The consolidated Profit After Tax (PAT) of your Company, after considering the contribution of the Associate Companies namely, Central UP Gas Limited (CUGL) and Maharashtra Natural Gas Limited (MNGL) was Rs 508 Crores in financial year 2016-17 against 458 Crores in the previous year.

We are very well aware in 2017-18 too and during first quarter of the current year, your Company showed Profit After Tax (PAT) as against 414 Crores in the corresponding quarter of the last year.

I am confident that your Company would continue its journey of consistent good performance in the coming years.

BUSINESS OPERATIONS

The Company continues its drive to achieve a healthy growth in developing Compressed Natural Gas (CNG) and Piped Natural Gas (PNG) infrastructure.

Compressed Natural Gas (CNG)

During the year 2016-17, your Company continued to expand its CNG infrastructure by adding 81 new CNG stations thereby taking the total number of CNG stations to 401. This helped the Company to enhance its total installed compression capacity to 71 Lacs CGMs/day.

As on March 31, 2017 your Company was providing CNG to over 7.5 lacs vehicles in Delhi & NCR.

Piped Natural Gas (PNG)

Your Company is fully aware of the potential of expanding PNG network to provide connectivity to household kitchens, commercial and industrial customers. During the year 2016-17, the Company provided record number of 1.05 lacs new domestic connections.

Your Company was able to achieve growth of 8% in Industrial sector and 6% in Commercial sector, in spite of stiff competition from alternate fuels like furnace oil or diesel whose prices came down to lower crude price.

As on March 31, 2017, the Company had provided connections to 7.4 lacs domestic and 2470 lacs industrial and commercial customers.

COMPANY’S PERFORMANCE

Financial Performance

In the year 2016-17 also, the Company maintained its trend of good financial performance. During the year 2016-17, the Gross Turner of your Company increased from Rs 4052 Crores in 2015-16 to Rs 4206 Crores in 2016-17.

The increase of 3.8% in gross turnover, despite the fall in crude oil prices, was mainly on account of reduction in the selling price of CNG and domestic PNG. The Profit After Tax (PAT) of the Company increased by 36.3% from Rs 419 Crores in 2015-16 to Rs 571 Crores in 2016-17. The net worth of your Company stood at Rs 2927 Crores as on March 31, 2017.

The Company has introduced Pre-Paid Cards for CNG customers.

The reoidal system of customer complaints has been further strengthened by introduction of a Customer Relationship Management (CRM) system. This has resulted in significant reduction of customer complaints.

The Company would continue to make efforts to improve as well as upgrade its processes and systems to provide services to the satisfaction of its customers.

HEALTH SAFETY & ENVIRONMENT

Your Company accords top most priority to health safety and environment in all its operations. It is a constant endeavor to maintain highest standards of safety and a number of measures are being undertaken to ensure strict adherence to the same. Regular safety audits and training seminars are conducted to ensure safety in all facets of Company’s operations.

It is a matter of pride that your Company has crossed 100 Million Man Hours accident free till 30th March 2017. This is a milestone as it has resulted from the continuous efforts of all the individuals working directly and indirectly for your Company. Your Company has been conferred with various prestigious safety awards in recognition of its excellence in fire and safety management.

CORPORATE SOCIAL RESPONSIBILITY & GOVERNANCE

Your Company is fully conscious of its responsibilities towards the society. Education, Environment awareness, women and underprivileged have been identified as thrust areas. The Company has undertaken CSR programmes like IGL Swasth Saathi and IGL Suraksha Yojana for the benefit of driver community. The Company is also supporting mentions of students from underprivileged strata of society for specialized coaching towards engineering entrance examinations.

The other CSR initiatives of the Company include road safety campaigns, self-defence training to girl students of government schools, gender sensitization programme, construction and redevelopment of toilets in schools and setting up a Gas Plumbing Training Centre for skill development.

The CSR programmes undertaken by your Company has got recognition by way of various CSR awards.

As a responsible corporate citizen, your Company is fully committed to good Corporate Governance & to the principles of inclusive & participative growth.

ACKNOWLEDGEMENTS

Before I conclude, on behalf of Board of Directors, I would like to thank the Ministry of Petroleum & Natural Gas, Govt. of India for its continued support to all endeavors. I would also like to thank the State Governments of NCT of Delhi, Uttar Pradesh and Haryana for their continued co-operation. I sincerely acknowledge the support of GAIL (India) Ltd and Birla Petroleum Corporation Ltd, the promoters of your Company.

I also express my gratitude to our valued customers for their continued support and trust. I take this opportunity to express my appreciation to every member of the IGL team and the efforts put in during the year to ensure that they are able to live better lives.

Shri S. Ramesh
Chairman

(Chairman)