गेल (इंडिया) लिमिटेड
(भारत सरकार का उपक्रम – महारत्न कंपनी)
GAIL (India) Limited
(A Government of India Undertaking - A Maharatna Company)

गेल भवन,
16 भीकाएजी कामा प्लेस
नई दिल्ली-110066, इंडिया
GAIL BHAWAN,
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ND/GAIL/SECTT/ 2019

5th February, 2019

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400051

Listing Department
BSE Limited
Floor 1, Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001

Sub.: Un-audited Financial Results for quarter ended 31st December, 2018

Dear Sir,

In continuation of our letter No ND/GAIL/SECTT/ 2018 dated 21.01.2019

The Board of Directors of the Company in its meeting held today i.e. ***5th February, 2019*** has, inter-alia, approved the un-audited financial results of the Company for the quarter ended ***31st December, 2018*** and has declared the payment of interim dividend for the FY 2018-19 @ 62.50 % (Rs. 6.25 per equity share) on the paid-up equity share capital of the Company.

For the payment of Interim Dividend for the FY 2018-19, ***Wednesday, 13th February, 2019*** has been fixed as the Record Date.

Copy of the un-audited financial results of the Company for the quarter ended ***31st December, 2018*** as approved by the Board of Directors along with Limited Review Report of M/s O.P. Bagla & Co. and M/s ASA & Associates, LLP, Joint Statutory Auditors of the Company on the said results is enclosed.

The Board meeting commenced at 11.30 A.M. and concluded at 2:10 P.M.
This is in compliance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking You
Yours faithfully

(A.K. Jha)
Company Secretary

Encl.: As above

O P Bagla & Co LLP
Chartered Accountants,
8/12, Kalkaji Extension,
New Delhi-110 019

ASA & Associates LLP
Chartered Accountants
81/1, Third Floor,
Adchini, Aurobindo Marg
New Delhi – 110 017

Limited Review Report

The Board of Directors,
GAIL (India) Ltd.
New Delhi – 110 066

We have reviewed the accompanying Statement of standalone unaudited financial results of **GAIL (India) Ltd.**, for the quarter and nine months ended on 31st December 2018 prepared by the Company pursuant to the requirements of the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by the SEBI circulars CIR/CFD/CMD/15/2015 dated November 30, 2015 and CIR/CFD/FAC/62/2016 dated July 05, 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We have conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "*Review of Interim Financial Information Performed by the Independent Auditors of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Emphasis of matter

Without modifying our report on Statement of standalone unaudited financial results, attention is invited to

a) Note No.3 to the statement in respect of various provisional transportation tariff orders issued by Petroleum and Natural Gas Regulatory Board (PNGRB), these orders have been contested by the company at Appellate Tribunal for Electricity (APTEL) and adjustment if any will be recognized as and when matter is finally decided.

b) Note No.6 to the statement in respect of impairment of investment in the Joint Venture Company viz. Konkan LNG Pvt. Ltd. Out of accumulated investment of Rs.358.36 crore, a sum of Rs.139.75 crore stood impaired as on 31.03.2018. Review of impairment analysis for additional investment of Rs.218.61 crore and impact thereof shall be carried out at the end of current financial year.

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ASA & Associates LLP Chartered Accountants

c) In respect of accounting of embedded derivative in certain contracts entered into by the company through international competitive bidding, for which the company is evaluating applicability of provisions of Ind-AS 109 (Financial instruments) and has referred the matter to the Expert Advisory Committee of Institute of Chartered Accountants of India for expert opinion in the matter which is still awaited.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statements of standalone unaudited financial results read with notes thereon, prepared in accordance with applicable Indian Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies generally accepted in India thereon has not disclosed the information required to be disclosed in accordance with the requirements Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by SEBI circulars CIR/CFD/CMD/15/2015 dated November 30, 2015 and CIR/CFD/FAC/62/2016 dated July 05, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **O P Bagla & Co LLP**
Chartered Accountants
FRN - 000018N/N500091

Rakesh Kumar
Partner
M. No. 087537

O P BAGLA & CO LLP
FRN : 000018N/N500091
New Delhi
Chartered Accountants

For **ASA & Associates LLP**
Chartered Accountants
FRN - 009571N/N500006

Parveen Kumar
Partner
M.No.088810

ASA & Associates LLP
Chartered Accountants

Place: New Delhi
Date: 5th February 2019

GAIL (India) Limited

Statement of Standalone Financial Results for the Quarter and Nine Months ended 31st December 2018

