advances	17	75,66,417	30,48,277
(f) Other current assets	18	30,50,364	53,85,653
Total		2,26,48,08,707	1,63,41,60,799

Accounting Policies

1

Accompanying Notes are an integral part of the Financial Statements

26-37

As Per Our Report of Even Date

FOR SURESH S. KIMTEE & CO.

Chartered Accountants

Firm Reg. No. 001270C

Sd/-**Sudeep Kimtee**

Partner

Membership No. 405935

Place : INDORE

Date : 16-05-2016

For and on behalf of the Board**Sd/-****Anil Kumar**

Managing Director

DIN : 06875907

Sd/-**Rashi Joshi**

Company Secretary

Place : Indore

Date : 06-05-2016

Sd/-**M. Ananth Krishnan**

Director (Commercial)

& Chief Financial Officer

DIN : 06801841

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016**

		Amount in Rs.	
Particulars	Note No	2015-16	2014-15
REVENUE			
- Sale of Products			
- CNG		98,12,89,808	87,01,13,517
- PNG		43,48,37,700	47,19,73,004
- Other Operating Revenues	19	67,59,585	16,14,533
Less : Excise Duty on CNG		10,57,09,972	9,68,29,917
Less : VAT		17,39,09,413	15,43,99,355
- Revenue From Operations		1,14,32,67,708	1,09,24,71,782
- Other Income	20	84,79,097	82,28,230
- Total Revenue		1,15,17,46,805	1,10,07,00,012
EXPENSES			
- Cost of raw materials consumed	21	35,34,89,194	34,86,23,659
- Purchase of Stock-in-Trade		26,48,09,739	35,14,64,234
- Changes in inventories of finished goods, work-in progress and Stock in Trade	22	(30,538)	3,11,145
- Employee benefit expense	23	2,83,19,964	1,80,86,930
- Financial costs	24	7,45,07,337	6,20,79,393
- Depreciation and amortization expense		5,13,64,094	3,56,86,066
- Other expenses	25	16,33,69,700	12,44,38,119
- Total Expenses		93,58,29,490	94,06,89,546
Profit before exceptional and extraordinary items and tax		21,59,17,315	16,00,10,466
- Exceptional Items		-	-
Profit before extraordinary items and tax		21,59,17,315	16,00,10,466
- Extraordinary Items		-	-
Profit before tax		21,59,17,315	16,00,10,466
Tax expense:			
- Current tax (MAT)		4,60,81,073	3,14,11,157
- Deferred tax Liabilities/(Assets)		4,43,89,239	5,43,87,557
- MAT Credit Entitlement		(4,60,81,073)	(3,14,11,157)
- Total Tax Expenses		4,43,89,239	5,43,87,557
Profit/(Loss) for the period		17,15,28,076	10,56,22,909
Earning Per Equity Share			
- Basic		3.81	4.02

As Per Our Report of Even Date

FOR SURESH S. KIMTEE & CO.Chartered Accountants
Firm Reg. No. 001270C**Sd/-****Sudeep Kimtee**Partner
Membership No. 405935
Place : INDORE
Date : 16-05-2016

For and on behalf of the Board

Sd/-**Anil Kumar**
Managing Director
DIN : 06875907**Sd/-****M. Ananth Krishnan**
Director (Commercial)
& Chief Financial Officer
DIN : 06801841**Sd/-****Rashi Joshi**
Company Secretary
Place : Indore
Date : 06-05-2016

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016**

Amount in Rs.

Particulars	2015-16	2014-15
A Cash Flow From Operating Activities		
1 Profit for the Period before adjustment of Extraordinary Item	21,59,17,315	16,00,10,466
2 Adjustment for :		
Depreciation	5,13,64,094	3,56,86,066
Provision for Doubtful Debt	54,91,075	-
Interest Income	(84,17,652)	(81,40,969)
Borrowing Cost	7,45,07,338	6,20,79,393
Operating profit before working capital change (Total 1+2)	33,88,62,170	24,96,34,956
3 Increase/(Decrease) in working capital		
Trade receivables	96,73,048	(65,76,831)
Loans & Advances and other Assets	(4,93,39,415)	(3,20,73,527)
Inventories	7,57,061	(2,04,956)
Current Liabilities & Provisions	(31,20,454)	2,01,61,300
	(4,20,29,760)	(1,86,94,014)
Net cash generated from operating activities	29,68,32,411	23,09,40,942
B Cash flow from Investing activities		
1 Purchase of fixed assets (Includes CWIP)	(64,00,52,323)	(27,82,95,802)
2 Fixed Deposit held with bank	(1,09,71,377)	(1,25,73,856)
3 Interest Income	84,17,652	81,40,969
Net cash generated from Investing activities	(64,26,06,048)	(28,27,28,689)
C Cash flow from financing activities		
1 Long term loan raised	45,38,70,794	23,47,49,012
2 Principal Repayment of Term Loan	(7,29,80,000)	(4,99,48,000)
3 Cash Credit	(3,49,08,208)	1,84,78,252
4 Short Term Loan raised	10,00,00,000	-
5 Borrowing Cost	(12,02,01,285)	(9,79,98,959)
Net cash generated from financing activities	32,57,81,301	10,52,80,305
D Net Increase/(Decrease) in cash and cash equivalents	(1,99,92,336)	5,34,92,558
E Cash and cash equivalents at beginning of the year		
Cash in hand	5,03,592	3,07,086
Balance with bank	6,37,70,603	1,04,74,551
	6,42,74,195	1,07,81,637
Cash and cash equivalents at end of the year		
Cash in hand	5,64,006	5,03,592
Balance with banks	4,37,17,853	6,37,70,603
	4,42,81,859	6,42,74,195
Net Increase/(Decrease) in cash and cash equivalent	(1,99,92,336)	5,34,92,558

