

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS OF

GUJARAT GAS LIMITED

Registered Office: Block No. 15, 3rd Floor, Udyog Bhavan, Sector 11,
Gandhinagar – 382 011, Gujarat
Tel No.: +91-79-26462980 Fax No.: +91-79-26466249
CIN: U40200GJ2012SGC069118
Website: www.gujaratgas.com



GUJARAT GAS

STATUTORY ADVERTISEMENT IN COMPLIANCE OF CLAUSE 6 OF PART B OF SECURITIES EXCHANGE BOARD OF INDIA (SEBI) CIRCULAR NO. CIR/CFD/DIL/5/2013 READ WITH SUB-RULE (7) OF RULE 19 OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957 ("SCRR") PURSUANT TO GRANT OF RELAXATION BY SEBI FROM THE APPLICABILITY OF RULE 19(2)(b) OF SCRR.

ABOUT THE SCHEME OF ARRANGEMENT:

The Hon'ble High Court of Gujarat at Ahmedabad sanctioned the Composite Scheme of Amalgamation and Arrangement vide order dated 30th March 2015 (certified copy of the scheme received by the Company on 18th April, 2015). A copy of the certified order has been filed with the office of the Registrar of Companies on 14th May 2015. Accordingly, the Effective Date of the Scheme is 14th May 2015 and the scheme shall be operative from appointed date i.e. 1st April 2013. As per the Scheme, the CGD Business of erstwhile GSPC Gas Company Limited ("GSPC Gas"), erstwhile Gujarat Gas Company Limited ("GGCL"), erstwhile Gujarat Gas Financial Services Limited ("GFSL") and erstwhile Gujarat Gas Trading Company Limited ("GTCL") has been transferred and vested in Gujarat Gas Limited ("GGL") (formerly known as GSPC Distribution Networks Limited or "GDLN"). The record date for determining shareholders eligible to receive shares of Gujarat Gas Limited has been fixed as 28th May, 2015.

A. NAME AND ADDRESS OF REGISTERED OFFICE

Company Name Gujarat Gas Limited
Registered Office Block No. 15, 3rd Floor, Udyog Bhavan, Sector 11, Gandhinagar – 382 011, Gujarat

B. DETAILS OF CHANGE OF NAME AND/OR OBJECT CLAUSE

Upon the Scheme becoming effective, the name of GSPC Distribution Networks Limited was deemed to have been changed to Gujarat Gas Limited as permitted by Registrar of Companies, Gujarat (vide fresh certificate of incorporation dated 15th May, 2015) in accordance with Section 21 (Corresponding notified section-13 of the Companies Act, 2013), and other relevant provisions of the Companies Act, 1956.

Further, Upon the Scheme becoming effective, the following clauses were inserted in the Main Objects clause of the Memorandum of Association of GGL:

- To carry on business of dealing with all aspects of negotiations, procurement, imports, storage, handling processing, distribution and transportation of Natural Gas, Liquefied Natural Gas ("LNG"), Coal Bed Methane ("CBM"), Naphtha, Fuel Oils, Crude Oil & other Petroleum Products, coal and any other fuels and utilization thereof.
- To administer fuel supply and purchase contracts on behalf of State Government and promoter/Companies
- To develop expertise, provide consultancy and render advisory services for various technical, legal and commercial aspects of Fuel Supply Management business and facilitating implementation of Natural Gas, LNG, CBM, Naphtha, Fuel Oils, Crude Oil & Petroleum Products, Coal and any other fuel projects
- To act as an advisory body to the Government / any other agency appointed by State Government for all aspects related to Policy and regulation of Natural Gas, LNG, CBM, Naphtha, Fuel Oils, Crude Oil & Petroleum Products, Coal and any other fuels import/ utilization.
- To promote and make strategic investment in infrastructure projects and facilities meant for augmenting fuel supply.

C. CAPITAL STRUCTURE - PRE AND POST SCHEME OF AMALGAMATION

PARTICULARS	Rs.
Authorised Share Capital	
1,500,000,000 Equity Shares of Rs. 10/- each	15,000,000,000
Issued, Subscribed And Paid Share Capital	
900,050,000 Equity Shares of Rs. 10/- each fully paid up	9,000,500,000

PARTICULARS	Rs.
Authorised Share Capital	
1,735,100,000 equity shares of Rs.10/- each	17,351,000,000
17,000,000 7.5% Redeemable Preference shares of Rs. 10/- each	170,000,000
5,000,000 Preference shares of Rs. 10/- each	50,000,000
Total	17,571,000,000
Issued, Subscribed And Paid Share Capital	
137,678,025 Equity Shares of Rs. 10/- each	1,376,780,250

D. (I) SHAREHOLDING PATTERN

Description	Gujarat Gas Limited			
	Pre-arrangement 31.3.2015		Post-arrangement 02.06.2015	
	No. of shares	%	No. of shares	%
(A) Shareholding of Promoter and Promoter Group				
1 Indian				
(a) Individuals/ Hindu Undivided Family		0		0
(b) Central Government / State Government(s)	0	0	8995462	6.53%
(c) Bodies Corporate	750,050,000	83.33%	74841246	54.36%
(d) Financial Institutions/Banks				
(e) Any Others				
Sub Total (A) (1)	750,050,000	83.33%	83836708	60.89%
2 Foreign				
(a) Individuals (Non-Residents Individuals / Foreign Individuals)				
(b) Bodies Corporate				
(c) Institutions				
(d) Any Others				
Sub Total (A) (2)	0	0.00%	0	0.00%
Total Shareholding of Promoter and Promoter Group (A) = (A) (1) + (A) (2)	750,050,000	83.33%	83836708	60.89%
(B) Public shareholding				
1 Institutions				
(a) Mutual Funds/ UTI			4450028	3.23%
(b) Financial Institutions/Banks			135019	0.10%
(c) Central Government / State Government(s)				
(d) Venture Capital Funds				
(e) Insurance Companies			2371946	1.72%
(f) Foreign Institutional Investors			16906193	12.28%
(g) Foreign Venture Capital Investors				
(h) Any Other			0	0.00%
Sub-Total (B) (1)			23863186	17.33%
2 Non-institutions				
(a) Bodies Corporate	150,000,000	16.67%	15990651	11.61%
(b) Individuals			7825160	5.66%
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.			500609	0.36%
(c) Any Other			5681711	4.12%
(d) Qualified Foreign Investors			0	0.00%
Sub-Total (B) (2)	150,000,000	16.67%	29978131	21.77%
Total Public Shareholding (B) = (B) (1) + (B) (2)	150,000,000	16.67%	53841317	39.11%
TOTAL (A)+(B)	900,050,000	100.00%	137678025	100.00%
(C) Shares held by Custodians and against which DRs have been issued				
GRAND TOTAL (A)+(B)+(C)	900,050,000	100.00%	137678025	100.00%

(II) STATEMENT SHOWING HOLDING OF SECURITIES (INCLUDING SHARES, WARRANTS, CONVERTIBLE SECURITIES) OF PERSONS BELONGING TO THE CATEGORY "PROMOTER AND PROMOTER GROUP"

Sr. No.	Name of the shareholder	Details of Shares held		Encumbered shares		Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		Number of shares held	As a % of grand total (A)+(B)+(C)	No.	As a percentage	Number of warrants held	As a % of total number of warrants of the same class	Number of convertible securities held	As a % of total number of convertible securities of the same class	
(I)	(II)	(III)	(IV)	(V)	(VI) = (V)/(IV)*100	(VII)	(VIII)	(IX)	(X)	(XI)
1	Gujarat State Petroleum Corporation Limited	39,108,328	28.40%	0	0	0	0	0	0	28.40%
2	Gujarat State Petronet Limited	35,468,471	25.76%	0	0	0	0	0	0	25.76%
3	Gujarat State Energy Generation Limited	266,447	0.19%	0	0	0	0	0	0	0.19%
4	Governor of Gujarat	8,995,462	6.53%	0	0	0	0	0	0	6.53%
TOTAL		83,836,708	60.89%	0	0.00	0	0.00	0	0.00	60.89%

(III) STATEMENT SHOWING HOLDING OF SECURITIES (INCLUDING SHARES, WARRANTS, CONVERTIBLE SECURITIES) OF PERSONS BELONGING TO THE CATEGORY "PUBLIC" AND HOLDING MORE THAN 1% OF THE TOTAL NUMBER OF SHARES

Sr. No.	Name of the shareholder	Number of shares held	Shares as a percentage of total number of shares i.e., Grand total (A)+(B)+(C)	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	Aberdeen Global Indian Equity (Mauritius) Limited	7362972	5.35	0	0.00	0	0.00	5.35
2	Gujarat Industrial Development Corporation	5328947	3.87	0	0.00	0	0.00	3.87
3	Gujarat Alkalies & Chemicals Limited	4263157	3.10	0	0.00	0	0.00	3.10
Total :		16955076	12.32	0	0.00	0	0.00	12.32

(IV) STATEMENT SHOWING HOLDING OF SECURITIES (INCLUDING SHARES, WARRANTS, CONVERTIBLE SECURITIES) OF PERSONS BELONGING TO THE CATEGORY "PUBLIC" AND HOLDING MORE THAN 5% OF THE TOTAL NUMBER OF SHARES

Sr. No.	Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them	Number of shares held	Shares as a percentage of total number of shares i.e., Grand total (A)+(B)+(C)	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	Gujarat State Fertilizers And Chemicals Limited	9382895	6.82	0	0.00	0	0.00	6.82
2	Aberdeen Global Indian Equity (Mauritius) Limited	7362972	5.35	0	0.00	0	0.00	5.35
Total :		16745867	12.17	0	0.00	0	0.00	12.17

