



Gujarat State Petronet Limited

The Energy Lifeline of Gujarat



ANNUAL REPORT 2009-2010

Board of Directors

Shri A K Joti, IAS (w.e.f 8 th March, 2010)	Chairman
Shri D J Pandian, IAS	
Shri Atanu Chakraborty, IAS (w.e.f 2 nd March, 2010)	
Shri Suresh Mathur	
Shri J K Jain (w.e.f 12 th March, 2010)	
Shri R Vaidyanathan (w.e.f 12 th March, 2010)	
Shri N K Mitra (w.e.f 30 th March, 2010)	
Shri Tapan Ray, IAS	Managing Director
Shri Hasmukh Adhia, IAS (upto 3 rd November, 2009)	
Shri S Jagadeesan, IAS (upto 11 th December, 2009)	
Shri P K Pujari, IAS (upto 2 nd March, 2010)	
Shri D Rajagopalan, IAS (upto 8 th March, 2010)	

Company Secretary

Ms. Reena Desai

Bankers

Allahabad Bank
Axis Bank Ltd.
Bank of Baroda
Bank of India
Corporation Bank
Dena Bank
HDFC Bank Ltd.
ICICI Bank Ltd.
IDBI Bank Ltd.
Oriental Bank of Commerce
State Bank of Bikaner & Jaipur
State Bank of India
State Bank of Travancore
The Karur Vysya Bank Ltd.
The South Indian Bank Ltd.
UCO Bank
Union Bank of India
Vijaya Bank

Statutory Auditors

P Singhvi & Associates,
Chartered Accountants
Gandhinagar

Internal Auditors

KPMG, Mumbai

Registered Office

GSPC Bhavan, Behind
Udyog Bhavan, Sector-11,
Gandhinagar-382011, Gujarat.

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NOTICE

Notice is hereby given that 12th Annual General Meeting of the members of Gujarat State Petronet Limited will be held on Tuesday, the 21st day of September, 2010 at 5.00 p.m. at Assembly Hall, GSPC Bhavan, Behind Udyog Bhavan, Sector-11, Gandhinagar-382 011 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2010, the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Shri Suresh Mathur, who retires by rotation and being eligible offers himself for re-appointment.
4. To fix remuneration of Statutory Auditors of the Company in terms of the provisions of Section 224 (8) (aa) of the Companies Act, 1956.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:
“RESOLVED THAT Shri A K Joti, IAS, who was appointed as an Additional Director and Chairman of the Company pursuant to Section 260 of the Companies Act, 1956 read with Article 141(b) and 148 of the Articles of Association of the Company and who holds office till the conclusion of this Annual General Meeting, be and is hereby appointed as a Director and Chairman of the Company, liable to retire by rotation.”
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:
“RESOLVED THAT Shri Atanu Chakraborty, IAS, who was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 read with Article 141(a) and 148 of the Articles of Association of the Company and who holds office till the conclusion of this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:
“RESOLVED THAT Shri R Vaidyanathan, who was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 read with Article 148 of the Articles of Association of the Company and who holds office till the conclusion of this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”
8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:
“RESOLVED THAT Shri J K Jain, who was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 read with Article 148 of the Articles of Association of the Company and who holds office till the conclusion of this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”
9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:
“RESOLVED THAT Shri N K Mitra, who was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 read with Article 148 of the Articles of Association of the Company and who holds office till the conclusion of this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”
10. To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution:

“RESOLVED THAT pursuant to the provisions of Articles of Association of the Company, Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (“the Act”) including any statutory modification(s) or re-enactment of the Act for the time being in force and the provisions of the Securities & Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“the Guidelines”) including any modifications thereof or supplements thereto and subject to such approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee including the Remuneration/Compensation Committee which the Board has constituted and / or may constitute or reconstitute to exercise its powers, including the powers, conferred by this resolution), the consent of the Company be and is hereby accorded to the Board of the Company to create, offer, issue and allot at any time to or to the benefit of such person(s) who are in permanent employment of the Company, including all Directors, whether whole time or otherwise of the Company, whether in India or abroad, either directly or through a trust, such number of options not exceeding 62,40,000 under GSPL Employees Stock Option Plan-2010” (hereinafter referred to as the “ESOP-2010” or the “Scheme” or the “Plan”), which could give rise to the issue of equity shares not exceeding 62,40,000 equity shares of Rs.10 each (together with the equity shares created / offered / issued /allotted or proposed to be created / offered / issued / allotted for the benefit of such persons who are in permanent employment of the Company’s holding company i.e. GSPC in terms of ESOP-2010) or such other adjusted number of equity shares for any bonus, stock split, consolidation or other reorganisation of the capital structure of the Company as may be applicable from time to time, at such price, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board in accordance with the Guidelines or other provisions of the law as may be prevailing at that time.

RESOLVED FURTHER THAT such equity shares issued and allotted under the Scheme pursuant to the exercise of the options shall rank pari passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT as is required, the Company shall confirm with the accounting policies as contained in the Guidelines from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue, allotment of the options under the Scheme, the Board be and is hereby authorised on behalf of the Company, to evolve, decide upon and bring into effect such Scheme(s), and make any modifications, changes, variations, alterations or revisions in such Scheme(s) from time to time, or to suspend, withdraw or revive such Scheme(s) from time-to-time, as may be permissible under the Guidelines and/ or any other applicable laws and to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem fit or necessary or desirable for such purpose and with power on behalf of the Company, to settle any questions, difficulties, or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the shareholders of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps for listing of the equity shares allotted under the Scheme(s) on the stock exchanges where the equity shares of the Company are listed as per the provisions of the listing agreement(s) with the concerned stock exchanges, the Guidelines and any other applicable laws and regulations.”

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution:

“RESOLVED THAT pursuant to the provisions of Articles of Association of the Company, Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (“the Act”) including any statutory modification(s) or re-enactment of the Act for the time being in force and the provisions of the Securities & Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“the Guidelines”) including any modifications thereof or supplements thereto and subject to such approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee including the Remuneration/Compensation Committee which the Board has constituted and / or may constitute or reconstitute to exercise its powers, including the powers, conferred by this resolution), the consent of the Company be and is hereby accorded to the Board of the Company to create, offer, issue and allot at any time to or to the benefit of such person(s) who are in permanent employment of the Company’s holding company i.e. Gujarat State Petroleum Corporation Limited, including all Directors, whether whole time or otherwise, whether in India or abroad, either directly or through a trust, such number of options not exceeding 62,40,000 under GSPL Employees Stock Option Plan-2010” (hereinafter referred to as the “ESOP-2010” or the “Scheme” or the “Plan”), which could give rise to the issue of equity shares not exceeding 62,40,000 equity shares of Rs.10 each (together with the equity shares created / offered / issued /allotted or proposed to be created / offered / issued / allotted for the benefit of such persons who are in permanent employment of the Company in terms of ESOP-2010) or such other adjusted number of equity shares for any bonus, stock split, consolidation or other reorganisation of the capital structure of the Company as may be applicable from time to time, at such price, in one or



more tranches and on such terms and conditions as may be fixed or determined by the Board in accordance with the Guidelines or other provisions of the law as may be prevailing at that time.

RESOLVED FURTHER THAT such equity shares issued and allotted under the Scheme pursuant to the exercise of the options shall rank pari passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT as is required, the Company shall confirm with the accounting policies as contained in the Guidelines from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue, allotment of the options under the Scheme, the Board be and is hereby authorised on behalf of the Company, to evolve, decide upon and bring into effect such Scheme(s), and make any modifications, changes, variations, alterations or revisions in such Scheme(s) from time to time, or to suspend, withdraw or revive such Scheme(s) from time-to-time, as may be permissible under the Guidelines and/ or any other applicable laws and to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem fit or necessary or desirable for such purpose and with power on behalf of the Company, to settle any questions, difficulties, or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the shareholders of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps for listing of the equity shares allotted under the Scheme(s) on the stock exchanges where the equity shares of the Company are listed as per the provisions of the listing agreement(s) with the concerned stock exchanges, the Guidelines and any other applicable laws and regulations.”

By order of the Board of Directors,
Reena Desai
Company Secretary

Date: 23rd August, 2010
Place: Gandhinagar

Registered Office
GSPC Bhavan,
Sector -11, Gandhinagar - 382 011.

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENTS APPOINTING PROXY TO BE VALID AND EFFECTIVE MUST REACH TO THE REGISTERED OFFICE OF THE COMPANY MINIMUM 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. Members / proxies are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
4. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
5. Members desirous of getting any information related to accounts or operations of the Company are requested to send in their queries so as to reach the Company's Registered Office atleast 7 days in advance before the date of meeting to enable the management to keep the information ready.
6. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, 15th September, 2010 to Tuesday, 21st September, 2010 (both days inclusive) for the purpose of payment of the dividend. The dividend, if declared at the ensuing Annual General Meeting shall be paid, on or after 21st September, 2010 to those members of the Company whose names appear (a) as beneficial owners as at the close of business hours on 14th September, 2010 as per the list to be furnished by the depositories in respect of the shares held in electronic form; and (b) as members in the Register of Members of the Company as on 15th September, 2010, after giving effect to all valid share transfers in physical form received on or before 14th September, 2010.
7. All transfer deeds, requests for change of address, bank particulars /mandates/NECS mandates, PAN should be lodged with

Company's Registrar and Share Transfer Agents, Karvy Computershare Private Limited, Plot No 17-24, Vittal Rao Nagar, Madhapur, Hyderabad-500 081, in case of shares held in physical form on or before 14th September, 2010. The above details in respect of the shares held in electronic form should be sent to the respective Depository Participants by the members well in time.

8. Members are requested to furnish the Registrar / Depository Participants, the name and address of the branch of the bank, MICR code of the branch, type of account and account number to enable the Company to distribute dividend through National Electronic Clearing Services (NECS). In the absence of NECS facility with the member's bank, the bank account details will be printed on the dividend warrants, if available.
9. As stipulated under Clause 49 of the listing agreement with Stock Exchanges, profile of Directors seeking re-appointment / appointment is provided under Section "Board of Directors" of the Corporate Governance Report, which forms an integral part of this Annual Report.

Annexure to the Notice Explanatory Statement Pursuant to Section 173 (2) of the Companies Act, 1956

Item No. 5

Shri A K Joti, IAS was appointed as an Additional Director and Chairman of the Company by the Board of Directors with effect from 8th March, 2010 in accordance with the provisions of Article 141(b) and 148 of Articles of Association. As per the provisions of Section 260 of the Companies Act, 1956, he holds office till the conclusion of this Annual General Meeting. As required under Section 257 of the Companies Act, 1956, the Company has received a notice from a member in writing proposing the candidature of Shri A K Joti, IAS for appointment as a Director and Chairman of the Company.

The Board recommends the appointment of Shri A K Joti, IAS as a Director and Chairman of the Company in accordance with the provisions of Article 141(b) of Articles of Association.

No other Director except Shri A K Joti, IAS is in any way concerned or interested in the said resolution.

The Members are requested to approve the resolution.

Item No. 6

Shri Atanu Chakraborty, IAS was appointed as an Additional Director of the Company by the Board of Directors with effect from 2nd March, 2010 in accordance with the provisions of Article 141(a) and 148 of Articles of Association. As per the provisions of Section 260 of the Companies Act, 1956, he holds office till the conclusion of this Annual General Meeting. As required under Section 257 of the Companies Act, 1956, the Company has received a notice from a member in writing proposing the candidature of Shri Atanu Chakraborty, IAS for appointment as a Director of the Company.

The Board recommends the appointment of Shri Atanu Chakraborty, IAS as a Director of the Company in accordance with the provisions of Article 141(a) of Articles of Association.

No other Director except Shri Atanu Chakraborty, IAS is in any way concerned or interested in the said resolution.

The Members are requested to approve the resolution.

Item No. 7

Shri R Vaidyanathan was appointed as an Additional Director of the Company by the Board of Directors with effect from 12th March, 2010. As per the provisions of Section 260 of the Companies Act, 1956, he holds office till the conclusion of this Annual General Meeting. As required under Section 257 of the Companies Act, 1956, the Company has received a notice from a member in writing proposing the candidature of Shri R Vaidyanathan, for appointment as a Director of the Company.

The Board recommends the appointment of Shri R Vaidyanathan, as a Director of the Company.

No other Director except Shri R Vaidyanathan is in any way concerned or interested in the said resolution.

The Members are requested to approve the resolution.



Item No. 8

Shri J K Jain was appointed as an Additional Director of the Company by the Board of Directors with effect from 12th March, 2010. As per the provisions of Section 260 of the Companies Act, 1956, he holds office till the conclusion of this Annual General Meeting. As required under Section 257 of the Companies, Act 1956, the Company has received a notice from a member in writing proposing the candidature of Shri J K Jain, for appointment as a Director of the Company.

The Board recommends the appointment of Shri J K Jain, as a Director of the Company.

No other Director except Shri J K Jain is in any way concerned or interested in the said resolution.

The Members are requested to approve the resolution.

Item No. 9

Shri N K Mitra was appointed as an Additional Director of the Company by the Board of Directors with effect from 30th March, 2010. As per the provisions of Section 260 of the Companies Act, 1956, he holds office till the conclusion of this Annual General Meeting. As required under Section 257 of the Companies, Act 1956, the Company has received a notice from a member in writing proposing the candidature of Shri N K Mitra, for appointment as a Director of the Company.

The Board recommends the appointment of Shri N K Mitra, as a Director of the Company.

No other Director except Shri N K Mitra is in any way concerned or interested in the said resolution.

The Members are requested to approve the resolution.

Item No. 10 & 11

The Company launched GSPL Employee Stock Option Scheme in the year 2005 to retain, motivate and further to align the interests of employees of the Company with those of shareholders. Based on the experience the management of the Company has gained and with the objectives of securing greater employee participation and further to motivate the employees to contribute and participate in the long term growth and financial success of the Company, the Board of Directors vide their resolution passed on 23rd August, 2010, have approved to set up GSPL Employees Stock Option Plan 2010, subject to the approval of the members in General Meeting and to grant options to the eligible employees/directors of the Company and/or its holding company under such Scheme. This would not only enable the Company to reward past loyalty and performance, but also to attract and retain the best talent besides enabling the employees to develop a greater sense of ownership with the Company.

The main features of the GSPL Employees Stock Option Plan-2010 are as under:

1. Total number of options to be granted:

Options not exceeding 62,40,000 number, will be available for being granted to the eligible employees of the Company and its holding company i.e. GSPC under GSPL Employees Stock Option Plan-2010. Each option (after it is vested) will be exercisable for one fully paid up equity share of Rs. 10 each. In the event of any corporate action(s), viz. bonus, consolidation or other reorganisation of the capital structure of the Company, number of options to be issued shall undergo fair, reasonable and appropriate adjustments pursuant to the Guidelines.

The Board (which term shall be deemed to include any Committee of the Directors as per the resolution) reserves right to decide the number of options to be granted in aggregate and the maximum number of options that can be granted to each employee / director from time to time. ESOP-2010 would continue till the options reserved under the Scheme are fully granted / exhausted and accordingly exercised or earlier terminated by the Board of Directors, whichever is earlier.

Vested options that lapse due to non-exercise or unvested options that get cancelled due to resignation of the employees or otherwise would be available for being re-granted at a future date on such terms and conditions as the Board may deem fit.

2. Identification of classes of employees entitled to participate in the GSPL Employees Stock Option Plan 2010:

All permanent employees and Directors of the company and its holding company whether working in India or abroad, as may be decided by the Board, from time to time, would be entitled to participate in the ESOP-2010. Employees may be granted

Stock Options based on experience, performance appraisal process and such other criteria as the Board may, in its absolute discretion decide.

However the persons who are

- i. "Promoters" or part of the "Promoter Group" and/or
- ii. any Director who holds either by himself or through his relative, or through any body corporate, directly or indirectly, more than 10% of the outstanding equity shares of the Company or such other percentage as prescribed under the SEBI Guidelines and/or under such other applicable law

shall not be entitled to participate in the Plan.

The options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner.

3. Requirements of vesting and period of vesting:

Options granted under the Scheme would vest not earlier than one year and not later than five years from the date of grant of such options. Vesting of options would be subject to continued employment with the Company. The Board may specify that the options would vest subject to elapse of time or lay down certain performance metrics on the achievement of which the granted options would vest or may determine such other criteria as it may deem fit. The specific vesting schedule and conditions subject to which vesting would take place would be outlined in the document given to the option grantee at the time of grant of options.

4. Exercise price:

The exercise price for the purpose of the grant of options shall be as decided by the Board. However, the exercise price shall not be lower than the face value of the equity shares.

5. Exercise period and the process of exercise:

The exercise period would commence from the date of vesting and will expire on completion of such period as may be decided by the Board but shall not exceed ten years from the date of grant of options.

The options will be exercisable by the employees by a written application to the Company to exercise the options in such manner, and on execution of such documents, as may be prescribed by the Board from time to time. The options will lapse if not exercised within the specified exercise period.