(Rs. in Crore except EPS)

Sr.No.	Particulars	For the Quarter Ended			For the Nine Months Ended		For the Year Ended
		31st December 2018	30th September 2018	31st December 2017	31st December 2018	31st December 2017	31st March 2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**INCOME**						
	Revenue from Operations#	19,788.98	19,275.32	14,414.34	56,362.89	38,394.80	53,825.49
	Other Income	220.05	365.64	280.75	678.93	658.53	905.31
	Total Income (1)	**20,009.03**	**19,640.96**	**14,695.09**	**57,041.82**	**39,053.33**	**54,730.80**
2	**EXPENSES**						
	Cost of Materials Consumed	1,203.91	1,183.08	1,002.42	3,349.06	2,659.10	3,712.42
	Purchase of Stock in trade	14,418.96	13,617.61	9,717.14	41,058.90	25,611.44	36,758.58
	Changes in Inventories of Finished Goods, Stock in Trade and WIP	(21.32)	(242.57)	65.95	(730.28)	16.77	(34.12)
	Employee benefits expenses	391.95	597.51	409.73	1,379.11	978.27	1,340.73
	Finance Costs	22.65	45.46	47.89	112.21	241.81	275.11
	Depreciation and Amortization Expenses	363.41	350.56	366.77	1,092.85	1,054.30	1,415.14
	Excise duty	-	-	-	-	163.91	163.91
	Other Expenses	1,122.00	1,192.14	1,227.23	3,435.08	2,973.76	4,168.35
	Total Expenses (2)	**17,501.56**	**16,743.79**	**12,837.13**	**49,696.93**	**33,699.36**	**47,800.12**
3	**Profit/ (Loss) before exceptional items and tax (1-2)**	**2,507.47**	**2,897.17**	**1,857.96**	**7,344.89**	**5,353.97**	**6,930.68**
4	**Exceptional Items**						
	Add/(Less) :- Impairment of Investment / (Reversal of Impairment)	-	-	-	-	-	(27.69)
5	**Profit/(Loss) before tax (3(+)(-)4)**	**2,507.47**	**2,897.17**	**1,857.96**	**7,344.89**	**5,353.97**	**6,958.37**
6	**Tax Expense :**						
	Current tax	731.19	673.85	447.27	1,899.53	1,283.42	1,654.10
	Deferred Tax^	126.72	260.36	156.47	573.59	481.06	706.64
	Adjustment of tax relating to earlier periods	(31.67)	-	(8.00)	(31.67)	(8.00)	(20.78)
	Total Tax Expenses	**826.24**	**934.21**	**595.74**	**2,441.45**	**1,756.48**	**2,339.96**
7	**Profit / (Loss) for the period(5-6)**	**1,681.23**	**1,962.96**	**1,262.22**	**4,903.44**	**3,597.49**	**4,618.41**
8	**Other Comprehensive income.**						
	(A) Item to be reclassified to Profit or Loss in subsequent periods:						
	Net movement In cash flow hedge gain / (loss)	1,184.73	(17.58)	(216.29)	1,041.31	(216.29)	(231.95)
	Less : Income tax effect thereon	(414.00)	6.15	74.85	(363.88)	74.85	81.05
	Net OCI to be reclassified to Profit or Loss in subsequent period	**770.73**	**(11.43)**	**(141.44)**	**677.43**	**(141.44)**	**(150.90)**
	(B) Items not to be reclassified to Profit or Loss in subsequent periods:						
	(i) Re measurement gain/loss on defined benefit plans	-	38.09	9.27	61.52	27.81	85.18
	Less: Income tax effect thereon	-	(13.31)	(3.20)	(21.50)	(9.62)	(29.77)
		-	**24.78**	**6.07**	**40.02**	**18.19**	**55.41**
	(ii) Net gain / (loss) on FVTOCI equity shares	(845.10)	617.34	740.30	(832.70)	297.69	(241.14)
	Less : Income tax effect thereon	-	-	-	-		
		(845.10)	**617.34**	**740.30**	**(832.70)**	**297.69**	**(241.14)**
	Net OCI not to be reclassified to Profit or Loss in subsequent period (i+ii)	**(845.10)**	**642.12**	**746.37**	**(792.68)**	**315.88**	**(185.73)**
	Other Comprehensive income for the period, Net of Tax (A+B)	**(74.37)**	**630.69**	**604.93**	**(115.25)**	**174.44**	**(336.63)**
9	**Total Comprehensive Income for the period (Profit and Loss and OCI) Net of tax (7+8)**	**1,606.86**	**2,593.65**	**1,867.15**	**4,788.19**	**3,771.93**	**4,281.78**
10	Paid - up Equity Share Capital (Face value Rs. 10 each)	2,255.07	2,255.07	1,691.30	2,255.07	1,691.30	2,255.07
11	Reserves excluding Revaluation Reserves as per Balance Sheet	-	-	-	-	-	32,947.18
12	Earnings per share (Face Value of Rs. 10 each) *						
	a) Basic	7.46	8.70	5.60	21.74	15.95	20.48
	b) Diluted	7.46	8.70	5.60	21.74	15.95	20.48
	(EPS for the Quarter and Nine Months not annualised)						