(V) STATEMENT SHOWING DETAILS OF LOCKED-IN SHARES

(V) STATEMENT SHOWING DETAILS OF LOCKED-IN SHARES					
Sr. No.	Name of the Shareholder	Number of locked-In shares	Locked-in shares as a (%) percentage of total number of shares i.e., Grand Total (A)+(B)+(C)		Promoter / Promoter Group / Public
1	Gujarat State Petroleum Corporation Limited	14,439,414	10.49		Promoter/ Promoter Group
2	Gujarat State Petronet Limited	13,096,191	9.51		Promoter/ Promoter Group
3	Gujarat State Fertilizers And Chemicals Limited	3947369	2.87		Public
	Total :	31482974	22.87		

E. NAMES OF TEN LARGEST SHAREHOLDERS OF THE COMPANY AS ON 02/06/2015

Sr.No.	Name of Shareholder	Shares	% Equity	Interest
1	Gujarat State Petroleum Corporation Limited	39108328	28.40	Promoter
2	Gujarat State Petronet Limited	35468471	25.76	Promoter
3	Gujarat State Fertilizers And Chemicals Limited	9382895	6.82	Public
4	Governor Of Gujarat	8995462	6.53	Promoter
5	Aberdeen Global Indian Equity (Mauritius) Limited	7362972	5.35	Public
6	Gujarat Industrial Development Corporation	5328947	3.87	Public
7	Gujarat Alkalies & Chemicals Limited	4263157	3.10	Public
8	SBI Life Insurance Co. Ltd	1271097	0.92	Public
9	Aberdeen Asian Smaller Companies Investment Trust PLC	1223272	0.89	Public
10	IDFC Sterling Equity Fund	1153000	0.84	Public

F. DETAILS OF PROMOTERS OF THE COMPANY

Following are the details of the Promoters of the Company:

Name	Address	Business activity
Gujarat State Petroleum Corporation Limited ("GSPC")	GSPC Bhavan, Behind Udyog Bhavan, Sector - 11, Gandhinagar-382 011, Gujarat	GSPC is one of the leading oil and gas exploration, development and production companies in India. GSPC is also one of the largest gas trading companies in India.
Gujarat State Petronet Limited ("GSPN")	GSPC Bhavan, Behind Udyog Bhavan, Sector - 11, Gandhinagar-382 011, Gujarat	The business of the company is to develop and operate natural gas transmission network.
Gujarat State Energy Generation Limited ("GSEG")	Block No.15, 2 nd floor, Udyog Bhavan, Sector No.11, Gandhinagar	GSEG is a Special Purpose Vehicle (SPV) formed by GSPC to generate power in Gujarat by harnessing the eco-friendly and economical natural gas.
Governor of Gujarat	Raj Bhavan, Gandhinagar, Gujarat	Not applicable

G. BUSINESS OF THE COMPANY AND ITS MANAGEMENT

Business:

Gujarat Gas Limited had been incorporated on 21st February 2012 as a public limited company under the Companies Act, 1956, with its main object to carry on, sale, purchase, supply, distribution, transport, trading in Natural Gas, CNG, LNG, LPG & other Gaseous form through Pipelines, Trucks/Trains or such other suitable mode for transportation/distribution of Natural Gas, CNG, LNG, LPG & other Gaseous Form.

Management:

Sr. No.	Board of Directors	Designation
1	Mr. G.R. Aloria, IAS	Director & Chairman
2	Mr. L. Chauguano, IAS	Director
3	Mr. Alanu Chakraborty, IAS	Director
4	Mr. Sanjeev Kumar, IAS	Director
5	Mr. Mukesh Kumar, IAS	Director
6	Mr. Jal Patel	Independent Director
7	Mr. Ajit Kapadia	Independent Director
8	Mr. K. D. Chatterjee	Independent Director
9	Prof. Pradip Khandavalla	Independent Director
10	Mrs. Manjula Shroff	Independent Woman Director

H. REASON FOR THE AMALGAMATION

As a measure to consolidate the City Gas Distribution business, GSPC Group management had decided to amalgamate the city gas distribution business of GSPC Gas, GGCL, GFSL and GTCL into GGL (Formerly GDLN) by way of a High Court approved Scheme of Amalgamation. The amalgamation, inter alia, would result in the following benefits:

- Synergistic benefits, better leverage combined asset and capital base, build a stronger and sustainable business and improve the potential for further growth and expansion;
- Operational rationalisation, organisational efficiency, reduction of administrative, managerial and other expenditures and strengthen the asset base, revenue, business volume and market share;
- Improved organizational leadership;
- Efficiency in cash management, unfettered access to cash flow, large net worth and borrowing capacity to expand its business;
- Reduction in the multiplicity of legal and regulatory & other applicable compliances.

I. FINANCIAL STATEMENTS FOR THE PREVIOUS THREE YEARS PRIOR TO THE DATE OF LISTING

Annexure - 1

J. LATEST AUDITED FINANCIAL STATEMENTS ALONG WITH NOTES TO ACCOUNTS AND ANY AUDIT QUALIFICATIONS. CHANGE IN ACCOUNTING POLICIES IN THE LAST THREE YEARS AND THEIR EFFECT ON PROFITS AND RESERVES

Annexure - 1

K. DETAILS OF GROUP COMPANIES INCLUDING THEIR CAPITAL STRUCTURE AND FINANCIAL STATEMENTS

The Company submitted its Information Memorandum containing information about itself, its promoters, and promoter group companies having disclosures in line with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. For information on Group companies including their capital structure and financial statements, please refer Section 7.7 – Group Companies in the Information Memorandum which is available on www.gujaratgas.com

L. OUTSTANDING LITIGATIONS AND DEFAULTS OF THE TRANSFEREE ENTITY, PROMOTERS, DIRECTORS OR ANY OF THE GROUP COMPANIES

The Company submitted its Information Memorandum containing information about itself, its promoters, and promoter group companies having disclosures in line with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. For information on outstanding litigations and defaults of the Company, promoters, directors and group companies, please refer Section 8 - Legal and other Information - Outstanding Litigation and Material Information in the Information Memorandum which is available on www.gujaratgas.com

M. PARTICULARS OF HIGH, LOW AND AVERAGE PRICES OF THE SHARES OF THE LISTED TRANSFEROR ENTITY DURING THE PRECEDING THREE YEARS

Financial Year	BSE		
	High (Rs.)	Low (Rs.)	Average (Rs.)
April 2012-March 2013	408.85	238.10	303.45
April 2013-March 2014	305.80	159.00	240.78
April 2014-March 2015	812.55	256.00	511.71

N. MATERIAL DEVELOPMENT AFTER THE DATE OF THE BALANCE SHEET

- In-principle approval for listing of 137,678,025 equity shares of Rs. 10/- each of the Company received from BSE Limited on 3rd August, 2015, NSE on 5th August, 2015, VSE on 6th August, 2015 & ASE on 7th August, 2015.
- Securities and Exchange Board of India (SEBI) granted in principle relaxation under Rule 19(2) (b) of the Securities Contract (Regulation) Rules, 1957 vide its letter dated 3rd August, 2015.
- Equity shares of Rs. 10 each allotted on 2nd June, 2015, have been credited by the Depositories into the share holders account on 25th June, 2015 and the physical share certificates have been dispatched on 26th June, 2015 by Kavya Computershare Pvt. Ltd. The ISIN for the said equity shares is INE844O10122, which is suspended as per High Court Order regarding issue of shares pursuant to Amalgamation.

ANNEXURE - 1

Gujarat Gas Limited (Formerly known as GSPC Distribution Networks Limited)
Balance Sheet as at 31st March 2015, 31st March 2014 and 31st March 2013

Particulars	Note No.	As at 31 st March 2015	As at 31 st March 2014	As at 31 st March 2013
EQUITY AND LIABILITIES				
Shareholders' funds				
(a) Share capital	2	137.68	137.68	0.05
(b) Reserves and surplus	3	1,853.23	1,498.12	(3.87)
		1,990.91	1,635.80	(3.82)
-Share application money pending allotment				348.00
Non-current liabilities				
(a) Long-term borrowings	4	1,490.78	1,592.43	1,500.00
(b) Deferred tax liabilities (Net)	5	352.77	289.23	-
(c) Other Long term liabilities	6	561.44	522.53	3.19
(d) Long-term provisions	7	21.90	9.85	-
		2,426.89	2,414.04	1,503.19
Current liabilities				
(a) Short-term borrowings	8		3.69	-
(b) Trade payables	9	426.24	526.04	2.05
(c) Other current liabilities	10	1,983.07	2,073.73	-
(d) Short-term provisions	11	85.50	0.60	0.74
		2,474.81	2,604.06	2.79
TOTAL		6,892.61	6,653.90	1,850.16
ASSETS				
Non-current assets				
(a) Fixed assets	12			
(i) Tangible assets		4,320.87	4,327.91	-
(ii) Intangible assets		165.79	145.53	-
(iii) Capital work-in-progress		357.19	269.87	-
(iv) Intangible ast. under develop.		0.20	0.20	-
Total Fixed Assets		4,844.05	4,743.51	-

SATURDAY, AUGUST 22, 2015

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B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets including capital work in progress and capital advances	(352.46)	(345.58)	
Sale of Non-current Investments	0.08		
Sale of Current Investment	2,662.92	3,141.56	
Purchase of Non-current investments	(2,463.47)	(2,463.47)	(347.68)
Purchase of Current Investment	(2,919.33)	(1,917.75)	(1,499.91)
Interest Received	50.41	54.39	
Sale of Fixed Assets	1.67	8.48	
Dividend Income	54.72	31.08	
Net Cash used in Investing Activities	(501.99)	(1,491.27)	(1,847.59)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Share Application Money	-	500.00	348.05
Proceeds from Long-term borrowings	133.33	1,599.08	1,500.00
Proceeds from Short-term borrowings	-	33.69	-
Repayment of Long-term borrowings	(205.26)	(799.63)	-
Repayment of Short-term borrowings	(3.69)	(40.83)	-
Interest Paid	(487.42)	(135.09)	-
Dividend Paid (including tax thereon)	(0.20)	(60.10)	-
Net Cash from Financing Activities	(563.24)	1,097.12	1,848.05
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	114.58	17.70	0.06
Cash and Cash Equivalents at the beginning of the year	59.68	41.97	-
Cash and Cash Equivalents at the end of the year	174.26	59.67	0.06
Closing Cash and Cash Equivalents comprise:			
Cash in hand	1.01	0.82	-
Balances with Scheduled Banks	26.09	33.11	0.06
Balances in Fixed Deposits	147.17	25.75	-

Notes to Cash Flow Statement:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statements.
- Purchase of fixed assets are stated inclusive of movements of capital work in progress, assets under development and capital advances.
- Previous year figures have been regrouped and reclassified wherever considered necessary to conform to the current year's figures.
- Figures in bracket indicate cash-outflow.

