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,
16 BHIKAJI CAMA PLACE
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ND/GAIL/SECTT/2019

July 23, 2019

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

Sub.: 35th Annual General Meeting Notice & Annual Report for FY 2018-19

Dear Sir,

This is to inform that the 35th Annual General Meeting (AGM) of the Shareholders of the Company is scheduled to be held on ***Tuesday, the 20th day of August, 2019 at 10:30 a.m.*** at Manekshaw Centre, Parade Road, Delhi Cantonment, New Delhi. We are enclosing herewith the Notice of 35th Annual General Meeting & Annual Report for the year 2018-19.

Annual Report is also hosted on Company's website at the following link http://gailonline.com/IZ-AnnualReports.html.

The above is for your reference and records please.

Thanking you
Yours faithfully

(A.K.Jha)
Company Secretary
Encls.: As above

Copy to:

1. National Securities Depository Limited
   Trade World, A wing, 4th & 5th Floors
   Kamala Mills Compound
   Senapati Bapat Marg, Lower Parel
   Mumbai – 400013
2. Central Depository Services (India) Limited
   16th Floor, Phiroze Jeejeebhoy Towers
   Dalal Street
   Mumbai – 400001
3. MCS STA Limited, R&TA- K/A – Shri Ajay Dalal

GAIL (India) Limited

India's Natural GAS Leader

Annual Report 2018-2019



ENERGIZING POSSIBILITIES

CONTENTS

Message from CMD 2

Corporate Overview 5

Board of Directors 18

Directors' Report 21

Management Discussion & Analysis 29

Report on Corporate Governance 44

Business Responsibility Report 94

Five Year Profile 107

Independent Auditors' Report 115

Financial Statements 123

Information about Associates and Joint Ventures 184

Comments of C&AG - Supplementary Audit 188

Schedule of Fixed Assets (Township) 189

Income and Expenditure (Township, etc.) 190

Consolidated Financial Statements 191

Comments of C&AG - Supplementary Audit 262



GAIL (INDIA) LIMITED

(A Government of India Undertaking)

Registered Office: 16, Bhikaiji Cama Place, R.K. Puram, New Delhi – 110066

CIN: L40200DL1984GOI018976 **Website:** www.gailonline.com **E-mail:** shareholders@gail.co.in

Phone: 011-26182955, **Fax:** 011-26185941

NOTICE

NOTICE is hereby given that the Thirty- Fifth Annual General Meeting (AGM) of the members of GAIL (India) Limited will be held on Tuesday, the 20th day of August, 2019 at 10:30 a.m. at Manekshaw Centre, Parade Road, Delhi Cantonment, New Delhi-110010 to transact the following business(s):-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements and Audited Consolidated Financial Statements for the Financial year ended 31st March, 2019, Directors' Report, Independent Auditors' Report and the comments thereon of the Comptroller & Auditor General of India and to pass the following resolution as an ***Ordinary Resolution:***

   "RESOLVED THAT Audited Financial Statements and Audited Consolidated Financial Statements for the Financial Year ended 31st March, 2019, Directors' Report, Independent Auditors' Report and the comments thereon of the Comptroller & Auditor General of India be and are hereby received, considered and adopted."

2. To declare final dividend @ 8.85 % (Rs. 0.885/- per equity share) on the paid-up equity share capital of the Company as on the date of declaration, for the Financial Year 2018-19 as recommended by the Board and to confirm the payment of interim dividend @ 62.50 % (Rs. 6.25/- per equity share) on the paid-up equity share capital of the Company already paid in the month of February, 2019 and to pass the following resolution as an ***Ordinary Resolution:***

   "RESOLVED THAT approval of the shareholders be and is hereby accorded for payment of final dividend @ 8.85% (Rs. 0.885/- per equity share) on the paid-up equity share capital of the Company as on the date of declaration, for the Financial Year 2018-19 as recommended by the Board and to confirm the payment of Interim Dividend @ 62.50 % (Rs. 6.25/- per equity share) on the paid-up equity share capital of the Company as approved by the Board and already paid in the month of February, 2019."

3. To appoint a Director in place of Shri P. K. Gupta, who retires by rotation, and being eligible, offers himself for re-appointment and to pass the following resolution as an ***Ordinary Resolution:***

   "RESOLVED THAT Shri P. K. Gupta (DIN- 01237706) be and is hereby re-appointed as Director of the Company liable to retire by rotation."

4. To appoint a Director in place of Shri Gajendra Singh, who retires by rotation, and being eligible, offers himself for re-appointment and to pass the following resolution as an ***Ordinary Resolution :***

   "RESOLVED THAT Shri Gajendra Singh (DIN- 03290248) be and is hereby re-appointed as Director of the Company liable to retire by rotation."

5. To authorize Board of Directors of the Company to fix remuneration of the Joint Statutory Auditor(s) of the Company in terms of the provisions of section 142 of the Companies Act, 2013 and to pass the following resolution as an ***Ordinary Resolution:***

   "RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of the Joint Statutory Auditor(s) of the Company appointed by Comptroller and Auditor General of India for the Financial Year 2019-20."

SPECIAL BUSINESS

To consider, and if thought fit, to pass the following resolution(s) as an ***Ordinary Resolution(s):***

6. To appoint Shri A. K. Tiwari (DIN– 07654612) as Director (Finance) and Chief financial Officer (CFO) of the Company :

   "RESOLVED THAT in accordance with the provisions of section 161 and other applicable provisions, if any, of the Companies Act, 2013, Shri A. K. Tiwari (DIN– 07654612) who was nominated as Director (Finance) by the President of India vide MoPNG letter No. CA-31022/1/2017-PNG (90) dated 14.08.2018 and appointed as an Additional Director and Chief Financial Officer w.e.f. 01.12.2018 by the Board of Directors to hold the post of Director (Finance) of the Company, be and is hereby appointed as Director (Finance) and CFO of the Company, liable to retire by rotation on such terms and conditions, remuneration and tenure as may be determined by the President of India/ Government of India from time to time."

7. Ratification of remuneration of Cost Auditors of the Company :

   "RESOLVED THAT pursuant to the provisions of section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to the Cost Auditor(s) appointed by the Board of Directors of the Company to conduct the audit of cost records of the various units of the Company for the Financial Year 2018-19, amounting to Rs. 23,38,600/- plus applicable taxes and out of pocket expenses etc. be and is hereby ratified and confirmed."

8. Material Related Party Transactions with Petronet LNG Limited (PLL) :

   "RESOLVED THAT in partial modification of the earlier resolution passed in 34th AGM related to Material Related Party Transactions with PLL pursuant to the requirement of Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the shareholders be and is hereby accorded for the Material Related Party Transactions with PLL for FY 2018-19 amounting to Rs. 21,837.16 crores (based on actual transactions) with PLL during FY 2018-19.

   FURTHER RESOLVED THAT approval of the shareholders be and is hereby accorded for the Material Related Party Transactions with PLL for FY 2019-20 based on the expected value of transactions of Rs. 20,254 Crores, which is likely to exceed 10% of the consolidated turnover of the Company for FY 2018-19."

   To consider, and if thought fit, to pass the following resolutions as ***Special Resolution(s):***

9. Amendment of the Articles of Association of the Company :

   "RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014, a new set of Articles of Association of the Company be & is hereby approved and adopted in substitution and supersession of the existing set of Articles of Association of the Company.

   FURTHER RESOLVED THAT the Chairman & Managing Director and/or Director and/or Company Secretary be and are hereby authorized to do all acts and take all such actions as may be necessary, proper or expedient to give effect to this resolution and to sign and execute all necessary documents, applications, returns as may be necessary to give effect to the above resolution."

10. Re-Appointment of Shri Anupam Kulshreshtha (DIN- 07352288), Non-Official Part-Time (Independent) Director of the Company :

    "RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, the Companies (Appointment & Qualification of Directors) Rules, 2014, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company, Shri Anupam Kulshreshtha (DIN- 07352288) who was re-appointed as an Independent Director w.e.f. 20.11.2018 by President of India vide MoPNG letter No. C-31033/5/2018-CA/FTS-26192 dated 20.11.2018 be and is hereby re-appointed as an Independent Director for a period of one year from the date of completion of existing tenure i.e. 19.11.2018 or until further orders, whichever is earlier."

11. Re-Appointment of Shri Sanjay Tandon (DIN- 00484699), Non-Official Part-Time (Independent) Director of the Company :

    "RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, the Companies (Appointment & Qualification of Directors) Rules, 2014, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company, Shri Sanjay Tandon (DIN- 00484699) who was re-appointed as an Independent Director w.e.f. 20.11.2018 by President of India vide MoPNG letter No. C-31033/5/2018-CA/FTS-26192 dated 20.11.2018 be and is hereby re-appointed as an Independent Director for a period of one year from the date of completion of existing tenure i.e. 19.11.2018 or until further orders, whichever is earlier."

12. Re-Appointment of Shri S. K. Srivastava (DIN- 02163658), Non-Official Part-Time (Independent) Director of the Company :

    "RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, the Companies (Appointment & Qualification of Directors) Rules, 2014, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company, Shri S. K. Srivastava (DIN- 02163658) who was re-appointed as an Independent Director w.e.f. 20.11.2018 by President of India vide MoPNG letter No.

C-31033/5/2018-CA/FTS-26192 dated 20.11.2018 be and is hereby re-appointed as an Independent Director for a period of one year from the date of completion of existing tenure i.e. 19.11.2018 or until further orders, whichever is earlier."

By order of the Board

Sd/-
(A.K. Jha)
Company Secretary

Date : 08 July, 2019
Place : New Delhi

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING (PROXY FORM IS ANNEXED HEREWITH).**

   Pursuant to the provisions of section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxy(ies) lodged at any time during the business hours of the Company, provided that not less than three days' of notice in writing of the intention to inspect is given to the Company.

2. The following is annexed with the Notice:
   i) Explanatory Statement pursuant to section 102 of the Companies Act, 2013 read with the Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India and approved as such by Government of India in respect of the Special Business(es).
   ii) A brief resume of the Director(s) proposed for appointment/re-appointment as mandated in Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI LODR Regulations, 2015]. For the purpose of determination of the Committee positions, Membership/Chairmanship is reckoned considering Audit Committee and Stakeholders Relationship Committee only. As per provisions of the Companies Act, 2013, Additional Director(s) and Independent Director(s) are not liable to retire by rotation. As per the Articles of Association of the Company, Chairman and Managing Director is not liable to retire by rotation.
   iii) The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means (instructions for remote e-voting are annexed).
   iv) Attendance slip and proxy form.

3. Documents referred to in the accompanying Notice and Explanatory Statement thereto, are open for inspection by members, at the Registered Office of the Company during the office hours i.e. between 11:00 a.m. and 1:00 p.m., on all working days, except Saturday(s)/ Sunday(s)/ Gazetted Holiday(s) and other Holidays declared in GAIL.

4. The Register of Members and Share Transfer Books of the Company shall remain closed from ***Tuesday, the 13th August, 2019*** to ***Tuesday, the 20th August, 2019 (both days inclusive)*** to determine the entitlement of the final dividend @ 8.85 % (Rs. 0.885/- per equity share), if so, approved by the members of the Company at the aforesaid AGM. The Company had already paid interim dividend @ 62.50% (Rs. 6.25/- per share) in the month of February, 2019. Final dividend after declaration at the AGM, will be paid within 30 days of the AGM to those eligible members whose name(s) appear:-
   a. as member(s) holding shares in ***physical mode,*** in the Register of Members of the Company after giving effect to all valid and complete transfers, lodged with R&TA/ Company on or ***before 13th August, 2019,*** or
   b. as Beneficial Owner(s) holding shares in ***electronic mode,*** details as furnished by the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), for the said purpose.

5. Corporate members intending to send their authorized representative(s) to attend the meeting are required to send a duly certified copy of the Board Resolution/ Power of Attorney authorizing their representative to attend and vote on their behalf at the meeting.

6. Members may kindly note that their Bank Account number and MICR Code, as noted in the records of their Depository Participant (DP), shall be used for the purpose of remittance of dividend through National Automated Clearing House (NACH), wherever applicable. Members should ensure that their correct bank details, address, contact numbers are updated in the records of the DP, **so that no NACH rejection takes place.**

7. Members who have not encashed their Dividend Warrant(s) may approach the R&TA/ Company for issuance of demand draft(s) upon completion of necessary formalities in this behalf in lieu of such warrant(s), at least 3 weeks before they are due for transfer to Investor Education and Protection Fund (IEPF). After the transfer of unpaid/unclaimed amount to IEPF, no claim shall lie against Company/R&TA. Regarding modalities of dividend and other related information, members are requested to refer "Dividend" section of Report on Corporate Governance and may also visit Investor Zone' section at Company's website for further reference. R&TA has also designated an exclusive e-mail ID viz. admin@mcsregistrars.com to facilitate investors to register their request(s)/ complaint(s), if any.

8. Pursuant to the requirement of section 124(6) of the Companies Act, 2013 read with Rule 6(3)(a) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares in respect of which dividend have not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of Investor Education and Protection Fund (IEPF). However, shareholders whose unpaid/ unclaimed dividend(s) has been transferred to IEPF shall be entitled to get refund in respect of such claims in accordance with the provisions of the Companies Act, 2013 and rules framed in this regard by the Government of India. The details of dividend paid by the Company can be viewed/ downloaded at the following link- http://gailonline.com/pdf/InvestorsZone/Dividend%20history.pdf and the details of due date of transfer of dividend/ Shares, as applicable to IEPF can be viewed/ downloaded at the following link- http://gailonline.com/pdf/InvestorsZone/IEPF-table09-04-2019.pdf

9. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in the electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to R&TA/Company. As per latest circular of SEBI, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository w.e.f. from April 1, 2019. To eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

10. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or R&TA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

11. Members/Proxy holders are requested to:-
   i. bring their copy of Annual Report and Attendance Slip at the venue of the meeting.
   ii. please ***carry photo ID card*** for identification/ verification purposes.
   iii. note that entry to the hall will be strictly on the basis of admission card which will be provided at the counters of R&TA at the venue, in exchange of duly completed and signed Attendance Slip.
   iv. note that briefcases, mobile phones, bags, helmets, eatables and other belongings ***will not be allowed*** to be taken inside the venue of the meeting for security purposes and members/ proxy holders will be required to take care of their own belongings.
   v. note that ***no gifts*** will be distributed at the Annual General Meeting.
   vi. note that ***members present in person or through registered proxy*** shall only be entertained.
   vii. note that the Attendance Slip/ Proxy Form should be ***signed*** as per the specimen signature registered with the R&TA/ DP.
   viii. quote their Folio/ DP & Client Id No. in all correspondences with the R&TA/ Company.

12. Notice of the meeting along with the Route map of the venue is also available at Company's website www.gailonline.com

IMPORTANT COMMUNICATION TO MEMBERS

➢ As per the provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, Company may give notice etc., through electronic mode i.e. by e-mail as a text or as an attachment to e-mail or as a notification providing electronic link. Your Company has sent the notification providing electronic link of notice of AGM to entitled members and the same is also hosted on the website of the Company along with Annual Report at www.gailonline.com.

Members who have not yet registered their e-mail id(s) or who want to change their e-mail id are requested to approach their respective DP (for electronic holding) or with R&TA/ Company (for physical holding), so as to receive all communications electronically including annual report, notices, circulars, NACH intimation etc. sent by the Company from time to time.

- **Webcasting of the Annual General Meeting**

  In terms of Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is providing one-way live webcast of the proceedings of the Annual General Meeting for the shareholders on 20.08.2019 from 10.30 a.m. onwards till conclusion of AGM. You may access the same at www.evotingindia.com by using your e-voting credentials. The "live streaming" link will be available in shareholder login where the EVSN of Company will be displayed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH THE SECRETARIAL STANDARD ON GENERAL MEETINGS

ITEM No. 2

Board of Directors, in its 402nd meeting held on 27.05.2019, inter-alia, accorded the approval:

- To recommend the final dividend @ 17.70% (Rs. 1.77 per share) on the existing paid up capital (i.e. Rs. 22,55,07,09,330/-) of the Company for approval of members in Annual General Meeting
- To seek shareholders' approval through postal ballot/Remote e-voting for issue of Bonus Share (1 (one) bonus share of Rs. 10/- for existing 1 (one) equity shares of Rs. 10/- each fully paid up)

As per the Regulatory provisions, the process of issuance of bonus shares needs to be completed within two months of declaration i.e. 27.05.2019. After the issuance of Bonus Shares, the paid-up share capital of the Company has been increased from **Rs. 22,55,07,09,330/-** to **Rs. 45,10,14,18,660/-.** Accordingly the rate of final dividend has changed from 17.70 % (Rs. 1.77 per share to 8.85 % (Rs. 0.885/- per share). Confirmation of shareholders is also sought for the Interim Dividend @ 62.50 % (Rs. 6.25/- per equity share) on the paid-up equity share capital **(Rs. 22,55,07,09,330/-)** of the Company already paid in the month of February, 2019.

The Board of Directors of the Company recommends the Resolution(s) as set out in the accompanied Notice for approval of the shareholders.

ITEM NO. 5

As per section 142 of the Companies Act, 2013, the remuneration payable to the Auditors shall be fixed in the General Meeting of the Company or in such manner as may be determined therein. Further, as per section 177 of Companies Act, 2013, read with regulation 18(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Audit committee will recommend the appointment and fixation of remuneration of Statutory Auditors to the Board.

In exercise of the powers conferred by section 139 of the Companies Act, 2013, the Comptroller and Auditor General of India (CAG) appoints Statutory Auditor(s) of the Company. Accordingly, on receipt of communication from CAG regarding appointment of Statutory Auditors, Board of Directors decide and fix the remuneration of Statutory Auditors on the recommendation of the Audit Committee. The remuneration will commensurate with the quantum of work required to be undertaken by the Statutory Auditors, amendment in prevailing Laws & Regulations and in line with audit fees of peer companies.

The Board of Directors of the Company recommends the Resolution(s) as set out in the accompanied Notice for approval of the shareholders.

ITEM NO. 6

Shri A. K. Tiwari was nominated as Director (Finance) on whole-time basis by the President of India vide letter no. CA-31022/1/2017-PNG (90) dated 14.08.2018. He was appointed as an Additional Director & Chief Financial Officer (CFO) w.e.f. 01.12.2018 as per the provisions of Section 161(1) and other applicable provisions of the Companies Act, 2013 on the Board of Directors of your Company up to the date of this Annual General Meeting. The Board recommends that Shri A. K. Tiwari may be appointed as Director (Finance) and CFO of the Company, liable to retire by rotation on such terms and conditions, remuneration and tenure as may be determined by the President of India/ Government of India from time to time.

The Company has received a notice along with requisite fee from him under section 160 of the Companies Act, 2013, proposing his candidature as Director of the Company.

Qualifications & Experience, date of first appointment on the Board, relationship with other KMPs and Directors, Shareholding in the Company, Membership/ Chairmanship of Committees of other Boards form part of the Notice.

Shri A. K. Tiwari is interested in this resolution to the extent of his appointment as a Director. None of the Directors, Key Managerial Personnel and/ or their relatives, is/ are interested or concerned, financially or otherwise in the resolution except as may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company, if any.

The Board of Directors of the Company recommends the Resolution(s) as set out in the accompanied Notice for approval of the shareholders.

ITEM NO. 7

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s Ramanath Iyer & Co., New Delhi for Northern Region, M/s Bandyopadhyaya Bhaumik & Co., Kolkata for Northern and Eastern Region, M/s A C Dutta & Co., Kolkata for Southern Region, M/s Musib & Company, Mumbai for Western Region Part-I, M/s N.D. Birla & Co., Ahmedabad for Western Region Part-II, M/s Sanjay Gupta & Associates, New Delhi for Central Region as a Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2018-19.

In accordance with the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, the Members are requested to ratify the remuneration as approved by the Board, to the Cost Auditors during the financial year 2018-19 for the services rendered by them.

None of the Directors, Key Managerial Personnel and/ or their relatives, is/ are interested or concerned, financially or otherwise in the resolution except as may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company, if any.

The Board of Directors of the Company recommends the Resolution(s) as set out in the accompanied Notice for approval of the shareholders.

ITEM NO. 8

As per Regulation 23(4) of SEBI LODR Regulations, 2015, approval of the shareholders through ordinary resolution is required, if the transaction(s) to be entered into individually or taken together with the previous transaction(s) during a financial year with a related party, exceeds 10% of the annual consolidated turnover of the Company as per last audited financial statements of the Company.

Petronet LNG Limited (PLL) is a joint venture of GAIL and is a related party of the Company as per provision of the Companies Act, 2013 and SEBI LODR Regulations, 2015. GAIL has 12.50 % equity stake in PLL along with Bharat Petroleum Corporation Limited, Oil and Natural Gas Corporation Limited and Indian Oil Corporation Limited as equal partners. GAIL, inter-alia, procures LNG Cargoes and re-gasified Liquefied Natural Gas from PLL and utilizes re-gasification facilities of PLL LNG re-gasification terminal(s) located at Dahej, Gujarat and Kochi, Kerala.

In 34th AGM held on 11.09.2018, shareholders accorded approval for Material Related Party Transactions with Petronet LNG Limited for FY 2018-19 for approx. Rs. 20,625 Crores. However, the actual transactions with PLL for FY 2018-19 amounted to Rs. 21,837.16 crores. Since, the actual amount exceeded the approved amount, the approval of the shareholders is required for the actual amount of transactions with PLL for Rs. 21,837.16 crores. Further, since the expected value of transactions with PLL for FY 2019-20 will be approx. Rs. 20,254 crores, which is likely to be more than 10% of consolidated turnover of the Company for FY 2018-19 (Annual consolidated turnover for FY 2018-19 is Rs. 75,912 crores) accordingly shareholders approval is sought.

None of the Directors, Key Managerial Personnel and/ or their relatives, is/ are interested or concerned, financially or otherwise in the resolution except may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company, if any.

The Board of Directors of the Company recommends the Resolution(s) as set out in the accompanied Notice for approval of the shareholders.

ITEM NO. 9

As per the provisions of the Section 14 of the Companies Act, 2013, any amendment in Articles of Association requires approval of the Shareholders by Special Resolution in the General Meeting.

The existing Articles of Association (AoA) are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956. Substantive sections of the Companies Act, 2013 which deal with the general working of Company has been notified by Government of India.

As per the Companies Act, 2013, several regulations of the existing Articles of Association (AoA) of the Company require alteration or deletions in several articles and clauses. Given this position, it is considered expedient to replace the existing AoA wholly by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are mostly based on Table 'F' of the Act which sets out the model Articles of Association for a company limited by shares.

Proposed revised set of AoA of the Company as approved by the Board in its Board Meeting held on 12.07.2019 being put up before the shareholders of the Company for their approval by way of passing a Special Resolution.

Proposed revised set of AoA is available for inspection during business hours i.e. between 9:00 a.m. to 6:00 p.m. on all working days up to the date of the Annual General Meeting at the Company's Registered Office [GAIL (India) Limited, GAIL Bhawan, 16, Bhikaiji Cama Place, New Delhi-110066] and copies thereof shall also be made available for inspection at Annual General Meeting venue. Same is also available at Company's website www.gailonline.com.

None of the Directors, Key Managerial Personnel and/ or their relatives, is/ are interested or concerned, financially or otherwise in the resolution except as may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company.

The Board of Directors of the Company recommends the Resolution(s) as set out in the accompanied Notice for approval of the shareholders by way of Special Resolution.

ITEM NO. 10

Shri Anupam Kulshreshtha was re-appointed as an Independent Director by the President of India vide letter no. -31033/5/2018-CA/FTS-26192 dated 20.11.2018 for a period of one year from the date of completion of his existing tenure i.e. 19.11.2018 or until further orders, whichever is earlier. The Company in its 396th Board Meeting held on 12.12.2018 recommended the re-appointment of Shri Anupam Kulshreshtha, Independent Director for approval of Shareholders by Special Resolution.

The Company has also received a notice under section 160 of the Companies Act, 2013, proposing his candidature as Director of the Company.

Qualifications & Experience, date of first appointment on the Board, relationship with other KMPs and Directors, Shareholding in the Company, Membership/ Chairmanship of Committees of other Boards form part of the Notice.

Shri Anupam Kulshreshtha is interested in this resolution to the extent of his appointment as a Director.

None of the Directors, Key Managerial Personnel and/or their relatives, is/are interested or concerned, financially or otherwise in the resolution except as may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company.

The Board of Directors of the Company recommends the Resolution(s) as set out in the accompanied Notice for approval of the shareholders by way of Special Resolution.

ITEM NO. 11

Shri Sanjay Tandon was re-appointed as an Independent Director by the President of India vide letter no. - 31033/5/2018-CA/FTS-26192 dated 20.11.2018 for a period of one year from the date of completion of his existing tenure i.e., 19.11.2018 or until further orders, whichever is earlier. The Company in its 396th Board Meeting held on 12.12.2018 recommended the re-appointment of Shri Sanjay Tandon, Independent Director for approval of Shareholders by Special Resolution.

The Company has also received a notice under section 160 of the Companies Act, 2013, proposing his candidature as Director of the Company.

Qualifications & Experience, date of first appointment on the Board, relationship with other KMPs and Directors, Shareholding in the Company, Membership/ Chairmanship of Committees of other Boards form part of the Notice.

Shri Sanjay Tandon is interested in this resolution to the extent of his appointment as a Director. None of the Directors, Key Managerial Personnel and/ or their relatives, is/ are interested or concerned, financially or otherwise in the resolution except as may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company.

The Board of Directors of the Company recommends the Resolution(s) as set out in the accompanied Notice for approval of the shareholders by way of Special Resolution.

ITEM NO. 12

Shri S K Srivastava was re-appointed as an Independent Director by the President of India vide letter no. - 31033/5/2018-CA/FTS-26192 dated 20.11.2018 for a period of one year from the date of completion of his existing tenure i.e., 19.11.2018 or until further orders, whichever is earlier. The Company in its 396th Board Meeting held on 12.12.2018 recommended the re-appointment of Shri S K Srivastava, Independent Director for approval of Shareholders by Special Resolution.

The Company has also received a notice under section 160 of the Companies Act, 2013, proposing his candidature as Director of the Company.

Qualifications & Experience, date of first appointment on the Board, relationship with other KMPs and Directors, Shareholding in the Company, Membership/ Chairmanship of Committees of other Boards form part of the Notice.

Shri S K Srivastava is interested in this resolution to the extent of his appointment as a Director. The relatives of Shri S K Srivastava may be deemed to be interested in the resolution set out at Item No. 12 of the Notice, to the extent of their shareholding interest, if any, in the Company.

None of the Directors, Key Managerial Personnel and/ or their relatives, is/ are interested or concerned, financially or otherwise in the resolution except as may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company.

The Board of Directors of the Company recommends the Resolution(s) as set out in the accompanied Notice for approval of the shareholders by way of Special Resolution.

BRIEF RESUME OF THE DIRECTORS, PROPOSED FOR APPOINTMENT/ RE-APPOINTMENT PURSUANT TO REGULATION 36(3) OF SEBI LODR REGULATIONS, 2015

ITEM NO.3

Shri P.K. Gupta (58 Years) was appointed as a Director (HR) w.e.f. 01.02.2017. He is B.Tech. in Mechanical Engineering from G.B. Pant University of Agriculture & Technology, Pantnagar (UK). He has more than 36 years of rich and diverse experience in Oil & Gas Sector, particularly in Project Execution along with Operation & Maintenance of Natural Gas Pipelines, Gas Processing Units, City Gas Distribution, Natural Gas & Petrochemical Marketing and Human Resources.

Shri Gupta joined GAIL in the year 1985 and since then, has been associated with many prestigious projects of GAIL; starting from project execution of HVJ Pipeline. He has also served successfully as the Head of GPU, Vaghodia.

Shri Gupta has held the position of Managing Director of Mahanagar Gas Limited (MGL), a Joint Venture of GAIL & British Gas, which is in the business of supply of Compressed Natural Gas (CNG) and Piped Natural Gas (PNG) in Mumbai (Maharashtra).

As Executive Director (Training & HRD), Shri Gupta was involved in institutionalizing the Learning & Development in GAIL. He has also actively led many HRD Interventions viz. Senior Management Development Centre (SMDC), Individual Development Plan, Manpower Benchmarking and setting up of a robust Performance Management System.

As Executive Director (Marketing-PC), Shri Gupta steered entire enabling mechanism including processes & systems to prepare GAIL to deal effectively with huge petrochemical capacity additions at Pata in Uttar Pradesh & Lepetkata (BCPL) in Assam.

Shri Gupta is known for his clarity of thoughts, his people centric approach, his communication skills and as a leader who "leads by example".

Shri Gupta holds 533 equity shares of the Company.

Shri Gupta does not have any relation inter-se with other Director(s) of the Company.

Shri Gupta holds the Directorship and Chairmanship/ Membership of Committee(s) of the following other Companies:

S.No.	Name of the Company	Name of the Committee	Position held
1	ONGC Petro-additions Limited	-	-

ITEM NO.4

Shri Gajendra Singh, (59 Years) was appointed as a Director (Marketing) w.e.f 05.04.2017. He started his career in processing and interpreting of seismic data in upstream Industry, and possesses 33 years of illustrious career in hydrocarbon sector. Shri Singh has been involved in the execution of several prestigious projects of GAIL starting from the HVJ and has held various leadership and strategic positions. Some of these key roles where he has served as the Head of Department include General Manager (Gas Sourcing and Gas Marketing), Executive Director (Operations & Maintenance).

Prior to his appointment as Director (Marketing), Shri Gajendra Singh served as Executive Director (Marketing). He has been responsible in fulfilling GAIL's vision to source and market natural gas from international and domestic sources, to facilitate capacity utilization of pipeline infrastructure, investment in new pipelines, etc. He has been managing company`s top line and bottom line through various Zonal offices located across India. He joined GAIL in the Year 1986, having worked in ONGC in 1985.

Shri Singh holds Nil equity shares of the Company.

Shri Singh does not have any relation inter-se with other Director(s) of the Company.

Shri Gajendra Singh holds the Directorship and Chairmanship/ Membership of Committee(s) of the following other Companies:

S.No.	Name of the Company	Name of the Committee	Position held
1	GAIL Global (Singapore) Pte. Ltd	--	--
2	GAIL Gas Limited	--	--
3	Bengal Gas Company Limited	Audit Committee	Chairman
4	Indraprastha Gas Limited	--	--

ITEM NO.6

Shri A. K. Tiwari (58 Years) joined the Board of GAIL (India) Ltd. as Director (Finance) on 1st December, 2018. Before assuming charge as Director (Finance), Shri Tiwari was the Officer on Special Duty & Executive Director (Finance) in GAIL and was head of the Finance & Accounts Department.

A Cost Accountant by profession, Shri Tiwari has more than 35 years of rich experience in the areas of Project Finance, Corporate Finance, Taxation, Treasury, Corporate Accounts, Capital Budgeting, Finalization of EPC Contracts, etc. Shri Tiwari was in charge of Project Finance at GAIL for handling the ongoing prestigious project Jagdishpur - Haldia & Bokaro-Dhamra Pipeline, popularly known as Pradhan Mantri Urja Ganga.

Besides serving a long tenure at GAIL, Shri Tiwari has served as CFO, Brahmaputra Cracker and Polymer Limited (BCPL) during its formative years. During his tenure at BCPL, he was actively involved in Project Handling, Project Finance and Contract Finalization for construction of the Project. He is also actively involved in interactions with Investors and Analysts fraternity. He is an active member of the Institute of Cost Accountants of India and The Institute of Directors.

An avid reader and poet by nature, he has also served in National Thermal Power Corporation (NTPC), Satluj Jal Vidyut Nigam Limited (SJVNL) and Cawanpore Chemicals.

Shri Tiwari holds 293 equity shares of the Company.

Shri Tiwari does not have any relation inter-se with other Director(s) of the Company.

Shri Tiwari holds the Directorship and Chairmanship/ Membership of Committee(s) of the following other Companies:

S.No.	Name of the Company	Name of the Committee	Position held
1	Green Gas Limited	--	--
2	GAIL Gas Limited	Audit Committee	Chairman
3	Ratnagiri Gas and Power Pvt. Ltd.	Audit Committee	Chairman
4	GAIL Global (USA) Inc.	--	--
5	GAIL Global (USA) LNG LLC	--	--

ITEM NO. 10

Shri Anupam Kulshreshtha (61 Years) was re-appointed as an Independent Director w.e.f 20.11.2018 for a period of one year from the date of completion of his existing tenure i.e., 19.11.2018 or until further orders, whichever is earlier.

He is M.Sc. (Phy), MBA, LL.B., CISA, CISM, CRISC. He retired as the Dy. Comptroller and Auditor General of India in March, 2012. In a long and distinguished career spanning nearly four decades, he held senior positions with the Supreme Audit Institution of India as well as with the Government of India and also Internationally.

He worked as Assistant Auditor General with the Government of Botswana for 5 years and as a World Bank Consultant to the Auditor General, Nepal for over one year. Presently, a visiting faculty with the National Institute of Financial Management (NIFM), Faridabad; he has earlier taught at the Faculty of Management Studies, Delhi University.

He has experience in working with the International Organisations having audited UNEP and also having worked with the IT Audit Committee of INTOSAI.

He has long experience in training; as a faculty member for 5 years at the Lal Bahadur Shastri National Academy of Administration, Mussoorie, as Director, National Academy of Audit and Accounts, Shimla, as Director General, International Center for Information Systems and Audit, Noida and as Director, NIFM, Faridabad. He was invited by the Auditor General, Maldives to train their officers for a duration of two weeks.

He has been widely known as an expert in Information Technology Audit. He possesses three certifications from ISACA (Information Systems Audit and Control Association), Chicago; namely Certified in Risk and Information Systems Control (CRISC), Certified Information Security Manager (CISM) and Certified Information Systems Auditor (CISA). He has contributed many articles in various professional journals.

Shri Kulshreshtha holds Nil equity shares of the Company.

Shri Kulshreshtha does not have any relation inter-se with other Director(s) of the Company.

Shri Kulshreshtha does not hold the Directorship and Chairmanship/ Membership of Committee(s) of the other Companies.

ITEM NO. 11

Shri Sanjay Tandon (56 Years) was re-appointed as an Independent Director w.e.f. 20.11.2018 for a period of one year from the date of completion of his existing tenure i.e., 19.11.2018 or until further orders, whichever is earlier.

Shri Tandon is a qualified Chartered Accountant and Cost Accountant having an experience of over thirty years. He is heading Competent group of companies having verticals like- Accounting, Auditing, Consulting, Stock Broking, Commodity Broking, Insurance Broking, BPO services, Software products, and Co-working spaces and employing more than 4000 employees. In addition to aforesaid, the group also carries out many social service activities through their NGO Competent Foundation which works on the motto - Help Ever, Hurt Never.

Shri Tandon served as Director in State Bank of Hyderabad, National Hydroelectric Power Corporation and as Member on various bodies/ Committees viz. 'Human Resource Development for IT/ ITES'; Information and Communication Technology Corporation; Government of Punjab; Board of Studies in Human Rights & Duties; Punjab University, Chandigarh; State Task Force; ICAI, Chandigarh; Banking and Insurance Committee of PHD Chambers of Commerce; Board of Finance & Syndicate; Punjab University; Standing committee of Administrator's Advisory Council on Law and order, Chandigarh Administration. Presently, he is holding the position of Director on the Board of GAIL (India) Ltd. & Rockman Industries Limited and as a Member of Administrator's Advisory Council, Chandigarh Administration; Bharat Vikas Parishad, Chandigarh; Standing Committee of Administrator's Advisory Council on Traffic Management, Chandigarh Administration (Chairperson); DAV Management Committee Pratinidhi Sabha; Punjab University (Senate Member); UT Cricket Association, Chandigarh (President); Advisory Committee of Home Minister on UT Chandigarh.

He along with his wife, has authored several books titled Sunrays for Sunday, Sunrays for Monday, Sunrays for Tuesday, Sunrays for Wednesday, Sunrays for Thursday, Sunrays for Friday, and Sunrays for Saturday. The first three books have also been published in Hindi and the first two in Telugu as well.

Shri Tandon holds Nil equity shares of the Company.

Shri Tandon does not have any relation inter-se with other Director(s) of the Company.

Shri Tandon holds the Directorship and Chairmanship/ Membership of Committee(s) of the following other Companies:

S.No.	Name of the Company	Name of the Committee	Position held
1	Rockman Industries Limited	Audit Committee	Member
2	Competent Synergies Pvt. Ltd.	-	-
3	Stan Professionals Private Limited	-	-

ITEM NO. 12

Shri S K Srivastava (65 Years) was re-appointed as an Independent Director w.e.f 20.11.2018 for a period of one year from the date of completion of his existing tenure i.e., 19.11.2018 or until further orders, whichever is earlier.

He is a 1978 batch IAS officer, superannuated as Secretary to the Government of India, Ministry of Coal. He holds a Master's Degree in Political Science from Allahabad University. He has done advance diploma in Management in Finance. During his service career of over 36 years, he has held various assignments with the Government of India and the State of Assam/ Meghalaya specially in the areas of industries, power, labour and mines. He has also served as Special Secretary, Ministry of Mines; Government of India and Principal Secretary, Government of Assam.

He served as Joint Secretary/ Additional Secretary, Ministry of Labour & Employment. He was coordinating all works connected with the International Labour Organisation. He was India's Sherpa for the preliminary negotiations meeting held in Washington of the G20 Countries for the Labour Ministers' Conference. He looked after child labour, social security and occupational safety & health. He attended meetings of the International Labour Conference (tri-annual) of International Labour Organisation (ILO) and ILO Governing body meetings every year from 2006-2010. He was member of the Indian delegation to New York to attend the meeting of UN Committee on Convention on the Elimination of All Forms of Discrimination against Women (CEDAW).

He was the Chairman of the Expert Committee of the Employees' Pension Schemes, Chairman of the Committee on amendments in the Coal Mines Regulation, 1957 and Oil Mines Regulation, 1984.

He participated in the official bilateral negotiations in the sphere of industrial cooperation with the delegations from France, Italy, Bulgaria, China, Japan, Germany, USA, Bangladesh, Cyprus, etc. Represented Ministry of Industry, Government of India, in the joint commission meetings with France, European Union, Italy, Bulgaria, Cyprus and Bangladesh.

Shri Srivastava holds Nil equity shares of the Company.

Shri Srivastava does not have any relation inter-se with other Director(s) of the Company.

Shri Srivastava does not hold the Directorship and Chairmanship/ Membership of Committee(s) of the other Companies

INSTRUCTIONS FOR REMOTE E-VOTING

Pursuant to the Regulation 44 of the SEBI LODR Regulations, 2015; Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to its members facility to exercise their right to vote on all resolutions set forth in the Notice convening the 35th Annual General Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-voting'). The Company has engaged the services of Depository viz. Central Depository Services (India) Limited (CDSL) to provide the e-voting facility.

The remote e-voting facility is available at the link www.evotingindia.com. Please read the instructions printed below before exercising your vote.

The remote e-voting period commences on **Friday, 16th August, 2019 (9:00 am) (IST) and ends on Monday, 19th August, 2019 (5:00 pm) (IST).** The remote e-voting module shall be disabled by CDSL for voting thereafter. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **Tuesday, 13th August, 2019**, only shall be entitled to avail the facility of remote e-voting/ polling slips.

Members may opt only one mode for voting i.e. either by remote e-voting or vote at AGM. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.

The facility for voting through polling slip shall be made available at the Meeting for the members attending the Meeting who have not cast their vote by remote e-voting. If a member opts for remote e-voting, then member/ proxy holder is/ are not entitled to vote at the AGM. However, in case member(s) cast their vote both via remote e-voting and at AGM also, then voting done through remote e-voting shall prevail and the votes cast at the AGM shall be considered invalid. Once the vote on a resolution is cast by the member electronically, the member shall not be allowed to change it subsequently.

STEPS FOR REMOTE E-VOTING

A) The instructions for shareholders' voting electronically are as under:

(i) The shareholders should log on to the e-voting website www.evotingindia.com

(ii) Click on Shareholders/ Members

(iii) Now enter your User ID:

a. For CDSL: 16 digits beneficiary ID

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and have voted earlier on www.evotingindia.com for any Company, then your existing login ID and password is to be used.

(vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form & Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat members as well as physical members). • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth	Enter the Dividend Bank Details or Date of Birth (dd/mm/yyyy format) as recorded in your demat account or in the company records for the said demat account or folio. If both the details are not recorded with the depository or Company, please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (iii) above.

- After entering these details appropriately, click on "SUBMIT" tab.
- Members holding shares **in physical form** will then reach directly to the Company selection screen. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- However, members holding shares **in electronic form** will reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password can also be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. Please take utmost care to keep your password confidential.

(vii) Members holding multiple demat accounts/ folios shall choose the voting process separately for each demat account/ folio.

(viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(ix) On the voting page, you will see resolution description and against the same, the option "Yes/No" for voting. Select the option Yes or No as desired. The option Yes implies that you assent to the Resolution and option No implies that you dissent to the Resolution.

(x) Click on the "Resolutions File Link" if you wish to view the entire Resolution(s).

(xi) After selecting the resolution which you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xiv) If demat account holder has forgotten the changed login password, then enter the user ID and image verification code click on Forgot Password & enter the details as prompted by the system.

(xv) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xvi) Note for non-individual shareholders (i.e. other than individuals, HUF, NRI etc.) and custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xvii) In case of any queries or issues regarding remote e-voting, members may also refer **'Frequently Asked Questions' (FAQs)** and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact CDSL at 1800225533.

(xviii) Members who could not cast their vote electronically, can cast their vote at the Annual General Meeting.

(xix) Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the notice and holding shares as on the cut-off date may follow the same instructions as mentioned above for e-voting.

B) General Instructions:

a. The voting rights of members shall be in proportion to their shares to the paid up equity share capital of the Company as on the cut-off date i.e. **Tuesday, 13th August, 2019.** Members may cast their votes separately for each business to be transacted in the Annual General Meeting and may also elect not to vote on some resolution.

b. Based on the consent received from Shri Sachin Agarwal, Practicing Company Secretary (Membership No. 5774), Board has appointed him as the Scrutinizer to scrutinize the voting process in a fair and transparent manner. The Board of Directors has appointed the Company Secretary as the person responsible for remote e-voting process.

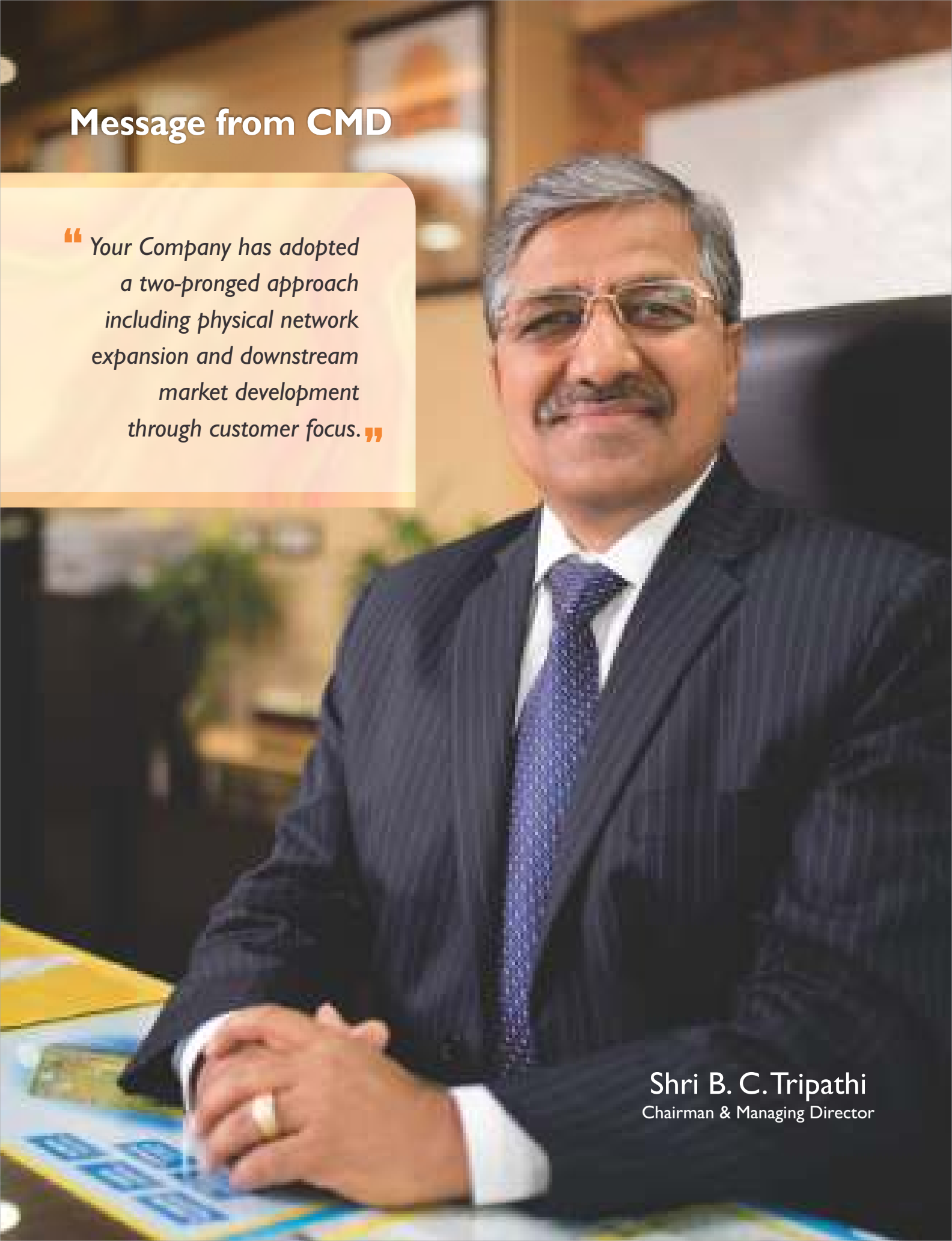
c. After the conclusion of the Poll at the AGM, the Chairperson will declare the AGM as closed. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and will prepare a consolidated scrutinizer's report of the total votes cast in favour or against, if any, not later than 48 hours of the conclusion of the AGM. The said report will be countersigned by the Chairman or a person authorized by him in writing and declare the result of the voting forthwith.

d. The results declared along with the Scrutinizer's Report will be hosted on the Company's website www.gailonline.com and on the website of CDSL e-voting. The results shall simultaneously be communicated to the Stock Exchanges(s).

e. The results will also be displayed on the Notice Board of the company at its Registered Office.

Message from CMD

"Your Company has adopted a two-pronged approach including physical network expansion and downstream market development through customer focus."



Shri B. C. Tripathi
Chairman & Managing Director

Dear Stakeholders,

As GAIL completes its glorious 35th year, it gives me a great pleasure and an enormous amount of pride to present to you the highlights of spectacular achievements witnessed by your company in the year 2018-19.

Global energy consumption in 2018 increased at nearly twice the average rate of growth since 2010, primarily driven by a robust global economy and higher heating and cooling needs in some parts of the world. Higher electricity demand was responsible for over half of the growth in energy needs. Demand for all fuels increased, led by natural gas, even as solar and wind posted double digit growth. As a result of higher energy consumption, CO2 emissions rose by 2% last year and hit a new record. India saw primary energy demand increase by 8% i.e. around 60 Million Tonnes of Oil Equivalent (Mtoe), accounting for 15% of global growth, the third-largest share. Growth in India was led by coal (for power generation) and oil (for transport), the first and second biggest contributors to energy demand growth, respectively.

Your Company's growth continues…

Your Company recorded highest ever turnover and PAT in its history as turnover surged by 39 % and Profit after Tax (PAT) increased by 30%. Further, as a result of the increase in PAT, Earnings per share (EPS) has gone up by 30.5%. Net worth also rose to Rs. 39,062 crore as compared to previous year where it stood up to Rs. 35,142 crore. The Debt and interest coverage ratios indicate a healthy financial position and good market capitalization and thereby encouraging the Company to venture into new projects.

I am glad to inform you that your company's Board has approved revival of existing LPG plant at Usar, Maharashtra by converting it into 500 KTA Polypropylene (PP) complex at an investment of around Rs. 8,800 Crore. This is first of its kind project in India which would be using Propane Dehydrogenation technology for production of Propylene integrated with the downstream Polypropylene (PP) unit. Further, GAIL Board has also approved setting up of 60 KTA PP unit at existing Petrochemical complex at Pata. Addition of above PP capacities will augment and complement GAIL's current polymer portfolio which is presently dominated by Polyethylene (PE).