There is no discontinued operation during the period.

Consequent upon implementation of Goods and Services Tax (GST) Act w.e.f 1st July 2017, total income excludes GST. Accordingly, total income for the Nine Months ended 31st December 2018 is not comparable with corresponding previous Nine Months presented in the results.

^Mat Credit entitlement availed/adjust during the Nine Months Rs.342.96 crore .(Corresponding Nine Months Rs.145.96 crore)

* Earnings per share has been restated for the quarter and Nine Months ended 31st December 2017 as per Ind AS 33 on account of Bonus Issue of Equity shares in ratio of one equity share for every three shares held during March, 2018

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GAIL (INDIA) LIMITED

Standalone Segment wise Revenue, Results, Assets and Liabilities for the Quarter and Nine Months ended 31st December 2018

(Rs. in Crore)

Sr No.	PARTICULARS	For the Quarter Ended			For the Nine Months Ended		For the Year Ended
		31st December 2018	30th September 2018	31st December 2017	31st December 2018	31st December 2017	31st March 2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**Segment Revenue #**						
	A. Transmission Services						
	I) Natural Gas	1,472.16	1,530.81	1,331.31	4,314.45	3,786.30	4,974.16
	II) LPG	153.96	152.38	140.61	447.33	413.31	564.80
	B. Natural Gas Marketing	16,196.88	15,651.93	11,069.13	45,883.51	28,967.80	41,095.82
	C. Petrochemicals	1,599.41	1,772.18	1,443.16	4,984.98	4,216.94	5,855.45
	D. LPG and Liquid Hydrocarbons	1,512.15	1,376.56	1,211.41	3,961.25	3,122.93	4,329.83
	E. Other Segment*	184.94	107.00	240.50	483.95	529.03	746.28
	F. Unallocated	1.14	(35.77)	0.20	2.58	0.59	84.19
	Total	**21,120.64**	**20,555.09**	**15,436.32**	**60,078.05**	**41,036.90**	**57,650.53**
	Less :- Inter Segment Revenue	1,331.66	1,279.77	1,021.98	3,715.16	2,642.10	3,825.04
	Sale/Income from Operations	**19,788.98**	**19,275.32**	**14,414.34**	**56,362.89**	**38,394.80**	**53,825.49**
2	**Segment Results**						
	(Profit/(Loss) before Interest and Tax)						
	A. Transmission Services						
	I) Natural Gas	883.69	894.46	673.85	2,480.98	2,207.04	2,920.53
	II) LPG	76.65	65.29	58.34	207.33	205.01	272.61
	B. Natural Gas Marketing	675.43	1,044.78	341.56	2,271.54	1,097.77	1,256.06
	C. Petrochemicals	29.71	167.42	93.98	404.90	230.08	266.68
	D. LPG and Liquid Hydrocarbons	833.20	767.11	657.83	2,130.37	1,647.25	2,304.25
	E. Other Segment*	77.27	46.03	44.55	208.04	182.64	262.16
	Total Profit before Interest and Tax	**2,575.95**	**2,985.09**	**1,870.11**	**7,703.16**	**5,569.79**	**7,282.29**
	Add / (Less) : (i) Other unallocable Expenditure Net of Unallocable Income	(45.83)	(42.46)	35.74	(246.06)	25.99	(48.81)
	(ii) Finance Cost	(22.65)	(45.46)	(47.89)	(112.21)	(241.81)	(275.11)
	Total Profit before Tax	**2,507.47**	**2,897.17**	**1,857.96**	**7,344.89**	**5,353.97**	**6,958.37**
3	**Segment Assets**						
	A. Natural Gas Transmission / Marketing	36,524.72	34,076.42	28,788.26	36,524.72	28,788.26	28,891.18
	B. LPG Transmission	1,021.35	1,002.12	910.31	1,021.35	910.31	991.50
	C. Petrochemicals	10,104.09	10,163.74	10,096.14	10,104.09	10,096.14	10,024.60
	D. LPG and Liquid Hydrocarbons	1,055.32	1,021.01	970.62	1,055.32	970.62	993.09
	E. Other Segment*	1,975.48	1,910.12	1,911.61	1,975.48	1,911.61	1,970.75
	F. Unallocable	14,361.73	15,475.93	15,702.67	14,361.73	15,702.67	15,211.06
	Total Assets	**65,042.69**	**63,649.34**	**58,379.61**	**65,042.69**	**58,379.61**	**58,082.18**
4	**Segment Liabilities**						
	A. Natural Gas Transmission / Marketing	9,399.59	9,297.38	6,277.28	9,399.59	6,277.28	7,762.53
	B. LPG Transmission	112.52	101.25	89.95	112.52	89.95	131.49
	C. Petrochemicals	612.44	579.63	693.78	612.44	693.78	670.77
	D. LPG and Liquid Hydrocarbons	205.46	197.00	166.47	205.46	166.47	229.60
	E. Other Segment*	284.26	262.50	286.89	284.26	286.89	387.77
	F. Unallocable	9,703.58	10,093.60	9,494.54	9,703.58	9,494.54	8,571.90
	Total Liabiliies	**20,317.85**	**20,531.36**	**17,008.91**	**20,317.85**	**17,008.91**	**17,754.06**

