

11th
Annual Report
2009-10

New horizons. New opportunities.



INDRAPRASTHA GAS LIMITED

Vision

To be the leading clean energy solutions provider, committed to stakeholder value enhancement, through operational excellence and customer satisfaction'.

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BOARD OF DIRECTORS



Shri S. Radhakrishnan
Chairman



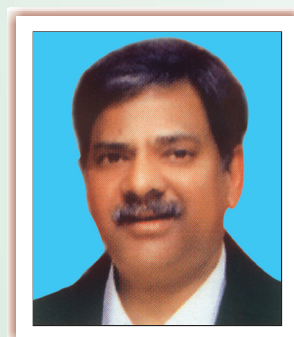
Shri Rajesh Vedvyas
Managing Director



Shri Manmohan Singh
Director (Commercial)



Shri B.C. Tripathi
Director



Shri R.K. Verma
Director



Shri S.S. Dalal
Director



Shri S.S. Rao
Director



Prof. V. Ranganathan
Director

Bankers

State Bank of India
HDFC Bank Limited
Syndicate Bank
ICICI Bank Limited
IDBI Bank Limited
Kotak Mahindra Bank Ltd.

Auditors

M/s Deloitte Haskins & Sells
Chartered Accountants
Gurgaon

Registered Office

IGL Bhawan
Plot No. 4, Community Centre,
Sector-9, R.K. Puram,
New Delhi-110022

Company Secretary

Shri S.K. Jain





DIRECTORS' REPORT

To,

THE MEMBERS

Your Directors have pleasure in presenting the Eleventh Annual Report alongwith Audited Accounts of the Company for the year ended March 31, 2010.

PHYSICAL PERFORMANCE

During the year, the Company recorded sales as under:

(Figures in Standard Cubic Meters)

Product	For the Year	
	2009-2010	2008-2009
Compressed Natural Gas (CNG)	695,127,167	605,255,608
Piped Natural Gas (PNG)	87,310,564	54,257,774
Total	782,437,731	659,513,382

FINANCIAL RESULTS

(Rs. in Million)

ITEMS	For the Year	
	2009-2010	2008-2009
Net Sales & Other Income	10992.24	8789.91
Profit before Depreciation & Tax	4018.90	3262.94
Depreciation	774.52	674.34
Profit before tax	3244.38	2588.60
Provision for tax	1089.42	863.86
Profit after tax	2154.96	1724.74
Profit brought forward from previous year	4732.53	3835.43
Profit available for appropriations	6887.49	5560.17
Appropriations:		
Proposed dividend	630.00	560.00
Corporate dividend tax	104.64	95.17
Transferred to general reserve	215.49	172.47
Profit carried forward	5937.36	4732.53
	6887.49	5560.17



Shri Rajesh Vedyas, Managing Director, Shri Manmohan Singh, Director (Commercial) and other senior IGL officials presenting the dividend cheque to Shri Tejendra Khanna, Hon'ble Lt. Governor of Delhi.



Smt. Sheila Dikshit, Hon'ble Chief Minister of Delhi, Shri Jitin Prasada, Hon'ble Union Minister of State for Petroleum & Natural Gas, Shri Raj Kumar Chauhan, Minister of PWD, Govt. of NCT of Delhi, Shri K. K. Sharma, Principal Secretary (PWD), Govt. of NCT of Delhi and Shri S. Radhakrishnan, Chairman, IGL at the ceremony to sign Agreement for supply of gas to Delhi's first green stadium – Thyagaraj Stadium.

FINANCIAL REVIEW

The Company has been showing consistently good financial performance both in terms of turnover and profitability. During the year, gross turnover of the Company increased by 26% from Rs. 9621.37 million in year 2008-09 to Rs. 12131.31 million in the year 2009-10. Profit after tax also went up by 25% from Rs. 1724.74 million in 2008-09 to Rs. 2154.96 million in 2009-10.

DIVIDEND

Your Directors are pleased to recommend dividend of 45% (Rs. 4.50 per share) as against 40% (Rs 4/- per share) in the last year. The proposed dividend including corporate dividend tax would absorb Rs. 734.64 million.

PERFORMANCE HIGHLIGHTS

CNG BUSINESS:

Your Company augmented its CNG distribution infrastructure in a massive way during the year. The total number of CNG stations increased from 181 in March 2009 to 241 in March 2010, which included 223 stations in NCT of Delhi and 18

stations in NCR towns. The installed compression capacity also went up substantially from 26.76 Lakh Kg/day in March 2009 to 36.40 Lakh Kg/day in March 2010.

During the financial year 2009-10, the Company for the first time started CNG supply to vehicles in the town of Ghaziabad. The first online CNG station in this town was also set up during the year.

The estimated number of vehicles running on CNG in Delhi and NCR towns as on 31st March 2010 was around 3,50,000 including 14,000 buses and over 200,000 private vehicles.

PNG BUSINESS:

Your Company is giving thrust to expansion of PNG network in NCT of Delhi and NCR towns of Noida, Greater Noida and Ghaziabad.

The Company has extended the Piped Natural Gas distribution infrastructure to the new areas in Delhi which include Safdarjung Development Area, Safdarjung Enclave, Vigyan Vihar, Vigyan Lok, Manak Vihar, Anand Vihar, Nanak Vihar, Jagrati Vihar, Surajmal Vihar, Pushpanjali Enclave, Saini Enclave, Bahubali Enclave, Kiran Vihar, Ram Vihar, Mayur Vihar (Phase III), Rishab



Shri Manmohan Singh, Director (Commercial) signs a Memorandum of Understanding (MoU) with the DLF Group for the first residential project in Delhi where Piped Natural Gas (PNG) will be integrated at planning stage.

Vihar, Sharad Vihar, Priya Enclave, AGCR Enclave, Shyam Enclave, Shanti Vihar, Madhu Vihar, North Avenue, South Avenue, Meena Bagh, AIIMS, GTB Hospital, Rohini (selected sectors) besides providing connections to new applicants in areas which have been covered with PNG supply during earlier years.

The PNG supply has also been extended to Sector 6 I in Noida and Sectors Sigma, Beta I, Alpha of Greater Noida.

Your Company also started PNG supply for the first time in the town of Ghaziabad in Ram Prasth colony during 2009 -2010.

During 2010-11, the Company plans to extend its PNG distribution network to Chitrakoot, GTB Enclave, Dwarka (Sector-8), Paschim Puri, Rajender Nagar, Patel Nagar, Kirti Nagar, Keshavpuram, Model Town, Derawal Nagar, Gujranwala Town, Mukharjee Nagar, Hakikat Nagar, Kingsway Camp, Tagore Park, Outram Lines, Punjabi Bagh (E), Tagore Garden, Vishal Enclave, Rajouri Garden, Hari Nagar, Ashok Nagar, Yamuna Vihar, Jhilmil, CBD Shahdara, Preet Vihar, Geeta Colony in NCT of Delhi.

In Noida, your Company has planned to spread out its network in Sectors 33, 34, 35, 39, 50, 51 and 52. In Greater Noida, the Company shall extend its PNG network to sectors Gamma & Delta. In Ghaziabad, residents of Surya Nagar, Chander Nagar,

Ram Puri, Brij Vihar, Kaushambi, Vaishali, Indrapuram & Vasundhara are planned to be provided with PNG supply during 2010 -11.

During the year, the Company added 44,000 PNG connections and 40 commercial customers. As on 31st March 2010, the Company has provided PNG connections to over 182,000 domestic and more than 355 commercial customers.

R-LNG BUSINESS:

The Company is presently supplying R-LNG to 21 industrial consumers in Delhi. Your Company has also started supplying R-LNG to the industrial segment in Noida and Greater Noida and these cities shall contribute major volumes of gas sale in industrial segment from 2010-2011 onwards. In the city of Ghaziabad also, the work of extending supply to industrial and commercial segment is in progress and supplies shall commence during the year 2010-11.

Your Company has already tied up with GAIL and BPCL for gas supply for meeting the demand of this segment.

FUTURE OUTLOOK

NCT OF DELHI

Your Company has drawn out plans to further consolidate its presence in the NCT of Delhi by investing Rs. 915 million during the financial year 2010-11 for CNG expansion.



Shri Abdullah Bin Hamad Al-Attiyah, Hon'ble Dy Premier and Minister of Energy & Industry of Qatar inaugurating IGL Stall at 6th Asia Gas Partnership Summit in the august presence of Shri Murli Deora, Hon'ble Union Minister of Petroleum & Natural Gas and Shri Anand Sharma, Hon'ble Union Minister of Commerce & Industry.

CNG being an eco-friendly and economical fuel, a large number of private car manufacturers are introducing their CNG variants. Due to wide acceptance of CNG, there has been a large-scale conversion of private cars into CNG mode. This segment will give a boost to CNG sales in the coming years.

In view of forthcoming Commonwealth Games in 2010, a large number of high capacity buses and Radio Taxis running on CNG are being added to the public transport fleet in the Capital for the convenience of visitors. The Government of NCT of Delhi has directed all Light Commercial Vehicles (LCVs) operating in NCT of Delhi to convert to CNG mode. The Company has drawn up plans to augment its infrastructure to meet the growing demand of CNG.

Your Company has planned a large expansion in PNG segment. A capital expenditure of Rs. 1940 million has been earmarked for augmenting infrastructure in the existing areas as well as for expansion in new areas of Delhi during the financial year 2010-11. The Company has plans to provide new PNG connections to over 50000 domestic households.

EXPANSION PROJECTS IN NATIONAL CAPITAL REGION (NCR)

Your Company has planned capital investment of Rs. 2400 million for the NCR towns of Noida, Greater Noida & Ghaziabad to augment its CNG and PNG infrastructure.

The Company plans to tap prospective industrial users of natural gas in industrial segment in these towns in the coming years.

DIRECTORS RESPONSIBILITY STATEMENT

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

- i) in the preparation of Annual Accounts for the financial year ended March 31, 2010, the applicable accounting standards have been followed;
- ii) they have selected such accounting policies and applied them consistently except where otherwise stated in the Notes to Accounts and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end



IGL employees participating in out-bound training programme for team building.

of the financial year and of the profit of the Company for the year under review;

- iii) they have taken 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; and
- iv) they have prepared the Annual Accounts for the Financial Year ended 31st March, 2010 on a going concern basis.

BOARD OF DIRECTORS

Prof. V. Ranganathan was appointed as Additional Director w.e.f. November 1, 2009 and in terms of Section 260 of the Companies Act, 1956, he holds office until the ensuing Annual General Meeting. Notice under Section 257 of the Companies

Act, 1956 has been received proposing his name for appointment as Director at the Annual General Meeting.

Shri S. Radhakrishnan and Shri S.S. Rao retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

AUDITORS

M/s. Deloitte Haskins & Sells, Chartered Accountants, Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offers themselves for reappointment.

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

The information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto.



CORPORATE GOVERNANCE

As per the requirements of the Clause 49 of the Listing Agreement with the Stock Exchanges a detailed Report on Corporate Governance is annexed as part of the Annual Report.

HUMAN RESOURCES

During the year, your Company enjoyed harmonious and cordial human relations amongst all its employees. Your Company took various HR initiatives such as revision in pay structure, formulation of welfare schemes for the employees and streamlining of HR policies. There has been a continuous emphasis on employees training to enhance their competencies aimed at better organisational performance.

A statement showing particulars of employees under Section 217 (2A) of the Companies Act, 1956 is annexed.

FIRE AND SAFETY

Your Company has accorded top-most priority to Fire & Safety related issues. It is a matter of pride that the Company has crossed 66 million man-hours without any reportable lost time accident, as a result of good safety culture in the Company. This

achievement is due to the continuous efforts put in by providing fire fighting training on a regular basis to the employees, DSMs, Station Operators, DTC Drivers and consumers of CNG and PNG. Besides this, your Company has made arrangements to impart two days certified external training to all contract personnel working at CNG stations from a recognized training institute.