As Per Our Report of Even Date

FOR SURESH S. KIMTEE & CO.
Chartered Accountants
Firm Reg. No. 001270C

Sd/-
Sudeep Kimtee
Partner
Membership No. 405935
Place : INDORE
Date : 16-05-2016

For and on behalf of the Board

Sd/-
Anil Kumar
Managing Director
DIN : 06875907

Sd/-
Rashi Joshi
Company Secretary
Place : Indore
Date : 06-05-2016

Sd/-
M. Ananth Krishnan
Director (Commercial)
& Chief Financial Officer
DIN : 06801841

**NOTE 1 SIGNIFICANT ACCOUNTING POLICIES****(I) Basis of preparation of financial statements:**

The financial statements have been prepared and presented under the historical cost convention with Generally Accepted Accounting Principles (GAAP), Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 1956 and Companies Act, 2013 as applicable, besides the pronouncements/guidelines of the Institute of Chartered Accountants of India (ICAI).

All income and expenditure having material bearing are recognized on accrual basis except where otherwise stated. Necessary estimates and assumption of income and expenditure are made during the reporting period and difference between the actual and the estimates are recognized in the period in which the result materialized.

(ii) Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Revised Schedule III to the Companies Act, 2013.

(iii) Fixed Assets:

- a) Fixed Assets are stated at their original cost of acquisition/installation (net of Modvat/Cenvat), net of accumulated depreciation, amortization and impairment losses, except freehold land which is carried at cost.
- b) Machinery spares which can be used only in connection with a particular item of fixed asset and the use of which is irregular, are capitalized at the cost net of Modvat/Cenvat.
- c) Capital work in progress:

Expenditure during construction period (including financing cost relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are treated as Pre-operative expenses, pending allocation to the assets and are included under "Capital Work in Progress". These are apportioned to fixed assets on commencement of commercial production.

(iv) Construction Period expenses on Project:

- a) Related expenditure (including temporary facilities and crop compensation expenses) incurred during construction period are capitalized.
- b) Financing cost incurred during the construction period on loans specifically borrowed and utilized for projects is capitalized.
- c) Financing cost, if any, incurred on general borrowings used for projects during the construction period is capitalized at the weighted average cost.

(v) Borrowing Cost:

Borrowing costs including interest and commitment charges on borrowing, attributed to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such assets, till such time as the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

(vi) Depreciation:

- a) Depreciation on Fixed Assets is provided on straight line method, at the rates and in the manner defined in Schedule II of the Companies Act, 2013 on the basis of useful life of assets and is charged pro rata on monthly basis on assets, from/ upto and inclusive of the month of capitalization / sale, disposal or deletion during the year.
- b) Lease hold Land is amortized over the period of lease.



- c) Machinery spares, which can be used only in connection with an item of fixed assets and use of which is expected to be irregular are depreciated over a period not exceeding the useful life of principal life of fixed assets
- d) Intangible Assets other than application software are amortized on a straight line basis over the useful life of the parent asset.
- e) Application software is normally amortized over a period of four years, or over its useful life, before it becomes obsolete, whichever is earlier.

(vii) Impairment of Assets:

At each balance sheet date, an assessment is made of whether there is any indication of impairment. An impairment loss is recognized whenever the carrying amount of assets of cash generating units (CGU) exceeds their recoverable amount.

(viii) Foreign Currency Transactions:

- a) Foreign Currency transactions during the year are recorded at the rates of exchange prevailing on the dates of transactions.
- b) All foreign currency assets, liabilities and forward contracts are restated at the rates ruling at the year end.
- c) All exchange differences are dealt with in the profit and loss account, except those relating to acquisition of fixed assets, which are adjusted in the cost of assets and those covered by forward contract rates, where the premium / discount arising from such contracts are recognized over the period of contracts.
- d) The realized gain or loss in respect of commodity hedging contracts, the pricing periods of which has expired during the year, are recognized in the Profit & Loss Account along with the underlying transaction. However, in respect of contracts, the pricing period of which extends beyond the balance sheet date, suitable provision is made for likely loss, if any.