In coming few years, your company shall be making investment of around Rs. 45,000 Crore in major cross country pipeline projects, such as, Urja Ganga Project, Kochi Kootanad Banglaore Mangalore Pipeline, Indradhanush Gas Grid (North East Grid in joint venture mode) and other pipelines connecting crucial supply and demand centers for completion of the envisaged National Gas Grid (NGG). As part of this endeavor, your company has recently been authorized by PNGRB to lay Srikakulam Angul natural gas Pipeline of length 690 KM including spurlines through recently concluded bidding process. This pipeline will extend the reach of natural gas in the Eastern coast and will act as an important connecting limb with other pipelines of National Gas Grid (NGG).

A sneak peek into the significant performance in the various business segments

Your Company catalogued substantial growth in all its business segments for the FY 2018-19. Natural Gas which is the core area of your company had sales increasing from 85.01 MSCMD last year to 96.93 MMSCMD including international LNG sales. Growth in natural gas transmission has been over 2% with average transmission of 107.43 MMSCMD. Petrochemical sales increased to 735 KT from 674 KT in 2017-18. Consequently, gross revenue of your company from Petrochemicals in FY 18-19 increased by 15%. In the LPG Transmission segment, throughput of Jamnagar-Loni and the Vizag-Secunderabad pipeline networks improved to an overall of 3.97 MMTPA from 3.7 MMTPA as compared to previous year. Total liquid hydrocarbon production was about 1.32 Million MT, of which, almost 90% constituted LPG and Propane. In the Exploration and production segment, Revenue of Rs. 639 Crores has been generated from sale of hydrocarbons from 4 producing blocks during the year 2018-19. The total volume sold to City Gas Distribution sector continued to show positive growth. GAIL is

currently supplying domestic gas to the tune of 13.19 MMSCMD to the City Gas Distribution (CGD) sector.

Our alliances & new ventures emerge stronger and profitable as before

Your Company floated two new Joint Venture Companies namely Bengal Gas Company Limited in West Bengal for city gas distribution and Indradhanush Gas Grid Limited in Assam to lay down natural gas pipelines. Gas supply through pipeline and cascades has commenced in Varanasi, Bhubaneswar, Cuttack and Patna in this financial year. Apart from that, your Company has already been awarded six cities for distribution of gas as part of URJA Ganga project namely, Varanasi, Bhubaneswar, Cuttack, Patna, Ranchi and Jamshedpur.

Some Noteworthy achievements during the year

Your Company achieved 'Excellent' MoU rating for the financial year 2017-18 with a score of 92.76 from MoP&NG, and same rating is expected to be seen for 2018-19 also. It has also got the highest domestic credit rating in India which is AAA from ICRA, CARE and India Rating.

Your Company has adopted a two-pronged approach including physical network expansion and downstream market development through customer focus. To increase transparency and efficiency, an online portal has already been established to book pipeline capacity online on first come – first serve basis. Over 1000 Capacity Tranche (CT) requests have been successfully executed during FY 2018-19 through the portal. This has been the first such Open Access Portal implemented by any gas transporter and customers and stakeholders have appreciated the step taken to leverage technology for increasing ease of business and transparency.

Your Company's subsidiary and joint venture companies engaged in City Gas Distribution (CGD) have participated and won 15 Geographical Areas in the 9th round of CGD Bidding and 8 Geographical Areas (GAs) in the 10th round of CGD bidding. After conclusion of the last two rounds of bidding, GAIL, its subsidiary and Joint Venture Companies are now authorized to operate in 62 out of the 228 GAs across the country.

Women empowerment and safety at workplace continues to be strongly promoted and as on March 31, 2019, the workforce comprised of 284 women in your Company having no complaints with regard to Sexual Harassment of Women at Workplace.

Corporate Vigilance department of your Company carried out certain process improvements for effective utilization of its resources thereby ensuring overall good governance. GAIL's Corporate RTI Cell has achieved 100% disposal rate in respect of RTI Applications received for FY 2018-19. The Committee of Parliament on Official Language appreciated your Company's efforts in Promoting and Implementing Hindi language successfully every year.

Way ahead

Recently, your company's Board of Directors approved GAIL Corporate Strategy that charts out the path of growth for next ten years. GAIL shall continue to lay focus on the growth of existing core business segments - natural gas, petrochemicals and gas processing. Further, GAIL shall be striving to look for diversified and fresh business opportunities which have the potential to become new growth engine in future. GAIL shall be exploring new domain of high growth specialty chemicals for setting up of manufacturing capacity in India. Given the imminent disruptions in the field of energy and transport, your company is exploring opportunities and business potential in new technological areas.



B. C. Tripathi
Chairman & Managing Director

VISION

Be the leader in natural gas value-chain and beyond, with global presence, creating value for stakeholders with environmental responsibility

MISSION

Enhancing quality of life through clean energy and beyond



Energising the Indian Gas Value Chain

GAIL's commitment to a healthy energy mix

Natural Gas

- Gas Pipeline Network of over 12.200 km and adding 9000 km. further more
- Over 70% share in Natural Gas Transmission market in India
- Contributes 60% of Natural Gas sold in India

City Gas Distribution

- Serving over 2.1 million vehicles & 3.1 million households
- Operates more than 65% CNG Stations through alliances in India
- Sectoral gas sales of around 60% in CGD
- Authorized to operate in 62 Geographical Areas through-out India including metro cities of Delhi, Mumbai, Hyderabad, Bengaluru, Kolkata
- Supplies natural gas to around 60% of country's PNG connections

Gas Sourcing and Upstream

- Among Top 10 Global LNG Portfollo marketers
- LNG portfollo of around 14 MMTPA from USA. Qatar Australia
- Regas capacity in PLL Regas Terminal at Dahej, India
- LNG Terminal at Dabhol, India
- LNG Sourcing from Sabine Pass, USA
- LNG Tolling Agreement with Dominion Cover project USA and corresponding gas supply agreement with WGL Midstream Inc. USA
- GSPA with Gazprom
- Participating interest in 11 E&P Blocks, including 2 in Myanmar



G-Lex G-Lene

Petrochemicals

- Domestic market Share of 15%
- 1st ever producer of Metallocene catalyst based LLDPE Film grade polymer in India
- Combined production share of 21.4% of the High Density and Liner Low Density Polyethylene market in the country
- Petrochemical Plant of Pata, Uttar Pradesh and BCPL plant at Lepetkata, Assam with capacity of 0.81 MMTPA & 0.28 MMTPA respectively
- Exporting petrochemicals to markets of neighboring countries South East Asia China
- Setting up 500 KTA Propane Dehydrogenation Polypropylene Plant (PHDPP) at Usar and 60 KTA PP unit at Pata

LPG & Liquid Hydrocarbons

- 5 Gas Processing Plants producing LPG, Producing LPG, Propane Pentane, Naphtha etc.
- LPG Transmission Capacity 3.8 MMTPA (2038 KM)

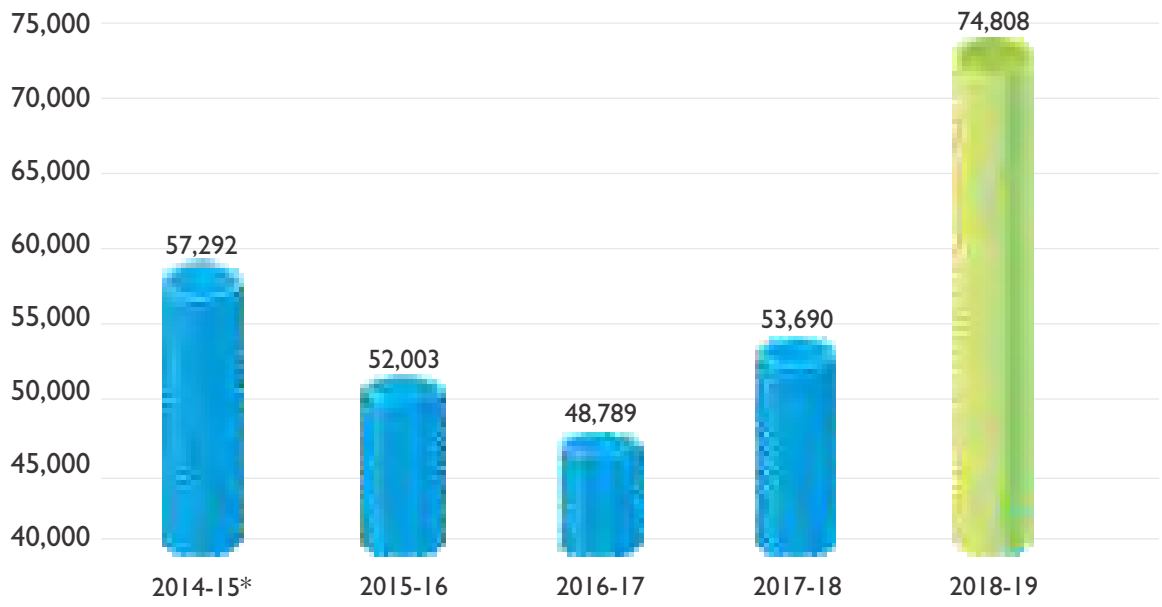
Overseas Presence

- Set-up wholly-owned subsidiaries- GAIL Global (USA) inc. and GAIL Global (Singapore) Pte. ltd.
- Acquired 20% interest in Carrizo's Eagle Food Shale acreage in USA
- Participation in Myanmar China gas pipeline
- Investment in 2 city Gas Distribution companies in Egypt and 1 City Gas Distribution company in China

Key Financial Highlights

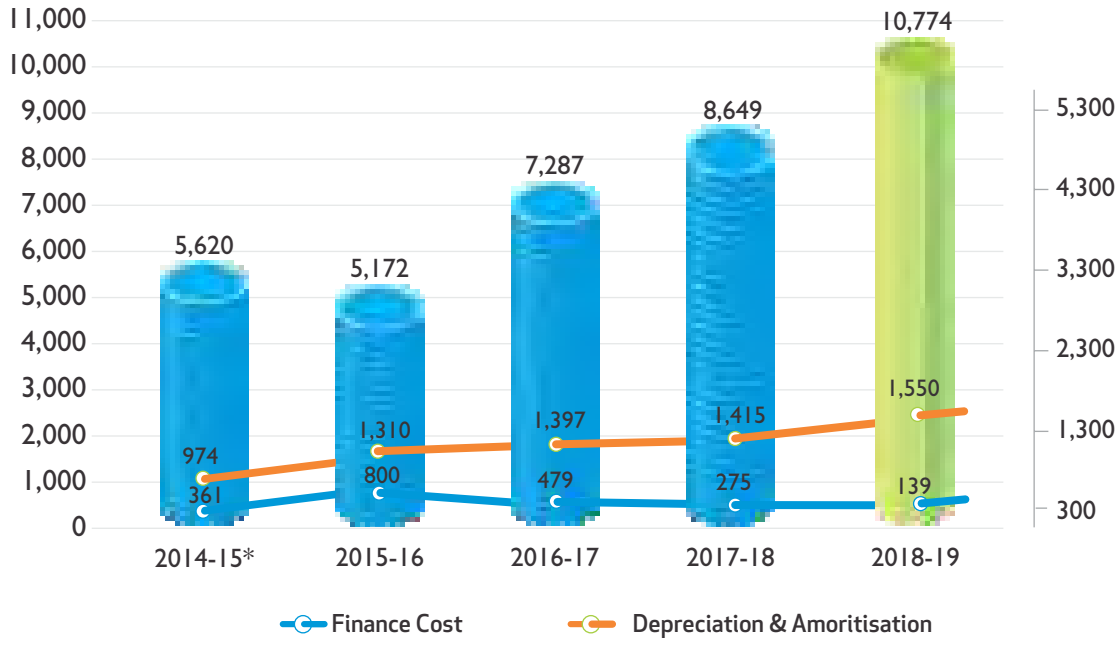
(in ₹ Crore)

GROSS SALES



(in ₹ Crore)

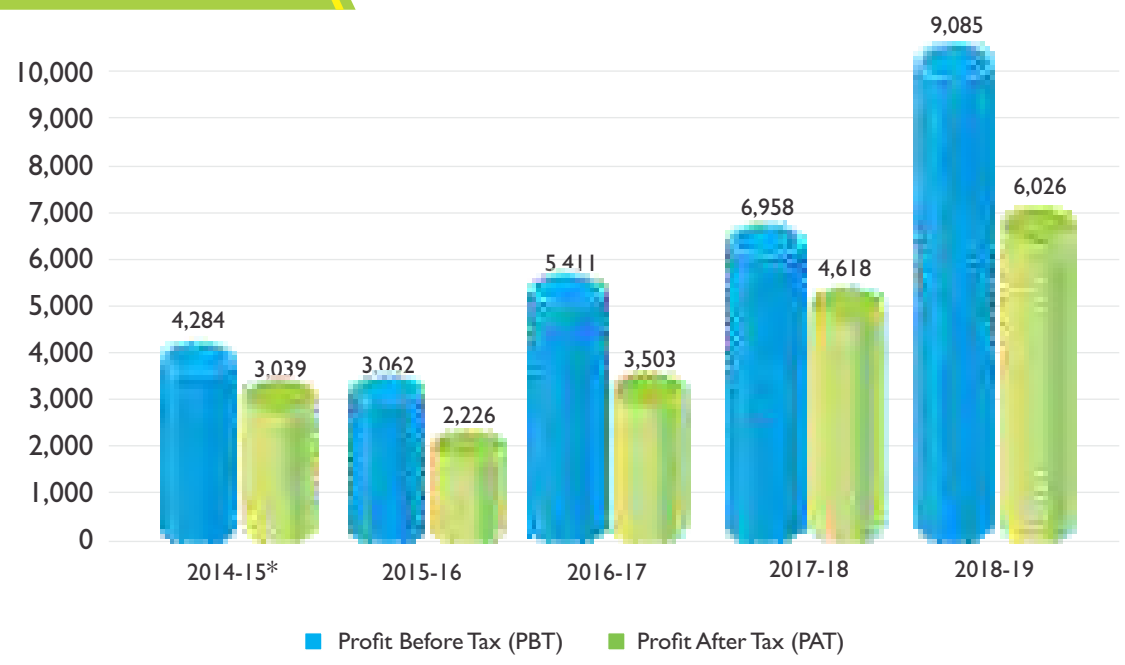
GROSS MARGIN (EBIDTA)



* Figures for financial year 2014-15 are not as per new accounting standards (IND AS)and Schedule III of the Companies Act, 2013. All the figures/ ratios for subsequent years are computed on the basis of figures as per IND AS. Hence the numbers of financial year 2014-15 are not fully comparable with the subsequent years.

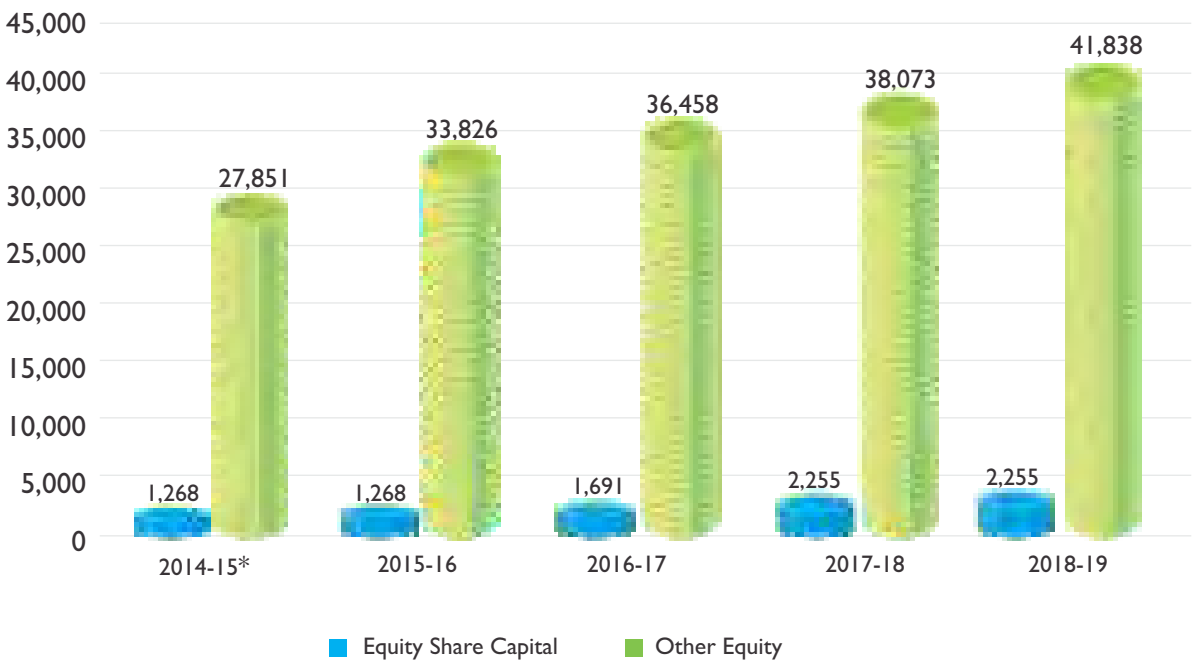
PROFITABILITY

(in ₹ crore)



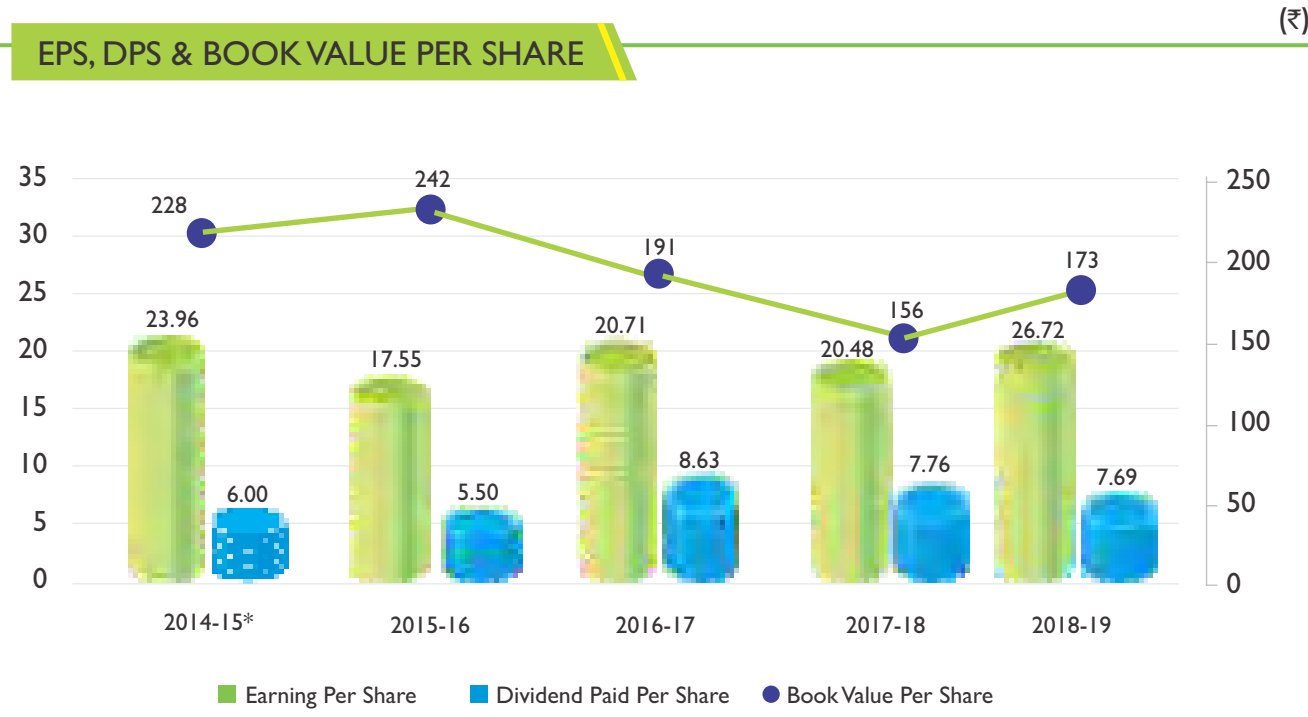
SHAREHOLDER'S FUND

(in ₹ crore)



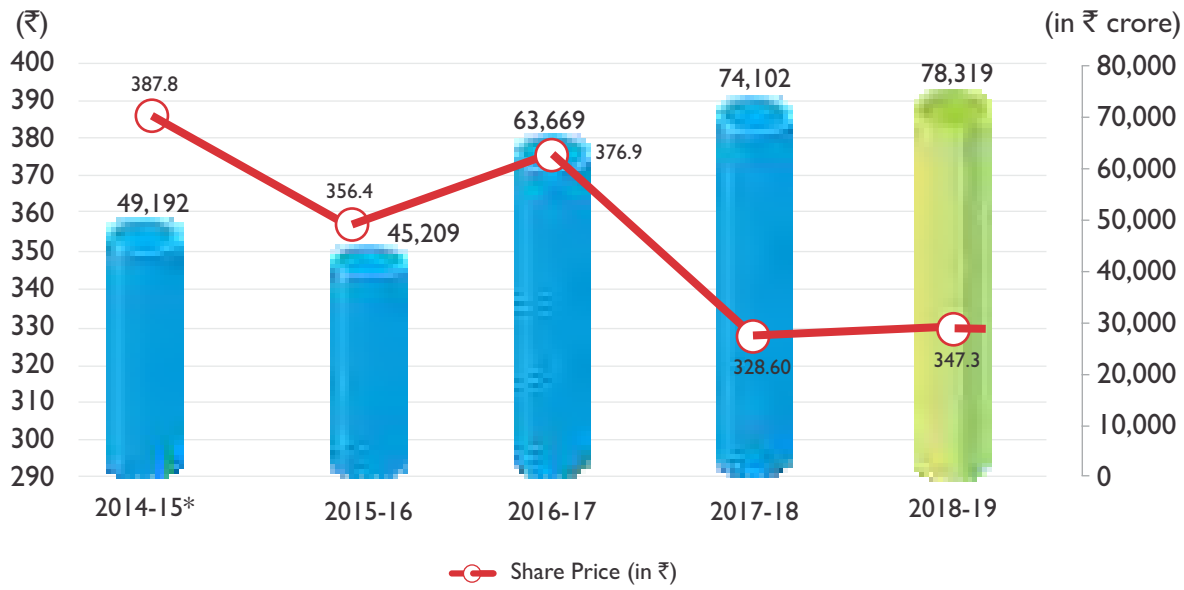
* Figures for financial year 2014-15 are not as per new accounting standards (IND AS)and Schedule III of the Companies Act, 2013. All the figures/ ratios for subsequent years are computed on the basis of figures as per IND AS. Hence the numbers of financial year 2014-15 are not fully comparable with the subsequent years.

EPS, DPS & BOOK VALUE PER SHARE



EPS & DPS is calculated on the basis of no. of shares at the close of respective financial years.

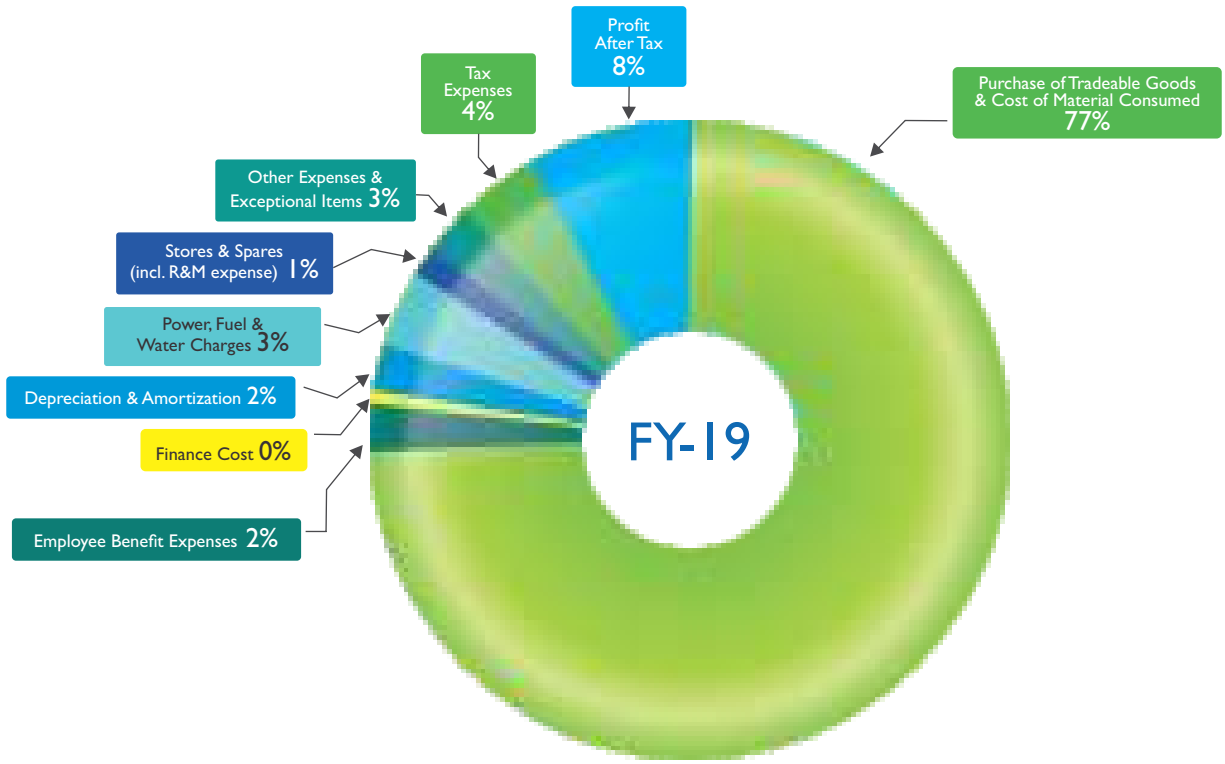
MARKET CAPITALISATION - BSE

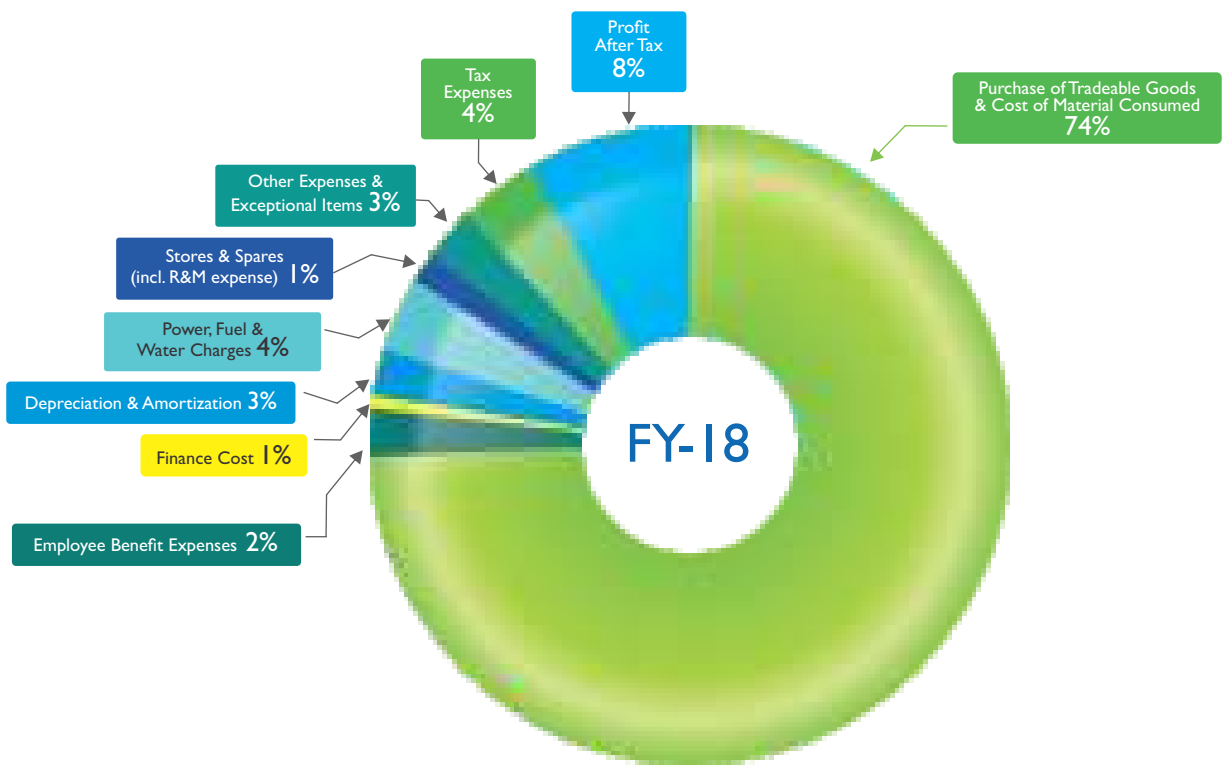


Market price per shares is after incorporating effect of bonus issues in 2016-17 & 2017-18

* Figures for financial year 2014-15 are not as per new accounting standards (IND AS)and Schedule III of the Companies Act, 2013. All the figures/ ratios for subsequent years are computed on the basis of figures as per IND AS. Hence the numbers of financial year 2014-15 are not fully comparable with the subsequent years.

Cost & Profit as a Percentage of Total Revenue

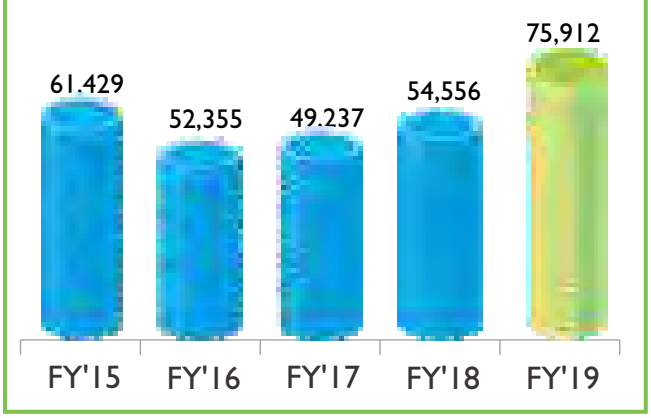




Financial Performance on Consolidated Basis

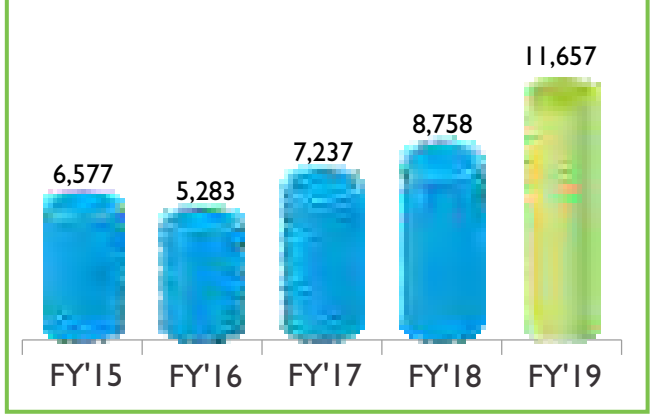
Gross Sales

(in ₹ crore)



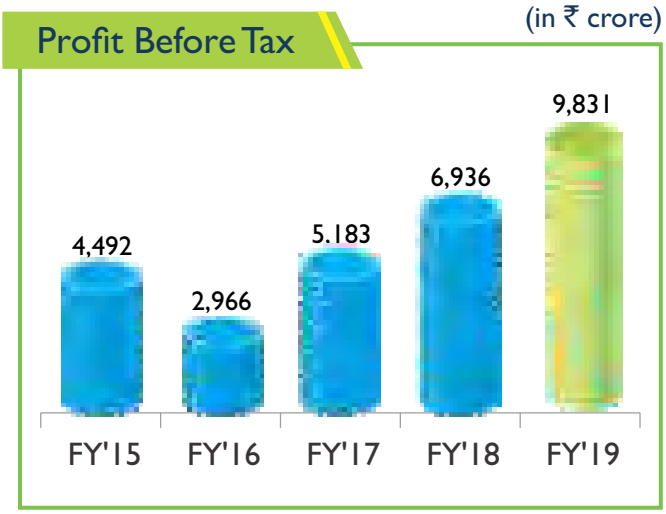
Gross Margin (PBDIT)

(in ₹ crore)



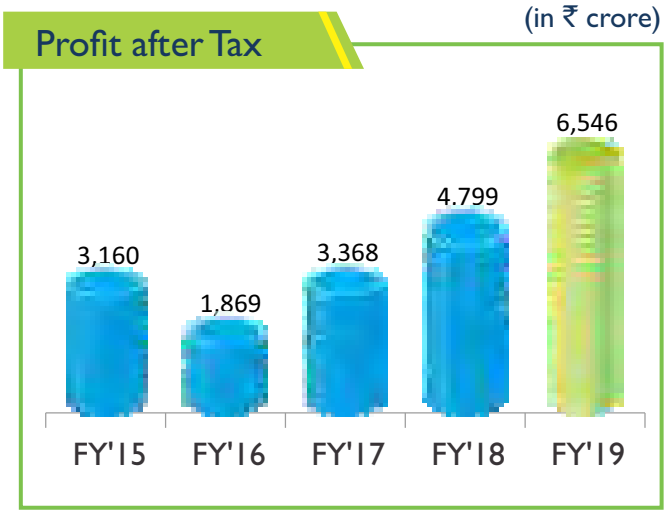
Profit Before Tax

(in ₹ crore)



Profit after Tax

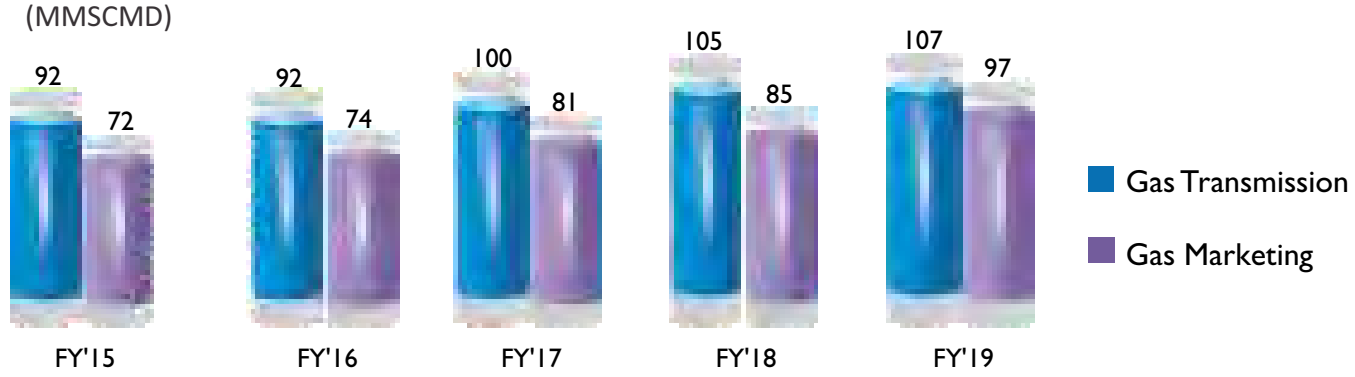
(in ₹ crore)



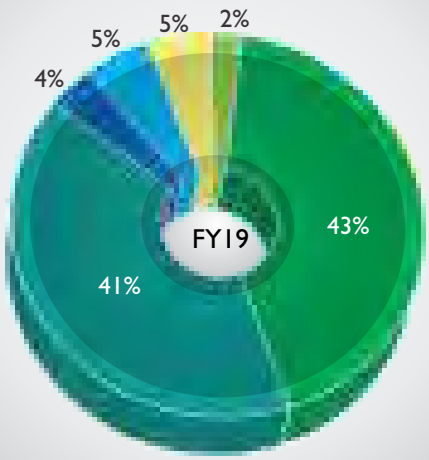
Operational Performance Highlights

Gas Volume Trend

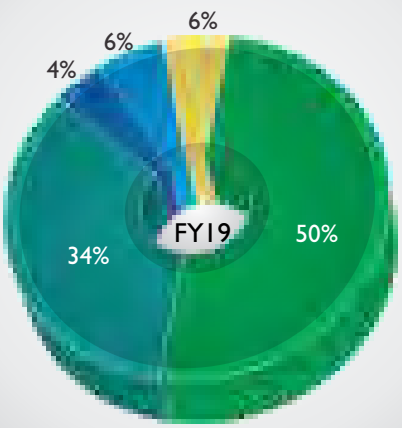
(MMSCMD)



Gas Transmission Mix

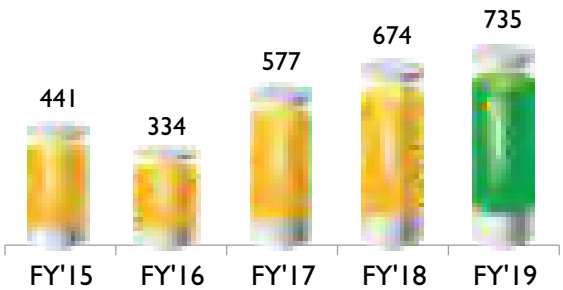


Gas Marketing Mix

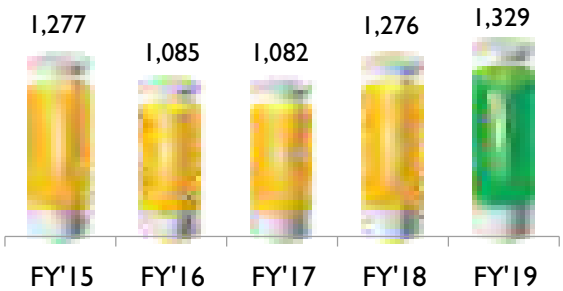


APM/NAPM RLNG PMT Spot Mid Term RIL

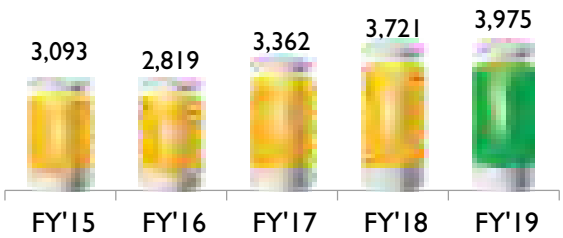
Petrochemicals Sales (TMT)



Liquid Hydrocarbons Sales (TMT)



LPG Transmission (TMT)

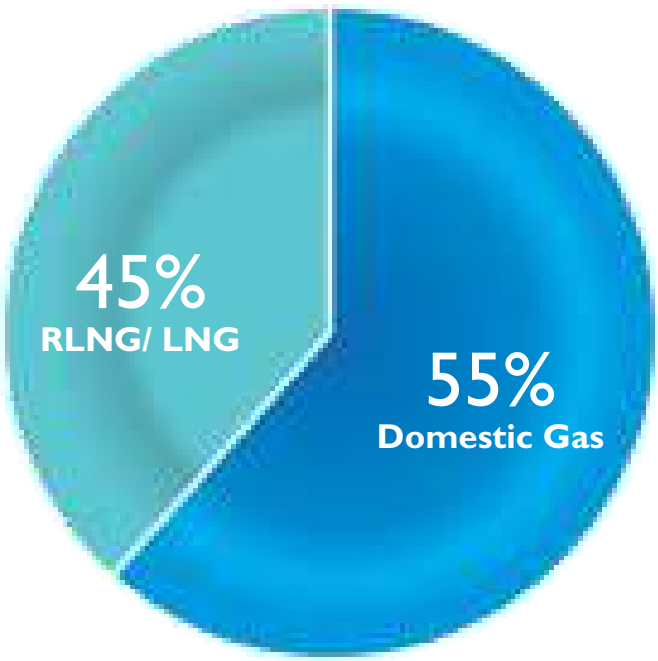


Gas Sourcing & Sector Wise Supply (FY 18-19)

Gas Sourcing

(MMSCMD. % share)

44 MMSCMD



53 MMSCMD

Sector Wise Supply



Domestic **RLNG / LNG** **%age Share**

- Imported Gas primarily consists of Long Term RLNG, Mid Term RLNG, LNG and Spot.
- Major sources for domestic gas are ONGC (APM & Non APM), PMT at APM & PSC prices, Ravva, Ravva satellite etc.
- Highest demand of Natural Gas from Power & Fertilizer companies.

**Others include Steel, Refineries, Sponge iron, Petrochemicals, GAIL Internal Consumption etc.*

Consolidating excellence in green energy



2012
2200 Km Dahej-Vijaipur-Bhatinda pipeline dedicated to the Nation



2001
JLPL, World's Longest LPG transmission Pipeline, commissioned



1987
India's first Natural Gas Pipeline-HVJ Commissioned



2011
- First PSU to acquire shale gas acreage in US
- Subsidiary in US



1999
First Petrochemical Plant at Pata



1984
Birth of GAIL : Natural Gas Transmission & Marketing Company



2015

- Construction work of Jagdishpur-Haldia & Bokaro-Dhamra Pipeline project launched
- Doubled petrochemical production capacity at Pata



2013

- Achieved Maharatna Status
- Commissioned Dabhol Terminal & Dabhol -Bengaluru Natural Gas Pipeline
- Capacity Booking in Cove Point LNG Terminal in US



2016

- Brahmaputra Cracker & Polymer Ltd. Petrochemical Complex dedicated to the Nation



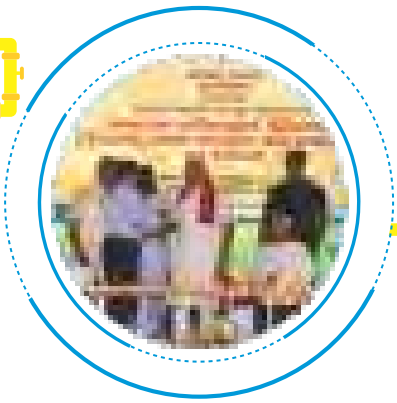
2017

- Bengaluru CGD project inaugurated
- CNG stations inaugurated in Cuttack
- PNG supply launched in Bhubaneswar



2018

- Varanasi CGD project inaugurated
- India's first LNG cargo from USA received in GAIL's first charter hired vessel
- First LNG cargo under long term contract with Russia received



2019

- Launch of commencement of work of Talcher Fertilizers Limited (TFL)
- Ranchi CGD project inaugurated
- Patna CGD Project inaugurated

Leading India's Natural Gas Sector

Operates 3/4th of India's Natural Gas transmission pipelines	Contributes 3/5th of Natural Gas sold in India
Supplies gas for about 3/4th of India's fertilizer produced	Supplies gas for about 2/3rd of India's gas based power
Operates more than 2/3rd of India's total CNG stations through alliances	2nd largest player in Indian Polyethylene portfolio Market
Responsible for pipeline transmission of 1/6th of Total India's LPG Consumption	Produces LPG for every 25th LPG Cylinder in India

Our Network

GAIL's Subsidiaries

GAIL Gas Limited

Brahmaputra Cracker and Polymer Limited

GAIL Global (Singapore) Pte. Limited

GAIL Global (USA) Inc.

GAIL Global (USA) LNG LLC

GAIL's Joint Ventures

Aavantika Gas Limited

Bhagyanagar Gas Limited

Central U.P. Gas Limited

GAIL China Gas Global Energy Holdings Limited

Green Gas Limited

Indraprastha Gas Limited

Konkan LNG Pvt. Limited

Mahanagar Gas Limited

Maharashtra Natural Gas Limited

ONGC Petro-additions Limited

Petronet LNG Limited

Ratnagiri Gas and Power Pvt. Limited

Talcher Fertilizers Limited

TAPI Pipeline Company Limited

Tripura Natural Gas Company Limited

Vadodara Gas Limited

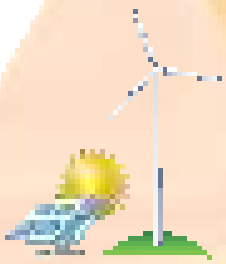
Bengal Gas Company Limited

Ramagundam Fertilizers and Chemicals Limited

Indradhanush Gas Grid Limited

Major Sustainability initiatives in FY 2018-19

Roll out of ISO 50001:2001 at GAIL locations in phased manner



GAIL's total Solar and Wind Power capacity is 128 MW

100 Projects worth ₹40 Crore taken under Sustainable Development Annual Plan FY 18-19

Enhancement of recycling water pipeline network at GAIL Vijaipur. This led to saving of 3,00,000 litre per day of water

Reuse of treated Effluent Treatment Plant water at GAIL Vijaipur C2/C3 area. This led to saving of 1,00,000 litre per day of water

Energy Efficient Motors project commissioned at GAIL Vaghodia led to 30% reduction of energy consumed in Heat Recovery Steam Generation in comparison with the previous year

Board of



Functional Management :

Shri B. C. Tripathi, Chairman & Managing Director (sitting; right)
Dr. Ashutosh Karnatak, Director (Projects) (sitting; left)

(From left to right)

Shri Manoj Jain, Director (Business Development), (w.e.f. 05.06.2018)
Shri Gajendra Singh, Director (Marketing)
Shri A. K. Tiwari, Director (Finance), (w.e.f. 01.12.2018)
Shri P. K. Gupta, Director (Human Resources),

Directors



Shri Ashish Chatterjee
Director (Government Nominee)



Shri Ashutosh Jindal
Director (Government Nominee)
(w.e.f. 27.05.2019)



Shri S. K. Srivastava
Independent Director



Shri Anupam Kulshreshtha
Independent Director



Shri Sanjay Tandon
Independent Director



Shri Dinkar Prakash Srivastava
Independent Director



Dr. Anup K. Pujari
Independent Director



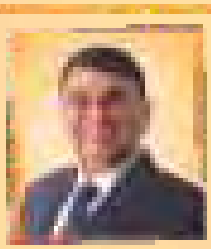
Dr. Rahul Mukherjee
Independent Director



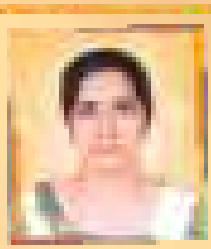
Shri Jayanto Narayan Choudhury
Independent Director



Smt. Banto Devi Kataria
Independent Director
(w.e.f. 06.08.2018)



Shri Subir Purkayastha
Director (Finance)
(upto 30.11.2018)



Smt. Indrani Kaushal
Director (Government Nominee)
(upto 27.05.2019)

Board Structure

Shri B.C. Tripathi
Chairman &
Managing Director
DIN 01657366

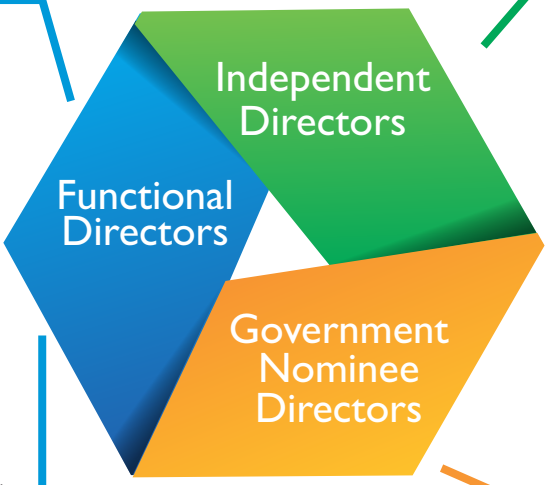
Dr. Ashutosh Karnatak
Director (Projects)
DIN 03267102

Shri P.K. Gupta
Director (Human Resources)
DIN 01237706

Shri Gajendra Singh
Director (Marketing)
DIN 03290248

Shri Manoj Jain
Director (Business Development)
DIN 07556033

Shri A. K. Tiwari
Director (Finance) & CFO
DIN 07654612



Shri S. K. Srivastava
DIN 02163658

Shri Sanjay Tandon
DIN 00484699

Shri Anupam Kulshreshtha
DIN 07352288

Dr. Anup K. Pujari
DIN 02556335

Shri Dinkar Prakash Srivastava
DIN 07418753

Shri Jayanto Narayan Choudhury
DIN 07940286

Dr. Rahul Mukherjee
DIN 07940278

Smt. Banto Devi Kataria
DIN 08194036

Shri Ashutosh Jindal
DIN 05286122

Shri Ashish Chatterjee
DIN 07688473

Details of the sub-committees of Board

Audit Committee

- Shri Anupam Kulshreshtha **– Chairperson**
- Director (Marketing)
- Shri S. K. Srivastava
- Shri Sanjay Tandon

Permanent Invitee:

a. Director (Finance)
b. Director (HR)
c. Head of IA

Business Development & Marketing Committee

- Shri S. K. Srivastava –**Chairperson**
- Director (Finance)
- Director (Marketing)
- Director (BD)
- Shri Dinkar Prakash Srivastava
- Smt. Banto Devi Kataria

Corporate Social Responsibility Committee (CSR)

- CMD-**Chairperson**
- Director (HR)
- Shri Sanjay Tandon
- Shri Anupam Kulshreshtha

Empowered Contracts & Procurement Committee (ECPC)

CMD and all the Functional Directors. CMD is the **Chairperson** of the Committee.