Gujarat Gas Limited (Formerly known as GSPC Distribution Networks Limited)
Notes to Financial statements for the year ended 31st March, 2015

Note 1 - Significant Accounting Policies**1. General Information**

- Gujarat Gas Limited ("Company") formerly known as GSPC Distribution Networks Limited (GDNL) is engaged in Natural Gas Business in Gujarat. Natural gas business involves distribution of gas from sources of supply to centres of demand and to the end customers.
- The scheme of amalgamation and arrangement was sanctioned by the Hon'ble, Gujarat High Court at Ahmedabad vide its order dated 30th March 2015 between the following transferor companies:-
 - GSPC Gas Company Limited (GSPC Gas)
 - Gujarat Gas Company Limited (GGCL)
 - Gujarat Gas Financial Services Limited (GFSL)
 - Gujarat Gas Trading Company Limited (GTCL) (Collectively called Transferor Companies)
 with Gujarat Gas Limited (formerly known as GSPC Distribution Networks Limited-GDNL) (the transferee) under the Scheme of Amalgamation and Arrangement with appointed date as 1st April, 2013. The certified copy of order was received on 18th April 2015 and filed with Registrar of Companies (ROC) at Ahmedabad on 14th May 2015. The Scheme of Amalgamation became effective on 14th May, 2015 with an appointed date of 1st April, 2013. Subsequently, the company's name has been changed from GSPC Distribution Networks Limited to Gujarat Gas Limited (GGL) with effect from 15th May 2015.

2. Basis of Preparation of Financial Statements

The financial statements have been prepared under historical cost convention on accrual and going concern basis of accounting. The financial statements have been prepared and presented to comply in all material aspects with the Generally Accepted Accounting Principles (GAAP) in India and the Accounting Standards specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions. The company has consistently applied the accounting principles and policies; and accounting policies not referred to otherwise, are in conformity with IGAAP.

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

3. Use of Estimates

The preparation of financial statements in conformity with IGAAP requires management to make certain estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Such estimates and assumptions are based on evaluation of relevant facts and circumstances as on date of the financial statements. Differences between the actual results and estimates are recognized in the period in which they are known or materialise.

4. Fixed Assets and Capital Work In Progress (CWIP)**a. Tangible assets**

Fixed assets are stated at their cost of acquisition / construction less depreciation and impairment, if any. The cost comprises of the purchase price and any attributable cost for bringing the asset to its working condition for its intended use, like freight, duties, taxes and other incidental expenses, net of CENVAT recoverable.

The Company capitalises to project assets all the cost directly attributable and ascertainable, to completing the project. These costs include expenditure of pipelines, plant and machinery, cost of laying of pipeline, cost of survey, commissioning and testing charge, detailed engineering and interest on borrowings attributable to acquisition of such assets. The gas distribution networks are treated as commissioned when supply of gas commences to the customer(s).

Costs of meter / regulator consumed for initial connection to customers are capitalized as per underlying contracts with customers and consumed for replacement during the year are charged to statements of profit & loss.

Gains or losses arising from disposal/retirement of fixed assets, which are carried at cost, are recognized in the Statement of Profit and Loss.

b. Intangible Assets

Intangible Assets includes amount paid towards obtaining the Right of Use (ROU) of land and Right of Way (ROW) permissions for laying the gas pipeline network and cost of developing software for internal use. The Company capitalises software as Intangible Asset in terms of Accounting Standard -26 "Intangible Assets" where it is expected to provide future enduring economic benefits.

On the acquisition of an undertaking, the difference between the purchase consideration and the value of the net assets acquired is recognized as goodwill / reserve.

c. Capital Work In Progress

Capital Work in Progress -CWIP includes expenditure incurred on assets, which are yet to be commissioned and capital inventory, which comprises stock of capital items/construction materials at respective city gas network.

All the identifiable and ascertainable expenditure including direct, indirect expenses, incidental and related to construction incurred during the period of construction on a project, till it is commissioned, is kept as Capital work in progress (CWIP) and after commissioning the same is transferred / allocated to the respective fixed assets.

5. Depreciation and Amortization

a) Depreciation is provided on Straight Line Method (SLM) over the useful lives of the assets as specified in Schedule II of the Companies Act, 2013, read with the following notes:

- The Schedule specifies useful life of Pipelines as 30 years for those used in exploration, production and refining of oil and gas. The Company has considered the useful life of 30 years for the pipelines used in city gas distribution businesses.
- City gas stations, skids, pressure regulating stations, meters & regulators are estimated to have useful life of 18 years based on technical evaluation by external valuer.
- Cost of mobile phones, are expensed off in the year of purchase.

b) Depreciation on assets acquired and or disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal.

c) Intangible assets are amortized over their individual estimated useful lives on a Straight Line basis, commencing from the year in which the same are available to the company for its intended use. The useful lives as estimated by the management for the intangible assets are as follows:

- Right of Way (ROW) Permissions 30 Years
(Considered more than 10 years as inextricably linked and dependent on the useful life of pipeline networks as referred 5(a) above for which the Right of Way has been obtained).
- Software and other Intangibles 6 Years.

d) Cost of leasehold land is amortized equally over the period of lease.

e) No amortisation is charged on Right of Use (ROU) of Land being perpetual in nature.

f) The Company has constructed / installed CNG stations' buildings and machineries, on land taken on lease from various lessees under lease deed for periods ranging from 35 years to 99 years. However, assets constructed / installed on such land have been depreciated at useful lives as referred above, as the management does not foresee non-renewal of the above lease arrangements by the lessees.

Capital assets installed at the customers' premises on the land of the customers have been depreciated at the rates specified as above.

6. Impairment of Assets

In accordance with Accounting Standard 28 on "Impairment of Assets" at the balance sheet date, Fixed Assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

7. Revenue Recognition

a) Sale of Natural Gas is recognized on supply of gas to customers by metered/assessed measurements as no significant uncertainty exists regarding the measurability or collectability of the sale consideration. Sales are billed bi-monthly for domestic customers, monthly/fortnightly for commercial and non-commercial customers and fortnightly for industrial customers. Revenue on sale of Compressed Natural Gas (CNG) is recognized on sale of gas to consumers from retail outlets. Sales of natural gas are stated inclusive of excise duty and net of value added tax.

b) Gas transmission income is recognized in the same period in which the related volumes of gas are delivered to the customers.

c) Commitments (take or pay charges) income from customers for gas sales and gas transmission is recognized on establishment of certainty of receipt of consideration from its customers.

d) The amounts charged from customers for gas connections are accounted based on the terms of the underlying contract with customers by accounting the revenue on commencement of the supply of gas to the customer as Connection, Service and Fitting Income under other operating revenue. The amounts collected towards connection charges from certain domestic customers are "non-refundable charges". Accordingly, the same are recognized as revenue as and when the Company commences the supply of

gas to the customers and such amount is charged to customers. Until then, the amounts so collected are shown as "Advances received from customers" in the balance sheet. The company has provided the instalments facility to certain domestic customers towards "connection charges" which are non-refundable, the total amount of such instalments are recognized as revenue as and when the company commences the supply of gas to the customers.

The connection amounts collected from certain domestic customers which are "refundable" in nature. Accordingly, the same are recognized as a liability under head "Deposit from Customers" in the balance sheet as and when the Company commences the supply of gas to the customers. Until then, the amounts so collected are shown as advances received from customers in the balance sheet. The difference between the amounts charged from customers for gas connections and amounts of connection which are refundable is disclosed as revenue as and when the company commences the supply of gas to the customers.

e) Revenue in respect of interest/late payment charges on delayed realizations from customers and cheque bounce charges, if any, is recognized on grounds of prudence and on the basis of certainty of collection.

f) Liquidated damages income, if any is recognized at the time of recording the purchase of materials in books of accounts and the matter is considered settled by the Management.

g) Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

h) Dividend income is recognised, when the right to receive the dividend is established by the reporting date.

i) Other operating income and misc. income are accounted on accrual basis as and when the right to receive arises.

8. Borrowing Costs

Interest and other costs in connection with the borrowing of funds to the extent they relate to the acquisition / construction of qualifying fixed assets as defined in Accounting Standard 16 on "Borrowing Costs" are capitalized as part of the cost of such assets up to the date of commissioning. The Expenses incurred in connection with the arrangement of borrowings are capitalized over the period of the borrowing and every year such cost is apportioned to assets based on the actual amount borrowed during the year. All other borrowing costs are recognized as expense in the period in which they are incurred and charged to the profit and loss statement.

9. Investments

Investments are classified as long term or short term in accordance with Accounting Standard 13 on "Accounting for Investments". Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long term investments are stated at cost less provisions recognized in the carrying value of each investment. Provision, if any, is made to recognize any diminution in value of investments, other than that of a temporary nature. Current investments are stated at lower of cost and fair value determined category wise. Any reduction in carrying amount and any reversals of such reductions are charged or credited to the profit and loss statement.

10. Inventories

Inventory of Gas (including inventory in pipeline and CNG cascades) is valued at lower of cost and net realizable value. Cost is determined on weighted average cost method.

Stores, spares and consumables are valued at lower of cost and net realizable value. Cost is determined on moving weighted average basis.

Inventories of Project materials (Capital Inventory) are valued at cost on moving weighted average basis.

11. Foreign Currency Transactions**Initial Recognition**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of monetary items are recognized in the Statement of Profit and Loss.

Any income or expense on account of foreign exchange difference either on settlement or on translation is recognised in the statement of profit and loss in line with the provisions of Accounting Standard -11 on "The Effects of Changes in Foreign Exchange Rates".