6. Appraisal process for determining the eligibility of the employees to ESOP-2010:

The appraisal process for determining the eligibility of the employee will be specified by the Board, and will be based on criteria such as seniority of employee, length of service, performance record, merit of the employee, future potential contribution by the employee and/or such other criteria that may be determined by the Board at its sole discretion.

7. Maximum number of options to be issued per employee and in aggregate:

The number of options that may be granted to employees under the Scheme shall be determined by the Board from time to time. However, grant of options to an employee, during any one year shall not be equal to or exceeding 1% of the issued capital of the Company at the time of grant of options.

8. Disclosure and accounting policies:

The Company shall comply with the disclosure and the accounting policies prescribed under applicable Guidelines/Laws.

9. Method of option valuation

To calculate the stock-based compensation, the Company may use the Fair Value method for valuation of the options granted.



If the Company calculates the employee compensation cost using Intrinsic Value of the stock options, the difference between the employee compensation cost that shall have been recognized if it had used the Fair Value of the options, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on EPS of the Company shall be disclosed in such manner as may be prescribed under applicable law/guidelines.

None of the Directors of the Company are in any way, concerned or interested in the resolution, except to the extent of the options/securities that may be offered to them under the Scheme.

As the employees stock option scheme provide for issue of shares to be offered to persons other than existing shareholders of the Company, consent of the members is sought pursuant to Section 81(1A) of the Companies Act, 1956. The Members are requested to approve the resolution.

By order of the Board of Directors,
Reena Desai
Company Secretary

Date: 23rd August, 2010
Place: Gandhinagar

Registered Office
GSPC Bhavan,
Sector -11, Gandhinagar - 382 011.

DIRECTORS' REPORT

Directors' Report

To,
The Members
Gujarat State Petronet Limited

The Directors have pleasure in presenting 12th Annual Report and audited accounts of the Company for the year ended 31st March, 2010.

FINANCIAL HIGHLIGHTS

Particulars	(Rs. in crores)	
	2008-09	2009-10
Total Income	511.81	1016.72
Manpower Expenses	10.94	9.94
Gas Transmission Charges	3.58	0.36
Connectivity Charges	9.08	NIL
Admin, O&M & Other Expenses	35.85	49.14
Total Operating Expenses	59.45	59.44
Gross Margin/EBIDTA	452.36	957.28
Miscellaneous Expenditure		
Written off	2.99	2.79
Interest (after capitalization)	87.12	93.83
Depreciation	170.49	236.49
Prior Period Adjustments	<u>0.41</u>	<u>(2.72)</u>
Profit Before Tax	191.35	626.89
Tax including Deferred Tax	67.94	213.12
Profit After Tax	123.41	413.77

MAJOR ACHIEVEMENTS

The year was marked by several accomplishments, both in terms of physical and financial performance. Your Company has maintained an upward trend in all performance parameters as follows,

- Total Income increased from Rs. 511.81 crores in previous year to Rs. 1016.72 crores, recording an increase of 98.65%.
- EBIDTA increased from Rs. 452.36 crores in previous year to Rs. 957.28 crores, recording an increase of 111.62%.
- PAT increased from Rs. 123.41 crores in previous year to Rs. 413.77 crores, recording an increase of 235.28%.
- Pipeline grid availability and “accident free” year of operations.
- The Company is currently transporting an average of 37 mmscmd of gas.
- PNGRB is in the process of granting authorization to GSPLs existing pipeline network.
- The Company had filed Expressions of Interest (EOI) for development of cross country gas transmission pipeline network comprising of Mallavaram – Bhilwara (approx

1585 Kms), Mehsana – Bhatinda (approx 1670 Kms), Bhatinda- Jammu- Srinagar (approx 740 Kms) and Surat-Paradip (approx 1680Kms). Out of these four pipeline projects, PNGRB has invited bids for the first three projects.

CAPITAL

During the year, paid up share capital of the Company has increased from Rs. 562.11 crores to Rs. 562.45 crores on account of allotment of shares to eligible employees under the ESOP 2005 Scheme.

DIVIDEND

Keeping in view the fund requirements for expansion projects, the Board of Directors of the Company is pleased to recommend dividend @ Re. 1 (i.e. 10 %) per equity share of the face value of Rs. 10 each for the Financial Year 2009-10.

GAS TRANSMISSION SERVICES

The Company has signed firm GTAs for transporting 35.46 mmscmd of gas to various customers and interruptible / short term GTA for 6.49 mmscmd (Previous year: firm GTAs :- 31.99 mmscmd & interruptible GTAs :- 11.17 mmscmd).

GAS GRID PROJECT

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

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

The pipeline grid map is enclosed herewith as annexure-IV.

Projects commissioned

Since last Directors' Report, the Company has successfully commissioned various pipeline projects like Gana Hadala, Morbi-Anjar, Welspun-Anjar, Olpad–GESC Utran and Spur to customers like Euro Ceramics-Anjar, Hindustan Glass-Halol, Birla Copper-Dahej etc.

Current Grid operations account for approx. 1666 kms. Gas is flowing from Hazira / Dahej / Vapi to various industries and City Gas Distribution (“CGD”) Networks located in Surat, Bharuch, Baroda, Anand, Ahmedabad, Gandhinagar, Sabarkantha, Mehsana, Surendranagar, Rajkot, Jamnagar, Navsari, Kutchh, Panchmahal, Kheda and Valsad districts of Gujarat.

Projects on Hand

Your Directors are pleased to inform that the Company continues to develop pipeline infrastructure in the State of

Gujarat. The following pipeline sections are being developed on priority:

- Darod Jafrabad Pipeline Project (24" x 220 kms)
- Mundra spurlines to connect various customers (approx 40 kms)
- Satej to Sanand Pipeline for Tata Motors (Nano plant) (12" x 35 kms)
- Mehsana Palanpur (30" x 75 kms)

Further, the Company also continues to develop several other spur lines to connect uncovered industrial clusters and medium sized customers along the pipeline network, which include regions like Tarapur, Vilayat, Dahej, Silvasa, Bhavnagar, Amreli, Veraval, Gandhidham, Anjar, Mundra, Jafrabad.

WIND POWER PROJECT

The Company is committed to promote clean and green energy and for this cause, the Company has initiated a 52.5 MW wind power project in the areas of Maliya Miyana, Rajkot and Gorsar, Porbandar. The Company has commissioned 4 machines with an aggregate capacity of 6 MW wind power generation in March 2010 at Maliya Miyana, Rajkot. The balance 46.5 MW capacity wind power project is under implementation and shall be completed shortly.

FUTURE PLANS

The Company is working on future expansion projects. The Company has participated in the bidding for cross country gas transmission pipeline offered for bidding by PNGRB. Above initiations reflect Company's long term vision of growth through expansion of business within and outside Gujarat.

OPERATION & MAINTENANCE ACTIVITIES

The Company has transported 11673 mmscm (Previous year: 5428.48 mmscm) of gas during the financial year under review.

To safeguard pipeline assets and optimize efficiency of the pipeline system, the Company is giving utmost importance to efficient operations and preventive maintenance.

HEALTH, SAFETY AND ENVIRONMENT

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

For developing effectiveness of safety management systems,

training of all employees across the Company is ensured through various training programmes. The same is being monitored through Internal Audit teams and delegation of safety management up to the local level. Further emergency management plans are being reviewed and updated regularly. Moreover, Contractors' adherence to Company's QHSE policy is also assured through regular site visits and external audits. Contract employees are subjected to training programs like safety induction, defensive driving, personal protective equipment policy etc. Regular site visits ensure the enhancement of behavioral aspects of the contract employees and enhancement of safety culture which has also ensured the safe commissioning of the new projects. To achieve the highest quality of safety systems, the Company has taken a step towards international recognition vide corporate membership of British Safety Council. The Company is proud to maintain its target of 'Zero Accident' year with full commitment of its employees and management.

The Company is already certified to Integrated Management Systems (QMS, EMS & OHSAS). Effectiveness of this certification is being assured through planned audits of the system. Continuous improvement is visible in various O&M systems. Predictive maintenance schedules are being adhered to with the updating of records. Emergency response plans are updated as a part of routine function and their respective effectiveness is verified by regular mock drills as per intervals identified by respective work bases.

FIXED DEPOSITS

During the year, the Company has not accepted any Fixed Deposits from the public.

CORPORATE SOCIAL RESPONSIBILITY

During the year, the Company focused on CSR initiatives, mainly for promoting use of environment friendly fuel, creating awareness for conservation of energy, promotion of educational activities, etc. During the year, the Company also contributed Rs. 6.75 crores to GERMI, a centre of excellence in industry learning which has been set up to develop human resource assets to cater to the need of the petroleum and allied energy sectors and to provide a competitive edge to future leaders, to compete in the global arena.

DIRECTORS

Since last Directors' Report, Shri D Rajagopalan, IAS, ceased to be the Director and Chairman of the Company pursuant to his retirement from Govt. Services. Further Shri P K Pujari, IAS, Shri Hasmukh Adhia, IAS and Shri S Jagadeesan, IAS also ceased to be the Directors of the Company. Your Directors wish to place on record an appreciation of the services rendered by them as the Directors of the Company.

Shri A K Joti, IAS, Chief Secretary, Govt. of Gujarat has been appointed as an Additional Director and Chairman of the Company vice Shri D Rajagopalan, IAS. Further Shri Atanu Chakraborty, IAS, Shri R Vaidyanathan, Shri J K Jain and Shri

N K Mitra were appointed as Additional Directors to hold office till the ensuing Annual General Meeting. It is proposed to regularize their appointment in the 12th Annual General Meeting.

Pursuant to the provisions of Section 256 of the Companies Act, 1956, Shri Suresh Mathur, Director of the Company shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

A brief resume of the Directors retiring by rotation/seeking appointment at the ensuing Annual General Meeting, nature of their expertise in specific functional areas and details of companies in which they hold Directorship and Membership/ Chairmanship of committees of the Board are given in the Corporate Governance Report forming part of the Directors' Report.

STATUTORY AND C&AG AUDIT

As your Company is a Government Company, the Statutory Auditors are appointed by the Comptroller & Auditor General of India (C&AG). Accordingly, the C&AG has appointed M/s P Singhvi & Associates, Chartered Accountants, Gandhinagar as Statutory Auditors of the Company for the Financial Year 2009-10.

The Company has received comments of Comptroller & Auditor General of India (C&AG) on the accounts of the Company for the Financial Year 2009-10 which forms part of this Directors' Report. Management response to comments of C&AG is enclosed as Annexure-V.

AUDIT COMMITTEE

Audit Committee of Directors of the Company at its meeting held on 27th May, 2010 approved the Annual Accounts for the Financial Year ended on 31st March, 2010 and recommended the same for approval of the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors hereby confirm that,

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (ii) accounting policies are selected and applied consistently and judgments and estimates are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of profit of the Company for that period.
- (iii) proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the

Company and for preventing and detecting fraud and other irregularities is taken.

- (iv) the annual accounts are prepared on a going concern basis.

MANAGEMENT DISCUSSION & ANALYSIS

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

CORPORATE GOVERNANCE

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

The Company believes that good governance alone can deliver continuous good business performance. A Report on Corporate Governance as required under Clause 49 of the listing agreement is incorporated as a part of this Directors' Report (Annexure – II). A compliance certificate by the practicing company secretary is also attached to the Directors' Report.

GSPL EMPLOYEES STOCK OPTION PLAN (“ESOP”):

ESOP 2005

The Company instituted ESOP Scheme in October 2005 to provide an incentive to attract, retain and reward the employees and to enable them to participate in future growth and financial success of the Company. Each such option has conferred a right upon the employee to apply for one equity share of the Company.

Statutory disclosures regarding ESOP Scheme are enclosed as Annexure-III to this Directors' Report.

ESOP 2010

The Company also intends to implement GSPL Employees Stock Option Plan-2010 (ESOP 2010) for its employees and employees of its holding company i.e. Gujarat State Petroleum Corporation Limited for which approval of members is being sought at the ensuing Annual General Meeting.

PARTICULARS OF EMPLOYEES

During the year under review, none of the employees were drawing remuneration, which require disclosure under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.



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

Conservation of Energy

During the period under review, there is no consumption of energy requiring disclosure.

Technology Absorption

The Company has not imported any technology. However, the Company has engaged consultants/advisors of international repute to make available latest technology for project implementation. The Company has developed PAMS (Pipeline Asset Management Software) with the help of GIPL – SECON.

Foreign Exchange Earnings & Outgo

Foreign Exchange Earnings - NIL

Foreign Exchange Outgo - Rs. 14,446,089/-

ACKNOWLEDGEMENTS

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

The Directors place on record their appreciation of the valuable services rendered by the employees of the Company at all levels, without whose contribution the excellent performance of the Company would not have been possible.

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

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

For and on behalf of the Board of Directors

Date: 23rd August, 2010

Place: Gandhinagar

A K Joti, IAS

Chairman

Annexure - I

Management Discussion and Analysis forming part of the Directors' Report for the year ended on 31st March, 2010

A. INDUSTRY OVERVIEW:

In 2009, India was the world's fourth largest consumer of energy, behind the United States, China, and Russia. (Source: BP Statistical Review of World Energy, June 2010). As per a Report by CRISIL Risk & Infrastructure Solutions Limited, named Indian Gas Market Assessment, February 2010 ("CRISIL Report") India's consumption of energy, on a per capita basis, was one of the lowest in the world in 2009.

Over the past few years, demand for energy has risen in India along with India's economic growth. Gas is currently a minor fuel in the overall energy mix in India. However, gas consumption is expected to grow at 4.2% per year on an average from 2006 to 2030. (Source: Energy Information Administration, International Energy Outlook 2009).

The main factors for increase in gas consumption are expected to be macroeconomic conditions and policies, the price and availability of alternative fuels, the expansion of gas related infrastructure, the development of policies in respect of carbon emissions, the identification of new uses of gas, programmes for the implementation of city gas distribution networks and the fast evolving regulatory environment. It is expected that natural gas will continue to play a predominant role in sectors like power generation, fertilizer, CNG & PNG distribution, refineries, commercial segments and virtually in all the industrial sectors.

Overall demand in India for gas is projected to increase from 209.6 mmscmd in the financial year 2010 to 343.5 mmscmd in the financial year 2015 and 464.4 mmscmd in the financial year 2023 (Source: CRISIL Report). In fact many other reports indicate such growth potential for India's gas market. Currently, Gujarat alone accounts for approximately 40% of the gas demand in the Country. (Source: CRISIL Report). Demand for gas in Gujarat is projected to grow from 85.4 mmscmd in the financial year 2010 to 122.0 mmscmd in the financial year 2015 (Source: CRISIL Report).

In Gujarat, many industries are switching over to gas for their fuel and feedstock requirements. The expansion of the gas grid into new markets has resulted in substantial conversion from alternate liquid fuels to gas as well as increase in the demand for gas through expansion of capacities of existing projects, setting up of new industries and development of CGD networks in Gujarat.

With the commencement of new discoveries in the eastern coast of India, the demand from new regions is expected to increase. Domestic gas production is projected to increase from 177 mmscmd in 2010 to 227 mmscmd in 2023 (Source: CRISIL Report). This increase in production is expected to arise from announced or new discoveries of gas reserves, adding

production to existing fields. Domestic production may also be supplemented in the future from LNG imports, production from coal bed methane fields, shale gas etc. (Source: CRISIL Report)

In fact, even in 2009-10, the actual supply and consumption of gas could have been higher but for the capacity constraints in the existing trunk pipelines.

B. REGULATORY FRAMEWORK:

Government of India ("GOI") in May 2006 enacted the Petroleum & Natural Gas Regulatory Board Act, 2006. The Petroleum and Natural Gas Regulatory Board (PNGRB) was constituted and notified by GOI with effect from October 1, 2007. Recently Section 16 of the PNGRB Act has been notified which would expedite the bidding process for the natural gas pipelines and CGD networks.

PNGRB has notified regulations concerning various aspects of transmission pipeline. The regulations were issued to provide for the following:

- Affiliate Code of Conduct for Entities Engaged in Marketing of Natural Gas and Laying, Building, Operating or Expanding Natural Gas Pipeline as Common Carrier or Contract Carrier
- Regulations for Determination of Pipeline Tariff for Natural Gas Pipelines (pipelines existing as on the appointed day i.e. October 1, 2007)
- Regulations for Authorizing Entities for the Development of Natural Gas Pipelines
- Access Code of Conduct for Common Carrier or Contract Carrier Natural Gas Pipelines
- Guiding Principles for Declaring or Authorizing Natural Gas Pipelines as Common Carrier or Contract Carrier

PNGRB is likely to authorize the existing & proposed pipeline network of your Company in Gujarat. Your Company is in the advanced stages of submitting tariff details to PNGRB for finalization.

PNGRB has shown commitment to introduce Natural Gas usage in number of cities. Two rounds of the CGD bidding covering 13 cities have been completed in line with the proposed City Gas Distribution regulations. PNGRB has ensured implementation of regulations to encourage investments in the sector and the same is expected to be a contributing factor in the increase in usage of Natural Gas.