(ix) Inventories:

Inventories are valued at cost computed on weighted average basis or net realisable value whichever is lower.

Value of surplus, obsolete and slow moving stores and spares, if any, is reduced to net realizable value. Surplus items when transferred from completed projects are valued at cost/estimated realisable value, pending periodic assessment/ascertainment of condition.

(x) Sale of Products:

Sales are shown net of discounts, including applicable excise duty, surcharge and other elements as are allowed to be recovered as part of the price.

(xi) Accounting / Classification of Expenditure and Income:

- a) Insurance claims are accounted on acceptance basis.
- b) All other Claims/ entitlements are accounted on the merits of each case/ realization.

(xii) Provisions:

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

**(xiii) Income taxes:**

- a) Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.
- b) Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reason by certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized against future taxable profits.
- c) At each balance sheet date the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(xiv) Minimum Alternate Tax (MAT):

MAT is recognized as an asset only when and to the extent there is convincing evidence based on projections that the company will pay normal Income-tax during the specified period. In the year, in which the MAT credit becomes eligible to recognize as an asset in accordance with the recommendations contained in the Guidance note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit & Loss and is shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income-tax during the specified period.

(xv) Contingent Liabilities and Capital Commitments:

Contingent liabilities are considered only for items exceeding Rs. 5 Lakhs in each case. Contingent Liabilities in respect of show cause notices are considered only when converted into demands. Capital Commitments are considered only for items exceeding Rs. 1 Lakh in each case.

**NOTES FORMING PART OF BALANCE SHEET**

	Amount in Rs. As at 31st March, 2016	Amount in Rs. As at 31st March, 2015
2 SHARE CAPITAL		
2.1 Authorised Capital: 10,00,00,000 Equity Shares of Rs.10/- Each	1,00,00,00,000	1,00,00,00,000
2.2 Issued, Subscribed and Paid up Capital 4,50,25,000 Equity Shares of Rs.10/- Each Fully Paid 4,49,75,000 Equity Shares of Rs.10/- Each Fully Paid issued during 2014-15.	45,02,50,000	45,02,50,000
2.3 The List of Shareholders holding more than 5% shares in the company is set out below		
Name of the Shareholders	No. of Shares	Amount
1 GAIL (India) Limited	2,24,99,998	2,24,99,998
2 Hindustan Petroleum Corporation Limited	2,24,99,998	2,24,99,998
2.4 The Reconciliation of the number of Equity Shares outstanding		
	No. of Shares	No. of Shares
Shares outstanding at the beginning of the year	4,50,25,000	50,000
Shares issued during the year	-	4,49,75,000
Shares bought back during the year	-	-
Shares outstanding at the end of the year	4,50,25,000	4,50,25,000
3. RESERVES & SURPLUS		
	As at 31st March 2016	As at 31st March 2015
3.1 Surplus as per Statement of Profit and Loss A/c		
Opening Balance	8,41,63,741	(2,14,59,168)
Add:- Net Profit/(Loss) for the period	17,15,28,076	10,56,22,909
Less:- Proposed Dividend	-	-
Less:- Dividend Distribution Tax	-	-
Less:- Transferred to General Reserve	-	-
	25,56,91,817	8,41,63,741
3.2 General Reserve		
Opening Balance	-	-
Add:- Net Profit Transferred from Profit and loss A/c	-	-
	-	-

**NOTES FORMING PART OF BALANCE SHEET**

		Amount in Rs. As at 31st March, 2016	Amount in Rs. As at 31st March, 2015
4. LONG TERM BORROWINGS			
Secured			
Term Loans from Bank			
Rupee Term Loans (Bank of Baroda)			
Term Loan - I (2009-11)		3,68,32,000	5,52,48,000
Term Loan - II (2011-12)		12,61,12,000	15,76,40,000
Term Loan - III (2012-13)		11,52,28,000	13,82,57,144
Term Loan - IV (2013-14)		14,73,24,106	17,18,78,122
Term Loan - V (2014- 15)		23,77,37,350	23,47,49,012
Term Loan - VI (2015- 16)		45,08,82,456	-
Installment due in next 12 months are shown under 'Other Current Liabilities'			
		1,11,41,15,912	75,77,72,278
Terms of Loan			
- Each Term Loan of 9 year with 2 year moratorium			
- Repayable in 28 Equal Quarterly installment			
- First Charge over fixed assets			
- Second Charge over current assets			
5 DEFERRED TAX LIABILITIES (Net)			
	Current Year Charge		
Deferred Tax Assets			
Unabsorbed Depreciation	70,39,322	(2,51,14,659)	(3,21,53,981)
Deferred Tax Liabilities			
Accumulated Depreciation	3,73,49,916	11,28,66,774	7,55,16,858
Deferred Tax Liabilities/(Asset) (Net)	4,43,89,238	8,77,52,115	4,33,62,877
6. OTHER LONG TERM LIABILITIES			
Security and Other Deposit		8,88,37,084	6,18,46,436
		8,88,37,084	6,18,46,436