12. Employee Benefits

Employee Benefits are provided in the books as per Accounting Standard -15 on "Employee Benefits" (revised 2005) in the following manner:

Post-employment benefit plans**Defined Contribution Plan**

Contribution towards provident fund for eligible employees are accrued in accordance with applicable statutes and deposited with the regulatory authorities. The Group does not carry any other obligation apart from the monthly contribution.

Defined benefit plan

The company provides for gratuity, a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity Act, 1972, through an approved Gratuity Fund. The Gratuity Fund is administered through a Trust. Contributions in respect of gratuity are made to the approved Gratuity Fund. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year and is recognized in the Balance sheet as reduced by the fair value of Gratuity Fund. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Long term employee benefits

The liability in respect of accrued leave benefits which are expected to be availed or encashed beyond 12 months from the end of the year, is treated as long term employee benefits. The Company's liability is actuarially determined using the Projected Unit Credit method at balance sheet date. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the services. Short term employee benefits also include accrued leave benefits, which are expected to be availed or encashed within 12 months from the end of the year.

Employee Stock Option Plan

Stock Option grants to the employees who accept the grant under the Stock Option Plan are accounted in accordance with Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 and Guidance Note on Accounting for Employee Share-based Payments issued by the Institute of Chartered Accountants of India. The company follows the fair value method for option pricing and accordingly the fair value of the option as of the date of the grant of the option is recognized as employee compensation cost which is charged to Statement of Profit and Loss on straight line basis over the vesting period of the option.

13. Leases**Operating Lease****As a lessee:**

The Company has entered into cancellable operating lease arrangements for office premises, staff quarters and others. The lease rentals paid for the same are charged to the Statement of Profit and Loss. The lease rentals on non-cancellable lease contract are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

As a lessor:

The Company has leased certain tangible assets and such leases where the group has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the lease term which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognized as an expense in the Statement of Profit and Loss in the period in which they are incurred. Initial direct costs are recognized as an expense in the Statement of Profit and Loss in the period in which they are incurred.

Finance lease**As a lessor:**

The Company has leased certain tangible assets and such leases where the Company has passed on substantially all the risks and rewards of ownership are classified as finance leases.

The aggregate of minimum lease payments less unearned finance income is recognized as a receivable. Unearned finance income is arrived at, as the difference between the aggregate of minimum lease payments and its present value based on the rate of return implicit as per the terms of the agreement. Finance income is recognized over the term of the lease using net investment method, which reflects a constant periodic rate of return. Initial direct costs are recognized as an expense in the Statement of Profit and Loss in the period in which they are incurred.

14. Taxes on Income

Tax provision comprises of current tax and deferred tax.

Tax provision is made for the current tax based on tax liability computed in accordance with relevant tax rates and tax laws that have been enacted as on balance sheet date.

Deferred tax liability and assets is computed as per Accounting Standard (AS-22) on "Accounting for Taxes on Income". Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax asset is recognized on carried forward losses (if any) under tax laws, only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax assets against the current tax liabilities.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

Provision for Wealth Tax is made in accordance with the provisions of the Wealth Tax Act, 1957.

15. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the company's earnings per share is the net profit for the period after deducting preference dividends, if any, and any attributable distribution tax thereto for the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of any dilutive potential equity shares.

16. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Provision for contractual obligation has been disclosed based on management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent liabilities are disclosed in the Notes to Financial Statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent assets are neither recognized nor disclosed in the financial statements.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

17. Segment reporting

The Company primarily operates in the segment of Natural Gas Business. Natural gas business involves distribution of gas from sources of supply to centres of demand and to the end customers. Accordingly, disclosures relating to primary and secondary business segments under the Accounting Standard 17 on Segment Reporting are not relevant to the Company.

18. Cash Flow Statement

The Cash Flow Statement is prepared by the "Indirect Method" set out in Accounting Standard 3 on "Cash Flow Statements" and presents the cash flows by operating, investing and financing activities of the company. Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand, current account balances with Banks and demand deposits with banks.

Cash equivalents consist of investments with original maturity of three months or less and which are readily convertible to known amounts of cash.

19. Prior Period Adjustments

In respect of the transactions pertaining to the one or more prior periods, the expenditure / (income) relating to prior period as a result of errors or omission in the preparation of financial statements, is shown under the head "Prior Period Adjustments Account" in the profit and loss statements as per the provisions of Accounting Standard 5 on "Net Profit or Loss for the period, Prior Period Items and Changes in Accounting Policies".

20. Proposed Dividend

Dividend recommended by the Board of directors is provided for in the accounts, subject to the approval of the shareholders in the Annual General Meeting.

21. Insurance Claims

The company accounts for insurance claims when there is certainty that the claims are realizable and acknowledged by insurance company and amount recognized in books of accounts is as under:

In case of loss of asset/goods by transferring, either the carrying cost of the relevant asset / goods or insurance value (subject to deductibles), whichever is lower under the head "Claims Recoverable-Insurance". In case insurance claim is, less than carrying cost the difference is charged to Profit and Loss statement.

As and when claims are finally received from insurer, the difference, if any, between Claims Recoverable-Insurance and claims received is adjusted to Profit and Loss statement.

22. Event Occurring after Balance Sheet Date

Material adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Non adjusting events (that are indicative of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed in the reports of the board of directors.

Gujarat Gas Limited (Formerly known as GSPC Distribution Networks Limited)
Notes to Financial statements for the year ended 31st March 2015

Note 2 SHARE CAPITAL

2.1 AUTHORISED, ISSUED, SUBSCRIBED, FULLY PAID UP SHARE CAPITAL

Share Capital	Amount Rs. In Crores		Amount Rs. In Crores	
	As at 31 st March 2015		As at 31 st March 2014	
	No. of shares	Amount	No. of shares	Amount
Authorised				
Equity Shares of Rs.10 each	1,73,51,00,000	1,735.10	1,73,51,00,000	1,735.10
7.5% Redeemable preference Shares of Rs.10 each	1,70,00,000	17.00	1,70,00,000	17.00
Preference shares of Rs. 10 each (Refer Note below)	50,00,000	5.00	50,00,000	5.00
Issued, Subscribed and Paid up				
Equity Shares of Rs.10 each fully paid up (Refer Note below)	13,76,78,025	137.68	13,76,78,025	137.68
Total	13,76,78,025	137.68	13,76,78,025	137.68

Note 1: Out of the above, 12,45,20,130 Equity Shares of Rs. 10 each have been allotted as fully paid pursuant to the Scheme of Amalgamation without payments being received in cash.

Note 2: Pursuant to the scheme, the authorized share capital of the Company on the effective date has automatically stand increased by merging the authorized share capital of transferor Company with transferee Company without any further act or deed on the part of the transferee Company, including payment of stamp duty and Registrar of Companies fees, for the authorized share capital of transferor Company.

2.2 RECONCILIATION OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING PERIOD

Particulars	Amounts in Crores			
	As at 31 st March 2015		As at 31 st March 2014	
	Equity Shares of Rs. 10 each fully paid		Equity Shares of Rs. 10 each fully paid	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the period	13,76,78,025	137.68	50,000	0.05
Add: Shares issued during the period for cash			90,00,00,000	900.00
Add: Shares issued during the period pursuant to the scheme of amalgamation and arrangement			12,45,20,130	124.52
Add: Shares bought back during the period				
Less: on account of capital reduction			48,68,42,105	486.84
Less: Shares cancelled pursuant to the scheme of amalgamation			40,00,50,000	400.05
Shares outstanding at the end of the period	13,76,78,025	137.68	13,76,78,025	137.68

(Continued from the previous page)

Securities Premium Account		
General Reserve		
Opening Balance		
Add : Adjustment from Stock Options Outstanding Account	2.06	
Closing Balance	2.06	
Surplus in Statement of Profit and Loss		
Opening balance	(26.06)	(3.87)
Add: Profit/(Loss) for the year as per Statement of Profit and Loss	443.58	28.43
Closing Balance	417.52	24.56
Less : Appropriations:		
Depreciation Adjustment [refer note 12 (1)]	5.29	
Proposed Dividend	68.84	
Corporate Tax on Dividend	14.01	19.55
Interim Dividend		29.94
Short-(Excess) Provision of dividend distribution tax of earlier year		0.07
Transfer to Stock Options Outstanding Account		1.05
Transfer to Debenture Redemption Reserve	125.00	
Closing Balance	204.38	(26.05)
Debenture Redemption Reserve		
Opening Balance		
Add : Transfer during the year	125.00	
Closing Balance	125.00	
Total	1,853.23	1,498.12

Note 4 LONG TERM BORROWINGS		
Amount Rs. in Crores		
Long Term Borrowings	As at 31 st March 2015	As at 31 st March 2014
Secured		
(a) Term loans from banks	774.12	925.77
from other parties	216.66	83.33
Total - [A]	990.78	1,009.10
Unsecured		
(a) Term loans from other parties		83.33
(b) Redeemable, Unlisted, and Non-Convertible Debentures - NCD	500.00	500.00
Total - [B]	500.00	583.33
Total - [A + B]	1,490.78	1,592.43

Note 5 DEFERRED TAX LIABILITY (NET)		
Major components of deferred tax liability and assets are as follows:		
Amount Rs. in Crores		
Component	As at 31 st March 2015	As at 31 st March 2014
Opening Balance		
Depreciation	306.83	
Expenditure Disallowed U/s. 43B of the Income Tax Act	(9.28)	
On account of Carry-forward of loss & Unabsorbed Depreciation	(8.32)	
Transferred pursuant to scheme of amalgamation and arrangement		225.45
Total	289.23	225.45
Closing Balance		
Depreciation	368.42	306.83
Expenditure Disallowed U/s. 43B of the Income Tax Act, 1961	(12.64)	(9.28)
On account of Carry-forward of loss & Unabsorbed Depreciation		(8.32)
Total	355.78	289.23
Increase/(Decrease) during the year on account of depreciation adjustment	3.01	-
Net Amount Recognised in the Balance sheet	352.77	289.23
Increase/(Decrease) during the year and recognised in Profit and Loss Statement	66.56	63.77