In addition to the Gujarat State Grid, your Company has submitted bids to the PNGRB for setting up two Natural Gas Transmission pipelines, namely: Mallavaram – Bhilwara

pipeline, Mehsana – Bhatinda pipeline and bid for Bhatinda-Jammu-Srinagar pipeline is to be submitted shortly. Further EoI for Surat - Paradip pipeline has been filed and PNGRB is likely to invite the bids shortly.

C. OPPORTUNITIES AND CHALLENGES:

With production / import of oil and gas moving to remote areas (or areas untapped by any pipeline network), away from consumption centers, there has been a surge in demand for greater pipeline capacity to bring such supplies to market. Further noticeable increase in development activities for setting up CGD networks in & across various States in India is a major boost for expansion in cross country pipelines by Natural Gas Transmission companies.

At the same time, to develop pipeline in all parts of the Country including in remote areas will be a challenge for transmission companies. However your Company believes that lower operational cost of transportation per unit of gas, feasibility to transport higher capacities and oil & gas prices will remain the deciding factors for expansion and growth of Natural Gas Transmission companies.

Your Company is well poised to take full advantage of the new opportunities arising out of the developments happening in the gas industry. The unique business model of “Pure Transmission Services and Open Access” adopted by the Company are in line with the spirit of new regulatory regime.

D. OPERATIONS & FUTURE OUTLOOK

Your Company owns and operates the largest gas transmission network in Gujarat totaling to approximately 1,666 kilometres. The gas grid of the Company has reached to 16 of 26 districts in Gujarat. Your Company has been successful in reaching remote industrial / coastal areas of Gujarat thereby enabling supply of natural gas to industries spread across regions in the State.

Further, more than one-third of the production from D6 gas fields from RIL's field in KG Basin coming in to Gujarat is transported through GSPL's pipeline network. Your Company has signed long term contracts with various customers across several sectors, for transmission of gas from RIL KG Basin fields.

Pro-active development of gas transportation infrastructure has not only helped in development of the market but also in monetization of the gas fields and commercialization of LNG terminals & your Company would continue its effort in this direction.

Your Company is currently expanding its network and expects to complete the construction of approx 1100 kilometres of pipelines during the next 2 - 3 years. Further, the Company also continues to develop several other spur lines to connect remaining industrial clusters and medium size customers along the pipeline network in Gujarat. Further augmentation of existing pipeline network is required due to increase in the gas

demand, emergence of interstate pipeline from GSPL gas grid such as at Mehsana.

The emergence of new supply regions and sources necessitates the development of a national interconnected pipeline network. Commercialization of gas sources in the east coast region of India has led to improvement in availability of gas and the same is expected to increase further. As a result, many companies, including GSPL, plan to set up pan-India pipelines, to take advantage of the significant increase in supply volumes expected over the period between the financial year 2010 to 2023. Your Company is participating in the bidding for development of more than 5675 kms of pan-India pipeline.

Moreover, your Company holds significant equity interest in CGD companies, which have natural synergy with gas transmission business. GSPL holds 13.75% in Sabarmati Gas Ltd. and 36.51% in GSPC Gas Co. Ltd.

It is noteworthy to mention that Sabarmati Gas Ltd. (0.7 mmscmd) and GSPC Gas Co. Ltd. (3.0 mmscmd) together are among the largest CGDs in the Country. Your Company expects that with the expansion of gas transmission pipelines and CGD infrastructure, these CGD companies would also continue to grow, going forward.

E. PERFORMANCE PROFILE

The Company continued to expand its Gas Grid Project to reach to the new markets and connect to the new supply sources. The pro-active approach of your Company to envisage development of necessary infrastructure, for interconnecting with third party pipeline, for transmission of gas coming from east coast, enabled it to increase volumes in its pipeline by 115% over last year.

The infrastructure put up by the Company enabled the flow of LNG and domestic gas from various sources including KG Basin to reach various regions of Gujarat.

The Company has managed to achieve the fast track growth in a short period of time with a lean manpower strength on account of its well thought out strategy of developing major pipeline projects on EPC (Engineering, Procurement and Construction) Model.

The Company transported 11673 mmscm of natural gas during the year, recording an increase of 115% over last year's volumes transportation of 5428.48 mmscm.

The Company's Income from Transportation of gas reached to Rs. 991.95 crores, recording an increase of 103% over last year's Income from Transportation of gas of Rs. 487.50 crores.

Profit after Tax for the year was Rs. 413.77 crores as compared to Rs. 123.41 crores in the previous year, recording an increase of 235.28%.

The Net Worth of the Company has increased from Rs. 1211.86 crores to Rs. 1563.48 crores as compared to previous

year. Gross Block of Assets has increased from Rs. 2421.18 crores to Rs. 3325.49 crores and consequently there has been an increase in Depreciation from Rs. 170.49 crores to Rs. 236.49 crores.

The Company continues to have a healthy Debt Equity Ratio of 0.77.

Your Company firmly believes that threat of global climate change has forced the world to think and perhaps it is the need of the hour also to consider energy generation through renewable sources like wind & solar along with other available clean fuels. With this conviction and aided by the tax incentives offered by Govt. of India for construction of wind power projects, your Company has entered in to the power generation business through wind energy.

Wind Power Project

The Company is putting up a wind power project of 52.5 MW at Maliya Miyana, Rajkot and Gorsar, Porbandar in the State of Gujarat. By 31st March, 2010, the Company has already commissioned 6 MW capacities and the balance capacity shall come online during the year 2010-11.

F RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The Company has a well-defined risk management framework. The Board of Directors of the Company has adopted a risk management policy, reviewed the Risk Register and put in place a framework for reviewing the major risks. The Company is focusing on development of a "risk culture" that encourages all employees to identify risks and associated opportunities and to respond to them with effective actions.

The Company has a proper and adequate system of internal controls commensurate with its size of operations and nature of business. The Company's internal control systems are further supplemented by extensive programs of audits, i.e. internal audit (by an independent firm of Chartered Accountants), proprietary audit and audit by Statutory Auditors appointed by the Comptroller & Auditor General of India (C&AG). The internal control system is designed to ensure that all financials and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets and compliance with statutory requirements. The Company has mapped a number of business processes on SAP system, thereby leading to significant improved controls & transparency.

G. HUMAN RESOURCES

During the year, the Company did not experience any strikes or lockouts.

Availability and retention of technical and skilled talent in required number is major challenge for the Company. The Company employed 141 employees as on 31st March, 2010 (Previous year 152 employees).

During the year, the Company implemented sixth pay commission pay scales.

The Company believes that training and personnel development is of vital importance to create a climate where people maximize their technical skills and inner potential which can help the Company in capitalizing the emerging business opportunities through their involvement. During the year, employees were sent for various training programmes and seminars in line with the Annual Training Calendar to enhance employee skills/knowledge.

The Company has in place an attractive policy of performance linked incentive to encourage and reward employee performance.

The Company has managed to achieve substantial growth with a lean organization structure.

Forward Looking Statements:

This Annual Report contains forward-looking statements, which may be identified by words like will, believes, plans, expects, intends, estimates or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth and market position are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company can not guarantee that the assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or event.

Annexure - II

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Gujarat State Petronet Limited (GSPL) is committed to do business in an efficient, responsible, honest and ethical manner. The core values of the Company's Governance process include independence, integrity, accountability, transparency, responsibility and fairness. The Company is committed to transparency in all its dealings and places high emphasis on business ethics. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedication to increase long-term shareholders' value.

2. BOARD OF DIRECTORS

A. Composition of the Board:-

The present Board structure of the Company maintains an optimum mix of Executive, Non Executive and Independent Directors. The composition of the Board is in conformity with the listing requirements. The detailed composition of the Board as on 31st March 2010, their category and their Directorship in other companies and Membership/Chairmanship in the committees of the Board are given below:-

Sr No.	Name of the Director(s)	Position/Category ++	* Number of Directorship as on 31/03/2010 including GSPL	** Number of Membership / Chairmanship in Board Committee as on 31/03/2010 including GSPL	
				Membership+	Chairmanship
1	Shri A K Joti, IAS	Non Executive Chairman (GSPC ¹ Nominee)	6	Nil	Nil
2	Shri D J Pandian, IAS	Non Executive Director (GSPC ¹ Nominee)	15	2	1
3	Shri Atanu Chakraborty, IAS	Non Executive Director (GSPC ¹ Nominee)	15	4	Nil
4	Shri Suresh Mathur	Independent Director	5	3	2
5	Shri J K Jain	Independent Director	4	4	Nil
6	Shri R Vaidyanathan	Independent Director	7	3	Nil
7	Shri N K Mitra	Independent Director	1	Nil	Nil
8	Shri Tapan Ray, IAS	Managing Director (GSPC ¹ Nominee)	10	4	Nil

1. Gujarat State Petroleum Corporation Limited

+ Membership excludes Chairmanship

* Excluding directorship held in Private Limited Companies, Foreign Companies and Section 25 Companies.

** Indicates Membership/Chairmanship in the Audit Committee and Shareholders/Investors Grievance Committee (excluding Private Limited Companies, Foreign Companies and Section 25 Companies).

++ None of the Directors of the Company are related inter-se.

B. Board Meetings held during the year 2009-2010:-

During the year 2009-2010, the Board met 8 (Eight) times. Details of these meetings are as follows:-

Sr. No.	Date of Meeting
1	29 th May, 2009
2	30 th June, 2009
3	4 th July, 2009
4	23 rd July, 2009
5	23 rd October, 2009
6	23 rd December, 2009
7	25 th January, 2010
8	12 th March, 2010

C. Attendance of each Director at the Board Meeting and at last AGM:-

Sr No.	Name of the Director	Number of Board Meetings held during their tenure as Director	Number of Board Meetings attended	Attendance at last AGM held on 3/12/2009
1	Shri D Rajagopalan, IAS (upto 8 th March, 2010)	7	5	Yes
2	Shri A K Joti, IAS (w.e.f. 8 th March, 2010)	1	1	N.A.
3	Shri D J Pandian, IAS	8	8	Yes
4	Shri Hasmukh Adhia, IAS (upto 3 rd Nov, 2009)	5	Nil	N.A.
5	Shri P K Pujari, IAS (upto 2 nd March, 2010)	7	5	No
6	Shri U Sundararajan (upto 23 rd July, 2009)	3	Nil	N.A.
7	Shri S Jagadeesan, IAS (upto 11 th Dec, 2009)	5	4	No
8	Shri Atanu Chakraborty, IAS (w.e.f. 2 nd March, 2010)	1	1	N.A.
9	Shri Suresh Mathur	8	7	Yes
10	Shri R Vaidyanathan (w.e.f. 12 th March, 2010)	Nil	N.A.	N.A.
11	Shri J K Jain (w.e.f. 12 th March, 2010)	Nil	N.A.	N.A.
12	Shri N K Mitra (w.e.f. 30 th March, 2010)	Nil	N.A.	N.A.
13	Shri Tapan Ray, IAS	8	7	Yes

D. Information on Directors seeking Appointment/Reappointment at the ensuing Annual General Meeting:-

Brief resume of Directors being appointed/reappointed at the ensuing Annual General Meeting, nature of their expertise in specific functional areas and names of the other companies in which they hold directorship are furnished hereunder:-

i) Shri Suresh Mathur

Shri Suresh Mathur is a Chartered Accountant from the Institute of Chartered Accountants of India. He has experience spanning more than 44 years in the Oil Industry. He has handled varied assignments in the fields of Finance, Marketing, Operations, Strategic Planning, International Oil Trading and Project Execution. He was the Managing Director of Petronet LNG Limited from 1998 until 2005. He was also Director (Finance) of Indian Oil Corporation from 1994 until 1998. He was advisor to the Essar Group.

Shri Suresh Mathur holds directorship in following other companies:

Gujarat State Petroleum Corporation Limited
Cosmo Films Limited
Environics Limited
Omax Auto Limited

ii) Shri A K Joti, IAS

Shri A K Joti, IAS has graduated in Science from Delhi University and has completed his Masters in Chemistry from Delhi University. Shri A K Joti, IAS was Managing Director of Sardar Sarovar Narmada Nigam Limited. He has wide experience of over 36 years in various Departments of Government including Revenue, Finance, Home, Water Supply and Education. He has also served as Chairman of Kandla Port Trust. He is also Chairman of GNFC, GSFC, GSPC and GACL. Presently he is Chief Secretary, Government of Gujarat.

Shri A K Joti, IAS holds directorship in following other companies:

Gujarat State Petroleum Corporation Limited
Gujarat Alkalies and Chemicals Limited
Gujarat Narmada Valley Fertilizers Company Limited
Sardar Sarovar Narmada Nigam Limited
Gujarat State Fertilizers & Chemicals Limited

iii) Shri Atanu Chakraborty, IAS

Shri Atanu Chakraborty, IAS is BE (Electronics and Communication) and has also done Post Graduate Diploma in Business Finance and MBA from U.K. Shri Atanu Chakraborty, IAS has earlier worked as Managing Director of Gujarat State Financial Services Limited, Drinking Water & Infrastructure, Gujarat and State Civil Supplies Corporation Limited, Gujarat. Shri Atanu Chakraborty, IAS has a wide experience of over 22 years in various Government Departments including Revenue, Finance, Home, Water Resources and Education. Presently he is Principal Secretary, Finance Department (Economic Affairs), Government of Gujarat.

Shri Atanu Chakraborty, IAS holds directorship in following other companies:

Bhavnagar Energy Company Limited
Gujarat Industrial Corridor Limited
Gujarat Industrial Investment Corporation Limited
Gujarat Informatics Limited
Gujarat Mineral Development Corporation Limited
Gujarat Ports Infrastructure and Development Co. Limited
Gujarat State Financial Services Limited
Gujarat State Investments Limited
Gujarat State Road Transport Corporation
Gujarat Urban Development Company Limited
Gujarat Urja Vikas Nigam Limited
GSFS Capital & Securities Limited
GSPC LNG Limited
Infrastructure Finance Company Gujarat Limited

Gujarat Industrial Development Corporation
Indian Institute of Public Health

iv) Shri R Vaidyanathan

Shri R Vaidyanathan is a Science Graduate from the Loyola College, Madras and has done Masters from the Indian Statistical Institute, Calcutta and has also obtained Fellow in Management (Doctorate) from the Indian Institute of Management, Calcutta. He is Professor of Finance and Control at the IIM, Bangalore and UTI Chair Professor in the area of Capital Markets. He was also a visiting Fulbright Fellow at the Georgia State University at Atlanta and International Insurance Foundation at Washington D. C. during 2003 and studied the Pension Systems in the USA. He has been appointed as a Trustee for the New Pension System by the Pension Fund Regulatory and Development Authority of India. He is known for his commendable contributions in the areas of Corporate Finance, Risk Management, Pensions, etc.

Shri R Vaidyanathan holds directorship in following other companies:

Birla Sunlife Asset Management Company Limited
Conglome Techno Limited
Dalmia Cement Ventures Limited
General Optics (Asia) Limited
Shriram Properties Limited
Zee Entertainment Enterprises Limited

v) Shri J K Jain

Shri J K Jain is a Chartered Accountant and has over 30 years of experience as a Finance Executive both in Private and Public Sector. He was Director (Finance) in GAIL from 1996 to 2005. He also held the additional charge of the Chairman and Managing Director of GAIL in the year 2001. Shri J K Jain has extensive experience in the areas of Finance, Investment, Funding, Compliance, Corporate Governance, Risk Management etc.

Shri J K Jain holds directorship in following other companies:

English Indian Clays Limited
Jamna Auto Industries Limited
Mahanagar Gas Limited

vi) Shri N K Mitra

Shri N K Mitra has done B.Sc. (Honours) and Petroleum Engineering from Indian School of Mines, Dhanbad. Shri N K Mitra has served the upstream oil & gas industry in this part of the world for more than 36 years. Shri N K Mitra was associated with ONGC from 1973 and was holding senior positions like Chief Engineer (Production), General Manager (Production) and Executive Director (Offshore). Shri N K Mitra's contribution in managing offshore infrastructures, logistics, inputs and manpower, early exploitation of oil & gas from small, marginal and deep water fields are well acknowledged in industry circle. Shri N K Mitra has superannuated as the Director (Offshore) as well as Director-I/c Marketing of Oil & Natural Gas Corporation Ltd. He has been conferred best 'Offshore Oil & Gas Professional from India' by IORS and the longest serving 'distinguished SPE member' by Society of Petroleum Engineers.

Shri N K Mitra does not hold directorship in any other company.

3. AUDIT COMMITTEE

The composition of the Audit Committee as on 31st March, 2010 is as follows:-

1. Shri Suresh Mathur - Chairman
2. Shri Atanu Chakraborty, IAS - Member
3. Shri R Vaidyanathan - Member
4. Shri J K Jain - Member

Ms. Reena Desai, Company Secretary acts as Secretary to the Audit Committee.