Empowered Committee (Natural Gas, LNG & Polymers)

- CMD – **Chairperson**
- Director (Finance)
- Director (Marketing)
- Director (BD)

Finance Committee

- Shri Sanjay Tandon – **Chairperson**
- Director (Finance)
- Dr. Anup K. Pujari
- Shri Anupam Kulshreshtha

H.R. Committee

- CMD-**Chairperson**
- All the Functional Directors
- Shri Jayanto Narayan Choudhury
- Dr. Anup K. Pujari
- Smt. Banto Devi Kataria

Nomination and Remuneration Committee

- Dr. Rahul Mukherjee – **Chairperson**
- Shri Dinkar Prakash Srivastava
- Shri Jayanto Narayan Choudhury

Permanent Invitee:

a) Director (Finance)
b) Director (HR)

Project Appraisal Committee

- CMD-**Chairperson**
- Director (Finance)
- Concerned Functional Director
- Shri S. K. Srivastava
- Dr. Rahul Mukherjee

Stakeholders' Grievance Redressal Committee

- Shri Jayanto Narayan Choudhury - **Chairperson**
- Director (Finance)
- Concerned Functional Director not involved w.r.t. subject disputes, such as:
  i) For Projects related dispute – Director (HR)
  ii) For Marketing related dispute– Director (Projects)
  iii) For HR related dispute – Director (Finance) and
  iv) For BD related disputes – Director (Marketing)

Stakeholders Relationship Committee

- Shri Dinkar Prakash Srivastava - **Chairperson**
- Director (Projects)
- Director (HR)
- Dr. Rahul Mukherjee

Sustainable Development Committee

- Dr. Anup K. Pujari – **Chairperson**
- Director (Projects)
- Director (BD)
- Smt. Banto Devi Kataria



Directors' Report

DIRECTORS' REPORT

Dear Shareholders,

On behalf of the Board of Directors of your Company, I am delighted to present the 35th Directors' Report of your Maharatna Company, along with Audited Financial Statements for the financial year 2018-19.

Performance Review

The important financial highlights on standalone basis for the year 2018-19 are as under:

Particulars	2018-19		2017-18	
	US $ Million	(₹ in Crore)	US $ Million	(₹ in Crore)
Gross sales	10,722	74,808	8,181	53,690
Other income (including other operating income)	267	1864	171	1,122
Cost of sales (excluding Finance cost and depreciation)	9,398	65,572	7,038	46,192
Net Exceptional Items (Impairment of Investments)	47	326	(4)	(28)
Gross margin	1,544	10,774	1,318	8,649
Finance Cost	20	139	42	275
Depreciation	222	1,550	216	1,415
Profit Before Tax (PBT)	1,302	9,085	1,060	6,958
Provision for tax	438	3,059	357	2,340
Profit After Tax (PAT)	864	6,026	704	4,618
Appropriations				
Final Dividend for previous year	47	325	70	457
Interim Dividend for current year	202	1,409	197	1,294
Corporate Dividend Tax	51	356	54	353
Net transfer to/from Bond Redemption Reserve	2	15	(42)	(277)
Transfer to CSR Reserve	-	-	-	-
Transfer to General Reserve	86	603	70	462
Net surplus after Appropriations	476	3,318	355	2,329
1 US $ in INR converted at the exchange rate as on 31st March of the respective financial year	69.77		65.63	

Key Ratios

- **Gross Sales**

  Gross sales increased by 39 % from ₹ 53,690 crore during 2017-18 to ₹ 74,808 crore in 2018-19.

- **Profit Before Tax (PBT)**

  PBT registered a jump of 31% from ₹ 6,958 crore in 2017-18 to ₹ 9,085 crore during 2018-19.

- **Profit After Tax (PAT)**

  Profit after Tax increased by 30% from ₹ 4,618 crore during 2017-18 to a record high of ₹ 6,026crore in 2018-19.

- **Earnings Per Share (EPS)**

  In view of the increase in PAT, EPS has gone up from ₹ 20.48 per share as on March 31st, 2018 to ₹ 26.72 per share as on March 31st, 2019.

- **Consolidated Financial Statements**

  Your Company has prepared the Consolidated Financial Statements in accordance with the IND- AS consolidating its subsidiaries, associates and joint venture entities. The highlights of the Consolidated Financial Results are as follows:

(₹ in Crore)

Particulars	2018-19	2017-18
Gross Sales	75,912	54,556
Profit Before Tax	9,831	6,936
Profit After Tax	6,546	4,799
Other comprehensive income	(123)	(321)



Shri B C Tripathi, CMD (centre) announced the Annual Financial Results 2018-19 of the Company at a Press Conference in the presence of (from left to right) Shri A K Tiwari, Director (Finance), Shri Gajendra Singh, Director (Marketing), Dr. Ashutosh Karnatak, Director (Projects), Shri Manoj Jain, Director (Business Development)

Business Overview

During the year under review, the segment wise business performance of your Company is as under:

- **Natural Gas Marketing**

  Natural gas trading continues to be the focus area of your Company. During FY 2018-19 Natural Gas sales totalled 96.93 MMSCMD with sales within India being 86.39 MMSCMD and overseas sales being 10.54 MMSCMD. Gross revenue of your Company from Natural Gas Marketing in FY 2018-19 was ₹ 57,024 crore as against ₹ 38,021 crore in FY 2017-18.

- **Transmission**

  - **Natural gas transmission**

    Your Company owns and operates a network of around 12,200 km of natural gas high pressure trunk pipeline. The average gas transmission during the year 2018-19 increased to 107.43 MMSCMD as compared to 105.23 MMSCMD in the previous financial year. Gross sales of your Company from Natural Gas Transmission in FY 2018-19 was ₹ 5,194 crore as against ₹ 4,446 crore in FY2017-18.

  - **LPG transmission**

    Your company operates 2,038 km of pipeline for LPG transmission. Jamnagar-Loni and the Vizag-Secunderabad pipeline networks achieved a throughput of 3.97 MMTPA during the year against 3.72 MMTPA in the previous fiscal year, thereby registering a growth of more than 6%.Gross sales of your Company from LPG Transmission in FY 2018-19 was ₹ 614 crore as against ₹ 558 crore in FY 2017-18.

- **Petrochemicals**

  During 2018-19, your Company's production increased by 13% to 751KTA of polymers and sales increased by 9% to 735 KTA of polymers from the Pata plant. Additionally, more than 289 KTA of polymer produced by BCPL was sold by GAIL. Gross sales of your Company from Petrochemicals in FY 2018-19 was ₹ 6,631 crore as against ₹ 5,788 crore in FY 2017-18.

- **LPG and Other Liquid Hydrocarbon**

  Your Company has five LPG plants at four locations in the country having a production capacity of 1.4 Million MT. In 2018-19, total liquid hydrocarbon production was about 1.32 Million MT as against 1.28 Million MT in FY 2017-18, of which almost 90% constitutes LPG and Propane. Gross sales of your Company from Liquid Hydrocarbons in FY 2018-19 was ₹ 4,633 crore as against ₹ 4,179 crore in FY2017-18.

  GAIL Board approved revival of existing LPG plant at Usar, Maharashtra and converting it into 500 KTA Polypropylene complex. This is first of its kind project in India which would be using Propane Dehydrogenation technology for production of Propylene integrated with the downstream Polypropylene unit.

- **Exploration and Production (E&P)**

  Your Company has participating interest in 11 E&P blocks of which 9 blocks are in India and 2 blocks in Myanmar. Out of these, your Company is Operator in two on-land blocks viz. CB-ONN-2010/11 and CB-ONHP-2017/12 in Cambay basin awarded during NELP-IX and OALP-I bidding rounds respectively.

  Appraisal activities were continued in two NELP-IX blocks namely GK-OSN-2010/1 (Operator: ONGC) and CB-ONN-2010/11 (Lead Operator: GAIL).

  Development activities were initiated in one NELP-IX blocks namely CB-ONN-2010/8 (Lead Operator: Bharat Petro Resources Limited).

  Phase-II Development activities in blocks A1 and A3 were initiated during FY 2018-19.

  Exploratory activities are in progress in two blocks namely (i)AA-ONN-2010/2 of NELP-IX(Operator: OIL), and (ii) CB-ONHP-2017/12 (Operator: GAIL) of OALP-I

  Revenue of ₹ 639 Crores has been generated from sale of hydrocarbons from 4 producing blocks namely A-1 & A-3, Myanmar and CB-ONN-2000/1 and CB-ONN-2003/2 (Cambay onland) during the year 2018-19 as against ₹ 631 crore during the FY 2017-18.

- **Projects Execution**

  At present your Company is expanding the Natural Gas pipeline network by executing more than 5700 Kms. of Major Pipeline projects, out of which around 1050 Km of pipeline projects has been completed during the FY 2018-19. The completed pipeline project consists of 475 Km section from Varanasi-Dobhi-Patna/Barauni of prestigious Jagdishpur Haldia & Bokaro Dhamra Pipeline project popularly known as 'Pradhan Mantri Urja Ganga', 315 Km of Auraiya-Phulpur pipeline and other last mile consumer connectivities.

  Supply of Natural Gas also commenced in Patna City by commissioning of 2 CNG station and PNG which was inaugurated by Hon'ble Prime Minister of India. Further, supply of gas to CGD Cuttack & Bhubaneswar were started from new LCNG (Liquefied CNG) satellite terminal (First of its kind in India) commissioned in Bhubaneswar City. Supply of gas to these CGDs were earlier started last year through cascade mode.

Disinvestment by President of India

The government of India disinvested 1,16,75,668 shares in July 2018 & 1,98,43,410 shares in February 2019 through CPSE Bharat 22 ETF. After disinvestment, the President of India's shareholding is 1,17,70,29,046 equity shares, representing 52.19% of paid-up share capital of GAIL.

Dividend

Your Company has a consistent track-record of dividend payment. The Board of Directors of your Company had earlier approved payment of an interim dividend @ 62.50% on equity share of ₹ 10 each (₹ 6.25 per equity share) amounting to ₹1,409.42 crore on the paid-up equity share capital of the Company (₹ 2,255.07 crores), which was paid in February, 2019. Further, the Board has recommended payment of final dividend @17.70% on an equity share of ₹10 each (₹1.77 per



Hon'ble Prime Minister Shri Narendra Modi dedicated the first phase of the Jagdishpur – Haldia & Bokaro – Dhamra Natural Gas Pipeline Project (JHBDPL), popularly known as 'Pradhan Mantri Urja Ganga', and inaugurated the City Gas Distribution (CGD) network in Patna in the presence of Hon'ble Governor of Bihar, Hon'ble Chief Minister of Bihar, Hon'ble Union Ministers and other dignitaries.

equity share) amounting to ₹ 399.16 crore. With this the total dividend for the FY 2018-19 will be 80.2% on equity share of ₹ 10 each amounting to ₹ 1,808.57 crore on paid-up equity capital of ₹ 2,255.07 crore (pre-bonus) which is 30% of PAT or 5.15% of Opening net-worth of ₹ 35,142 crore as per Companies Act, 2013 and in compliance of DIPAM guidelines. Further, during the year, your company also paid Dividend Distribution tax of ₹ 356.46 crore.

Contribution to Exchequer

Your Company has contributed ₹ 8,070 crore in 2018-19 to the exchequer through dividend, duties, taxes and others, as compared to ₹ 6,782 crore in 2017-18.

Credit Rating

- **Domestic rating**

  Your Company has been reaffirmed the highest domestic credit rating of AAA from ICRA, CARE and India Rating. This signifies the highest credit rating in India, hence, carries lower credit risk of the Company.

- **International Rating**

  The International rating agency, Moody's International, Singapore, has assigned the corporate issuer rating of Baa2 with stable outlook which is equal to the sovereign rating of India. Further, Fitch Ratings has also assigned a long-term foreign currency issuer default rating of BBB- with a stable outlook, which is also equivalent to the sovereign rating of India. The agencies have indicated that your Company's rating may be upgraded once the sovereign rating of India improves.

Particulars of Loans, Investments and Corporate Guarantees

Details of investments, loan and guarantee covered under Section 186 of the Companies Act, 2013 forms part of the financial statement, as a separate section in the Annual Report FY 2018-19.

Related Parties - Subsidiaries/ Associates/ Joint Ventures

Your Company has formed subsidiaries/ associates/ joint venture companies for City Gas Distribution, such as GAIL Gas Limited, Indraprastha Gas Limited, Mahanagar Gas Limited etc.; petrochemicals such as Brahmaputra Cracker and Polymer Limited, ONGC Petro-addition Limited; LNG/ Re-gasification, such as GAIL Global (USA) LNG LLC, Petronet LNG Limited etc.; gas trading, power generation and shale gas. All the Contracts or arrangements/ transactions with related parties were carried on an arm's length basis and in ordinary course of business.

In order to facilitate City Gas Distribution Projects in Kolkata, your Company has formed a Joint Venture Company named "Bengal Gas Company Limited on 04.01.2019 " and in order to lay down natural gas pipelines in North East India, your Company has formed a Joint Venture named "Indradhanush Gas Grid Limited on 10.08.2018 ".

No subsidiary / joint venture company ceased to exist during the year. However, GAIL China Gas Global Energy Holdings Limited ceased to exist w.e.f. 31st May, 2019. The subsidiaries/ associates/ joint venture companies of your Company have contributed significantly to its business expansion activities. A statement containing the salient features of the financial statements of your Company's Subsidiaries, Associate Companies and Joint Ventures as per first proviso of section 129(3) of the Companies Act, 2013 including details of Individual contribution of all subsidiaries, associates and joint venture companies towards the overall performance of Company during the period is given under Consolidated Financial Statements.

Vigilance

Corporate Vigilance department of your Company is ISO-9001:2015 certified for having adopted Quality Management System in compliance with the requirements of ISO. A number of system improvements were affected in your company during the year for effective utilization of its resources, which in turn would help to prevent corruption and ensure all round good governance. Some of these improvements are:

- Award of contract through Board Purchase has been limited to for a period of 6 months quantity only.
- In order to eliminate high and low rate items in routine/Maintenance contract, percentage rate bidding by contractors in the tenders has been adopted.
- To avoid delay in bill processing, provision has been made in Bill Watch System to generate email alerts after regular intervals to EIC as well as to the OIC and in case of extraordinary delay alerts will be sent to the concerned Director.
- For the benefit of vendors and suppliers, status of e-tendering, e-payments & receipts is monitored and reported to MoP&NG.

The Vigilance Awareness Week-2018 was observed on the theme "Eradicate Corruption – Build a New India" at the corporate office and at all the work centers from 29th October, 2018 to 3rd November, 2018. The inauguration of VAW-2018 commenced by taking the Integrity Pledge by GAIL Employees followed by release of GAIL "JAGROOK" Magazine by C&MD for spreading awareness on vigilance.

Customer Interactive Meets were organized at Delhi- NCR and Guwahati Marketing office for Natural Gas, Petrochemicals & Liquid Hydrocarbon customers. Vendor Interactive Meet was also organized at New Delhi where booklet containing compendium of the initiatives taken by GAIL to enhance efficiency and transparency in Tendering/ Contracts was released.

During Vigilance Awareness Week various competitions such as debate/ elocution/ quiz/ essay writing/ slogan/ cartoon/ poster competitions on moral values ethics, good governance practices etc. were conducted in 12 schools and 11 colleges in various Work centers of GAIL, wherein 1753 students participated. Gram Sabhas were organized in 2 villages to sensitized villagers against corruption related practices wherein 180 villagers participated.

Representation of Priority Section

Your Company has been complying with the Presidential Directives and other instructions/guidelines issued from time to time pertaining to Policies and Procedures of Government of India in regard to reservation, relaxations, concessions etc. for Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs) and Persons with Disabilities (PWDs) in Direct Recruitment.

Details with regard to group-wise total number of employees and the representation of Scheduled Castes, Scheduled Tribes, and Other Backward Classes and PWDs amongst them, in your Company as on March 31, 2019 are given in table below:

Group	Employees on Roll	SC	ST	OBC	PWD
A	3280	521	212	622	50
B	459	79	50	104	8
C	730	130	24	246	36
D	54	13	6	17	0
C&MD DIRECTORS	6	0	1	0	0
Total	**4529**	**743**	**293**	**989**	**94**

A total of 154 new employees joined your Company during the FY 2018-19. Total Manpower of the Company as on March 31, 2019 stood at 4529 (including Whole-time Directors) with 16.40 % of its employees belonging to the SC category, 6.47 % to the ST category, 21.83 % to the OBC category, 8.04 % to the Minorities and 2.08 % to the Persons with Disabilities (PWDs) category. Your Company's workforce includes 284 women employees as on March 31, 2019.

Official Language

The Official Language Implementation Committees at the Corporate and Work Centre level meet on a quarterly basis to monitor and review the progress made for achieving the targets fixed in the Annual Program issued by the Official Language Department, Ministry of Home Affairs, Govt. of India.

Hindi workshops/trainings are organized on regular basis at Corporate Office and all work centres including training centres at GTI Noida and GTI Jaipur. Hindi computer training sessions are also integral part of these programs. As many as 126 Hindi workshops were conducted during 2018-19 in which 2,613 employees were provided training.

Hindi Fortnight was observed across GAIL from September 14th to 28, 2018 to propagate linguistic harmony and to motivate the employees for the progressive usage of Hindi in their day-to-day work. Several Competitions were organized to encourage the employees to work in Hindi and create a conducive atmosphere.

Your Company also publishes its Quarterly Hindi magazine "Rajbhasha Sahyog" to promote Hindi language. During the year "Compilation of Bilingual Forms and standard drafts" has been prepared and hosted on GAIL intranet for the benefit of the employees.

The 19th ***'GAIL Rajbhasha Sammelan'*** was organized on 04th January, 2019 at Mysuru (Karnataka), chaired by Director (HR). The purpose was to spread and propagate the essence of Hindi and simultaneously review the progress made on the implementation of the official language in the Company.

Your Company was awarded third Prize for the year 2018-19 by the Ministry of Petroleum & Natural Gas for Promoting & Implementing Official Language successfully.

The First Sub-Committee of Committee of Parliament on Official Language inspected GAIL, Khera Compressor Station and GAIL Corporate office to review the steps undertaken to promote the official language and the efforts were appreciated by the Parliamentary Committee.

Vishwa Hindi Divas was celebrated across GAIL on 10th January, 2019. To mark the occasion, a special workshop was organised indicating the importance of Official Language. Hindi books were also distributed to employees.

Sexual Harassment of Women at Workplace

Your Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. number of complaints pending at the beginning of the financial year : Nil
b. number of complaints filed during the financial year : Nil
c. number of complaints disposed of during the financial year : NA
d. number of complaints pending as on end of the financial year : Nil

Procurement from Micro and Small Enterprises (MSEs)

The Government of India has notified a Public Procurement Policy for Micro and Small Enterprises (MSEs), Order 2012 and its amendments thereof.

In terms of the said policy, out of the total eligible value of annual procurement of approx. ₹ 5,677 crore for GAIL towards goods produced and services rendered by MSEs (including MSEs owned by SC/ST Entrepreneur) during the FY 2018-19 the value of total procurement made from MSEs by GAIL was ₹ 1,662 crore, which is approx. 29.27%.

Further, more than 16 Vendor Development Program for MSEs and 6 Special Vendor Development Program/ Hand Holding Session especially for MSEs owned by SC/ST Entrepreneurs were conducted.

GAIL is already registered on Trade Receivable e-Discounting System (TReDS) portal of all the three service providers (i.e. M/s Mynd Solutions, M/s A TReDS and M/s RXIL) and also making payment to MSEs vendors through TReDS).

A. Initiatives taken for minimizing disputes

In order to develop Good stakeholder management practices w.r.t. vendors/contractors and establish a lasting buyer-seller relationship, GAIL (India) Limited has implemented a series of industry first measures:-

1.0 Samadhan mechanism:-

a) **Health Monitoring of contracts (HMC):** Measuring health of contract against certain parameters. The issues (including AHR items, Extra Items, Time Extension, Hindrance, disputes etc.) identified during monthly health monitoring of contracts are reported and **resolved** by the Engineer-In-Charge (EIC).

b) **SAMADHAN Committee-** The issues that are unresolved by the EIC are referred to a high power committee to resolve. The committee hears the view point of both contractor and EIC before giving a recommendation.

c) Monitoring the closure of issues raised in exceptional reporting on a quarterly basis via **Quarterly Closure of Contracts**

The Samadhan Mechanism has potential to prevent disputes escalate into Arbitration/Litigation and delayed execution.

2.0 Engineer-in-charge coaching programme

In order reduce the disputes it is important to make the Engineer-in-Charges (EICs) aware on various aspects of contract and its management so as to



Shri B C Tripathi, CMD, GAIL welcoming Hon'ble Prime Minister Shri Narendra Modi on the occasion of the launch of the commencement of work for Talcher Fertilizers Limited (TFL), in the presence of Hon'ble Governor, Odisha, Prof. Ganeshi Lal, Hon'ble Chief Minister, Odisha, Shri Naveen Patnaik, Hon'ble Minister of Petroleum & Natural Gas and Steel Shri Dharmendra Pradhan, the then Hon'ble Minister of Tribal Affairs Shri Jual Oram and a host of other dignitaries.



Shri Dharmendra Pradhan, Hon'ble Minister of Petroleum & Natural Gas and Steel inaugurating GAIL's stall in Petrotech 2019 in the presence of Dr M M Kutty, Secretary, Ministry of Petroleum & Natural Gas, Shri B C Tripathi, CMD and other dignitaries

make them better equipped to deal with different situations that may arise during the execution of the contracts. This internal capability enhancement programme is conducted in GAIL on a regular basis.

3.0 Vendor coaching programme

Vendor Coaching Program are being organized for vendors to make EICs aware about this mechanism along with other objective such as eliminate the gaps in understanding, inform the consequences of Corrupt/ Fraudulent/ Collusive /Coercive Practices and reduce the disputes, disagreements, arbitrations, etc.

4.0 Pre-tender conference (PTC)

In PTC, all issues pertaining to scope, specifications, design details/data, specific requirements, if any, etc. shall be open for discussion, except for commercial terms and conditions of tendering process, which may of course be opened for discussions to some extent with prior approval. A dedicated portal showing details of Pre-Tender Conference has been hosted on **GAIL** tenders website

B. Initiatives for ease of doing business

GAIL endeavors to procure material or services following transparent procedure and guidelines & policies of the company and Govt. of India. In order to provide equal opportunities and generate competition and ease of doing business, GAIL has taken following steps:

1. Review of CPBG in Work Contracts & time period for submission of CPBG
2. Review of Procedure for Vendor Performance Evaluation (Yellow/ Red Card)
3. Introduction of Percentage tendering in other Services/ Works
4. Revised Dispute Resolution Mechanism clause
5. Provision for submission of security deposit/ contract performance guarantee & EMD through additional mode- online bank transaction
6. Relaxation of Prior Experience-Prior Turnover Criteria Norms for Startups
7. Policy guidelines to encourage development of indigenous sources on continuous basis
8. General Conditions of Contract for Services
9. Verification and certification of documents pertaining to bid evaluation criteria (BEC)
10. Rationalization of Mobilization Advance
11. Provision for Pradhan Mantri Suraksha BimaYojna (PMSBY) And Pradhan MantriJeewan Jyoti BimaYojana
12. DO'S & DON'T'S: Do and Don't for Contractor published and circulated all sites.
13. Introduced a comprehensive policy to promote procurement from Government e Marketplace (GeM), which is an online procurement portal providing access to a host of products and services.
14. Registration on the TReDS platform of all the three service providers i.e. M/s RXIL, M/s Mynd Solution and M/s Invoicemart.

MoU Performance

A Memorandum of Understanding (MoU) is signed every year between your Company and its administrative ministry i.e. MoP&NG, through which performance targets for the year are set.

Your Company achieved **'Excellent'** MoU rating for the financial year 2017-18 with a score of 92.76.

MoU for the year 2018-19 was signed between Chairman & Managing Director, GAIL and Secretary (P&NG), Government of India on 5th June, 2018.

In 2018-19 GAIL's MoU was majorly aligned towards achieving GOI's vision of making India a gas-based economy. The thrust while fixing MoU targets was on increasing the number of PNG connections and CNG stations while other critical aspects of the MoU included key financial parameters, gas marketing, gas transmission, project implementation, capital expenditure etc.

The evaluation of MoU 2018-19 is under progress and the final evaluated MoU score and rating is expected to be announced by December 2019.

Right to Information(RTI)

In order to promote transparency and accountability, an appropriate mechanism has been set up across the Company in line with the provisions of the Right to Information Act, 2005. Your Company has nominated CPIO/ACPIOs/ Appellate Authorities at its units/offices across the Company to provide information to citizens under the provisions of the RTI Act.

Your Company has hosted RTI Guidelines and related information on its site and these may be accessed at http://www.gailonline.com/final_site/RTI.html Besides, MIS Report on RTI Applications, Record Retention Schedule and latest RTI Audit Report have also been hosted under the same link.

Section 4(1) (b) of the RTI Act, 2005 lays down the information which should be disclosed by any Public Authorities on a suo-motu or proactive basis. Section 4(2) and Section 4(3) of the Act, prescribes the method of dissemination of this information. Accordingly, keeping in view the purpose of suo-motu disclosures under Section-4 of the Act, GAIL's Corporate RTI Cell has hosted a dedicated page on GAIL's website, through which large amount of information in the public domain on proactive basis is placed. This is being done to make the functioning of your Company more transparent and reduce the need for filing individual RTI applications.

Further, your Company has been made 'LIVE' on the Govt. of India's-DoPT Online RTI Portal from July, 2016 and ever since, we are providing information Online, apart from providing the requested information offline.

For the Financial Year 2018-19, GAIL's Corporate RTI Cell has 100% disposal rate in respect of RTI Applications received. As on 31st March, 2019, we had a pendency of 23 RTI Applications, which were disposed-off subsequently within time schedule/as per the provisions of the RTI Statute. Further, your Company has received 'NIL' penalty/adverse remarks from Central Information Commission for the year 2018-19 in respect of second Appeals filed by Appellants.

Management's Discussion and Analysis

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and clause 7.5 of DPE Guidelines on Corporate Governance, the detailed Management's Discussion and Analysis forms part of this report at **Annexure-A.**

Corporate Governance

Your Company believes that good corporate governance plays a critical role in establishing a positive organizational culture.It is evident by responsibility, accountability, consistency, fairness and transparency towards our stakeholders. Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015and DPE guidelines on Corporate Governance, a report on Corporate Governance forms part of this Report at **Annexure- B.**

The details of the meetings of the Board, Company's policy on Directors' appointment and their remuneration, details of establishment of whistle blower mechanism and other matters, etc. forms part of report on Corporate Governance.



Shri B C Tripathi, CMD, Dr. Ashutosh Karnatak, Director (Projects), Shri P K Gupta, Director (HR), Shri Gajendra Singh, Director (Marketing), Shri Manoj Jain, Director (Business Development), Smt. Suchitra Sharma, CVO, GAIL flag off 'Hawa Badle Hum' campaign for creating awareness against Air Pollution

There are no significant and material orders passed by the regulators or Courts or tribunals impacting the going concern status and the Company's operations in future.

The statutory auditors of the Company have examined and certified your Company's compliance with respect to conditions enumerated in SEBI (LODR) Regulations, 2015 and DPE guidelines on Corporate Governance. The certificate forms a part of this Report at **Annexure- C.**

Auditors

- **Statutory Auditors**

  The statutory auditor of your Company is appointed by Comptroller & Auditor General of India (CAG). M/s O P Bagla & Co. LLP, Chartered Accountants, New Delhi and M/s ASA Associates LLP, Chartered Accountants, New Delhi were appointed as Joint Statutory Auditors of your Company for the FY 2018-19.

  Review and Comments of CAG, if any, on the Company's Financial Statements for the financial year ending March 31st, 2019, form part of Financial Statement. Notes on Financial Statement referred to in the Auditors' Report are self-explanatory.

There are no qualifications on the financial statements by the statutory auditors for FY 2018-19.

- **Cost Auditors**

  Your Company has appointed M/s Ramanath Iyer & Co., New Delhi for Northern Region , M/s Bandyopadhyaya Bhaumik & Co., Kolkata for Northern and Eastern Region , M/s A C Dutta & Co., Kolkata for Southern Region, M/s Musib& Company, Mumbai for Western Region Part-I, M/s N.D Birla & Co., Ahmedabad for Western Region Part-II and M/s Sanjay Gupta & Associates, New Delhi for Central Region as cost auditors for FY 2018-19. M/s Ramanath Iyer & Co. is the lead cost auditor.

  Your Company is maintaining cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and Rule 8(5)(ix) of the Companies (Accounts) Amendment Rules, 2018.

  Cost audit reports for the financial year ended March 31st, 2018 were filed with Registrar of Companies on August 24th, 2018.

- **Internal Auditor**

  Your Company has an in-house Internal Audit Department, which is headed by Executive Director.

- **Secretarial Auditor**

  Your Company has appointed M/s Agarwal S. & Associates as secretarial auditors for 2018-19. Secretarial Audit Report confirming compliance by Practicing Company Secretary to the applicable provisions of the Companies Act, 2013, SEBI LODR Regulations, 2015 and other applicable laws, forms part of this Report at **Annexure-D.** Pursuant to SEBI Circular Number CIR/CFD/CMD1/27/2019 dated 08.02.2019, Annual Secretarial Compliance Report is also attached as **Annexure-E**

  The observation made by Secretarial Auditor and Company's response to the observations is as under:-

  Observation No. 1 : Non-compliance of Regulation 17 (10) & 25 (4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has not carried out the performance evaluation of the directors.

  Company's Response: GAIL is a Government Company, appointment/ nomination of all the Directors including Independent Directors are being done by the President of India, through the MoP&NG, Government of India. Therefore, performance evaluation of individual Directors including Independent Directors is to be undertaken by Government of India being the appointing authority.

  In this regard, MCA vide notification dated 5th June, 2015 & 5th July, 2017 has exempted Government Companies from applicability of the following provisions:

- Section 134 (3)(p) and 178 (2) of the Companies Act, 2013 &
- Sub-Para (2) and (7) of Para II, Para IV, Para V, clauses (a) and (b) of sub- Para (3) of Para VII and Para VIII of Schedule IV (Code for Independent Directors) respectively.

  In this regard, SEBI has been approached for similar exemption is awaited from the provisions of SEBI LODR Regulations 2015 relating to Performance Evaluation of Board and its directors in line with exemptions granted to Government Companies in the Companies Act, 2013.

  Observation No. 2: In terms of Regulation 17(1) of SEBI (LODR) 2015 the Company should have the requisite number of Independent Directors on the Board of Company during the period from 05.06.2018 to 05.08.2018.



Shri Dharmendra Pradhan, Hon'ble Minister of Petroleum & Natural Gas and Steel launched online portal for Common Carrier Capacity booking on GAIL's pipelines in the presence of Shri D K Sarraf, Chairperson, PNGRB, Shri B C Tripathi, CMD, GAIL, Shri Gajendra Singh, Director (Marketing), GAIL, Shri Ashish Chatterjee, Joint Secretary, MoPNG and other dignitaries from Ministry and Regulatory Board

Company's Response: During the year, GAIL's Board had an optimum combination of executive and non-executive directors on the Board from 01.04.2018 to 04.06.2018 & 06.08.2018 to till date. However the position of an independent Director on the Board of the Company was vacant from 05.06.2018 to 05.08.2018.

GAIL is a Government Company and falls under the administrative control of the Ministry of Petroleum and Natural Gas, Government of India. The Directors are nominated/appointed by the Government of India. The Company has continuously pursued with the Government of India for the appointment of requisite number of Independent Directors on its Board during the vacant period in order to comply with the provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 & the Companies Act, 2013. The vacant position was filled up on 06.08.2018 consequent upon the appointment of Smt. Banto Devi Kataria as Independent Director.

Performance Evaluation

As per notification dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government of India, Government Companies are exempted from complying with the provisions of section 134(3)(p) of the Companies Act, 2013 with respect to performance evaluation of Board and its Committees.

Corporate Social Responsibility

Your Company firmly believes that the commitment towards playing a defining role in the development of its stakeholders extends to uplifting lives of the marginalised segments of the society, living in and around its areas of operation. The principles of Corporate Social Responsibility (CSR) are deeply imbibed in your company's corporate culture. To amplify outreach efforts, your Company has incurred an expenditure of 2.74% of the average net profit of the preceding three years on CSR projects/activities during FY 2018-19 (₹119.29 Crore) exceeding the government mandated 2% (₹ 87.21 crores).

Annual Report on CSR activities as required under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 read with section 134(3) and 135(2) of the Companies Act, 2013 is placed at **Annexure-F.**

Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo

As per requirement of 134 (3)(m) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, details of conservation of energy and technology absorption and foreign exchange earnings and outgo forms part of this report at **Annexure-G**

Particulars of contracts or arrangements with related parties

As per requirement of 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 particulars of contracts or arrangements with related parties as referred in section 188(1) of the Companies Act, 2013 in the prescribed form AOC-2 is placed at **Annexure-H.**

Your Company has formulated the policy on dealing with Related Party Transactions and the same is hosted on your Company's website at http://gailonline.com/pdf/InvestorsZone/GAIL_Related_Party_Transaction_Policy.pdf.

Particulars of Employees

As per provisions of section 197(12) of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed Company is required to disclose the ratio of the remuneration of each director to the median employee's remuneration etc., in



Ceremonial vending of CNG to the 1st auto in Patna by Shri B C Tripathi, CMD

the Directors' Report. In terms of the provisions of section 197(12) of the Companies Act, 2013, read with the Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every Company is required to give a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules in the Annual Report.

However, as per notification dated June 5, 2015 issued by the Ministry of Corporate Affairs, Government of India, Government Companies are exempted from complying with provisions of section 197 of the Companies Act, 2013. As your Company is a Government Company, such particulars have not been included as part of the Directors' Report.

Extract of Annual Return

Extract of Annual Return forms part of this Report at **Annexure-I.** The Extract of Annual Return for the Financial Year ended 31st March 2019 is also available on the Company's website www.gailonline.com

Dividend Distribution Policy

As per Regulation 43A of the SEBI LODR Regulation, 2015, your Company has formulated a Dividend Distribution Policy. The dividend pay-out is in accordance with the Company's Dividend Distribution Policy.

The Dividend Distribution Policy of the Company is available on the Company's website, at http://gailonline.com/pdf/InvestorsZone/GAIL%20Dividend%20Distribution%20Policy.pdf.

Issue of Shares and Fixed Deposits

In Financial Year 2018-19, there was no issue or buyback of shares.

However, your company has issued bonus share in the ratio of one equity share for every one equity share held in the month of July 2019. Consequent upon issue of bonus shares, share capital has increased to ₹ 4510.14 crore.

Your Company has not accepted any fixed deposits during the financial year 2018-19 and, as such, no amount of principal or interest was outstanding as on the balance sheet date.

Fund Raising

During FY 2018-19, your Company has not raised funds through preferential allotment or qualified institutions placement.

Foreign Exchange Earnings and Outgo

During FY 2018-19, Foreign exchange inflow was ₹ 14,805 crore and foreign currency outgo was ₹ 29,869 crore.

Key Managerial Personnel and Directors

The following Key Managerial Personnel (KMP) were appointed/re-appointed on the Board of your Company:

- Shri Manoj Jain, Director (Business Development) was appointed w.e.f June 05th, 2018.
- Shri Anjani Kumar Tiwari, Director (Finance) was appointed w.e.f December 01st, 2018 (from the date of obtaining DIN).
- The tenure of Dr. Ashutosh Karnatak as Director (Projects) was extended for a period beyond 01.03.2019 till 30.06.2020 i.e the date of his superannuation by Ministry of Petroleum & Natural Gas.

The following were appointed/re-appointed on the Board of your Company as Director(s):

- Smt. Banto Devi Kataria, Independent Director was appointed w.e.f August 06th, 2018 (from the date of obtaining DIN).
- Shri Anupam Kulshreshta, Shri Sanjay Tandon and Shri S.K. Srivastava, Independent Directors were re-appointed w.e.f November 19, 2018 for a period of one year from the date of completion of their exiting tenure i.e., 19.11.2018 or until further orders, whichever is earlier.
- Shri Ashutosh Jindal, Government Nominee Director was appointed w.e.f. May 27th, 2019.

The Board placed on record its deep appreciation for the valuable services rendered by Shri Subir Purkayastha and Smt. Indrani Kaushal during their association with your Company.

Code of Conduct

Pursuant to the requirements of SEBI LODR Regulations, 2015 and DPE Guidelines on Corporate Governance, the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ending 31st March, 2019.

Directors Responsibility Statement

Yours Directors confirm that they have:

i) followed applicable accounting standards, alongwith proper explanation relating to material departures, in the preparation of the annual accounts for the financial year ending March 31st, 2019;

ii) selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;

iii) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) prepared the annual accounts for the financial year ended March 31st, 2019 on a going concern basis;

v) devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively; and

vi) laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.

Acknowledgment

Your Directors express their gratitude for help, guidance and support received from the Government of India, especially the Ministry of Petroleum and Natural Gas, various state governments, regulatory and statutory authorities.

Your Directors acknowledge wise counsel received from Statutory Auditors and CAG and are grateful for their consistent support and co-operation.

Your Directors also wish to thank all the shareowners, business partners and members of the GAIL family for reposing their faith, trust and confidence in your Company.

On behalf of your Directors, I would like to place on record our deep appreciation for the hard work, dedication, commitment and solidarity of your Company's employees.

Your Directors and employees look forward to the future with confidence and stand committed towards creating a mutually rewarding future for all stakeholders.

For and on behalf of the Board



B.C. Tripathi
Chairman & Managing Director
(DIN: 01657366)

Place: New Delhi
Dated: 08th July, 2019



Management Discussion & Analysis

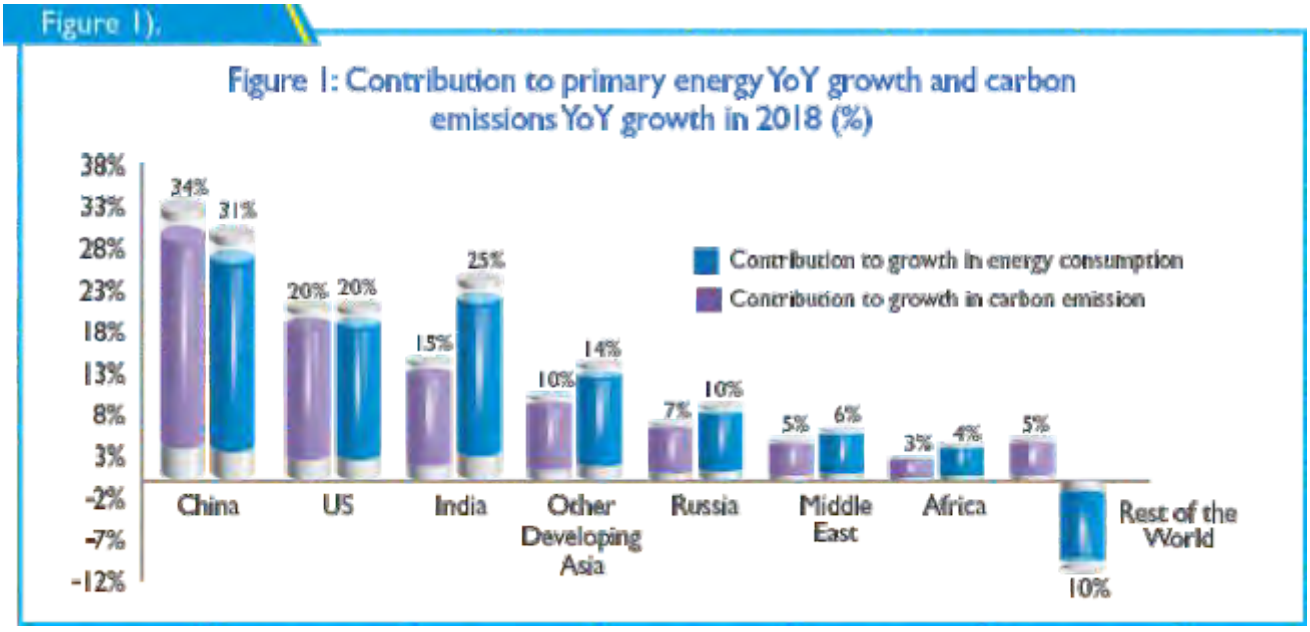
MANAGEMENT DISCUSSION AND ANALYSIS

ANNEXURE - A

1. ENERGY SECTOR: GLOBAL & DOMESTIC OUTLOOK

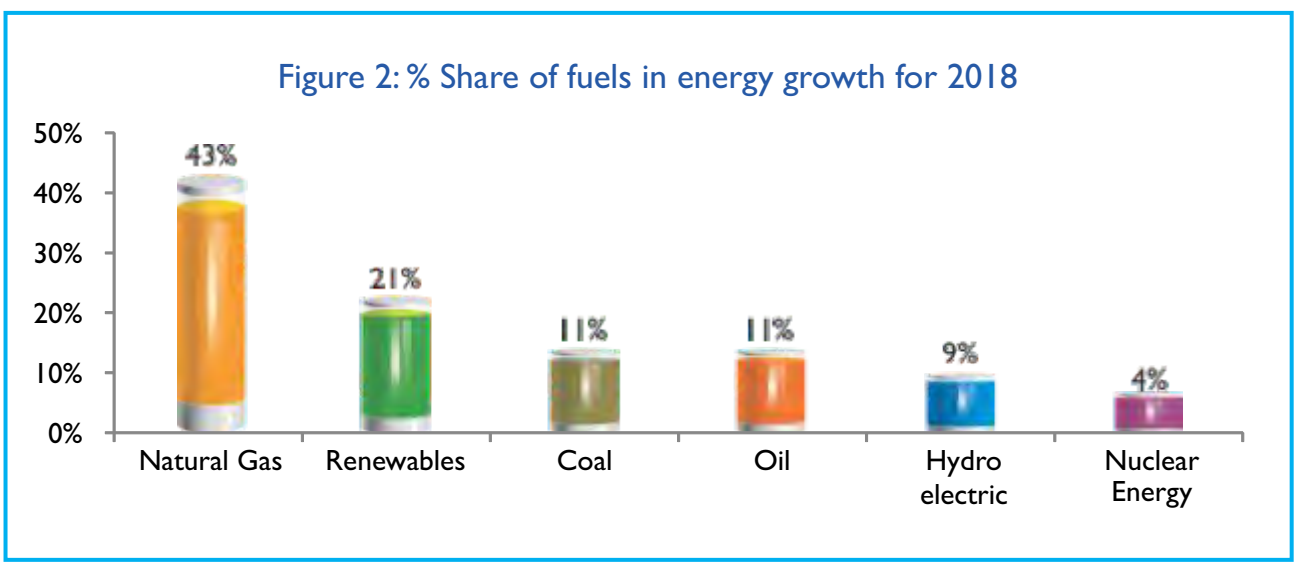
As per recent global reviews, energy consumption in the world grew by around 3% in the year 2018 as compared to 2017. This has been one of the highest yearly growth since year 1990. This growth was largely driven by additional energy consumption in China, US and India which together accounted for around two-thirds of the growth. Energy consumption growth also echoed across all the primary fuels – renewable energy, gas, oil and even coal. Most of the primary fuels grew more intensely compared to their historical averages. On the other side, carbon emissions from energy use also increased sharply by around 650 million tonnes, a YoY growth rate of 2%, highest in last seven years. Most of the regions contributing to high growth in energy consumption also contributed to high growth in carbon emission while few regions like Europe showed reduction in carbon emissions compared to last year indicating their move towards cleaner fuel mix (Refer Figure 1).

Figure 1).



Source : BP Statistical Review of World Energy 2019

Gas contributed to around 43% in overall energy growth in the world followed by Renewables. 2018 was a windfall year for natural gas, with both global consumption and production increasing by over 5%, one of the highest growth for both gas consumption as well as supply in last 30 years (Refer figure 2 for fuel wise share). USA became the major contributor for growth in gas, accounting for almost 40% of global demand growth and over 45% of the increase in production while gas consumption in China grew by 18% compared to last year. China's gas demand was largely an outcome of their continued environmental policies encouraging coal-to-gas switching in both industries and buildings in order to reduce pollution in cities while continuing industrial growth.



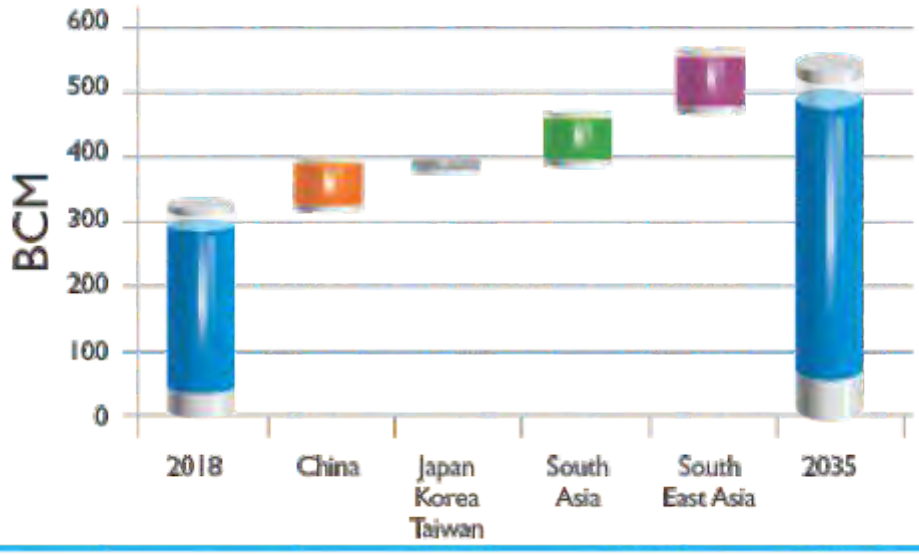
Source : BP Statistical Review of World Energy 2019

LNG Industry

LNG trade grew over 9% in 2018 with increased supply from US and growing consumption in European and Asian markets. Further, LNG imports by China grew by approx. 40% in the year 2018. The growth in India's gas consumption was brought almost entirely by LNG as domestic gas output remained stagnant, According to Shell LNG Outlook 2019, the number of LNG importing countries continues to increase, reaching 42 in 2018, with Panama and Bangladesh turning to LNG imports to meet their energy requirement. Also according to the same report, the average length of new LNG supply contracts doubled from around six years in 2017 to about 13 years in 2018. According to GIIGNL Annual Report 2019, total volume of over 30 Mtpa was contracted under mid-term/long-term (above 4 years of contract) LNG as compared to around 20 Mtpa in 2017. These developments indicate improved long-term health for the global LNG market.

According to Shell LNG Outlook 2019, gas will cater to over 40% of additional energy demand i.e. the largest share of energy growth by 2035. Within gas, LNG is expected to be the fastest-growing supply source, with an expected compound annual growth rate of 4% till 2035. It is expected that growth in LNG demand will continue around the world, led by Asia and Europe. Refer Figure 3 for growth in LNG demand in Asia.