Note 6 OTHER LONG TERM LIABILITIES		
Amount Rs. in Crores		
OTHER LONG TERM LIABILITIES	As at 31 st March 2015	As at 31 st March 2014
Security Deposits from Customers	557.72	519.21
Deposit from collection centres and others	3.72	3.17
Other payables		0.15
Total	561.44	522.53

Note 7 LONG TERM PROVISIONS		
Amount Rs. in Crores		
Long Term Provisions	As at 31 st March 2015	As at 31 st March 2014
Provision for employee benefits		
Gratuity		0.13
Leave Encashment (unfunded)	21.90	9.72
Total	21.90	9.85

Note 8 SHORT TERM BORROWINGS		
Amount Rs. in Crores		
Short Term Borrowings	As at 31 st March 2015	As at 31 st March 2014
Loans repayable on demand from banks		3.69
The company does not have any continuing defaults in repayment of loans and interest as at the reporting date.		
Total	-	3.69

Note 9 TRADE PAYABLES		
Amount Rs. in Crores		
Trade Payables	As at 31 st March 2015	As at 31 st March 2014
Trade payables - Gas Purchase / Transmission	385.43	471.95
Trade payables - Others	40.81	54.09
Total	426.24	526.04

Note 10 OTHER CURRENT LIABILITIES		
Amount Rs. in Crores		
Other Current Liabilities	As at 31 st March 2015	As at 31 st March 2014
Other Current Liabilities :		
Current maturities of long-term debt (Term Loans)		
From Banks (Secured)	151.61	71.88
From Other Parties (Unsecured)	1,583.33	1,633.33
	1,734.94	1,705.21
Interest accrued but not due on borrowings	26.90	168.83
Interest payable others		12.32
Other Payables :		
Payables for Capital Goods and Services	119.49	97.64
Advances from Customers towards MGO	21.20	17.57
Advances from Customers towards Connection	36.82	37.12
Security Deposit from Suppliers	4.89	3.80
Unpaid Dividend	2.82	3.02
Duties and Taxes	14.54	27.28
PF Payable	1.01	0.94
Other Payable to related parties	0.33	-
Other Payable	0.13	-
Other Current Liabilities :		
BG Asia Pacific Holdings Limited	464.78	464.78
Less : Amount deposited in Escrow Account with Citi Bank	(464.78)	(464.78)
Net Payable	-	-
Total	1,963.07	2,073.73

Note 11 SHORT TERM PROVISIONS		
Amount Rs. in Crores		
Short Term Provisions	As at 31 st March 2015	As at 31 st March 2014
Provision for Wealth Tax(Net)	0.11	0.10
Provision for Proposed Dividend	68.84	-
Provision for Dividend Distribution Tax	14.01	-
	82.85	-
Provision for Employee Benefits :		
Gratuity	1.91	0.15
Superannuation	0.14	-
Leave Encashment (unfunded)	0.49	0.35
	2.54	0.50
Total	85.50	0.60

Note 12 FIXED ASSETS (Rs. in Crores)										
Particulars	Gross Block			Depreciation and Amortisation						
	As at 1 st April 2014	Addition during the year	Disposal	As at 31 st March 2015	As at 1 st April 2014	For the year	Disposal / Adjust- ment	As at 31 st March 2015	As at 1 st April 2014	As at 31 st March 2014
TANGIBLE ASSETS :										
Leasehold Land	11.19	-	-	11.19	0.18	0.17	-	0.35	10.84	11.02
Freehold Land	379.23	-	0.27	378.96	-	-	-	378.96	379.23	-
Buildings	176.10	4.06	0.73	179.43	3.68	3.90	0.32	7.26	172.17	172.42
Plant and Machinery	3,960.21	220.55	5.37	4,175.39	246.83	203.15	0.97	449.01	3,726.38	3,713.37
Furniture and Fixture	13.73	0.66	0.92	13.47	1.34	2.63	0.25	3.72	9.75	12.39
Computer Equipments	23.86	1.32	0.01	25.17	6.58	10.06	0.01	16.63	8.54	17.27
Office Equipments	14.23	3.02	0.52	16.73	0.88	8.43	0.47	8.94	7.79	13.25
Vehicles	10.90	0.34	1.05	10.19	1.94	2.38	0.54	3.78	6.41	8.95
Books and Periodicals	-	0.10	-	0.10	-	-	-	0.07	0.03	-
Total Tangible Assets (A)	4,589.45	230.05	8.87	4,810.63	261.53	230.79	2.56	489.76	4,320.87	4,327.91

INTANGIBLE ASSETS :												
ROW Permissions	98.73	32.04	0.24	130.53	3.17	3.74	0.01	6.90	123.63	95.56		
ROU	9.03	1.35	-	10.38	-	-	-	-	10.38	9.03		
Software and other intangibles	57.77	2.30	0.22	59.85	16.83	11.46	0.22	28.07	31.78	40.94		
Total Intangible Assets (B)	165.53	35.69	0.46	200.76	20.00	15.20	0.23	34.97	165.79	145.53		
Total Assets	4,754.98	265.74	9.33	5,011.39	281.53	245.99	2.80	524.73	4,486.66	4,473.44		
Previous year	-4,769.33	14.36	4,754.97	-	282.64	1.11	281.53	4,473.44	-	-		

Note 1 - During the current year, the Company has revised the useful lives of certain fixed assets as per useful life specified in Schedule II to the Companies Act, 2013 or as reassessed by the Company as on 1 April 2014. Accordingly, the carrying value of fixed assets as on that date, net of residual value, has been depreciated over the revised remaining useful lives. Depreciation adjustment amount of INR. 8.31 Crores represents the carrying value of assets, whose remaining useful life is Nil as at April 1, 2014 pursuant to change in useful life of assets, as per Companies Act, 2013. Rs. 5.29 Crores (WDV - net of deferred tax of INR 3.01 Crores) has been charged to the opening balance of retained earnings.

Note 2 - There is no impairment of any assets in terms of Accounting Standard - 28 (AS-28) on "Impairment of Assets". Based on the review, the management is of the opinion that there are no impairment indicators that necessitate any adjustments to the carrying value of assets.

Note 3 - Borrowing Cost: Additions to the fixed assets during the current year includes borrowing costs capitalized Rs. 6.28 Crores (Previous Year Rs. 13.95 Crores) pertaining to borrowings for qualifying assets as per the requirements of Accounting Standard - 16 (AS-16) "Borrowing Costs".

Note 4 - Previous year additions included assets acquired in pursuant to scheme of amalgamation and arrangement Rs. 4294.76 Crores.

Note 5 - During the current year, the Company has revised the useful lives of certain fixed assets as per useful life specified in Schedule II to the Companies Act, 2013 or as reassessed by the Company as on 1 April 2014. Accordingly, the carrying value of fixed assets as on 01 April 2014, net of residual value, has been depreciated over the revised remaining useful lives. As a result of this change, the depreciation charge for the year is lower by Rs. 33.19 crores.

Note 13 NON-CURRENT INVESTMENTS		
Amount Rs. in Crores		
Non-Current Investments	As at 31 st March 2015	As at 31 st March 2014
Aggregate amount of unquoted investments	162.03	162.18
Total	162.03	162.18
Aggregate amount of Provision for diminution in the value of Unquoted Investments		(0.07)
Total	162.03	162.11

Note 14 LONG TERM LOANS AND ADVANCES		
Amount Rs. in Crores		
Long Term Loans and Advances	As at 31 st March 2015	As at 31 st March 2014
Capital Advances [Unsecured, considered good]	19.19	6.90
Security Deposits		
To Others [Unsecured, considered good]	23.97	17.66
To related parties [Unsecured, considered good]	1.05	0.83
To Others [Unsecured, considered doubtful]	5.81	5.59
Less: Provision for doubtful deposits	(5.81)	(5.59)
	25.02	18.29
Loan to Employees	1.93	1.70
Prepaid Expenses	4.70	1.37
Advance Against Expenses (Receivables in cash/kind in value to be received)		
For Advance against Expenses-other [Unsecured, considered good]	0.16	0.15
For Advance against Expenses-doubtful	0.03	0.03
	0.19	0.18
	0.03	0.03
	0.16	0.15
Balances with Government authorities	13.30	0.06
Advance to ESOP Trust	3.01	7.33
Total	67.31	35.80

Note 15 OTHER NON-CURRENT ASSETS		
Amount Rs. in Crores		
Other non-current assets	As at 31 st March 2015	As at 31 st March 2014
Bank Deposits	0.01	7.51
Other Receivable [Unsecured, considered doubtful]	0.36	0.36
Less : Provision for Doubtful	(0.36)	(0.36)
Total	0.01	7.51

Note 16 CURRENT INVESTMENTS		
Amount Rs. in Crores		
Other non-current assets	As at 31 st March 2015	As at 31 st March 2014
Investment in Mutual Funds	936.99	678.88
(At Cost or fair market value whichever is lower, determined categorywise)		
Total	936.99	678.88

Note 17 INVENTORIES		
Amount Rs. in Crores		
Inventories	As at 31 st March 2015	As at 31 st March 2014
Stores and spares	37.01	32.91
Inventory of Gas	4.08	4.63
Total	41.09	37.54

Note 18 TRADE RECEIVABLES		
Amount Rs. in Crores		
Trade Receivables	As at 31 st March 2015	As at 31 st March 2014
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	83.77	115.55
Unsecured, considered good (Refer Note 18.1)*	249.02	407.68
Unsecured, considered good	63.68	64.41
Total (A)	396.47	587.64
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	1.12	0.70
Unsecured, considered good (Refer Note 18.1)*	0.05	0.12
Unsecured, considered good	2.84	1.59
Doubtful	3.90	1.40
Total (B)	7.91	3.81
Total (A+B)	404.38	591.45
Less: Provision for doubtful debts	3.90	1.40
Less: Advance From Customers towards MGO	39.88	44.92
Total	360.60	545.13

*18.1: Trade receivables are backed by Bank Guarantees.