Note:

All the members of the Audit Committee are Non Executive Directors and at least two third are Independent Directors. The Chairman of the Audit Committee is an Independent Director and is having thorough financial and accounting knowledge.

The powers of the Audit Committee as conferred by the Board of Directors are:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee includes the overview of the Company's financial reporting process and related disclosures to ensure that the financials are correct, sufficient and credible. The Committee will also undertake the review, with our management, of our annual and quarterly financial statements before submission to the Board for approval. The Committee shall also review the adequacy of our internal control systems, internal audit functions and discuss any significant findings of the internal auditors. The Committee shall also discuss with our statutory auditors prior to their commencement of audit, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern. The Audit Committee shall examine the reasons for substantial defaults in the payments by the Company to depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors. The Committee shall also review the functioning of whistle blower mechanism as and when introduced by the Company.

During the year 2009-2010, the Audit Committee met Six (6) times. Details of these meetings are as follows:-

Sr. No.	Date of Meeting
1	27 th June, 2009
2	23 rd July, 2009
3	23 rd October, 2009
4	23 rd December, 2009
5	25 th January, 2010
6	12 th March, 2010

The attendance of the members therein was as follows:-

Sr. No.	Name of the Audit Committee Member	Number of Audit Committee Meetings held while holding the office	Number of Audit Committee Meetings Attended
1	Shri Suresh Mathur	6	6
2	Shri U Sundararajan (upto 23 rd July,2009)	1	Nil
3	Shri Tapan Ray, IAS (upto 23 rd December, 2009)	3	3
4	Shri S Jagadeesan, IAS (w.e.f. 4 th July, 2009 upto 11 th Dec, 2009)	2	1
5	Shri P K Pujari, IAS (w.e.f. 4 th July, 2009 upto 2 nd March, 2010)	4	3
6	Shri D J Pandian, IAS (w.e.f. 23 rd December, 2009 upto 12 th March, 2010)	3	3
7	Shri Atanu Chakraborty, IAS (w.e.f. 12 th March, 2010)	Nil	N.A
8	Shri R Vaidyanathan (w.e.f. 12 th March, 2010)	Nil	N.A
9	Shri J K Jain (w.e.f. 12 th March, 2010)	Nil	N.A

The Chairman of the Audit Committee remained present at the Annual General Meeting of the Company held on 3rd December, 2009 to answer shareholder queries.

4. REMUNERATION OF DIRECTORS

Except for sitting fees paid to the Directors (other than the Managing Director), the Company do not pay any remuneration to the Directors. Further, the sitting fees paid to the Directors who are IAS officers is deposited in government treasury. No Director is entitled to any benefit upon termination of his directorship/employment in the Company.

At present Company pays Rs. 5,000/- per meeting as sitting fees to the Directors (except Managing Director) for attending Board/Committee Meeting.

During the year 2009-2010, the Company has paid Rs. 295000/- in aggregate as sitting fees to its Directors.

The Company has granted stock option to the Directors @ Rs. 14/- per share under ESOP scheme 2005. These options were scheduled to vest during the period from October 2006 to October, 2009 and can be exercised within a period of 5 years from the date of vesting. While the Company has granted the options, a Director may in his sole discretion, decide to accept or reject the said grant. The details of number of shares granted to each Director (who is currently on the Board of the Company) under the ESOP scheme are as follows:-

Sr. No.	Name of Director	Options granted for
1.	Shri D J Pandian, IAS	30,060 Equity shares

*None of the Directors have exercised options granted under the ESOP Scheme till date.

As the Company is not paying any remuneration to its Executive Directors, no separate Remuneration Committee has been formed by the Board.

Further, except Shri Suresh Mathur who holds 20000 shares, no other Director holds any share in the Company.

Terms of appointment of Managing Director:

Shri Tapan Ray, IAS has been appointed as Managing Director of the Company w.e.f 9th November, 2009 for a period of five years. Further he does not receive sitting fees from the Company but is paid remuneration by Gujarat State Petroleum Corporation Limited as per the pay structure for principal secretary level government officials. He will hold his office till further intimation by Gujarat State Petroleum Corporation Limited or for a period of five years from the date of his appointment, whichever is earlier.

5. SHAREHOLDERS/INVESTORS' GRIEVANCE COMMITTEE

The composition of the Shareholders/Investors Grievances Committee as on 31st March, 2010 is as follows:-

1. Shri Suresh Mathur - Chairman
2. Shri D J Pandian, IAS - Member
3. Shri Tapan Ray, IAS - Member

The status of shareholders complaint as on 31st March 2010 is as follows:-

Particulars	Opening as on 1/04/2009	Received* during the year	Disposed during the year	Balance as on 31/03/2010
No of complaints	Nil	650	650	Nil

* The Complaints received were mainly in the nature of non receipt of refund orders, non receipt of dividend warrants, requests for duplicate/revalidation of dividend warrants, non receipt of electronic credit of shares etc.

Ms Reena Desai, Company Secretary acts as Compliance Officer of the Company.

6. GENERAL BODY MEETINGS

A. Schedule of the last three Annual General Meetings of the Company is presented below:

Year	Date & Time of AGM	Venue	Special Resolutions passed
2008-2009	3 rd December, 2009 11.30 A.M.	Assembly Hall, GSPC Bhavan, Behind Udyog Bhavan, Sector-11, Gandhinagar-382011	No
2007-2008	26 th September, 2008 12.00 Noon	Assembly Hall, GSPC Bhavan, Behind Udyog Bhavan, Sector-11, Gandhinagar-382011	No
2006-2007	21 st September, 2007 12.00 Noon	Town Hall, Sector-17, Nr Gh Circle, Opp Udyog Bhavan, Gandhinagar-382017	1. For approving allotment of maximum 22000000 equity shares of Rs. 10 each for cash at a price of Rs.57.29 on preferential basis to IFC
			2. For approving amendment of Article of Association of the Company
			3. For ratifying and approving Pre-IPO ESOP Scheme of the Company.

B. Postal Ballot:

During the year, special resolution under Section 17 of the Companies Act, 1956 for the Alteration of Clause III of Memorandum of Association has been passed through postal ballot under Section 192A of the Companies Act, 1956. The Company appointed CS Manoj R. Hurkat, Partner, Mehta Hurkat & Associates, Companies Secretaries, Ahmedabad to conduct the aforesaid postal ballot process in the fair and transparent manner.

7. DISCLOSURES

There are certain transactions with related parties which have been disclosed at the relevant place in the notes to the Annual Accounts. No such related party transactions may have potential conflict with the interests of the Company at large.

There is no non compliance on any capital market related matter since the listing of Company's security on Stock Exchanges. Further no penalty has been imposed either by SEBI or Stock Exchanges or any statutory authority on any capital market related matter.

8. MEANS OF COMMUNICATION

The Financial Results of the Company are normally published in one national news paper (English) and one regional news paper. These results can also be viewed from the Company's website www.gujpetronet.com. Further, the Company is registered under Corporate Filing and Dissemination System (CFDS) and the Financial Results and other required filings of the Company can also be viewed on the website of CFDS (www.corpfiling.co.in) and National Stock Exchange of India Limited (www.nseindia.com) and Bombay Stock Exchange Limited (www.bseindia.com).

9. CODE OF CONDUCT

The Board of Directors of the Company has adopted a code of conduct and made it applicable to the Board members and Senior Management of the Company. The same has also been posted on the website of the Company.

The Board and Senior Management of the Company have affirmed compliance with the code. The declaration by CEO to this effect has been made elsewhere in this Annual Report.

10. GENERAL SHAREHOLDERS INFORMATION

A. Schedule & Venue of the 12th Annual General Meeting of the Company:-

Date & Day	21 st September, 2010, Tuesday
Time	5.00 p.m.
Venue	Assembly Hall, GSPC Bhavan, Behind Udyog Bhavan Sector – 11, Gandhinagar - 382011.

B. Financial Year and Calendar:-

The financial year of the Company starts on April 1 and ends on March 31 every year.

Financial Calendar for 2010-2011 (Tentative Schedule) for adoption of quarterly results for:

Quarter ending June 30, 2010	On 29 th July, 2010
Quarter ending September 30, 2010	Before 14 th November, 2010
Quarter ending December 31, 2010	Before 14 th February, 2011
Quarter & Year ending March 31, 2011 (Audited)	Before 30 th May, 2011

C. Book Closure Date:-

Wednesday, 15th September, 2010 to Tuesday, 21st September, 2010 (both days inclusive).

D. Dividend Payment:-

The dividend if approved by the shareholders will be paid on or after 21st September, 2010 but within the statutory time limit of 30 days.

E. Listing on Stock Exchanges and Scrip Codes:-

Name of Stock Exchange	Scrip Code
1. Bombay Stock Exchange Limited (BSE)	532702
2. National Stock Exchange of India Limited (NSE)	GSPL

The Company has also entered into a tripartite agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The ISIN no. for Company's securities is INE246F01010.

Note:

1. The necessary listing fees for the year 2010-2011 has already been paid to both the Stock Exchanges.

F. Stock Market Data:

Market Price Data in BSE and NSE is as follows:

Month	BSE Sensex		Company's Share price on BSE		NSE Nifty		Company's Share price on NSE	
	High	Low	High	Low	High	Low	High	Low
April 2009	11,492.10	9,546.29	47.25	38.50	3517.25	2965.70	47.85	38.45
May	14,930.54	11,621.30	62.90	40.70	4509.40	3478.70	66.00	40.30
June	15,600.30	14,016.95	64.90	47.00	4693.20	4143.25	64.80	46.80
July	15,732.81	13,219.99	73.25	46.65	4669.75	3918.75	73.35	46.65
August	16,002.46	14,684.45	82.40	65.00	4743.75	4353.45	82.40	61.80
September	17,142.52	15,356.72	87.45	74.80	5087.60	4576.60	87.20	74.70
October	17,493.17	15,805.20	91.50	77.40	5181.95	4687.50	92.90	77.30
November	17,290.48	15,330.56	100.00	76.30	5138.00	4538.50	100.20	76.20
December	17,530.94	16,577.78	104.00	93.40	5221.85	4943.95	104.90	93.05
January 2010	17,790.33	15,982.08	102.50	87.00	5310.85	4766.00	102.45	87.10
February	16,669.25	15,651.99	96.50	82.00	4992.00	4675.40	94.50	82.00
March	17,793.01	16,438.45	95.70	85.90	5329.55	4935.35	95.90	85.80

G Registrar and Transfer Agent and Share Transfer system:-

Karvy Computershare Private Limited is the share transfer agent of the Company for both physical as well as Demat mode. The details about our share transfer agent are as follows:-

M/s Karvy Computershare Private Limited

Plot No 17-24, Vittal Rao Nagar, Madhapur,
Hyderabad-500 081
Andhra Pradesh, India.
Tel: +91-40-23420815 to 818
Fax: +91-40-23420814
Email: mailmanager@karvy.com
Web site: www.karvycomputershare.com
Contact person: Shri Mahender Reddy

Investors, for their queries, may contact at the abovementioned address.

H. Distribution of Shareholding:-

Distribution of shareholding as on 31st March, 2010 is given below:

Category	No. of shareholders	% of shareholders	No of shares held	% of shareholding
1-5000	198075	90.136	38756333	6.891
5001-10000	12890	5.866	10440367	1.856
10001-20000	4573	2.081	6988975	1.243
20001-30000	1482	0.674	3856002	0.686
30001-40000	595	0.271	2134547	0.380
40001-50000	625	0.284	2988193	0.531
50001-100000	765	0.348	5651703	1.004
100001 & above	747	0.340	491632464	87.409
Total	219752	100.000	562448584	100.000

I. Dematerialization of shares and its liquidity:-

288171781 equity shares representing 51.00% of the total equity shares of the Company are held in Dematerialized Form and balance 274276803 equity shares representing 49.00% are in Physical Form as on 31st March, 2010.

J. Plant Locations:-

The Company is developing pipeline infrastructure for transportation of gas. The Company has commissioned pipeline projects covering various locations in the State of Gujarat. The required details of these locations are specified in Directors' Report which forms part of this Annual Report.

K. Address for correspondence with the Company:-

The address for correspondence with the Company is given below:-

Gujarat State Petronet Limited,
GSPC Bhavan, 5th Floor,
Sector-11, Gandhinagar-382 011.
Ph.: +91-79-66701001
Fax: +91-79-23236477
Web-site: www.gujpetronet.com
Email: investors.gspl@gspl.in

L. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversions date and likely impact on equity.

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

For and on behalf of the Board of Directors

Date: 23rd August, 2010
Place: Gandhinagar

A K Joti, IAS
Chairman

CEO & CFO CERTIFICATION

We hereby certify that:-

- a. We have reviewed audited financial results for the quarter and year ended on 31st March, 2010 and that to the best of our knowledge and belief:
 - i. these audited financial results do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the company during the period under review are fraudulent, illegal or violative of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee that:
 - i. there are no significant changes in internal control over financial reporting during the period under review;
 - ii. there are no significant changes in accounting policies during the period under review; and
 - iii. there are no instances of any fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

We further declare that all the Board Members and senior Management have affirmed with the code of conduct for the current year.

Manish Seth
Asst. Gen. Mgr. (Finance)

Date : 27th May, 2010
Place: Gandhinagar

Tapan Ray, IAS
Managing Director



CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
The Members
GUJARAT STATE PETRONET LIMITED
GSPC Bhavan, Sector - 11,
Gandhinagar - 382 011

We have examined all relevant records of Gujarat State Petronet Limited for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited and National Stock Exchange for the financial year ended 31st March, 2010. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company i.e. Gujarat State Petronet Limited has complied with all the mandatory conditions of the said Clause – 49 of the Listing Agreement except the following:

The composition of the Board of Directors was not as per the stipulation regarding the number of Independent Directors upto 29th March, 2010 as the number of Independent Directors had fallen below one – half.

Consequently, the composition of the Audit Committee was also not as per the stipulation regarding the number of Independent Directors during the period from 4th July, 2009 to 11th March, 2010 as the number of Independent Directors had fallen below two – third.

In the meetings of the Audit Committee held during the year, proper quorum was not present as only one Independent Director remained present instead of the requirement of atleast two Independent Directors.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MEHTA HURKAT & ASSOCIATES
Company Secretaries

MANOJ R. HURKAT
Partner

Membership No.: FCS 4287
Certificate of Practice No.: CP-2574

Date: 23rd August, 2010
Place: Ahmedabad

Annexure - III

DISCLOSURE REGARDING GSPL EMPLOYEES STOCK OPTION PLAN-2005

	Description	2009-2010		2008-2009	
		ESOP 2005 Part-I	ESOP 2005 Part-II	ESOP 2005 Part-I	ESOP 2005 Part-II
A	Total options granted by the Compensation Committee on 18.10.2005	7,64,000 (of which 2,95,000 options granted to Employees of the Company and 4,69,000 options granted to Employees of Gujarat State Petroleum Corporation Limited (Holding Company))	1, 563, 940 (of which 5,93,640 options granted to Employees of the Company and 9,70,300 options granted to Employees of Gujarat State Petroleum Corporation Limited (Holding Company))	7,64,000 (of which 2,95,000 options granted to Employees of the Company and 4,69,000 options granted to Employees of Gujarat State Petroleum Corporation Limited (Holding Company))	1, 563, 940 (of which 5,93,640 options granted to Employees of the Company and 9,70,300 options granted to Employees of Gujarat State Petroleum Corporation Limited (Holding Company))
B	Options granted during the year (Note 1)	Nil	Nil	17000	41995
C	Exercise Price (Note 2)	Rs.14/-	Rs.14/-	Rs.14/-	Rs.14/-
D	Total Option Vested during the year	Nil	274819	Nil	293085
	Cumulative Option Vested up to the respective financial year.	764000	1349874	764000	1075055
E	Total Options exercised during the respective financial year.	36000	297381	20900	87609
	Cumulative Option exercised up to the respective financial year.	647950	819364	611950	521983
F	Total number of shares arising as a result of exercise of options during the respective financial year.	36000	297381	20900	87609
	Cumulative number of shares arising as a result of exercise of options up to the respective financial year.	647950	819364	611950	521983
G	Total Option lapsed/cancelled during the year (Note 3)	5000	52153	12000	80931
	Cumulative Option lapsed/cancelled up to the respective financial year.(Note 4)	82000	411208	77000	359055
H	Money realized by exercise of Options during the respective financial year.	504000	4163334	292600	1226526
I	Total Number of options in force as on 31st March of the respective financial year.	34050	333368	75050	682902
J	Variation in terms of Options	Nil	Nil	Nil	Nil
K	Diluted Earning Per Share (EPS) pursuant to issue of shares on exercise of option	7.35	7.35	2.19	2.19

L	Person-wise details of options granted to:				
	1. Existing Directors and key managerial employees (please see Note 5 below for details of options granted to directors and key managerial employees)	Note 5	Note 5	Note 5	Note 5
	2. Any other employee who received a grant in any one year of options amounting to 5% or more of option granted during that year.	N.A.	N.A.	N.A.	N.A.
	3. Identified employees who are granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	N.A.	N.A.	N.A.	N.A.
M	Vesting Schedule	Note 6	Note 6	Note 6	Note 6
N	Lock-in	N.A.	N.A.	N.A.	N.A.
O	Method and assumptions for estimation of the fair value of the options	N.A.	N.A.	N.A.	N.A.
	Price of the underlying shares in the market at the time of grant of option	N.A.	N.A.	N.A.	N.A.