**NOTES FORMING PART OF BALANCE SHEET**

	Amount in Rs. As at 31st March, 2016	Amount in Rs. As at 31st March, 2015
7. LONG TERM PROVISIONS		
Provision for Gratuity	7,31,019	-
Provision for Leave Encashment	6,41,132	-
	13,72,151	-
8. SHORT TERM BORROWINGS		
Cash Credit A/c (Secured)*	-	3,49,08,208
Short Term Loan - Tata Capital Financial Services	9,99,59,315	-
*First Charge over current assets (including book debts)	9,99,59,315	3,49,08,208
*Second Charge over Fixed assets		
9. TRADE PAYABLES		
Sundry Creditors	3,02,30,281	5,28,76,552
Retention Money	1,43,438	1,43,438
Payable to Promoters for Expenses		
- Payable to HPCL	-	84,18,099
- Payable to GAIL	-	56,61,855
	3,03,73,719	6,70,99,944
10. OTHER CURRENT LIABILITIES		
Current Maturities of long Term Debts	9,75,34,016	7,29,86,856
Creditors for Assets	1,83,51,964	4,70,56,848
MAT Payable	14,22,581	27,11,157
TDS Payable	17,58,188	5,55,842
Excise Duty Payable/(Receivable)	(3)	(3)
Excise Duty on Closing Stock	52,037	47,758
Entry Tax Payable	88	66,599
WCT Payable	1,06,878	5,81,586
Interest & Installment Accrued but not due on Term Loan	11,24,227	5,50,881
Service Tax Payable	2,68,057	1,238
Swach Bharat Cess Payable	9,574	-
Vat Payable	6,97,634	11,40,260
Professional Tax Payable	7,416	5,884
Salary Payable	24,783	-
Provident Fund Contribution	2,11,027	49,373
Stale Cheques balance	2,72,250	2,49,250
	12,18,40,717	12,60,03,530
11. SHORT-TERM PROVISIONS		
Provision for Expenses	1,46,15,877	87,53,786
	1,46,15,877	87,53,786

**NOTES FORMING PART OF BALANCE SHEET****12. FIXED ASSETS:**

DESCRIPTION	GROSS BLOCK				DEPRECIATION				WRITTEN DOWN VALUE	
	As at 01-04-2015	Additions	Deductions	As at 31-03-2016	Upto 01-04-2015	For the year	Deductions	Upto 31-03-2016	As at 31-03-2016	As at 31-03-2015
TANGIBLE ASSETS										
Leasehold Land	75,04,167	-	-	75,04,167	6,30,746	2,41,525	-	8,72,271	66,31,896	68,73,421
Building	12,23,79,112	1,15,11,433	-	13,38,90,545	70,22,678	41,87,575	-	1,12,10,253	12,26,80,292	11,53,56,434
Plant & Machinery*	1,01,90,17,498	35,26,92,459	-	1,37,17,09,957	10,77,99,824	4,17,62,204	-	14,95,62,028	1,22,21,47,929	91,12,17,674
Domestic Meters & Regulators	1,14,16,598	85,92,206	-	2,00,08,804	91,48,348	4,25,456	-	95,73,804	1,04,35,000	22,68,250
Electrical and Other Equipment	2,24,63,856	59,97,173	-	2,84,61,029	48,20,913	26,73,377	-	74,94,290	2,09,66,739	1,76,42,943
Computer System	9,25,430	33,62,858	-	42,88,288	8,49,286	5,69,973	-	14,19,259	28,69,029	76,144
Gas Cylinders including Valves & Regulators	3,44,23,101	-	-	3,44,23,101	2,03,06,933	9,71,886	-	2,12,78,819	1,31,44,282	1,41,16,168
Furniture & Fixtures	44,16,730	71,00,480	-	1,15,17,210	16,57,067	5,32,099	-	21,89,166	93,28,045	27,59,663
TOTAL TANGIBLE ASSETS	1,22,25,46,492	38,92,56,609	-	1,61,18,03,101	15,22,35,795	5,13,64,094	-	20,35,99,889	1,40,82,03,212	1,07,03,10,697
Previous Year	76,28,52,160	45,96,94,332	-	1,22,25,46,492	11,65,49,729	3,56,86,066	-	15,22,35,795	1,07,03,10,698	64,63,02,431
Add:- Capital Work in Progress :-									54,92,72,874	28,09,14,751
Total:-									1,95,74,76,086	1,35,12,25,448