Core Safety Group comprising trained & qualified Company executives of multi-disciplines from all control rooms was imparted internationally accredited safety training from NEBOSH, UK. Safety Clinics alongwith practical demonstrations / training to operate portable fire extinguishers are regularly carried out at consumer premises. For better understanding and to further improve quality of training module, the Company is intending to depute a dedicated group of trainers with fully equipped Training Van to cover each and every sector of consumers, contract workers and employees. Also in line with the commitment for safety of CNG consumers and energy conservation, safety checks of CNG propelled cars were carried out through free service camps of CNG Kits across NCT of Delhi.



Fire and Safety team of IGL checking school buses to ensure compliance of safety measures.



External Safety Audit, HAZOP & Risk Assessment of CNG Stations and PNG installations are carried out by third parties and recommendations/observations are complied with. Safety inspections of CNG vehicles are done on random basis to check compliances of safety standards, statutory provisions and also to detect unsafe conditions arising out of gas leakage from the CNG kits in order to ascertain safety of the vehicles and the occupants.

SOCIAL RESPONSIBILITY

Your Company has been actively involved in fulfilling the Social causes besides keeping the environment clean through reduction in vehicular pollution by providing eco-friendly fuel to the transport sector in NCT of Delhi and neighbouring towns. The Company has won accolades for the same, nationally as well as internationally.

Your Company has taken Natural Gas beyond vehicles by reaching the households through pipelines for better convenience and ease of use in the form of PNG (Piped Natural Gas) and now aims to delight the customers through enhanced customer services.

The Company made contributions to NGOs working in the field of environment and social welfare, as a part of your Company's commitment to the society.

Your Company has formulated a CSR policy under which 1% of Profit After Tax (PAT) each year, would be earmarked for social causes.

ACKNOWLEDGEMENTS

Your Directors express their gratitude to the Ministry of Petroleum & Natural Gas, State Governments of NCT of Delhi & Uttar Pradesh and Promoter Companies (GAIL & BPCL) for their continuous patronage & support throughout the year.

The Directors also acknowledge the support of all the Local Authorities, Bankers, Media, Station Operators & their employees, contractors, vendors and suppliers.

The Directors place on record their deep appreciation towards IGL's valued customers for their continued cooperation & support and look forward to the continuance of this relationship in future also.

The Directors wish to express their gratitude to all the shareholders for their continued trust and support.

The Directors also sincerely acknowledge the contributions made by all the employees of IGL for their dedicated services to the Company.

For and on behalf of Board of Directors

sd/-

Manmohan Singh
Director (Commercial)

sd/-

Rajesh Vedvyas
Managing Director

Place : Uttaranchal

Date : May 22, 2010



Shri Jitin Prasada, Hon'ble Union Minister of State for Petroleum & Natural Gas visiting IGL stall at 6th Asia Gas Partnership Summit alongwith Shri B. C. Tripathi, Chairman & Managing Director, GAIL (India) Ltd.



Shri L Mansingh, Chairman, PNGRB visiting IGL stall at the 6th Asia Gas Partnership Summit

ANNEXURE TO DIRECTORS' REPORT

A. CONSERVATION OF ENERGY

Your Company has taken various steps for conservation of Energy, which are as under:

- 1) In Delta make of compressor, gas actuation of priority panel valves has been replaced by air so that gas loss is reduced. This has contributed in reducing overall gas losses.
- 2) In 78 gas engine driven compressors, during first phase, mechanical carburetor has been replaced with electronic carburetor which has contributed reduction in specific gas fuel consumption for these engines.
- 3) In Galileo compressor, frequent popping up of BDV safety valve was observed during Auto start / stop condition. One pressure switch was installed at BDV and interlock provided through software with suction valve to maintain BDV pressure 19 bar always. This has reduced gas loss of machine.
- 4) In Galileo compressor engine coolant temperature indication provided to ensure the safe operation and avoid frequent tripping of machine. This has reduced the gas loss and downtime also.

Disclosure of particulars with respect to conservation of energy is given in **Form-A** annexed.

B. TECHNOLOGY ABSORPTION

Efforts made in technology absorption are given in **Form-B** annexed.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- 1) Activities relating to Exports :

The Company is in retail distribution business of natural gas in NCT of Delhi and nearby towns. Considering the area of operations and product of the Company, export related activities are not pertinent.

- 2) Total foreign exchanged used & earned :

During the year under review, the foreign exchange earnings and outgo are given below:

(Rs. In Million)

Foreign Exchange Earned	0.17
Foreign Exchange Used	642.83



FORM-A
DISCLOSURE OF PARTICULARS WITH RESPECT TO
CONSERVATION OF ENERGY

Power and Fuel Consumption		Current Year 2009-10	Previous Year 2008-09
1.	Electricity		
a)	Purchased Units (KVAH)	3,62,23,642	1,76,98,415
	Total Amount (Rs. In Million)	228.79	110.39
	Rate / Unit (Rs.)	6.32	6.24
b)	Own Generation		
	Through Diesel Generator (KWH)	5,29,563	3,88,809
	Units (KWH) Per Litre of Diesel Oil	3.87	3.87
	Cost per Unit (Rs.)	8.75	8.32
2.	Coal	NIL	NIL
3.	Furnace Oil / Liquid Fuel (LSHS)	NIL	NIL
	Qty (MT)		
	Total Amount (Rs.)		
	Avg. Rate (Rs. / MT)		
4.	Other / Internal Generation	NIL	NIL
	Gas Quantity		
	Total Cost (Rs.)		
	Rate / Unit		

**FORM-B****EFFORTS MADE IN TECHNOLOGY ABSORPTION ARE GIVEN BELOW****Research & Development**

<p>1. Specific areas in which R&D carried out by the Company</p>	<p>i) In DR Compressor secondary oil distribution to packing and piston rings improved by installing a modified oil distribution system in which there would be auto trip if the oil is not distributed properly.</p> <p>ii) In all Galileo Compressor and Ghergo Compressor inlet duct has been modified to allow improved air distribution. This has reduced tripping due to high EJW temperature during peak summers.</p> <p>iii) Trial for Electromechanical totaliser for flow meter (additional) of dispenser completed. This will help to monitor the gas loss inside the dispenser.</p> <p>iv) Refrigerant type air dryer are being installed in air circuits to have better air quality and low operating cost. This has helped to reduce the down time of machine.</p> <p>v) Indigenous development of the dispenser electronic cards has been started successfully.</p>
<p>2. Benefits derived as a result of the above R&D</p>	<p>The Company has derived benefits in the form of cost savings and improved operational efficiency of equipments.</p>
<p>3. Expenditure incurred on R&D</p> <p>i. Capital</p> <p>ii. Recurring</p> <p>iii. Total</p> <p>iv. % of total R&D expenditure with total turnover</p>	<p>No direct expenditure.</p>



Technological Adaptation and Innovation	
1. Efforts in brief made towards technology adaptation & innovation.	Continued indigenous development of various spares of gas compressor like piston rings, interstage gas packing, valves etc.
2. Benefits derived as a result of the above effort e.g. product improvement, cost reduction, product development, import substitution etc.	Overall reduction of cost on spares.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished. a) Technology imported b) Year of import c) Has technology been fully absorbed? d) If not fully absorbed, areas where this has not taken place reasons therefore and future plans of action.	Nil Nil

STATEMENT OF PARTICULARS UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 FOR THE YEAR ENDED MARCH 31, 2010 AND FORMING PART OF THE DIRECTORS' REPORT

S. No.	Name	Qualification	Designation	Date of Joining	Experience (in Years)	Age (in Years)	Remuneration (in Rs.)	Previous Employment / Designation
1	Ashim Batra	BE (Mech.), MBA	CGM (Marketing)*	23.06.2003	26	49	29,72,380	VieTrans Private Limited / Vice President Sales
2	Rajesh Agrawal	CA, CS	CGM(Finance)**	16.01.2006	28	52	28,25,513	IBP Co. Limited / DGM Finance
3	Manjit Singh	B. Tech., PGDM	CGM (Engineering & Projects)***	27.09.2006	24	48	26,78,648	Bharat Petroleum Corp. Limited / Sr. Manager
4	Praveen Kumar Pandey	BE (Mech.)	GM (Operations)^	02.01.2006	25	47	24,68,975	Shriram Fertilizer & Chemicals Ltd./ DGM

W.e.f. April 1, 2010 designated as *VP (Marketing), **VP (Finance), ***VP (Engineering & Projects), ^ CGM (Operations)

Notes :

- The remuneration shown above comprises of salary, allowances, leave travel assistance, ex-gratia, profit sharing, Company's contribution to Provident Fund, gratuity and other perks.
- The appointments of above mentioned employees are in terms of their letters of appointment and applicable Company rules & regulations.
- None of the employees mentioned above is related to any Director of the Company.



REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on the Code of Corporate Governance is:

- To ensure transparency, high degree of disclosure and adequate control system;
- To ensure that the decision making process is systematic and rational;
- To ensure full commitment of the Management to maximize shareholders value;
- To ensure that the employees of the Company subscribe to the corporate values and apply them in their conduct

II. BOARD OF DIRECTORS

COMPOSITION:

The Company has eight Directors on its Board comprising two Executive Directors namely Managing Director and Director (Commercial) and six Non-Executive Directors.

The composition and category of Directors alongwith other Directorships or Memberships in Board Committees as on March 31, 2010:

Name of Directors	Category	Directorship in other Public Limited Companies (*)	Membership in Committees of Board of other Companies	Chairmanship in Committees of Board of other Companies
Shri S. Radhakrishnan (Chairman)	Non-Executive	3	NIL	NIL
Shri Rajesh Vedvyas (Managing Director)	Executive	NIL	NIL	NIL
Shri Manmohan Singh Director (Commercial)	Executive	NIL	NIL	NIL
Shri B.C. Tripathi	Non-Executive	4	NIL	NIL
Shri S. S. Dalal	Non-Executive, Independent	13	4	1
Shri S. S. Rao	Non-Executive, Independent	3	2	NIL
Shri R. K. Verma	Non-Executive, Independent	4	NIL	NIL
Prof. V. Ranganathan	Non-Executive, Independent	NIL	NIL	NIL

(*) This does not include Unlimited Companies, Foreign Companies, Private Limited Companies and Companies under Section 25 of the Companies Act, 1956 and Alternate Directorship in a Company.

As per requirement of Clause 49 of Listing Agreement, membership of Directors in Audit and Share Transfer & Investors Grievance Committee has been considered.



BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT

1. Shri S. Radhakrishnan

Shri S. Radhakrishnan, aged 59 years, is Director (Marketing) of Bharat Petroleum Corporation Limited. He completed his B.Tech. (Mech.) from IIT Madras and MBA from IIM Bangalore. Shri Radhakrishnan has a wide-ranging experience of more than 33 years in all aspects of the oil industry, having worked in Marketing, Planning, Projects, LPG Operations and Supplies & Distribution. He has also worked as Managing Director of a JV with Shell International – Bharat Shell Ltd.

2. Shri S. S. Rao

Shri S. S. Rao, aged 50 years, is Chief Risk Officer in IDFC Ltd. He holds a Post Graduate Diploma in Management from IIM, Bangalore and B.Tech from IIT, Kanpur. His area of expertise includes lending and finance. He has also acted in advisory capacities in Infrastructure & energy sectors and finance. He has an overall experience of more than 25 years and has worked with Reliance Capital Ltd., ICICI Ltd., Hindustan Petroleum Corporation Ltd. and Procter & Gamble.