Figure 3: Asia LNG Demand at 3% CAGR in Billion Cubic Meter (BCM)

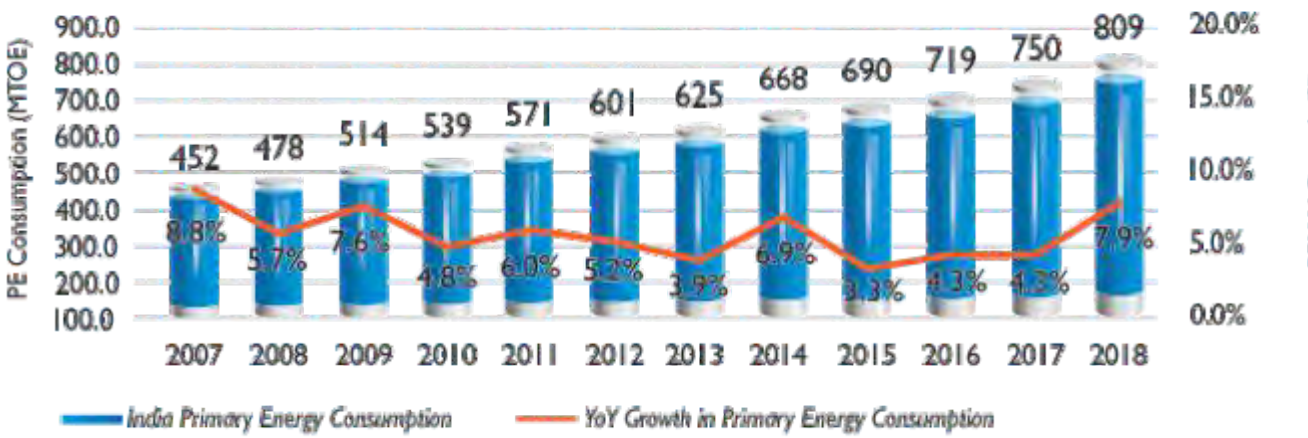


Source: Shell LNG Outlook 2019

India Energy Consumption:

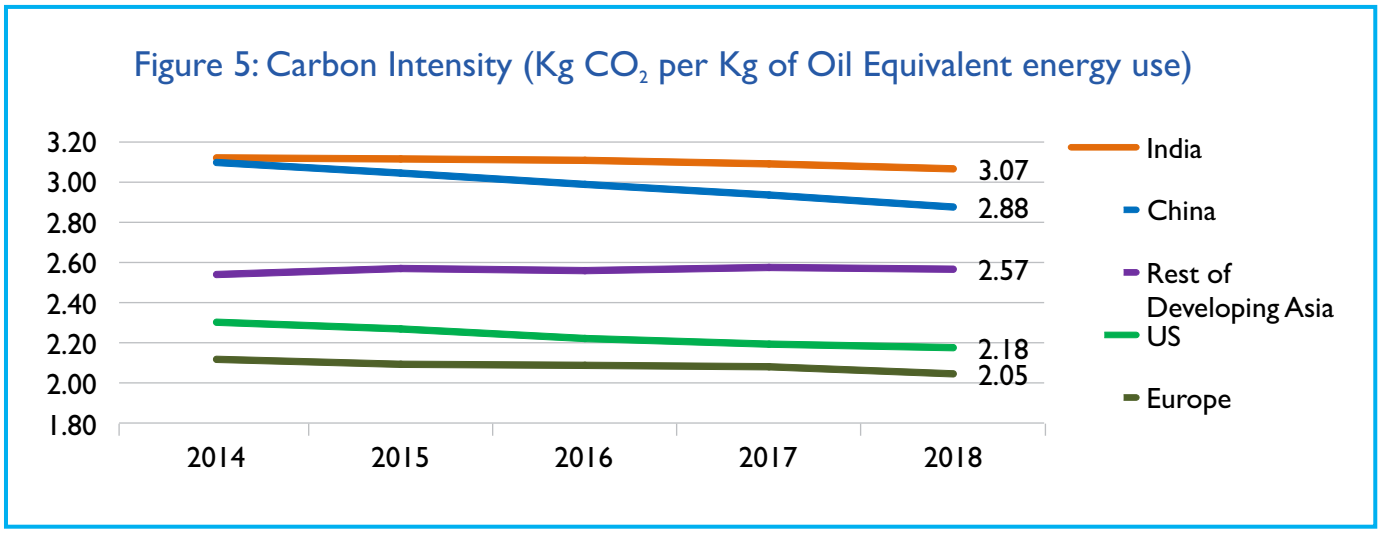
With a yearly growth rate of 8% in 2018 over 2017, the highest in last 11 years, India's energy consumption growth doubled in 2018 as compared to 2017. Growth in Renewables stood highest at 27% followed by coal and gas at 8.7% and 8.1% respectively. Coal has made a strong comeback with highest ever absolute increase of over 36 MTOE.

Figure 4: India Primary Energy (PE) Consumption in MTOE and YoY Growth %



Source : BP Statistical Review of World Energy 2019

India's increased consumption was accompanied by increased carbon emission as well. Carbon intensity of energy i.e. Kg CO_2 emitted per Kg of oil equivalent energy use in major energy consuming regions is shown in Figure 5. In 2014, both China and India had the similar carbon intensity of energy but with continued interventions by Govt. of China like addition of renewable capacities, coal to gas switching, electrification of transport etc. China has been quite successful in reducing carbon emissions. Although, Govt. of India is also pushing use of renewables and electrification of transport to reduce carbon emissions and urban pollution, but additional all-round efforts are also needed to encourage switching from polluting fuels like coal, petcoke, fuel oil to cleaner fuel alternatives to form a cleaner primary energy mix.



Source : BP Statistical Review of World Energy 2019

As per Company's analysis, Gas sector in India has significant demand potential. For instance, gas consumption in industries and refineries can touch 65MMSCMD and 80MMSCMD respectively. Power, the anchor consumer segment, which only consumed 33 MMSCMD in 2018, has a demand potential of over 100 MMSCMD without any additional investments as around 25 GW of power generation capacity already exists. Indian power sector alone has the potential to save around 120 million tonnes of CO_2 emission per year (i.e. 5% of India's total CO_2 emission) if opted to switch from coal to gas. Further, with addition of Renewable Energy capacities, gas based power can play a major role for balancing the intermittencies in the grid.

In 2016, Environment Pollution Control and Prevention Authority (EPCA) for NCR mandated use of acceptable fuels (out of which natural gas was one) in Delhi NCR region for air pollution control. With similar policies to push gas usage across sectors especially where gas is used for energy purpose, gradual movement towards increasing gas share in energy mix is possible, leading to an overall cleaner energy mix.

(Source: BP Statistical Review of World Energy 2019;GIIGNL Annual Report 2019; Shell LNG Outlook 2019)

(All years mentioned in this section refer to Calendar Year and not Financial Year)

2. GAIL PERFORMANCE – DOMESTIC & OVERSEAS

2.1 Operational Performance

Your Company, on standalone basis, registered an all-round physical growth in the FY 2018-19 as compared to FY 2017-18 adding significantly to the top-line and bottom-line of the Company:

Particulars	UoM	2018-19		2017-18	
		Quantity	Total Revenue* Rs. Cr	Quantity	Total Revenue* Rs. Cr
Natural Gas Throughput	MMSCMD	107.43	5,779	105.23	4,974
Natural Gas Trading	MMSCMD	96.93	61,338	85.01	41,096
Liquid Hydrocarbon Sales	TMT	1,329	5,083	1,276	4,330
Polymers Sales	TMT	735	6,704	674	5,855
LPG Transported	TMT	3,975	624	3,721	565

*including intersegment sales.

➢ NG Marketing

Your Company holds around 59% market share in India's gas marketing business.

Natural gas trading continues to be one of the primary focus areas of your Company. During FY 2018-19, Natural Gas sales by GAIL totalled 96.93 MMSCMD, with sales within India being 86.39 MMSCMD.

Out of 86.39 MMSCMD gas sold in India, domestic gas contributed around 61% and balance 39% was serviced by GAIL through imported long-term, mid-term and spot LNG volumes. Major consumers of natural gas include power plants, gas-based fertilizer plants, City Gas Distribution (CGD networks), LPG extraction plants, Petrochemicals and other industrial sectors.

Sector-wise details are as below:

Fertilizer Sector: Your Company markets gas for around 75% of the fertilizers produced in the country. Your Company has firmed up Gas Supply Agreements with upcoming fertilizer plants for about 12 MMSCMD volume. The gas supply to one of the new brown field fertilizer plant started during FY 2018-19.

Power Sector: Your Company markets gas for 69% of the Natural Gas based power produced in the country. Consequent to the expiry of the PSDF Scheme of Ministry of Power for the gas based power sector in March 2017, GAIL continues to explore opportunities for supply of natural gas to gas based power generation units at affordable prices and is currently supplying around 4.5 MMSCMD of RLNG in addition to domestic gas to power plants.

City Gas Distribution: Your Company has been authorized to supply domestic gas to all CGD networks for the purpose of CNG (transport) and PNG (Domestic). GAIL is currently supplying approx. 13.2 MMSCMD of domestic gas to the CGD sector and is catering to



Shri B C Tripathi, CMD (3rd from right), Shri Gajendra Singh, Director (Marketing) (2nd from right), Shri A K Tiwari, Director (Finance) (4th from right) and other Senior officials addressing the Investors and Analysts Meet 2019

29 CGD entities, covering 78 Geographical Areas (GAs). In addition your Company is also supplying approx. 1.5 MMSCMD of RLNG to CGD entities.

Further, through the 9th and 10th bidding rounds, PNGRB has awarded additional 136 GAs and domestic gas supplies will be started as and when these GAs are ready to consume natural gas.

➢ Transmission

Natural Gas Transmission

Your Company owns and operates a network of around 12,200 km of natural gas high pressure trunk pipeline. The average gas transmission volume during the year 2018-19 was 107.43 MMSCMD, compared to 105.23 MMSCMD in the previous financial year.

LPG Transmission

Your Company owns and operates 2,038 km of exclusive pipelines for LPG transmission for third-party usage across two major networks. Jamnagar-Loni Pipeline (JLPL) and the Vizag-Secunderabad Pipeline (VSPL) together achieved a throughput of 3.97 MMTPA during the year against 3.72 MMTPA in the previous financial year.

➢ Petrochemicals

Your Company has already doubled the polymer production capacity from 410 Kilo Tons per annum (KTA) to 810 KTA at Pata. Your Company's Petrochemical subsidiary (70% equity holding by GAIL), Brahmaputra Cracker & Polymer Limited (BCPL) has a capacity of 280 KTA. The marketing right of the BCPL plant is with your Company taking the total marketing portfolio to 1,090 KTA. Further, your Company has a joint venture with ONGC and GSPC i.e. ONGC Petro- Additions Limited (OPAL) with a 1,400KTA capacity plant at Dahej. Overall production from the Pata Petrochemicals complex in 2018-19 was 751KTA. Your Company exported 110 KTA of polymers to Asian markets. Your Company's market share in the domestic polyethylene market has been maintained and is the second largest player in the Indian market with a portfolio of over 1,000 KTA of polyethylene. Your Company and BCPL together have a combined production share of 21.4% of the High Density and Liner Low Density Polyethylene market in the country. A combined volume of approx. 1000 KTA of polymers including that of BCPL was marketed by GAIL during the year.

BCPL has achieved 100% capacity utilization in FY 2018-19 registering a positive EBIDTA of Rs. 418 crore and maiden net profit of Rs. 69 crore since its commissioning in the year 2016.

➢ LPG and Other Liquid Hydrocarbons (LHC)

Your Company has 5 LHC plants at four locations in the country having production capacity of 1.4 Million MTPA. In 2018-19, total liquid hydrocarbon production was about 1.32 Million MT, 90% of which comprised of LPG and Propane.

➢ Exploration & Production

GAIL has participating interest in eleven E&P blocks and holds acreage of 2,425 sq. km as per its Participation Interest (P.I.) in various consortiums.

GAIL's capital spending on key projects and capability building in E&P activities has put the Company significantly ahead in Cambay basin in terms of discoveries and commercial developments. The Company revisited the capital allocation plan for FY 2018-19 so as to undertake projects which are economically viable, have low risk and commensurate potential and as a result has successfully acquired one OALP-I block in Cambay basin with 100% Participation Interest.

During FY 2018-19, activity remained focused upon appraisal of oil discoveries in Cambay Basin with the objective of advancing these discoveries to development.

In our overseas assets in Myanmar, where we have participating interest, namely A-1 & A-3 Blocks, Phase-I development has been completed and activities for Phase-II development have been started.

➢ Renewable Energy

Your Company is committed to reduce carbon emission and implement renewable projects. Your Company has a total installed capacity of 128.71 MW of alternative energy; out of which 117.95 MW are wind energy projects and 10.76 MWp is solar energy projects. Your Company is implementing 1.8 MWp captive Solar PV project at Vijaipur unit in Madhya Pradesh. The power generated from the plant will substitute power drawn from the grid which will help in cost reduction and also reducing the carbon footprints.

Further, roof-top solar units are also being installed at your Company's offices/ work centers for captive use.



Shri A K Tiwari, Director (Finance) addressing the Bankers' at the Bankers' Meet 2018, along with other Senior officials

➢ **City Gas Distribution**

Your Company (including group companies) is currently authorized to operate in 62 number of Geographical Areas through-out India including metro cities of Delhi, Mumbai, Hyderabad, Bengaluru, Kolkata etc. These CGD networks together cater to around 62% of total 50 lakh domestic PNG connections in the country. Out of the total 1,730 CNG stations in the country, your Company's group operates 1,114 CNG stations representing 64% share. This year registered record addition of 6.83 lakh household PNG connections and 225 CNG stations.

Your Company was authorized to take up CGD projects in six cities as part of URJA Ganga project namely, Varanasi, Bhubaneshwar, Cuttack, Patna, Ranchi and Jamshedpur. Supply of gas through pipeline and cascades has commenced in Varanasi, Bhubaneswar, Cuttack and Patna during the financial year 2018-19.

Your Company is executing the CGD project in Kolkata through Bengal Gas Company Limited, a JV of GAIL.

GAIL Gas Limited (a wholly owned subsidiary of GAIL)along with its JVs is executing and operating CGD (City Gas Distribution) projects in 11 GAs, including Bengaluru.

In Bengaluru, during FY 2018-19, 10 CNG stations were set up and 46,751 domestic PNG connections were achieved, thereby completing the minimum work program of the Bengaluru CGD project ahead of schedule. The Bengaluru CGD project has seen a four-fold increase in turnover from Rs.37 crore in FY2017-18 to Rs.151 crore in FY2018-19.

During FY 2018-19, GAIL Gas along with its JV companies has achieved around 1.21 lakh domestic PNG connections, which is the highest number ever achieved by GAIL Gas since its formation. During the same period, GAIL Gas along with its JV companies has also set up 37 CNG stations.

In addition to CNG & domestic customers, GAIL Gas has also added over 83 Industrial customers and 70 commercial customers across all its GAs in FY 2018-19.

2.2 Financial Performance

➢ **Capex**

Your Company's capex plan, especially in the pipeline segment is progressing well. Your Company made a capex of Rs 8,349 crore (including equity contribution to subsidiary and JV) during the FY 2018-19 as against a capex of Rs. 4,080 crore in the FY 2017-18.

➢ **Profitability**

The Turnover in FY 2018-19 increased by 39% to Rs. 74,808 crore against Rs. 53,690 crore in the previous year. The PAT increased to Rs 6,026 crore in 2018-19 against Rs. 4,618 crore in the previous year, an increase of 30%. These are the highest ever Turnover and PAT reported by your Company in its entire history.

➢ **Shareholders' Funds**

The Reserves and Surplus (excluding Transition Reserve & Other Comprehensive Income) at the end of the FY 2018-19 stood at Rs36,882 crore as compared to Rs. 32,947 crore in the corresponding previous year. As on March 31st, 2019, net worth of the Company stood at Rs. 39,062 crore, as compared to Rs. 35,142 crore as on March 31st, 2018.

➢ **Debt and Interest**

Debt–Equity ratio as on March 31st, 2019 improved to 0.03 as compared to 0.06 as on March 31st, 2018. The Debt Service Coverage Ratio was 7 times as on March 31st, 2019 as against 3 times on March 31st, 2018. Further, the Interest Coverage Ratio was 66 times as on March 31st, 2019 as against 26 times on March 31st, 2018. This reflects the strong financial position of your Company and ability to take up new projects.

As against the total Foreign Currency Loans of Rs 501 crore outstanding as on March 31st, 2019, around 93.18% (i.e. Rs 466 crore) is hedged with financial derivatives such as full currency swaps or forwards and around 7% (i.e. Rs. 34 crore) is un-hedged.

Your Company has also repaid US$150 million loan of Syndicate of SMBC, DBS and Mizuho during FY 2018-19.

➢ **Ratio Analysis**

Return to Net Worth (PAT/Net Worth) for the Company as on March 31st, 2019 improved to 15.43% as compared to 13.14% as on March 31st, 2018.

Return on Capital Employed (PBIT/Capital Employed) increased to 18.07% in as compared to 15.38% in FY 2017-18.

Debtors Turnover (Net Credit Sales (i.e. Gross Turnover)/Average Trade Receivables) for the Company as on March 31st, 2019 stood at 16.39 as compared to 13.63 as on March 31st, 2018.

Inventory Turnover (Cost of Goods Sold/ Average Inventory) was 59.60 as on March 31st, 2018 as compared to 52.11 as on March 31st, 2018.

Current Ratio (Current Assets/ Current Liabilities) for the Company as on March 31st, 2019 stood at 1.10 as compared to 1.02 as on March 31st, 2018.

Operating Profit Margin (%) (Operating Income (Operating EBIT) / Revenue from Operations (Net)) for the Company as on March 31st, 2019 stood at 12.71 % as compared to 13.39% as on March 31st, 2018.

Net Profit Margin (%) (Profit after Tax (PAT) / Revenue from Operations (Net)) for the Company as on March 31st, 2019 stood at 8.02% as compared to 8.58% as on March 31st, 2018.

➢ **Market Capitalization**

Market capitalization of the Company increased from Rs 74,090 crore as on March 31st, 2018 to Rs 78,318 crore as on March 31st, 2019, indicating investors' sustained confidence in the long-term growth of your Company.

2.3 Company's Presence in the World Market

Your Company is constantly expanding its global presence through its participation in projects / ventures along the natural gas value chain. With the LNG portfolio of around 14 MMTPA from U.S, Qatar, Australia, etc. your company has emerged as one of the leading global LNG player and is actively involved in LNG trading business in the international market.

Your Company is part of a consortium in two offshore E&P blocks (A-1 & A-3) in Myanmar. Around 14 MMSCMD of gas is being produced from these blocks, and supplied to China through South East Asia Gas Pipeline Company Limited (SEAGP). Your Company is an equity partner in SEAGP . In addition, your Company has also opened a Branch Office in Myanmar to explore business opportunities in South East Asian region.

Your Company holds equity interest in two companies in Egypt, namely Fayum Gas Company (FGC) and National Gas Company (Natgas), the city gas distribution companies involved in the supply of natural gas to residential, commercial and small industrial customers in Egypt. The investment in Natgas was made through our Singapore subsidiary GGSPL. Political uncertainty in Egypt during 2011-12 affected all foreign investments in Egypt including GAIL's. However, over the last few years, the situation in Egypt has improved and these companies are making profits and have declared dividend for the (CY=Calender Year) CY 2018.

Your Company is also an equity partner in China Gas Holdings Limited (China Gas), a retail gas company involved in city gas and CNG business in China and listed in Hong Kong Stock Exchange. China Gas is performing well and paying dividend to your Company regularly.

Your Company is Govt. of India nominee in the Turkmenistan-Afghanistan-Pakistan-India (TAPI) natural gas project for import of gas to India from Turkmenistan. TAPI Pipeline Company Limited (TPCL) has been incorporated in Isle of Man to build, own, and operate the TAPI Pipeline. Pre- FID activities are in progress. The Front End Engineering Design (FEED) has been completed.

Since the signing of the TAPI Gas Sales and Purchase Agreement (GSPA) in May 2012, the global energy markets have undergone a sea change. This has led to oil & gas markets undergoing a massive shift, thereby affecting the marketability of the gas proposed to be sourced from Turkmenistan. Accordingly, efforts are underway between GAIL and Turkmengaz for arriving at mutually acceptable terms and conditions. MoP&NG under Govt. of India is monitoring the development of the Project.

3. FUTURE ROADMAP

3.1 Strategy

Your Company framed Strategy 2020 in the year 2011 and has been timely taking up the initiatives identified in the Strategy. In the journey, your Company achieved commendable milestones like commissioning of important gas pipelines, international gas sourcing contracts for enhancing energy security of India and expansion of petrochemicals capacity.

Now that we are nearing the end of decade, your Company has undertaken Strategy 2030 exercise to define the journey through next decade. The strategy has been developed with an objective of building a strong business portfolio and organization structure which is not only robust enough to respond to the fast changing business scenario but also unlocks growth opportunities for long term growth of the Company and in turn delivers long term value to stakeholders.



Shri A K Tiwari, Director (Finance) (sitting on left side) along with a Senior CFO at the 9th CFO Meet of Oil & Gas Industry

Your Company shall continue to grow its gas transmission business by laying important sections of National Gas Grid i.e. Jagdishpur-Haldia-Bokaro-Dhamra Pipeline, Kochi - Koottanad - Bangalore - Mangalore Pipeline Phase-II, Vijaipur Auraiya Pipeline, Barauni Guwahati Pipeline, North East Gas Grid (through Joint Venture company-Indradhanush Gas Grid Limited with IOCL, ONGC, OIL, NRL) aligning with Govt. priorities and by providing last mile connectivities.

To grow the gas market share, your Company shall be pushing for higher gas usage in the industrial segment, transport segment using CNG & LNG, trigeneration, etc., ensuring off take of envisaged additional domestic gas production and pacing up activities in the fast growing CGD sector through GAIL Gas and JVs. Your Company is the largest LNG portfolio holder in India having diverse price linkages and shall be looking to offer value and reliable supply to consumers by selling right mix in domestic and international geographies.

Your Company shall be exploring opportunities in the petrochemicals segment to leverage upon GAIL's long presence of around 20 years and high future demand of polyethylene and polypropylene. Your Company shall also be assessing whether opportunities exist in certain specialty chemicals in India.

GAIL will be making selective moves in the Renewable Energy domain given the future growth potential and also to partner with Govt. in meeting India's INDC (Intended Nationally Determined Contributions) commitments on climate change. GAIL is exploring feasibility of Renewable and gas hybrid power generation models to utilize the existing gas based power assets for delivering clean power.

Your Company has set-up suitable investment fund for investing in potential opportunities and partnering with R&D centers including start-ups, to identify and promote high priority technology areas which can become future business opportunities for GAIL.

Your Company shall also be focussing on preparing next line of leadership and developing capabilities to realize the strategic direction that has been envisioned.

3.2 Initiatives

- **Natural Gas Transmission**

  Your Company is committed to increase penetration of natural gas in the country and has adopted a two-pronged approach including physical network expansion and downstream market development through customer focus. To increase transparency and efficiency, an online portal has already been established to book pipeline capacity online on first come-first-serve basis. Over 1000 Capacity Tranche (CT) requests have been successfully executed during FY 2018-19 through the portal. Further, 15 new Last Mile Connectivity (LMC) to customers and 10 Hook-ups to other entities have been completed during FY 2018-19 to supply/transport gas ensuring higher utilization of the commissioned trunk pipelines.

- **Developing the National Gas Grid**

  Your Company is implementing the following major Natural Gas pipelines (approx. 4,900 km length) as part of the cross-country National Gas Grid:

  1. Kochi-Kootanad-Bengaluru/Mangalore Pipeline (Phase-II, 879 km): Construction of Kochi to Mangalore pipeline (434 Km section) is in full swing and is expected to be completed by September 2019.
  2. Vijaipur-Auraiya-Phulpur Pipeline: In order to de-bottleneck the upstream network of the JHBDPL project, a parallel pipeline from Vijaipur to Auraiya and upto Phulpur (672 km) is under execution in phases. Phase-I from Auraiya to Phulpur (24" x 315 km) is

completed. Your Company has also awarded orders to execute phase-2 of the pipeline, from Vijaipur to Auraiya and the work is in progress and it is expected to be completed by Dec-2020.

3. Jagdishpur- Haldia & Bokaro-Dhamra Pipeline (JHBDPL) (2,655 km) and Barauni- Guwahati Pipeline (729 km) section as an integral part of JHBDPL: The pipeline shall pass through the Eastern part of U.P., Bihar, Jharkhand, Odisha, West Bengal and Assam. This pipeline shall supply gas to fertilizer plants at Gorakhpur, Barauni and Sindri. The pipeline shall have two gas sources, one at Phulpur (Allahabad, U.P.) and the other at Dhamra RLNG Terminal (Odisha). The capacity of the pipeline network is 16 MMSCMD. Physical progress is in line with the envisaged schedule. This trunk pipeline investment could trigger further cascading investments through infrastructure creation in City Gas Distribution, LNG terminal, fertilizer plant revival etc. amounting to over Rs. 50,000 crore in near future by various investors. The construction of the pipeline system is under progress in phases. 585 km pipeline section of this project from Phulpur to Dobhi to Barauni with spurlines to Varanasi and Patna has been completed during the year. The work is in progress for balance sections. The pipeline will be further extended from Barauni to Guwahati. Procurement and construction activity for Barauni-Guwahati section has started in FY2018-19. For development of Gas Pipeline Grid in the North East for connecting Guwahati to major cities in the North East like Itanagar, Numaligarh, Dimapur, Imphal, Aizwal, Agartala, Shillong, Silchar, Gangtok, etc., a Joint Venture Company (JVC) – Indradhanush Gas Grid Ltd.has been formed with the Oil & Gas PSUs viz. Indian Oil, ONGC, GAIL, OIL and NRL as equity partners.

➢ City Gas Distribution

Your Company's subsidiaries and joint venture companies engaged in CGD have participated and won 15 GAs in the 9th round of CGD Bidding and 8 Geographical Areas in the 10th round of CGD bidding. By successful completion of 10th CGD bidding round for additional 50 new GAs covering 124 districts in 14 States, CGD coverage in the country has reached to 402 districts with potential to cover about 53% of the country's area and 70% of country's population.

In the 9th Round of CGD bidding, GAIL Gas Limited received authorization for 5 Geographical Areas in the country (viz. Dakshin Kannada Districts, Sundargarh & Jharsuguda Districts, Ganjam Nayagarh & Puri districts, Dehradun district and Giridh & Dhanbad Districts) apart from two Geographical Areas in Assam (viz. Kamrup & Cachar) through Consortium with Assam Gas Co. Ltd. & Oil India Limited. In this respect, GAIL Gas Board has already given consent for formation of Joint Venture Company in the state of Assam.

Further, in the 10th Round of CGD bidding, GAIL Gas Limited has been authorized 4 GAs namely Saraikela-Kharaswan District, West Singhbhum District, Raisen-Shajapur and Sehore Districts and Mirzapur-Chandauli and Sonbhadra Districts and another GA namely Gwalior (except already authorized) and Sheopur District through RSGL. In this respect, GAIL Gas Board has already accorded approval for initial investment in aforementioned GA's. To increase gas sales in the areas authorized to GAIL Gas, the Company has undertaken a number of initiatives such as signing MoU with Uber in Bengaluru for conversion of vehicle fleet to CNG, MoU with Uttarakhand Government for facilitating smooth and time-bound implementation of CGD projects of GAIL Gas in Uttarakhand, MoU with EESL to promote the technology of Tri-generation for combined power generation, heating and cooling by using gas as a fuel. Further, in line with Government of India's initiatives such as SATAT, promoting compressed biogas as an alternative fuel, GAIL Gas has awarded 5 Letters of Intent (LoI) to entrepreneurs for setting up Compressed Biogas plants in the country.

➢ Sourcing & Trading of Gas

In order to ensure availability of gas supplies for the development of gas sector in the country, your Company with a long term vision, during the early part of this decade, had taken proactive steps for contracting LNG. GAIL had contracted such long term LNG from USA (5.8 MMTPA) and Russia (2.5 MMTPA). That vision materialized in 2018 with commencement of supplies from Sabine Pass and Cove Point LNG projects in the USA and from Gazprom sources in Russia, thereby catapulting GAIL into the league of top 10 LNG portfolio holders (~ 14 mtpa). The supplies from Sabine Pass commenced in March 2018, from Cove Point in April 2018 and Gazprom in June 2018.

Further, GAIL continues to source and market LNG from Qatar and Australia apart from cargoes through spot and medium term contracts. Through our long term contracts we have created geographical and indexation diversification of LNG supplies. Linkage to different indices in our LNG portfolio has mitigated risk and has allowed GAIL to offer stable and competitive pricing to our consumers.

GAIL is now actively trading LNG in the international market & chartering ships which is in line with the globalization strategy and allows GAIL to channelize supplies as per the demand in the Indian market. Your Company has concluded various deals towards de-risking the portfolio including destination swap transactions and third-party sales on FoB basis to ensure delivery of competitively priced LNG in the Indian market. Further, your Company is actively undertaking hedging to manage commodity price risk. All the above have resulted in efficient management of LNG portfolio and ensuring competitively priced gas to the consumers.

Demerger of RGPPL resulting in separation of LNG terminal into Konkan LNG Private Limited (KLPL) has further strengthened GAIL's position in the Indian gas market. Access to the Dabhol LNG terminal would provide greater operational flexibility to your Company in the LNG business.

With significant up tick in crude prices and strong growth in gas demand in the country and abroad, the LNG trading business of the Company is on a strong ground.

➢ LNG Shipping

In order to transport the LNG sourced from USA, your Company charter hired the vessel Meridian Spirit from Total E&P NORGE AS, Norway for a period of 3 years extendable by one year at Charterer's option. GAIL also hired 2 vessels namely Cadiz Knutsen and Clean Horizon in 2018 for shorter periods to meet its spot / short term shipping requirements. The vessels were re-delivered to the Owners on completion of their charter periods. Based on the intermittent spot requirements during the FY 2019-20, GAIL plans to charter hire additional LNG ship(s) on spot / short term basis. Recently, GAIL has signed a Charter Party Agreement with Mitsui OSK Lines (MOL) for hiring of a new build LNG vessel for a period of three years from the year 2021 onwards. Your Company is fully equipped to meet its spot / short / mid / long term shipping requirements and has been able to develop LNG shipping capabilities in a very short span of time.

➢ LNG Regasification Terminals

GAIL has booked long term regas capacity of 2.5 MMTPA in Petronet's Dahej terminal. In addition, Petronet is using its regas capacity for supply of around 5.0 MMTPA of RLNG to GAIL under various long term Gas Supply Agreements (GSAs) from Dahej and Kochi. In 2018, GAIL achieved another milestone by signing Tolling Agreement with Dhamra LNG Terminal Pvt. Ltd. for 1.5 MMTPA Regas Capacity at Dhamra LNG Terminal, Odisha as a step forward for securing RLNG/LNG supply capabilities in the Eastern Region. This is over and above the capacity already booked at Dahej and Dabhol.

Consequent upon demerger of RGPPL and formation of Konkan LNG Private Limited to run the LNG terminal at Dabhol, the terminal has been successfully revived and is today capable of importing 1.9 MT of LNG. Further, the terminal's ability to run at 5 MMTPA capacity would be established once the construction of breakwater is undertaken which is scheduled to be completed by March 2022.

➢ Petrochemicals

In order to place your Company as a significant petrochemical player in the Asian market, efforts were made to develop export capability by increasing the capacity utilization as well as by enhancing the product slate. Your Company exported 110 KTA of polymers as a step in this direction. Your Company has successfully made inroads into the petrochemical markets of neighboring countries, South East Asia and China.

In January, 2019, GAIL made history by producing 100% import substitute niche Metallocene catalyst based LLDPE film grade Polymer. GAIL became the first ever producer of Metallocene catalyst based LLDPE Film Grade polymer in India in its maiden run. In the process, it fulfilled the vision of management as well as Govt. of India's agenda for 'Make in India'.

GAIL Board approved revival of existing LPG plant at Usar, Maharashtra and its conversion into a 500 KTA Polypropylene complex. This is the first of its kind project in India which would be using Propane Dehydrogenation technology for production of Propylene integrated with the downstream Polypropylene unit. Further, GAIL Board has also approved setting up of 60 KTA PP unit at existing Petrochemical unit at Pata. Addition of above PP capacities will augment and complement GAIL's current polymer portfolio which is presently dominated by Polyethylene (PE).

➢ Coal Gasification

Your Company is also entering into coal gasification by setting up of surface coal gasification based urea project in joint venture with GAIL, RCF, CIL and FCIL at Talcher. The project, with an estimated cost of around 14,500 crore is envisaged for the production of 2,200 MTPD ammonia and 3,850 MTPD urea. A joint venture company, Talcher Fertilizers Limited was formed with consortium partners namely GAIL India Limited (GAIL), Coal India Limited (CIL), Rashtriya Chemicals and Fertilizers Limited (RCFL) each having 29.67% stake and Fertilizer Corporation of India Limited (FCIL) having 10.99% equity. Captive Coal Mine allocation & Environment Clearance for the project has been obtained. Selection of LSTK vendors for setting up the Coal Gasification and Ammonia / Urea Complex is underway along with other pre-project activities.

➢ Start-up Initiative

The Start-ups have the potential to provide impetus to Innovation and the spirit of innovation and entrepreneurship in the country. Investments in Start-Ups may also have the potential to generate long-term techno-commercial benefits. In this regard, your Company has created an initial corpus of Rs. 50 crores for making investments in Start-Ups. Your Company carried out two rounds of Solicitation during the year for seeking Investment proposals from Start-Ups out of which one round was especially aimed at Start-Ups working in the Electric Vehicle (EV) segment. Under Start-up initiative, your Company till now has signed Investment Agreements with 15 Start-ups with milestone linked investment commitment of over Rs. 23 crore.

4. RISKS, CHALLENGES AND MITIGATION

➢ Regulatory Framework

The Petroleum & Natural Gas Regulatory Board (PNGRB) was established by the Government of India on October 1, 2007 for carrying out the various provisions of the PNGRB Act, 2006. The PNGRB Act provides a legal framework for regulating the refining, processing, storage, transportation, distribution, marketing and sale of petroleum, petroleum products and natural gas, but excluding the activities of production of crude oil and natural gas, so as to protect the interests of consumers and entities engaged in these activities. The main functions of PNGRB include, inter-alia, (a) granting authorizations for laying, building, operating or expanding new pipelines as common carriers or contract carriers and for laying, building, operating or expanding new city gas distribution networks (CGD networks), (b) declaring existing natural gas pipelines, petroleum & petroleum product pipelines and CGD networks as common carriers or contract carriers, (c) regulating access to common carriers or contract carriers (d) regulating transportation rates of common carriers or contract carriers and (e) to perform such other functions as may be entrusted to it by the Central Government to carry out the provisions of this Act.

During the financial year 2018-19, PNGRB has notified various Amendments to Regulations in respect of Natural Gas Pipelines, CGD networks and Petroleum Product Pipelines and has also issued various authorizations, orders, decisions in relevant matters. The details of the said regulations, amendments, authorizations, orders, and decisions are available on the official web-site of PNGRB (www.pngrb.gov.in) and have varying implications on respective entities' business activities. These regulations, amendments, authorizations, orders, decisions of PNGRB are appealable before the PNGRB Bench, Appellate Tribunal and Courts and accordingly, some of them pertaining to your Company are also under various stages of appeals. The timing and content of any final changes in regulations made by the Regulator is not in your Company's control. However, regular participation in public consultation exercises conducted by the Regulatory Board and making submissions to the Regulator in writing helps us to anticipate or to minimize risks associated with any sudden or unforeseen changes in regulations.

➢ Natural Gas Prices

Your Company is currently marketing natural gas purchased from domestic as well as international sources.

The Government of India, vide its order dated October 25th, 2014, had notified the New Domestic Natural Gas Pricing Guidelines, 2014. As per the notification w.e.f. November 01st, 2014, the gas price is determined bi-annually as per a specific formula, which in essence, is a twelve month average of price (minus transportation and treatment charges) of natural gas traded in the major hubs worldwide. The New Domestic Natural Gas Pricing Guidelines, 2014 are applicable uniformly to all nominated fields to ONGC & OIL, NELP blocks and Pre-NELP blocks that require Government Approval as per PSC. However, these guidelines are not applicable in case of small and isolated fields of nominated blocks that are covered under the pricing guidelines of 2013.

Further, the Government of India, vide its order dated March 21st, 2016, has notified guidelines on marketing including pricing freedom for the gas produced from discoveries in deep water, ultra-deep water and high pressure-high temperature areas. However, as per the guidelines, such pricing for gas produced in these fields will have a ceiling price level which is calculated by taking lower of twelve month average of landed price of imported fuel oil, substitute fuels and LNG.

Your Company earns marketing margin on the marketing of domestic natural gas. Government of India, in its notification dated December 24th, 2015, applicable from November 18th, 2015, has put a ceiling on marketing margin for the supply of domestic gas to fertilizer (Urea) and LPG producers, which is at ₹ 200 per 1000 SCM.

In addition to the above, your Company purchases imported natural gas mainly from Petronet LNG Limited (PLL) at Dahej, Gujarat. The purchase and selling prices of such Natural Gas (RLNG) is based on international crude price indices. Further, your company also directly imports LNG from various suppliers worldwide and regasifies the same either at PLL's regasification terminal at Dahej, Gujarat KLPL

regasification terminal at Dabhol, Maharashtra or at Hazira LNG Private Limited (HLPL) regasification terminal at Hazira, Gujarat. Such LNG import is either under a term agreement or under spot cargo purchases. Import of LNG spot cargo is based on a thorough assessment of the affordability & requirement of the end consumers and the availability of LNG in the international markets.

Your Company has been constantly endeavoring to meet the supply-demand gap of natural gas in the country through long-term/medium-term and spot imports of LNG. While current supply deficit is primarily met through medium and spot deals, your Company and its subsidiaries till date has executed two long-term LNG supply contracts in the USA and one long-term LNG supply contract from Russia to meet the supply-demand gap and enhance capacity utilization of our pipeline infrastructure:

- LNG Sale and Purchase Agreement with Sabine Pass Liquefaction LLC for sourcing of 3.50 MMTPA of LNG from Sabine Pass Liquefaction terminal, USA with supplies commenced from February, 2018.
- Terminal service agreement for booking of 2.30 MMTPA liquefaction capacity in the Cove Point LNG liquefaction terminal, USA with supplies commenced from April, 2018 and Gas sale and Purchase Agreement with WGL Midstream, USA for the commensurate gas quantities.
- LNG Sale and Purchase Agreement with Gazprom Marketing and Trading Singapore (GMTS) for sourcing up to 2.85 MMTPA, i.e. around 10.26 MMSCMD of LNG (primarily from Yamal Liquefaction terminal) with supplies commenced from 2018-19. Your Company has successfully renegotiated LNG contracts with GMTS (Gazprom) in view of the changing market scenario, as spot / short-term LNG prices had declined substantially amid a supply glut. In addition, your Company was instrumental in renegotiating LNG supply contract from MARC Australia through Petronet LNG Ltd. Through these renegotiations, your Company has managed to renegotiate the timeline, volume, LNG Price and price indexation of these long-term LNG contracts, resulting in significant price advantage.

  The aforesaid LNG contracts were entered by your Company with the primary objective of meeting the demand of a growing Indian economy and at the time of finalization of the Sale Purchase Agreement (SPA), the power sector was considered as one of the major long term buyer of LNG in the Indian market. However, power produced from LNG is not being scheduled by Distribution Companies (DISCOMs) due to cheaper alternatives including renewables thereby leading to stranding of significant capacity out of the approx. 25,000 MW of installed gas based power plants.

  To mitigate the above risks, your Company is exploring opportunities to market LNG volumes in the international markets either directly and/or through its subsidiary, GGSPL Singapore.

  In parallel, your Company has also optimized LNG sourced from the US through destination swap transactions tooptimize cost of shipping this LNG to the Indian ports resulting in efficient management of the portfolio. Your company has also undertaken time swap transactions to even out the LNG supply demand fluctuations.

  Your Company has also executed agreements for LNG supply to the upcoming/revived Fertilizer units in the domestic market. Efforts are also on to market RLNG to anchor customers like refineries and steel plants along upcoming and existing pipelines.

  Since FY 2016-17, your Company undertook hedging transactions for a part of LNG volume used for your Company's internal consumption and sale to domestic and international customers, to mitigate the price risk and fix the margins.

➢ **Unified/Pooled Tariff for the integrated Natural Gas Pipeline system**

Present PNGRB methodology requires tariff to be levied separately for each pipeline. However, based on market condition it is seen that consumers in far-flung regions demand reasonable tariffs so as to manage input costs, or in other words, maintaining competitiveness of their end-products/service. Integration of cross-country natural gas pipelines and determination of unified/pooled tariff for such an integrated pipeline system provides an optimal solution to tide over wide variation in tariffs between different pipelines through socializing of tariffs. It also avoids cascading tariffs and facilitates expansion of pipelines across regions thus leading to more equitable gas based economic development.

To facilitate equitable growth of natural gas markets, the Cabinet Committee of Economic Affairs (CCEA) while according 40% capital grant for the Jagdishpur-Haldia and Bokaro-Dhamra pipeline project, also inter-alia directed MoP&NG to examine your Company's request of devising Unified/Pooled tariff for all its inter-connected cross-country pipelines which shall be applicable uniformly to all customers along the integrated network of GAIL. It also empowered MoP&NG to either vest the responsibility of fixing such a tariff by the nodal Ministry itself or by PNGRB through suitable directions based on the parameters of phase-wise actual/anticipated capacity utilization, operating expenses (including unaccounted gas, line loss), future capital costs for last mile connectivity etc. to ensure 12% post-tax return on GAIL's investment. In this regard, public consultation has been held by PNGRB and the matter is under deliberation.

➢ **Power including Renewables**

India is increasing its renewable energy capacity at a brisk pace with an aim to reduce Carbon emissions. With increase in renewable energy portfolio, the stability of grid is a major concern for industry. Natural gas based power plants can act as a balance to provide grid stability as gas plants can respond more quickly to load changes than coal based plants and can further help in reduction of emissions, being cleaner than the Coal. Plant Load Factor (PLF) for conventional fuel plants is on a decline and natural gas based power plants continued to run with structural issues requiring resolution through policy intervention. Your Company has been working on case to case basis and in close co-ordination with MoP&NG and Ministry of Power to increase/revive off take of natural gas by the power sector.

➢ **Polymer, LPG and other LHC**

Your Company is also marketing petrochemicals, LPG and other LHC products. The prices of these products are influenced and determined by global and domestic factors influencing demand and supply. Your Company has developed a range of market acceptable products to ensure steady consumption of the petrochemical products and has optimized its portfolio by having production facilities at Pata (UP) and Assam. LPG marketing is decided in close co-ordination with the PSU Oil Marketing Companies. Continuous measures are taken towards managing margins across your Company's range of products.

➢ **Foreign Exchange Fluctuation Risk**

Your Company, largely imports capital goods and stores & spares for various new projects, and operation & maintenance. It has also taken loans in foreign currency for meeting the capex requirement and making overseas investments. The majority of loan portfolio is hedged by way of derivative products (currency swap and interest rate swap) and through natural hedge from the foreign currency inflows. Your Company has an approved Foreign Currency & Interest Rate Risk Management Policy to manage foreign exchange exposure which has been reviewed during the year. The short-term and long-term

exposure of foreign currency of your Company is being monitored as per the approved policy.

➢ Commodity Price Risk

Your Company also has approved Natural Gas Price Risk Management Policy to manage the price risk of natural gas. The price risk of natural gas used for internal consumptions and as well as for selling to various downstream customers is being monitored as per approved Policy. As and when the opportunity arises in the market, your Company has undertaken various derivative transactions to hedge the price risk arising out of fluctuation in the prices of imported natural gas viz. plain vanilla swaps, basis swap etc.

➢ Natural or Man-made Calamity Risk

Various risks are associated with gas transmission and distribution like blowout of pipelines, earthquake, tsunami, terrorist activities, etc. These risks are being mitigated right from the designing stage of these projects. However, such natural or man-made risks are emergent events and cannot be totally eliminated. If such an event occurs, it may cause significant liabilities for the Company.

➢ Risk Management Framework

Your Company has an approved Risk Management Policy & Procedure to protect and add value to the organization and its stakeholders with the objective to establish a risk intelligence framework for objectively managing expected risk exposures in compliance to prevailing statutory regulations so as to maintain financial stability of your Company.

This Risk Management Framework supports your Company's business strategy and operations. Risk Management Framework is constantly updated for new and emerging risks emanating from business expansion and interests. The risks are evaluated, quantified & prioritized and mitigation plans are reviewed & monitored at various stages. Corporate Level Risk Steering Committee oversees the implementation of the Risk Management Policy and Procedures which are periodically reviewed and monitored by the Risk Management Committee and by the Audit Committee before presenting it to the Board.

In the changing business scenario and expansion of your Company into various other activities, business risk and their mitigation plans are assessed on regular basis. Top key Corporate Level Risks are as under:

- Market Risk of LNG, linked with HH, in case of adverse movement of crude oil price.
- Risk of reduction in margin of Petrochemical due to lower industry demand, lower sale price & high input cost.
- Risk of delay in Project Execution due to delay in obtaining Right of Use (RoU)/Land.
- Risk of Underutilization of pipeline due to sluggish growth in gas energy consumption.
- Major LPG Leakage in RT / SV Stations / LPG Pipeline.
- Risk of third party damage & encroachment in pipelines.
- Risk of statutory/regulatory noncompliance.
- Risk of unfavorable regulatory changes.
- Risk emanating out of GAIL's Comfort letter to Bank for providing PBG to GAIL GAS for Bengaluru CGD Project.

As covered in the preceding paras, identified risks have been deeply examined and the required mitigating measures/ safeguards have been initiated/ implemented. Your company endeavors to pro-actively initiate measures towards maintaining financially stable business operations.

5. INVESTOR RELATIONS AND ENGAGEMENT

Investor Relations (IR) is one of the focus areas of your Company and it delivers on this front through continuous engagement, timely disclosures and unbiased access for various stakeholders. Your Company continuously discloses the necessary information and conducts various investor relations activities. Further, our engagement with the Investor community are guided by values like Long-term relationship, trust and fairness.

During FY 2018-19, your Company conducted following activities for Investor Relations and Engagement:

a. Company organized Investors' & Analysts' Meet 2018

b. Company organized Conference Calls immediately after announcement of the financial results for Q1 2018-19, H1 2018-19 and Q3 2018-19.

c. Company also participated in 13 domestic investor conference and 2 International Investor conferences organized by top brokerage houses of the country.

d. A separate group is deputed to deal with Investor Community, which hosted more than 54 meetings during FY 2018-19.

All these meetings/ conferences were attended by Top Management/ Senior Executives of the Company.

As per requirement of SEBI (Prohibition of Insider Trading) Regulations, 2015 &, SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, Company's Board has approved:

- Code of Conduct to Regulate, Monitor and Report Trading by Insiders (Insider Trading Code) and
- Code of Fair Disclosure and Conduct- Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (Principles of fair Disclosure)

The investor presentation(s) and mentioned guidelines are shared with Stock exchanges and are also hosted on the website of your Company.

Your Company has been well appreciated time to time by Investor Community for disseminating information to Investors & Analysts at right time and from the right people. Along with the dedication to create value for stakeholders, your Company is also committed to reach as many Investors & Analysts and to promote transparency & excellence in Corporate Governance standards.

6. CAPABILITY DEVELOPMENT

➢ Human Capital

As on 31st March 2019, 4,529 (including Whole-time Directors) employees were on roll in your company. Your Company has been keenly interested in developing Human Capital of the employees though training and coaching. It has dedicated resources to place itself as an employer of choice and source best available talent. The Company's Intellectual Capital is carefully nurtured and channelized to cater to its business plans for maximizing value. Value Added per Employee reflects its emphasis to make the optimal & productive use of the available resources and business opportunities. For the year under review, Value Added per Employee was ₹ 288.33 lakh.

Your Company is also imparting One year Apprentice training to ITI / Diploma/ Degree Graduates equivalent to 10% of total manpower every year, as a part of skill development, at various work centers of GAIL.

➢ Leadership Development Program

As part of our preparedness for coming challenges, GAIL has put in place Integrated Leadership Development Framework and Succession Planning Framework for facilitating leadership development and career planning. Your Company believes that capability building and enhancing competency of employees is the key to successful execution of its strategic plans.

The Development strategy comprised two focused Talent Development Interventions: 360 Degree Feedback Exercise and



Shri P K Gupta, Director (Human Resources) (4th from left), and Shri Manoj Jain, Director (Business Development) (5th from left) leading Senior executives and employees in forming a Human Chain to spread awareness during Swachh Bharat Fortnight

Senior Management Development Centre (SMDC) Exercise. 360 Degree Feedback is aimed to provide an effective feedback to concerned executive(s) via his/her peers, subordinates and seniors. Senior Management Development Centre (SMDC) exercise has been undertaken for senior executives in E-5 Grade & above. SMDC is an aid to ensure better and inspiring leadership in the organization. Post SMDC, the executives are provided with books, e-learning modules and competency specific training in premier B-schools.

- **Capability Development**

A dedicated training center, GAIL Training Institute (GTI) is in place to provide systematic and structured training programs for capability building across all levels within the organization on a continuous basis.

Your Company is also playing a proactive role to support the National Skill Development Mission through active participation in the activities of Hydrocarbon Sector Skill Council (HSSC), establishment of Skill Development Institute at Raebareli and providing Training and Recognition of Prior Learning (RPL) in Pradhanmantri Urja Ganga Pipeline and City Gas Distribution Projects to create a pool of skilled manpower. Total number of students enrolled in SDI Raebareli in 2018-19 were 175, out of which, 95 have been successfully placed. Under RPL, 1,257 personnel have been certified in 2018-19.

- **Industrial Relations**

The Industrial/ Employee relations climate remained congenial and constructive. There were no Man Days or Man Hours lost on account of any sort of industrial conflict during past three years in GAIL. Discussions with employee collectives are held through Monthly/ Bi-Monthly / Quarterly Meetings, both at Work Centre and Corporate levels.

With the objective to keep pace with the changing business requirements and employees' aspirations, and to maintain a Sustainable competitive advantage, review of HR strategies and policies is undertaken on a continuous basis to align with the Organizational Strategy.

