



गेल (इंडिया) लिमिटेड

(भारत सरकार का उपक्रम – महारत्न कंपनी)

GAIL (India) Limited

(A Government of India Undertaking - Maharatna Company)

गेल भवन,
16 भीकाएजी कामा प्लेस
नई दिल्ली-110066, इंडिया
GAIL BHAWAN,
16 BHIKAJIJI CAMA PLACE
NEW DELHI-110066, INDIA
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February 12, 2018

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 the quarter ended on 31st December, 2017 & Issuance of Bonus shares

Dear Sir,

In continuation of our letter of even no. dated 30.01.2018 and 07.02.2018.

Please find enclosed herewith a copy of the un-audited financial results of the Company for the quarter ended on **31st December, 2017** as approved by the Board of Directors along with Limited Review Report by Joint Statutory Auditors of the Company; M/s O.P. Bagla & Co. and M/s ASA & Associates, LLP on the said results.

The Board has recommended the issuance of one (1) bonus share of Rs. 10/- for existing three (3) equity shares of Rs. 10/- each fully paid up, subject to the shareholders approval.

The Board meeting commenced at 11.00 a.m. and concluded at 4:00 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.
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.

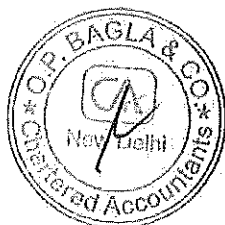
We have reviewed the accompanying Statement of standalone unaudited financial results of **GAIL (India) Ltd.**, for the quarter and nine months ended on 31st December 2017 prepared by the Company pursuant to the requirements of the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by the SEBI circulars CIR/CFD/CMD/15/2015 dated November 30, 2015 and CIR/CFD/CMD/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 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 qualifying our report on Statement of standalone unaudited financial results, attention is invited to

- (a) Note No. 3 to the Statement regarding provisional pipeline transportation tariff order issued by PNGRB, which are contested by the Company at Appellate Tribunal for Electricity.
- (b) Note No: 5- In respect of one time settlement during the quarter ended 31st December 2017 with one of the customers towards disputed claim of the Company for Ship or Pay charges.
- (c) Note No. 6 – In view of pending agreement/settlement of certain dues, the amount received from one of its customers by the Company has been retained as liability.

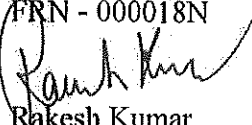


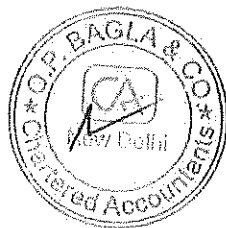
Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statements read with notes thereon, prepared in accordance with applicable Indian Accounting Standards specified under section 133 of the Companies Act, 2013 and SEBI circulars CIR/CFD/CMD/15/2015 dated November 30, 2015 and CIR/CFD/CMD/62/2016 dated July 05, 2016 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.

The review of unaudited standalone financial results for the quarter and nine month ended 31st December 2016 and audit of the standalone financial results for the year ended March 31, 2017 included in the Statement was reported by G.S. Mathur & Co and O.P. Bagla & Co. vide their unmodified report dated February 10, 2017 and July 20, 2017 (Revised) respectively whose reports have been furnished to us by management and which have been relied upon by us for the purpose of our review of the Statement. Our review report is not modified in respect of this matter.