Note: 1

On 19.06.2008, the Compensation Committee of the Company, in accordance with the ESOP Scheme 2005, has made grant of fresh options out of the lapsed/cancelled options upto 31.03.2008.

Note: 2

The exercise is based on the valuation report of an independent Chartered Accountant. The said valuation report indicated value of Rs. 12.50 per equity shares. However, the Board of Directors of the Company decided to keep the price slightly higher than that price and finalized it at Rs. 14.00 per equity shares. Further, the ESOP scheme was approved by the Board at its meeting held on 13th October 2005 prior to listing of shares of the Company.

Note: 3

ESOPs which have lapsed / cancelled before getting vested on account of retirement / resignation etc. of employees are included in "Total options lapsed / cancelled during the year".

Note: 4

Details of Cumulative Option lapsed/cancelled up to the respective financial year is as under:

		2009-2010		2008-2009	
	Description	ESOP 2005 Part-I	ESOP 2005 Part-II	ESOP 2005 Part-I	ESOP 2005 Part-II
A	Options lapsed/cancelled at the beginning of the respective financial year.	77000	359055	82000	320119
B	Less: Grant of options during the respective financial year out of A above.	NIL	NIL	17000	41995
C	Add: options lapsed during the year	5000	52153	12000	80931
D	Total options lapsed/cancelled as on 31st March of the respective Financial year (A-B+C)	82000	411208	77000	359055

Note : 5

Name of Director or key managerial personnel (as on 31 st March, 2010)	Number of equity share of Rs.10 each issuable upon exercise of options.
Directors*	
Mr. D.J.Pandian, IAS	30060
Key Managerial Personnel	
Mr. Michael Weir	16170
Mr. Ravindra Agrawal	22410
Mr. Manish Seth	17640
Mr. N.Bose Babu	17640
Mr. Pramod Yenge	17500
Mr. Sanjay Sengupta	17500
Mr. Minesh Gajiwala	15940
Mr. Rajesh Suhane	15550
Ms. Reena Desai	NIL

**None of the Directors have exercised options granted under the ESOP Scheme till date.*

Note: 6

Vesting Schedule

ESOP I: Shares vested at the end of 1st year from the date of grant of option i.e.

For the options granted on 18.10.2005

Year Ended	Date	No of shares Vested
1 st year	18.10.2006	764000

For the options granted on 19.06.2008

Year Ended	Date	No of shares to be Vested*
1 st year	19.06.2009	17000

ESOP II: Shares were scheduled to be vested in equal proportion in consecutive four years after the expiry of one year from the date of grant of option as per following:

For the options granted on 18.10.2005

Year Ended	Date	No of shares Vested/to be Vested
1 st year	18.10.2006	390985
2 nd year	18.10.2007	390985
3 rd year	18.10.2008	390985*
4 th year	18.10.2009	390985*



For the options granted on 19.06.2008:

Year Ended	Date	No of shares to be vested*
1st year	19.06.2009	10498.75
2nd year	19.06.2010	10498.75
3rd year	19.06.2011	10498.75
4th year	16.06.2012	10498.75

**Note: the shares are shown as per the original vesting schedule and the actual no of shares vested may differ due to shares cancelled before vesting due to resignation/termination of the employees.*

Note: 7

The number of options exercised during the previous year has been restated between the schemes, wherever necessary.

Annexure - IV GSPL Gas Grid Map



Annexure - V

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) READ WITH SECTION 619B OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF GUJARAT STATE PETRONET LIMITED FOR THE YEAR ENDED ON 31 MARCH 2010.

The preparation of financial statements of Gujarat State Petronet Limited for the year ended 31 March 2010 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 is responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Auditor Report dated 30 May 2010.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 619(3) (b) of the Companies Act, 1956 of the financial statements of Gujarat State Petronet Limited for the year ended 31 March 2010. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 619(4) read with section 619B of the Companies Act, 1956 which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report:

Comments on Profitability

Balance Sheet Application of Funds

Sundry Debtors	Schedule-H	Rs.75.27 crore
Sundry Debtors outstanding for a period exceeding 6 months		Rs.24.80 crore.

(a) This includes an amount of Rs.59.11 lakh being imbalance payment due for D6 Gas for the period 18 April to 31 May 2009 in respect of M/s Gujarat Narmada Valley Fertilizers Company Limited. As the same is not acknowledged and confirmed by the customer and in the absence of Gas Transmission Agreement, the Company has no means to enforce the admissibility of income, the same should have been provided for as a doubtful debt.

This has resulted in overstatement of Debtors and profit to that extent.

(b) This includes an amount of Rs.3.75 crore pertaining to M/s Arvind Mills Ltd. (AML), which has been outstanding because of double invoicing and had occurred due to non-signing of Gas Transmission Agreement by AML for actual transmission of gas from Dahej during 16-12-08 to 31-03-09 (which could have been adjusted against invoices for Hazira to Santhej).

As the Company is well aware of the fact of duplication of invoices as on 31-03-10 and approval of Managing Director was obtained (8-04-10) for rectification of same, it should have been provided for in books of accounts 09-10.

This has resulted in overstatement of debtors and profit to that extent.

**For and on the behalf of the
Comptroller & Auditor General of India**

Date: 20th August, 2010
Place: Ahmedabad

(Dr. Prasenjit Mukherjee)
Principal Accountant General

EXPLANATION BY THE MANAGEMENT TO THE COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE ACCOUNTS OF GUJARAT STATE PETRONET LIMITED, GANDHINAGAR FOR THE YEAR ENDED 31ST MARCH, 2010.

Explanation to comment (a) above: Gas transportation to M/s Gujarat Narmada Valley Fertilizers Company Limited (GNFC) was started in urgency after GSPL received a directive from the Government to start transmission of Gas to GNFC at the earliest. The same was done after due confirmation from GNFC. GSPL has further raised invoice in accordance with the standard terms and conditions of Transportation Agreement, which GNFC itself has been party to in the past. Hence as per accounting principles, GSPL has recognized the income as per the terms of a standard agreement, which would have been recognized in case of any other customer. Just because there is a dispute between parties does not call for providing the amount as doubtful debt. GSPL has a policy of providing only those amounts, which after internal review appear to be doubtful. In the present case, GSPL is confident of recovering the amount and thus there is no provisioning required for the same.

Explanation to comment (b) above: The matter is not about duplication of invoices. Rather this matter pertains to a contractual dispute. The comment is only based on the language used in one of the internal notes referring the two invoices as duplicate. However the invoices are raised for different contracts for gas transported from different sources as per contractual terms. Just because there is a dispute between parties does not call for providing the amount as doubtful debt. GSPL has a policy of providing only those amounts, which after internal review appear to be doubtful. GSPL maintains its claim on the due amount and is confident of realization of the same and thus there is no provisioning required for the same.

AUDITORS' REPORT

To
The Members
Gujarat State Petronet Limited
Gandhinagar

1. We have audited the attached Balance Sheet of Gujarat State Petronet Limited, Gandhinagar as at 31st March, 2010 and also the Profit & Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph above, we report that:
 - a. We have obtained all information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of accounts, as required by law have been kept by the Company so far as it appears from our examination of the books;
 - c. The balance Sheet and profit & Loss Account and Cash Flow Statement dealt with by the report are in agreement with the Books of Accounts.
 - d. In our opinion, the Balance Sheet and profit & Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - e. As the company is a Government Company, in terms of notification no. G.S.R. 829(E) dated 21st October 2003, issued by Department of Company Affairs, Ministry of Finance, the clause (g) of subsection (1) of section 274 of the Companies Act, 1956 is not applicable
 - f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the accounting policies and notes on accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India
 - I] In case of Balance sheet, of the state of affairs of the Company as at 31st March, 2010;
 - II] In case of profit & Loss Account, of the Profit for the year ended on that date and;
 - III] In case of Cash Flow Statement, of the cash flow for the year ended on that date.

For P. Singhvi & Associates
Chartered Accountants
F. R. No. 113602 W

(Praveen Singhvi)
Partner
M. No. 071608

Place: Ahmedabad
Date : 30th May, 2010

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 3 of our report of even date on the account of Gujarat State Petronet Limited, Gandhinagar for the year ended on 31st March, 2010)

1.
 - a. The Company has maintained proper record showing full particulars, including quantitative details and situation of fixed assets.
 - b. We are informed that during the year fixed assets were physically verified by the management and no material discrepancies were noticed between the books records and physical existence of assets.
 - c. No substantial part of fixed assets have been disposed off during the year as would affect going concern status of the company.
2. There was no stock of finished goods and raw materials; hence the points relating to physical verification, procedure of physical verification discrepancies noticed on such verification and valuation thereof do not arise. Further, we are informed that the stock of stores, spare parts etc. were physically verified by the management and that no material discrepancies were noticed.
3. (a&b) The company has neither granted nor taken any loans from companies, firms or other parities listed in the register maintained under section 301 of the Companies Act 1956 or to a Company under the same management. Therefore requirement of subclause (b),(c),(d) and (f) of clause (iii) of the order are not applicable to the company.
4. In our opinion the Company has an adequate Internal Control System commensurate with the size of the Company and nature of its business with regard to purchases of inventory & fixed assets and for sale of goods & services. During the course of audit, we have not observed any major weakness in the internal controls.
5. a There are no transactions that need to be entered into register in pursuance of section 301 of the act. Therefore requirement of sub-clause (b) of clause (v) of the order is not applicable to the company.
6. In our opinion and according to information and explanation given to us, the company has not accepted deposits from the public during the year 2009-10 within the meaning of section 58A, 58AA and other relevant provisions of the act.
7. Internal Audit of the company is entrusted to the firm of Chartered Accountants. The system is commensurate with the size and nature of the activities of the company.
8. As informed to us the maintenance of cost records has not been prescribed by the Central Government to the company pursuant to Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
9.
 - (a) According to the information and explanation given to us, there are no undisputed dues payable in respect of Provident Fund, Investor Education & Protection Fund, Employees State Insurance, Excise Duty, Cess and any other statutory dues which are outstanding as at 31/03/2010 for a period of more than six months from the date they became payable.
 - (b) The details of service tax & income tax not deposited on account of dispute is as per the clause no. (c),(d),(e),(f), (g), (h), (i), (j) & (k) of point no.2 of the notes on accounts.
10. The company has been registered for a period for more than five years and it has no accumulated losses. The company has not incurred cash losses in the period under audit and in the immediately preceding financial year. Therefore, the requirement of clause (x) of paragraph 4 of the Order is not applicable to the Company.
11. According to the records of the company examined by us and on the basis of information and explanations given to us the Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
12. As per the information and according to the explanations given to us the company has not granted any loans & advances on the basis of security by way of pledge of other securities, and therefore requirement of clause (xii) of para 4 of the order is not applicable to the company.

13. The company is not a Chit Fund, Nidhi or Mutual benefit society. Hence, the requirement of clause (xiii) of paragraph 4 of the order is not applicable to the Company.
14. According to the information and explanation given to us, the company is not dealing in shares, securities, debentures and other investments and therefore requirement of clause (xiv) of para 4 of the order is not applicable to the company..
15. The company has not given any guarantee for loans taken by the others from banks or financial institutions.
16. The term loans obtained were applied for the purpose for which the loans were obtained.
17. No funds raised for short term requirements have been used for long-term investment.
18. During the year under audit, the company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
19. During the year under audit, Company has not issued any debenture and therefore requirement of clause (xix) of the order is not applicable to the company.
20. During the year under audit, company has not raised any money by way of public issue and therefore the requirement of clause (xx) of paragraph 4 of the order is not applicable to the company.
21. According the information and explanation given to us, a fraud on or by the company has not been noticed or reported during the period under audit.

For P. Singhvi & Associates
Chartered Accountants
F. R. No. 113602 W

(Praveen Singhvi)
Partner
M. No. 071608

Place: Ahmedabad
Date : 30th May, 2010

BALANCE SHEET AS AT 31ST MARCH, 2010

Particulars	Schedule	Rs.	As At 31st March 2010 Rs.	As At 31st March 2009 Rs.
I SOURCES OF FUNDS				
Shareholders' Funds				
Share Capital	A		5,624,485,840	5,621,152,030
Share Application money			198	184
Reserves & Surplus	B		10,013,750,120	6,530,821,138
Secured Loans	C		12,565,471,816	11,079,488,736
Unsecured Loans	D		30,000,000	430,000,000
Deferred Tax Liability(Net)			1,405,315,643	1,143,926,414
TOTAL			29,639,023,617	24,805,388,502
II APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	E	33,254,916,381		24,211,840,155
Less :Depreciation		<u>8,887,014,951</u>		6,525,506,655
Net Block			24,367,901,430	17,686,333,500
Capital work - in-progress	F		5,386,866,282	6,445,948,108
Investments	G		665,749,990	355,749,990
Current Assets, Loans and Advances				
Sundry Debtors	H	752,711,800		543,585,382
Inventory	I	1,326,564,819		925,738,508
Cash & Bank Balance	J	1,741,721,448		974,677,403
Other Current Assets	K	128,651,082		153,040,963
Loans & Advances	L	<u>3,599,628,086</u>		<u>3,018,300,363</u>
		7,549,277,235		5,615,342,619
Less : Current Liabilities & Provisions	M	<u>4,848,396,924</u>		<u>3,741,702,727</u>
		3,485,839,536		1,589,675,036
		<u>8,334,236,460</u>		<u>5,331,377,763</u>
Net Current Assets			(784,959,225)	283,964,856
Miscellaneous Expenditure (To the extent not written off or adjusted)	N		3,465,140	33,392,048
TOTAL			29,639,023,617	24,805,388,502
Significant Accounting Policies and Notes on Accounts				
	T			

As per our report of even date attached

For P. Singhvi & Associates
Chartered Accountants
Firm Regn. No. 113602 W

Praveen Singhvi
Partner
Membership No.071608

Place : Ahmedabad
Date : 28th May, 2010

For and on behalf of the Board

A. K. Joti, IAS
Chairman
Manish Seth
Asst. Gen. Mgr. (Finance)

Tapan Ray, IAS
Managing Director
Reena Desai
Company Secretary

Place : Gandhinagar
Date : 27th May, 2010

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2010

Particulars	Schedule	2009 - 2010 Rs.	2008 - 2009 Rs.
I INCOME			
Income From Transportation of Gas		9,919,516,234	4,874,989,565
Income From Sale of Electricity		216,711	-
Other Income	O	247,453,460	243,081,574
TOTAL		10,167,186,405	5,118,071,139
II EXPENDITURE			
Employee Cost	P	99,401,237	109,372,742
Gas Transportation Charges		3,640,564	35,844,097
Connectivity Charges		-	90,801,538
Administrative & Other Expenses	Q	208,400,098	133,233,765
Operation & Maintenance Expenses	R	282,928,015	225,237,620
Interest & Financial Charges	S	938,323,911	871,137,757
Depreciation		2,364,876,297	1,704,858,086
Miscellaneous expenditure written off		27,930,346	29,926,915
TOTAL		3,925,500,468	3,200,412,520
Profit/(Loss) for the year		6,241,685,937	1,917,658,619
Prior Period Adjustments		(27,210,411)	4,115,943
Profit/(Loss) Before Tax		6,268,896,348	1,913,542,676
Provision for Tax			
Income Tax(Current Year)		1,877,822,310	531,767,690
Income Tax(Previous Year)		(8,013,557)	(1,130,306)
Deferred tax		261,389,229	144,895,200
Fringe Benefit Tax		-	3,883,683
Profit/(Loss) After Tax		4,137,698,366	1,234,126,409
Balance Brought Forward		2,484,215,423	1,741,124,024
Amount Available For Appropriations		6,621,913,789	2,975,250,433
Dividend		562,652,562	421,586,402
Tax on dividend		93,450,346	71,648,609
Transfer from Bond Redemption Reserve		-	2,200,000
Balance Transferred To Balance Sheet		5,965,810,881.00	2,484,215,423
Earnings Per Share (Basic)		7.36	2.20
Earnings Per Share (Diluted)		7.35	2.19
Significant Accounting Policies & Notes on Accounts	T		