Note 19 CASH AND BANK BALANCES		
Amount Rs. in Crores		
Cash and Bank Balances	As at 31 st March 2015	As at 31 st March 2014
Cash and cash equivalents		
Balances with banks		
(a) In Current Accounts - including Sweep-in Facility Accounts	26.09	33.11
(b) Deposits with Original Maturity of less than three months	147.17	25.75
Cash on Hand	1.01	0.82
	174.27	59.68
Other Bank Balances		
I. Unpaid dividend accounts	2.82	3.02
II. Deposits with original maturity of more than three months but less than twelve months	60.70	148.88
III. Deposits with original maturity of more than twelve months	0.01	7.51
	63.53	159.41
Less : Non-current Deposits with original maturity of more than twelve months (Disclosed under other non-current assets)*	0.01	7.51
	63.52	151.90
Total	237.79	211.58

Note 20 SHORT TERM LOANS AND ADVANCES		Amount Rs. in Crores	
Short-term loans and advances	As at 31 st March 2015	As at 31 st March 2014	
Advance Against Expenses			
Receivables in cash/kind in value to be received)			
To Others [Unsecured, considered good]	1.46	1.77	
To related parties [Unsecured, considered good]	0.01	0.39	
	1.47	2.16	
Loan To Employees	1.45	1.28	
Staff Advance	0.01	0.01	
Advance tax and TDS	189.58	160.83	
VAT Credit Entitlement	-	13.92	
Pre Paid Expenses	6.00	4.29	
CENVAT Credit Account	3.53	3.01	
balances with PLA Account	0.04	0.65	
balances with Stamp Duty Authorities	0.01	0.06	
Advance to ESOP Trust	-	1.30	
Other Deposits	0.00	0.02	
Total	202.09	187.53	

Detroit carmakers consider imports

New York, Aug 21: The Detroit Three automakers are contemplating building cars with lower-paid workers in Mexico and China, a strategy that would improve their hand in contract talks as the United Auto Workers seeks higher pay.

General Motors is weighing a plan to import the Buick Envision sport utility vehicle, now built and sold only in China, to the US, people familiar

with the matter said. Ford Motor is shifting production of its Focus and C-Max small cars from Michigan to outside the US, a person familiar with its plans has said. Mexico is a possible destination.

The automakers and union are in their final weeks of talks to replace four-year contracts that end Sept. 14. Previous pacts let the companies hire lower-paid workers and spurred US produc-

tion and jobs after Ford's restructuring and the 2009 bankruptcy of GM and Chrysler. Speculation about shifting work abroad may give the companies leverage as the UAW seeks raises for some workers for the first time in a decade. "It's a veiled threat to the workers," said Gary Chaison, a professor of labor relations at Clark University in Worcester, Massachusetts. He said the au-

tomakers' message is: "If you ask for too much, we can take the work out of the US. So, give us a reason not to shift more production overseas." The contracts cover about 140,000 workers earning about

\$17 billion a year in wages and benefits, according

to the Center for Automotive Research. For the union, the risk is derailling its slow but steady rise in membership as the Detroit Three rebound. The UAW added 12,000 members last year. *Bloomberg*

PETRON ENGINEERING CONSTRUCTION LTD.
Regd. Office: 6th Floor, Swastik Chambers, S.T. Road, Chembur, Mumbai 400 071.
CIN No. L45202MH1967PCD19135
Website: www.petronengineering.com | Email: corporate@petronengineering.com

NOTICE
NOTICE is hereby given that pursuant to Clause 41 of the Listing Agreement(s) with the Stock Exchange(s), a meeting of the Board of Directors of the Company will be held at the Registered Office of the Company, on Monday, the 31st August, 2015, interalia, to consider and take on record the Unaudited Financial Results for the Quarter ended 30th June, 2015.

By Order of the Board,
For PETRON ENGINEERING CONSTRUCTION LTD.,
Sd/-
Mumbai August 21, 2015
Sr. Vice President (Legal & Company Secretary)

PANNAGESHWAR SUGAR MILLS LTD., PANGAON
Tq. Renapur, Dist. Latur
Ph. No: (02382) 236043, 236391 Mo. 9011032515 Fax : 236309
Email : pannageshwarsugar@yahoo.co.in, psmplpangaon@gmail.com

Wanted Company Secretary

Ours is a renowned company having 2000 TCD sugar factory and yearly turnover of approx. Rs. One hundred crore. The Company has taken 15 sugar seasons successfully. We invite applications for the post of Company Secretary (Whole Time), who has passed Company Secretary examination and preferably having minimum one / two years experience on the same post. Freshers can also apply. The interested candidates should send their resume in detail with expecting remuneration along with qualification, experience & registration certificates either by email or by fax to reach us on or before 26th August 2015 and also should contact to 9011032515 and should attend the interview on 27th August 2015 at 2:00 pm. at our factory site Pangaon.

Kishanrao N. Bhandare Vice Chairman
Hon. Pradnyata Gopinathrao Munde Chairman

(Continued from the previous page)

Gujarat Gas Limited (Formerly known as GSPC Distribution Networks Limited)

Scheme of Amalgamation and Arrangement

Scheme of Amalgamation and Arrangement and Capital Reduction

Overview of the scheme of amalgamation and arrangement

The Board of Directors of the following Companies at their meeting held on 21st April, 2014 passed a resolution to consider the Composite Scheme of Amalgamation and Arrangement under section 391 to 394 read with section 100 to 103 and other relevant provisions of the Companies Act 1956 between the following transferees companies:-

1. GSPC Gas Company Limited (GSPC Gas)
2. Gujarat Gas Company Limited (GGCL)
3. Gujarat Gas Financial Services Limited (GFSL)
4. Gujarat Gas Trading Company Limited (GTCL)

(Collectively called Transferor Companies)

with Gujarat Gas Limited (formerly known as GSPC Distribution Networks Limited-GDNL) (the transferee) under the Scheme with appointed date as 1st April, 2013. The Scheme of Amalgamation and Arrangement was approved by respective board of directors and the shareholders of the transferor and transferee companies.

The scheme of arrangement was sanctioned by the Hon'ble Gujarat High Court at Ahmedabad vide its order dated 30th March 2015. The certified copy of order was received on 18th April 2015 and filed with Registrar of Companies (ROC) at Ahmedabad on 14th May 2015. The Scheme of Amalgamation became effective on 14th May, 2015 on submission of the order of the High Court of Gujarat with the Registrar of Companies at Ahmedabad. Subsequently, the company's name has been changed from GSPC Distribution Networks Limited to Gujarat Gas Limited (GGL) with effect from 15th May 2015.

The scheme of amalgamation and arrangement covers the below entities:

1. **GSPC Distribution Networks Limited (GDNL)** is an unlisted company incorporated under the Companies Act 1956 and main objective of the company is to engage in Natural Gas Business in Gujarat.
2. **GSPC Gas Company Limited (GSPC Gas)**, an unlisted company incorporated under the Companies Act 1956, was also engaged in the business of natural gas. It caters to the requirements of retail segment comprising of industrial, commercial CNG and residential customers.
3. **Gujarat Gas Company Limited (GGCL)**, a listed company incorporated under the Companies Act 1956, was also engaged in the business of transmission and distribution of natural gas to industrial, commercial, CNG and residential customers.
4. **Gujarat Gas Financial Services Limited (GFSL)**, an unlisted company incorporated under the Companies Act 1956, was also engaged in the business of sale of gas connections in India to GGCL and other commercial as well as non-commercial customers in India.
5. **Gujarat Gas Trading Company Limited (GTCL)**, an unlisted company incorporated under the Companies Act 1956, was also engaged in the business of distribution of gas from sources of supply to centers of demand and/or end customers.

As a part of the scheme of amalgamation and arrangement, GSPC Gas, GGCL, GFSL and GTCL (transferor companies) have merged into Gujarat Gas Limited (formerly known as GSPC Distribution Networks Limited-GDNL).

The appointed date of the Scheme of Amalgamation for the merger is 1st April 2013 (the appointed date). Upon the coming into effect of the Scheme of Amalgamation, and with effect from the appointed date, the transferor company carried all business and activities relating to the transferor company and stand possessed of all the estates, assets, rights, title, all debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and interest of the transferor company for and on account of, and in trust for, the transferee Company.

Upon the Scheme becoming effective, all the Transferor Companies are dissolved without winding up pursuant to the provisions of Section 394 of the Companies Act, 1956.

Accounting Treatment

The above Scheme of Amalgamation is an amalgamation in the nature of purchase in accordance with the requirements of Accounting Standard 14- "Accounting for Amalgamations" and has been accounted in books of the company with effect from the appointed date (1st April 2013) as per the Purchase method under AS-14 "Accounting for Amalgamations".

Consequent to order dated 6th July 2015 of the Honourable High Court of Gujarat for sanctioning permission of re-opening and revision of books of accounts for the year 2013-14, the audited financial statements of transferee company Gujarat Gas Limited (formerly known as GSPC Distribution Networks Limited-GDNL) for year 2013-14 have been re-opened and revised to give effect of the said amalgamation and arrangement in books of accounts for the year 2013-14. Accordingly, operation of all the transferors companies from April 1, 2013, as detailed below have been accounted for in the financial statements for financial year 2013-14.