For **O.P.Bagla & Co.**
Chartered Accountants

FRN - 000018N


Rakesh Kumar
Partner
M. No. 087537

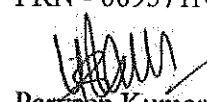


Place: New Delhi

Date: 12th February 2018

For **ASA & Associates LLP**
Chartered Accountants

FRN - 009571N/N500006


Parveen Kumar
Partner
M.No.088810





GAIL (INDIA) LIMITED

STATEMENTS OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2017

(Rs. in Crore except EPS)

Sr. No.	Particulars	For the Quarter Ended			For the Nine Months Ended		For the Year Ended
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	a) Revenue from Operation #	14,414.34	12,409.65	12,318.56	38,394.80	35,208.90	48,882.99
	b) Other Income	302.74	292.85	275.60	711.42	708.56	1,176.27
	Total Income (a+b)	14,717.08	12,702.50	12,594.16	39,106.22	35,917.46	50,059.26
2	Expenses						
	a) Cost of Materials Consumed	1,002.42	923.28	778.52	2,659.10	2,233.19	3,151.24
	b) Purchase of Stock - in - trade	9,717.14	8,025.92	8,242.42	25,611.44	24,131.89	33,199.67
	c) Changes in Inventories of Finished Goods, Stock - in - Trade and WIP	65.95	144.77	76.20	16.77	(313.51)	42.29
	d) Employee benefits expense	399.94	343.41	266.51	948.73	785.36	1,257.53
	e) Finance costs	47.89	92.55	160.13	241.81	457.40	479.36
	f) Depreciation and amortization expense	366.77	342.45	357.91	1,054.30	1,049.66	1,396.78
	g) Excise Duty	-	-	186.12	163.91	512.05	734.14
	h) Other expenses	1,259.01	902.84	1,042.73	3,056.19	3,005.84	4,088.70
	Total expenses (a+b+c+d+e+f+g+h)	12,859.12	10,775.22	11,110.54	33,752.25	31,861.88	44,349.71
3	Profit/(Loss) before exceptional items and tax (1-2)	1,857.96	1,927.28	1,483.62	5,353.97	4,055.58	5,709.55
4	Exceptional Items						
	Add: Profit on sale of Investment	-	-	-	-	489.31	489.31
	Less: Impairment of Investment	-	-	-	-	-	788.04
5	Profit/(loss) before tax (3+/-4)	1,857.96	1,927.28	1,483.62	5,353.97	4,544.89	5,410.82
6	Tax expense:						
	a) Current tax	447.27	496.94	315.89	1,283.42	957.63	1,302.94
	b) Deferred tax*	156.47	120.71	169.80	481.06	329.50	589.96
	c) Adjustment of tax relating to earlier periods	(8.00)	-	15.01	(8.00)	15.01	15.01
	Total Tax Expenses(a+b+c)	595.74	617.65	500.70	1,756.48	1,302.14	1,907.91
7	Profit (Loss) for the period from continuing operations (5-6)	1,262.22	1,309.63	982.92	3,597.49	3,242.75	3,502.91
8	Other comprehensive income :						
	(A) Item to be reclassified to profit or loss in subsequent periods:						
	Net movement on cash flow hedges gain/(loss)	(216.29)	-	-	(216.29)	-	-
	Less : Income tax effect thereon	74.85	-	-	74.85	-	-
		(141.44)	-	-	(141.44)	-	-
	(B) Items not to be reclassified to profit or loss in subsequent periods:						
	i) Re-measurement gains/(loss) on defined benefit plans	9.27	16.38	9.94	27.81	29.83	32.23
	Less : Income tax effect thereon	3.20	5.67	3.45	9.62	10.33	11.15
		6.07	10.71	6.49	18.19	19.50	21.08
	ii) Net gain/(loss) on FVOCI equity Securities	740.30	412.18	624.07	297.69	1,486.84	1,284.97
	Less : Income tax effect thereon	-	-	-	-	-	-
		740.30	412.18	624.07	297.69	1,486.84	1,284.97
	Net other comprehensive : (A+B)	604.93	422.89	630.56	174.44	1,506.34	1,306.05
9	Total comprehensive income for the period (Profit and Loss and OCI) net of tax (7+8)	1,867.15	1,732.52	1,613.48	3,771.93	4,749.09	4,808.96
10	Paid-up Capital (face value Rs. 10 each)	1,691.30	1,691.30	1,268.48	1,691.30	1,268.48	1,691.30
11	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	30,995.57
12	Earning per share for continuing operations**						
	a) Basic	7.46	7.74	5.81	21.27	19.17	20.71
	b) Diluted	7.46	7.74	5.81	21.27	19.17	20.71
13	Earning per share from continuing and discontinued operations**						
	a) Basic	7.46	7.74	5.81	21.27	19.17	20.71
	b) Diluted	7.46	7.74	5.81	21.27	19.17	20.71
	(EPS for the quarter and nine months not annualized)						