7. HEALTH, SAFETY AND ENVIRONMENT (HSE) MANAGEMENT

- **Corporate HSE Policy**

The HSE Best Practices in your Company are primarily driven through a Corporate HSE Policy which is a statement of commitment of the management of your Company. Your Company is committed to giving the highest priority to Occupational Health, Safety of Plants and Pipelines & Personnel in a serene environment. Uniform, well-designed HSE Management System is in place to support its commitment. Your Company conducts its business in harmony with nature and promotes sustainable development. Employees and contract workers are encouraged to adopt safe working habits and behavior to ensure an elective implementation of the HSE Policy and are empowered to notify and stop any unsafe work/act, as may so arise.

- **Safety Performance**

Safety performance is measured in your Company through the "HSE Score", which is evaluated on the basis of the important HSE Management System elements. Your Company achieved an "HSE Score" of 94.19% in FY 2018-19.

- **Safety Training**

Training is a key to the safety of people and premises. Your Company imparts regular and structured HSE training including Behavior Based Safety and Environment, Health & Safety Module (EHSM) software/ SAP training to its employees to upgrade their skills, knowledge and competence, in order to perform their HSE functions effectively and develop an effective safety culture. Regular training is also imparted to contract workers, tanker drivers and other personnel to create awareness of the probable hazards in their work area so as to avoid and safeguard against unsafe actions.

- **Safety Audits**

Safety audits are regularly conducted to ensure the implementation of the HSE Management System Guidelines and Emergency Preparedness. These audits are performed by both External safety auditors and experienced in-house auditors. Audit recommendations are being complied in a time bound manner.

- **Occupational Health**

Your Company has implemented occupational hygiene measures and medical surveillance programs to monitor and control the occupational health of its employees, based on defined guidelines. Your Company undertakes periodic medical examination at various work centers as per these guidelines. The Corporate Occupational Health Committee meets on a quarterly basis to monitor the occupational health program in your Company and the effectiveness is evaluated based on the outcome of the Health Audit undertaken through in-house multi-disciplinary teams.

- **HSE Initiative and Achievements**

Your Company has taken various initiatives to further improve the HSE Management System. Some of the important HSE initiatives and achievements are:

1. Your Company GAIL organized various HSE Workshops/ events at Regional and Corporate Level to sensitize the employees on issues related to Health, Safety and Environment. CMD and other functional directors of your company addressed the participants during one of such workshop organized at Corporate Office.
2. Your Company has also organized workshops on "Process Safety Management" through International faculties from Center for Chemical Process Safety (CCPS), USA.
3. Your Company officials presented various technical papers on HSE subjects at various National and International forums.
4. Various installations of your Company got most coveted safety awards from M/s National Safety Council, Mumbai and M/s British Safety Council, UK.
5. Your Company has taken various steps to digitize the "HSE processes" like Incident reporting, Management of Change, Job Safety Analysis for better transparency and efficiency.
6. Your Company employees have taken various in-house HSE initiatives to improve the health, safety and environment at their workplaces.
7. A Case Study got published in internationally reputed IVY Publishing Site on GAIL BBS Journey for management study.

8. INNOVATION, RESEARCH AND DEVELOPMENT (R&D)

India's huge energy demand coupled with climate change concerns requires Indian energy market growth to be more decentralized with a focus on renewables. In this context, Natural gas can play an important role as it is a clean fuel and can be produced from renewable bio-waste. This requires developing and employing new technologies for production of Natural gas from various sources in a decentralized manner. This shall lead to increase in share of Natural gas in the country's energy mix and also help to improve income of the rural households.

Your Company is adopting latest technologies and developing emerging technologies in the entire natural gas value chain to improve efficiency, increase safety and reduce costs through Innovation and Research & Development.

Fast changing energy technology landscape and the consequent business dynamics make Innovation an inherent requirement of organization culture. Innovation requires a strong eco system to promote Ideation in the organization, for identifying the right problem and possible solutions through new Ideas. Your Company has established a Central Suggestion Scheme to promote a culture of Innovation. As part of this scheme, the best implementable Ideas are selected and awarded with the CMD trophy and a prize every year.

Your Company's R&D efforts are focused on various Thrust areas associated with the business verticals. Over 1% of PAT of previous FY 2017-18 is allocated for carrying out various R&D projects. Majority of our research efforts are directed towards carrying out Developmental Projects at natural gas transmission stations, processing plants and petrochemical unit. These developmental projects help to improve operational efficiency, process safety and pollution mitigation etc.

Further, Basic and Applied research works are being carried out in collaboration with premier engineering institutes and CSIR labs. Some of the highlights include Setting up of a Pilot plant for Microbial fixation of CO_2; Setting-up of 1TPD Pilot plant on Waste plastic to Diesel at IIP-Dehradun ; Scale-up studies on Covalent Organic Framework based Novel Adsorbents for storage of Natural Gas at lower pressure; Scale-up studies on performance testing and validation of CO2 reforming catalysts etc. Further, research works on Bio methane, Bio-ethanol and Bio-hydrogen are also being actively explored.

Your Company has joined hands with other Oil & Gas PSUs to create a Centre of Excellence in Oil, Gas and Energy (CEOGE) at IIT-Bombay. An MoU for the same was signed on 2nd Jan' 2019 in the presence of Hon'ble Minister of P&NG. It is expected that the CEOGE shall enhance industry-academia interaction and utilize the expertise available in IIT Bombay and the Oil and Gas PSUs to develop solutions for the pressing needs of our industry.

9. TOTAL QUALITY MANAGEMENT

Your Company is committed to enhance customer satisfaction and standardizing business processes through the implementation of a Quality Management System. Your Company endeavours for continual and sustainable improvement through the implementation of effective quality practices, innovation and standardization. Quality Management System and Energy Management System have been implemented along various Pipelines & Process units also at Corporate and Marketing offices. Your Company undertakes Quality Circle Projects with engagement of its employees resulting in high employee morale and increased productivity. Voice of customers is being captured through Customer Value Management and Customer Satisfaction Index surveys. Your Company is proud to share that Customer Satisfaction Index for FY 2018-19 is 93.15%.

10. SUSTAINABILITY INITIATIVES

The Company will be publishing its ninth externally assured **Sustainability Report** for FY 18-19 on the theme – 'Execution, Efficiency, Excellence' based on the Global Reporting Initiative (GRI) Standards. The report highlights on the various initiatives taken in the economic, environmental and social dimensions to secure the long term interests of our stakeholders. The report shall conform to Sustainability Assurance Standard AA1000AS. It is a Type 2 Moderate level assured report including data verification at different sites of GAIL. The report shall be hosted on the GAIL website (www.gailonline.com).



Shri Manoj Jain, Director (Business Development) (front left) with (left to right) Shri P K Gupta, Director (HR), Dr. Ashutosh Karnatak, Director (Projects), Shri A K Tiwari, Director (Finance) leading the Company's employees at an event to commemorate the International Day of Yoga.

As a responsible corporate citizen, your Company is committed towards the **Sustainable Development Goals (SDGs).** We have been aligning our various initiatives across different segments and departments with the SDGs in our Sustainability Report.

Your Company has a defined Sustainability Governance Structure following a top-down approach that spans across various critical functions to effectively manage organizational complexities. The Sustainable Development Committee is headed by the Independent Director. This committee is supported by the Sustainable Development Steering Committee, headed by the Director (Projects) to provide impetus and direction to achieve sustainability goals, meet targets and monitor on-ground implementation of the various initiatives. At sites, we have the multi-disciplinary Sustainability Committee and Sustainability Team at Corporate level.

We are proud to announce that the 'FTSE 4 Good **Emerging Market Index',** a market-leading tool for investors seeking to invest in companies that have strong management of ESG risk, has included GAIL for second year in a row.

With strengthened awareness and sensitivity at sites over the years, we initiated the **Annual Sustainability Work Plan for sites of GAIL.** This gives flexibility to the sites to take up relevant projects in various aspects of Sustainability. To monitor the progress made by the implementation of these projects a digital platform **e-Pragati** is established. In FY 18-19, Projects under Annual Sustainability Work Plan were undertaken across sites such as LED Light installations at Pata Plant, advanced day lighting system in Vijaipur plant, HRSG systems at Vijaipur among others. During FY 2018–19 the total cost of Sustainability Projects undertaken were about INR 40 crore. Further, various initiatives pertaining to water, energy & waste management were also taken across sites **which have been covered in our Sustainability report.** Due to these initiatives, many of our sites achieved Paper recycling, increased water harvesting and recycling measures amongst others. We have also classified our Projects under the category of Execution, Efficiency and Excellence to truly imbibe the ethos of the theme across our different sites. Further, GAIL has been expanding its renewable energy portfolio. The Total Renewable Energy portfolio of GAIL has reached around 128 MW in FY 2018-19.

Our Petrochemical plant is working on energy efficiency benchmarks in collaboration with Bureau of Energy Efficiency to set standards of carbon

emissions and specific energy consumption with the Petrochemical sector becoming part of the PAT scheme (Perform, Achieve & Trade).

Your Company has collaborated in the study on "Climate Change Risks: Preparedness for Oil and Gas Sector" undertaken by the Federation of Indian Petroleum Industry (FIPI) and The Energy and Resources Institute (TERI). With the commitment and efforts of our employees, GAIL treads towards the holistic success of the organization to create long-term value for its stakeholders. With every year our approach to sustainability agenda becomes more enriched and refined through our experiences and learnings.

In line with the SEBI requirements, your Company provides a complete disclosure on Company's performance on the 9 Principles of National Voluntary Guideline and Core Elements. The BRR FY 18-19 is contained in the separate section in the Annual Report FY 18-19.

11. ENVIRONMENT PROTECTION AND CONSERVATION/ RENEWABLE ENERGY DEVELOPMENTS/ FOREIGN EXCHANGE CONSERVATION

From its humble beginning as a gas transmission company, GAIL today has become the largest integrated Natural Gas Marketing & Transmission Company in the country. Being an energy company, GAIL is committed to play a key role in building sustainable energy future for the country. As India's youngest Maharatna public sector enterprise, we are consistently enhancing our investments to help meet the long term energy requirements of the nation while ensuring sustainability on economic, environmental and social front.

GAIL by virtue of its business in Natural Gas plays an instrumental role in transitioning towards a low-carbon economy. GAIL's operations have significantly contributed in reducing the flaring of gas from exploration and production activities and development of pipeline networks, which has led to supply of gas as fuel and feedstock to power, fertilizer, CGD and other industries. Further, the **Liquid hydrocarbon business,** the **City Gas Distribution** in many important cities of the country has been instrumental in improving the air quality and consequent reduction in pollution.

Considering the life cycle impact on environment and health, Natural Gas is much more benign fossil fuel when compared to coal and liquid fuel. Unlike coal, natural gas does not require huge amount of water for its purification and it does not contaminate the ground water. Further, it is either transported through pipeline as gas or closed cryogenic vessel as liquid and therefore does not contaminate air during transportation. When used in power generation or as a transport fuel, Natural Gas results in negligible emissions of SO_2, NO_x, Hg and particulates compared with other fuels. **The increased use of natural gas offers a significant contribution to improved local air quality and public health.**

In line with **India's commitment in the INDC,** which aims to reduce the country's carbon emission intensity, Natural gas will play a key role for decarbonizing India's energy system, both replacing carbon-intensive fuels and facilitating the development of renewable power. The increasing use of gas in non-power sectors will allow to reduce CO_2 emissions and improve air quality as gas will replace (or complement) higher emitting oil products: fuel oil/ naphtha and pet coke in the industrial sector, diesel in transportation and traditional biomass, and kerosene in the residential/commercial sectors.

Further, in order to increase reach of natural gas to customers beyond the areas connected by natural gas pipelines, an innovative model of **L-CGD (LNG- CGD)** has been introduced in Bhubaneswar, Orissa. CNG and PNG are supplied by setting up **L-CNG** stations where LNG (Liquefied Natural Gas) is stored and from there supplied to customers.

With ISO 9001:2015, ISO 14001:2015 and BS OHSAS 18001:2007 accreditations, GAIL is committed towards producing quality products while creating, maintaining and ensuring a safe and clean environment. **GAIL's polymer products are environment-friendly and fully recyclable.** GAIL provides a wide choice of grades with consistent and reliable quality to its customers. Its manufacturing processes and quality systems ensure that the products conform to the technical specifications, backed by high quality services to provide complete solution to the customers.

Your Company monitors **environmental parameters to assess the environmental quality** on regular basis through an in-house team and as well as by independent third-party agencies. Updated and sophisticated instruments are used for monitoring environmental quality. The monitoring is done regularly and reports are sent to the respective State Pollution Control Boards. Audit is also conducted for the process plants and pipelines to ensure proper functioning of the environment management systems.

Our plants consistently operate under the national stipulated norms. Since your Company uses natural gas for its feedstock as well as fuel requirements, the **level of pollutants emitted is consistently much below the national stipulated norms.** Adequate stack height has been provided for effective dispersion of pollutants. Low NO_x burners are used in all the furnaces. Loading facilities are provided with vapor-return circuits. Gas detectors have been installed to ensure quick detection of any gas leak. GAIL's petrochemical complex at Pata and Vijaipur have the facility of monitoring stack air and ambient air on continuous basis. State-of-the-art permanent ambient air monitoring stations measure sulphur dioxide, oxides of nitrogen, hydrocarbons, carbon monoxide and noise levels on real time basis.

All installations of your Company carry out extensive afforestation in their respective sites and maintain at least one-third of the area as **Green belt**. Your Company has been continuously taking initiatives to safeguard the environment and biodiversity along with its diverse business segment. Your Company understands the value of the green spaces present within its premises, and desires to feature the unique aspects of the flora and fauna to the general audience.

Adequate measures are also taken for **management of water resources.** Your Company considers water as a precious natural resource and hence its consumption is closely monitored and controlled. Further, state-of-the-art technologies have been adopted to reduce and treat the waste water generation. Your Company maximizes the concept of reuse and recycle of water. Discharge at all locations is compliant to the norms of the respective State Pollution Control Boards. Your Company's operations at all locations are state-of-the-art and involve clean technologies. Adequate treatment and reuse of treated waste waters is adopted across the Company. Treated effluent water is recycled and used in-house for horticulture purposes within plant and township premises. Further, adequate measures are taken for **waste management**. Your Company manages its waste by efficiently segregating, treating and disposing based on the type of waste generated i.e. hazardous and non-hazardous. The water and waste water samples are also analysed at the in-house laboratory as well as external laboratories on a regular basis.

12. CORPORATE SOCIAL RESPONSIBILITY

In alignment with the vision of your Company, the CSR initiatives strive to enhance value creation in the society/ community in which it operates, through its services, conduct and initiatives, and to promote sustained growth in social well-being. In the year 2018-19, your Company has proactively spent 2.74% of the average net profit of the preceding three financial years on CSR projects/ activities. The Annual Report on CSR activities as per requirement of the Companies Act, 2013, forms part of the Directors' Report.

Your Company has complied with DPE guidelines regarding spends on identified Thematic Areas, i.e. School Education and Health. Health care & sanitation facilities have been enabled to more than 12 lakh people across the country through operation of 56 Mobile Medical Units covering 12 States, provision of medical equipments, HIV/AIDS and STI awareness, drinking water facilities, hygienic facilities through construction of toilets etc. In line with 'TB Free India- by 2025' call of the Hon'ble Prime Minister of India, your Company is implementing the project 'TB prevention and support' in Pata, Firozabad (UP) and Barpeta (Assam).

Your Company has adopted Taj Mahal Agra &Yamunotri shrine under the "Swachh Iconic Place" (SIP) initiative which is inspired by the vision of Hon'ble Prime Minister to promote and enhance cleanliness of the heritage and iconic sites in the country. Activities and programmes in and around Yamunotri have been undertaken which include cleanliness activities in the Yamunotri trekking route, generating livelihood opportunities & removal of plastic waste enroute the Yamunotri shrine, provision of Cardiac Care Mobile Medical Unit (CCMMU) at Janki Chatti (Uttarkashi) & establishment of Cardiac Care Intensive Care Unit (CCICU) at Barkot (Uttarkashi).

To promote the cause of education in the country your Company has extended support towards providing all-expense paid specialized residential coaching for engineering college entrance examinations at GAIL Utkarsh centers at Kanpur (UP), Dwarahat & Srinagar (Uttarakhand). Your Company has also provided education facilities in the form of infrastructure, smart classes, school equipments, teaching learning material etc. in various Govt. schools/ colleges across the country.

Your Company has also extended support towards Skill Development Institutes (SDIs) in Kochi (Kerala), Raebareli (UP), Vishakhapatnam (AP), Bhubaneswar (Odisha), Ahmedabad (Gujarat) and Guwahati (Assam). These SDIs have been set up through collaborative efforts of Oil PSEs under the aegis of Ministry of Petroleum & Natural Gas and are in line with "Skill India Mission" of Government of India.

13. INTERNAL CONTROL SYSTEMS &THEIR ADEQUACY

Your Company has distinct and efficient Internal Control Systems in place. It has a clearly defined organizational structure, manuals and standard operating procedures for its business units and service entities to ensure orderly, ethical and efficient conduct of its business. The Company's internal control system ensures efficiency, reliability, completeness of accounting records and timely preparation of reliable financial and management information. Internal financial controls framework and Risk Control Matrix (RCM) for various business processes is in place and reviewed continuously by the management. In addition, it also ensures compliance of all applicable laws and regulations, optimum utilization and safeguard of the Company's assets.

Your Company has independent and integral internal audit department having diligent professionals covering aspects relating to commercial and technical domains. The Internal Audit department functionally reports to the Audit Committee and administratively reports to the Chairman & Managing Director as per the best global practice. The audit assignments are conducted as per the annual audit program approved by the Audit Committee. Internal audit examines the effectiveness of internal controls through risk based audit of business processes. In congruence with the mission of internal audit "Assurance and advice that adds value to the organization", the root cause and impact of the significant audit observations are reported to the management. The Audit Committee of the Board reviews the significant findings of internal audit and CAG audit regularly.

In addition to delivering superior financial & physical performance in this financial year, your Company has also taken various initiatives to optimize processes and improve effectiveness of internal controls. Your Company has implemented centralized payment and centralized compliance system of TDS thereby reducing man hours and is also among the first PSU to successfully implement the first digital worker named "GAIL Manu 1"in production system for review of Accounts under its Robotic process automation program.

14. ACCOLADES

➢ Corporate

- Dun & Bradstreet Infra Awards 2018 : Gas - Processing, Transmission & Marketing
- Dun & Bradstreet Infra Awards 2018: Renewable Energy Roof Top Solar- Pata
- World CSR Congress National Awards for Excellence in Solar Energy
- 15th National Award for Excellence in Cost Management – 2017 by Institute of Cost Accountants of India (ICMAI)
- SAMMIE 2018 Silver award for Best use of video content in Digital Media for Hawa Badlo Campaign
- Economic Times Brand Equity Kaleido 2019 Bronze Award for the Best Campaign under PSU/ Government category for Hawa Badlo Campaign
- Golden Peacock Award for Excellence in Corporate Governance for the year 2018

➢ CSR

- GAIL was honored with DainikJagran CSR Award, 2019 in Health category for project Arogya.
- GAIL received Golden Peacock Award for Corporate Social Responsibility for the year 2018 for Project Arogya.
- Recognizing your Company's contribution towards ensuring healthcare to the most disadvantaged segments, GAIL was awarded SKOCH-Order-of-Merit 2018 for Project Arogya.
- Golden Peacock Award for Corporate Social Responsibility for the year 2018 (Project Arogya), awarded by Institute of Directors
- 'PHD Annual Awards for Excellence 2018' for 'Outstanding Contribution to Social Welfare', awarded by PHD Chambers
- Rated as '4Good' in The Economic Times 2Good 4Good CSR rating scheme for Corporate Social Responsibility
- Hindustan Ratna Awards 2018 for Excellence in CSR Practices, awarded by Hindustan Media Ventures Ltd.
- 'Project Shrijan' got featured in 'Energising New India' in 2018 under 'CSR Projects of New India' for Disaster Management.

➢ HSE

- GAIL HVJ compressor station, Vijaipur declared winner of 2nd Level award - SHRESHTHA SURAKSHA PURUSKAR (Silver Trophy) in manufacturing sector category by National Safety Council of India
- GAIL GPU & Compressor Station, Vaghodia declared winner of 4th level award (PRASHANSA PATRA) in the same above category" by National Safety Council of India
- GAIL conferred with Award for "Best Implementation of BBS in Indian Industry" for Best Practices of Behavioral Based Safety Implementation "from Forum of Behavioral Safety, Mumbai"
- GPU Vaghodia won British Safety Council "International Safety Award-2018 with distinction
- GPU Gandhar received British Safety Council "International Safety Award-2018"

CAUTIONARY STATEMENT

Statements in the Directors' Report and Management Discussion & Analysis, describing the Company's objectives, strategies, projections and estimates, expectations, etc. may be "forward looking statements" and progressive within the meaning of the applicable laws and regulations. Forward looking statements contained herein are subject to certain risks and uncertainties and accordingly actual results may differ materially from the expectations. Critical factors that could influence the Company's operations include global and domestic demand and supply conditions, changes in Government regulations/ tax laws, economic developments within the country and factors such as litigation and industrial relations. Readers are cautioned not to place undue conviction on the forward looking statements.

ANNEXURE - B

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At GAIL, our philosophy firmly believed that good corporate governance, business ethics and corporate sustainability are the three essential ingredients required in order to achieve its mission which is to accelerate and optimize the effective and economic use of Natural Gas and its segments for the benefit of the national economy and its vision of becoming a leading company in Natural Gas Value-Chain and Beyond with Global Focus.

This philosophy is implemented by way of complying with all the regulatory provisions applicable to the company on absolute basis that is in their true letter and spirit because this is said to be the best form of governance, setting out a discipline on managing the affairs of the company by way of a code of conduct and a risk management policy spread out on all its core areas, inculcating the thought of developing in a sustainable manner by way of giving back to the society in the form of CSR activities and contributions to environment protection on a continual basis and all such initiatives are incorporated in the Report on Corporate Social Responsibility and applying the Triple Bottom Line approach (People, Planet and Profit in order of priority) to ensure that the company after fulfilling all its obligations contributes to real value addition which will be its actual growth.

Over the years, GAIL has strengthened this practice and has evolved itself to become the fastest growing Maharatna Public Sector Undertaking. Now, the endeavour of the Board of your company for the upcoming years is first to set new goals and targets complementing GAIL's vision and mission, second to protect the interest of the stakeholders which includes the shareholders, employees, creditors, the government and the society at large through constant engagement and provide them with superior returns and give value to their investments and the trust put in by them in this company and finally to sustain the growth so achieved and maintain the credibility earned.

2. BOARD OF DIRECTORS

i. Terms of Reference

In line with the sound Corporate Governance framework, all the statutory, significant and material information including as enlisted in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations, 2015), Companies Act, 2013, Guidelines on Corporate Governance for CPSEs, 2010 issued by the Department of Public Enterprises (DPE Guidelines for Corporate Governance) etc. is periodically placed before the Board.

ii. Composition

The Company is a Government Company under the administrative control of the Ministry of Petroleum and Natural Gas (MoP&G), Government of India, the Directors are, therefore, nominated/ appointed by the Government of India.

The Board of Directors has a combination of Executive (Functional) and Non-Executive Directors. As on 31st March, 2019, there were 16 (sixteen) Directors on the Board comprising 6 (six) Functional Directors including the Chairman & Managing Director, 10 (ten) Non-Executive Directors [comprising 2 (two) Government Nominee Directors and 8 (eight) Independent Directors].

The Company is complying with the mandatory requirements of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 except the requirement pertaining to composition of Board of Directors with respect to requisite number of Independent Directors during the period from 05.06.2018 to 05.08.2018. Company had been taking up with the Ministry of Petroleum and Natural Gas, Government of India for appointing requisite number of Independent Directors on the Board of Company during this period.

Further the details of attendance, number of other Directorships and Chairmanship/ Memberships of Committees of each Director are as under:

Name and Designation of the Director	No. of Board Meetings attended during the Tenure	Attendance at last Annual General Meeting	Directorships held in Other Companies	Names of other listed entities where the person is a director along with the category of Directorship	Committee Membership in other Companies	Chairperson of Committees of other Companies
I. Functional Directors (Whole-time)						
Shri B. C. Tripathi Chairman and Managing Director	11	Yes	Public - 4 Private - 0	I. Petronet LNG Limited- Director ii. Mahanagar Gas Limited- Non-executive Director- (Chairman)	NIL	NIL
Dr. Ashutosh Karnatak Director (Projects)	13	Yes	Public - 0 Private - 0	NIL	NIL	NIL
Shri Subir Purkayastha Director (Finance) & CFO [upto 30.11.2018]	10	Yes	Public - 3 Private –0	Petronet LNG Limited- Nominee Director upto 03.11.18	1	1
Shri P. K .Gupta Director(HR)	13	Yes	Public - 1 Private -0	NIL	NIL	NIL
Shri Gajendra Singh Director (Marketing)	13	Yes	Public - 3 Private - 1	Indraprastha Gas Limited- Chairman	NIL	1
Shri Manoj Jain Director (Business Development) [w.e.f. 05.06.2018]	8	Yes	Public - 3 Private - 1	NIL	1	NIL
Shri Anjani Kumar Tiwari – Director (Finance) & CFO [w.e.f 01.12.2018]	3	NA	Public - 4 Private - 1	NIL	NIL	2

Name and Designation of the Director	No. of Board Meetings attended during the Tenure	Attendance at last Annual General Meeting	Directorships held in Other Companies	Names of other listed entities where the person is a director along with the category of Directorship	Committee Membership in other Companies	Chairperson of Committees of other Companies
II. Non-Executive Directors (Government Nominee)						
Shri Ashish Chatterjee	4	No	Public – 1 Private - 0	Engineers India Limited Nominee Director	NIL	NIL
Smt. Indrani Kaushal	6	No	Public-1 Private-0	NIL	NIL	NIL
III. Non-Executive Directors (Independent)						
Shri S.K. Srivastava	13	Yes	Public –0 Private -0	NIL	NIL	NIL
Shri Anupam Kulshreshtha	13	Yes	Public –0 Private -0	NIL	NIL	NIL
Shri Sanjay Tandon	12	Yes	Public - 1 Private - 2	NIL	1	NIL
Shri Dinkar Prakash Srivastava	12	Yes	Public - 1 Private - 0	NIL	NIL	NIL
Dr. Anup K Pujari	11	Yes	Public - 0 Private -0	NIL	NIL	NIL
Shri Jayanto Narayan Choudhury	10	Yes	Public- 0 Private-0	NIL	NIL	NIL
Dr. Rahul Mukherjee	9	Yes	Public - 0 Private -0	NIL	NIL	NIL
Smt Banto Devi Kataria [w.e.f 06.08.2018]	7	Yes	Public - 0 Private -0	NIL	NIL	NIL

Notes:

1. 34th Annual General Meeting (AGM) of the Company was held on 11.09.2018.
2. Based on disclosures received from the concerned Director(s):
   i. Directors inter-se are not related to each other and also to other Key Managerial Personnel. Independent Directors have declared that they meet the criteria of independence as provided in SEBI LODR Regulations, 2015 and the Companies Act, 2013.
   ii. None of the Director(s) on the Board is a Member of more than 10 (Ten) Committees or Chairman of more than 5 (Five) Committees across all the companies in which he/she is a Director. Membership/Chairmanship is reckoned considering Audit Committee and Stakeholders Relationship Committee.
   iii. None of the non-executive Directors hold any Equity Shares of the Company.
   iv. None of the non-executive Directors had any pecuniary relationship or transactions with the Company during the FY ending on 31st March, 2019.
3. Brief resume of directors appointed/ reappointed at the forthcoming AGM is given in the Notice of AGM.
4. GAIL (India) Limited is a Government Company under the administrative control of the Ministry of Petroleum & Natural Gas (MoP&NG), the power to appoint/nominate Directors vests with the Government of India. All Directors of the Company viz. Executive, Non- Executive Directors are appointed/ nominated by MoP&NG based on the skills/expertise/competencies needed for the Company. In view thereof, the Board of Directors has not identified the list of core skills / expertise / competencies required by a Director in the context of company's business, as required under SEBI (LODR) Regulation 2015.
5. Video- conferencing facilities are also used to facilitate Directors at other locations to participate in Board/Committee meetings.

iii. Meeting Details

During the Financial Year 2018-19, 13 (Thirteen) meetings of the Board were held -13th April, 11th May, 24th May, 5th June, 12th June, 12th July, 10th August, 11th September, 22nd October, 5th November, 12th December in 2018 & 05th February and 05th March in 2019.

iv. Independent Directors Meeting

A separate meeting of Independent Directors during the year 2018-19 was held on 25th May, 2018 without the attendance of non-independent directors and members of management as per the requirement of the Companies Act, 2013 and SEBI LODR Regulations, 2015.

v. Board induction and training

Upon appointment, the newly appointed Directors are provided a welcome kit detailing their roles and responsibilities and necessary information on their legal and regulatory obligations. Newly appointed Independent Directors are given orientation presentation on the Company's Business and its activities.

In addition, the Company has formulated a Training Policy for Board Members of the Company. The Company's Directors are nominated from time to time to attend conferences on corporate governance, roles & responsibilities of Directors and other industry related matters conducted by DPE, SCOPE and other reputed Institutes.

The details of Independent Directors training/ familiarization programmes are available on the Company's website at http://gailonline.com/pdf/InvestorsZone/GAIL%20familiarization%20program.pdf

3. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities which concern the Company and need a closer view. The Board constitutes, assigns, co-opts and fixes the terms of reference of various Committees. All decisions and recommendations of the Committees are placed before the Board for information or for approval. The approved minutes are circulated to the members of the Committee and also to the concerned department/group for implementation of the decision. The minutes of the Committees are further placed in the next Committee meeting for noting of the members and in Board meeting for information. Action Taken Report requiring action taken to be reported back to the Committee(s) is also put up to the Committee on regular basis.

Presently, there are 12 (Twelve) Committees of the Board including 4 (four) statutory Committees viz. Audit Committee, Corporate Social Responsibility Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. Details of statutory Committees of the Board are detailed below and information about other Committees of the Board is forming part of Annual Report separately.

A. AUDIT COMMITTEE

i. Terms of Reference

The terms of reference of the Audit Committee is in accordance with the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and the DPE Guidelines for Corporate Governance and as amended from time to time. It, inter-alia, includes, oversight of financial reporting process, recommending fixation of fees for auditors, approval of payment to auditors for payment of any other services rendered, reviewing annual and quarterly financial statements, reviewing performance of statutory / internal auditors and adequacy of internal control system, reviewing adequacy of internal audit function, discussion with internal auditors, reviewing findings of internal investigations, discussion with statutory auditors, reviewing whistle blower mechanism, approval or any subsequent modification of transactions with related parties scrutiny of inter-corporate loans and investments valuation of undertakings or assets of the Company, wherever it is necessary evaluation of internal financial controls and risk management systems. Further, it deals with all the aspects of ethics in the Company and also reviews the budgeted capex on quarterly basis, reviewing the utilization of loans and/ or advances from /investment by the holding company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

ii. Composition

As on 31st March, 2019, the Audit Committee comprised Shri Anupam Kulshreshtha as the *Chairman,* Shri Gajendra Singh, Shri S.K. Srivastava and Shri Sanjay Tandon as the members. All members of the Committee have requisite experience in financial and management matters.

Director (Finance), Director (HR) and Head of Internal Audit are the permanent invitees to the meetings of Audit Committee. Other Functional Directors and senior functional executives are also invited, as and when required, to provide necessary information/ clarification to the Committee. The representatives of the Statutory Auditors attend the Committee meetings in which quarterly financial result / financial statements were considered. The representatives of the Cost Auditors are also invited to meetings of the Audit Committee whenever matters relating to cost audit report are considered. The Company Secretary acts as the Secretary to the Committee.

iii. Meeting Details

During the Financial Year 2018-19, 11 (Eleven) meetings of Audit Committee were held: 24th May, 11th June, 9th July , 31st July, 10th August, 22nd October, 05th November in 2018 & 11th January, 30th January, 05th February and 26th February in 2019 . The attendance of the Members at the meetings was as under:

S. No.	Members	No. of Meetings	
		Held during the tenure	Attended
1.	Shri Anupam Kulshreshtha	11	11
2.	Shri S.K.Srivastava	11	11
3.	Shri Sanjay Tandon	11	11
4.	Shri Gajendra Singh	11	11

iv. Risk Management

A robust Risk Management Framework supports the Company's business strategy and operations. Risk Management Framework is constantly updated for new and emerging risks emanating from business expansion and interests.

The risks are evaluated, quantified & prioritized and mitigation plans are reviewed & monitored at various stages. The Risk Management policy & procedures are periodically reviewed & monitored by Risk Management Committee, Audit Committee & Board. The Risk Management Framework has been detailed in the Management and Discussions Analysis section of Directors' Report. All the functional Directors excluding CMD, Head of Treasury and Chief Risk Officer (Risk Department, HOD) are the members of Risk Management Committee. Director (Marketing) is the Chairperson of Risk Management Committee.

v. Vigil Mechanism - Policy on Whistle Blower and Fraud Prevention

The Company has implemented 'Whistle Blower Policy' wherein employees are free to report any improper activity resulting in violations of laws, rules, regulations or code of conduct by any of the employees, to the competent authority. Central Vigilance Commission is authorized to inquire into the complaints from 'Whistle Blowers' and take requisite action.

The policy allows direct access to the Chairperson of the Audit Committee in exceptional cases. Further, while enquiry of any complaint, under the whistle blower policy, the identity of the complainant/ informant is not disclosed by the designated agency entrusted for investigation, even to the Chairperson of the Audit Committee except the contents of the complaint.

Further, the Company has framed the Fraud Prevention Policy to prevent, detect and allow for speedy disposal of fraud or suspected fraud. Mechanism followed is appropriately communicated within organization across all levels and has been displayed on Company's website at http: //gailonline.com/pdf/others/Draft_Policy2012.pdf.

The link of the Whistle blower policy can be accessed at the following link- http://gailonline.com/pdf/others/Circular_Whistle%20Blower%20Policy_12.02.2019-english.pdf. The link for –"Procedure for action in case of corrupt/ fraudulent/ collusive/ coercive practices"- can be accessed at the following link- http://gailonline.com/pdf/others/Annexure-II.pdf.

Audit Committee reviews the complaints received under whistle blower mechanism and fraud prevention policy only, if there is any complaint received under the said policies.

During the year under review, no complaints were received under Whistle Blower Policy and Fraud Prevention Policy.

B. STAKEHOLDER'S RELATIONSHIP COMMITTEE

i. Terms of Reference

The terms of reference of the Committee is to, inter-alia, look into the various aspects of interest of shareholders, debenture holders and other security holders of the Company and matters relating to Registrar & Share Transfer Agent (R&TA), to approve issuance of duplicate share certificate, to resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc., to review the measures taken for effective exercise of voting rights by shareholders, to review adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent, to review the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The role of Stakeholders Relationship Committee is as per SEBI (LODR) Regulations, 2015 and The Companies Act, 2013 as amended from time to time.

ii. Composition

As on 31st March, 2019, the Stakeholders Relationship Committee comprised Shri Dinkar Prakash Srivastava (as the Chairman), Dr. Ashutosh Karnatak, Shri P.K. Gupta and Dr. Rahul Mukherjee as the member(s). The Company Secretary acts as the Secretary of the Committee.

iii. Meeting & Other Details

During the Financial Year 2018-19, a meeting of the Committee was held on 07th January, 2019 which was attended by all the members i.e. Shri Dinkar Prakash Srivastava, Dr. Ashutosh Karnatak, Shri P.K. Gupta, and Dr. Rahul Mukherjee.

Letters of shareholders received through SEBI/ Stock Exchanges/ Ministry of Corporate Affairs (MCA) / Depositories/ other statutory authorities are considered as 'Complaints'. The day to day requests received from the shareholders are taken up by MCS Share Transfer Agent Limited, Registrar &

Transfer Agent (R&TA) directly and are not included in the complaints. Status of the Complaints received and redressed during the respective quarters is being placed before the Audit Committee and the Board.

During the year 2018-19, 20 complaints were received from the shareholders/ investors through SEBI/ Stock Exchanges and other statutory bodies, which pertained to matters like non-receipt of dividend, annual report, etc. and all the 20 complaints were resolved.

Company has taken various steps to ensure that the shareholder related matters/issues are given due priority and are resolved within a reasonable period of time by R&TA.

To facilitate the member(s) to register their requests, if any, designated e-mail ID(s) of the R&TA and Company are **admin@mcsregistrars.com** and **shareholders@gail.co.in.** Further, there is a separate dedicated section on the Company's website **www.gailonline.com** captioned 'Investor Zone' for awareness of the shareholders about latest developments and updated information about annual reports, financial information, shareholding pattern, dividend declaration, Investor Education & Protection Fund (IEPF) transfer, unpaid dividend etc.

C. NOMINATION AND REMUNERATION COMMITTEE

The Company is a Government Company, therefore, the remuneration of its Whole-time Directors is determined by the Government of India. The Part-time Director(s) (Government Nominee) do not receive any remuneration from the Company. Further, the Part-time non-official (Independent) Directors are being paid sitting fee of ₹ 40,000/- and ₹ 30,000/- for attending each meeting of the Board and Committee respectively in addition to expenses incidental thereto.

i. Terms of Reference

The terms of reference of this Committee is to :

a. Deliberate and decide on Performance Related Pay (PRP) pool and policy of distribution of PRP to employees.

b. Examination of issues relating to pay and perks other than PRP prior to consideration by the Board.

c. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees; Formulation of criteria for evaluation of Independent Directors and the Board; Devising a policy on Board diversity; Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

d. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

The role of Nomination and Remuneration Committee is as per SEBI (LODR) Regulations, 2015, Companies Act, 2013 and DPE guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 as amended from time to time.

ii. Performance Evaluation of Board

The Directors of the Company are appointed by the Government of India therefore the performance evaluation is also to be done by Government of India being appointing authority. Further, as per notification dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government of India, Government Companies are exempted from complying with the provisions of section 134(3)(p) of the Companies Act, 2013 with respect to performance evaluation of Board and its Committees.

iii. Composition

As on 31st March 2019, the Nomination and Remuneration Committee of the Company comprised Dr. Rahul Mukherjee as the Chairman, Shri Dinkar Prakash Srivastava and Shri Jayanto Narayan Choudhury, as the member (s). Director (Finance) and Director (HR) are the permanent invitees to the meetings of Nomination and Remuneration Committee.

iv. Meeting & Other Details

During the Financial Year 2018-19, a meeting of Nomination and Remuneration Committee was held on 14th September, 2018. The attendance of the Members at the meeting was as under:

S. No.	Members	No. of Meetings	
		Held during the tenure	Attended
1.	Dr. Rahul Mukherjee	1	1
2.	Shri Dinkar Prakash Srivastava	1	1
3.	Shri Jayanto Narayan Choudhury	1	1

v. Remuneration of Directors

The details of remuneration paid to Whole-time Directors of the Company for the Financial Year 2018-19 are as below:

(₹ in lacs)

S. No.	Name of the Director	Salary & Allowances	Contribution to PF	Other Benefits and Perquisites	Performance Related Payment	Total*
1.	Shri B. C. Tripathi Chairman and Managing Director	67.02	6.63	13.48	46.73	133.86
2.	Dr. Ashutosh Karnatak Director (Projects)	58.57	5.66	8.39	33.24	105.86
3.	Shri Subir Purkayastha Director (Finance) & CFO [upto 30.11.2018]	82.73	5.01	0.65	32.93	121.32
4.	Shri P.K.Gupta Director(HR)	49.27	5.50	0.91	32.30	87.98
5.	Shri Gajendra Singh Director (Marketing)	41.42	5.46	11.10	32.03	90.01
6.	Shri Manoj Jain Director(Business Development) [w.e.f 05.06.2018]	34.05	4.37	7.82	19.11	65.35
7.	Shri A. K. Tiwari– Director (Finance) & CFO [w.e.f 01.12.2018]	16.47	1.76	0.27	7.50	26.00

* Includes self-lease amount paid during the period.

The payment made to Whole-time Directors did not include provision for leave, gratuity and post retirement benefits as per Ind AS-19 since, the same were not ascertained for individual employees (Refer note no. 44 to the accounts in Annual Report). During the year under review, the Company had not introduced any stock-option scheme.

The service contract of Whole-time Directors is for five years or till superannuation, whichever is earlier. The notice period of three months or salary in lieu thereof is required in case of severance of service. Part-time non-official (Independent) Directors are usually appointed for three year period by the Government of India. Further, Part-time Director (Government Nominee) representing administrative Ministry of the Government of India are appointed for a period of three years from the date of their induction on the Board on co-terminus basis or until further orders, whichever is earlier.

The Company has issued formal appointment letters to the Independent Directors. Further, as required by Regulation 46 of the SEBI LODR Regulations - 2015, the terms and conditions of appointment of the Independent Directors is available on the Company's website at page http://www.gailonline.com/IZ-IndependentDirector.html

During the Financial Year 2018-19, the details of sitting fees paid to the Independent Directors, excluding Goods and Service Tax paid under reverse charge mechanism by the Company, for attending the meetings of the Board of Directors and Committee(s) thereof are as under:

S. No.	Name of the Independent Director (s)	No. of Meetings of the Board attended	No. of Meetings of the Committee (s) attended	Amount (₹ in lacs)
1.	Shri S. K. Srivastava	13	24	12.40
2.	Shri Anupam Kulshreshtha	13	20	11.20
3.	Shri Sanjay Tandon	12	20	10.80
4.	Shri Dinkar Prakash Srivastava	12	15	9.30
5.	Dr. Anup K Pujari	11	08	6.80
6.	Shri Jayanto Narayan Choudhury	10	09	6.70
7.	Dr. Rahul Mukherjee	09	04	4.80
8.	Smt. Banto Devi Kataria [w.e.f. 06.08.2018]	07	06	4.60

vi. Equity Shares held by the Director (s)

Except as stated hereunder, none of the Directors hold any Equity Shares in the Company as per the declarations made by them to the Company in their own names:

S. No.	Name of the Director(s)	No. of Shares held (as on 31st March, 2019
1.	Shri P. K. Gupta	533
2.	Shri A. K. Tiwari	293
3.	Shri Manoj Jain	648

D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

i. Terms of Reference

The terms of reference of CSR Committee is to, inter-alia, formulate and recommend to the Board, a CSR Policy, recommend the amount of expenditure to be incurred and monitor the CSR Policy of the Company from time to time and to do any other activity delegated by the Board.

The role of CSR Committee is as per The Companies Act, 2013 and DPE guidelines as amended from time to time.

ii. Composition

As on 31st March, 2019 the CSR Committee of the Company comprised Shri B. C. Tripathi (as the *Chairman*), Shri P.K. Gupta, Shri Anupam Kulshreshtha and Shri Sanjay Tandon as the member(s).

iii. Meeting & Other Details

During the Financial Year 2018-19, 6 (Six) meetings of CSR Committee were held on 26th April, 11th May, 05th October, 22nd October in 2018 and 22nd January and 26th February in 2019. The attendance of the Members at the meetings was as follows:

S. No.	Members	No. of Meetings	
		Held during the tenure	Attended
1.	Shri B. C. Tripathi	6	5
2.	Shri P.K. Gupta	6	6
3	Shri Anupam Kulshreshtha	6	6
4	Shri Sanjay Tandon	6	6

Shri Ashutosh Karnatak chaired 42nd CSR Committee meeting held on 22.01.19 in absence of Shri B. C. Tripathi.

The details of the CSR activities and the expenditure incurred on the same have been detailed in a separate section in the Directors' Report/ Management Discussion & Analysis. As per the Policy, every year two percent of Profit after Tax is earmarked for various CSR programmes of the Company that are structured to result in effective outcomes. It follows global best practices in identifying, implementing, sustaining and monitoring its CSR programmes to maximize sustainability, scalability and transparency in line with the provisions of Companies Act , 2013 and Rules made thereunder.

4. GENERAL BODY MEETINGS

i. Location and Time – Last Three AGMs

The location, time and details of special resolutions passed during last three AGMs are as follows:

Financial Year	2015-16	2016-17	2017-18
AGM	32nd	33rd	34th
Date & Time	23.09.2016 at 10:30 am	12.09.2017 at 10:30 am	11.09.2018 at 10:30 am
Venue	Manekshaw Centre, Parade Road Delhi Cantonment, New Delhi-110010	Manekshaw Centre, Parade Road Delhi Cantonment, New Delhi-110010	Manekshaw Centre, Parade Road Delhi Cantonment, New Delhi-110010

Financial Year	2015-16	2016-17	2017-18
Special Resolution passed	Borrowing of INR Debt through secured/ unsecured, redeemable, taxable Non-convertible Bond(s) upto ₹ 2500 crore till the conclusion of next AGM, in one or more tranches on private placement basis.	(1) Increase in the authorized share capital to ₹ 5,000 crores (Rupees Five Thousand Crore) divided into 500 crore (Five Hundred Crore) shares of ₹10 each. (2) To amend the Articles to induct the enabling provision to carry out consolidation and re-issuance of debt securities, subject to the approval of Board of Directors pursuant to SEBI Circular No. : CIR/IMD/DF-1/67/2017, dated 30 June, 2017. (3) Borrowing of INR Debt through secured/ unsecured, redeemable, taxable, Non-convertible Bond(s) upto ₹ 2500 crore till the conclusion of next AGM, in one or more tranches on private placement basis.	(1) Amendment of Object Clause of Memorandum of Association of the Company. (2) Borrowing of INR Debt through secured/ unsecured, redeemable, taxable, Non-convertible Bond(s)/ Offshore INR Bonds upto ₹ 1,500 crore till the conclusion of next AGM, in one or more tranches on private placement basis.
Details	Approval of shareholders of the Company was sought to authorize the Board of Directors to make offer(s) or invitation(s) for raising funds through Secured, Taxable, Redeemable, Non-convertible INR Bonds in the nature of Non-convertible debenture upto Rs 2,500 crore.	1) Approval of shareholders of the Company was sought for amendment in Articles of Association of the Company for: (i) Increase in the authorized share capital to ₹ 5,000 crores (Rupees Five Thousand Crore) divided into 500 crore (Five Hundred Crore) shares of ₹10 each. (ii) sought to authorize the Board of Directors including its Committee from time to time issue, consolidate, re-issue etc. the debt securities of the Company including structured / market linked in such manner and upon such terms and conditions as may be think fit. (2) Approval of shareholders of the Company was sought to authorize the Board of Directors to make offer (s) or invitation (s) for raising funds through Secured, Taxable, Redeemable, Non-convertible INR Bonds in the nature of Non-convertible debenture upto ₹ 2,500 crore.	1) Approval of shareholders of the Company was sought for Amendment of Object Clause of the Memorandum of Association of the Company. (2) Approval of shareholders of the Company was sought to authorize the Board of Directors to make offer (s) or invitation (s) for raising funds through Secured/ Unsecured, Redeemable, Taxable Non-convertible Bond (s) / Offshore INR Bonds in the nature of Non-convertible debenture upto ₹ 1,500 crore.

No Extraordinary General Meeting of the Members was held during the Financial Year 2018-19.

ii. Postal Ballot

The Board in its 402nd meeting held on 27.05.2019 recommended issue of Bonus Shares in proportion of 1 (one) equity share for every 1 (one) existing equity shares held by the members on Record Date 10.07.2019 in this behalf by capitalizing a sum of ₹ 22,55,07,09,330/- from Free Reserves as per audited financial statements of the Company for the financial year ended 31st March, 2019. Pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014 that the Notice dated 30.05.2019 was sent to all shareholders for issue of Bonus Shares which is proposed to be passed by way of postal ballot / remote e-voting.

During the Financial Year 2018-19, no such item was passed for which voting through postal ballot is required.