1. The business of the transferor companies have been transferred to the company on a going concern basis. As per the Scheme, the appointed date, for the transfer of assets and liabilities at their respective fair value as determined by the board, is April 01, 2013.
2. Assets and liabilities at their respective fair value transferred from the transferor companies has been recorded by transferee company under the respective schedules, are as below:

Amount In Rs. crores

Particulars	GSPC Gas	GGCL	GTCL	GFSL	Total
Tangible assets	2,367.65	1,787.92	-	-	4,155.57
Intangible assets	103.97	35.23	-	-	139.20
Capital work-in-progress	351.74	88.03	-	11.51	451.28
Intangible assets under development	0.20	2.76	-	-	2.96
Non-current investments	0.16	163.53	-	-	163.69
Long-term loan and advances	373.00	20.63	1.23	1.67	396.53
Other non-current assets	0.01	-	-	-	0.01
Current investments	-	379.97	13.55	-	393.52
Inventories	6.62	24.23	-	-	30.85
Trade receivables	240.27	138.63	7.78	5.65	392.33
Cash and cash equivalents	4.52	37.39	0.29	10.52	52.72
Short-term loans and advance	50.70	21.46	0.13	5.54	77.83
Other current assets	15.96	47.87	-	0.07	63.89
Deferred stock compensation A/c	-	0.70	-	-	0.70
Total Assets (A)	3,514.80	2,748.35	22.98	34.96	6,321.09
Long-term borrowings	365.29	-	-	-	365.29
Deferred tax liabilities (Net)	137.30	95.75	-	(7.08)	225.97
Other Long term liabilities	157.58	280.41	1.23	-	439.22
Long-Term provisions	2.94	5.70	-	0.05	8.69
Short-term Borrowings	10.83	-	-	-	10.83
Trade payables	259.55	96.88	8.14	-	364.57
Other Current liabilities	758.89	71.22	0.01	5.64	835.76
Stock options outstanding	-	3.51	-	-	3.51
Short-term provisions	44.06	29.30	-	5.11	78.47
Total Liabilities (B)	1,736.44	582.77	9.38	3.72	2,332.31
Net assets taken over (C) = (A) - (B)	1,778.36	2,165.58	13.60	31.24	3,988.78

Note: The above mentioned figures have been increased/decreased due to alignment of accounting policies as on 1st April, 2013 as mentioned below. These adjustments have been recorded in the opening reserves as per the accounting treatment prescribed under the scheme.

- (a) Inventories have been increased by Rs. 2.12 crores on account of recognition of Gas Inventory of erstwhile GGCL.
- (b) Long Term loans and advances have been decreased by Rs. 1.55 crores on account of recognition of provision for doubtful advances of erstwhile GSPC GAS.
- (c) Trade Receivables have been increased by Rs. 0.33 crores on account of recognition of interest income accrual of erstwhile GSPC GAS.
- (d) Unbilled Revenue has been decreased by Rs. 18.37 crores to align accrual of sales income of erstwhile GGCL with erstwhile GSPC Gas.
3. As a purchase consideration for the transfer of the above mentioned assets and liabilities determined by the Board as on the appointed date 1st April, 2013 and consequential expected future cash flows from the transferor companies, the company has to issue 4,731,764,975 equity shares of Rs. 10 each totalling value Rs. 4,731.77 crores. This has resulted in recognition of goodwill of Rs. 742.99 crores (equity shares of Rs. 4,731.77 crores for net assets of Rs. 3,988.78 crores) based on the Purchase method of accounting as prescribed under AS 14- "Accounting for Amalgamations". Pursuant to the scheme and after re-organization of share capital, new 124,520,130 equity shares have been issued to equity shareholders of Transferor Companies in the swap ratio as specified in the scheme.
4. Pursuant to the scheme, equity shares of the Company held by the transferor Company and transferor companies inter-company investments stood cancelled. Accordingly, investments of Rs. 2,811.14 crores (GDNL investments in GGCL) and Rs. 0.13 Crores (GGCL investments in GTCL) and Rs. 1.40 Crores (GGCL investments in GFSL) and Rs. 400.05 Crores (GSPC Gas investments in GDNL) have been cancelled.

Further, in accordance with the scheme, cancellation of equity shares of transferor companies has resulted in creation of goodwill of Rs. 2,812.67 crores. This along with the amount of goodwill as mentioned in (3) above has been adjusted against the reserves arising on account of capital reduction to reduce the share capital to comprise of 137,678,025 equity shares of Rs. 10 each aggregating value Rs. 137.68 crores. The reduction in the share capital of the Company has been effected as an integral part of the Scheme in accordance with the provisions of Sections 100 to 103 of the Companies Act, 1956 and the order of the High Court sanctioning the Scheme.

5. Considering above points no. 1 to 4 and pursuant to the Scheme, the net assets of the transferor companies acquired by the transferee company in excess of the consideration issued as share capital by the transferee company to the shareholders of the transferor company after adjustments of the inter-company investment holdings and inter-company balances, if any, and reduction of share capital has been adjusted against the "Reserve Account" of the transferee company (Refer Note No. 3) in accordance with the requirements of the approved Scheme of Amalgamation.

Not for Release, Publication or Distribution in or into the United States or Other Jurisdictions (as defined below). See "Important Information" below.



Ministry of Petroleum and Natural Gas

Government of India

Offer for Sale of equity shares of Indian Oil Corporation Limited (the "Company") by its Promoter, the President of India, acting through the Ministry of Petroleum and Natural Gas, Government of India, (the "Seller") through the Stock Exchange Mechanism

We refer to Clause 5(b) of the circular number CIR/MRD/DP/18/2012 dated July 18, 2012 notified by the Securities and Exchange Board of India ("SEBI") and such circular ("SEBI OFS Circular") pertaining to comprehensive guidelines on offer for sale of shares by promoters through stock exchange mechanism, as substantially amended by circular number CIR/MRD/DP/14/2013 dated January 25, 2013, circular number CIR/MRD/DP/17/2013 dated May 30, 2013, circular number CIR/MRD/DP/24/2014 dated August 8, 2014, circular number CIR/MRD/DP/32/2014 dated December 1, 2014, and circular number CIR/MRD/DP/12/2015 dated June 26, 2015 (together with SEBI OFS Circular, "SEBI OFS Circulars"), read with Section 21 of Chapter 1 of the Master Circular for Stock Exchange and Clearing Corporation (CIR/MRD/DP/9/2015) dated May 26, 2015 issued by SEBI. This advertisement is being issued by the Seller in pursuance of Clause 4 of the SEBI OFS Circular. The Seller is the promoter of the Company. The Seller, proposes to sell up to 24,27,95,248 equity shares of the face value of Rs. 10/- each ("Offer Shares"), representing 10% of the total paid up equity share capital of the Company (held in dematerialized form in one or more demat accounts with the relevant depository participant), in accordance with (i) SEBI OFS Circulars, (ii) notice number 20120222-34 dated February 22, 2012, notice number 20120228-26 dated February 28, 2012, notice number 20120727-26 dated July 27, 2012, notice number 20130129-23 dated January 29, 2013, notice number 20140902-33 dated September 2, 2014, notice number 20150122-30 dated January 22, 2015, and notice number 20150702-28 dated July 2, 2015 issued by the BSE Limited ("BSE"); and (iii) circular reference number 2/2012 dated February 21, 2012, circular reference number 73/2012 dated February 24, 2012, circular reference number 52/2012 dated August 2, 2012, circular reference number 005/2013 dated January 30, 2013, circular reference number 0037/2013 dated January 31, 2013, circular reference number 52/2013 dated May 30, 2013, circular reference number 44/2014 dated September 2, 2014, and circular reference number 29/2015 dated June 30, 2015 issued by the National Stock Exchange of India Limited ("NSE"), and together with the BSE, the "Stock Exchanges" and such offer for sale hereinafter referred to as the "Offer". The Offer shall be undertaken exclusively through the Seller's Brokers named below on a separate window provided by the Stock Exchanges for this purpose. The details of the Offer, in accordance with the requirements of Clause 5(b) of the SEBI OFS Circular, are set forth below. Other important information in relation to the Offer is set out below under the heading "Important Information", and the information included therein constitutes an integral part of the terms and conditions of the Offer. The brokers and prospective buyers are required to read the information included in this Advertisement in its entirety along with the notice dated August 21, 2015 issued by the Seller to the Stock Exchanges as required by the SEBI OFS Circulars (the "Notice").