3. Prof. V. Ranganathan

Prof. V. Ranganathan, aged 63 years is a Professor of Economics & Energy at Indian Institute of Management, Bangalore and RBI Chair Professor on Infrastructure. He is B. Tech (Electronics & Telecom) from IIT, Madras, fellow of Economics from IIM, Ahmedabad and Ph.D.

ATTENDANCE OF DIRECTORS AT BOARD MEETINGS AND LAST ANNUAL GENERAL MEETING

During the Financial Year ended March 31, 2010, six Board meetings were held on May 27, 2009, July 29, 2009, August 29, 2009, October 27, 2009, January 21, 2010 and February 26, 2010. The last Annual General Meeting was held on July 29, 2009.

The attendance of each Director at Board Meetings and the last Annual General Meeting was as under:

Name of the Directors	No. of Meetings Attended	Attendance (% thereof)*	Attendance at Last AGM
Shri S. Radhakrishnan	6	100	Present
Shri Rajesh Vedvyas	6	100	Present
Shri Manmohan Singh	6	100	Present
Shri S. S. Dalal	3	50	Absent
Shri S. S. Rao	4	67	Present
Shri R. K. Verma	Nil	Nil	Absent
Shri B. C. Tripathi	1	17	Absent
Prof. V. Ranganathan #	2	100	Not Applicable

* Percentage computed by considering the meetings attended with the total meetings held during their tenure.

Prof. V. Ranganathan appointed as Additional Director w.e.f. November 1, 2009.



CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct, which is applicable to all Directors and Senior Management of the Company. The Code has also been posted on the website of the Company.

All Board Members and Senior Management Executives have affirmed compliance with the Code of Conduct.

The declaration signed by the CEO affirming compliance to the Code by the Board of Directors and the Senior Management has been placed as an annexure to the Report.

III. AUDIT COMMITTEE

COMPOSITION

The Audit Committee comprises of four Directors of which all are Non-Executive and three are Independent Directors. The Chairman of the Committee is a Non-Executive Independent Director. All Members of the Committee have good financial and accounting knowledge. The Managing Director, Director (Commercial), Statutory Auditors and Internal Auditors are invitees to the Audit Committee Meetings. The Company Secretary acts as a Secretary to the Committee.

The minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board Meeting.

The constitution of the Audit Committee as on 31st March 2010: -

- 1) Shri S. S. Rao : Chairman, Independent, Non-Executive
- 2) Shri S. S. Dalal : Member, Independent, Non-Executive
- 3) Prof. V. Ranganathan : Member, Independent, Non-Executive
- 4) Shri B. C. Tripathi : Member, Non-Executive

SCOPE & FUNCTIONS OF AUDIT COMMITTEE

The Terms of Reference of Audit Committee includes overseeing the audit functions, review of Company's financial performance, review critical findings of Internal Audit, compliance with the Accounting Standards and all other matters specified under Clause 49 of the Listing Agreement with the Stock Exchanges and in Section 292A of the Companies Act, 1956.

MEETINGS AND ATTENDANCE

During the financial year ended March 31, 2010, five Audit Committee Meetings were held on May 27, 2009, July 29, 2009, October 27, 2009, January 21, 2010 and March 24, 2010.

The attendance of Audit Committee Meetings was as under: -

Name of the Member	No. of Meetings Attended
Shri S. S. Rao	4
Shri S. S. Dalal	4
Shri B.C. Tripathi	1
Prof. V. Ranganathan *	2

* Prof. V. Ranganathan appointed as a member w.e.f. January 21, 2010.

IV. REMUNERATION / SITTING FEES PAID TO DIRECTORS

(a) Executive Directors

The Managing Director and Director (Commercial) are nominated by GAIL (India) Ltd. and BPCL respectively and the terms and conditions of their appointment including remuneration are advised by their parent organizations.



The remuneration paid to the Executive Directors during the financial year are given below:

S. No.	Name of Directors	Salary & Allowances	Perquisites	Contribution to PF & Other Funds	Total (In Rs.)
1.	Shri Rajesh Vedvyas	18,35,398/-	2,74,147/-	1,47,747/-	22,57,292/
2.	Shri Manmohan Singh	26,41,927/-	6,11,712/-	1,95,951/-	34,49,590/

Notes:

The aforesaid remuneration does not include:

- Rs. 18,00,000/- payable to the parent organizations viz. GAIL and BPCL of the Executive Directors as commission on profit based on the period of directorship held during the financial year ended on March 31, 2010.

Executive Directors are not paid any sitting fees for attending Board/ Committee meetings.

(b) Non-Executive Directors

Total commission on profit of Rs. 48,75,000/- is payable to non-executive directors / their parent organizations for the financial year 2009-10.

Non-Executive Directors are paid sitting fees of Rs.20,000/- & Rs. 10,000/- for attending each Board meeting & Committee meeting respectively. Total sitting fees paid during the financial year under review was Rs.6,20,000/-.

The Non-Executive Directors have disclosed that they do not hold any shares in the Company.

V. SHARE TRANSFER & INVESTORS GRIEVANCE COMMITTEE

COMPOSITION

The Share Transfer & Investors Grievance Committee constituted by the Board comprises of four members with an Independent Non-Executive Director as Chairman of the Committee.

The constitution of the Share Transfer & Investor Grievance Committee as on March 31, 2010:

- | | | |
|-----|---------------------|--|
| (1) | Shri S. S. Rao | : Chairman, Independent, Non-Executive |
| (2) | Shri S. S. Dalal | : Member, Independent, Non-Executive |
| (3) | Shri Rajesh Vedvyas | : Member, Executive |
| (4) | Shri Manmohan Singh | : Member, Executive |

SCOPE & FUNCTIONS OF SHARE TRANSFER & INVESTORS GRIEVANCE COMMITTEE

The scope and functions of the Committee inter alia include approval of transfer and transmission of shares and other matters like consolidation/splitting of certificates, issue of duplicate share certificates, dematerialisation/rematerialisation of shares in stipulated period of time. The Committee also supervises the system of redressal of Investors Grievances and ensures cordial investor relations. Details of share transfer/rematerialisation/transmission etc. as approved by the Committee are placed at the Board Meetings from time to time.

COMPLIANCE OFFICER

Shri S.K. Jain, Company Secretary is the Compliance Officer.

DETAILS OF SHAREHOLDERS' COMPLAINTS RECEIVED AND REPLIED TO THE SATISFACTION OF SHAREHOLDERS

The Company received 188 complaints during the year, which were duly attended and replied. There was no complaint pending as on March 31, 2010.



VI. GENERAL BODY MEETINGS

The location, time and details of Special Resolutions passed in the last three Annual General Meetings were as under:

Meeting	Date	Time	Venue	Details of Special Resolutions Passed
8 th AGM	September 12, 2007	11:30 a.m.	Sri Sathya Sai International Centre, New Delhi	<ol style="list-style-type: none"> 1. Appointment of Statutory Auditors of the Company. 2. Appointment of Mr. Om Narayan as Managing Director & approval of his remuneration. 3. Appointment of Mr. Manmohan Singh as Director (Commercial) & approval of his remuneration.
9 th AGM	July 22, 2008	11:30 a.m.	Sri Sathya Sai International Centre, New Delhi	<ol style="list-style-type: none"> 1. Appointment of Statutory Auditors of the Company. 2. Amendment in Article 121 A(ii) of Articles of Association of the Company. 3. Payment of commission out of profits to the Directors of the Company.
10 th AGM	July 29, 2009	12 noon	Sri Sathya Sai International Centre, New Delhi	<ol style="list-style-type: none"> 1. Appointment of Statutory Auditors of the Company. 2. Appointment of Mr. Rajesh Vedvyas as Managing Director & approval of his remuneration.

During the year ended 31st March, 2010 there have been no resolutions passed by the Company's shareholders through postal ballot. At the ensuing Annual General Meeting, there is no resolution proposed to be passed by postal ballot.

VII. DISCLOSURES

(a) Related Party Transactions

Although the Company has entered into transactions of material nature with the Promoters, Directors or the Management, they do not have potential conflict with the interests of the Company at large. Transactions with related parties are being disclosed separately in the Annual Report.

(b) Compliances by the Company

During the last three years, there were no strictures or penalties imposed on the Company either by the Stock Exchanges or SEBI, or any statutory authority for non-compliance of any matter related to capital markets.

VIII. MEANS OF COMMUNICATION

The quarterly and half-yearly results are forthwith communicated to the Bombay Stock Exchange Limited and the National Stock Exchange, with whom the Company has listing arrangements, as soon as these are approved and taken on record by the Board of Directors of the Company. The results are published in leading newspapers, such as Business Standard / Financial Express in English, Rashtriya Sahara / Jansatta in Hindi, alongwith the official news releases.

The results are also put up on Company's website www.iglonline.net

For investors, the Company has created a separate e-mail ID investors@igl.co.in

Management Discussion & Analysis is separately annexed and forms a part of Annual Report.



IX. GENERAL SHAREHOLDERS INFORMATION

(a) Annual General Meeting

The 11th Annual General Meeting of the Company is scheduled to be held on: -

Date and Time : August 30, 2010 at 11.30 A.M.
Venue : Air Force Auditorium, Subroto Park,
 New Delhi

(b) Financial Calendar (Tentative)

The Quarterly results will be taken on record by the Board of Directors as per the following schedule:

Quarter ending June 30, 2010 : On or before 31.07.2010
 Quarter ending September 30, 2010 : On or before 31.10.2010
 Quarter ending December 31, 2010 : On or before 31.01.2011
 Quarter ending March 31, 2011 : On or before 30.04.2011

(c) **Date of Book Closure for Dividend:** - August 20, 2010 to August 30, 2010 (both days inclusive)

(d) **Dividend Payment Date:** - On or after September 04, 2010

(e) Listing on Stock Exchanges

Name of Stock Exchange	Stock Code
Bombay Stock Exchange	532514
National Stock Exchange	IGL

(f) **ISIN Number** : INE203G01019

(g) Market Price Data & Share Price Performance

AT BOMBAY STOCK EXCHANGE (BSE)

MONTH	IGL		BSE (SENSEX)	
	HIGH (Rs.)	LOW (Rs.)	HIGH	LOW
April 2009	119.40	107.10	11492	9546
May 2009	152.90	113.25	14931	11621
June 2009	154.40	126.50	15600	14017
July 2009	144.75	126.05	15733	13220
August 2009	182.00	140.60	16002	14684
September 2009	172.90	157.50	17143	15357
October 2009	170.70	152.20	17493	15805
November 2009	175.25	153.10	17290	15331
December 2009	202.50	168.00	17531	16578
January 2010	212.80	190.10	17790	15982
February 2010	247.75	193.75	16669	15652
March 2010	229.80	208.50	17793	16438

**AT NATIONAL STOCK EXCHANGE (NSE)**

MONTH	IGL		S & P CNX NIFTY	
	HIGH (Rs.)	LOW (Rs.)	HIGH	LOW
April 2009	120.00	107.00	3517	2966
May 2009	150.80	113.00	4509	3479
June 2009	154.35	113.00	4693	4143
July 2009	146.00	125.00	4670	3919
August 2009	182.40	140.50	4744	4353
September 2009	172.95	157.20	5088	4577
October 2009	170.70	152.20	5182	4687
November 2009	175.70	154.00	5138	4538
December 2009	202.65	168.10	5222	4944
January 2010	212.50	190.15	5311	4766
February 2010	249.00	195.00	4992	4675
March 2010	229.50	209.00	5330	4935

(h) Registrar and Share Transfer Agent

The Company has appointed M/s. Karvy Computershare Private Limited, Hyderabad as its Registrar and Share Transfer Agent, to whom communications regarding change of address, transfer of shares, change of mandate etc. can be addressed. The address of the Registrar and Share Transfer Agents is as under: -

Karvy Computershare Private Limited,

Unit- Indraprastha Gas Limited

Plot No: 17- 24, Vittal Rao Nagar,

Madhapur, Hyderabad - 500081

Tel. No. : 040-23420815 - 28

Fax No. : 040-23420814/23420857

E-Mail Address : mailmanager@karvy.com

Website : www.karvycomputershare.com

(i) Share Transfer System

The shares of the company are compulsorily traded in dematerialized form. Shares received in physical form are transferred within a period of 30 days from the date of receipt of request subject to documents being found valid and complete in all respects.