As per our report of even date attached

For P. Singhvi & Associates
Chartered Accountants
Firm Regn. No. 113602 W

Praveen Singhvi
Partner
Membership No.071608

Place : Ahmedabad
Date : 28th May, 2010

For and on behalf of the Board

A. K. Joti, IAS
Chairman
Manish Seth
Asst. Gen. Mgr. (Finance)

Tapan Ray, IAS
Managing Director
Reena Desai
Company Secretary

Place : Gandhinagar
Date : 27th May, 2010

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE - A

Particulars	As At 31st March 2010 Rs.	As At 31st March 2009 Rs.
SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
70,00,00,000 Equity Shares of Rs. 10 each	<u>7,000,000,000</u>	<u>7,000,000,000</u>
TOTAL	<u>7,000,000,000</u>	<u>7,000,000,000</u>
ISSUED SUBSCRIBED AND PAID UP CAPITAL		
56,24,48,584 Equity Shares of Rs. 10/- each fully paid up (Previous Year 56,21,15,203 shares of Rs.10/- each fully paid up) [out of above 21,23,05,270 shares of Rs. 10 each (Previous year 21,23,05,270 shares) are held by the holding company Gujarat State Petroleum Corporation Limited]	5,624,485,840	5,621,152,030
TOTAL	5,624,485,840	5,621,152,030

SCHEDULE - B

Particulars	As At 31st March 2010 Rs.	As At 31st March 2009 Rs.
RESERVES & SURPLUS		
A) Profit & Loss Account		
Opening Balance	2,484,215,423	1,741,124,025
Addition During The Year	3,481,595,458	743,091,398
	5,965,810,881	2,484,215,423
B) General Reserve		
Opening Balance	27,229,963	27,229,963
Addition During The Year	-	-
	27,229,963	27,229,963
C) Share Premium		
Opening Balance	4,009,375,752	4,008,941,716
Addition During The Year	1,333,524	434,036
	4,010,709,276	4,009,375,752
D) Bond Redemption Reserve		
Opening Balance	10,000,000	12,200,000
Less transferred to P&L A/c	-	2,200,000
	10,000,000	10,000,000
TOTAL (A+B+C+D)	10,013,750,120	6,530,821,138

SCHEDULE - C

Particulars	As At 31st March 2010 Rs.	As At 31st March 2009 Rs.
SECURED LOANS (secured by First Pari Passu charge on fixed assets except 36" pipe line from Hazira to Mora)		
1) Secured Bonds (further Secured on Land and Premises at Sajod Village) 100 Bonds of Rs.1,00,000 each.	10,000,000	10,000,000
2) Term Loan From Banks		
Vijaya Bank	844,264,268	996,267,602
Union Bank Of India	960,399,067	1,186,515,132
Bank Of Baroda	1,411,962,047	1,445,612,648
Bank Of India	107,244,945	187,269,095
Dena Bank	1,028,582,683	1,274,598,872
Oriental Bank Of Commerce	20,655,601	104,131,124
Allahabad Bank	684,681,533	527,548,795
State Bank Of Bikaner & Jaipur	82,487,940	112,298,368
State Bank Of Travancore	248,789,817	53,216,993
The Karur Vysya Bank Ltd.	29,166,661	45,820,955
The South Indian Bank Ltd.	29,167,064	46,641,524
UCO Bank	528,894,187	653,744,006
Corporation Bank	437,431,373	406,131,144
State Bank Of India	1,104,219,873	1,325,845,800
Axis Bank Ltd.	93,584,753	128,840,388
IDBI Bank Ltd.	1,419,654,286	1,589,292,000
HDFC Bank Ltd.	110,000,000	-
3) Term Loan From Infrastructure Development Finance Co. Ltd.	714,285,718	285,714,290
4) Term Loan From International Finance Corporation	2,700,000,000	700,000,000
TOTAL	12,565,471,816	11,079,488,736

SCHEDULE - D

Particulars	As At 31st March 2010 Rs.	As At 31st March 2009 Rs.
UNSECURED LOANS		
HDFC Bank Ltd.-Short term Loan	-	400,000,000
Security Deposit from Customers (Deposit from commercial customers refundable on termination of Gas Transportation Agreement)	30,000,000	30,000,000
TOTAL	30,000,000	430,000,000

SCHEDULE - E

FIXED ASSETS

(in Rupees)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Op. Balance As On 01 Apr. 2009	Additions	Deduction	Cl. Balance As On 31-Mar-2010	Op. Balance As On 01 Apr. 2009	Additions	Deduction	Cl. Balance As On 31-Mar-2010	As On 31-Mar-2010	As On 31-Mar-2009
Land-Free Hold	327,130,170	110,078,677	-	437,208,847	-	-	-	-	437,208,847	327,130,170
Land-Lease Hold	127,986,318	76,499,692	-	204,486,010	2,645,723	2,327,998	-	4,973,721	199,512,289	125,340,595
Building	931,347,847	157,871,137	-	1,089,218,984	214,128,268	73,591,367	-	287,719,635	801,499,349	717,219,579
Plant & machinery	22,097,140,248	8,494,215,808	-	30,591,356,056	6,018,649,694	2,190,137,139	-	8,208,786,833	22,382,569,223	16,078,490,554
Communi. Equipments	611,600,271	117,722,377	274,531	729,048,117	226,877,543	60,966,428	230,724	287,613,247	441,434,870	384,722,728
Computers	23,209,438	16,460,520	206,033	39,463,925	14,880,476	8,065,864	88,696	22,857,644	16,606,281	8,328,962
Furniture & Fittings	16,899,250	19,330,244	-	36,229,494	6,354,482	4,050,261	-	10,404,743	25,824,751	10,544,768
Office Equipments	10,238,733	4,920,502	38,975	15,120,260	5,295,983	1,123,882	21,356	6,398,509	8,721,751	4,942,750
Vehicles	24,037,012	1,010,880	4,511,159	20,536,733	11,235,863	3,334,915	3,027,225	11,543,553	8,993,180	12,801,149
Intangibles-(Software)	41,792,109	49,997,087	-	91,789,196	24,979,864	21,278,443	-	46,258,307	45,530,889	16,812,245
Books	458,759	-	-	458,759	458,759	-	-	458,759	-	-
Total	24,211,840,155	9,048,106,924	5,030,698	33,254,916,381	6,525,506,655	2,364,876,297	3,368,001	8,887,014,951	24,367,901,430	17,686,333,500
Previous Year	20,190,472,514	4,021,404,813	37,172	24,211,840,155	4,820,685,742	1,704,858,086	37,173	6,525,506,655	17,686,333,500	15,371,269,371

SCHEDULE - F

Particulars	As At 31st March 2010 Rs.	As At 31st March 2009 Rs.
CAPITAL WORK IN PROGRESS (including advances)		
Darod-Jafrabad Pipeline	3,720,480,090	53,295,374
Software Development	26,337,500	62,067,414
Gana-Rajkot Pipeline	1,691,475	690,005,418
Morbi-Anjar Pipeline	6,505,298	1,099,725,958
Others	698,498,596	446,369,464
Advance to Creditors for Capital Expenses	629,416,784	445,022,657
Olpad-Utran Pipeline	-	8,370,714
Bhadbhut-Gana Pipeline	-	3,400,453,616
Rajkot-Jamnagar Pipeline	-	206,441,519
Nano Spurline	191,651,261	2,127,629
Birla Copper Spur	-	32,068,345
Windmill Project	112,285,278	-
TOTAL	5,386,866,282	6,445,948,108

SCHEDULE - G

Particulars	As At 31st March 2010 Rs.	As At 31st March 2009 Rs.
INVESTMENTS (LONG TERM & UNQUOTED) (At Cost)		
5,75,000 Equity Shares of Rs. 10 each of Krishna Godavari Gas Network Ltd.(Fully Paid Up)	5,750,000	5,750,000
2,16,66,666 Equity Shares of Rs. 10 each of GSPC Gas Company Ltd.(Fully Paid Up)	349,999,990	349,999,990
27,50,000 Equity Shares of Rs. 10 each of Sabarmati Gas Ltd.(Fully Paid Up)	110,000,000	-
2,000 Optionally Convertible Debentures of Rs. 1,00,000 each of Sabarmati Gas Ltd.(Fully Paid Up)	200,000,000	-
TOTAL	665,749,990	355,749,990

SCHEDULE - H

Particulars	As At 31st March 2010 Rs.	As At 31st March 2009 Rs.
SUNDRY DEBTORS (Unsecured, considered good)		
Sundry Debtors -Outstanding for a period exceeding 6 months	248,031,423	93,559,943
- Others	504,680,377	450,025,439
TOTAL	752,711,800	543,585,382

**SCHEDULE - I**

Particulars	As At 31st March 2010 Rs.	As At 31st March 2009 Rs.
INVENTORY		
Stores & Spares	1,269,439,148	925,738,508
Link Pack Gas	57,125,671	-
TOTAL	1,326,564,819	925,738,508

SCHEDULE - J

Particulars	As At 31st March 2010 Rs.	As At 31st March 2009 Rs.
CASH & BANK BALANCES		
Cash-On-hand	42,440	57,214
Balance with Banks		
In Current Accounts with Scheduled Banks	75,284,243	47,038,865
In Fixed Deposits with Scheduled Banks	1,666,394,765	927,581,324
TOTAL	1,741,721,448	974,677,403

SCHEDULE - K

Particulars	As At 31st March 2010 Rs.	As At 31st March 2009 Rs.
OTHER CURRENT ASSETS		
Interest Accrued But Not Due on Fixed Deposits & Loans	16,263,255	34,965,442
Interest Accrued But Not Due on OCD	8,515,069	-
Refundable Deposit for ROU/ROW	103,158,758	117,361,521
Other Claims Recoverable	714,000	714,000
TOTAL	128,651,082	153,040,963

SCHEDULE - L

Particulars	As At 31st March 2010 Rs.	As At 31st March 2009 Rs.
LOANS & ADVANCES (Secured)		
House Building & Other Advance To Employees	48,267,583	11,163,148
(Unsecured considered good)		
Advances Recoverable in Cash or Kind	64,751	64,751
Advance Tax & TDS	2,672,720,078	839,803,506
MAT Credit Entitlement	155,184,816	149,702,838
Equity Share Application -GSPC Gas Co.Ltd.	100,000,010	100,000,010
Equity Share Application - Sabarmati Gas Ltd.	-	326,095,878
Equity Share Application -GSPC LNG.Ltd.	100,000,000	-
Balance with LIC -Group Gratuity Scheme	-	264,580
Balance Service Tax & Excise Duty Etc.	221,457,333	698,793,016
Other Advance Payments	292,655,432	888,207,825
Prepaid Expenses	9,278,083	4,204,811
TOTAL	3,599,628,086	3,018,300,363

SCHEDULE - M

Particulars	As At 31st March 2010 Rs.	As At 31st March 2009 Rs.
CURRENT LIABILITIES & PROVISIONS		
A) Current Liabilities		
Sundry Creditors:		
Micro, Small & Medium Enterprises	68,757,360	3,115,602
Others	4,696,510,790	3,696,809,346
Earnest Money Deposit	1,785,000	1,450,000
Other Statutory Liabilities	20,303,848	29,257,397
Unclaimed Refund Warrants - Share Application	4,272,858	4,453,608
*Unclaimed Interest Warrants - Fixed Deposit from Public	379,351	474,627
Interest Accrued But Not Due On Term Loan	48,356,365	-
Interest Accrued But Not Due On Bonds	735,480	737,500
Fixed Deposit Repayment Due	654,005	674,005
*Dividend Payable/Unclaimed	3,052,570	2,315,048
Salary Payable	589,297	15,594
Audit Fee payable	100,000	100,000
Deposits from Customers	2,900,000	2,300,000
	4,848,396,924	3,741,702,727
(* Refer Note No. 25 of Notes on Accounts)		
B) Provisions		
Provision for Income-tax & Fringe Benefit Tax	2,794,108,769	1,038,064,885
Provision for Salary Arrears	8,714,483	50,878,172
Proposed Dividend	562,448,584	421,586,402
Provision for Tax on Dividend	93,415,680	71,648,609
Provision for Gratuity	4,705,348	-
Provision For Leave Encashment	14,405,081	5,568,013
Provision For Leave Travel Allowance	7,360,664	-
Provision For Wealth-tax	680,927	1,928,955
TOTAL (A+B)	3,485,839,536	1,589,675,036
	8,334,236,460	5,331,377,763

SCHEDULE - N

Particulars	As At 31st March 2010 Rs.	As At 31st March 2009 Rs.
MISCELLANEOUS EXPENDITURE		
A) Preliminary Expenditure		
Opening Balance	5,311,631	7,158,122
Addition During The Year	-	-
Less : Written Off During The Year	(1,846,491)	(1,846,491)
	3,465,140	5,311,631
B) IPO Expenditure		
Opening Balance	28,080,417	56,160,841
Less: Adjusted During The Year	(1,996,562)	-
Less : Written Off During The Year	(26,083,855)	(28,080,424)
	-	28,080,417
TOTAL (A+B)	3,465,140	33,392,048

SCHEDULE - O

Particulars	2009 - 2010 Rs.	2008 - 2009 Rs.
OTHER INCOME		
INTEREST		
Interest on Fixed Deposits with Banks	92,612,983	199,311,237
Interest on Share Application Money	18,714,520	32,072,259
Interest on Income Tax Refund	-	690,783
Interest on Optionally Convertible Debentures	8,515,069	-
Other Interest	5,184,896	1,038,404
	125,027,468	233,112,683
Dividend	21,666,666	801,370
Misc. Income	100,759,326	9,167,521
Total	247,453,460	243,081,574

SCHEDULE - P

Particulars	2009 - 2010 Rs.	2008 - 2009 Rs.
EMPLOYEE COST		
Salaries Wages & allowances	98,780,338	56,867,245
Salary Arrears (Refer Note No.26 of Notes on Accounts)	(33,381,665)	37,211,509
EDLI	234,824	152,851
Gratuity	6,207,429	1,002,168
Leave Encashment	9,374,698	440,826
Super Annuation Scheme	1,120,854	1,000,417
Contribution to Provident fund	6,299,071	3,635,442
Group Medclaim & Personal Accident Policy	2,682,381	1,972,428
Staff Welfare Expenses	3,368,575	906,498
Training Expenses	2,488,547	3,369,530
Recruitment Expenses	2,226,185	2,813,828
Total	99,401,237	109,372,742

SCHEDULE - Q

Particulars	2009 - 2010 Rs.	2008 - 2009 Rs.
ADMINISTRATIVE & OTHER EXPENSES		
Administrative Exp.	36,975,590	30,163,309
Advertisement	9,061,050	7,169,749
Bandwidth & WebSite Maintenance Charges	1,312,094	1,263,400
Business Promotion	3,466,210	3,169,955
Loss on Sale of Assets	43,842	-
Audit fee	100,000	100,000
Donation	68,480,500	835,000
Legal & Professional Exp	26,251,462	26,524,184
Other Expenses	186,624	303,419
Rent	17,631,919	11,736,219
Rate & Taxes	257,675	4,557,620
Seminar & Conference	712,821	1,996,506
Stationery & Printing	4,245,768	3,449,791
Travelling Exp.-Directors	223,931	371,584
Travelling Exp.-Others	6,108,908	9,323,942
Postage, Telephone & Courier	9,514,679	7,527,461
Wealth Tax	(821,865)	1,932,774
HSE Exp.	3,718,237	3,968,436
Listing Fee	852,391	843,700
Insurance Exps.	20,078,262	17,996,716
Total	208,400,098	133,233,765

SCHEDULE - R

Particulars	2009 - 2010 Rs.	2008 - 2009 Rs.
OPERATION & MAINTENANCE EXPENSES		
Maintenace Contracts	94,084,515	65,769,817
Payment to Outsourced Persons	18,576,786	16,582,756
Security Service Charges	28,595,831	20,944,502
Land Revenue	1,220,209	1,465,887
Electricity Charges	25,432,033	21,454,690
Consumption of spares / Materials	30,848,945	35,105,220
Fuel Expenses	780,643	1,257,792
Repairs & Maintenance-Building	2,009,795	1,106,236
Repairs & Maintenance-Machinery	16,896,290	11,622,162
Other O&M expenses	64,482,797	49,928,558
Reactive Energy Charges - Windmill	171	-
Total	282,928,015	225,237,620

SCHEDULE - S

Particulars	2009 - 2010 Rs.	2008 - 2009 Rs.
INTEREST & FINANCIAL CHARGES		
Interest On Bonds	1,472,980	1,794,000
Interest On Term Loan from Banks, IDFC & IFC	896,887,896	850,664,107
Interest On Short Term Loan	28,301,917	837,260
Other Interest	9,636,839	1,270,065
Other Financial Charges	2,024,279	16,572,325
Total	938,323,911	871,137,757

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE - T

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

I Significant Accounting Policies

a) ACCOUNTING CONVENTION

The Financial Statements have been prepared in accordance with applicable Accounting Standards in India and in accordance with the Historical Cost convention on accrual basis.

b) USE OF ESTIMATES

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognized in the period in which they materialize.

c) FIXED ASSETS & CAPITAL WORK IN PROGRESS

- i. The Company is working on various sections of gas transmission pipelines simultaneously and each section is considered to be independent.
- ii. The Company capitalises to a project all the costs directly attributable to complete the project. These costs include expenditure incurred on pipelines, plant and machinery, cost of laying of pipeline, cost of reconnaissance survey, detailed engineering, RoUs and RoWs, land and crop compensation. Moreover, the Company capitalises interest on the borrowings for a project.
- iii. All the expenditure on a project, till it is commissioned, is kept as Capital Work in Progress (CWIP) and after commissioning the same is transferred to Gross Block.
- iv. Capital expenditure, which is not identifiable directly to a particular pipeline section and whose benefit would accrue to the gas grid as a whole is categorized as general gas grid expenditure and allocated at the end of the period to the commissioned pipeline segments in proportion to the length of pipeline segments.

d) DEPRECIATION

- i. Depreciation on gas transmission pipeline(s) is provided on straight-line method considering an average life of twelve years even though the useful life of pipelines is more than 30 years. Depreciation on other fixed assets is provided using written down value method.
- ii. The depreciation rates used are as prescribed under Schedule XIV of the Companies Act. Depreciation on assets is provided on pro rata basis according to the period each asset is put to use during the year.
- iii. Assets costing up to Rs.5,000/- are depreciated fully in the year of purchase.
- iv. Costs incurred on intangible assets-software, resulting in future economic benefits are capitalized as intangible assets and amortized at 40% on written down value method beginning from the date of capitalization.
- v. Depreciation on Lease Hold Land is provided on SLM basis over its unexpired period of lease.
- vi. Depreciation on Windmill is provided on WDV basis as per rate prescribed under Schedule XIV of the Companies Act.

e) INVESTMENT

- i. Long term investments are carried at cost after deducting provision, in case where fall in market value has been considered of permanent nature.
- ii. Current investments are valued at lower of cost or market value.

f) INVENTORY

Inventories including project material, stock of spares and line pack gas not meant for sale in ordinary course of business, are valued at moving average cost.

g) RETIREMENT BENEFITS:

- i. The company has defined contribution plan for Provident Fund and the Company's contribution thereto are charged to the Profit and Loss Account.