5. MEANS OF COMMUNICATION

Timely disclosure of relevant and reliable information on financial performance is at the core of good governance. Towards this end, major steps taken were as under:

- **Quarterly/Annual Financial Results :** The quarterly unaudited financial results and audited yearly results of the Company are announced within stipulated period. The results are published in leading newspaper like Economic Times, Business Standard etc. Further, these were also hosted on the website of the Company at http://gailonline.com/IZ-QuarterlyCompliances.html
- **NEAPS (NSE Electronic Application Processing System) and BSE Corporate Compliance & Listing Centre :** NSE and BSE have developed web based applications for corporates. Periodical compliances like financial results, shareholding pattern etc. are filed electronically on NEAPS and BSE Listing Centre.
- **News Release, Presentation etc. :** Official news/press releases and presentations made to investors/ analysts are hosted on the Company's website from time to time and also informed to Stock Exchanges.
- **Website :** The Company's website www.gailonline.com contains dedicated section 'Investor Zone' having updated relevant information for shareholders.
- **Annual Report :** Annual Report containing inter-alia, Standalone Audited Financial Statements, Audited Consolidated Financial Statements, Directors' Report, Management Discussion and Analysis, Auditors' Report, Corporate Governance Report is circulated to the members and others entitled thereto. Copies of Annual Report for laying in Parliament is also sent through MoP&NG. Further the copies of Annual Report is also shared with other CPSEs and corporates. The same is also uploaded on the website of the Company which can be accessed at the following link- http://gailonline.com/IZ-AnnualReports.html
- **Chairman's Speech** at the AGM is distributed to all the members present. Same is also hosted at Company's website for information of shareholders.
- **SCORES (SEBI Complaints Redressal System)**–SEBI processes investors' complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system, a shareholder can lodge complaint(s) against a Company for his grievance. Company/RTA uploads the action taken on the complaint which can be viewed by shareholder. The Company and shareholder can seek clarifications online through SEBI.
- Regular reminders are being sent to the Shareholders for claiming unpaid/ unclaimed dividend/ Shares every year.
- **Green initiative – reaching important communication to shareholders through email** - In terms of the Green initiative launched by the Ministry of Corporate Affairs, to allow service of documents to the members through electronic mode, the Company from the last few years has been sending various communications/ documents like Annual Report, Notice of AGM, NACH intimation etc. through e-mail to those shareholders who have registered their email id with the DP/ R&TA.

6. GENERAL SHAREHOLDER INFORMATION

- **Forthcoming Annual General Meeting (AGM) : Date, Time and Venue**

  35th Annual General Meeting of the Company is scheduled for **Tuesday, the 20th day of August, 2019** at **10.30 a.m.** at **Manekshaw Centre, Parade Road, Delhi Cantonment, New Delhi - 110010.**

- **Dividend details:**

  During the Financial Year 2018-19, the Board of Directors approved the payment of dividend, for which the Record Date/ Book Closure and dividend payment dates were fixed, as per the following details:

S. No.	Dividend Declared	Date of approval of dividend	Dividend (%)	Record Date / Book Closure	Dividend Payment Date
1.	Interim Dividend	Board- 05.02.2019	62.50 (Rs. 6.25/- per share)	13.02.2019	16.02.2019
2.	Final Dividend (Proposed)	Board- 27.05.2019	17.70 (Rs 1.77/- per share) on the paid –up share capital as on 31.03.19	13.08.2019 to 20.08.2019	-

As per the SEBI LODR Regulations, 2015, the Company is using electronic mode of payment approved by the Reserve Bank of India for making payment to the members. Where dividend payments are made through electronic mode, intimations regarding such remittance is being sent separately to the members. Where the dividend cannot be paid through electronic mode, the same is paid by warrants/ DD with bank account details printed thereon. In case of non-availability of bank account details, address of the members will be printed on the warrants.

- **Investor Education and Protection Fund (IEPF)**

  Pursuant to Section 125 of the Companies Act, 2013, dividend amount(s) remaining unclaimed and unpaid for a period of seven years, from the date they became due for payment, is required to be transferred to IEPF established by the Central Government in this behalf.

  During the year, the Company has transferred an amount of Rs. 20.60 lacs and Rs. 14.30 lacs in the IEPF for unclaimed/unpaid final dividend for FY 2010-11 and interim dividend for FY 2011-12 respectively. Till date Rs 3.27 crores has been transferred to IEPF. Pursuant to the requirement of section 124(6) and Rule 6(5) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares in respect of which dividend have not been paid or claimed for seven consecutive years or more to be transferred to IEPF Authority Account. In this regard, during the year 2018-19, 25,214 shares have been transferred to IEPF Authority account. Till date 50,477 shares have been transferred to IEPF Authority account.

  The subsequent due dates of transfer of unpaid/ unclaimed dividend and shares to IEPF Authority Account for the imminent financial years are as under:

FY	Type of Dividend	Dividend (%)	Last date for claiming Unpaid Dividend	Due date for transfer to IEPF
2011-12	FINAL	57	04.10.2019	04.11.2019
2012-13	INTERIM	40	13.03.2020	13.04.2020

After the transfer of unpaid/unclaimed amount to IEPF, no claim shall lie against Company/ R&TA. Members who have not yet encashed their Dividend Warrant(s) may approach the R&TA for issuance of demand draft(s) upon completion of necessary formalities in the said behalf in lieu of such warrant. However, shareholders whose unpaid/unclaimed dividend has been transferred to IEPF shall be entitled to get refund in respect of such claims in accordance with provisions of the Companies Act, 2013 and rules framed in this regard by Government of India. More details are available at http://gailonline.com/IZ-InvestorsZone.html and http://gailonline.com/IZ-InvestorInformation.html.

The Company has uploaded the information in respect of the Unclaimed Dividends till the date of the 34th AGM on the website of the Company as per IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012.

- **Other Details**

  For change of address/bank details/dividend mandate/ email Id(s), if any, members can approach-

  i) If shares are held in **physical mode,** to the R&TA/Company.
  ii) If shares are held in **electronic mode,** to their Depository Participant (DP). The R&TA/ Company will not entertain such requests, if any.

  Bank Account details and MICR Code of their Bankers, as noted in the records of their DP are used for the purpose of overprinting on Dividend Warrants or remittance of dividend through National Automated Clearing House, wherever applicable. A detailed reference note on dividend related activities is also available at Company's website under 'Investor Zone'.

- **Listing of Securities on Stock Exchanges**

Stock Exchange & Address	Security Code	Type of Security
BSE Limited (BSE) Floor 1, Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400001	532155	Equity Shares
National Stock Exchange of India Limited(NSE) Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051	GAIL-EQ	Equity Shares
London Stock Exchange Regulatory News Service Department (RNS) 10, Paternoster Square, London EC4M 7LS	GAID LIGAILYUS	GDR(s)

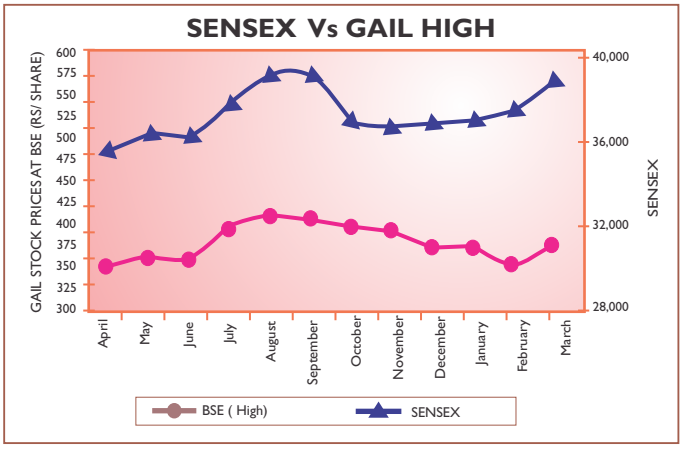
Further, the Non-Convertible Redeemable Bonds –Bond Series – I, 2015 (8.30%) of the Company are listed at the Wholesale Debt Market (WDM) segment of NSE. IDBI Trusteeship Services Limited, Asian Building, Ground Floor, 17, R Kamani Marg, Mumbai – 400001 (Tel No.: 022-40807000) is the Bond Trustee for the abovementioned Bond Series.

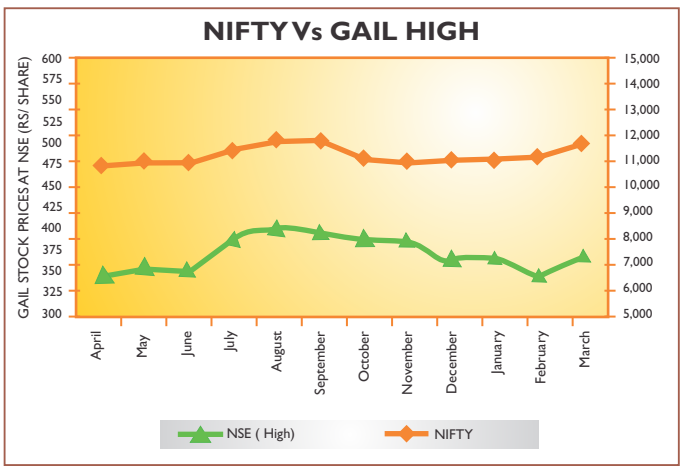
The Annual listing fees for the listed equity shares and Bonds of the Company, pertaining to the Financial Year 2018-19 has been paid to the concerned Stock Exchange(s) on demand. The Company has also made the payment of the Annual Custody Fees to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), for the FY 2018-19.

During Financial Year 2018-19, the securities of the Company were not suspended from trading.

- **Market Price Data**

MONTHS	BSE			NSE			MARKET CAPITALISATION (₹ IN CRORES)			MARKET INDEX
	HIGH (in ₹)	LOW (in ₹)	VOLUME (No. of Shares)	HIGH (in ₹)	LOW (in ₹)	VOLUME (No. of Shares)	BSE	NSE	SENSEX	NIFTY
April	342.40	320.60	2683653	342.75	320.50	2628967	73,289	73,312	35213.30	10759.00
May	352.75	298.70	6995844	353.05	298.75	11187995	78,983	79,130	35993.53	10929.20
June	350.00	315.75	9147704	349.50	315.55	7593016	76,706	76,728	35877.41	10893.25
July	386.50	332.75	3460728	386.50	332.65	3009113	84,497	84,598	37644.59	11366.00
August	398.80	354.30	4756646	399.40	353.70	5678159	83,899	83,933	38989.65	11760.20
September	394.50	354.25	4388092	394.55	354.15	13186663	85,365	85,467	38934.35	11751.80
October	386.55	296.00	4643443	386.75	295.25	7219639	84,328	84,396	36616.64	11035.65
November	381.95	330.50	6099054	382.00	330.20	5832509	77,495	77,360	36389.22	10922.45
December	363.35	328.25	3636772	363.50	328.00	2659906	81,284	81,250	36554.99	10985.15
January	363.50	320.00	5727383	364.00	319.65	11052707	74,800	74,902	36701.03	10987.45
February	343.50	306.00	3647481	343.95	306.80	13009264	77,100	77,123	37172.18	11118.10
March	366.40	341.00	1988678	366.50	341.25	6527844	78,318	78,397	38748.54	11630.35





- **Share Transfer System**

The shares of the Company are being compulsorily traded in dematerialized form and are available for trading under both the depositories in India viz. NSDL and CDSL. MCS Share Transfer Agent Limited is the depository interface and Share Transfer Agent of the Company.

In order to expedite the process of share transfer and in line with regulation 40 (2) of the SEBI (LODR) Regulations, 2015 the Company has delegated the power of share transfer to a Share Transfer Committee which considers the requests for transfer/transmission of shares, re-materialization etc. All the transfer/ remat/ transmission request(s) are attended by R&TA after complying with KYC norms. Shares received in physical form are transferred within the stipulated period from the date of lodgement subject to documents being valid and complete in all respects.

SEBI has recently amended relevant provisions of LODR Regulations, 2015 to disallow listed companies from accepting request for transfer of securities which are held in physical form, with effect from April 1, 2019. The shareholders, who continue to hold shares and other types of securities of listed companies in physical form even after this date, will not be able to lodge the shares with Company / its R&TA for further transfer. Shareholders are required to convert them to demat form compulsorily before transfer. Only the requests for transmission and transposition of securities in physical form will be accepted by the Company / R&TAs. For more details please visit Investor Zone section at www.gailonline.com.

- **Distribution of Shareholding**

The distribution of shareholding of the Company as on 31st March, 2019 is detailed below:

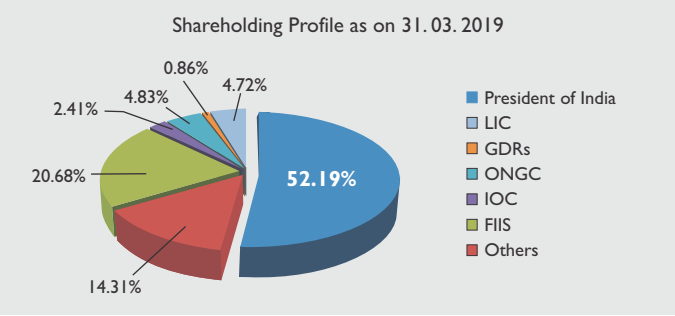
No. of Equity shares held	No. of Shares	% to Total	No. of Shareholders	% to Total
1	6394	0.00	6394	3.58
2-10	118833	0.01	19677	11.02
11-50	1553302	0.07	51273	28.72
51-100	2535396	0.11	32596	18.26
101-200	4405822	0.20	29599	16.58
201-750	11112237	0.49	30579	17.13
751-5000	10669716	0.47	7077	3.96
5001-10000	2549361	0.11	358	0.20
10001-15000	1376846	0.06	113	0.06
15001 and above*	2220743026	98.48	863	0.49
TOTAL	**2255070933**	**100.00**	**178529**	**100.00**

* includes 1,17,70,29,046 equity shares held by President of India

- **Top 10 Shareholders as on 31st March, 2019**

S. No.	Name of Shareholder(s)	Share(s)	%
1	PRESIDENT OF INDIA	1177029046	52.19
2	OIL AND NATURAL GAS CORPORATION LIMITED	108905462	4.83
3	LIFE INSURANCE CORPORATION OF INDIA	106341691	4.72
4	INDIAN OIL CORPORATION LIMITED	54452730	2.41
5	MATTHEWS PACIFIC TIGER FUND	25024384	1.11
6	HDFC TRUSTEE COMPANY LIMITED - HDFC BALANCED ADVANTAGE FUND	24105657	1.07
7	DEUTSCHE BANK TRUST COMPANY AMERICAS	19266283	0.85
8	GOVERNMENT PENSION FUND GLOBAL	14947204	0.66
9	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	12689692	0.56
10	CITY OF NEW YORK GROUP TRUST	12600572	0.56

- **Shareholding Pattern as on 31st March, 2019**



- **Dematerialization of Shares and Liquidity:**

As on 31st March, 2019, the Company had 1,78,529 shareholders, out of which 1,77,974 shareholders were holding equity shares in demat mode and 555 shareholders were holding equity shares in physical mode. The demat ISIN at NSDL/CDSL of the Company's equity shares is INE129A01019 and Corporate Identification Number allotted to the Company by the Ministry of Corporate Affairs (MCA) is L40200DL1984GOI018976.

- **Reconciliation of Share Capital Audit Report**

The Practicing Company Secretary carried out a reconciliation of share capital audit on quarterly basis to reconcile the total share capital with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and in physical mode with the total issued/paid-up capital. The audit confirms that the total issued / paid up capital is in agreement with total number of shares in physical forms and total number of dematerialized shares held with NSDL & CDSL.

- **Commodity price risk or foreign exchange risk and hedging activities**

The Company has an approved Natural Gas Price Risk Management Policy to manage the price risk on the import of natural gas procured for customers and internal consumption of Gas. The company has undertaken various hedge transactions during the Financial Year 2018-19 to mitigate the price risk arising from the volatility of various indices linked to the purchase and sales of imported LNG.

Further, the Company has approved Foreign Currency and Interest Rate Risk Management Policy in place to manage interest and currency risk in respect of Forex Exposure. The company has managed interest and currency risk related to Foreign currency loan taken during the Financial Year 2018-19.

Disclosure regarding risk management activities in GAIL during the Financial Year 2018-19 including their commodity hedging position is given under the following Annexure.

Annexure

1. Risk management policy of the listed entity with respect to commodities including through hedging.
   (Such policy shall take into account total exposure of the entity towards commodities, commodity risks faced by the entity, hedged exposures, etc. as specified below)
2. Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year :
   a) Total exposure of the listed entity to commodities in INR: ₹ 13,153.70 Crore.
   b) Exposure of the listed entity to various commodities :

Commodity name	Exposure in INR towards the particular commodity	Exposure in quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Natural Gas	₹13153.70 Crore	244.85 TBTU	NIL	NIL	38.58%	NIL	38.58%

Note:

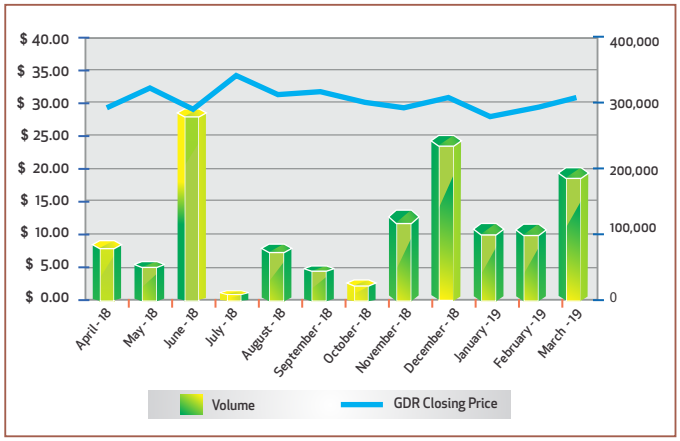
1) Exposure does not include the quantity sold on back to back basis.
2) Exposure pertains to financial year 2018-19.

c) **Commodity risks faced by the listed entity during the year and how they have been managed :** The Company has an approved Natural Gas Price Risk Management Policy to manage the price risk on the import of natural gas procured for customers and internal consumption of Gas. The company has undertaken various hedge transactions during the Financial Year 2018-19 to mitigate the price risk arising from the volatility of various indices linked to the purchase and sales of imported LNG.

- **Outstanding GDRs/ADRs/Warrants or Convertible Instruments :**

As on 31st March, 2019, a total number of 32,11,047 GDRs representing 1,92,66,283 (0.86%) number of equity shares were outstanding. One GDR represents six underlying equity shares. The conversion of GDRs into equity shares has no impact on total equity capital.

The performance of GDRs indicating the closing price of GDRs listed at London Stock Exchange is given as under :



- **Major Plant Locations**

  The following are the major plant locations of the Company :-

U.P. Petrochemical Complex, PATA
P.O. Pata – 206241
Distt. Auraiya (U.P.)

LPG Recovery Plant, Vijaipur
GAIL Complex
Vijaipur – 473112
Distt. Guna (M.P.)

LPG Recovery Plant, Vaghodia
GIDC Industrial Estate
Vaghodia – 391760
Distt. Baroda (Gujarat)

LPG Recovery Project, Gandhar
Village Rozantankaria Tal. AMOD
Distt. Bharuch – 392140 (Gujarat)

- **Address for correspondence**

GAIL (India) Limited
16, Bhikaiji Cama Place
R.K. Puram
New Delhi - 110066
Phone: 91-11-26172580/26182955
Fax No.: 91-11-26185941
Website: www.gailonline.com
E-mail: shareholders@gail.co.in

Shareholders may approach to R&TA of the Company at:

MCS Share Transfer Agent Limited
Unit: GAIL (India) Limited
F–65, Okhla Industrial Area
Phase-I, New Delhi - 110020
Phone: 91-11-41406149/50/51/52
Fax: 91-11-41709881
Website: www.mcsregistrars.com
E-mail: admin@mcsregistrars.com

7. DISCLOSURES

A. POLICIES

a. The Company has formulated a Related Party Transactions policy in terms of Regulation 23 of SEBI (LODR) Regulations, 2015. This policy is available at website of the Company at **http://gailonline.com/pdf/InvestorsZone/GAIL-Related-Party-Transaction-Policy-Amended-29.03.2019.pdf**

b. In pursuance of the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board has laid down "Code of Conduct for Prevention of Insider Trading" and "a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" with an objective of preventing purchase and/or sale of shares of the Company by Designated Persons on the basis of unpublished price sensitive information, available to them by virtue of their position in the Company. Recently, the above policies have been amended in line with the amendments proposed in the SEBI(Prohibition of Insider Trading) Amendment Regulations, 2018. The objective of this Code is to protect the interest of the shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company. The amended Code of Insider Trading is available at website of the Company at http://gailonline.com/pdf/InvestorsZone/GAIL-Insider%20Trading%20Code%202018-10.04.2019.pdf and the amended Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is available at website of the Company at http://gailonline.com/pdf/InvestorsZone/GAIL-Principles-of-Fair-Disclosures.pdf

c The Company has formulated a Policy for Determination of Materiality and Disclosure to ascertain the requirement of disclosure of events or information to stock exchange(s) and defining criteria for determining materiality of events and information as specified under clause (ii) of sub-regulation (4) of Regulation 30 of SEBI (LODR) Regulations, 2015. The policy is available at website of the Company at http://gailonline.com/pdf/Investors_Zone/GAIL%20Policy%20for%20Determination%20of%20Materiality%20and%20Disclosure%20-Amended%20as.pdf

d. As per the requirement of Regulation 43A of SEBI LODR Regulations, 2015, Dividend Distribution policy is in place and hosted at Company's website at http://gailonline.com/pdf/InvestorsZone/GAIL%20Dividend%20Distribution%20Policy.pdf

B. AFFIRMATIONS & COMPLIANCES

a. For periods up to and including the Financial Year ended 31st March 2019, the Company prepared its financial statements in accordance with the Accounting Standards notified under section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. Accordingly, the Company has prepared its financial statements which comply with Ind-AS applicable for periods ending on 31st March 2019, together with the comparative period data as at and for the year ended 31st March 2018, as described in the summary of significant accounting policies.

During the Financial Year 2018-19, there have been no material significant related party transactions that may have potential conflict with the interest of the Company at large. The details of "Related Party Disclosures" have been disclosed at Note no. 48 (Annexure B) of the Financial Statement in the Annual Report.

b. The Board of Directors of the Company has adopted the Code of Conduct for Directors and Senior Management Personnel. A copy of the code is available on Company's website at http://gailonline.com/pdf/InvestorsZone/Code%20of%20Conduct%20as%20on%2009.04.2019.pdf Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the financial year ended on 31st March, 2019.

c The Company has filed report on Corporate Governance in specified format(s) within the stipulated time to the Stock Exchange(s), MoP&G/ DPE.

d. CEO and CFO of the Company, inter-alia, confirmed the correctness of the financial statements, adequacy of the internal control and certified other matters to the Board and Audit Committee, as required under Regulation 17(8) of SEBI (LODR) Regulations, 2015.

e. The Company has implemented online legal compliance management system covering the compliance of the applicable laws to the Company. A compliance Report is generated and the same is put up bi-annually for review of the Board.

f. During the year under review, i.e. 2018-19, no Presidential Directive was received. Further, during the last three years Presidential Directive on pay revision of Board and below Board level executives was received (in 2017-18) which has been implemented.

g. No item of expenditure has been debited in the books of account, which are not for the purposes of the business or expenses which are personal in nature.

Further, the administrative & office expenses and financial expenses constitute 3.80 % and 0.20 % respectively of total expenses for 2018-19 as against 4.60% and 0.6% in 2017-18.

h. All applicable Secretarial Standards on Board Meeting and Annual General Meeting are duly complied.

i. During the Financial Year 2018-19, no independent director resigned from his post before the expiry of his tenure.

j. The list of all credit ratings obtained by the entity along with any revisions thereto can be referred to in the Board Report.

k. No funds were raised through preferential allotment or qualified institutions placement during the Financial Year 2018-19.

l. M/s Agarwal S. & Associates, PCS has certified that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/MCA or any such statutory authority.

m. During the Financial Year 2018-19, there was no instance, where the Board had not accepted the recommendation(s) of any committee of the Board which is mandatorily required.

n. The total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditors (M/s O P Bagla & Co. LLP, Chartered Accountants, New Delhi and M/s ASA Associates LLP, Chartered Accountants, New Delhi and all entities in the network firm/ network entity of which the statutory auditor is Rs. 1.29 crore/-

o. Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013 is given in Directors' Report 2018-19.

C. DISCLOSURE OF PENDING CASES/ INSTANCES OF NON-COMPLIANCE

The Company is complying with the mandatory requirements of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 except the requirement pertaining to composition of Board of Directors with respect to requisite number of Independent Directors during the period from 05.06.2018 to 05.08.2018. Company had been taking up with the Ministry of Petroleum and Natural Gas, Government of India for appointing requisite number of Independent Directors on the Board of Company during this period.

Besides the mandatory requirement of Part C of Schedule V of SEBI (LODR) Regulations 2015, the following discretionary/ non-mandatory requirements as specified in Part E of Schedule II have been implemented to the extent as under:

- The Company is headed by Chairman and Managing Director who is the Chief Executive Officer of the Company, appointed by the President of India in terms of the Articles of Association of the Company.
- The financial results are being published widely and also hosted on the Company's website.
- The Company has not received any qualification from statutory auditors on its Financial Statements for FY 2018-19.
- The Company has an in-house Internal Audit Department functionally reporting to Audit Committee & administratively reporting to CMD.
- There have been no penalties, structures paid by the Company to stock exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years;

Department of Public Enterprise has formulated Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010. The Company is complying with these guidelines.

8. SUBSIDIARY COMPANIES- MONITORING FRAMEWORK

The Company nominates its representatives on the Board of subsidiary companies. Further, the minutes of the meetings of the Board of Directors of subsidiary companies are put up to the Company's Board, from time to time. In terms of Regulation 24 of SEBI (LODR) Regulations, 2015 and DPE guidelines on Corporate Governance, performance of the subsidiary companies is, inter-alia, reviewed by the Audit Committee and the Board as under :

(i) investments made by unlisted subsidiary companies;

(ii) consolidated financial statements comprising financial statements of subsidiary companies etc.,

(iii) periodical statement of significant transactions and arrangements entered into by the Company's subsidiary companies.

In terms of Regulation 46 of SEBI (LODR) Regulations, 2015, the Company has formulated a 'Policy for Material Subsidiary(s)'. The same is available at the website of the Company at **http:// gailonline.com /pdf /Investors Zone/GAIL %20Material%20Subsidiary%20policy%20%20Amended%20as%20on %2009.04.2019.pdf** The Company does not have any material unlisted subsidiary company in terms of the SEBI (LODR) Regulations, 2015 and DPE guidelines on Corporate Governance for Central Public Sector Enterprises, 2010.

9. COMPLIANCE CERTIFICATE

The Certificate from the Auditors of the Company, confirming compliance with the conditions of Corporate Governance as stipulated under Schedule V (E) of the Listing Regulation-2015, is annexed to this Report.

Secretarial Compliance Report confirming compliance by Practicing Company Secretary of the applicable provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 , DPE guidelines on Corporate Governance, other related rules & regulations relating to capital market and other applicable laws forms part of the Directors' Report.

ANNEXURE - C

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the members of GAIL (India) Limited

We have examined the compliance of conditions of Corporate Governance by GAIL (India) Limited ("the Company") for the year ended March 31, 2019, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations-2015") and Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by Department of Public Enterprise (DPE Guidelines).

Management Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations-2015 and DPE Guidelines.

Auditors Responsibility

1. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

2. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance of the conditions of the Corporate Governance requirements by the Company.

3. We conducted our examination of the relevant records of the Company in accordance with the Guidance Note on Reports or Certificates for special purposes (Revised 2016) issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI. We have complied with the relevant applicable requirements of the Standard on Quality (SQC) 1, Quality Control for firms that perform audits and reviews of historical financial information, and other assurance and related service engagements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and in DPE Guidelines, except:

a) As stated in Para No. 2(ii) of the Corporate Governance Report, the Company has not complied with requirements of regulation 17(1) of Listing Regulations - 2015, with regard to composition of the Board of Directors comprising of at least 50% Independent directors during the period 05th June, 2018 till 05th August 2018 in the financial year 2018-19.

b) As stated in Para No. 3C(ii) of the Corporate Governance Report, in view of exemption provided to Government Companies for Complying the provision of section 134 (3)(P) vide notification dated 05th june, 2015 issued by Ministry of Corporate Affairs, the company has not complied with regulation 17(10) of Listing Regulation-2015, which required performance evaluation of Independent Directors by the entire board of directors and regulation 25(4) of Listing Regulation-2015, which requires review of performance of Non-Independent Directors, the Chairperson and the Board of Directors as a whole. However, the similar exemption under listing agreement is under consideration with Securities and Exchange Board of India.

We further state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restrictions on use

The certificate is addressed and provided to the members of the Company solely for the purpose of complying with the requirement of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and DPE Guidelines, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For O P Bagla & Co LLP
Chartered Accountants
Firm No.000018N/N500091

Sd/-
Rakesh Kumar
(Partner)
Membership No. 087537

For ASA & Associates LLP
Chartered Accountants
Firm No.009571N/N500006

Sd/-
Parveen Kumar
(Partner)
Membership No.088810

Place : **New Delhi**
Dated : **17.06.2019**

ANNEXURE - D

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

{Pursuant to Section 204(1) of The Companies Act, 2013 and Rule 9 of
The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members,
GAIL (India) Limited

We have conducted the Secretarial Audit of compliance of applicable statutory provisions and adherence to good corporate practices by **GAIL (India) Limited** (hereinafter called GAIL/the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the GAIL's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by GAIL for the financial year ended on 31st March, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation)Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;- **Not applicable**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations ,2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not applicable**

(d) The Securities and Exchange Board of India (Employee Stock option Scheme and Employee stock Purchase scheme) Guidelines, 1999; **Not applicable**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **Not applicable**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **Not applicable**

(vi) Compliances/processes/systems under other specific applicable Laws (as applicable to the industry), as listed below, to the Company are ,being verified on the basis of periodic certificate under internal compliance system submitted to the Board of Directors of the Company:

1) The Petroleum Act, 1934

2) The Petroleum Rules, 2002

3) The Oilfields (Regulation and Development) Act, 1948

4) The Petroleum and Natural Gas Rules, 1959

5) The Petroleum and Minerals Pipelines (Acquisition of Right of User in Land) Act, 1962

6) The Explosives Act 1884 and Indian Explosives Rules 1983

7) The Gas Cylinders Rules 2004

8) Oil Industry Development Act, 1974

9) The Petroleum and Natural Gas Regulatory Board Act, 2006

10) The Solvent, Raffinate and Slop (Acquisition, Sale, Storage and prevention of Use in Automobiles) Order, 2000

11) The Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Network) Regulations, 2008

12) The Petroleum Products (Maintenance of Production, Storage and Supply) Order, 1999

13) Environment Protection Act, 1986 and Environment (Protection Rules, 1986

14) Hazardous Wastes (Management and Handling) Rules, 1989

15) The Noise Pollution (Regulation and Control) Rules, 2000

16) Water (Prevention and Control of Pollution) Cess Act, 1977 and Water (Prevention and Control of Pollution) Cess Rules, 1978

17) Batteries (Management and Handling) Rules, 2001

18) The Central Motor Vehicles Rules, 1989

19) The Water (Prevention and Control of Pollution) Act, 1974

20) The Air (Prevention and Control of Pollution) Act, 1974

21) Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989

22) Static and Mobile Pressure Vessels (Unfired) Rules, 1981 as amended by the SMPV (U) Rules, 1999

23) Indian Forest Act, 1927

24) The Ozone Depleting Substances (Regulation and Control) Rules, 2000

25) The Information Technology Act, 2000

26) The Indian Telegraph Act, 1885 and the Indian Telegraph Rules, 1951

27) The Indian Wireless Telegraphy (Commercial Radio Operators Certificate Proficiency and License to Operate Global Maritime Distress and Safety System) Rules, 1994

28) The Indian Wireless Telegraphy Act, 1933

29) The. Mines Act, 1952.

30) The Arms Act, 1959.

We have also examined compliance with the applicable clauses of the following:

(a) Secretarial Standards issued by the Institute of Company Secretaries of India -Generally complied with.

(b) The Sec.urities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, Equity Listing Agreement with National Stock Exchange of India Limited & BSE Limited, Debt Listing Agreement with NSE and GDR Listing with London Stock Exchange.

(c) DPE Guidelines on Corporate Governance for CPSE (DPE Guidelines).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc, mentioned above, subject to the following observation:

Observation No. 1 Non-compliance of Regulation 17 (10) & 25 (4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has not carried out the performonce evaluation of the directors.

We further report that the Company has complied with ,the requirements pertaining to the composition of the Board of Directors, which is to be constituted as per the Companies Act, 2013, DPE Guidelines and SEBI (Listing Obligations & Disclosure Reiuirements) Regulations *except* for the period from 05.06.2018 to 05.08.2018 due to absence of requisite number of Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Generally, adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. In case of convening of meeting including sending of agenda at shorter notice, consent of members present in the meeting were taken.

All the decisions made in the Board/Committee meeting(s) were carried out with unanimous consent of all the Directors/Members present during the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Agarwal S. & Associates,
Company Secretaries,

Sd/-
CS Anuradha Jain
Partner
ACS No.: 36639
C.P No. : 14180

Date: **May 15, 2019**
Place: **New Delhi**

This report is to be read with our letter of even date which is annexed as "Annexure D(1)" and forms an integral part of this report.

ANNEXURE - D(1)

To,
The Members,
GAIL (India) Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management's representation about the compliance of laws, rules and regulation and happening of events etc.

5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Agarwal S. & Associates,
Company Secretaries,

Sd/-
CS Anuradha Jain
Partner
ACS No.: 36639
C.P No. : 14180

Date: **May 15, 2019**
Place: **New Delhi**

ANNEXURE - E

SECRETARIAL COMPLIANCE REPORT OF GAIL (India) Limited

FOR THE YEAR ENDED 31st MARCH, 2019

We, Agarwal S. & Associates, Company Secretaries, have examined:

(a) All the documents and records made available to us and explanation provided **GAIL (India) Limited** ("the listed entity"),

(b) The filings/submission made by the listed entity to the stock exchanges,

(c) website of the listed entity,

(d) any other document/filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31st March, 2019 ("Review Period") in respect of compliance with the provisions of :

(a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) The Securities Contracts (Regulation) Act, 1956 ("SCRA") rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars guidelines issued thereunder, have been examined, include:-

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; ***Not applicable during the year under review.***

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; ***Not applicable during the year under review.***

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; ***Not applicable during the year under review.***

(f) Securities and Exchange Board of India (Issue and Listing of Debt. Securities) Regulations, 2008; ***Not applicable during the year under review.***

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; ***Not applicable during the year under review.***

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(I) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

(j) The Securities and Exchange Board of India (Employee stock option Scheme and Employee Stock Purchase Scheme) Guildelines, 1999; ***Not applicable during the year under review.***

and based on the above examination, we hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below:-

S. No.	Compliance Requirement (Regulations/circulars/ guidelines including specific clause)	Deviations	Observation/Remarks of the Practicing Company Secretary
Nil	Regulation 17 (10) & 25 (4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015	Not carried out the performance evaluation of the directors	The Company should carried out the performance evaluation of the directors, as per regulation 17 (10) & 25 (4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder insofar as it appears from our examination of those records.

(c) The following are the details of actions taken against the listed entity/its promoters/directors/material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/guidelines issued thereunder:

S. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observation/ remarks of the Practicing Company Secretary, if any.
Nil	Nil	Nil	Nil	Nil

(d) The listed entity has taken the following actions to comply with the oservations made in previous reports**: Not Applicable**

S. No.	Observation of the Practicing Company Secretary in the Previous Reports	Observation made in the Secretarial Compliance report for the year ended (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
N.A.	N.A.	N.A.	N.A.	N.A.

For Agarwal S. & Associates,
Company Secretaries,

Sd/-
CS Anuradha Jain
Partner
ACS No.: 36639
C.P No. : 14180

Date: **May 15, 2019**
Place: **New Delhi**

ANNUAL REPORT ON CSR ACTIVITIES 2018-19

ANNEXURE-F

I. BRIEF OUTLINE OF CSR POLICY AND PROJECTS OR PROPOSED PROGRAMMESTO BE UNDERTAKEN

Goodness is the only investment that never fails.-Henry DavidThoreau

GAIL (India) Limited: Redefining Corporate Social Responsibility to resonate with people by rejuvenating commitment to 'Social Good'.

In FY 2018-19, your company has invested exhaustively in generating goodness across the country. Your company devoutly believes in inherent goodness of all the creatures of the world and has made honest efforts towards proliferation of this virtue through its Corporate Social Responsibility activities and programmes.

Post enactment of Companies Act, 2013, the pivotal role played by Corporate Social Responsibility in poverty alleviation and ensuring access to basic human amenities for a large section of Indian population cannot be denied.

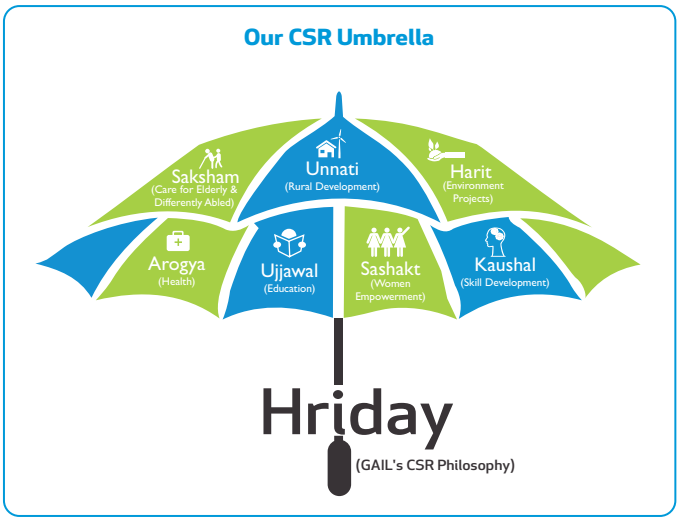
Commitment and accountability towards all stakeholders, especially the communities surrounding our present operations/upcoming business areas is in the very fabric of your company. Your Company remains committed to its CSR vision of conducting business to promote social good and integrate economic, environmental and social objectives with the GAIL's operations and growth.

While CSR as a concept may be a relatively nascent phenomenon in the contemporary business environment, its existence in and dissemination through your company has been asseverated over the three and half decades of the company's existence. Your company was one of the few companies in India to have a structured CSR function from as early as 2001-02. The extant CSR Policy of your company has been formulated in line with the provisions of Companies Act, 2013, its corresponding rules and other Government guidelines/directions received from time to time. Your company undertakes all its CSR activities and programmes within the prescribed government framework, with all activities falling within the ambit of areas specified in the Schedule VII of the Companies Act, 2013. Almost all CSR activities of the company have been executed in the local areas as defined in the CSR Policy of the company

Your Company is committed to ensure increased commitment at all levels in the organization to operate business in an economically, socially & environmentally sustainable manner, while recognising the interests of all its stakeholders. Your company remains invested in taking up CSR projects that benefit the communities in & around its work centres and results, over a period of time, in enhancing the quality of life & economic well-being of the

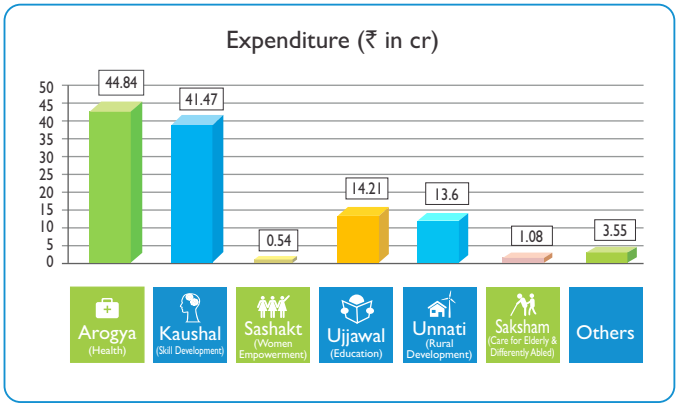
local populace.CSR Policy of your Company is hosted on Company's website www.gailonline.com. As enshrined in the CSR Policy, your Company adopts a multi-stakeholder approach, collaborating with communities, governmental and nongovernmental organisations, academic institutions and others, in an effort to identify emerging issues, develop projects and effectively respond to challenges. Your Company endeavours to follow best practices in identifying, implementing, sustaining and monitoring its CSR interventions to maximize sustainability, scalability and transparency.

Based on our experience of working in and with the communities surrounding our business areas, your company has identified the seven fields as the **focus areas** for intervention from among those prescribed in Schedule VII of the Act. These seven focus areas remain at the heart of all our CSR interventions, the bouquet of which have been appositely termed GAIL **Hriday.**



Focus Area wise CSR expenditure

Against the total expenditure incurred on CSR activities in FY 2018-19, the following expenses have been incurred on the identified focus areas under GAIL CSR Policy:

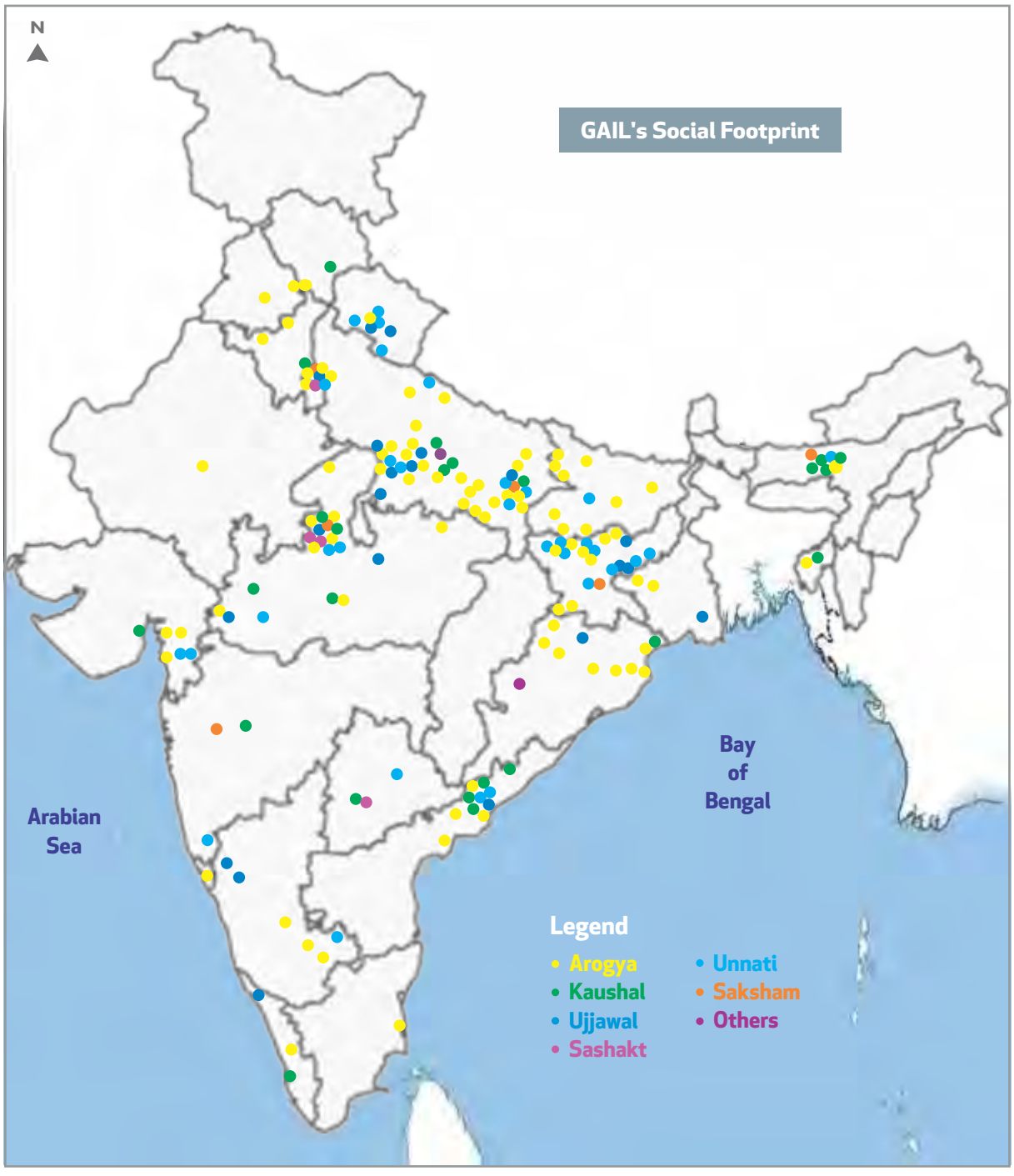


In FY 2018-19, your company has achieved the target of mandated spends as per statute spending over 2% of the average net profit of the three immediately preceding FYs on CSR activities and programmes.

Further, in compliance with DPE guidelines regarding spends on identified Thematic Ares, GAIL has incurred more than 70% of the mandated CSR spends on 'School Education and Health'. GAIL has also complied with the directives of DPE regarding allocation towards Swachha Bharat activities, investing over 38% of CSR funds of FY 2018-19 towards projects and programmes under Swachh Bharat Abhiyan, Swachhata Action Plan and so on.

Compliance Item	Mandated Spends (Rs. in cr)	Actual Spends (Rs. in cr)
Total CSR Expenditure in FY 18-19	87.21 Crs (2% of avg. net profit of preceding 3 years)	119.29 Crs (2.74%)
Swachhata Action Plan	28.78 (33% of mandated CSR spends)	33.68 (38.62% of mandated CSR spends)
Thematic Area	52.33 Crs (60% of mandated CSR spends)	61.75 Crs (70.81% of mandated CSR spends)

Till March 2019, GAIL CSR initiatives have impacted nearly 3.1 million people directly and indirectly. The social footprint of GAIL's CSR initiatives across the country can be assessed from the map below:



Political Map Source: www.mapsofindia.com

Map not to scale

Almost all CSR programmes taken up as a part of CSR Policy of the company in FY 2018-19, address issues and concerns pertaining to the Strategic Priority Areas as identified under the Government of India and United Nations Sustainable Development Framework for the years 2018-2022 and are in alignment with the Sustainable Development Goals identified under United Nations 2030 Agenda for Sustainable Development.



Your company adopts a project based approach for almost all CSR projects and activities of the company. All relevant stakeholder groups are involved at different stages of CSR project cycle from need identification, planning, Implementing Agency selection, implementation, monitoring, sustainability and exit planning to impact evaluation. For almost over the last two decades, the Corporate Social Responsibility function of the company is being actualized through an independent department manned by professionals with cross functional competencies ranging from technical expertise to degrees in management, social work, rural management etc. Further, in order to further strengthen its CSR programmes, your company collaborates with experts from diverse sectors, including Non-Governmental Organizations, Civil Society bodies, Government departments etc. to devise a highly sophisticated and technically sound yet extremely simple and approachable model of CSR implementation.

Key Highlights

Arogya
(Health)

I. Arogya

CSR initiatives under 'Arogya' focus on Healthcare, Nutrition, Sanitation and Drinking Water initiatives/programmes undertaken by GAIL.

- Healthcare facilities in the form of Primary Health Care, provision of medical equipment, Diagnosis and Cure of TB patients, HIV/AIDS and STI awareness, etc. extended to over 12.5 lakh people across the country.
- 56 Mobile Medical Units extended doorstep healthcare facilities to nearly 11.28 lakh people living in 2331 villages spread across 40 districts in 12 states.
- Drinking Water Facilities extended to over 3.7 lakh people in 800 villages across Andhra Pradesh, Bihar, Jharkhand, Madhya Pradesh and Uttar Pradesh through installation of over 1300 handpumps, RO water plants and submersible water pumps.
- Sanitation facilities being extended to more than 10,000 people through construction of nearly 150 nos. of school and community toilets across Karnataka, Uttar Pradesh and Tripura.
- Swachhata Pakhwada (Cleanliness Fortnight) observed across all work centres of GAIL from 01.07. 2018 to 15.017.2018 and from 18.08.2018 to 31.08.2018.
- Active participation of all GAIL work centres in Swachhata hi Seva Campaign 2018 from 15.09.2018 to 02.10.2018

1.1 Arogya – Major Healthcare initiatives

1.1.1 Extending Primary Healthcare through Mobile Medical Units (MMUs)

Project Arogya has been providing basic primary healthcare services and facilities through operation of 56 Mobile Medical Units (MMU) covering 2331 villages across 40 districts in 12 states of the country. These MMUs are operated through a highly qualified Team of professionals which include an MCI Registered Doctor, Pharmacist, Nurse and a Lab Technician. These MMUs follow the ADCR Formula – Awareness, Diagnosis, Cure and Referral for providing these doorstep healthcare services and primarily serve the under privileged segment with limited access to the established Public Health Centre facilities, which are often over-burdened.

Following a collaborative and stakeholder approach in implementing CSR, GAIL's MMU model works together with Gram Pradhan/ Sarpanch/ Key of villages, members of villages' health sanitation committee (VHSC), ASHA workers, School teachers, Anganwadi workers (AWWs), ward members, PHC's, etc. for the effective execution of the program. Their participation and cooperation plays an important role in accomplishing smooth MMU operations. Their involvement with the program acts as a link between the MMUs, local beneficiaries and Government. Local community leaders and health practitioners are also invited resource persons for special camps. Regular feedbacks, assessment findings are encouraged from the mobile medical van team and the beneficiary communities at large in order to work towards better impact. Every stakeholder from the initial stages of planning to impact assessment forms a vital strategic partner throughout the project cycle.