(j) Share-holding Pattern by Size as on March 31, 2010

S. No.	CATEGORY AMOUNT (RS.)		NO. OF SHARE-HOLDERS	% OF SHARE-HOLDERS	AMOUNT (RS.)	% OF AMOUNT
	FROM	TO				
1	1	5000	60564	94.33	63691320	4.55
2	5001	10000	1866	2.91	15405020	1.10
3	10001	20000	811	1.26	12228700	0.87
4	20001	30000	294	0.46	7487110	0.53
5	30001	40000	116	0.18	4215080	0.30
6	40001	50000	123	0.19	5813690	0.42
7	50001	100000	158	0.25	11491140	0.82
8	100001	& ABOVE	269	0.42	1279669540	91.41
		TOTAL	64201	100.00	1400001600	100.00

**(k) Categories of Shareholding as on March 31, 2010**

S. NO.	CATEGORY	NO. OF SHAREHOLDERS	TOTAL NO. OF SHARES HELD	% TO SHARE CAPITAL
A	PROMOTERS HOLDING			
	- Indian Promoters	2	63000080	45.00
B	NON - PROMOTERS HOLDING			
	Institutions			
	- Mutual Funds/UTI	59	18491716	13.21
	- Financial Institutions/ Banks	11	4841271	3.46
	- State Govt.	1	7000000	5.00
	- Insurance Companies	4	3857707	2.75
	- Foreign Institutional Investors	46	16087449	11.49
	Non - Institutions			
	- Bodies Corporate	1107	11129608	7.95
	- Individuals	62055	14566650	10.41
	- Any Other :			
	(i) Non resident Indians	781	576380	0.41
	(ii) Foreign Nationals	1	500	0.00
	(ii) Trusts	6	2775	0.00
	(iii) Clearing Members	128	446024	0.32
	TOTAL	64201	140000160	100.00

(l) Dematerialisation of Shares and Liquidity

The shares of the Company are compulsorily traded in dematerialized form, 72.49% of equity shares have been dematerialized as on March 31, 2010.

The equity shares of the Company are actively traded at BSE & NSE.

(m) Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company had not issued any GDRs/ADRs/Warrants etc.

(n) Address for Correspondence

The Company Secretary,
Indraprastha Gas Limited,
IGL Bhawan, Plot No.4,
Community Centre, Sector-9,
R.K. Puram
New Delhi-110022
Tel No.: 011-46074607
Fax No.: 011-26171863
E-Mail IDs: skjain@igl.co.in, investors@igl.co.in

**(o) Plant Locations**

The Company has 223 CNG stations as on March 31, 2010 spread all around the National Capital Territory of Delhi, besides 18 stations in NCR towns.

NON-MANDATORY REQUIREMENTS**(1) CHAIRMAN OF THE BOARD**

The Company has a Non-Executive Chairman and it bears the expenses, if any, incurred by him while performing duties for the Company.

(2) REMUNERATION COMMITTEE

The Board of Directors of the Company has constituted a Remuneration Committee, the scope and functions of which are as per Clause 49 of the Listing Agreement. The Managing Director and Director (Commercial) are nominated by GAIL (India) Ltd. and BPCL respectively and the terms & conditions of their appointment, including remuneration, are advised by their parent organizations. During the year, the Remuneration Committee consisted of following Directors:

- | | | |
|---------------------|---|---------------------------------------|
| 1) Shri S. S. Dalal | : | Chairman, Non-Executive & Independent |
| 2) Shri S. S. Rao | : | Member, Non-Executive & Independent |

(3) SHAREHOLDERS RIGHT

As the Company's half-yearly results are published in English newspapers having circulation all over India and in a Hindi newspaper widely circulated in New Delhi, the same are not sent to each household of shareholders.

Quarterly/Half yearly financial performance of the Company, are displayed on the website of the Company at www.iglonline.net.

(4) WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy for employees to report irregularities/suspensions of fraud and unethical behaviour to the Chairman of Audit Committee.

DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock exchange (s), it is hereby declared that all the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct for the year ended March 31, 2010.

Place : Uttaranchal
Date : May 22, 2010

sd/-
(Rajesh Vedvyas)
Managing Director



AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF INDRAPRASTHA GAS LIMITED

1. We have examined the compliance of conditions of Corporate Governance by **Indraprastha Gas Limited ('the Company')**, for the year ended on 31 March, 2010, as stipulated in clause 49 of the Listing Agreement of the Company with the stock exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance in all material aspects, as stipulated in clause 49 of the above mentioned Listing Agreement.
4. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For DELOITTE HASKINS & SELLS

Chartered Accountants
(Registration No. 015125N)

sd/-

JITENDRA AGARWAL

Partner
Membership No. 87104

Place : Uttaranchal
Date : May 22, 2010



MANAGEMENT DISCUSSION AND ANALYSIS

NATURE OF BUSINESS

The Company is in the retail gas distribution business of supplying Compressed Natural Gas (CNG) to transport sector, Piped Natural Gas (PNG) to domestic and commercial sectors and Re-gasified Liquid Natural Gas (R-LNG) to industrial sector in NCT of Delhi and NCR towns.

CNG is a safe, economical and environment friendly fuel for transport sector. It is replacing traditional fossil fuels of petrol & diesel, as in running cost of the vehicles, it is about 62% cheaper than Petrol and about 38% cheaper than diesel.

PNG, the other fuel supplied by the Company is a safe, convenient and reliable fuel for household kitchens as well as for commercial users such as hotels, hospitals, embassies, restaurants etc.

OUTLOOK ON OPPORTUNITIES

There has been a change in gas industry scenario in India with easing of gas availability. In the past, the Indian gas market had been a supply constrained market, but now with the availability of KG basin gas and import of R-LNG, this scenario has undergone a change. Gas is being looked at as 'fuel of the future' to meet the energy requirements of power, fertilizer and fast emerging City Gas Distribution business in the country.

The Government of India is giving thrust for usage of natural gas as fuel for meeting the energy requirements of various sectors in the country. This would not only reduce pollution level but would also help in conservation of precious foreign exchange of the country. A large number of City Gas Distribution Companies are coming up in various parts of the country. IGL, being a pioneer and success story in establishing CNG as a fuel for transportation sector in NCT of Delhi, is being looked upon as a role model by these new City Gas Distribution Companies.

The Company has strongly established itself in NCT of Delhi and NCR towns.

The Company looks forward to many opportunities in the coming years, broadly mentioned as under :

CNG

- Large scale conversion of petrol driven private vehicles into CNG mode.
- Conversion of existing fleet of LCVs in Delhi into CNG mode.
- Introduction of Radio Taxis and high capacity buses running on CNG.
- Increase of CNG variant models by car manufacturers.
- Free movement of commercial vehicles all across NCR.
- Indian Railways is exploring CNG usage in DMUs on a bigger scale.
- Forecourt retailing for customer convenience and a viable stand-alone business.
- Setting up of CNG kit fitment workshops
- Setting up of "Hybrid model" in DTC depots (catering to both DTC and private vehicles).

PNG

Piped Natural Gas (PNG) has become an extremely popular kitchen fuel to replace LPG cylinders. Considering the total number of LPG users, there is a huge potential in PNG segment. The Company has plans to expand its PNG infrastructure so as to cover the entire Delhi and NCR towns in a phased manner in the coming years. Usage of gas water heaters by existing and new PNG households would also add to the PNG sales volume.



R-LNG

Company had plans to exploit significant demand potential for gas from industrial and large commercial consumers in NCT of Delhi & NCR towns. In the past it has remained untapped due to supply constraint of gas. In Delhi, where Company started supplies to very few customers in previous years, supplies shall be extended to a large number of industrial customers. The work of creating necessary pipeline infrastructure is in progress at a rapid pace.

GAS BASED CAPTIVE POWER (CO-GENERATION)

There is a huge potential in co-generation under which gas would be provided for captive power use to industrial and commercial customers and waste gas would be used for process heat or air-conditioning requirement. The Company looks forward to opportunities in the field of co-generation for industrial and commercial customers. This would add a stream of revenue to the Company.

OUTLOOK ON THREATS, RISKS & CONCERNS

Petroleum & Natural Gas Regulatory Board has issued various Regulations for City Gas Distribution Companies. These regulations are having ramifications on the business of the Company. However, the Company is fully geared up to take on new challenges in the emerging competitive environment.

The Company has been given marketing exclusivity in NCT of Delhi for three years w.e.f. January 1, 2009. Thereafter, the field would be open for competition in this geographical area. However, with its first mover advantage and better understanding of the needs of its customers, the Company would be able to retain its position in the market.

As regards supply of natural gas under Administered Price Mechanism (APM) is concerned, GAIL (India) Limited is the sole supplier to the Company. GAIL being one of the promoters of the Company, IGL does not foresee any risk over supply of natural gas. Moreover, gas purchase agreement with GAIL assures us of priority supply in the event of stoppage or any disruption in supply. In addition, the Company has signed agreements with GAIL, BPCL and RIL for additional gas to meet its growing requirements.

PERFORMANCE REVIEW - CNG & PNG

Both CNG & PNG businesses have performed well during the year 2009-10. The Company sold 695.13 million SCM of Compressed Natural Gas (CNG) and 87.31 million SCM of Piped Natural Gas (PNG) as against 605.25 million SCM and 54.26 million SCM of CNG and PNG respectively in the financial year 2008-09.

The Company has an expanding network of 241 stations for supply of CNG as on March 31, 2010. The estimated number of vehicles using CNG was around 3.50 lakhs in March 2010 and our back-end infrastructure, compression capacity & dispensing outlets are under continuous augmentation to meet the growing demand. The Company has provided PNG connections to over 1,82,000 domestic and more than 355 commercial customers as on March 31, 2010.

FINANCIAL PERFORMANCE

Gross turnover of Rs.12131.31 million for the year ended March 31, 2010 showed a growth of 26% over the previous year turnover of Rs.9621.37 million.

Profit before tax has been Rs.3244.38 million as against Rs.2588.60 million in the previous year. Profit after tax has been Rs.2154.96 million as compared to Rs.1724.74 million in the previous year.

SHARE CAPITAL

Share Capital of the Company comprises Equity Share Capital of Rs.1,400 million.

RESERVES & SURPLUS

Reserve & Surplus of the Company were Rs. 6854.49 million as at March 31, 2010 as against Rs. 5434.17 million as at March 31, 2009.

**EARNINGS PER SHARE**

Earnings per share for the financial year 2009-10 has been Rs. 15.39 compared to Rs. 12.32 in the previous year.

INTERNAL CONTROLS

The Company has adequate Internal control procedures commensurate with its size and nature of business. During the financial year 2009-10, M/s S.S. Kothari Mehta & Co., Chartered Accountants carried out internal audits and the internal audit reports prepared by them were placed before the Audit Committee.

HUMAN RESOURCES

The Company recognizes that the challenges of the future can be best met with a competent and motivated human resource. The Company has taken various HR initiatives to add value to its pool of human talent and integration of individual goals with that of the Company. The Company has reviewed compensation packages and other facilities of its employees to make them more competitive and aligned with industry practices. Training & Development of the employees, forms an integral part of Company's policy towards achieving its objective. The Company recognizes and appreciates the contribution of all its employees in its growth path.