**NOTES FORMING PART OF BALANCE SHEET**

	Amount in Rs. As at 31st March, 2016	Amount in Rs. As at 31st March, 2015
13. LONG-TERM LOANS AND ADVANCES (Unsecured, Considered Good unless otherwise stated)		
Refundable Security Deposit (IDA)	15,18,610	15,18,610
Refundable Security Deposit (MPEB)	10,09,208	9,01,908
Other Deposit	86,500	73,215
Refundable Security Deposit (Railway)	9,47,742	5,47,742
Advance Rent for Pithampur & Ujjain MS Land	2,16,965	2,16,965
Deposit for NRK Office	6,04,905	
Prepaid License Fees (M.P. pollution control Board)	25,000	75,000
MAT Credit Entitlement F.Y. 2014-15	7,74,92,230	3,14,11,157
	8,19,01,160	3,47,44,597
14. INVENTORIES		
Raw Material	17,16,832	18,56,480
Finished Goods	4,23,706	3,88,889
Stores and Spares	6,63,775	13,16,005
	28,04,313	35,61,374
15. TRADE RECEIVABLES		
Unsecured Considered Good		
- Debts outstanding for a period exceeding 6 months	93,34,273	1,31,53,384
- Other Debts	5,07,01,779	6,20,46,792
Unsecured Considered Doubtful		-
- Debts outstanding for a period exceeding 6 months	54,91,075	
- Provision for Doubtful Debt	(54,91,075)	-
	6,00,36,053	7,52,00,176
16. CASH AND CASH EQUIVALENTS		
Balances with Banks	4,37,17,853	6,37,70,603
Cash in hand	5,64,006	5,03,592
Other Bank Balance		
Fixed Deposit with banks (maturity more than 3 months)*	10,76,92,455	9,67,21,078
	15,19,74,314	16,09,95,273
17. SHORT-TERM LOANS AND ADVANCES (Unsecured, Considered Good unless otherwise stated)		
Prepaid Expenses	55,30,837	10,08,405
Deposit with GAIL Gwalior & Pithampur Project	19,85,580	19,85,580
Imprest A/c	-	4,292
Prepaid License Fees (M.P. pollution control Board)	50,000	50,000
	75,66,417	30,48,277
18. OTHER CURRENT ASSETS		
Cenvat & Service Tax Credit Receivable	9,54,828	24,45,197
Interest accrued on term deposit with bank	8,491	-
TDS Receivable	20,87,045	29,40,457
	30,50,364	53,85,653

**NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS**

	Amount in Rs. As at 31st March, 2016	Amount in Rs. As at 31st March, 2015
19 OTHER OPERATING REVENUE		
Connection charges received	30,08,550	5,10,500
Liquidated Damages & Extra pipe charges collected	32,11,035	7,34,033
Tender fees	5,40,000	3,70,000
	67,59,585	16,14,533
20 OTHER INCOME		
Interest on Deposits (TDS for 2015-16 Rs. 8,46,129/- 2014-15 Rs. 8,15,620/-)	84,17,652	81,40,969
Interest on I.T. Refund	-	20,050
Interest on Deposit with MPPKV	59,955	67,231
Sundry Balances written off	1,490	(20)
	84,79,097	82,28,230
21 COST OF MATERIALS CONSUMED		
Opening Stock	18,56,480	14,70,251
Add:- Purchase	62,35,36,692	70,66,89,649
	62,53,93,171	70,81,59,900
Less:- Captive Consumption	53,77,406	62,15,527
Less:- Direct Sales	26,48,09,739	35,14,64,234
Less:- Closing Stock	17,16,832	18,56,480
Raw Material Consumed (PNG)	35,34,89,194	34,86,23,659
22 CHANGE IN STOCKS		
Opening Stock of Finished goods	3,88,889	7,46,336
Less:- Closing Stock of Finished goods	4,23,706	3,88,889
Less:- (Increase)/Decrease in Excise duty on Stocks	(4,279)	46,302
	(30,538)	3,11,145
23 EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages, Bonus etc.	2,53,06,226	1,69,72,720
Employees Provident Fund (Company Contribution)	8,36,580	5,94,327
Staff welfare expenses	8,05,007	5,19,883
Gratuity	7,31,019	-
Leave Encashment	6,41,132	-
	2,83,19,964	1,80,86,930
24 FINANCE COSTS		
Interest on Term Loan	7,44,05,142	6,18,93,080
Interest on Working Capital Loan (CCA/c)	1,02,195	1,86,313
	7,45,07,337	6,20,79,393

**NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS**

	Amount in Rs. As at 31st March, 2016	Amount in Rs. As at 31st March, 2015
25 OTHER EXPENSES		
25.1 MANUFACTURING EXPENSES		
Power and Fuel	2,61,13,994	2,56,29,070
Repairs, Operation and Maintenance Charges	2,56,70,203	2,09,44,897
25.2 AUDITORS REMUNERATION		
Audit fees	50,000	50,000
VAT Audit Fees	15,000	16,500
Cost Audit Fees	31,000	22,500
Internal Audit Fees	1,16,290	1,16,000
Tax Audit fees	30,000	30,000
Secretarial Audit	22,000	20,000
25.3 LEGAL & PROFESSIONAL FEES		
Professional Charges	62,09,851	43,36,794
25.4 RENT, RATES & TAXES		
Lease Rent for Lease hold lands	2,63,777	1,32,669
Office & warehouse Rent	50,08,366	18,83,056
25.5 OTHER ADMINISTRATIVE EXPENSES		
CNG Transportation Charges	1,78,25,913	2,27,38,994
Gas take or pay Charge	1,60,53,480	-
Business Promotion Expenses	41,75,802	61,72,470
Conferences & Meetings	2,85,527	2,62,112
Directors Sitting Fees	3,15,000	-
CSR Expenses	11,38,076	-
Office Administration Expenses	11,25,874	12,37,129
Printing and Stationary	4,57,113	2,65,736
Books and Periodicals	20,974	13,634
Telephone, Fax, Etc.	5,46,672	6,27,781
General Expenses	25,57,382	33,65,316
Repairs, Operation and Maintenance Charges	3,19,54,568	2,08,09,039
Travelling and Conveyance	81,65,766	73,76,731
Postage and Courier	30,116	25,179
Service Tax Paid	4,85,259	12,21,905
Insurance Premium	4,45,687	7,26,557
License fees	7,48,613	6,06,906
Festival Expenses	6,27,232	9,22,694
Bank Charges	23,63,059	16,59,932
ROC Filing Fees & Stamp Duty Charges	6,48,045	9,20,754
Duties & Taxes	1,49,633	1,89,404
Advertisement	41,50,673	19,43,600
Training fees	77,680	1,70,760
Bad & Doubtful Debt	54,91,075	-
	16,33,69,700	12,44,38,119

**NOTES FORMING PART OF THE ACCOUNTS****Note 26 DEFERRED TAX (ASSET)/ LIABILITY**

Amount in Rs.

	As at 31.03.2015	For the year 2015-16	As at 31.03.2016
Depreciation	7,55,16,858	2,79,75,239	11,28,66,774
Carry Forward Losses	-	-	-
Carry Forward Depreciation	(3,21,53,981)	70,39,322	(2,51,14,659)
Total deferred Tax Liability/ (Assets)	4,33,62,876	4,43,89,239	8,77,52,115

Note 27 INFORMATION AS REQUIRED TO BE GIVEN AS PER SCHEDULE III OF THE COMPANIES ACT IS GIVEN BELOW:

Amount in Rs.

		2015-16	2014-15
A	Estimated Amount of Contracts remaining to be executed on Capital Account not provided for	25,50,00,000	30,90,17,511
B	Claims Against the Company Not Acknowledged as Debt	-	-
C	Managerial Remuneration: Salary and Allowances (Managing Director and Director-Commercial are on deputation from GAIL and HPCL respectively. The amount represents remuneration paid by GAIL / HPCL and debited to the company.)	90,09,395	83,46,384
D	CIF Value of Imports during the Year	NIL	NIL
E	Expenditure in Foreign Currency on account of participation in Exhibition	NIL	NIL
F	Earning in Foreign Currency	NIL	NIL

**NOTES FORMING PART OF THE ACCOUNTS****Note 28 DETAILS OF TRANSACTIONS WITH RELATED PARTIES DURING THE YEAR*:**

Amount in Rs.

	2015-16		2014-15	
Nature of Transaction	HPCL	GAIL	HPCL	GAIL
Manpower Cost of employees on deputation	1,18,34,138	76,75,550	1,05,30,456	72,57,451
Traveling & Conveyance	1,42,897	3,76,620	54,707	2,17,891
Raw Material Purchased	NIL	72,60,23,008	NIL	80,51,06,141
Gas Transportation Charges	NIL	NIL	NIL	NIL
Sale of CNG	26,34,26,114	NIL	32,62,70,924	NIL
Amount Payable (Net) as of 31.03.2016	(97,39,337)	2,80,62,865	(46,54,618)	5,22,36,846

Details of transactions with Key Managerial Persons during the year:

	2015-16		2014-15	
Nature of Transaction	Mr. Anil Kumar	Mr. M. Ananth Krishnan	Mr. Anil Kumar	Mr. M. Ananth Krishnan
Traveling & Conveyance	19,83,379	12,80,793	8,76,268	8,88,253
Other Reimbursements	1,16,650	1,90,172	1,52,309	6,329
Amount Payable (Net) as of 31.03.2016	0	0	0	0

*Confirmations from Related Parties are awaited.