Each MMU has a fixed Journey Cycle Plan (JCP) which ensures that the services are reliable for the beneficiaries and increases the footfall. Further, in order to promote and generate awareness on personal hygiene, especially among women whose access to sanitary products is often limited on account of their spatial position as also the social stigma attached to the issue of menstrual hygiene, the GAIL run MMUs distribute 'Moksha' –low–cost Sanitary Napkins, free of cost. The initiative has received an overwhelming response from the beneficiaries and has brought in a significant behaviour change among the women beneficiaries, esp. the adolescents.

These MMUs come with a 'Track & Trace' mechanism implemented through Embedded Innovative Services (GPS) enabled real-time tracking of the MMUs as each MMU van is fitted with GPS.

18 out of these 56 MMUs are operated in aspirational districts across Assam, Bihar, Jharkhand, Madhya Pradesh, Odisha and Uttarakhand. These GAIL operated MMUs have made access to Primary Health Care easier for people in the most remote rural pockets of the country including tribal belts like Jhabua, MP, LWE (Left Wing Extremists) areas of Jharkhand and hilly terrains of the North-East. The programmes has made healthcare accessible for over 9.5 lakhs in people in FY 2018-19.

1.1.2 TB Eradication Initiatives

India is a country with the highest burden of Tuberculosis. The World Health Organisation (WHO) TB statistics for India for 2016 gives an estimated incidence figure of 2.79 million cases of TB for India. With the target of eliminating TB in India by 2025, GAIL under took the programme 'TB Free Pata' catering to patients/cases identified in villages in and around Pata, one of the largest work centres of GAIL. TB Free Pata Project, Auraiya which was launched in January 2018, has been designed to improve/enhance awareness on Tuberculosis (TB), identification of presumptive TB cases, facilitating diagnosis and ensuring complete treatment in surrounding villages to GAIL, Pata.

The programme maintains the secrecy of the patients, provides additional nutrition support in the form of Multivitamins, digestive Syrup etc., including module for caring & follow-ups of patients at regular time intervals and also provides transportation to patients, for diagnostic check-up and treatment.

So far, the programme has covered over 1.84 lakhs people residing in 179 villages and 3 towns in Auraiya district of Uttar Pradesh, screening more than 1400 patients and identifying 156 cases including 06 MDR (Multi- Drug Resistant) patients.

Treatment has already been completed for 18 out of 156 identified patients. Buoyed by the success of TB Free Pata, the programme has now been extended to Firozabad (Uttar Pradesh) and Barpeta (Assam).



Launch event of TB Free Firozabad

The programme has proven to be successful in a very short span as it has significantly increased people's awareness about Tuberculosis. Most of hidden cases have been identified and treatment has been initiated for such cases. With the medicinal and moral support being extended under the programme, there has been a tremendous improvement in the health of identified cases and the programme has garnered appreciation both by the village representatives and Government Departments.

1.1.3 Other initiatives in Healthcare

Healthcare remains one of the major focus areas for GAIL's CSR interventions. In addition to the programmes as above, GAIL is implementing myriad activities addressing healthcare concerns and issues and diverse nature of ailments through distinct projects.

The spread of HIV/AIDS in the transport sector is a global menace and India is equally affected by the same. GAIL being a transmission and trading company extensively employs the services of transporters and truckers and understands the significance of health of service providers such a truckers, drivers etc. to its business operations. Therefore, in order to address the problem of HIV/AIDS associated with this segment, your Company has been promoting HIV Prevention through Mass Awareness, STI Treatment & HIV Testing through STI Clinic for Truckers visiting GAIL installations in Pata (Auraiya, UP) and Vijaipur (Guna, MP).

GAIL with its implementing partner has launched 'Swasthya Slate initiative' a CSR project supporting National Health Insurance Scheme of Govt. of India. The project shall support to build Swasthya Slate System (a digital diagnostic tool) to undertake screening of general population using a digital platform. It is a step towards digitalization of healthcare sector under the clarion call for Digital India. 'Swasthya Slate initiative' is being piloted around GAIL, Pata in District Auraiya (UP) to cover approx. 60,000 people across various health aspects, including TB.

GAIL has also extended support for provision of medical equipment at hospitals in Thrissur (Kerala) and Kanpur Dehat (Uttar Pradesh). Health Camps catering to more than 7500 people have been organized in Siwan, Bihar.

1.2 Arogya – Major programmes for improving access to drinking water and sanitation facilities.

1.2.1 Provision of drinking water facility through installation of hand pumps and RO water pumps.

United Nations has declared that clean drinking water and sanitation are essential to the realization of all human rights. In order to address the perennial problem of limited access to drinking water spread across the country and uphold the right to water of thousands residing in remote rural pockets of the nation, your Company has facilitated installation of over 1300 hand pumps and RO Plants in nearly 800 villages and schools across Andhra Pradesh, Uttar Pradesh, Madhya Pradesh, Bihar and Jharkhand. The initiatives have facilitated easy access to drinking water to nearly 3.7 lakhs people.

1.2.2 Improving sanitation facilities though construction of toilets and installation of dustbins

Sanitation has remained a priority area for the Government in the last 05 years, with significant investments in construction of toilets across villages to promote personal hygiene and discourage open defecation. Impetus has also been on construction of school toilets, especially toilets for girls in order to improve their attendance in schools and the results have been remarkable. In order to contribute to the Government's intent to make India Open Defecation Free by 2019, your company has been taking up the task of constructing individual household toilets, community toilets, school toilets and bio – toilets in different parts of India.



Installation of Dual Steel bins at Chandigarh

Further, with emergence of large number of urban areas and towns and the increasing population of the urban locales, the problem of waste management of such areas has emerged as an arduous task. What adds to the problem is lack of segregation of waste at source, i.e. individual households or public places. To address this issue of waste segregation and collection, your company has undertaken installation of dual bin garbage bins across urban localities of the country.

In FY 2018-19, a total of around 150 toilets have been constructed by your company in different parts of Karnataka, UP, MP and Tripura and nearly 11,000 dustbins have been installed in urban localities of Chandigarh, Varanasi, Kanpur (UP), Guna (MP), Nasirabad (Rajasthan), Faridabad, Ambala, Panchkula and Yamunanagar (Haryana) and Bengaluru (Karnataka).

1.2.3 Activities under Swachha Bharat Mission

1.2.3.1 Observation of SwachhataPakhwada (Sanitation Fortnight)

Swachhata Pakhwada was launched on 01.07.2018 with taking of Swachhata Pledge by GAIL employees at various work centres all over the country. Activities involved cleanliness drive at Purana Qila (historical monument adopted by GAIL for upkeep and maintenance) by the participants to take forward the message of Swachh Bharat Mission. During the Swacchhata Pakhwada,



Human Chain at Safdurjung Tomb

various innovative activities aimed at creating maximum awareness on swachhata for achieving the objectives of Swachh Bharat Mission were carried out in GAIL. Your company also undertook various activities like awareness campaigns at its various offices, pledge taking, cleanliness drive in offices/unit premises, cleanliness drives in schools & townships, display of banners/posters and standees to generate awareness, tree plantation, walkathons, drawing competition, slogan competition, health talk, debate competition, distribution of water purifying shuddhu tablets, distribution of sanitary napkins, distribution of masks, gloves and other housekeeping material to safaisa this, health check-up camp & skit/play for public awareness etc. between 01.07.2018 to 15.07.2018.Second Swatchta Pakhwada was observed between 15.08.2018 to 31.08.2018, in accordance with directive from Ministry of Heavy Industries and Public Enterprises.

Participation in Swachhatahi Seva(SHS) Campaign

Your company participated with enthusiasm in Swachhata Hi Seva (SHS) Campaign 2018 organized between 15.09.2018 to 02.10.2018. The main objective was to create popular awareness towards swachhata by meaningful contribution through Shramdaan in the spirit of a Jan Andolan under Swachh Bharat mission. Involvement of school children and general public in swachhata campaign was the prime focus during the fortnight.

To mark a befitting beginning for the campaign, GAIL employees formed a human chain and undertook cleanliness activities at Safdurjung Tomb (historical monument adopted by GAIL for upkeep and maintenance) to spread the message of Swachhata.

Awareness drives on health & hygiene amongst rural population in interior villages of the country were undertaken through GAIL's MMU (Mobile Medical Units) network on daily basis during the SHS-2018 campaign. More than 1300 'Shudhhu' water purifying tablet bottles for making water potable and 3600 'Moksha sanitary napkins' for propagating personal hygiene were distributed during the campaign covering a total of 200 villages across 24 districts/locations in 10 States.

During the Swachhata Hi Seva campaign, awareness drives were undertaken involving school children at various places by organising swachhata activities like youth parliament, competitions, rallies, tree plantation, health talks etc. to motivate the students for contributing towards a clean and hospitable environment. Activities such as Tree plantation drives, walkathon/ cyclathon etc. were undertaken at various locations of GAIL during Swachhata Hi Seva campaign for sustaining a greener & cleaner environment.

1.2.3.2 Swachha Iconic Places

Under the inspiration of Hon'ble Prime Minister, Govt. of India, Ministry Of Drinking Water and Sanitation (MoDW&S) has taken up a multi-stakeholder initiative focusing on uplifting of cleanliness and development of 100 select iconic places across India on the basis of their rich heritage, religious, spiritual, cultural significance and highest footfall on annual basis to be developed as Swachh Iconic Place (SIP) under Swachh Bharat Abhiyan.

Under the Phase I of Swachh Iconic Places, GAIL (India) Limited was allocated the Taj Mahal to improve its cleanliness conditions to a distinctly higher level as a Swachh Iconic Place. The project focuses on overall face-lifting, upkeep & cleanliness of the areas around identified iconic place.

SIP project not only focuses on creating awareness but also on action based intervention in order to imbibe sanitation and cleanliness as a 'way of life' amongst the people visiting the iconic monument. Under this initiative, the activities such as door to door collection and transportation of municipal solid waste, street sweeping, etc. were taken up through Agra Nagar Nigam. Novel initiatives such as installation of bottle crushing machines, twin smart toilets around Tajganj area, and provision of Bio-Composter etc. have been taken up for the first time in Agra. Due to your company's persistent efforts in the region, the Katra Fulel ward in the Tajganj area was rated as the cleanest ward in Uttar Pradesh by the state government.

Out of 10 Iconic places selected in second phase for cleanliness, upkeep and development, under Swachh Bharat Abhiyan by MoDW&S, Yamunotri (Uttarakashi, Uttarakhand) has been assigned to GAIL. Subsequent to establishing a 'Local wireless internet network' in the route of Yamunotri" in FY 17-18 as a part of this initiative, your company has now undertaken various activities and programmes in and around Yamunotri which include provision of Cardiac Care Mobile Medical Unit (CCMMU) at Yamunotri (Barkot/ Janki Chatti) and establishment of Cardiac Care ICU (CCICU) at Barkot.

Also facility like yatra facilitation centre, dustbins, benches and luke-warm water facilities for mules have been provided. Yatra route is kept free of plastic waste as well.

1.2.3.3 Other Activities

In furtherance to the Government of India's Swachha Bharat Mission, a number of initiatives have been undertaken across work centres of GAIL. These include deepening of ponds, distribution of hygiene kits in girls' hostels and truck drivers etc., construction of drains etc.

STORIES OF CHANGE

GAIL Arogya MMUs

Parveena Begum, 65, managed life on her own by working as potter in a village of Punjab. She had been suffering from bronchial asthma. When she got a chance to meet the doctor at the MMU in her village, she had no clue about the severe disease she was suffering. Another reason for her deteriorated health was lack of will for living a healthy life due to depression of being a lone survivor. At the MMU run under Arogya program of GAIL,

she was treated for free of cost. She was given medicines and also encouraged for maintaining a healthy life. Her health improved drastically on meeting the doctors frequently who not only treated her but counseled her from time to time.

TB Free Pata

Ms.Soni, a 28 year old resident of Kanho village in Auraiya district of Uttar Pradesh was detected with Tuberculosis. At the time of her diagnosis, she was suffering from continuous weight loss, regular coughing, fever and hunger related issues. After approaching the TB project Centre supported by GAIL, she was supported with the right treatment with regular follow-ups and nutrition supplements. Her TB has now been cured and she is steadily gaining weight and returning happily to her normal life.

Activities under Swachha Bharat Abhiyan

As a part of Swachhata Pakhwada, GAIL's office in Gandhar (Bharuch, Gujarat) distributed sanitary napkins to women in local trains and counseled them for their regular use. Adopting a comprehensive approach to sanitation, GAIL, Gandhar channelled its efforts towards personal hygiene, especially of one of the most neglected but the most important members of our society, the creator of everyone and everything. Sanitary Napkins were also distributed in slum areas of Bharuch Nagarpalika and many schools of the area.

Recognitions

- GAIL was honoured with DainikJagran CSR Award, 2019 in Health category for project Arogya.
- GAIL received Golden Peacock Award for Corporate Social Responsibility for the year 2018 for Project Arogya.
- Recognising your company's contribution towards ensuring healthcare to the most disadvantaged segments, GAIL received SKOCH-Order-of-Merit 2018 for Project Arogya.
- 'Project Arogya' was featured in MoPNG's 'Energizing New India' in 2018 under 'CSR Projects of New India' for Healthcare and sanitation.



CSR initiatives under 'Kaushal' focus on skill development, up-gradation, income generation and livelihood initiatives undertaken by GAIL.

- Skill Development Training extended to over 1500 individuals, including over 200 women.
- 300 candidates trained at GAIL Institute of Skills at Nagaram (Rajahmundry, AP) and Guna (MP) in skill trades related to Hydrocarbon sector.
- 230 candidates trained in Plastic Product Manufacturing at 07 centres of Central Institute of Plastic Engineering & Technology (CIPET).
- Skill programmes as per NSDC and Common Cost Norms
- Investment to the tune of over Rs. 32crores made towards Skill Development Institutes in Kochi (Kerala), Raebareli(UP), Vishakhapatnam (AP), Bhubaneswar (Odisha), Ahmedabad (Gujarat) and Guwahati (Assam) – Collaborative projects of Oil Sector PSUs
- Around Rs. 41 crores invested in skill development and livelihood generation programmes

2.1 Kaushal - Training in Plastic Products Manufacturing

With the objective of strategically aligning its CSR activities with its business functions, your company partnered with Central Institute of Plastics Engineering and Technology [CIPET, A Govt. of India Organization under the Ministry of Chemicals & Fertilizers (MoC&F)], to train 230 candidates as 'Plastic Products manufacturing Operators. The residential training programme was conducted over a period of 6 months at various campuses of CIPET in Guwahati (Assam), Lucknow (Uttar Pradesh), Aurangabad (Maharashtra), Bhopal (Madhya Pradesh), Hyderabad (Telangana), Agartala (Tripura)&Baddi (Himachal Pradesh). In addition to the 6 months residential training, the candidates were also provided with an additional 4 to 6 weeks of industrial exposure training to increase their placement opportunities. The comprehensive training model resulted in placement of 208 out of the total 230 candidates trained, with their annual income package ranging from Rs. 1.08 lakhs to Rs. 1.68 lakhs.

2.2 Project Swavalambh – Job linked Skill Development Training for unemployed youth

The Skill Gap Analysis of the 24 key sectors of the economy informed that the requirement of skilled manpower in these identified sectors by 2022 will be in millions. Contributing towards filling this gap, your company in the year 2018-19 operated GAIL Institute of Skills in Nagaram, East Godavari, Andhra Pradesh. The Institute provided job linked skills development training to 210 unemployed youth from rural and semi-urban pockets of East Godavari district, Andhra Pradesh. Local educated students, college drop outs etc. have used this opportunity by enrolling their names in various skills trades offered by the institute, namely, Technician Instrumentation, Industrial electrician, Industrial welder etc.

Out of the 210 candidates trained in 2018-19, 150 have already been placed in the respective job sectors. The Skills training programme has contributed towards poverty alleviation in the catchment areas by facilitating skill development through well-structured market oriented programmes that make the youth of the region employable as wage workers in organized sector. The programme has mainstreamed unemployed youth into formal employment channels, hence, creating lifetime career opportunity with levels of progression and has further promoted economic growth by ensuring a supply of appropriate skilled manpower at the lower end, thus enabling inclusive growth. GAIL is also operating a similar Institute of Skills in Guna (MP) in partnership with National Skills Development Corporation catering to unemployed youth of the region, extending training programmes in CNC Operator / Machining Technician, Industrial Welder (Oil & Gas), Technician Instrumentation, Customer Care Executive (Call Centre) and Debt Recovery Agent, with 149 candidates already trained.

2.3 Skill Development Institutes – Collaborative Projects of Oil Sector CPSEs

The Skill India Mission is one of the flagship projects of Government of India launched to create convergence across sectors and states for youth empowerment. In this regards, Skill Development Institutes are being jointly promoted by Oil Sector PSUs such as IOCL, ONGCL, BPCL, OIL, HPCL, EIL, Balmer Lawrie and GAIL respectively. GAIL is currently supporting establishment and operation 06 Skill development Institutes in Raebareli (UP), Bhubaneswar (Odisha), Kochi (Kerala), Vizag (Andhra Pradesh), Ahmedabad (Gujarat) and Guwahati (Assam). GAIL is the nodal PSU for Skill Development Institute, Raebareli, the first skill academy set-up in the Hydrocarbon Sector in the state of Uttar Pradesh. This Institute was inaugurated in 2017. At SDI Raebareli, students are extended skills trainings in Hydro carbon sector skill council (HSSC) certified trades. In the year 2018-19, 98 students were trained in trades like Pipe fitter (Oil &Gas) and

Industrial Welder and all of them secured suitable job placement.Your company also contributed significantly towards setting up of Mega Skill Academy at SDI, Bhubaneswar in FY 2018-19.

2.4 Other initiatives under Kaushal

A number of small scale skill development and up gradation, income generation and livelihood enhancement initiatives were also undertaken by your company in the year 2018-19 in and around its current and upcoming business areas. In FY 2018-19, GAIL has contributed towards setting up KD Malaviya National Oil Museum (KDMNOM) in Guwahati (Assam). In addition, a number of skills training programmes have been undertaken with women as their target group. The details of these programmes shall be shared as part of our focus area 'Sashakt'.

Further, under the Skill India mission, GAIL is providing Recognition of Prior Learning Programme (RPL) for contract employees engaged across the different work centres of GAIL. NSDC is the Project Implementation Consultant (PIC) for the entire project. This training programme being imparted to participants without hampering their day to day work, has acted as a confidence booster for the trainees and has also resulted in improvement in the quality of work produced by the trainees.

Stories of Change

Plastic Product Manufacturing Training

Sagar Majumdar, a resident of Reshambagan, Tripura could not find a decent job even after completing diploma in Mechanical Engineering. On hearing about the course being offered by GAIL through CIPET, he grasped the opportunity and completed his training from CIPET, Agartala. Sagar secured placement at M/s TATA Autocomp Systems Limited, Pune with a package of Rs. 1.26 lakhs per annum, and subsidized food and transportation.

GAIL Institute of Skills, Nagaram, Andhra Pradesh

Murali was frantically looking for job opportunities and was suggested to visit GAIL Institute of Skills, Nagaram. The institute was offering placement linked skill development programmes in high growth trades like Instrument Technician, Industrial Welder and Industrial Electrician for the unemployed and unskilled youth in India. On clearing the entry gate assessment he joined the Industrial Welder Course. Post course completion he was placed at SSSV Solutions at Rs. 18000/- pm. In his own words, "I thank my institute for returning the smile on my mother's face as she held herself responsible for not being able to support my higher education. Today she hugs me and tells everyone that I have made her very proud!"



Recognition of Prior Learning Training Programme

Ujjawal (Education)

3. Ujjawal

Focus area 'Ujjawal' caters to projects, programme and activities undertaken to promote the cause of education in the country.

- 100% Success rate at 'GAIL Utkarsh Super 100' Kanpur centre- All100 candidates of Kanpur Centre qualified JEE Mains 2019.
- Project 'Utkarsh' augmented with 02 new centres in Srinagar (Uttarakhand) and Dwarahat (Almora, Uttarakhand). Total intake of candidates increased from 100 to 160.
- 24 out of 30 qualified at GAIL Utkarsh Dwarahat centre& 26 out of 30 qualified at GAIL Utkarsh Srinagar centre.
- Education facilities in the form of infrastructure, coaching etc. extended to over 23,500 children at school education and higher education level.
- Smart Classes set up in 80 schools across Varanasi (UP), Sagar (Madhya Pradesh) and Dharwad (Karnataka).
- 15 new Govt. Upper Primary Schools of Auraiya District in Uttar Pradesh included under Project Avant. The project is now covering 105 schools in total. Focused on improving learning level in Maths and Science of children in upper primary classes the project has triggered reverse migration from private run schools of the area to Government schools.
- Support extended for provision of school equipment, Teaching Learning Material, construction of classrooms etc.

3.1 GAIL Utkarsh

Securing admissions in the premier engineering institutes of the country is a dream for millions of students in the countries. However, the path to reach this destination is often more arduous for some owing to their socio economic conditions. Realizing the potential of such candidates, who possess the knowledge and intelligence but lack in the means for achieving this seemingly farfetched goal, GAIL, for the last 10 years has been successfully implementing the project 'GAIL Utkarsh'. The programme provides all-expenses paid, specialized residential coaching and intensive mentoring to students from disadvantaged segments of the society in order to enable them to compete in engineering entrance examinations of eminent institutions such as Indian Institute of Technology – Joint Entrance Examination, Uttar Pradesh Technical University, etc.

GAIL Utkarsh Super 100, Kanpur (Uttar Pradesh) has successfully completed 9 batches, starting from 2009-10. Since its inception in 2009-10, 690 students have been trained under GAIL's patronage, of which 598 students have been selected – 125 in IITs and 473 in NITs and other engineering colleges. The project has been catering to students of Uttar Pradesh, Madhya Pradesh and Uttarakhand representing the lowest strata of the society with nominal income of less than Rs. 2.50 lakhs per annum. These students come from families of small/marginal farmers, labourers, small business owners etc. who do not have enough resources to afford coaching for education in the premier institutions of the country for their children.

It was, in fact, a moment of great pride and honour for GAIL, when Hon'ble President of India, Shri Ram Nath Kovind felicitated Utkarsh students who cleared the JEE IIT Advance2018 examination. The felicitation programme was held at the Indian Institute of Technology (IIT), Kanpur campus. Also present on the occasion were GAIL's officiating Chairman and Managing Director, Dr. Ashutosh Karnatak.



GAIL Utkarsh, Uttarakhand

Buoyed by the success of GAIL Utkarsh, Kanpur Chapter, your company had this year augmented the programme to start 02 new centres with intake of 30 students each at Srinagar (Uttarakhand) and Dwarahat (Uttarakhand), respectively. The programme was launched by Hon'ble Chief Minister of Uttarakhand, Shri Trivendra Singh Rawat in the presence of Hon'ble Minister of State for Higher Education (Independent Charge) Shri Dhan Singh Rawat and C&MD, GAIL, Shri B C Tripathi.

These two centres have been established with an aim to nurture deserving students from marginalized communities. In the year 2018-19, 160 students belonging to 95 districts/ locations across UP, MP and Uttarakhand were provided free residential coaching and mentoring as a part of the programme.

The students of previous batches have secured admissions in the most prestigious institutes of the country including IITs, ISRO, ISI, ISM – Dhanbad, NITs etc. and have in turn been hired by the top corporates including IOCL, HPCL, TCS, Wipro etc. This year, GAIL Utkarsh Super - 100, Kanpur created history by registering a 100% success ratewith all 100 students qualifying JEE Mains.

3.2 ProjectAvant

Project Avant is an initiative started by a group of IIT Kanpur students/alumni, faculty members and expert educationists to counter the problem of dismal quality of government elementary education in India. This programme stands as a unique example of focus on innovation and use of technology in classroom by use of solar energy powered smart classes with e-content support, practical experiments in Science and Mathematics, capacity building through teacher training, teaching-learning material support, community involvement in teaching–learning improvements, making learning of Science and Mathematics a joyful and meaningful activity.

The programme strives to support the Ministry of Human Resource and Development Rashtriya Avishkar Abhiyan (RAA)' which aims at providing a nourishing and nurturing support to and a platform for schools to make Science, Mathematics and Technology exciting to children and encourage them to have an enduring interest both inside classroom and outside classroom activities.

The outcomes of the programme assessed through regular and innovative evaluation techniques depicts visible changes as a result of the initiative, mainly reduction in number of out of school children, decline in dropout rate, increase in enrollment in government schools and reduction of absenteeism among teachers and students. The programme also facilitates both Science and Mathematics teachers in teaching and further rekindles their interest in improving the learning levels of the children. One unexpected encouraging achievement of this project is that few children left nearby private schools to take admission to those Govt. upper primary schools which were covered under this project.

In the year 2018-19, 15 upper primary Govt. schools of Auraiya, Uttar Pradesh in addition to the 90 schools already covered in previous years were brought in the ambit of Project Avant, benefitting nearly 10,000 students.

3.3 Making Schools Smarter

Digital / Smart class education has taken a revolutionary form since it makes the learning more interesting, exploration more mind stimulating and it also increases the spectrum of teaching methods. Use of smart classes and modern technology eases the learning process for all students. Moreover, it promotes more interaction between teacher and student with increased participation from both sides. Smart classes show animated visuals that are used to teach complex theorems, formulas biological diagrams and dissections, graphical presentations and statistical curves.

The smart classroom includes a desktop computer with multi-media software and a projector that magnifies the image on large screen. Content in various subjects is developed accordingly. Established Digital Classrooms in Government schools have enhanced teaching and learning by using technology as the prime teaching tool. Digital literacy has led to an increase in information, which can be conveniently and quickly accessed and used to facilitate collaboration, and sharing of knowledge.

In the year 2018-19, your company has set up smart classes across 80 Govt. schools in Varanasi (UP), Dharwad(Karnataka) and Sagar(Madhya Pradesh) benefitting over 19,000 children in these schools.

3.4 Other Initiatives

Your company has contributed towards development of school infrastructure including construction of academic block, classrooms and retaining wall etc. in schools in Kerala, Jharkhand, Uttarakhand and Uttar Pradesh. Your company has also supported provisioning of laboratory equipment, play equipment, furniture, water cooler and setting up of a mini library at different locations in the states of Madhya Pradesh, West Bengal and Uttar Pradesh.

GAIL has also extended support in setting up of an incubation centre at NIT – Rourkela which assists youth in entrepreneurship development and extends knowledge support to individuals intending to set up a 'start-up'. GAIL is also supporting education and nutrition of 300 students of Pragati Wheel School which largely caters to the children of agricultural workers and farmers working in and around the Yamuna river bed in East Delhi.

Stories of change

Utkarsh

"Akriti (name changed) comes from a lower middle class family of 6 members, living in Bhopal (MP). Her father is a daily wage earner and the only earning member of the family. Her mother is a home maker. With so many members dependent on a single income, it was difficult to meet the daily basic needs of the family and as a result, education was not a priority. However, Akriti passed her class 12 examinations with 78% result which prompted her family to encourage and support her dream of pursuing engineering. This was still a distant dream owing to the financial condition of the family. Akriti came to know about GAIL Utkarsh initiative and appeared for the written test and subsequent interview for becoming a part of the programme. She successfully qualified for the programme and after 11 months of rigorous residential training, she got selected in IIT,Dhanbad (Jharkhand) and is currently pursuing her degree in Mining."

Avant

"Sameeksha (name changed) is a 14 year old girl from below poverty line (BPL) household. She was in 6th standard at upper primary school, Aiyari when Avant classes started in her school and by default she became part of it. She was an average student but with Avant academic support, she is able to conceptualize lessons better. Amongst the several inter school competitions she participated in, she won prize of Rs 500 in one. With Avant classes, she is able to comprehend classroom lectures better and as a result, topped in 7th standard midterm examinations."

Unnati (Rural Development)

4. Unnati

'Unnati' covers rural development initiatives undertaken by GAIL largely focused on making basic amenities accessible to the rural populace.

- Infrastructure development activities undertaken covering over 1.5 lakh people.
- 750 Solar Street lights installed in interiors of Uttar Pradesh, Uttarakhand, Bihar, Jharkhand, Andhra Pradesh & Telangana.
- Development works undertaken in various districts of Andhra Pradesh, Telangana and Uttar Pradesh.
- Innovative project taken up to ensure access to and knowledge of constitutional safeguards for Scheduled Tribes in Chhindwara, and Indore Dist., Madhya Pradesh.

4.1 Infrastructural Support through Solar Lights

In an effort to light up every remote rural corner of the country, your company has installed 781 solar lights in over 250 villages (including schools), spread across Bokaro, Hazaribagh (Jharkhand), Patna(Bihar), Pilibhit, Varanasi (Uttar Pradesh) and Udham Singh Nagar (Uttarakhand). Installations of these solar lights have benefitted the local population in multiple ways. The solar lights have benefitted children in these rural areas by enabling them to study during night hours. Village population has also shared that availability of lighting during night-time has enabled night time meetings and has also improved safety by leading to reduction in activities such as theft etc.

4.2 Comprehensive Village Development Programmes

4.2.1 Project Shrijan



Women beneficiaries of Project Shrijan

GAIL initiated Project Shrijan (Creation) in FY 2013-14 (January 2014) to extend long term support to the flood affected communities of Rudraprayag, in an integrated manner, adopting a multi-sectoral and multi-hazard approach. The project activities have focused on development of ten villages in 03 blocks of Rudraprayag district of Uttarakhand (Ukhimath, Agastyamuni, Jakholi) and aimed at facilitating their return to normalcy with an overall objective to minimize loss in case of future disaster situations. However, over the period of last 5 years, the project has evolved into a comprehensive development project of the region with women leading from the front.

During FY 2018-19, strategies were developed to make the project sustainable through establishment of sales outlet at Dehradun for providing market linkages to the products (woollen clothes, spices, juices, bakery items, handicrafts etc.) manufactured by the project beneficiaries. In addition, workshops were also conducted for exit planning and utilization of project assets like Radio Station, 03 Community Resource Training Centres constructed under the project, operation and maintenance of Disaster response vehicle etc. Further, new components pertaining to health care and sanitation have been introduced which include activities such as distribution of medical equipment/supplements and Nutritional kits in the identified Government hospitals & Primary Health Centres, installation of Sanitary Napkin Vending Machines along with the Incinerator in the identified Government schools etc.

The success of the programme can be measured from the fact that the women of this difficult terrain who had minimal exposure to the economy of region have now become active participants in various economic activities and have been able to generate revenue of over Rs. 5 Lakhs from the products sold by them through their own federations/SHGs since inception of the programme. 'Project Shrijan'also got featured in MoPNG's document, 'Energising New India' in 2018 as a 'CSR Projects of New India' for Disaster Management.

4.2.2 Project Neer Nidhi -Integrated Watershed Management and Livelihood Promotion Programme

Project Neer Nidhi was conceived with the objective of implementing water management activities in the identified 09 micro-watershed areas covering 17 villages of Raghogarh Block, Guna District, (Madhya Pradesh). The project aims to develop sustainable farming system models for the micro watershed areas, to improve market linkages and to promote entrepreneurship for employment generation at farm level. The watershed management activities have been planned through scientific assessment of the locations like interpretation of geo-coded satellite data, Cadastral map, drainage map & contour map of the targeted watershed villages.

In the first phase of the project, mobilization of the community has been done through stakeholder orientation workshops, formation of Self Help Groups (SHGs), IEC activities etc. In addition, other activities are also being implemented like training on water management & water budgeting, training on testing of water, skill training in handicrafts, knitting & tailoring with SHGs, construction of roof top rain water harvesting tanks, compost pits, water tanks, plantation of improved variety grasses and distribution of seeds.

The focus remains on making the identified villages self – sufficient in every manner. The project will cover a population of over 21,000 residing in the identified villages.

4.3 Janjatiya Parivesh Samanvay Kendra

Janjatiya Parivesh Samanvay Kendra (JPSK) Project began under the guidance of National Commission for Scheduled Tribes (NCST) with Indian Institute of Technology Indore as knowledge partner in the tribal belt of Tamia&Mhow Tehsil, Madhya Pradesh. The project aims to educate Scheduled Community regarding existing constitutional and legislative safeguards and empowering them further as also act as a bridging mechanism at the grass-root level for closing the gaps between common tribal population and NCST.

Activities like documentation of tribal art, culture, history & language and conducting workshops on 'Legal & Constitutional rights', 'Livelihood awareness' and 'Sustainable management of the tribal Habitat' are being conducted under the project. Such activities are empowering the tribal community to resolve issues pertaining to issuance of caste certificate, access to formal credit system and debt refinancing through Microfinance loans, issues related to property rights over the land and other inter-community conflict issues with the assistance of NCST.

4.4 Other initiatives

In addition to the above major interventions, your company has also undertaken developmental works including construction of village roads, drains, meeting halls, connecting bridges etc. in underdeveloped regions in East Godavari (Andhra Pradesh), Auraiya, Varanasi, Chandauli, Prayagraj (Uttar Pradesh), Kolhapur (Maharashtra) and Warangal, JayashankarBhupalpally (Telangana). Other activities such as installation of high mast lights in Giridih and Bokaro (Jharkhand) and Distribution of blankets in villages and old age homes in Auraiya (Uttar Pradesh) have also been undertaken as a part of initiatives under focus area 'Unnati'.

Stories of Change

Janjatiya Parivesh Samanvay Kendra

Vijay Kavreti and Family, Bijori

Vijay's family lives in Bijori, Tamia (Madhya Pradesh). He is visually impaired. His mother works as assistant cook in a government school and his father is attendant in a local truck with a meagre family income, grossly insufficient to support the entire household. The family did not have the Caste certificate since the caste certificate documentation is tough and the family could not take out time from their daily schedule. JPSK volunteer, Rajesh Parteti, is now assisting them and has filed the application on their behalf and assured them of getting the certificate. With the help of the Certificate, the family will be able to avail medical facilities and other government schemes pertaining to tribal community.

Shrijan

Shrijan has been a success story for not only the individuals involved in the project but for GAIL as well. It is one of the GAIL's most rewarded and has garnered appreciation both at National and International forums. The project has been featured as a best practice in a number of CSR publications. One such publication, "Demonstrating Responsible Business" written by Dr.Vineeta Dutta Roy on Corporate Social Responsibility and Sustainability Practices of leading companies in India, gives a comprehensive account on planning and implementation of project Shrijan and concludes the article with the following remark, *"Project Shrijan has the potential of becoming a corporate engagement benchmark, in responding to natural disasters, and helping communities and their habitat back on their feet."*



CSR activities and programmes under 'Saksham'cater to Persons with Disabilities (PwDs) and elderly.

- 250 divyang yodhas of BSF being trained through setting up of a Computer Laboratory at Divyang Skill Development Centre inBSF campus.
- More than 470 Persons with Disabilities (PwDs) provided with assistive aids and equipment through organization of distribution camps at Guna (MP) and Varanasi (UP).
- 310 elderly and destitute supported through provision of wheelchairs and adult diapers.
- Active engagement of 100 educated retired senior citizens by training them to educate Government school children in requirement of additional academic /remedial support in Delhi.

5.1 Initiatives for Divyangs

5.1.1 Establishment of Computer Laboratory at Divyang Skill Development Centre, Border Security Force (BSF).

Since its raising in December 1965, BSF has been India's first line of Defence on Indo – Pakistan and Indo- Bangladesh border. Seema Praharis have made numerous sacrifices in line of arduous and demanding nature of their duty. A large number of BSF personnel while fighting valiantly in such situations have gotten injured and have been rendered disabled. In addition to supporting them with grants and aids, effort is made to enable them to render respectable contribution to the Force. In alignment with the Govt. of India's Sugamya Bharat Abhiyan for ensuring universal accessibility for PwDs, BSF has established Divyang Skill Development Centre to impart Skill Development and vocational training to DivyangYodhas of BSF as well as other Central Armed Police Forces (CAPFs) to make them self-reliant.

Under the said programme, a computer lab has been established by GAIL at BSF campus in Chhawla, Delhi which will help in imparting skills related to Computer/IT trade not only to DivyangYodhas of BSF but also other CAPFs.

5.1.2 Distribution of assistive aids and equipment to Persons with Disabilities through distribution camps

Persons with Disabilities (PwDs) account for 2.21% of the population of the country. However, their access to basic infrastructure and amenities has remained a challenge. The reality is harder for differently abled population residing in remote rural pockets of the country, where access to assistive aids and equipment such as wheelchairs, crutches, tricycles etc. is further limited, either due to lack of knowledge of available govt. schemes and/or on account of limited exposure available to the differently abled. Acknowledging the problems faced by differently abled in the rural households, GAIL, in partnership with Artificial Limbs Manufacturing Corporation of India (ALIMCO, A Govt. of India enterprise) organized two distribution camps in Guna (Madhya Pradesh) and Varanasi (Uttar Pradesh) in FY 2018-19, covering over 470 differently abled people. These individuals were provided with assistive aids and equipment in the form of wheelchairs, motorized tricycles, smart canes, crutches, hearing aids with batteries and other customized devices.

The distribution camps were preceded by Assessment camps in the region to identify the people in requirement of aids and assistive devices at the identified locations. The Assessment Team comprised

of technical experts in Prosthetic and Orthotics (registered by Rehabilitation Council of India) and Audiologist. The camp was conducted in presence of representatives of District Administration. Majority of the beneficiaries belonged to BPL category and all possessed a disability certificate. All activities were carried out in consultation with District Administration.

5.2 Initiatives for elderly

5.2.1 Project Sammaan – Distribution of Healthcare equipment to destitute elderly

Elderly, especially, destitute elderly are one the most vulnerable groups in the Indian Society. Not only do the elderly face severe healthcare related problems due to poor health condition, old age related diseases and many other factors, the condition of elderly residing in slums areas is even more abysmal on account of lack of supporting infrastructure and equipment including wheelchairs, walkers, adult diapers, walking sticks etc. Since majority of elderly in slums live below poverty line, where earning members' limited income is not enough to even feed their families properly, they cannot afford such support equipment for the dependent family members.

In an effort to enable a dignified life to this most disadvantaged and often neglected segment of the society, GAIL distributed adult diapers and wheelchairs to destitute and elderly in 30 slums of Delhi, spread across North West Delhi, South East Delhi, North Delhi, South Delhi, East Delhi, Shahadra, West Delhi, North East Delhi and North West Delhi. 190 identified beneficiaries are being provided support with wheelchairs, while 115 beneficiaries have been supported with provision of adult diapers for a period of four months.

5.2.2 Project Sahjeevan- Support for training of the trainers (ToT) of educated retired Senior Citizens

As per the 2011 census, the elderly population in India was 104 million and is expected to increase up to three times to reach around 300 million, accounting for 20% of the Indian population by 2050. Population Ageing is an irreversible demographic reality associated with improvements in healthcare and medical facilities as also decline in mortality. One of the biggest health challenges in old age is dementia. The Dementia India Report 2010 has estimated that over 3.7 million people in India are affected by dementia, a number that is expected to double by 2030. However, during the initial stages of dementia, mental stimulation, social engagement and physical activities can help slow down the onset of dementia. These activities also reduce the risks of cognitive impairment associated with chronic illnesses such as hypertension and diabetes.

It was with this intent that your company initiated Project Sahjeevan. Still in its early phase of implementation, the project involves training the educated retired senior citizens as Trainers for Inter-Generational Learning Centres which act as a symbiotic medium between the older and the younger generation to lead an active and healthy life, while contributing to nation building by improving the standards of school education. This project seeks to provide curriculum support along with value education to children studying in Government Schools where they are mentored by elders, retired from various professions. Before productive engagement of Elders with school children they are given Training sessions and orientation on present education system & methodologies of teaching and learning by experienced faculty from NCERT and Government officials. Depending on the school requirement, IGLC classes are held within or post school hours. This model creates a win-win situation where the elderly population is actively engaged in a socially and economically productive activity of educating the children, promoting well – being of the elderly and education of children simultaneously.

The programme aims at providing meaningful engagement to senior citizens and gives them a sense of belongingness by sharing their knowledge with youngsters and helping the students of underprivileged section of the society with their school assignments and understanding of school subjects. The programme covers approx. 15 Government schools of Delhi impacting nearly 700 students, families and 100 senior citizens. 30-40 students of class 6 (transition class from primary to upper primary) are identified in each school and the trained senior citizen educators then engage with these identified students and help them improve their academic skills.



'Sashakt' focus area of GAIL CSR policy aims to undertake projects that empower the women of the nation.

Kofi Anan, the former Secretary General of United Nations believed that, *"there is no tool for development more effective than the empowerment of women."*

Aligning with this belief, GAIL has undertaken numerous initiatives to empower women to make them socially, functionally and politically empowered. In FY 2018-19, your company supported empowerment of adolescent girls and women through skill development for employment generation and extending educational assistance wherein total 165 nos. of female beneficiaries are being trained in skills like stitching & tailoring, beauty therapyand basic computers. In addition, 70 nos. of female students are being given self-defence training and 40 female beneficiaries attend school after school classes regularly.

Project Shrijan, which was initiated in January 2014 as relief and rehabilitation project to mitigate extensive damage caused by flash floods in Rudraprayag region in 2013, as a result of GAIL's long term support, has emerged as one of the 'abstract laboratories' to understand how women can drive social change in a society/region marred by physical damage. It is in difficult and adverse circumstances that the true strength of women of the hills comes to the forefront. The grit and courage the women of the region have shown is remarkable and unprecedented. These women who had largely remained passive members of the economy of the region have now become the flag bearers of economic change in the region. They now own businesses, run federations, SHGs, support education of their children, manage shops and even train other women. The Federation owned by women beneficiaries of Projects Shrijan has generated sales of nearly Rs. 5 lakhs by selling the products of their own making.

In FY 2018-19, GAIL has also extended livelihood opportunities in textile designing to women in Vijaipur, Guna (Madhya Pradesh).

To further provide avenues for showcasing the products made by these women, GAIL organized exhibitions and fairs at its Corporate Office in Delhi and township in Noida to boost the sale of their products and also sourced a number of corporate gifts from the federations and SHGs of these women.

Stories of Change

Project Shrijan

"The 2013 disaster wreaked havoc in our lives. Shrijan project helped us recover from the disaster. Skill Training was given in my village. We were taught how to escape and also how to help if someone was injured. As a member of one of the SHGs, all of us save Rs. 50 every month. I feel comfortable and confident in handling my money. Project Shrijan has connected us to the mainstream economy and empowered us to make better financial decisions."

-Santoshi Devi, Village Ginwala, Rudraprayag.

Project Asheray

Rahil joined GAIL supported skill development course in self-employed tailor in Vinod Nagar in the year 2018-19, when she was in utmost need of livelihood. Rahil works from home and earns an average of Rs. 3,000/- to Rs.4,000/- per month from sewing clothes. Today she is considered a role model by the members of her community for having achieved financial independence. She is more motivated than ever and wants to expand her work in future.

7. Other major initiatives and activities

7.1 GAIL Raftaar – Training of athletes identified from three seasons of Talent Hunt

After selection of 22 athletes from grassroots level talent scouting programme, exhaustive training is being extended to the selected athletes through regular coaching at their respective hometown and organization of Domestic and International Camps to increase exposure and provide best in class infrastructure for development and honing their talent. In addition to training support, assistance in the form of sports kits, nutritional supplements, insurance and TA/DA for participating in various invitational meets is also provided to the athletes. The training of these athletes shall continue till February 2020 in order to ensure maximum benefit to them and improve their chances for qualifying for Olympics 2020.

The selected athletes are already bringing laurels to the country and GAIL by participating and winning medals in National and International competitions and championships. Many of the selected athletes have participated and won Gold, Silver and Bronze medals in Junior Nationals, State and Zonal meets. These athletes also represented India in Youth Olympics, Asian Athletic Championship etc. , with Nisar Ahmed (one of the selected athletes) representing Asia in youth Olympics.

The bigger goal is to promote sports culture amongst the youth of the country.

Your company's initiative was also appreciated by its inclusion in the Ministry's document 'Energising New India' in 2018 under 'CSR Projects of New India' for sports.

Story of Change

Nisar Ahmad, a national record holder in 100 & 200m hails from the slums of AzadpurMandi, New Delhi and is a son of a rickshaw puller and a housemaid. In 2016, he got the opportunity to participate in GAIL Indian Speed star – A unique initiative of GAIL (India) Ltd. to spot, screen, select and nurture young athletes in track events and secured place for himself in the super eight talented athletes selected from across the states. Through GAIL's initiative, he got the opportunity to get one month training at Usain Bolt Academy "Racers Track Club", Kingston Jamaica in 2018. He broke Under -16 National Record for 100 m in 2017 at a championship in Vijaywada and later he broke another record timing at first Khelo India School Games in Delhi. He was also fortunate to represent India in the Youth Olympics held in Argentina in October, 2018.

7.2 Construction of Indoor Stadium at PR High School, Balangir (Odisha)

Taking its commitment to create sports infrastructure in the country a step further, GAIL has contributed towards construction of Indoor Stadium at PR High School, Balangir. The Ground Breaking ceremony for the stadium was carried out by Hon'ble Union Minister of Petroleum & Natural Gas and Skill Development & Entrepreneurship, Shri Dharmendra Pradhan on 14.01.2019.The ceremony was conducted in the presence of Hon'ble Member of Parliament, Balangir, Shri Kalikesh N Singh Deo, Hon'ble Member of Legislative Assembly, Patnagarh Shri Kanak Vardhan Singh Deo, Hon'ble Member of Legislative Assembly, Balangir Shri Narasingha Mishra and other dignitaries.

The Stadium, which is currently under construction is planned to have a main hall with four badminton courts, one table tennis practice room and gallery space, players changing rooms, lockers and other facilities. The stadium will have facilities for rain water harvesting and the external lighting to be powered by solar energy.

7.3 Initiatives under GAIL Charitable and Education Trust

Apart from education centric interventions carried out under the Ujjawal thrust area, your Company has also set up the GAIL Charitable and Education Trust to take up initiatives exclusively focused in the domain of Education. In the last Financial Year, your Company extended scholarships to 176 Utkarsh beneficiaries studying in various IITs and NITs. Scholarship is also being provided to 333 violence affected children in Assam, J&K and Odisha in partnership with National Foundation for Communal Harmony. Other than these, support was extended to various infrastructure development initiatives in Government schools at Madhya Pradesh, Andhra Pradesh, Karnataka, Uttar Pradesh, Kerala, Rajasthan, Jharkhand& Delhi/NCR.

Vocational Training project for individuals with Multiple Disabilities has also been undertaken through the Trust in FY 2018-19.

7.4 Employee Engagement Activities

7.4.1 GAIL – Asmita

Corporate CSR Department organized the event – GAIL Asmita - for exhibition & sale of products made by CSR beneficiaries of our projects. The event was organized for two days, on 17th August 2018 at GAIL Corporate office and on 18th August 2018 at GAIL's residential colony at Noida, to celebrate the occasion of GAIL's Annual Day.In this event, two of our celebrated projects – Project GAIL Shrijan in Rudraprayag (Uttarakhand) & Project Taana-Baana - Skill training programme in textile designing at Vijaipur (MP) participated and showcased the wide range of products made by GAIL CSR beneficiaries. Under project Taana-Baana, skill training is being provided to 60 women beneficiaries from the marginalized section. These beneficiaries also possessan 'Artisan card', issued from the Ministry of Textiles, Govt. of India, which has given them entrepreneurship opportunities through organizing exhibition/ sale stalls in Government exhibitions across India. The products made by these beneficiaries which were displayed in the exhibition, included handloom items like bedsheets, curtains, cushion cover, table covers, dining table runners & mats, coasters, napkin holders, hand bags, Bagh printed suits and sarees etc. Project GAIL Shrijan, one of our most celebrated project through which long term support & rehabilitation work is being extended to villagers in 10 flood-affected villages of Rudraprayag district. The products displayed in the exhibition included food products like rajma, ragi flour, rice, brown sugar, honey, clarified butter (ghee)produced from a high breed A-2 cow, turmeric powder, red chilli powder, coriander powder, pickle, home-made cookies, hand bags etc. Response from the employees and the families at GAIL Vihar was encouraging and inspiring. The revenue generated from selling products made under project Shrijan was more than Rs. 1 lakh which has gone into the accounts of the federation of beneficiaries created under the project. Under project Taana-Baana as well, an amount of Rs. 25,000/- was generated which has also been transferred into the accounts of Self Help Group created under the project. Women beneficiaries from Skill development project being

implemented in Delhi also participated and applied Henna to women visitors to the exhibition.

7.4.2 Spread the Warmth

The "Spread the Warmth" initiative was started in the year 2016 as a small gesture of 'giving' to help the lesser privileged sections of our society. The initiative received enthusiastic participation by the employees posted at Corporate/NCR offices, motivating us to make this an annual event.

This year the collection drive was scheduled from 18th December to 28th December, 2018. Besides a measure of helping the lesser privileged and homeless, this initiative also promoted Recycling & Reuse in the community.