ENVIRONMENT CONSCIOUSNESS

Our main product i.e. Compressed Natural Gas by virtue of its physical and chemical properties, provides a clean and environment friendly automotive fuel to transport sector in NCT of Delhi and NCR towns. There has been a visible reduction in vehicular pollution, which has been appreciated by the people of the region. The Company is making continuous efforts to reduce pollution in Delhi and its adjoining areas. The work done by the Company has been recognized and applauded at various national & international forums.



AUDITORS' REPORT TO THE MEMBERS OF INDRAPRASTHA GAS LIMITED

1. We have audited the attached Balance Sheet of **Indraprastha Gas Limited** ("the Company") as at 31 March, 2010, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. 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 misstatements. 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 (Auditor's Report) Order, 2003 (CARO) issued by the Central Government 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 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - e) in our opinion and to the best of our information and according to the explanations given to us, the said 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 the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2010;
 - ii. in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - iii. in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of written representations received from the Directors, as on 31 March, 2010 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2010 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Registration No. 015125N)

sd/-

JITENDRA AGARWAL
Partner
(Membership No. 87104)

Place : Uttaranchal
Date : 22 May, 2010

**ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in paragraph 3 of our report of even date)

- (i) Having regard to the nature of the Company's business, clauses (xiii), (xiv), (xix) and (xx) of paragraph 4 of CARO are not applicable.
- (ii) In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - b. According to the information and explanations given to us, the Company has a phased programme of physical verification of its fixed assets by which all fixed assets, other than underground gas distribution systems which are not physically verifiable, are verified over a period of two years. In accordance with this programme, a part of the fixed assets were verified during the year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c. The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventory:
 - a. Inventory comprises Gas and Stores and spares. According to the information and explanations given to us, inventory of stores and spares has been physically verified during the year by the Management. In our opinion, the frequency of verification of stores and spares is reasonable. According to the information and explanations given to us, the stock of gas in pipeline cannot be physically verified and is estimated on volumetric basis.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and discrepancies noted between physical inventory and book records were not material having regard to the size of the operations of the Company and the same have been properly dealt with in the books of account.
- (iv) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- (v) In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in internal control.
- (vi) Based on the examination of the books of account and related records and according to the information and explanations given to us, there are no contracts or arrangements with companies, firms or other parties which need to be entered in the register maintained under Section 301 of the Companies Act, 1956.
- (vii) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year as defined under the provisions of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- (viii) In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.



- (ix) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 in respect of its products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (x) According to the information and explanations given to us in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. There are no undisputed amounts payable in respect of these statutory dues which have remained outstanding as at 31 March, 2010 for a period of more than six months from the date they became payable. We are informed that the provisions of Employees' State Insurance Act, 1948 are not applicable to the Company and that the operations of the Company during the year did not give rise to any liability for Investor Education and Protection Fund and Wealth Tax.
 - According to the information and explanations given to us, the dues of Income Tax, which have not been deposited by the company on account of various disputes are as follows:

Name of Statute	Nature of Dues	Amount demanded (Rs.)	Amount paid under protest (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	143,053	71,600	Assessment Year 2001-2002	Income Tax Appellate Tribunal, Delhi
Income Tax Act, 1961	Income Tax	27,320	-	Assessment Year 2002-2003	Remanded back by Income Tax Appellate Tribunal, Delhi to Assessing Officer
Income Tax Act, 1961	Income Tax	13,189,332	1,747,116	Assessment Year 2003-2004	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	5,581,256	-	Assessment Year 2003-2004	Remanded back by CIT (Appeals) to Assessing Officer
Income Tax Act, 1961	Income Tax	11,237,209	4,800,000	Assessment Year 2004-2005	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	34,009,173	25,500,186	Assessment Year 2005-2006	Remanded back by Income Tax Appellate Tribunal, Delhi to Assessing Officer
Income Tax Act, 1961	Income Tax	740,029	740,000	Assessment Year 2006-2007	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	21,898,534	13,300,000	Assessment Year 2007-2008	Commissioner of Income Tax (Appeals)



We are informed that there are no dues in respect of Wealth Tax, Service tax, Sales Tax, Customs Duty, Excise Duty and Cess, which have not been deposited on account of any dispute.

- (xi) The Company does not have any accumulated losses and has not incurred cash losses during the current financial year and the immediately preceding financial year.
- (xii) In our opinion and according to the information and explanations given to us, the Company has no outstanding dues to banks or financial institutions. According to the information and explanations given to us the Company has not issued any debentures.
- (xiii) According to the information and explanations given to us and the records of Company examined by us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xv) Based on the examination of the books of account and related records and according to the information and explanations given to us, the company has not availed any term loan during the year.
- (xvi) In our opinion and according to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, we report that funds raised on short term basis have not been used during the year for long term investment.
- (xvii) According to information and explanation given to us and the records of the Company examined by us, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (xviii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No. 015125N)

Place : Uttaranchal
Date : 22 May, 2010

Sd/-
JITENDRA AGARWAL
Partner
(Membership No. 87104)



BALANCE SHEET AS AT MARCH 31, 2010

PARTICULARS	Schedule Reference	As At 31.03.2010 (Rs.)	As At 31.03.2009 (Rs.)
SOURCES OF FUNDS			
SHAREHOLDERS' FUND			
Share capital	1	1,400,001,600	1,400,001,600
Reserves and surplus	2	6,854,494,316	5,434,166,957
		8,254,495,916	6,834,168,557
DEFERRED TAX LIABILITY	3	238,146,463	208,928,335
DEPOSIT FROM CUSTOMERS (Refer Note 6 of Schedule 15)		552,224,515	265,391,727
		9,044,866,894	7,308,488,619
APPLICATION OF FUNDS			
FIXED ASSETS (At cost)			
Gross block	4	11,052,979,812	8,172,030,658
Less: Accumulated depreciation		4,538,903,476	3,777,320,224
Net block		6,514,076,336	4,394,710,434
Capital work in progress (including capital advances and capital inventory)		1,826,176,104	816,291,651
		8,340,252,440	5,211,002,085
INVESTMENTS	5	170,157,026	1,041,779,040
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	6	278,136,697	237,448,467
Sundry debtors	7	334,907,402	318,736,342
Cash and bank balances	8	1,212,537,382	1,461,682,396
Other current assets	9	60,213,551	20,386,151
Loans and advances	10	686,356,889	553,947,480
		2,572,151,921	2,592,200,836



BALANCE SHEET AS AT MARCH 31, 2010

PARTICULARS	Schedule Reference	As At 31.03.2010 (Rs.)	As At 31.03.2009 (Rs.)
LESS: CURRENT LIABILITIES AND PROVISIONS	11		
Current liabilities		1,261,756,861	857,443,698
Provisions		775,937,632	679,049,644
		2,037,694,493	1,536,493,342
NET CURRENT ASSETS		534,457,428	1,055,707,494
		9,044,866,894	7,308,488,619

Notes forming part of the accounts

15

Schedules referred to above form an integral part of the Balance Sheet

As per our report of even date attached

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

sd/-
Jitendra Agarwal
Partner

sd/-
Rajesh Vedvyas
Managing Director

sd/-
Manmohan Singh
Director (Commercial)

sd/-
S.K. Jain
Company Secretary

sd/-
Rajesh Agrawal
Vice President
(Finance)

Place: Uttaranchal
Date: 22 May, 2010

Place: Uttaranchal
Date: 22 May, 2010



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

PARTICULARS	Schedule Reference	Year ended 31.03.2010 (Rs.)	Year ended 31.03.2009 (Rs.)
INCOME			
Sales			
Compressed natural gas		10,790,413,314	8,698,946,204
Less: Discount		95,066,022	76,385,622
		10,695,347,292	8,622,560,582
Less: Excise duty		1,350,124,790	1,093,666,479
		9,345,222,502	7,528,894,103
Piped natural gas		1,435,962,858	998,812,253
		10,781,185,360	8,527,706,356
Other income	12	211,057,203	262,204,468
		10,992,242,563	8,789,910,824
EXPENDITURE			
(Increase)/Decrease in inventories	13	(493,823)	(628,837)
Cost of natural gas purchased (Refer Note 11b of Schedule 15)		4,949,042,298	4,108,297,315
Operating and other expenses	14	2,024,797,804	1,419,304,691
Depreciation	4	774,516,324	674,335,952
		7,747,862,603	6,201,309,121
PROFIT BEFORE TAX		3,244,379,960	2,588,601,703
PROVISION FOR TAX			
Current tax		1,060,196,933	887,306,208
Deferred tax		29,218,128	(29,579,379)
Fringe Benefit Tax		-	6,132,257
PROFIT AFTER TAX		2,154,964,899	1,724,742,617
BROUGHT FORWARD FROM PREVIOUS YEAR		4,732,526,594	3,835,430,988
PROFIT AVAILABLE FOR APPROPRIATIONS		6,887,491,493	5,560,173,605



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

PARTICULARS	Schedule Reference	Year ended 31.03.2010 (Rs.)	Year ended 31.03.2009 (Rs.)
APPROPRIATIONS			
Proposed dividend		630,000,720	560,000,640
Corporate dividend tax on proposed dividend		104,636,820	95,172,109
Transferred to General Reserve		215,496,490	172,474,262
Balance carried to the Balance Sheet		5,937,357,463	4,732,526,594
		6,887,491,493	5,560,173,605
Basic/Diluted Earnings Per Share		15.39	12.32

(Refer Note 19 of Schedule 15)

Notes forming part of the accounts

15

Schedules referred to above form an integral part of the Profit and Loss Account

As per our report of even date attached

For Deloitte Haskins & Sells

For and on behalf of the Board of Directors

Chartered Accountants

sd/-

Jitendra Agarwal
Partner

sd/-

Rajesh Vedvyas
Managing Director

sd/-

Manmohan Singh
Director (Commercial)

sd/-

S.K. Jain
Company Secretary

sd/-

Rajesh Agrawal
Vice President
(Finance)

Place: Uttaranchal
Date: 22 May, 2010

Place: Uttaranchal
Date: 22 May, 2010



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010

PARTICULARS	Year ended 31.03.2010 (Rs.)	Year ended 31.03.2009 (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	3,244,379,960	2,588,601,703
Adjustments for:		
Depreciation for the year	774,516,324	674,335,952
Unrealised foreign exchange loss/(gain)	(3,832,058)	9,121,327
Loss on sale of assets	1,646,068	330,428
Provision for inventory obsolescence/ written off	4,050,102	5,049,854
Provision for doubtful debts / written off	796,885	865,500
Income from short term deposits with Banks	(121,199,668)	(150,249,969)
Income from mutual fund investments	(32,668,301)	(68,420,479)
Operating profit before working capital changes	3,867,689,312	3,059,634,316
Deposits received during the year (Net)	286,832,788	197,068,994
Adjustments for movement in working capital:		
(Increase)/Decrease in Trade Receivables	(16,967,945)	(93,174,851)
(Increase)/Decrease in Other Current Assets	(39,827,400)	(2,301,996)
(Increase)/Decrease in Loans and Advances	(79,839,232)	(69,156,573)
(Increase)/Decrease in Inventories	(44,738,332)	(13,303,627)
Increase/(Decrease) in trade payables and other payables	425,568,418	65,826,457
Cash generated from operating activities before taxes	4,398,717,609	3,144,592,720
Taxes paid (net)	(1,125,740,862)	(958,293,136)
Net Cash from Operating Activities	3,272,976,747	2,186,299,584