Sl. No.	Details	Particulars of the Sale
1	Name of the Seller (Promoter)	President of India, acting through and represented by the Ministry of Petroleum and Natural Gas, Government of India
2	Name of the company whose shares are proposed to be sold and ISIN	Indian Oil Corporation Limited ISIN: INE242A01010
3	Name of the stock exchange where orders shall be placed	BSE and NSE
4	Name of the designated stock exchange	NSE
5	Date and time of the opening and closing of the Sale	The Offer shall take place during trading hours on a separate window of the Stock Exchanges and shall commence on August 24, 2015 at 9:15 a.m. and shall close on the same date at 3:30 p.m. Indian Standard Time ("Offer Date")
6	Allocation methodology	The allocation shall be at or above the Floor Price (defined below) on price priority method at multiple clearing prices, in accordance with the SEBI OFS Circulars, except in case of Retail Investors (defined below), who shall have an option to bid at the Cut-Off Price (defined below) and for whom the final allocation price may be below the Floor Price on account of the retail discount offered. A minimum of 20% of the size of the Offer shall be reserved for Retail Investors subject to the receipt of valid bids ("Retail Category"). The Stock Exchanges will decide the quantity of shares eligible to be considered in the Retail Category, based on the Floor Price (defined below) declared by the Seller. Bidders can bid under the Retail Category or the non-Retail Category. Indicative price for non-retail category shall be displayed separately. There shall be no indicative price for the Retail Category. No single bidder other than Mutual Funds (defined below) and Insurance Companies (defined below) shall be allocated more than 25% of the Offer Shares being offered in the Offer. Retail Category Retail investor shall mean an individual investor who places bids for shares of total value of not more than ₹2,00,000 (Rupees Two Lakhs) aggregated across Stock Exchanges ("Retail Investor"). Retail investors may enter a price bid or opt for bidding at "Cut-off Price". For this purpose, "Cut-Off Price" means the lowest price at which the Offer Shares are sold, as shall be determined based on all valid bids received in the non-retail category. Allocation to Retail Investors shall be made based on the Cut-off Price. Retail Investors will be allocated Offer Shares at a discount of 5% to the Cut-off Price in accordance with the SEBI OFS Circulars. Such discounted price, i.e., price arrived after applying the discount on Cut-off Price, which shall be the final allocation price to the Retail Investors ("Discounted Price"), may be below the Floor Price. If the Retail Category is fully subscribed, bids by Retail Investors below the Cut-off Price shall be rejected. If the Retail Category is not fully subscribed, price bids received in the Retail Category between the Cut-off Price and the Discounted Price will also be eligible for allotment, provided such bids are equal to or above the Floor Price (defined below). Allotment to all such bids shall be done at the Discounted Price. Any unsubscribed portion of the Retail Category shall, after allotment, be eligible for allocation in the non-retail category. In case of oversubscription in the Retail Category, bids by Retail Investors at the Cut-off Price shall be allocated on proportionate basis. Non-Retail Category A minimum of 25% of the Offer Shares being offered in the Offer shall be reserved for mutual funds registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended ("Mutual Funds") and insurance companies registered with the Insurance Regulatory and Development Authority under the Insurance Regulatory and Development Authority Act, 1999 as amended ("Insurance Companies"), subject to receipt of valid bids at or above the Floor Price (defined below). In the event of any under subscription by Mutual Funds and Insurance Companies, the unsubscribed portion shall be available to the other bidders.
7	Total number of equity shares being offered in the Sale	Up to 24,27,95,248 equity shares of the Company of face value of ₹ 10 each, aggregating to 10% of the total paid up equity share capital of the Company
8	Maximum number of shares the Seller may choose to sell over and above made at point 7 above	Nil
9	Name of the broker(s) on behalf of the Seller	1. Citigroup Global Markets India Private Limited, 2. Deutsche Equities India Private Limited, 3. Nomura Financial Advisory & Securities (India) Private Limited, 4. JM Financial Institutional Securities Limited and 5. Kotak Securities Limited
10	Date and time of declaration of Floor Price (if Seller chooses to disclose to the market)	The Seller shall declare the Floor Price for the Offer on August 22, 2015 latest by 5:00 p.m., Indian Standard Time, to the Stock Exchanges and the Stock Exchanges shall inform the market immediately.
11	Conditions for withdrawal of the Sale	The Seller reserves the right to not to proceed with the Offer at any time prior to the time of opening of the Offer on the Offer Date. In such a case, there shall be a cooling off period of 10 trading days from the date of withdrawal before another offer for sale through Stock Exchange mechanism is made. The Stock Exchanges shall suitably disseminate details of such withdrawal.
12	Conditions for cancellation of the Sale	In the event (i) the aggregate number of orders received in the Offer at or above the Floor Price is less than the total number of Offer Shares; or (ii) of any default in settlement obligations, the Seller reserves the right to either conclude the Offer to the extent of valid bids or cancel the Offer in full. The decision to either accept or reject the Offer shall be at the sole discretion of the Seller.
13	Conditions for participating in the Sale	1. Non-institutional investors shall deposit 100% of the bid value in cash up-front with the clearing corporation at the time of placing bids for the Offer. 2. Institutional investors have an option of placing bids without any upfront payment. In case of institutional investors who place bids with 100% of the bid value deposited upfront, custodian confirmation shall be within trading hours. In case of institutional investors who place bids without depositing 100% of the bid value upfront, custodian confirmation shall be as per the existing rules for secondary market transactions. 3. In respect of bids in the Retail Category, margin for bids placed at the Cut-off Price, shall be at the Floor Price and for price bids at the value of the bid. Clearing corporation shall collect margin to the extent of 100% of order value in cash at the time of placing bids. Pay-in and pay-out for bids by Retail Investors shall take place as per normal secondary market transactions. 4. Retail Bidders may enter a price bid or opt for bidding at a cut-off price. 5. The funds collected shall neither be utilized against any other obligation of the trading member nor co-mingled with other segments. 6. Retail Investors shall have the option to bid in the Retail Category and the non-retail category. However, if the cumulative bid value by an individual investor across both categories exceeds ₹2,00,000 (Rupees Two Lakhs), the bids in the Retail Category shall become ineligible. Further, if the cumulative bid value by an individual investor in the Retail Category across BSE and NSE exceeds ₹2,00,000 (Rupees Two Lakhs), bids by such investor shall be rejected. 7. Modification or cancellation of orders: (a) Orders placed by institutional investors and by non-institutional investors, with 100% of the bid value deposited upfront can be modified or cancelled any time during the trading hours; (b) Orders placed by institutional investors without depositing 100% of the bid value upfront cannot be modified or cancelled by the investors or stock brokers, except for making upward revision in the price or quantity. In case of any permitted modification or cancellation of the bid, the funds shall be released / collected on a real-time basis by the clearing corporation. 8. Bidder shall also be liable to pay any other fees, as may be levied by the Stock Exchanges, including securities transaction tax. 9. Multiple orders from a single bidder shall be permitted. 10. In case of default in pay-in by any bidder, an amount aggregating to 10% of the order value shall be charged as penalty from the investor and collected from the broker. This amount shall be credited to the Investor Protection Fund of the Stock Exchange.
14	Settlement	Settlement shall take place on a trade for trade basis. For non-institutional investors and institutional investors who place orders with 100% of the bid value deposited upfront, settlement shall take place on a T+1 (T being the Offer Date and T+1 being August 25, 2015), in accordance with the SEBI OFS Circulars. Pay-in and pay-out of bids by Retail Investors shall take place as per normal secondary market transactions. In the case of institutional investors who place bids without depositing 100% of the bid value upfront, settlement shall be as per the existing rules for secondary market transactions (i.e., on T+2, being August 26, 2015).

IMPORTANT INFORMATION

The Sale is personal to each prospective bidder (including individuals, funds or otherwise) registered with the broker of the Stock Exchanges who makes a bid (each a "Bidder") and neither the Sale nor this Notice constitutes an offer to sell or invitation or solicitation of an offer to buy, to the public, or to any other person or class of persons requiring any prospectus or offer document to be issued, submitted to or filed with any regulatory authority or to any other person or class of person within or outside India.

There will be no "public offer" of the Sale Shares under applicable law in India or any other jurisdiction. Accordingly, no documents have been or will be prepared, registered or submitted for approval as a "prospectus" or an offer document with the Registrar of Companies and/or SEBI under applicable law in India, including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, or to the Stock Exchanges or any other regulatory or listing authority in India or abroad, and no such document will be circulated or distributed to any person in any jurisdiction, including in India. The Sale is being made in reliance on the SEBI OFS Circular and subject to the guidelines, circulars, rules and regulations of the Stock Exchanges. The Bidders acknowledge and agree that any buy order or bid shall be made solely on the basis of publicly available information and any information available with SEBI, Stock Exchanges, Company's website or any other public domain, together with the information contained in this Notice. The Sale is subject to the further terms set forth in the contract note to be provided to the prospective successful Bidders.

This Notice is for information purposes only and is neither an offer nor invitation to buy or sell nor a solicitation of an offer to buy or sell any securities, nor shall there be any sale of securities in any jurisdiction ("Other Jurisdiction") in which such offer, solicitation or sale is or may be unlawful whether prior to registration or qualification under the securities laws of any such jurisdiction or otherwise. This Notice and the information contained herein are not for publication or distribution, directly or indirectly, in or to persons in any Other Jurisdiction unless permitted pursuant to an exemption under the relevant local law or regulation in any such jurisdiction. Prospective purchasers should seek appropriate legal advice prior to participating in the Sale.

This Notice is not for release, publication or distribution in the United States of America, its territories and possessions, any state of the United States of America, and the District of Columbia (together, the "U.S." or the "United States"), and is neither an offer to sell nor a solicitation of an offer to buy any securities of the Company within the United States, or in any jurisdiction where such offer or sale would be unlawful. The Sale Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States or to U.S. Persons absent registration under the Securities Act or pursuant to an available exemption from the registration requirements of the Securities Act. The Sale Shares will be offered only (i) within the United States only to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) ("QIBs") and each a "QIB" or (ii) outside the United States in offshore transactions (as defined in Regulation S) in reliance upon Regulation S. The purchasers of Sale Shares within the United States are hereby advised that the Seller of the Sale Shares may be relying on the exemption provided by the provisions of Section 4 of the Securities Act and that any reoffer, resale, pledge or transfer of such shares must be made (A) (i) to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S or (iii) pursuant to any other available exemption from registration under the Securities Act and (B) in accordance with all applicable securities laws of any state of the United States.

By submitting a bid in connection with the Sale or receiving the Sale Shares, each Bidder and any broker acting on such Bidder's behalf will be deemed to have (a) read and understood this Notice in its entirety, (b) accepted and complied with the terms and conditions set out in this Notice, and will be deemed to have and be required to represent, agree and acknowledge that they are, and at the time the Sale Shares are purchased, will be, the beneficial owner of such Sale Shares, not an affiliate of the Company or a person acting on behalf of such an affiliate, and (i) are located outside the United States and purchasing such Sale Shares in offshore transactions in reliance upon Regulation S or (ii) a QP who is also a QIB purchasing the Sale Shares for its own account or for the account of another QIB in a transaction exempt from the registration requirements of the Securities Act.

By submitting a bid on behalf of a Bidder in connection with the Sale, each broker will also be deemed to have represented, agreed and acknowledged that it is located outside the United States and that none of the broker, its affiliates and all persons acting on its or their behalf has (a) engaged or will engage in any "directed selling efforts" (as defined in Regulation S under the Securities Act) in connection with the offer or sale of the Sale Shares, (b) engaged or will engage in any form of general solicitation or general advertising (each, within the meaning of Regulation D under the Securities Act) in connection with the offer or sale of the Sale Shares, (c) offered or will offer and sell the Sale Shares outside the United States in offshore transactions in compliance with Regulation S or within the United States to persons reasonably believed to be QIBs in transactions exempt from the registration requirements of the Securities Act and the applicable laws.

Thanking You,

Yours faithfully

For and on behalf of President of India, Ministry of Petroleum and Natural Gas, Government of India

Mr. Vijay Gopal Mangal, Deputy Secretary (OMC)
Ministry of Petroleum and Natural Gas, Government of India