- ii. The Company has defined contribution plan for Superannuation Fund.
 - iii. The Company has participated in- Group Gratuity scheme of Life Insurance Corporation of India.
 - iv. Liability in respect of defined benefit plan is accounted for on actuarial valuation basis at the year / period end.
 - v. Actuarial gains/losses are recognised in the statement of Profit & Loss Account in the year of occurrence.
- h) **BORROWING COSTS:**
- The company is capitalizing borrowing costs that are directly attributable to the acquisition or construction of fixed assets. For interest capitalization, the capital cost of a particular project is identified against a borrowing in terms of period of construction and the interest for the relevant period is added to the capital cost till the particular project is capitalized and thereafter the interest is charged to the profit and loss account. In addition to it, wherever applicable, Interest on Mobilization Advance extended by the company to the contractors, is adjusted against the relevant Project cost.
- i) **FOREIGN CURRENCY TRANSACTIONS**
- Transactions in foreign currency are recorded at the exchange rates prevailing at the dates of the transactions. Gains/losses (if any) arising out of fluctuation in exchange rates on settlement are recognized in the profit and loss account.
- j) **REVENUE RECOGNITION**
- All Income and Expenses are recognized on accrual basis.
- The company invoices customers (Gas transportation business) on fortnightly basis and the revenue is recognized on the last day of each fortnight. Income from transportation of gas is accounted net of service tax.
- Income from sale of windmill generated electricity is recognized on last day of respective month.
- Interest expense and income are recognized on time proportion basis
- Expenditure in the Profit & Loss Account is provided for the period for which the expenditure is incurred. Adequate provisions are made for all known liabilities.
- k) **AMORTISATION**
- Preliminary expenses are being written off in 10 equal installments. IPO Expenses are being written off in 5 equal installments.
- l) **TAXATION**
- Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961. Deferred tax resulting from “timing difference” is accounted for using the tax rates and laws that have been enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.
- m) **PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**
- Provisions involving substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and it is probable that there will be an outflow of resources.
- Contingent assets are neither recognized nor disclosed in financial statements.
- Contingent liabilities if material are disclosed by way of notes to accounts.
- n) **EARNINGS PER SHARE**
- The company reports Earnings per Share (EPS) in accordance with Accounting Standard-20 on Earnings per Share. Basic EPS is computed by dividing net profit for the period by weighted average number of Equity Shares outstanding during the period.
- The number of shares used in computing diluted EPS comprises the weighted average number of equity shares considered for deriving basic EPS, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.
- o) **IMPAIRMENT OF ASSETS**
- At each balance sheet date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash-flow expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific of the assets. Reversal of impairment loss is recognized immediately as income in the profit and loss account.

II Notes on Accounts

1. Corresponding figures of the previous year have been regrouped and reclassified wherever considered necessary to compare to this year's figures.

2. Contingent Liability

- a. Bank Guarantee/Letter of Credit issued and outstanding to the extent of Rs. 12,50,00,000 (Previous year Rs. 4,00,00,000)
- b. Ascertainable Claims against the company by certain land owners seeking enhancement of compensation in respect of RoU acquired by the company is Rs. 168,33,738 /- (Previous year Rs. 99,33,591/-)
- c. Excise Department had issued a demand on Company towards service tax dues as "Recipient of Services of Consulting Engineer from Non-Resident" by the company during the period FY 2002-03, 2003-04 & 2004-05. Company filed an appeal against the order with Commissioner of Central Excise (Appeals) & got the order in favour. However, department has filed an appeal against the order of CCE (Appeals) before CESTAT.

The amount under adjudication is as under:

- i. Service tax (Including Education Cess) of Rs. 17,90,459/-
 - ii. Interest under section 75 of the Finance Act
 - iii. Penalty of Rs. 100/- per day till failure to pay such service tax under section 76 of the Finance Act
 - iv. Penalty of Rs. 1000/- under section 77 of the Service Tax Rules, 1994,
 - v. Further Penalty of Rs. 17,90,459/- under section 78 of the Finance Act 1994
- d. During FY 2008-09 Audit was conducted by Central Excise & Service Tax Department & three different orders were issued against the company. Details of the same have been summarized as below:

Particulars	OIO NO. 33/ COMMR/2009	OIO NO. 35/ COMMR/2009	OIO NO. 34/ COMMR/2009	Remarks
Issue Involved	Non-Allowability of "CENVAT Credit on Capital Goods" used in relation to providing of output services (For the Period 1.7.2005 to 31.3.2008)	Non-Allowability of "Service Tax credit on input services" used in relation to providing of output services (For the Period 1.7.2005 to 31.3.2008)	Taxing the services of GSPL under the category "Clearing & Forwarding Agency" for the period 01.04.03 to 15.06.05	Company has filed the appeal before CESTAT against the impugned Order, pending disposal
Service Tax including E. Cess	44.90 crores	63.70 crores	34.35 crores	Company has also been granted Unconditional stay of demand by CESTAT against such orders
Interest	Interest under section 75 of the Finance Act			
Penalty u/s 76	Rs. 200 per day or 2% per month whichever is higher, subject to maximum of basic demand amount			
Penalty u/s 78	44.90 crores	63.70 crores	34.35 crores	

- e. Company has also received 2 orders from Central Excise & Service Tax department for matters covered under above referred OIO 33/COMMR/2009 & 35/COMMR/2009 for subsequent period of FY 2008-09 amounting to Rs. 44.80 crores & Rs. 33.60 crores respectively, interest as applicable & penalty equivalent to the basic demand. Company is in the process of filing an appeal before CESTAT against the impugned orders.
- f. Company has received order from CIT (Appeals) for A.Y. 2004-05, regarding appeal made by company against various disallowances made by AO. Order was partially un-favoured to the company for which company has filed appeal before ITAT, Pending disposal (Amount involved Rs. 9.12 lacs). Department has also filed appeal before ITAT for matters decided against them by CIT(Appeals) (Amount Involved Rs. 30.89 lacs)

- g. Company has received order from Income Tax appellate Tribunal (ITAT) for A.Y. 2005-06, disallowing company's claim u/s 35D of Rs. 15.12 lacs, for which company has filed appeal before High Court pending disposal.
- h. For A.Y. 2006-07, AO has made various disallowances aggregating to Rs. 9.5 crores, company had filed appeal against the same before CIT (Appeals) & got the relief to the extent of Rs. 6.75 crores. For the balance disallowance, company has filed appeal before ITAT, pending disposal. Department has also filed appeal before ITAT for matters decided against them by CIT (Appeals), pending disposal.
- i. Company has received order from CIT (Appeals) for A.Y. 2007-08, regarding appeal made by company against various disallowances made by AO. Order was partially un-favoured to the company to the extent of Rs.4.31 crores for which company has filed an appeal before ITAT, pending disposal.
- j. Income tax department has passed the orders of Re-assessment u/s 147 for A.Y. 2004-05 & A.Y. 2005-06, based on opinion framed by AO during A.Y. 2006-07 for disallowance of depreciation claim on cost added in block of "Plant & Machinery" for "Compensation for acquiring Right of User in Land", "Right of Way" payments & "Crop Compensation". The disallowance on account of the same was Rs. 3.46 crores & Rs. 7.50 crores for A.Y. 2004-05 & A.Y. 2005-06 respectively. Being aggrieved by such order, company has filed an appeal against the same before CIT(Appeals), pending disposal.
- k. Company has filed an appeal before CIT(A) against the order passed u/s 201 relating to A.Y. 2009-10, pending disposal. The amount involved is Rs. 1.32 lacs & interest as applicable.
3. Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 6,87,85,75,899/- (Previous year 6,33,80,95,036/-).
4. The amount of Capital Work in Progress (CWIP) mainly includes expenses incurred Darod-Jafrabad Pipeline and other interconnections / spur lines and Windmill project, which are under execution.
5. As per AS-16 "Borrowing Cost" issued by ICAI, the company has capitalised the borrowing cost amounting to Rs.16,87,04,843/- (Previous year Rs. 21,31,66,629).
6. The Company successfully commissioned the following mainline projects during the year:

Sl. No.	Project	Length, km	Dia, Inch	Date of Commissioning
1	Bhadbhut Gana Pipeline	109.00	30	28-Apr-2009
2	Birla Copper Spur Line	8.50	6	18-Aug-2009
3	Olpad Utran Pipeline	17.40	18	29-Oct-2009
4	Morbi Anjar Pipeline	127.65	18	20-Jan-2010
5	Welspun Anjar Spur Line	5.60	12	20-Jan-2010
6	Euro Ceramic Spur Line	4.00	12	17-Mar-2010
7	Gana Hadala Pipeline	82.00	30	30-Mar-2010
	Total	354.15		

The cost of pipeline system is arrived at considering purchase value, cost incurred for development of pipeline system, commissioning & testing charge, interest cost, Civil Works and expenses directly attributable for putting the pipeline to use.

7. During the year, Company has undertaken windmill project of 52.5 MW, out of which windmill of 6 MW has been successfully commissioned in Maliya region of Rajkot District of Gujarat and the balance are expected to be on stream during the financial year 2010-11.
8. The company had proposed transfer of Atul Spurline, Palej Spurline, Dhruva Spurline and Thangadh Spurline to 'GSPC Gas Company Limited', a company promoted by 'Gujarat State Petroleum Corporation Limited' to undertake city gas distribution activity during the year 2009-10. The assets would be transferred at Book Value and the consideration would be discharged by way of cash or allotment of equity shares in 'GSPC Gas Company Limited'. The matter is currently under process and is expected to be completed in financial year 2010-11.
9. The company acquires RoU / RoW (Right of Use / Right of Way) before the actual laying of the pipelines. RoU enables the company to obtain perpetual right to use the land along the pipeline route for specified purpose. The expenses involved in RoU / RoW include Consultancy fee for route survey, reconnaissance survey, Non-refundable deposits paid to various Statutory Authorities, Compensation for Crops etc. falling in the way of pipeline route etc.

10. Particulars in respect of Goods manufactured as per clause 4C & 4D of Part II to Schedule VI of Companies Act, 1956 is as under:

a. Quantitative details in respective of generation and sale of electricity

Description	Unit	Quantity
Electricity Generated & Sold	KWH	60,874

Licensed Capacity / Installed Capacity & Actual Production

Description	Licensed Capacity	Installed Capacity	Actual Production for the year
Electricity	-	6 MW	60,874 KWH

11. Auditor's and Managerial Remuneration:

Sl. No.	Particulars	F.Y. 2009-10	F.Y. 2008-09
1	As Auditors	Rs. 1,00,000/-	Rs. 1,00,000/-
2	Other Matters	Rs. 3,75,000	Rs. 80,000
	Total	Rs. 4,75,000	Rs. 1,80,000
3	Managerial Remuneration	NIL	NIL

12. The Company has incurred expenditure in foreign currency for Capital Goods Rs. NIL & Professional Services Rs. 1,05,694 (Previous year being Rs. NIL & Rs.36,83,573), Spare parts Rs. 1,40,22,624 (Previous year Rs. 61,16,525) Training Expenses Rs. 1,07,977 (Previous year Rs.13,10,013), and Others Rs. 2,09,794 (Previous year Rs. 4,10,507). Earning of the company in foreign currency is NIL (Previous year Rs.NIL)

13. During the year there has been no further development with regard to the 'Other Claims Recoverable' in Schedule 'K'.

14. The balances of sundry debtors, creditors, loans and advances and deposits are subject to the confirmation by the parties and provision for all liabilities is adequate in opinion of the company.

15. SEGMENT REPORTING

a. Business Segments:

The Company has identified and reported business segments taking into account nature of product and services, differing risks and returns and internal business reporting systems. The Company's principal business is transportation of Gas through pipeline. Other business segment includes generation of electricity through windmill.

b. Segment Revenue and Expense

Revenue and Expenses have been identified to a segment on the basis of operating activities of the segment. Revenue and Expenses which relate to common activities and are not allocable to segment on reasonable basis have been disclosed as "Unallocable".

c. Segment Assets and Liabilities

Segment assets include all operating assets in respective segments comprising of net fixed assets, Capital Work in Progress, current assets, loans and advances. Segment liabilities include operating liabilities and provisions.

d. The Company does not have geographical distribution of revenue hence secondary segmental reporting based on geographical locations of its customers is not applicable to the Company.

e. As the Company was operating in only one segment till previous year, previous year figures have not been disclosed.

SEGMENTAL INFORMATION:

Primary Segment (Business Segment)

(Amount in Rs.)

Particulars	Year 2009-10			
	Gas Transportation	Windmill	Unallocated	Total
1 Segment Revenue				
External Revenue*	10,015,159,291	216,711	-	10,015,376,002
Inter Segment Revenue	-	-	-	-
Total Segment Revenue	10,015,159,291	216,711	-	10,015,376,002
2 Segment Result - Profit(+) / Loss(-)	7,276,045,123	(115,042)	-	7,275,930,081
Unallocated Corporate Interest & other income	-	-	151,810,403	151,810,403
Unallocated Corporate Expenses, Interest & Finance Charges	-	-	(1,186,054,548)	(1,186,054,548)
Prior Period Adjustments	-	-	27,210,411	27,210,411
Profit Before Tax	7,276,045,123	(115,042)	(1,007,033,733)	6,268,896,348
Income Tax(Current Period)	-	-	(1,877,822,310)	(1,877,822,310)
Income Tax(Previous Period)	-	-	8,013,557	8,013,557
Deferred tax	-	-	(261,389,229)	(261,389,229)
Profit After Tax	7,276,045,123	(115,042)	(3,138,231,715)	4,137,698,366
3 Other Information				
Segment Assets	31,477,386,292	750,879,096	5,744,994,689	37,973,260,077
Segment Liabilities	4,768,727,538	468,051,483	32,736,481,056	37,973,260,077
Cost to acquire Fixed Assets (incl.CWIP)	7,212,491,357	750,766,257	25,767,485	7,989,025,098
Depreciation & Amortisation	2,338,446,843	320,154	54,039,645	2,392,806,642
Non-Cash Expenses other than Depreciation and Amortisation	-	-	(31,430,050)	(31,430,050)

* Segment Revenue includes Other Income which is directly attributable to each segment.

16. Earning Per share (EPS as per Accounting Standard-20)

Particulars	2009-10	2008-09
Net Profit/(Loss) after current and deferred tax	4,13,76,98,366	1,23,41,26,409
Weighted average number of equity shares	56,22,55,909	56,20,54,973
Basic EPS	7.36	2.20
No. of option in force	3,67,418	7,57,952
Total weighted average number of equity shares including diluted equity shares	56,26,23,327	56,28,12,925
Diluted EPS	7.35	2.19
Face value / Nominal value of share	10	10

17. Information in respect Micro, Small and Medium Enterprises Development Act, 2006; Company had sought confirmation from the vendors whether they fall in the category of Micro/Small/Medium Enterprises. Based on the information available, the required disclosures are given below:

(Rs. In Lakhs)

Particulars	2009-10	2008-09
Principal amount remaining unpaid as on 31 st March	687.57	31.16
Interest due thereon as on 31st March	-	-
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Interest accrued and remaining unpaid as at 31st March	-	-
Further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

18. Employee Stock Option Plans

During the Financial Year 2005-06, the company instituted ESOP-2005. The Board of Directors and the Shareholders approved the plan in the meeting held on 13-Oct-05 and 18-Oct-05 respectively, which provides for the issue of 23,27,940 equity shares to the employees of the company and of Gujarat State Petroleum Corporation Ltd. The Compensation Committee administers ESOP-2005.