There is no discontinued operations 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 quarter ended 31st December 2017 is not comparable with previous periods presented in the results.

*MAT Credit Entitlement for Current nine months Rs. Nil (Corresponding previous period, Rs. 17.51 crore). MAT Credit entitlement availed/adjust during the nine months Rs. 145.96 crore. (Corresponding nine months Rs. Nil)

**Earning per share has been restated for the quarter and nine months ended 31st December, 2016 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, 2017.





Segment wise Revenue, Results, Assets and Liabilities for the Quarter and Nine Months ended 31st December, 2017

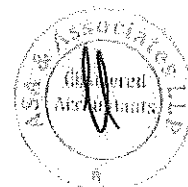
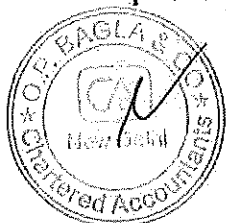
#Note : Segment Revenue includes Other Operating Income

*Note : Other Segment includes GAILTel, E&P & City Gas Distribution & Power Generation.



Notes

1. The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meetings held on 12th February 2018.
2. Limited review of the financial results for the quarter and nine months ended 31st December 2017, 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 APTEL. Further, adjustment on account of revision, if any, is being recognized as and when the matters are decided.
4. As per the provision of IND AS 109 (Financial instruments), the Company has adopted Hedge Accounting for derivative contracts entered on or after 1st October 2017 due to substantial increase in commodity transactions. Derivative contracts prior to 1st October 2017 will continue to be accounted as Derivative. Pursuant to changes as referred above, Mark to Market losses of ₹ 216.29 crore pertaining to derivate contracts entered during the quarter has been recognized in the Other Comprehensive Income during the quarter ended 31st December 2017.
5. Company's claim for Ship or Pay charges of ₹ 255.36 crore on account of shortfall in Annual Contracted Quantity from one of the customers has been settled during the quarter. Pursuant to such settlement a sum of ₹ 80.36 crore has been provided for in statement of profit and loss for the quarter.
6. Pending agreement on terms of Settlement and execution of Indenture agreement in respect of certain dues with one of the customers, amount of ₹ 132.98 crore received in this regard has been kept as advance received from customers.
7. In line with the Accounting Policy, the Company has made provision amounting to ₹ 86 crore towards Impairment of one of the Gas field of E&P Block during the Quarter ended 31st December 2017.
8. The pay and allowance of the Officers of the Company became due w.e.f 1st January 2017 in terms of 3rd Pay revision Committee. The presidential directives issued on 23rd November 2017 towards implementation of the same. Accordingly, the Company has implemented the pay revision during the Quarter ended 31st December 2017 for which provisions had been made in prior quarters.



9. Consequent upon implementation of Goods and Services Tax (GST) Act w.e.f 1st July 2017, total income for the quarter ending September 2017 and December 2017 is disclosed net of GST. Total income for previous periods upto June 2017 are reported inclusive of Excise duty.
10. The Board of Directors, in its meeting held on 12th January 2018, had declared an interim dividend of ₹ 7.65 per equity share (face value ₹ 10 each) amounting to ₹ 1293.85 crore.
11. Previous period figures have been regrouped / reclassified, wherever required.

Place: New Delhi
Date: 12.02.2018

For GAIL (India) Limited


(Subir Purkayastha)
Director (Finance)