Note 29 VALUE OF RAW MATERIALS, SPARE PARTS AND COMPONENTS CONSUMED :

	2015-16	2014-15
I Raw Materials		
- Imported (in%)	NIL	NIL
- Imported (Value in Rs.)	NIL	NIL
- Indigenous (in%)	100	100
- Indigenous (Value in Rs.)	35,34,89,194	34,03,13,650
II Spare Parts & Components		
- Imported (in%)	NIL	NIL
- Imported (Value in Rs.)	NIL	NIL
- Indigenous (in%)	100	100
- Indigenous (Value in Rs.)	6,52,230	6,70,258

**NOTES FORMING PART OF THE ACCOUNTS****Note 30 INFORMATION FOR EACH CLASS OF GOODS PURCHASED, SOLD AND STOCKS DURING THE YEAR**

		Opening Stock		Purchase / Production		Sales / Consumption		Closing Stock	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
PNG	SCM	55,440	40,853	3,39,63,413	3,30,46,091	3,39,64,591	3,30,31,504	54,262	55,440
	Value in Rs.	18,56,480	14,70,251	62,44,09,828	70,66,89,649	62,36,76,339	70,63,03,420	17,16,832	18,56,480
CNG	KG	16,620	16,610	1,72,21,568	1,56,04,889	1,72,20,251	1,56,04,879	17,937	16,610
	Value in Rs.	3,88,889	7,46,336	35,34,89,194	34,86,23,659	75,50,71,228	67,31,82,044	4,23,706	3,88,889

Note 31 EXPENSES BEFORE ASSETS CAPITALIZATION DURING THE YEAR PENDING ALLOCATION

Amount in Rs.

Particulars	Opening Balance	Expense During the Year	Capitalized during year	Amount Includes in CWIP
Interest on term loan	2,29,70,245	4,62,67,292	1,81,90,260	5,10,46,277
Project Manpower cost	39,48,018	1,33,71,622	82,59,580	90,60,061
EPMC Fees	31,83,512	51,36,487	30,45,663	52,74,336

Note-32 Segmental Reporting: The Company operates in a singly segment of Natural Gas business in the M.P State region and therefore the disclosure requirements as per Accounting Standard 17 "Segment Reporting" are not applicable to the Company.

Note-33 Contingent Liability: The Company received the order of Principal Commissioner of Central Excise demanding Duty of Rs. 21,69,284/-, Penalty of Rs. 10,84,682/- and interest on the demand amount upto 31-03-2016 would amount to Rs.15,06,961/-.The company has filed appeal against this order at CESTAT after paying duty of Rs.1,62,697/-.

Note-34 Management has made an assessment on the impairment of assets and observed that there are no assets whose value got impaired.

Note-35 Year - end balances of receivable/payable are subject to confirmation/reconciliation.

Note-36 Figures have been rounded off to nearest rupee.

Note-37 Figures of previous year have been reclassified /regrouped and shown in bracket where ever required.

As Per Our Report of Even Date

FOR SURESH S. KIMTEE & CO.

Chartered Accountants

Firm Reg. No. 001270C

Sd/-**Sudeep Kimtee**

Partner

Membership No. 405935

Place : INDORE

Date : 16-05-2016

For and on behalf of the Board

Sd/-**Anil Kumar**

Managing Director

DIN : 06875907

Sd/-**M. Ananth Krishnan**

Director (Commercial)

& Chief Financial Officer

DIN : 06801841

Sd/-**Rashi Joshi**

Company Secretary

Place: Indore

Date: 06-05-2016

[illegible]

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AAVANTIKA GAS LIMITED

202-B, 2nd Floor, NRK Business Park, Vijay Nagar Square, A.B. Road, Indore (M.P.) - 452010
CIN: U40107MP2006PLC018684

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

Name of the Member(s):		
Registered address :		
E-mail Id:	Folio No/ Client ID:	DP ID:

I / We, being the member(s) of shares of the above named Company, hereby appoint

Name :	E-mail Id:
Address:	
Signature :	or failing him

Name :	E-mail Id:
Address:	
Signature :	or failing him

Name :	E-mail Id:
Address:	
Signature :	or failing him

as my/ our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the Tenth Annual General Meeting of the company, to be held on the **Wednesday, September 21, 2016 at 4.00 pm** at 202-B, 2nd Floor, NRK Business Park, Vijay Nagar Square, A.B. Road, Indore (M.P.) - 452010 and at any adjournment thereof in respect of such resolutions are indicated below:

Resolution No.(S)	Vote	
	For	Against
Ordinary Business		
1. Adoption of financial statements, report of Board of Director's and Auditor's for the financial year ended 31st March, 2016.		
2. Re-appointment of Mr. P. K. Gupta (DIN 01237706) as director who retires by rotation.		
3. To fix the remuneration of statutory auditors of the company for the financial year 2016-17.		
Special Business		
4. To ratify the remuneration paid to M/s. ABK & Associates, Cost Accountants, Mumbai for the financial year 2016-17.		
5. Confirmation of Mr. V. Kannan (DIN 07569790) as director of the company.		
6. Appointment of Mr. V. Kannan (DIN 07569790) as whole-time director and key managerial personnel of the company.		

Signed this ____ day of ____ 2016

Signature of Shareholder

Signature of Proxy holder

Affix
Revenue
Stamp

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy neednot be a member of the company

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**AAVANTIKA GAS LIMITED**

202-B, 2nd Floor, NRK Business Park, Vijay Nagar Square, A.B. Road, Indore (M.P.)-452010

CIN: U40107MP2006PLC018684

ATTENDANCE SLIP

PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. PLEASE ALSO BRING YOUR COPY OF THE ENCLOSED ANNUAL REPORT.