Number of Options granted, vested, exercised and lapsed under ESOP Part-1 during the year:

Particulars	Year Ended 2010	Year Ended 2009
Options granted during the year	Nil	17,000
Vested	Nil	Nil
Exercised	36,000	20,900
Lapsed/Cancelled*	5,000	12,000

Number of Options granted, vested exercised and lapsed under ESOP Part-2 during the year:

Particulars	Year Ended 2010	Year Ended 2009
Options granted during the year	Nil	41,995
Vested*	2,74,819	2,93,085
Exercised	2,97,381	87,609
Lapsed/Cancelled**	52,153	80,931

* Total options vested during the period under review does not include the ESOPs which have been lapsed / cancelled before getting vested on account of retirement / resignation etc. of employees.

**ESOPs which have lapsed / cancelled before getting vested during the period under review on account of retirement / resignation etc. of employees are included in "Total options lapsed / cancelled during the period under review.

19. Related Party Transactions

As per the Accounting Standard -18 on “Related Party disclosures” issued by the Institute of Chartered Accountants of India, the transactions entered into with the related parties of the company during the year 2009-10 are as follows:

(Amt. in Rs.)

Name of the Related party	Particulars	2009-10	2008-09
Gujarat State Petroleum Corporation Ltd. (Holding Company)	Usage & Utility Charge	11,702,719	13,230,252
	Gas Transportation Income	146,294,482	83,704,823
	Other expenditure incurred by GSPC on behalf of GSPL	6,813,801	4,508,057
	Other expenditure incurred by GSPL on behalf of GSPC	2,081,042	3,844,915
	Dividend Paid	159,228,953	106,152,635
	Purchase of Line Pack Gas	57,125,671	-
	Connectivity charges paid ERP Support Charges	- -	90,801,538 24,711,301
Gujarat State Energy Generation Ltd. (Associate Company)	Gas Transportation Income	77,609,322	63,925,371
	Other expenditure incurred by GSEG on behalf of GSPL	256,880	241,471
	Other expenditure incurred by GSPL on behalf of GSEG	1,985,311	99,440
	Security Deposit Received	1,800,000	-
Guj Info Petro Limited (Associate Company)	Software Development & Maintenance Charges	5,845,383	5,460,696
	Bandwidth Charges	1,364,043	967,128
	Connectivity Charges	27,575	-
	Other expenditure incurred by GSPL on behalf of GIPL	528,396	259,664
	Other expenditure incurred by GIPL on behalf of GSPL	48,982	1,500
	Document Scanning Charges	290,154	-
GSPC Gas Company Ltd. (Associate Company)	Gas Transportation Income	1,487,110,728	940,104,025
	Interest income on Share Application Money	9,500,001	1,093,150
	Dividend income	21,666,666	801,370
	Sale of Linepipes/Fittings	1,767,727	11,027,287
	Crossing charges received	1,621,110	1,032,150
	Rent income	1,004,304	308,286
	Other expenditure incurred by GSPL on behalf of GSPC Gas	140,188	328,365
	Other expenditure incurred by GSPC GAS on behalf of GSPL	765	2,694,615
	Security Deposit Received	2,800,000	800,000
	Purchase of Valves	46,055	-
Sabarmati Gas Ltd. (Associate Company)	Gas Transportation Income	294,636,037	192,514,615
	Crossing charges received	304,621	187,360
	Interest on Share Application Money	9,214,519	30,979,109
	Interest on Optionally Convertible Debenture	8,515,069	-
	Gas Transportation Expense	3,640,567	17,581,509
GSPC LNG Ltd. (Associate Company)	Equity Share Application Money paid	100,000,000	-
	Other expenditure incurred by GSPL on behalf of GSPC LNG	2,824,605	958,438
	Other expenditure incurred by GSPC LNG on behalf of GSPL	940,950	-
Shri Tapan Ray, IAS (Managing Director)	Managerial Remuneration	Nil	Nil

20. Secured Bonds Redemption terms:

Option	Repayment	Put/Call option
I	At par at the end of 7 years	At par at the end of 5th year from date of Allotment
II	At par at the end of 6th,7th & 8th year in the ratio of 30%, 30% & 40% respectively	None
III	At par at the end of 10th years	At par at the end of 7th year from date of allotment
IV	At par at the end of 12th years	At par at the end of 10th year from date of allotment

The earliest date of redemption is 30th March 2013 with a call option to redeem on 30th March 2011.

21. Provision for Gratuity & Leave Salary (AS-15):

The following table sets out the status of the gratuity plan and leave salary as required under Accounting Standard 15 (Revised) on "Employee Benefit".

Sr. No.	Particulars	Gratuity	Leave Salary
1	Assumptions		
	Discount Rate Current Period	8.28%	8.28%
	Rate of Return on Plan Assets Current Period	9.00%	-
	Salary Escalation Current Period	7.00%	7.00%
2	Table showing change in benefit obligation		
	Opening defined benefit obligation	42,73,956	55,68,013
	Interest Cost	3,53,884	4,61,031
	Current Service Cost	17,42,730	23,30,443
	Benefit Paid	(1,17,571)	(5,37,629)
	Actuarial Loss / (gain) on Obligations	45,07,575	65,83,223
	Liability at the end of the period	1,07,60,574	1,44,05,081
3	Table showing change in Fair Value of Plan Assets		
	Fair Value of Plan Assets at the beginning of the period	45,38,536	-
	Expected Return on Plan Assets	4,76,719	-
	Contributions	11,52,198	-
	Benefit Paid	(1,17,571)	-
	Actuarial gain / (loss) on Plan Assets	5,344	-
	Fair Value of Plan Assets at the end of the period	60,55,226	-
4	Actual Gain / loss recognized		
	Actuarial (gain) / loss on obligations	45,07,575	65,83,223
	Actuarial (gain) / loss on Plan Assets	(5,344)	-
	Net Actuarial (gain) / loss recognized during the year	45,02,231	65,83,223
5	Amount recognized in Balance Sheet		
	Liability at the end of the period	1,07,60,574	1,44,05,081
	Fair Value of Plan Asset at the end of the period	(60,55,226)	-
	Amount recognized in the Balance Sheet	47,05,348	1,44,05,081
6	Expense recognized in the Income Statement		
	Current Service cost	17,42,730	23,30,443
	Interest cost	3,53,884	4,61,031
	Expected return on Plan Asset	(4,76,719)	-
	Net Actuarial Loss / (gain) to be recognized	45,02,231	65,83,223
	Expense recognized in P&L	61,22,126	93,74,697

22. The break-up of Deferred Tax Asset and Liability into major components at 31st March, 2010:

Particulars	31st March 2010	31st March 2009
Deferred Tax Liability		
Depreciation of Fixed Assets	1,41,18,11,278	1,14,58,18,982
Total Deferred Tax Liability (A)	1,41,18,11,278	1,14,58,18,982
Deferred Tax Asset:		
Provision for Leave encashment	48,96,287	18,92,568
Provision for Gratuity	15,99,348	NIL
Total Deferred Tax Asset (B)	64,95,635	18,92,568
Net Deferred Tax Liability (A-B)	1,40,53,15,643	1,14,39,26,414

Increase in the Net Deferred Tax Liability of Rs.26,13,89,229 (Previous year: Rs.14,48,95,200) has been charged to P&L Account.

23. As at the balance sheet date Company has reviewed the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence no such impairment loss has been provided
24. GSPL has applied to the 'Petroleum & Natural Gas Regulatory Board' in December 2008 for authorization of its Pipeline Network under section 18(1) of the 'Petroleum & Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008. The Board is currently processing the application of the company.
25. Amount due for credit to Investor Education and Protection Fund towards unclaimed interest warrant – Fixed Deposit from Public & Unclaimed Dividend is NIL (Previous year NIL).
26. The company had made a Provision of Rs.5,08,78,172 for a proposed salary revision till 31st March ,2009. Out of the same, an amount of Rs. 1,74,96,507 has been paid /payable to the employees based on implementation of Sixth Pay Commission Pay Scale and the balance of Rs. 3,33,81,655 has been reversed during the current financial year.

27. Balance Sheet Abstract and Company's General business Profile as per Part IV of Schedule VI of the Companies Act, 1956

I	Registration Details	
	Registration No.	L40200GJ1998SGC035188
	State Code	04
	Balance Sheet Date	31.03.2010
II	Capital Raised During The year	(Amount in Rs. '000s)
	Public Issue	-
	Right Issue	-
	Bonus Issue	-
	Private Placement	-
	ESOP(including Premium)	4,667
III	Position of Mobilisation and Deployment of Funds:	
	Total Liabilities	2,96,39,024
	Total Assets	2,96,39,024
	Source of Funds	
	Paid up Capital	56,24,486
	Reserves and Surplus	1,00,13,750
	Secured Loans	1,25,65,472
	Unsecured Loans	30,000
	Deferred Tax Liability	14,05,316
	Application of Funds	
	Net Fixed Assets (incl.CWIP)	29,754,768
	Investment	6,65,750
	Net Current Assets	(7,84,959)
	Miscellaneous Expenditure	3,465
	Accumulated losses	-
VI	Turnover	1,01,67,186
	Total Expenditure	38,98,290
	Profit/(Loss) Before Tax	62,68,896
	Profit After Tax	41,37,698
	Earnings Per Share (Rs.)	7.36
	Dividend Rate (%)	10%
V	Generic Names of Principal Products/ Services of the Company (As per Monetary Terms)	
	Item Code No.	27160000
	Product Description	Electrical Energy
	Item Code No.	N.A.
	Product Description	N.A.

Signatures to the Schedules A to S

As per our report of even date attached

For P. Singhvi & Associates
Chartered Accountants
Firm Regn. No. 113602 W

Praveen Singhvi
Partner
Membership No.071608

Place : Ahmedabad
Date : 28th May, 2010

For and on behalf of the Board

A. K. Joti, IAS
Chairman
Manish Seth
Asst. Gen. Mgr. (Finance)

Tapan Ray, IAS
Managing Director
Reena Desai
Company Secretary

Place : Gandhinagar
Date : 27th May, 2010

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

Particulars	2009 - 2010 Rs.	2008 - 2009 Rs.
A Cash Flow from Operating Activities		
Profit before Taxes and Extraordinary Items	6,241,685,937	1,913,542,676
<u>Adjustments for:</u>		
Depreciation	2,364,876,297	1,706,340,684
Amortisation of Miscellaneous Expenditure	27,930,346	29,926,915
Provision of Salary Arrears written back	(50,878,172)	-
Gratuity, Leave Encashment & LTA Provision	21,167,660	118,971
Wealth Tax	(821,865)	1,932,774
Profit on sale of Assets	(953,532)	(32,403)
Loss on sale of Assets	55,859	-
Interest under Section 234B, 234C & 234D	6,701,326	1,269,892
Dividend Income	(21,666,666)	(801,370)
Interest Income	(125,027,468)	(233,112,683)
Interest & Financial Charges	938,323,911	871,137,757
Operating Profit before Working Capital Changes	<u>9,401,393,633</u>	<u>4,290,323,213</u>
<u>Changes in Current Assets and Current Liabilities</u>		
(Increase)/Decrease in Inventory	(400,826,311)	(528,655,174)
(Increase)/Decrease in Sundry Debtors	(209,126,418)	(127,372,945)
(Increase)/Decrease in Loans and Advances	947,070,827	(622,876,495)
(Increase)/Decrease in Other Current Assets	14,202,763	18,295,647
Increase/(Decrease) in Trade Payable	<u>1,068,786,317</u>	<u>(422,083,040)</u>
Cash generated from Operations	10,821,500,811	2,607,631,206
Taxes Paid (Including I.T Interest, FBT & TDS)	<u>(1,959,290,908)</u>	<u>(569,942,929)</u>
Net Cash Flow from Operating Activities (A)	<u>8,862,209,903</u>	<u>2,037,688,277</u>
B Cash Flow from Investing Activities		
Interest Received	135,214,586	295,780,091
Dividend Received	21,666,666	801,370
Proceeds from sale of Assets	2,560,370	32,402
Acquisition of Fixed Assets and Change in Capital Work in Progress	<u>(7,776,762,606)</u>	<u>(4,579,426,555)</u>
Net Cash Flow from Investing Activities (B)	<u>(7,617,320,984)</u>	<u>(4,282,812,692)</u>
C Cash Flow from Financing Activities		
Proceeds from issue of Equity Share Capital including Share Premium	4,667,334	1,519,126
Proceeds from Share Application Money	14	-
Increase/ (Decrease) in Secured Loans	1,485,983,080	1,429,043,321
Increase/ (Decrease) in Unsecured Loans	(400,000,000)	420,000,000
Dividend (Including Corporate Dividend Tax) Paid	(493,473,655)	(328,759,866)
Interest & Financial Charges	<u>(1,075,021,647)</u>	<u>(871,297,257)</u>
Net Cash Flow from Financing Activities (C)	<u>(477,844,874)</u>	<u>650,505,324</u>
Net Increase / (Decrease) in Cash and Cash Equivalents (A+ B+ C)	767,044,045	(1,594,619,091)
Cash and Cash Equivalents at the beginning of the year	974,677,403	2,569,296,494
Cash and Cash Equivalents at the end of the year	<u>1,741,721,448</u>	<u>974,677,403</u>

Notes to Cash flow Statement for the year ended March 31, 2010

- 1 Cash and cash equivalent includes-

Cash and Cheques on Hand	42,440	57,214
Balances with Scheduled Banks		
– in Current Accounts	75,284,243	47,038,865
– in Deposit Accounts	1,666,394,765	927,581,324
	<u>1,741,721,448</u>	<u>974,677,403</u>
- 2 The above cash flow statement has been prepared under the indirect method as set out in AS – 3 on Cash Flow Statement issued by Institute of Chartered Accountants of India.
- 3 Previous year's figures have been rearranged/regrouped wherever necessary.

As per our report of even date attached	For and on behalf of the Board	
For P. Singhvi & Associates		
<i>Chartered Accountants</i>	A. K. Joti, IAS	Tapan Ray, IAS
<i>Firm Regn. No. 113602 W</i>	<i>Chairman</i>	<i>Managing Director</i>
Praveen Singhvi		
<i>Partner</i>	Manish Seth	Reena Desai
<i>Membership No. 071608</i>	<i>Ast. Gen. Mgr. (Finance)</i>	<i>Company Secretary</i>
Place : Ahmedabad		Place : Gandhinagar
Date : 28 th May, 2010		Date : 27 th May, 2010

ATTENDANCE SLIP

GUJARAT STATE PETRONET LIMITED

Registered office: GSPC Bhavan, Sector -11, Gandhinagar - 382 011.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP Id*
Client Id*

Master Folio No.
No of Shares held

** Applicable for the investors holding shares in the Demat Form*

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the 12th Annual General Meeting of the Company held on Tuesday the 21st September, 2010 at 5.00 p.m. at Assembly Hall, GSPC Bhavan, B/h., Udyog Bhavan, Sector-11, Gandhinagar-382011.

Signature of the shareholder or proxy

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PROXY FORM

GUJARAT STATE PETRONET LIMITED

Registered office: GSPC Bhavan, Sector -11, Gandhinagar - 382 011.

DP Id*
Client Id*

Master Folio No.
No of Shares held

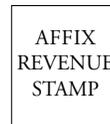
** Applicable for the investors holding shares in the Demat Form*

I/We, _____ of _____ in the District of _____ being a shareholder/shareholders of Gujarat State Petronet Limited, hereby appoint _____ resident of _____ in the district of _____ or failing him _____ in the district of _____ as my/our proxy to vote for me/us and on my/our behalf at the 12th Annual General Meeting of the Shareholders of the Company to be held on Tuesday the 21st September, 2010 at 5.00 p.m. at Assembly Hall, GSPC Bhavan, B/h., Udyog Bhavan, Sector-11, Gandhinagar-382011 or at any adjournment thereof.

Signed this _____ day of _____ 2010.

(Signature of the proxy)

(Signature of the first holder/sole holder)



Note: The Proxy in order to be effective shall be duly stamped, completed, signed and deposited at the Registered Office of the Company minimum 48 hours before the time for commencement of the aforesaid meeting. The proxy need not be a member of the company.

TEAR HERE



If undelivered, please return to :



Gujarat State Petronet Ltd.

GSPC Bhavan, 5th Floor, Sector - 11, Gandhinagar - 382 011.
Phone: 079-66701001 Fax: 079-23236477 E-mail: gujpetro@gujaratpetro.com

www.gujpetronet.com