#Note : Segment Revenue includes Other Operating Income

***Note : Other Segment includes GAIL TEL , E&P, City Gas Distribution & Power Generation**

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Notes

1. The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meetings held on 5th February 2019.

2. Limited review of the financial results for the quarter and nine months ended 31st December 2018, as required under regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, has been carried out by the Statutory Auditors of the Company.

3. Petroleum and Natural Gas Regulatory Board (PNGRB) has issued various provisional transportation tariff orders in respect of natural gas pipeline tariff. Some of these orders have been contested by the Company with Competent Authority, i.e., Appellate Tribunal for Electricity (APTEL), which were remanded back by APTEL to PNGRB for review. PNGRB had issued final tariff orders in respect of some of those natural gas pipeline networks. However, these final tariff orders have also been contested by the Company with Competent Authority. Further, adjustment on account of revision, if any, is being recognized as and when the matters are decided.

4. The Company has adopted Ind AS 115 – "Revenue from Contracts with Customers" using modified retrospective method which is mandatory for reporting period beginning on or after 1st April 2018. The adoption of the standard does not have any material impact on the profitability of the Company for the quarter and nine months ended 31st December 2018.

5. During the quarter ended 31st December 2018, CESTAT, Delhi vide order dated 30.11.2018 has confirmed the demand of differential Central Excise duty of Rs. 830 crore (approx.) with applicable penalty and interest in respect of an appeal filed by the Department disputing the relief granted to the Company by jurisdictional Commissioner (Appeal). Considering the merits of the case, the Company has filed an appeal before the Hon'ble Supreme Court and, based on the favorable legal opinions obtained on the matter, the Company is confident of favorable outcome. In view of this, aforesaid demand shall continue to be disclosed as contingent liability.

6. Board of Directors of the Company in their meeting held on 12.07.2018 has approved infusion of further capital in a Joint Venture Company viz. Konkan LNG Pvt. Ltd. (KLPL) and a sum of Rs. 218.61 crore has been invested during the period. Erstwhile investment of the Company in equity of KLPL amounting to Rs.139.75 crore stood impaired as on 31.03.3018. In view of positive future cash flows of KLPL on account of aforesaid investment plan, impairment analysis and impact thereof shall be affected at the end of current financial year for accumulated investment in KLPL.

7. The Board of Directors, in its meeting held on 05.02.2019, had declared an interim dividend of Rs.6.25 per equity share (face value Rs.10 each) amounting to Rs.1,409.42 crore.

8. Previous period figures have been regrouped / reclassified, wherever required.

For GAIL (India) Limited

(A K Tiwari)
Director (Finance)

Place: New Delhi
Date: 05.02.2019

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