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010

PARTICULARS	Year ended 31.03.2010 (Rs.)	Year ended 31.03.2009 (Rs.)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (net of sales)	(3,905,412,747)	(1,720,192,032)
Income received from mutual fund investments	32,668,301	68,420,479
Income received on short term deposits with Banks	134,173,420	136,860,174
Net cash used in Investing Activities	(3,738,571,026)	(1,514,911,379)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of Dividend and Dividend Tax	(655,172,749)	(655,172,749)
Net cash used in Financing Activities	(655,172,749)	(655,172,749)
Net increase/(decrease) in cash and cash equivalents	(1,120,767,028)	16,215,456
Cash and cash equivalents as at 1 April, 2009	2,503,461,436	2,487,245,980
Cash and cash equivalents as at 31 March, 2010	1,382,694,408	2,503,461,436
Notes to Cash Flow Statement:		
Cash and cash equivalents comprise:		
a. Cash in hand	23,415,185	17,989,973
b. Balances with Banks	1,189,122,197	1,443,692,423
c. Investments in Mutual Funds	170,157,026	1,041,779,040
	1,382,694,408	2,503,461,436

As per our report of even date attached

For Deloitte Haskins & Sells
Chartered Accountants

sd/-
Jitendra Agarwal
Partner

Place: Uttaranchal
Date: 22 May, 2010

For and on behalf of the Board of Directors

sd/-
Rajesh Vedyas
Managing Director

sd/-
S.K. Jain
Company Secretary

Place: Uttaranchal
Date: 22 May, 2010

sd/-
Manmohan Singh
Director (Commercial)

sd/-
Rajesh Agrawal
Vice President
(Finance)



SCHEDULES FORMING PART OF THE ACCOUNTS

PARTICULARS	As At 31.03.2010 (Rs.)	As At 31.03.2009 (Rs.)
SCHEDULE 1		
SHARE CAPITAL		
Authorised Capital		
220,000,000 equity shares of Rs. 10 each	2,200,000,000	2,200,000,000
Issued, Subscribed and paid up		
140,000,160 (previous year 140,000,160) equity shares of Rs. 10 each, fully paid up	1,400,001,600	1,400,001,600
[Of the above, 18,984,351 (previous year 18,984,351) equity shares of Rs. 10 each were allotted as fully paid up, pursuant to a contract for a consideration other than cash]		
SCHEDULE 2		
RESERVES AND SURPLUS		
General reserve		
Opening balance	701,640,363	529,166,101
Add: Transferred from Profit and Loss Account	215,496,490	172,474,262
Closing balance	917,136,853	701,640,363
Profit and Loss Account	5,937,357,463	4,732,526,594
	6,854,494,316	5,434,166,957
SCHEDULE 3		
DEFERRED TAX LIABILITY		
Deferred tax liability on:		
Accumulated depreciation	257,993,158	221,725,746
Deferred tax assets on:		
Provision for gratuity	4,326,946	2,636,331
Provision for leave encashment	9,391,912	5,479,426
Provision for inventory/doubtful debts	6,127,837	4,681,654
	19,846,695	12,797,411
	238,146,463	208,928,335



SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE 4 - FIXED ASSETS (Refer to notes 2b, 2c and 2h and 8 of Schedule 15)

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK		
	As At 01.04.2009	Additions For The Year	Sales / Adjustments For The Year	As At 31.03.2010	As At 01.04.2009	For The Year	On Sales / Adjustments	As At 31.03.2010	As At 31.03.2010	As At 31.03.2009
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Tangible assets										
Leasehold land (Foot note 1)	104,179,934	-	-	104,179,934	21,978,288	2,763,514	-	24,741,802	79,438,132	82,201,646
Buildings (Foot note 2)	1,031,077,246	645,881,006	-	1,676,958,252	191,554,371	47,682,882	-	239,237,253	1,437,720,999	839,522,875
Plant and machinery	6,889,627,390	2,236,793,055	11,287,817	9,115,132,628	3,501,180,032	701,733,203	10,609,103	4,192,304,132	4,922,828,496	3,388,447,358
Furniture, fixtures and fittings	56,377,681	8,162,108	2,117,916	62,421,873	13,859,284	7,135,697	991,160	20,003,821	42,418,052	42,518,397
Vehicles	2,308,634	944,769	287,076	2,966,327	440,947	256,564	287,076	410,435	2,555,892	1,867,687
Data processing equipment	40,205,139	3,926,880	1,065,855	43,066,164	23,658,081	5,293,537	1,045,733	27,905,885	15,160,279	16,547,058
Intangible assets										
Computers software	48,254,634	-	-	48,254,634	24,649,221	9,650,927	-	34,300,148	13,954,486	23,605,413
	8,172,030,658	2,895,707,818	14,758,664	11,052,979,812	3,777,320,224	774,516,324	12,933,072	4,538,903,476	6,514,076,336	4,394,710,434
Previous year	6,680,055,476	1,493,592,996	1,617,814	8,172,030,658	3,104,240,385	674,335,952	1,256,113	3,777,320,224	4,394,710,434	3,575,815,091

NOTES:

1. Gross block of leasehold land includes land amounting to Rs. 66,212,104 (previous year Rs. 66,212,104) obtained on lease from the Land & Development Office, New Delhi, under licensing arrangement and pending execution of the related lease agreements.
2. Buildings have been constructed on land acquired on lease from various Government Authorities



SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE 5

INVESTMENTS

(Refer Note 2d of Schedule 15)

Current Investments (Unquoted-Non Trade)

Name of Mutual Fund	As at 31.03.2010		As at 31.03.2009	
	Units (No.)	Value (Rs.)	Units (No.)	Value (Rs.)
HDFC - FRIF - STF - WP	-	-	25,042,911	252,455,080
Kotak Flexi Debt Scheme - Daily Dividend	-	-	23,613,139	237,253,010
Reliance Liquid Plus - Money Manager Fund	-	-	251,353	251,638,969
DWS Liquid Plus - Ultra Short Term Fund	-	-	8,235,259	82,500,000
JP Morgan Liquid Plus Fund	-	-	21,773,819	217,931,981
IDFC Money Manager-Super Institutional Plan C	17,013,151	170,157,026	-	-
		170,157,026		1,041,779,040

Units purchased and sold during the year

Name of Mutual Fund Scheme	Purchased Units	Sold Units
HDFC Cash Management - Treasury Fund	92,901,422	92,901,422
HDFC - FRIF - STF - WP	33,644,925	58,687,836
Kotak Flexi Debt Scheme - Daily Dividend	78,186,948	101,800,087
Kotak Floater Long Term	148,538,097	148,538,097
ICICI Prudential Flexible Income Plan	50,319,723	50,319,723
Reliance Liquid Plus - Money Manager Fund	791,827	1,043,180
Reliance Liquidity Fund	26,211,932	26,211,932
Reliance Liquid Fund	3,927,140	3,927,140
Birla Liquid Plus - IP	37,555,940	37,555,940
DWS Liquid Plus - Ultra Short Term Fund	16,910,443	25,145,702
JP Morgan Liquid Plus Fund	99,839,199	121,613,018
JM Money Manager Fund - Super Plus	56,178,960	56,178,960
IDFC Money Manager-Super Institutional Plan C	78,787,561	61,774,410
Principle Floating Rate Fund - Flexible	5,996,914	5,996,914
Franklin Templeton TMA	54,996	54,996
UTI Treasury Advantage	185,060	185,060



SCHEDULES FORMING PART OF THE ACCOUNTS

PARTICULARS	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
SCHEDULE 6		
INVENTORIES		
(Refer Note 2e of Schedule 15)		
CNG and natural gas in pipeline	4,332,982	3,839,159
Stores and spares	289,736,262	245,491,753
	294,069,244	249,330,912
Less: Provision for obsolescence	15,932,547	11,882,445
	278,136,697	237,448,467
SCHEDULE 7		
SUNDRY DEBTORS		
Secured - Considered good Exceeding six months	26,112	297,819
Others	75,011,549	65,124,479
	75,037,661	65,422,298
Unsecured Exceeding six months - Considered good	3,648,075	4,118,073
- Considered doubtful	2,515,066	1,891,176
	6,163,141	6,009,249
Less: Provision for doubtful debts	2,515,066	1,891,176
	3,648,075	4,118,073
Others considered good	256,221,666	249,195,971
	334,907,402	318,736,342
SCHEDULE 8		
CASH AND BANK BALANCES		
Cash in hand	23,415,185	17,989,973
Balances with Scheduled Banks		
On current accounts	73,520,697	41,911,146
On fixed deposit accounts [including under lien Rs. 1,500 (previous year Rs. 555,084)]	1,115,601,500	1,401,781,277
	1,212,537,382	1,461,682,396



SCHEDULES FORMING PART OF THE ACCOUNTS

PARTICULARS	As At 31.03.2010 (Rs.)	As At 31.03.2009 (Rs.)
SCHEDULE 9		
OTHER CURRENT ASSETS (Unsecured, considered good)		
Income accrued but not due	60,213,551	20,386,151
SCHEDULE 10		
LOANS AND ADVANCES (Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received *	306,628,013	242,761,566
Security deposits	40,206,772	22,232,385
Interest accrued but not due on fixed deposits	49,793,651	62,767,403
Advance tax (net of provision for taxation Rs. 5,140,569,056 previous year Rs. 4,080,372,123)	188,399,292	122,855,363
Balance with excise authorities	101,329,161	103,330,763
	686,356,889	553,947,480

* Includes amounts due from directors of the company
Rs. Nil (previous year Rs. Nil)

Maximum amount outstanding at any time during the year
Rs. 91,782 (previous year Rs. 10,000)



SCHEDULES FORMING PART OF THE ACCOUNTS

PARTICULARS	As At 31.03.2010 (Rs.)	As At 31.03.2009 (Rs.)
SCHEDULE I I		
CURRENT LIABILITIES AND PROVISIONS		
Current liabilities		
Sundry creditors (Refer Note 1 below)	1,216,782,701	835,989,336
Unclaimed dividend (Refer Note 2 below)	4,054,407	3,578,388
Other liabilities	40,919,753	17,875,974
	1,261,756,861	857,443,698
Notes		
1. Based on the information available with the Company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 is Rs. Nil and no interest has been paid or is payable under the terms of the MSMED Act, 2006.		
2. There is no amount due and outstanding at the year end to be credited to Investors Education and Protection Fund.		
Provisions		
Proposed dividend	630,000,720	560,000,640
Corporate dividend tax on proposed dividend	104,636,820	95,172,109
Gratuity	13,026,104	7,756,195
Leave encashment	28,273,988	16,120,700
	775,937,632	679,049,644
	2,037,694,493	1,536,493,342



SCHEDULES FORMING PART OF THE ACCOUNTS

PARTICULARS	Year ended 31.03.2010 (Rs.)	Year ended 31.03.2009 (Rs.)
SCHEDULE 12		
OTHER INCOME		
Interest on short term deposits with banks	121,199,668	150,249,969
[Gross of tax deducted at source Rs. 18,084,969 (previous year Rs. 30,489,524)]		
Income from mutual fund investments (current non trade investments)	32,668,301	68,420,479
Liabilities/ provisions no longer required written back	14,769,989	23,876,506
Foreign exchange gain (Net)	13,319,983	-
Miscellaneous income	29,099,262	19,657,514
	211,057,203	262,204,468
SCHEDULE 13		
(INCREASE)/DECREASE IN INVENTORIES		
Closing stock of CNG and Natural Gas	4,332,982	3,839,159
Opening stock of CNG and Natural Gas	3,839,159	3,210,322
	(493,823)	(628,837)