I hereby record my presence at the Tenth Annual General Meeting to be held on **Wednesday, September 21, 2016 at 4.00 pm** at 202-B, 2nd Floor, NRK Business Park, Vijay Nagar Square, A.B. Road, Indore (M.P.) – 452010.

Particulars	Name of shareholder/Proxy (in block letters)	Signature
Folio No.		
DP ID No.*		
Client ID No.*		

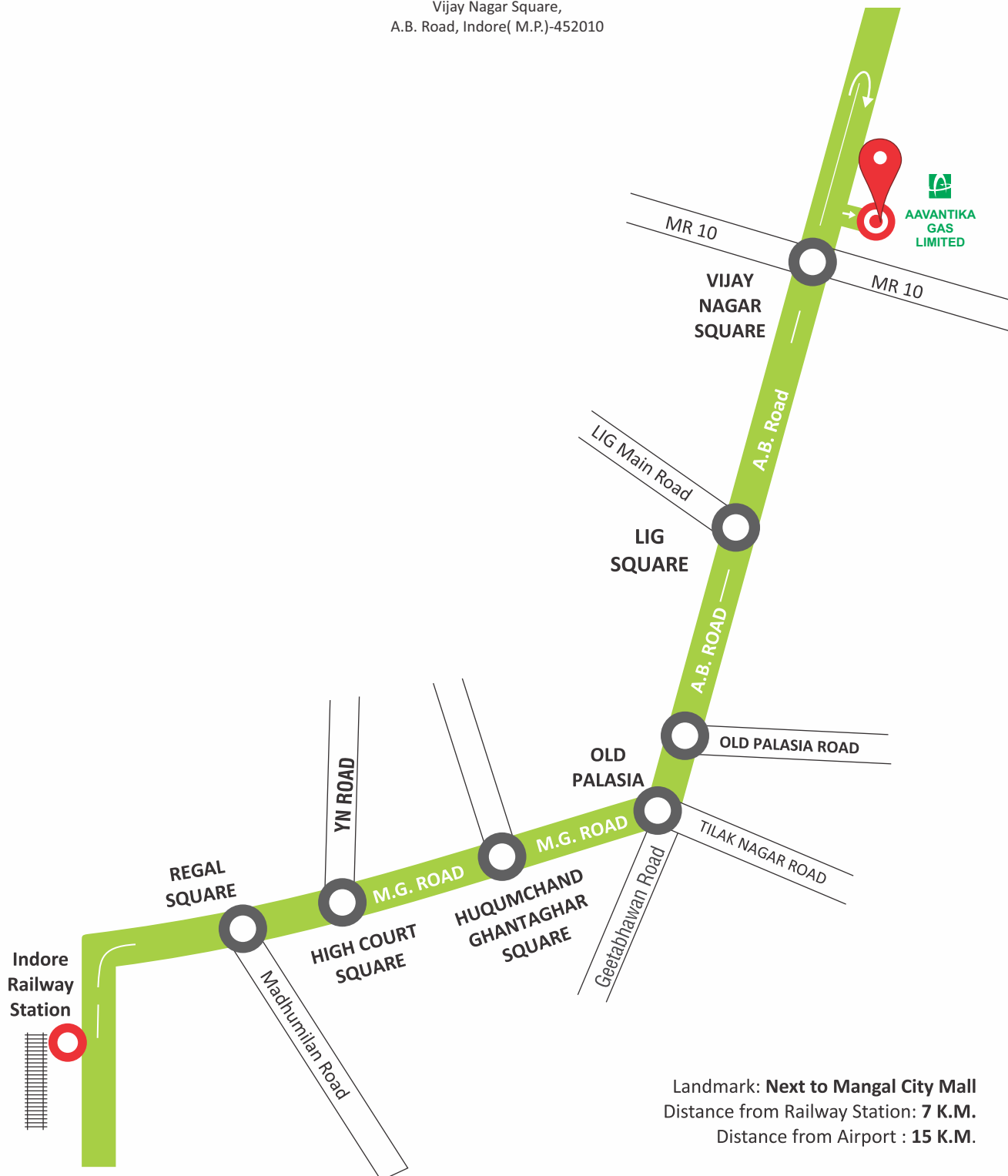
* Applicable for investors holding shares in electronic form.

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ROUTE MAP TO THE AGM

202 B, IInd Floor NRK Business Park,
Vijay Nagar Square,
A.B. Road, Indore(M.P.)-452010





PNG



CNG



AAVANTIKA GAS LIMITED

A Joint Venture Company of GAIL & HPCL

CIN : U40107MP2006PLC018684

Registered Office : 202-B, 2nd Floor, NRK Business Park,
Vijay Nagar Square, A.B. Road, Indore (M.P.) 452010 - Phone : 0731-4222520

www.aglonline.net