SCHEDULES FORMING PART OF THE ACCOUNTS

PARTICULARS	Year ended 31.03.2010 (Rs.)	Year ended 31.03.2009 (Rs.)
SCHEDULE 14		
OPERATING AND OTHER EXPENSES		
Operating expenses at CNG stations	341,897,169	212,425,045
Dealers' commission	106,262,064	89,618,809
Stores and spares consumed	231,982,002	201,053,719
Power and fuel	270,619,535	149,010,428
Rent	101,292,710	66,068,792
Hire charges		
- Vehicle	104,947,751	63,374,304
- Equipment	22,300,642	24,445,007
Rates and taxes	5,208,595	2,105,661
Repairs and maintenance		
- Buildings	38,114,833	21,839,026
- Plant and machinery	207,943,079	143,268,475
- Others	9,776,306	11,804,077
Personnel expenses (Refer Note 9 of Schedule 15)		
- Salaries, wages and bonus	271,707,582	199,995,004
- Contribution to provident and other funds	10,301,402	7,500,760
- Welfare expenses	25,744,061	27,834,378
Insurance	9,247,598	7,983,806
Legal and professional expenses (Refer Note 13 of Schedule 15)	69,379,200	25,818,315
Travel and conveyance	21,211,249	13,737,353
Advertisement expenses	16,272,521	13,017,341
Security expenses	54,037,667	37,885,169
Loss on assets sold or discarded	1,646,068	330,428
Provision for doubtful debts/ written off	796,885	865,500
Provision for inventory obsolescence/ written off	4,050,102	5,049,854
Bank charges	29,989,173	22,768,100
Miscellaneous expenses	70,069,610	71,505,340
	2,024,797,804	1,419,304,691



SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE 15

1. Background

Indraprastha Gas Limited ('The Company') was incorporated on December 23, 1998 under the Companies Act, 1956. It is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is a joint venture between GAIL India Limited and Bharat Petroleum Corporation Limited. The Company's business consists of sale of Compressed Natural Gas (CNG) and Piped Natural Gas (PNG).

2. Significant Accounting Policies

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles ('GAAP') in India and comply with the accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006, to the extent applicable and in accordance with the provisions of the Companies Act, 1956, as adopted consistently by the Company. The significant accounting policies are as follows:

a. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements. Actual results in future could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

b. Fixed assets

- i. Fixed assets are stated at their original cost including freight, duties, taxes and other incidental expenses relating to acquisition and installation and are net of recoveries from PNG customers towards the cost of installation of PNG pipeline network.
- ii. Expenditure incurred during the period of construction, including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated to the respective fixed assets.
- iii. Gas distribution systems are commissioned on commencement of supply of gas to consumers. In the case of commissioned assets where final payment to the contractors is pending, capitalisation is made on an estimated basis pending receipt of final bills from the contractors, and subject to adjustment in cost and depreciation in the year of final settlement.
- iv. Insurance spares are capitalised with the cost of plant and machinery and depreciated over the useful life of the respective asset.
- v. Capital inventory represents items of capital nature lying in the stores and valued at cost.
- vi. Intangible assets comprising ERP software are amortised using straight line method over an estimated useful period of 5 years.
- vii. The carrying amount of assets, including those assets that are not yet available for use, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, recoverable amount of asset is determined. An impairment loss is recognised in the profit and loss account whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognised.

c. Depreciation and amortisation (Also refer to Note 5)

Depreciation is charged on a pro-rata basis on the straight line method over the estimated useful lives of assets, determined as follows:

Asset class	Depreciation
Mother Compressors, Online Compressors and Booster Compressors	7 years
Leasehold land	Over the period of lease
Bunkhouses	5 years
Signages	10 years
All other assets	Rates prescribed under Schedule XIV to the Companies Act, 1956



SCHEDULES FORMING PART OF THE ACCOUNTS

Assets costing Rs. 5,000 or less are fully depreciated in the year of purchase.

Rates of depreciation are equal to or more than Schedule XIV to the Companies Act, 1956.

d. Investments

Current investments are stated at the lower of cost or fair value.

e. Inventories

- i. Stores and spares are valued at cost on weighted average basis. Provision for obsolescence is made where necessary.
- ii. Stock of CNG in cascades and Natural Gas in pipelines is valued at the lower of cost, on First in First out (FIFO) basis, or net realisable value.
- iii. Closing stock of Natural Gas in pipelines and cascades is estimated on a volumetric basis.

f. Revenue recognition

- i. Revenue on sale of PNG is recognised based on consumption by the customer.
- ii. Revenue on sale of CNG is recognised on sale of gas to customers from CNG stations.
- iii. Income from deposits is recognised on a time proportion basis. Dividend income from investment in mutual funds is recognised when the Company's right to receive payment is established.

g. Foreign currency transactions

Transactions in foreign currency are translated at the exchange rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated at exchange rates prevailing as at the year-end. Exchange gains or losses arising out of fluctuation in exchange rates on settlement during the year and/or translation at year-end are recognised in the profit and loss account.

h. Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of an eligible capital asset is capitalised as a part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

i. Employee benefits

Incremental liabilities in respect of gratuity, leave encashment and sick leave are provided on the basis of actuarial valuation as at the balance sheet date and are charged to the profit and loss account. Contributions for provident fund are charged to the profit and loss account as incurred.

j. Operating leases

Lease rentals are recognised as an expense in the profit and loss account on straight-line basis over the term of the lease.

k. Taxation

Income tax expense comprises current tax and deferred tax. Current Tax is amount of tax for the period determined in accordance with the Income-tax Act, 1961. Deferred Tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liability or deferred tax asset are recognised using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in the future. Such assets are reviewed at each balance sheet date to reassess realisation. Where there are unabsorbed depreciation and carry forward losses under tax laws, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised in future.



I. Earnings per share

Basic earning per share is computed using the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti dilutive.

m. Provisions and contingencies

A provision is recognised in the financial statements where there exists a present obligation as a result of a past event, the amount of which can be reliably estimated, and it is probable that an outflow of resources would be necessitated in order to settle the obligation. Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the enterprise, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made.

n. Deposits with Government Agencies, Local Authorities and Other Electricity Companies

Deposits given to Government agencies, local authorities and other electricity companies which are perennial in nature are charged to revenue in the year of payment.

3. Contingent liabilities

a. Income Tax cases

In respect of Assessment Year 2001-02 to Assessment Year 2007-08, the department disallowed certain claims made or set offs availed by the Company. This resulted into adjustments to past carried forward losses aggregating Rs.29,448,913 (previous year Rs.29,448,913) and demands raised aggregating Rs.86,825,906 (previous year Rs.63,289,287) against which company has deposited Rs. 46,158,902 (previous Year Rs.32,858,902) under protest. The Company has filed appeals against the above which are pending at various stages.

b. Bank Guarantees

The company's total liability towards un-expired Bank Guarantees is Rs. 233,256,847 (Previous year Rs. 494,809,876).

4. Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 4,584,065,702 (previous year Rs. 701,143,333).

5. The Company has installed CNG Stations on land leased from various Government Authorities under leases for periods ranging from one to five years. However, assets constructed/installed on such land are depreciated generally at the rates specified in Schedule XIV to the Companies Act, 1956, as the management does not foresee non-renewal of the above lease arrangements by the Authorities.
6. Deposits from customers of natural gas, refundable on termination/alteration of the gas sales agreements, are considered as long term funds.

7. Segment reporting

The Company operates in a single segment of Natural Gas Business mainly in the National Capital Region and therefore the disclosure requirements as per Accounting Standard 17 "Segment Reporting" are not applicable to the Company.

8. Management has carried out a review of the carrying value of assets as at 31 March, 2010 in accordance with the provisions of Accounting Standard – 28, Impairment of Assets. Based on the review, the management is of the opinion that there are no impairment indicators that necessitate any adjustments to the carrying value of assets.



9. Managerial remuneration

a. Managerial Remuneration under Section 198 of the Companies Act, 1956

Particulars	Year ended 31.03.2010 (Rs.)	Year ended 31.03.2009 (Rs.)
Managing Director (refer note below)		
Salary and allowances	1,835,398	1,404,853
Perquisites	274,147	321,169
Contribution to provident and other funds*	147,747	162,756
Commission on profit for financial year 2007-08	-	559,062
	2,257,292	2,447,840
Whole Time Director (refer note below)		
Salary and allowances	2,641,927	1,555,066
Perquisites	611,712	599,545
Contribution to provident and other funds*	195,951	86,470
	3,449,590	2,241,081
Total	5,706,882	4,688,921

* Does not include provisions for employee retirement benefits, which are based on actuarial valuation carried out on overall Company basis.

Note:

Managerial Remuneration does not include:

Rs. 1,800,000 (previous year Rs. 2,059,062, including Rs. 559,062 for the year 2007-2008) payable to Managing Director and Whole Time Director as commission on profit based on the period of directorship held during the financial year ended on 31 March, 2010, since the amount will be paid to their parent organisation as per their advice.

b. Computation of net profit in accordance with Section 349 of the Companies Act, 1956 in respect of Managerial Remuneration

Particulars	Year ended 31.03.2010 (Rs.)	Year ended 31.03.2009 (Rs.)
Profit Before Tax as per Profit and Loss Account	3,244,379,960	2,588,601,703
Add :		
Depreciation as per books of accounts	774,516,324	674,335,952
Provision for doubtful debts/advance	796,885	865,500
	4,019,693,169	3,263,803,155
Less :		
Depreciation under section 350 of the Companies Act	774,516,324	674,335,952
Profit on sale of investment (net)	32,668,301	68,420,479
	3,212,508,544	2,521,046,724
Add :		
Remuneration to whole-time directors	5,706,882	4,129,859
Commission to whole-time directors/their parent organisation	1,800,000	2,618,124
Commission to Non whole-time directors/their parent organisation	4,875,000	6,545,309
Net Profit as per section 349	3,224,890,426	2,534,340,016
Commission on profit to Whole-time directors/their parent organisation	1,800,000	2,618,124*
Commission on profit to Non Whole-time directors/their parent organisation	4,875,000	6,545,309**
Total Commission to directors/their parent organisation	6,675,000	9,163,433
Maximum Commission payable to directors @ 0.5% of Net Profit as per shareholders resolution dated 22 nd July 2008	16,124,452	12,671,700

* Includes Rs. 1,118,124 for the year 2007-08

** Includes Rs. 2,795,309 for the year 2007-08



10. Operating lease arrangements

The Company has taken certain equipments and vehicles under operating lease agreements. The total lease rentals recognised as expense during the year under the above lease agreements aggregates Rs. 113,573,769 (previous year Rs. 76,402,132). Lease obligations under non-cancellable periods are as follows:

Particulars	Year ended 31.03.2010 (Rs.)	Year ended 31.03.2009 (Rs.)
Amounts payable in next one year	120,746,904	62,709,385
Amounts payable in next two to five years	112,119,128	103,919,640
Amounts payable over 5 years	-	-

11. Additional information pursuant to the provisions of paragraphs 3 and 4 of Part II of Schedule VI of the Companies Act, 1956.

a. Licensed and installed capacity

The Company is operating on the basis of allocation of 2.70 Million Metric Standard Cubic Meters per day (MMSCMD, previous year 2.70 MMSCMD) of natural gas on firm basis by the order from Ministry of Petroleum & Natural Gas.

b. Information regarding purchases, sales and stock

Particulars	Year ended 31.03.2010		Year ended 31.03.2009	
	Quantity	Amount (Rs.)	Quantity	Amount (Rs.)
Opening stock:				
Natural Gas (SCM)	234,956	1,258,430	208,736	1,060,381
CNG (SCM)	368,342	2,580,729	313,300	2,149,941
	603,298	3,839,159	522,036	3,210,322
Purchases of Natural Gas (SCM)	829,803,976	4,949,042,298	713,335,578	4,108,297,315
Sales				
PNG (SCM)	87,310,564	1,435,962,858	54,257,774	998,812,253
CNG (SCM)	695,127,167	10,695,347,292	605,255,608	8,622,560,582
CNG (Kgs)	(522,713,698)		(460,380,919)	
	782,437,731	12,131,310,150	659,513,382	9,621,372,835
Internal consumption	34,274,592	177,942,224	38,679,264	200,072,098
Closing stock				
Natural Gas (SCM)	257,457	1,353,912	234,956	1,258,430
CNG (SCM)	411,208	2,979,070	368,342	2,580,729
	668,665	4,332,982	603,298	3,839,159

Notes:

1. Difference in reconciliation of opening stock, purchases, sales and closing stock of gas quantities is on account of measurement tolerance and normal loss of 13,026,286 SCM (previous year 15,061,670 SCM).
2. Natural gas is purchased in SCM and Compressed Natural Gas is sold in Kgs.
3. Sale of CNG is net of discounts and gross of excise duty.

c. Value of imported and indigenous stores and spares and percentage thereof to the total consumption

Particulars	Year ended 31.03.2010		Year ended 31.03.2009	
	Amount (Rs.)	%	Amount (Rs.)	%
Stores and spares				
Imported	58,334,232	25	58,687,263	29
Indigenous	173,647,770	75	142,366,456	71
	231,982,002	100	201,053,719	100

**12. CIF value of imports**

Particulars	Year ended 31.03.2010 (Rs.)	Year ended 31.03.2009 (Rs.)
Capital goods	572,184,934	541,675,978
Spares and components	58,197,575	50,727,677
	630,382,509	592,403,655

13. Auditors' remuneration*

Legal and professional expenses include:

Particulars	Year ended 31.03.2010 (Rs.)	Year ended 31.03.2009 (Rs.)
Statutory Audit:		
- Audit fee	1,000,000	1,000,000
- Limited review	375,000	375,000
Other services	100,000	100,000
Reimbursement of expenses	20,000	15,000
	1,495,000	1,490,000

* Excluding Service Tax

14. Expenditure in foreign currency

Particulars	Year ended 31.03.2010 (Rs.)	Year ended 31.03.2009 (Rs.)
Travelling	653,287	35,852
Others	11,794,838	13,472,552
	12,448,125	13,508,404

15. Earnings in foreign currency

Particulars	Year ended 31.03.2010 (Rs.)	Year ended 31.03.2009 (Rs.)
Sale of tender documents	172,847	53,005

16. The Company's foreign currency exposure on accounts payable not hedged by a derivative instrument or otherwise as at the year end is as follows:

Currency	31.03.2010		31.03.2009	
	Amount in Foreign currency	Amount in Rs.	Amount in Foreign currency	Amount in Rs.
USD	3,021,119	136,373,315	1,831,814	92,561,555
EURO	101,471	6,145,100	87,521	5,837,629
CHF	-	-	6,930	304,523
SEK	-	-	19,561	118,932
		142,518,415		98,822,639

17. Disclosure pursuant to Accounting Standard 15 (revised 2005) on 'Employee Benefits'**a. Gratuity plan**

The gratuity liability arises on retirement, withdrawal, resignation and death of an employee. The aforesaid liability is calculated on the basis of fifteen days salary (i.e. last drawn basic salary plus dearness allowance) for each completed year of service subject to completion of five years service.

b. Policy for recognising actuarial gains and losses

Actuarial gains and losses arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognised in the statement of profit and loss account as income or expense.

c. The following tables set out the status of the unfunded gratuity plan and amounts recognised in the Company's financial statements as at 31 March, 2010:



S.No.	Particulars	Year ended 31.03.2010 (Rs.)	Year ended 31.03.2009 (Rs.)	
i.	Change in benefit obligations:			
a.	Present value of obligations at the beginning of the year	7,756,195	6,118,860	
b.	Current service cost	2,905,442	1,927,281	
c.	Interest cost	581,715	458,915	
d.	Actuarial gain /(loss) on obligation	2,064,075	(544,412)	
e.	Benefits paid	(281,323)	(204,449)	
	Present value of obligations	13,026,104	7,756,195	
ii.	Expenses recognised in the profit and loss account:			
a.	Current service cost	2,905,442	1,927,281	
b.	Interest cost	581,715	458,915	
c.	Actuarial (gain)/loss recognised during the year	2,064,075	(544,412)	
	Expense charged to the profit and loss account	5,551,232	1,841,784	
iii.	Balance sheet reconciliation			
a.	Opening net liability	7,756,195	6,118,860	
b.	Expenses charged to the profit and loss account	5,551,232	1,841,784	
c.	Benefits paid	(281,323)	(204,449)	
	Closing liability	13,026,104	7,756,195	
iv.	Principal actuarial assumptions:			
S.No.	Particulars	Refer note below	Year ended 31.03.2010	Year ended 31.03.2009
i.	Discount rate (p.a.)	1	7.50%	7.50%
ii.	Salary escalation rate (p.a.)	2	6.00%	6.00%

Notes:

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Demographic assumptions:

- Retirement age 60 years
- Mortality rate Published rates under LIC (1994-96) mortality tables

18. Related Party Transactions**a. List of related parties****Promoter Venturer**

- GAIL (India) Limited
- Bharat Petroleum Corporation Limited

Key management personnel (KMP)

- Mr. Om Narayan - Managing Director (upto 28 July, 2008)
- Mr. Rajesh Vedvyas - Managing Director
- Mr. Manmohan Singh - Director Commercial

**b. Transactions / balance outstanding with Related Parties:***(All amounts in Rs.)*

S.No	Nature of transaction	Year ended 31.03.2010	Year ended 31.03.2009
1. GAIL (India) Limited			
	Purchase of natural gas (including service tax cenvatable and VAT)	4,504,632,938	4,081,008,882
	Salaries, allowances and other related payments	4,631,141	3,042,057
	Reimbursement of expenses	1,427,780	174,433
	Security deposit	(32,618,690)	25,918,690
	Interest on security deposit	(905,733)	-
	Other expenses	1,530,000	-
	Balance payable	(270,807,830)	(223,844,613)
2. Bharat Petroleum Corporation Limited			
	Sale of CNG (Gross)	757,002,470	576,895,847
	Salaries, allowances and other related payments	4,596,012	3,025,126
	Advance for natural gas & diesel	45,000	-
	Reimbursement of expenses	54,601,281	46,087,575
	Purchases of natural gas	268,784,576	117,440,319
	Purchases of lubricants	10,906,442	13,384,055
	Commission income for sale of lubricant	53,424	68,863
	Other expenses	1,620,000	1,148,124
	Balance receivable	19,614,396	23,655,082
3. Key Management Personnel-Remuneration			
	Mr. Om Narayan	-	1,296,955
	Mr. Rajesh Vedvyas	2,257,292	1,150,885
	Mr. Manmohan Singh	3,449,590	2,241,081
19. Earnings per share			
	Particulars	Year ended 31.03.2010	Year ended 31.03.2009
	Net profit attributable to Shareholders (in Rs.)	2,154,964,899	1,724,742,617
	Weighted average number of equity shares (Nos.)	140,000,160	140,000,160
	Nominal value per share (in Rs.)	10	10
	Basic earnings per share of Rs 10 each (in Rs.)	15.39	12.32
	The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company remain the same.		
20.	Corresponding figures of the previous year have been regrouped/ reclassified, wherever considered necessary, to conform to current year figures.		
21.	Schedules I to I5 form an integral part of the financial statements.		

For and on behalf of the Board of Directors

sd/-
Rajesh Vedvyas
Managing Director

sd/-
Manmohan Singh
Director (Commercial)

sd/-
S.K. Jain
Company Secretary

sd/-
Rajesh Agrawal
Vice President (Finance)

Place : Uttaranchal
Date : 22 May, 2010



PART - IV

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details			
Registration No.	097614	State Code	55
Balance Sheet Date	31-Mar-10		
II. Capital Raised during the year (Amount in Rs Thousands)			
Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL
III. Position of Mobilisation and Deployment of Funds (Amount in Rs Thousands)			
Total Liabilities	9,044,867	Total Assets	9,044,867
Sources of Funds			
Paid-up Capital	1,400,002	Reserves and Surplus	6,854,494
Secured Loans	-	Unsecured Loans	552,225
Deferred Tax Liability	238,146		
Application of Funds			
Net Fixed Assets	8,340,253	Investments	170,157
Net Current Assets	534,457	Misc. Expenditure	NIL
IV Performance of the Company (Amount in Rs Thousands)			
Turnover	10,992,243	Total Expenditure (Including Prior Period)	7,747,863
+ - Profit/Loss Before Tax	3,244,380	+ - Profit/Loss After Tax	2,154,965
(Please tick appropriate box + for Profit, - Loss)			
Earnings per Share in Rs.	15.39	Dividend Rate %	45%
V Generic Names of Three Principal products/Services of Company (as per monetary terms)			
Item Code No. (ITC Code)		271112100	
Product Description		NATURAL GAS	

For and on behalf of the Board of Directors

sd/-
Rajesh Vedvyas
Managing Director

sd/-
Manmohan Singh
Director (Commercial)

Place: Uttaranchal
Date: 22 May, 2010

sd/-
S.K. Jain
Company Secretary

sd/-
Rajesh Agrawal
Vice President
(Finance)








STAKEHOLDER VALUE ENHANCEMENT

EMPLOYEES <ul style="list-style-type: none"> - Streamlined Organization Structure - Greater Transparency - Shared Growth 	INVESTORS <ul style="list-style-type: none"> - New Business Segments - New Cities - Robust Growth
CUSTOMER <ul style="list-style-type: none"> - New Offerings - Better Service - Enhanced Reach 	BUSINESS PARTNERS <ul style="list-style-type: none"> - Inclusive Growth - Efficient Processes - Clear Communication



INDRAPRASTHA GAS LIMITED






CUSTOMER SATISFACTION

STRIVING TOWARDS CUSTOMER DELIGHT...

EASE OF PAYMENTS <ul style="list-style-type: none"> - CNG Smart Card - New PNG Payment Modes 	VALUE ADDED SERVICES <ul style="list-style-type: none"> - CNG Kit Fitment - Forecourt Retailing
ENHANCED MULTI-MODAL COMMUNICATION <ul style="list-style-type: none"> - State-of-the-art Call Centre - New Look Website - Customer Portal 	IMPROVED PROCESSES <ul style="list-style-type: none"> - On Demand Connection - Timely Complaint Resolution - Institutionalize Customer Feedback
NEW CUSTOMER OFFERINGS <ul style="list-style-type: none"> - Gas Water Heaters 	




INDRAPRASTHA GAS LIMITED








OPERATIONAL EXCELLENCE


- ENHANCED SAFETY
- INCREASED OPERATIONAL EFFICIENCY
- REDUCED COSTS
- IMPROVED NETWORK RELIABILITY
- EFFECTIVE TRACKING AND MONITORING
- TRAINING AND SKILL DEVELOPMENT
- IT ENABLEMENT
- NEW AND IMPROVED PROCESSES




INDRAPRASTHA GAS LIMITED

LEADING CLEAN ENERGY SOLUTIONS PROVIDER

GROW EXISTING BUSINESSES <ul style="list-style-type: none"> - CNG - PNG 	EXPAND INTO NEW GEOGRAPHIES <ul style="list-style-type: none"> - Within NCT of Delhi - To neighbouring NCR Towns - Into other regions
LAUNCH NEW BUSINESSES <ul style="list-style-type: none"> - Cogeneration - Gas water heaters - CNG Kit fitment - Other clean energy businesses 	



INDRAPRASTHA GAS LIMITED



INDRAPRASTHA GAS LIMITED

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