Awards & Accolades

Your company's CSR initiatives were appreciated and rewarded at multiple forums for Project Arogya and Project Shrijan as shared earlier. In addition, GAIL has been conferred 4Good rating in Economic Times Annual ET 2 Good 4Good rating. This is one of the most credible recognitions in the country with the applications being assessed by M/s KPMG and an esteemed jury on various parameters. Your company also won the coveted PHD Chambers Award for Excellence, 2018' for 'Outstanding Contribution to Social Welfare'.

2. COMPOSITION OF THE CSR COMMITTEE OF BOARD



Sh. B C Tripathi,
CMD, GAIL &
Chairman, CSRC



Sh. P K Gupta
Director (HR), GAIL
& Member, CSRC



Sh. Anupam Kulshrestha
Independent Director
& Member, CSRC



Sh. Sanjay Tandon
Independent Director
& Member, CSRC

In compliance with the provisions of Section 135(1) of the Companies Act, 2013, as on 31.03.2019, the CSR Committee of the Board comprises of

i. Sh. B.C. Tripathi, Chairman of the Committee – C&MD
ii. Sh. P K Gupta – Director (HR)
iii. Sh. Sanjay Tandon – Independent Director
iv. Sh. Anupam Kulshreshtha – Independent Director

3. AVERAGE NET PROFIT FOR LAST THREE FINANCIAL YEARS

Financial Year	Net profit before tax (Rs. in Crore)*
2015-16	2553.82
2016-17	4243.70
2017-18	6284.40
Total (A)	13,081.92
Average of 03 FY's (A)/3	**4360.64**

*Net profit before tax for CSR is as per provisions of the Companies Act, 2013

4. PRESCRIBED CSR EXPENDITURE (TWO PERCENT OF THE AMOUNT AS IN ITEM 3 ABOVE)

The prescribed CSR expenditure for FY 2018-19 as per provisions of Companies Act, 2013 was Rs. 87.21 Cr.

5. DETAILS OF CSR SPENDS DURING THE FINANCIAL YEAR

(a) Total amount to be spent for the financial year – As per provisions of Companies Act, 2013, GAIL was mandated to spend Rs. 87.21 Cr in FY 2018-19 (2% of avg. Net Profit of preceding 03 F/Ys) on its CSR activities. GAIL allocated Rs. 119.92 cr on CSR activities of 2018-19, which is 2.75% of the avg. Net Profit of the preceding three financial years. Against this mandated spends, GAIL has incurred a total expenditure of Rs.119.29 cr. This amounts to 2.74% of the avg. net profit of the preceding three financial years.

(b) Amount unspent, if any – Nil.

(c) Manner in which the amount spent during the financial year is detailed below:

S. No.	CSR PROJECT OR ACTIVITY IDENTIFIED	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and the district where projects or programs was undertaken	Amount outlay (Budget) project or Programs wise (₹ in Lakhs)	Amount Spent on the Projects or Programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative Expenditure upto the reporting period (₹ in Lakhs)	Amount Spent: Directly or through Implementing Agency
	AROGYA (DRINKING WATER, HEALTHCARE, SANITATION)						
1	Project Arogya- Health Care facilities through operation of 56 MMUs in various states	(i) promoting preventive healthcare	Local Area a. East Godavari (Andhra Pradesh) b. Bongaigaon, Darrang (Assam) c. Aurangabad, Begusarai, Gaya, Purnia, Rohtas, Sheohar (Bihar) d. Delhi (Delhi) e. Bharuch (Gujarat) f. Bokaro, Chatra, Giridih, Hazaribagh, Saraikela, Simdega (Jharkhand) g. Guna, Jhabua, Morena, Satna, Ujjain (Madhya Pradesh) h. Angul, Dhenkenal, Jajpur/Bhadrak, Jharsuguda, Kheonjar, Rourkela(Odisha) i. Ludhiana(Punjab) j. Prayagraj, Auraiya, Bhadohi, Kanpur Dehat, Pratapgarh, Varanasi (Uttar pradesh) k. Haridwar (Uttarakhand) l. Bankura, Cooch Behar, Darjeeling, Purulia (West Bengal)	1493.06	1493.06	1493.06	Through NGOs/ Govt. Agencies
2	Support towards installation of Hand Pumps at various locations	(i) Making Available Safe Drinking Water	Local Area Gopalganj (Bihar) Azamgarh, Auraiya, Prayagraj, Gorakhpur, Kaushambi, Pratapgarh, Shahjahanpur, LakhimpurKheri, Chandauli, Etawah, Fatepur (Uttar Pradesh) Sagar, Vidisha (Madhya Pradesh)	793.17	793.17	793.17	

S. No.	CSR PROJECT OR ACTIVITY IDENTIFIED	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and the district where projects or programs was undertaken	Amount outlay (Budget) project or Programs wise (₹ in Lakhs)	Amount Spent on the Projects or Programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative Expenditure upto the reporting period (₹ in Lakhs)	Amount Spent: Directly or through Implementing Agency
3	Support to Cleanliness & Maintenance of Iconic Places under Swachh Iconic Places- Taj Mahal, Agra, UP and Yamunotri, Dist. Uttarkashi, Uttarakhand	(i) Sanitation	Local Area Agra (Uttar Pradesh) Uttarkashi (Uttarakhand)	587.46	587.46	587.46	
4	Support towards installation of Garbage/waste bins in various locations	(i) Sanitation	Local Area Bengaluru (Karnataka) Chandigarh Faridabad (Haryana) Ghaziabad, Varanasi, Kanpur (Uttar Pradesh) Guna (Madhya Pradesh)	376.18	376.18	376.18	
5	Support towards construction of Toilets with water facilities in Govt Schools/ Community locations in various locations	(i) Sanitation	Local Area Gaya, Nalanda (Bihar) Bharuch (Gujarat) Chitradurga, Tumkur (Karnataka) Ranga Reddy, Jogulamba Gadwal, Mahabubabad (Telangana) Moradabad, Varanasi, Prayagraj (Uttar Pradesh)	431.75	431.75	431.75	Through NGOs/ Govt. Agencies
6	Support towards installation of RO Plants in Villages and Govt Schools in Andhra Pradesh and Telangana	(i) making available safe drinking water	Local Area Krishna, West Godavari (Andhra Pradesh) Mahabubnagar (Telangana)	288.02	288.02	288.02	
7	Support for Drinking water scheme at Oduru and Narasapurapupeta Village, Ramachandrapuram Mandal, East Godavari Dist. A.P.	(i) making available safe drinking water	Local Area East Godavari (Andhra Pradesh)	155.00	155.00	155.00	
8	Support towards TB free programme through Mobile Medical Units (MMUs)	(i) promoting preventive healthcare	Local Area Firozabad, Auraiya (Uttar Pradesh) Barpeta (Assam)	115.00	115.00	115.00	
9	Projects less than Rs 1 Cr	(i) making available safe drinking water/ (i) promoting preventive healthcare/ (i) Sanitation	Various Local Area	244.70	244.70	244.70	
	Sub-Total			**4484.34**	**4484.34**	**4484.34**	
	KAUSHAL (SKILL DEVELOPMENT)						
1	Support towards Setting up of Multi Skill Centre (MSC) at ITI Karaundi, Varanasi (Uttar Pradesh)	(ii) Skill Development	Local Area Varanasi (Uttar Pradesh)	952.00	952.00	952.00	

S. No.	CSR PROJECT OR ACTIVITY IDENTIFIED	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and the district where projects or programs was undertaken	Amount outlay (Budget) project or Programs wise (₹ in Lakhs)	Amount Spent on the Projects or Programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative Expenditure upto the reporting period (₹ in Lakhs)	Amount Spent: Directly or through Implementing Agency
2	Contribution towards Skill Development Institute, Bhubhaneshwar, Odisha	(ii) Skill Development	Local Area Bhubaneshwar (Odisha)	900.00	900.00	900.00	Through NGOs/ Govt. Agencies
3	Contribution towards setting up KD Malaviya National Oil Museum (KDMNOM) in Guwahati, Assam	(ii) Skill Development	Local Area Kamrup Metropolitan (Assam)	458.87	458.87	458.87	
4	Contribution towards Skill Development Institute, Rae Bareily, Uttar Pradesh	(ii) Skill Development	Local Area Rae Bareily (Uttar Pradesh)	300.00	300.00	300.00	
5	Contribution towards Skill Development Institute, Ahmedabad, Gujarat Corpus Fund	(ii) Skill Development	Local Area Ahmedbad (Gujarat)	225.00	225.00	225.00	
6	Support towards training in Plastic Product Manufacturing through Central Insitute of Plastics Engineering and Technology (CIPET)	(ii) Skill Development	Local Area Kamrup Metropolitan (Assam) Baddi (Himachal Pradesh) Bhopal (Madhya Pradesh) Aurangabad (Maharashtra) Hyderabad (Telangana) Agartala (Tripura) Lucknow (Uttar Pradesh)	180.00	180.00	180.00	
7	Contribution towards Skill Development Institute, Rae Bareily, Uttar Pradesh	(ii) Skill Development	Local Area Rae Bareily (Uttar Pradesh)	150.00	150.00	150.00	
8	Contribution towards Skill Development Institute, Guwahati, Assam	(ii) Skill Development	Local Area Kamrup Metropolitan (Assam)	150.00	150.00	150.00	
9	Support for job linked skill training at GAIL Skill Schools Nagaram, East Godavari, Andhra Pradesh	(ii) Skill Development	Local Area East Godavari (Andhra Pradesh)	163.93	163.93	163.93	
10	Support towards Skill Development for Contract Manpower working at Urja Ganga Gas P/L and other work centres of GAIL	(ii) Skill Development	Local Area (Various)	147.17	147.17	147.17	
11	Contribution towards Operation Cost at SDI Bhubaneshwar for FY 18-19	(ii) Skill Development	Local Area Bhubaneshwar (Odisha)	75.00	75.00	75.00	
12	Contribution towards Operation Cost at SDI Kochi for FY 18-19	(ii) Skill Development	Local Area Ernakulam (Kerala)	75.00	75.00	75.00	
13	Contribution towards Operation Cost at SDI Vizag for FY 18-19	(ii) Skill Development	Local Area Vishakhapatnam (Andhra Pradesh)	75.00	75.00	75.00	

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14	Contribution towards Skill Development Institute, Bhubaneshwar, Odisha	(ii) Skill Development	Local Area Bhubaneshwar (Odisha)	75.00	75.00	75.00	Through NGOs/ Govt. Agencies
15	Contribution towards Skill Development Institute, Vishakhapatnam, Andhra Pradesh	(ii) Skill Development	Local Area Vishakhapatnam (Andhra Pradesh)	75.00	75.00	75.00	
16	Contribution towards Skill Development Institute, Kochi, Kerala	(ii) Skill Development	Local Area Ernakulam (Kerala)	75.00	75.00	75.00	
17	Contribution towards Skill Development Institute, Guwahati, Assam	(ii) Skill Development	Local Area Kamrup Metropolitan (Assam)	50.00	50.00	50.00	
18	Projects less than Rs 1 Cr	(ii) Skill Development	Various Local Area	19.63	19.63	19.63	
	Sub-Total			**4146.60**	**4146.60**	**4146.60**	
	SAKSHAM (CARE FOR ELDERLY & DIFFERENTLY ABLED)						Through NGOs/ Govt. Agencies
1	Projects less than Rs 1 Cr	(iii) Care of Elderly & disabled	Various Local Area	107.51	107.51	107.51	
	Sub-Total			**107.51**	**107.51**	**107.51**	
	SASHAKT (EMPOWERING WOMEN)						Through NGOs/ Govt. Agencies
1	Projects less than Rs 1 Cr	(iii) Women Empowerment	Various Local Area	53.90	53.90	53.90	
	Sub-Total			**53.90**	**53.90**	**53.90**	
	UJJAWAL (PROMOTING EDUCATION)						Through NGOs/ Govt. Agencies
1	GAIL Utkarsh - Support for specialised residential coaching for Engineering entrance in UP and Uttarakhand	(ii) Promoting Education	Local Area a)Kanpur Nagar (Uttar Pradesh) b)Almora (Uttarakhand) c)Pauri Garhwal (Uttarakhand)	340.07	340.07	340.07	
2	Support for Construction of Jr. College and Degree College at Bhainsa, District Janagaon (Nirmal), Telangana	(ii) Promoting Education	Local Area Nirmal (Telangana)	265.20	265.20	265.20	
3	Support towards Construction of Indoor Stadium at PR High School, Balangir, Odisha	(ii) Promoting Education	Local Area Balangir (Odisha)	150.07	150.07	150.07	

S. No.	CSR PROJECT OR ACTIVITY IDENTIFIED	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and the district where projects or programs was undertaken	Amount outlay (Budget) project or Programs wise (₹ in Lakhs)	Amount Spent on the Projects or Programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative Expenditure upto the reporting period (₹ in Lakhs)	Amount Spent: Directly or through Implementing Agency
4	Support towards provision of smart classes in Govt. Schools in various locations	(ii) Promoting Education	Local Area Dharwad (Karnataka) Sagar (Madhya Pradesh) Varanasi (Uttar Pradesh)	172.44	172.44	172.44	Through NGOs/ Govt. Agencies
5	Projects less than Rs 1 Cr	(ii) Promoting Education	Various Local Area	492.84	492.84	492.84	
	Sub-Total			**1420.62**	**1420.62**	**1420.62**	
	UNNATI (RURAL DEVELOPMENT)						
1	Support towards development work in villages surrounding JHBDPL pipeline in Dist. Chandauli and Varanasi, Uttar Pradesh	(x) Rural Development	Local Area Chandauli, Varanasi (Uttar Pradesh)	171.99	171.99	171.99	
2	Support towards Installation of Street Lights on Ranchi - Hazaribagh& Ranchi - Bokaro-Dhanbad Routes along NH 33, Jharkhand	(x) Rural Development	Local Area Hazaribagh, Ranchi, Bokaro, Dhanbad Road (Jharkhand)	150.00	150.00	150.00	
3	Support towards installation of Solar Street Lights in Govt Schools/ Public places in various locations	(x) Rural Development	Local Area Hazaribagh, Bokaro and Giridih (Jharkhand) Patna (Bihar) Udham Singh Nagar (Uttarakhand) Pilibhit, Varanasi (Uttar Pradesh)	145.51	145.51	145.51	Through NGOs/ Govt. Agencies
4	GAIL Shrijan – Support for long Term rehabilitation work in flood affected region in Rudraprayag, Uttarakhand	(x) Rural Development	Local Area Rudraprayag (Uttarakhand)	131.65	131.65	131.65	
5	Support towards development activities in Nagaram, Andhra Pradesh	(x) Rural Development	Local Area East Godavari (Andhra Pradesh)	100.00	100.00	100.00	
6	Projects less than Rs 1 Cr	(x) Rural Development	Various Local Area	660.67	660.67	660.67	
	Sub-Total			**1359.82**	**1359.82**	**1359.82**	

S. No.	CSR PROJECT OR ACTIVITY IDENTIFIED	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and the district where projects or programs was undertaken	Amount outlay (Budget) project or Programs wise (₹ in Lakhs)	Amount Spent on the Projects or Programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative Expenditure upto the reporting period (₹ in Lakhs)	Amount Spent: Directly or through Implementing Agency
	OTHERS (PROMOTION OF SPORTS AND HERITAGE/ SLUM AREA DEVELOPMENT)						
1	GAIL Indian Speed Star-Athletic Talent Hunt	(vii) Training to promote rural sports, nationally recovnised sports, paralympic sports and Olympic sports	Local Area PAN India	169.41	169.41	169.41	
2	Support for Development of urban facilities in Lucknow, Uttar Pradesh	(xi) Slum Area Development	Local Area Luknow (Uttar Pradesh)	100.00	100.00	100.00	Through NGOs/ Govt. Agencies
3	Projects less than Rs 1 Cr	(vii) Training to promote rural sports, nationally recovnised sports, paralympic sports and Olympic sports	Various Local Area	19.50	19.50	19.50	
	Sub-Total			**288.91**	**288.91**	**288.91**	
	TOTAL (A)					**11862.10**	
	CAPACITY BUILDING (B) : Training, Impact Assessment, Publications and Branding					**66.67**	
	GRAND-TOTAL (A+B)					**11928.77**	

6. REASONS FOR LESS THAN STIPULATED EXPENDITURE

Requisite amount as per provisions of the Companies Act, 2013 has been spent during the year 2018-19, hence Not Applicable.

7. RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE OF THE BOARD

This is to certify that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company.

(P.K. Gupta)
Director (HR)
(DIN: 01237706)

(B.C. Tripathi)
Chairman,CSR Committee
(DIN: 01657366)

ANNEXURE-G

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO AS PER SECTION 134(3) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy:

Your company, GAIL puts greater emphasis on various energy and resource conservation measures and has also made it a part of O&M policy guidelines.

1 **Implementation of Rich –Lean gas corridor:** Your Company operates three cross country pipelines (HVJ, DVPL-I and DVPL-II) in parallel from Vaghodia to Vijaipur with gas turbine driven compressors in between for boosting the pressure of natural gas for maintaining pipeline hydraulics and delivery of gas to customers at required pressure. Your Company has undertaken this project for Operation Flexibility, Pipeline Operations Optimization, and better fuel & energy optimization. Under this project, the company has executed modifications for swapping of gas between the pipelines for operational flexibility and reduction of pressure drops to enable stoppage of few compressors thus leading to saving of significant amount of fuel energy. The stoppage of gas turbine driven compressor has not only led to reduction in emission of Greenhouse gases from burning of fuel gas in gas turbines but emissions from wet seals of the compressors are also reduced.

2 **Replacement of Air conditioners/ Geysers/ Ceiling fans with rating 5 star BEE equipment:** Your Company promotes sustainability initiatives and takes measures to improve energy efficiency at its plants & operations, office buildings etc on constant basis. Through these endeavors, your Company has undertaken replacement of old air conditioners with 5 Star BEE certified air conditioners across its sites and offices resulting in significant energy saving. Apart from this, the company has also undertaken replacement of Old HVAC split units with new energy efficient HVAC split units at Compressor station, Dibiyapur, replacement of old Reciprocating Compressor (0.93 iKW/TR) with AHRI certified energy efficient Screw Compressor (0.61 iKW/TR) at Gandhar and replacement of old Geysers/ Ceiling fans with 5 Star Rated Energy Efficient equipment at Vijaipur Township resulting in significant saving in electrical energy consumption. Further, the Air Conditioner set temperature is maintained at 25 Degree Centigrade considered as optimum for enhanced life of Air Conditioners by making effective use of Compressor and maximizing the efficiency.

3 **Replacement of conventional lights with more efficient LED lights (LEDs):** Your Company has undertaken pan India drive for replacement of Conventional lightings & fittings systems with energy efficient LED lightings. Some of the company sites that have undertaken this drive during the year are Agartala, Cauvery basin, DBPL region, Dibiyapur, Gandhar, Jhabua, JLPL region, Khera, Mumbai region, Pata Petrochemical complex, Vijaipur & VSPL region. Company has also undertaken the installation of APFC (Automatic Power Factor Correction) Panel across various sites such as Dibiyapur, Jhabua, Samakhiali & Mumbai for improving line power factor resulting in significant power saving. In addition to that Motion sensors have been installed in offices and corridors at various locations to switch off lights in case of non-occupancy of space and avoid wastage of electricity.

4 **Energy saving initiative in HRSG:** Your Company has also installed Variable frequency drives (VFD) along with energy efficient motor for all the 4 Boiler feed water pumps of HRSG at Vaghodia resulting in the energy saving. Also DM water transfer pump performance is optimized by resizing its impellers. These initiatives resulted in 30% reduction of energy consumed in HRSG in comparison with the previous year.

5 Your Company has been included in the 'Technical Committee for Petrochemical sector' in Perform Achieve and Trade (PAT) scheme Cycle IV, a flagship program of Bureau of Energy Efficiency (BEE) under the National Mission for Enhanced Energy Efficiency (NMEEE) in National Action Plan on Climate Change (NAPCC). Under the category of Petrochemicals, target of Specific energy consumption of 0.7384 MTOE/ MT was assigned to Pata Petrochemical complex for achievement by FY 2020-21. Based on the initiatives taken and implemented, the given target has already been achieved during the year.

6 Your Company has taken up various energy saving initiatives /measures like (i) regular monitoring of flare gas analysis and control, (ii) focused energy audit in Compressed Air & Instrument Air plants to reduce air & power consumption and (iii) revisiting the standby philosophy of operation of Cracker Furnaces. These initiatives have led to reduced specific Energy / Power consumption from 96.5 MMBG/MT during FY 2017-18 to 94 MMBG/MT during the year at Pata Petrochemical complex.

7 Your Company has taken up, a pilot scale project at Pata on 'Advanced Day Lighting System' at Mechanical Workshop to reduce power consumption in lighting during day time. Based on the energy savings potential, the system will be taken up for implementation at various locations of plant in phased manner.

8 Various developmental projects have been initiated for increasing operational flexibility at Pata plant and for increasing the plant run length / availability with a view to reduce overall energy consumption of the complex.

9 **Replacement of Old Motors with Energy Efficient motors :** Your company has taken an initiative of replacing 24 No. of old motors (~293 KW) in different units with Energy Efficiency class IE-2 & 3 motors at its Pata Petrochemical complex.

(ii) The steps taken by the company for utilizing alternate sources of energy:

The company has taken various steps for utilizing alternate sources of energy

- The company has installed aggregate Solar Power systems of around 550 KWp at various locations such as Agartala, DBPL region, Dibiyapur, Jhabua, JLPL region, Mumbai, Vaghodia & G Konduru by

installing roof top solar power generation systems and also solar street lighting across various installation pan India.

- **Solar Potential Assessment of all O&M sites of GAIL**

  To align with Government of India ambitious target of achieving 175 gigawatts of renewable energy (RE) installed capacity by 2022, the company has undertaken the pre-feasibility and techno- commercial study for the assessment of Potential for installation of the solar power plants across its various sites. The objective of this Pre-feasibility study was Solar resource assessment of identified buildings at its sites across various states in India namely, Gujarat, Rajasthan, Maharashtra, Madhya Pradesh, Assam, Uttar Pradesh, Tamil Nadu, Andhra Pradesh, Karnataka, etc. The study has been completed and in phased manner implementation of Roof top Solar plants wherever feasible across India is being undertaken. Your company has also approved installation of 1.8 MW solar power plant at its Vijaipur site and process for implementation is in progress.

(iii) The capital investment on energy conservation equipments:

Your company has made approx. capital investment of ₹ 9.7 crore on energy efficiency equipments as under:

- ₹178.0 Lakhs for installation of E-HYDROCOM system for Automation of Loading-Unloading system in RG Compressor-B at Vaghodia.
- ₹ 177 Lakhs for replacement of conventional lights with LEDs.
- ₹ 414 Lakhs for supply, installation and commissioning of solar power systems.
- ₹ 52 Lakhs for replacement of Old Energy inefficient Ceiling fans and ₹ 38 Lakhs for old Geysers with 5 star rated equipment at Township Vijaipur.
- ₹ 50.9 Lakhs for the installation of new energy efficient HVAC at Dibiyapur & Gandhar plants.
- ₹ 26.6 Lakhs for the installation of Automatic Power Factor Correction (APFC) at various sites for improving line power factor.
- ₹ 32 Lakhs for the installation of Variable frequency drives (VFD) along with energy efficient motor for the entire 4 Boiler feed water pumps of HRSG at Vaghodia.
- ₹ 23.1 Lakhs for the installation of solar street lighting system.
- ₹ 9.6 Lakhs for replacement of old AC with BEE 5 star AC rating at various locations.
- ₹ 5.25 Lakhs for the installation of Motion sensors in offices and corridors at various locations.

(B) Technology Absorption:

(i) the efforts made towards technology absorption and the benefits derived like product improvement, cost reduction, product development or import substitution

1. GAIL has always been a front runner in adopting technological advancements in securing its assets. In line with the same, GAIL has engaged agencies for carrying out pipeline ROU surveillance and inspection of plant structures (high rise columns, flare stacks etc.) through micro category UAV (Unmanned Aerial Vehicles). This will help to reach out and survey the area which is remote and often inaccessible through normal means. In addition to this, your company has launched a pilot project to capture video images of a section of pipeline ROU and identify the changes using change detection tools/other technological features so as to get information on any unauthorized activities/encroachment in the pipeline ROU which will help us in better monitoring of pipeline ROU.
2. Your Company has a very vast IT network to support its business operations. To safeguard this vast network, the company has a modern Security Operations Centre (SOC) in operation with state-of-the-art monitoring and analytical tools to alleviate cyber-security risks. Your Company has implemented latest solutions for Forensic Analysis, Next Generation Internal & External Firewalls, Endpoint Security, VPN and Vulnerability Management & Penetration Testing for improved cyber-security posture. No cyber-security breach has been observed in FY 2018-19.
3. Your Company operates State-of-the-art Centralized SCADA system for safe and reliable real time operation, monitoring and controlling of Cross Country NG and LPG Pipeline in accordance with PNGRB and OISD guidelines. For improving the efficacy of the centralized SCADA system, your company has implemented centralized APPS system (Leak detection & Inventory calculation) and incorporated few other trunk NG pipeline networks in it such as KMKRPL, CJPL/ SNPL, Auraiya – Dadri HVJ section, Tripura region, LRPL which will lead to safe & reliable pipeline operations in these networks. Considering the importance and criticality of SCADA system for company business operations, your company has taken initiatives for strengthening Cyber Security for SCADA system. Based on vulnerability assessment carried out by third party, additional firewall has been implemented in critical SCADA-IT (Enterprise) interface.
4. Your Company has implemented Centralized Payments solution for seamless transfer of vendor payments and B2B integration with banks for faster reconciliation. Your Company has also implemented B2B interfaces with Oil & Gas PSUs for real-time exchange of LPG sale & NG purchase data for faster reconciliation and invoice settlement. Your Company has also implemented automatic generation of E-Way Bill numbers directly from within ERP system through integration with NICE-Way Bill Portal.
5. Under the **'Digital Yatra'** initiative, GAIL is moving ahead to place itself to the next higher orbit of digitalization, to become a world-class digital organisation and to institutionalize the concept of 'Digital Thinking' by implementing the strategic digital initiatives based on the global best practices. This will leverage the benefits of state-of-art analytics, Mobility and Collaboration Platforms to support business functions of GAIL, including, Plant Operations & Maintenance by integrating IT Systems with plant and pipeline Systems. To improve O&M efficiencies, maintenance optimization, enhanced decision making and sustainability.

   GAIL has initiated the formulating of a comprehensive **'Digital Strategy'.** The Digital Strategy aims to present an integrated view on large number of critical assets spread across multiple geographic locations consisting of Plants, Pipelines, ERP, IT and other business verticals of GAIL.

   In addition to the above, the initiatives taken by sites for technology absorption ensue:
6. UV-IR DOAS based CEMS: The UV – IR DOAS (Differential Optical

Absorption Spectroscopy) based CEMS (Continuous Emission Monitoring System) was installed in Boiler, Feed, Lean Gas Turbine and RG Heater flue gas stack for Continuous Emission Monitoring of NOx, SOx, CO, and H2O Vapor & THC. The system is having new technology i.e. non-contact in-situ probe type and helpful in monitoring flue gas emission parameters in environment. This New Technology is helpful in carbon footprint measure, maintenance free and provides online data sharing with CPCB (Central Pollution Control Board) which is a statutory requirement under CPCB guidelines. It is first of its kind technology implemented in the company. (Gandhar)

7. Upgradation of obsolete control system of 2 nos. EGT machines along with integrated fuel system, which aimed to improve reliability of gas turbine control system with latest & user-friendly interface. (Dibiyapur)
8. Upgradation of old Governor Control Systems of steam turbine to the latest state-of-the-art Micronet Systems in Cracked gas, Propylene & Ethylene Compressors of Gas Cracker Unit at GAIL-Pata Petrochemical Complex. Also the relevant controllers of these compressors have been upgraded.
9. Upgradation of Control Systems (Gas Turbines) from Old Mark-V to the latest Mark-VIe system has been taken up in Gas Processing Unit of GAIL-Pata Petrochemical complex.
10. **Development of Engineering & Operator Training Simulator (EOTS) with in-house resources:** Utilizing the surplus hardware of different DCS & PLC systems and integrating with Process Simulator, an EOTS workstation was developed in-house. This EOTS is expected to be utilized for off-line training of Operators/ Engineers before deployment on DCS.
11. **IPv6 EPABX (Electronic Private Automatic Branch Exchange):** New server based IPv6 EPABX has been installed in October 2018 at GPU Gandhar with new IP based and digital handsets. The new IPv6 EPABX system provides geographical redundancy in core servers of central exchange to ensure 100% availability of communication system. It also provides scalability and mobility of extensions. Also features of IP phones like call log, conference call, voice mail, directory search etc. has increased convenience of users. (Gandhar).
12. At Vaghodia, replaced relay based control systems of Expander compressor & RG compressor with state-of-art SIL-3 PLC based system. This new system improves safety, integrity, reliability, remote controlling and monitoring.
13. At Vaghodia, explosion proof, infra-red CCTV cameras have been installed at LPG plant field area. These cameras are integrated with gas detectors/LEL detector to have immediate focus on the alarm areas. These cameras have video analytics capability to detect any fire / smoke and bring the focus to those areas.
14. At Vijaipur, existing Schneider Make Quantum PLC control system of compressors of DVPL Project commissioned in 2004 has been upgraded to SIL-3 PLC based control system. Further, the existing relay based control system of Instrument Air Compressors-A & B of the same project and also commissioned in the year 2004 has been replaced by SIL-2 PLC based control system. The systems are provided with HMI (Human Machine Interface) monitors for data monitoring and controlling. Upgradation has resulted in hassle-free operations & better troubleshooting.
15. Your Company has upgraded to latest Telecom System in Noida-Jaipur section of JLPL P/L network from 2.5G to 10G with support of latest MPLS-TP technology for providing instant replication of critical business information between Primary and Disaster Recovery (DR) for data protection. Your Company has also commissioned latest state-of-art Telecom System in KG Basin for continuous monitoring and control of critical pipeline parameter to ensure safety and integrity of pipeline.

(ii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year), following information may be furnished:

a.	**Technology imported :**	i) DR compressors (ii) USM based custody transfer meters (iii) License for Metallocene Catalyzed LLDPE film grade Polymer at Swing unit of Pata by M/s Univation Technologies, USA
b.	**Year of import :**	(i) 2016 (ii) 2017 (iii) 2018
c.	**Has technology been fully absorbed? :**	Yes, Metallocene grade Polymer produced on 17th Jan'19 at Petrochemical Complex at Pata, for the first time in India.
d.	**If not fully absorbed, areas where this has not taken place, reasons therefore :**	NA

(iii) Expenditure on R&D

a.	Capital	:	₹ 45.79 Crores
b.	Recurring/ Revenue	:	₹ 10.94 Crores
c.	Total	:	₹ 56.73 Crores

(C) Foreign exchange earnings and Outgo-

During FY 2018-19, Foreign currency exchange inflow was ₹ 14,805.41 crores and foreign currency outgo was ₹ 29,868.59 crores.

ANNEXURE-H

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3)of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis –

GAIL (India) Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2018-19.

2. Details of material contracts or arrangement or transactions at arm's length basis

a. Name(s) of the related party and nature of relationship - Petronet LNG Limited (PLL) and it is a joint venture of GAIL (India) Limited.

b. Nature of contracts/arrangements/transactions - Purchase of Regasified Liquefied Natural Gas (RLNG) and utilization of Regasification facilities of LNG gasification Terminal(s).

c. Duration of the contracts / arrangements/transactions – Gas Sales Purchase Agreement(s)(GSPA) dated 26.09.2003, 31.03.2010(Amended and Restated vide side letter dated 15.12.2017) ,31.12.2015 (assigned directly to GAIL vide GSPA dated 20.12.2018) and Regasification Services Agreement dated 06.09.2012 which is ongoing.

d. Salient terms of the contracts or arrangements or transactions including the value, if any – Petronet LNG Limited to provide regasification facilities, supply of RLNG (Long term and Spot). Transactions with Petronet LNG Limited for FY 2018-19 were ₹ 21,837.16 crores approx (with Tax).

e. Date(s) of approval by the Board, if any - Not applicable, since the contract was entered into in the ordinarycourse of business and on arm's length basis.

f. Amount paid as advances, if any – NIL

For and on behalf of the Board

B.C. Tripathi
Chairman & Managing Director
(DIN: 01657366)

Place: New Delhi
Date: 08 July, 2019

ANNEXURE - I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2019
[Pursuant to section 92(3) of the Companies Act, 2013 and Rule12 (1) of the Companies(Management and Administration) Rules,2014]

I. REGISTRATION AND OTHER DETAILS :

CIN	L40200DL1984GOI018976
Registration Date	16.08.1984
Name of the Company	GAIL (India) Limited
Category/Sub-Category of the Company	Government Company
Address of the registered office and contact details	16, Bhikaiji Cama Place, R.K.Puram New Delhi -110066 Contact No.(s): 011-26182955/ 26172580
Whether listed company (Yes/No)	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	**MCS Share Transfer Agent Limited** F-65, Okhla Industrial Area, Phase-I, New Delhi-110020 Contact No. (s)- 011-41406149/50/51/52

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	**Gas Marketing**	**Not Applicable**	**82**

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name of the Company	Address of the Company	CIN/GLN	Holding/Subsidiary /Associate	% of Shares Held	Applicable Section
1.	GAIL Global (Singapore) Pte. Limited	Wangz Business Centre # 43-01, Suntec Tower One, 7 Temasek, Boulevard, Singapore - 038987	NA	Wholly owned Subsidiary	100	2(87)
2.	GAIL Global (USA) Inc.	Phoenix Tower 3200 SW Freeway, Suite 1090 Houston, Texas -77027	NA	Wholly owned Subsidiary	100	2(87)
3.	GAIL Global (USA) LNG LLC [Wholly Owned Subsidiary of GAIL Global (USA) Inc.]	Phoenix Tower 3200 SW Freeway, Suite 1090 Houston, Texas -77027	NA	Subsidiary	-	2(87)
4.	GAIL Gas Limited	16, Bhikaiji Cama Place , R.K. Puram, New Delhi - 110066	U40200DL2008GOI178614	Wholly owned Subsidiary	100	2(87)
5.	Brahmaputra Cracker & Polymer Limited	1st Floor, House No. 6, Bhuban Road, Uzanbazar Guwahati Kamrup AS 781001 IN	U11101AS2007GOI008290	Subsidiary	70	2(87)
6.	GAIL China Gas Global Energy Holdings Limited	Claredon House, 2 Church Street, Hamilton HM 11, Bermuda	NA	Joint Venture/ Associate	50	2(6)
7.	Aavantika Gas Limited	202-B, 2nd Floor, NRK Business Park Vijay Nagar Square, A.B. Road Indore, M.P. - 452010 IN	U40107MP2006PLC018684	Joint Venture/ Associate	49.99	2(6)
8.	Tripura Natural Gas Co Ltd.	Shilpa Nigam Bhawan, Khejur Bagan, P.O:- Kunjaban, Agartala, Tripura (West)-799006, IN	U23201TR1990SGC003451	Joint Venture/ Associate	48.98	2(6)
9.	Bhagyanagar Gas Limited	Parishram Bhawan , Basheerbagh, Hyderabad, Telangana - 500004	U40200TG2003PLC041566	Joint Venture/ Associate	49.97	2(6)
10.	Ratnagiri Gas and Power Private Limited	NTPC Bhawan, Core 7, SCOPE Complex 7, Institutional Area Lodhi Road, New Delhi - 110003	U40105DL2005PTC138458	Joint Venture/ Associate	25.51	2(6)
11.	Central U.P. Gas Limited	A-1/4 Lakhanpur UPSID Complex Kanpur, Uttar Pradesh - 208024 IN	U40200UP2005PLC029538	Joint Venture/ Associate	25	2(6)

S. No	Name of the Company	Address of the Company	CIN/GLN	Holding/Subsidiary /Associate	% of Shares Held	Applicable Section
12.	Green Gas Limited	Fortuna Towers, 2nd Floor ,10, Rana Pratap Marg, Lucknow, Uttar Pradesh - 226001 IN	U23201UP2005PLC030834	Joint Venture/ Associate	49.97	2(6)
13.	Indraprastha Gas Limited	IGL Bhawan, Plot No 4 ,Community Centre, Sector 9, R K Puram New Delhi - 110022 IN	L23201DL1998PLC097614	Joint Venture/ Associate	22.50	2(6)
14.	Mahanagar Gas Limited	MGL House, Block No G-33, Bandra Kurla Complex, Bandra (E), Mumbai, Maharashtra - 400051 IN	U40200MH1995PLC088133	Joint Venture/ Associate	32.50	2(6)
15.	Maharashtra Natural Gas Limited	Plot No 27, Narveer Tanaji Wadi, PMT Bus Depot, Commercial Building, First Floor, Shivaji Nagar, Pune, Maharashtra - 411005	U11102PN2006PLC021839	Joint Venture/ Associate	22.50	2(6)
16.	ONGC Petro Additions Limited	4th Floor, 35, Nutan Bharat Co-operative Housing Society Ltd., R C Dutt Road Alkapuri Vadodara GJ 390007 IN	U23209GJ2006PLC060282	Joint Venture/ Associate	49.21	2(6)
17.	Petronet LNG Limited	First Floor, World Trade Centre, Babar Road ,New Delhi - 110001 IN	L74899DL1998PLC093073	Joint Venture/ Associate	12.50	2(6)
18.	TAPI Pipeline Company Limited	C/o Cains Fiduciaries Limited Fort Anne Douglas Isle of Man IM1 5PD	NA	Joint Venture/ Associate	5	2(6)
19.	South-East Asia Gas Pipeline Company Limited	SEDONA HOTEL (Mandalay) No.1, Junction of 26th street & 66th street, Chan Aye Tharzan Township Mandalay Myanmar	NA	Joint Venture/ Associate	4.17	2(6)
20.	Vadodara Gas Limited	Shri Muni Commi Gas Office Building Dandia Bazaar Vadodara GJ - 390001 IN	U40106GJ2013PLC076828	Joint Venture/ Associate	50	2(6)
21.	Talcher Fertilizers Limited	Plot 2/H, Kalpana Area, BJB Nagar, Khordha Bhubneswar - 751014 IN	U24120OR2015PLC019575	Joint Venture/ Associate	33.33	2(6)
22.	Konkan LNG Private Limited	16, Bhikaiji Cama Place, R.K.Puram New Delhi -110066	U11100DL2015PTC288147	Joint Venture/ Associate	40.92	2(6)
23.	Indradhanush Gas Grid Limited	122A, G.S Road, Christian Basti, Guwahati AS 781005 IN	U40300AS2018GOI018660	joint Venture/ Associate	20	2(6)
24.	Bengal Gas Company Limited	4th Floor, Block B, Finance Centre, CBD, Action Area - II B, New Town Kolkata Parganas North WB 700156 IN	U40300WB2019GOI229618	Joint Venture/ Associate	50	2(6)
25	Ramagundam Fertilizers And Chemicals Limited	3rd and 4th Floor, Mohta Building, 4, Bhikaji Cama Place, New Delhi South West Delhi DL-110066 IN	U24100DL2015PLC276753	Joint Venture/ Associate	14.77	2(6)

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of shareholders	No. of shares held at the beginning of the Year (As on 1st April,2018)				No. of shares held at the end of the year (As on 31stMarch,2019)				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Shareholding of Promoter and Promoter Group									
(1) Indian									
a) Individuals/ Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Government	1208548124	0	1208548124	53.59	1177029046	0	1177029046	52.19	-1.40
c) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
e) Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00

Category of shareholders	No. of shares held at the beginning of the Year (As on 1st April, 2018)				No. of shares held at the end of the year (As on 31st March, 2019)				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
TRUST	0	0	0	0.00	0	0	0	0.00	0.00
SOCIETY	0	0	0	0.00	0	0	0	0.00	0.00
EDUCATIONAL INSTITUTE	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter(A)	**1208548124**	**0**	**1208548124**	**53.59**	**1177029046**	**0**	**1177029046**	**52.19**	**-1.40**
B. Public shareholding									
1. Institutions									
a) Mutual Funds/ UTI	274204125	24710	274228835	12.16	186172562	18848	186191410	8.26	-3.90
b) Financial Institutions/ Banks	7528345	266	7528611	0.33	14377801	266	14378067	0.64	0.30
c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	81954370	0	81954370	3.63	126950607	0	126950607	5.63	2.00
g) Foreign Portfolio Investors	389931593	2487	389934080	17.29	466319757	1154	466320911	20.68	3.39
h) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
i) Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(1)	**753618433**	**27463**	**753645896**	**33.42**	**793820727**	**20268**	**793840995**	**35.20**	**1.78**
2. Central Govt/State Govt/POI	**166387805**	**0**	**166387805**	**7.38**	**181868478**	**0**	**181868478**	**8.06**	**0.69**
Sub-Total (B)(2)	**166387805**	**0**	**166387805**	**7.38**	**181868478**	**0**	**181868478**	**8.06**	**0.69**
3. Non-institutions									
a) Bodies Corporate- Indian	55187650	532	55188182	2.45	32481833	266	32482099	1.44	-1.01
b) Individuals -									
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh.	32931814	132510	33064324	1.47	30408219	115500	30523719	1.35	-0.11
ii) Individual shareholders holding nominal share capital in excess of ₹1lakh.	10555137	0	10555137	0.47	4827470	0	4827470	0.21	-0.25
c) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
d) NBFCs Registered with RBI	10024	0	10024	0.00	4725	0	4725	0.00	0.00
e) Any Other									
(I) Trust & Foundations	10939057	63251	11002308	0.49	13800555	0	13800555	0.61	0.12
(ii) Cooperative Societies	0	0	0	0.00	0	0	0	0.00	0.00
(iii) Educational Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(iv) Non Resident Individual	1375873	9711	1385584	0.06	1417852	9711	1427563	0.06	0.00
(v) Foreign Companies	0	0	0	0.00	0	0	0	0.00	0.00
(vi) OCBs	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(3)	**110999555**	**206004**	**111205559**	**4.93**	**82940654**	**125477**	**83066131**	**3.68**	**-1.25**
Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	**1031005793**	**233467**	**1031239260**	**45.73**	**1058629859**	**145745**	**1058775604**	**46.95**	**1.22**
TOTAL (A)+(B)	**2239553917**	**233467**	**2239787384**	**99.32**	**2235658905**	**145745**	**2235804650**	**99.15**	**-0.18**
(C) Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0	0	0	0.00	0.00
1) Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.0
2) Public	15283549	0	15283549	0.68	19266283	0	19266283	0.85	0.18
GRAND TOTAL (A)+(B)+(C)	**2254837466**	**233467**	**2255070933**	**100.00**	**2254925188**	**145745**	**2255070933**	**100.00**	**0.00**

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year [As on 1st April 2018]			No. of Shares held at the end of the year [As on 31st March 2019]			% change in share holding during the year
		No. of Shares	%of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares	%of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	**President of India**	1208548124	53.59	0	1177029046	52.19	0	1.40
	Total	1208548124	53.59	**0**	1177029046	**52.19**	**0**	**1.40**

iii) Change in Promoter's Shareholding (please specify, if there is no change)-

Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)	
	No of Shares at the Beginning (01-04-18) /end of the Year (31-03-19)	% of total shares of the Company				Shares	% of total shares of the Company
PRESIDENT OF INDIA	1208548124	53.59	31 Mar, 2018				
			06 July, 2018	-11675668	Government of India Disinvested shares through CPSE ETF Units	1196872456	53.07
			22 Feb, 2019	-19843410	Government of India Disinvested shares through CPSE ETF Units	1177029046	52.19

(iv) Share holding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Details of Top 10 Shareholders as on 31-03-18 & 31-03-19 and their transactions (Other Than Directors, Promoters and Holders of GDRs and ADRs) :

S. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (1st April,2018 to 31st March,2019)	
		No of Shares at the Beginning (1st April, 18) /end of the year (31st March, 2019)	% of total shares of the Company				Shares	% of total shares of the Company
1	OIL AND NATURAL GAS CORPORATION LIMITED	108905462	4.83	31-Mar-2018				
		108905462	4.83	31-Mar-2019	NIL	NA		
2	LIFE INSURANCE CORPORATION OF INDIA	46414408	2.06	31-Mar-2018				
				11-May-2018	744180	Purchase	47158588	2.09
				18-May-2018	2132798	Purchase	49291386	2.19
				25-May-2018	6627855	Purchase	55919241	2.48
				01-Jun-2018	4725307	Purchase	60644548	2.69
				08-Jun-2018	3854470	Purchase	64499018	2.86
				15-Jun-2018	3676181	Purchase	68175199	3.02
				22-Jun-2018	6079047	Purchase	74254246	3.29
				29-Jun-2018	5811272	Purchase	80065518	3.55
				06-Jul-2018	2440034	Purchase	82505552	3.66
				13-Jul-2018	2580833	Purchase	85086385	3.77
				20-Jul-2018	1286258	Purchase	86372643	3.83
				23-Nov-2018	402129	Purchase	86774772	3.85
				30-Nov-2018	721651	Purchase	87496423	3.88
				07-Dec-2018	783777	Purchase	88280200	3.91
				14-Dec-2018	1673659	Purchase	89953859	3.99
				21-Dec-2018	833569	Purchase	90787428	4.03
				28-Dec-2018	564230	Purchase	91351658	4.05
				31-Dec-2018	203000	Purchase	91554658	4.06
				04-Jan-2019	1596819	Purchase	93151477	4.13
				11-Jan-2019	1808350	Purchase	94959827	4.21
				18-Jan-2019	1914636	Purchase	96874463	4.30
				25-Jan-2019	392426	Purchase	97266889	4.31
				01-Feb-2019	1295678	Purchase	98562567	4.37
				08-Feb-2019	1048933	Purchase	99611500	4.42
				15-Feb-2019	2020061	Purchase	101631561	4.51
				22-Feb-2019	1534580	Purchase	103166141	4.57

S. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (1st April,2018 to 31st March,2019)	
		No of Shares at the Beginning (1st April, 18) /end of the year (31st March, 2019)	% of total shares of the Company				Shares	% of total shares of the Company
				01-Mar-2019	1958535	Purchase	105124676	4.66
				08-Mar-2019	1217015	Purchase	106341691	4.72
		106341691	4.72	31-Mar-2019				
3	INDIAN OIL CORPORATION LIMITED	54452730	2.41	31-Mar-2018				
		54452730	2.41	31-Mar-2019	NIL	NA		
4	MATTHEWS PACIFIC TIGER FUND	29612492	1.31	31-Mar-2018				
				11-May-2018	-1500000	Sale	28112492	1.25
				29-Jun-2018	2250000	Purchase	30362492	1.35
				23-Nov-2018	-817255	Sale	29545237	1.31
				14-Dec-2018	-900000	Sale	28645237	1.27
				25-Jan-2019	-1000000	Sale	27645237	1.23
				01-Feb-2019	-1693236	Sale	25952001	1.15
				08-Feb-2019	-927617	Sale	25024384	1.11
		25024384	1.11	31-Mar-2019				
5	HDFC TRUSTEE COMPANY LTD. A/C-HDFC BALANCED ADVANTAGE FUND	27030286	1.20	31-Mar-2018				
				05-Oct-2018	1100477	Purchase	28130763	1.25
				28-Dec-2018	-1916106	Sale	26214657	1.16
				31-Dec-2018	-616000	Sale	25598657	1.14
				04-Jan-2019	-814000	Sale	24784657	1.10
				11-Jan-2019	-679000	Sale	24105657	1.07
		24105657	1.07	31-Mar-2019				
6	DEUTSCHE BANK TRUST COMPANY AMERICAS	15283549	0.68	31-Mar-2018				
				11-May-2018	84996	Purchase	15368545	0.68
				01-Jun-2018	-719694	Sale	14648851	0.65
				08-Jun-2018	2364	Purchase	14651215	0.65
				15-Jun-2018	-170556	Sale	14480659	0.64
				22-Jun-2018	-404358	Sale	14076301	0.62
				29-Jun-2018	-384048	Sale	13692253	0.61
				13-Jul-2018	600000	Purchase	14292253	0.63
				03-Aug-2018	12000	Purchase	14304253	0.63
				24-Aug-2018	105192	Purchase	14409445	0.64
				07-Sep-2018	1974	Purchase	14411419	0.64
				14-Sep-2018	689304	Purchase	15100723	0.67
				21-Sep-2018	-143292	Sale	14957431	0.66
				29-Sep-2018	1251936	Purchase	16209367	0.72
				05-Oct-2018	391686	Purchase	16601053	0.74
				19-Oct-2018	14142	Purchase	16615195	0.74
				26-Oct-2018	2004	Purchase	16617199	0.74
				02-Nov-2018	35778	Purchase	16652977	0.74
				16-Nov-2018	195348	Purchase	16848325	0.75
				30-Nov-2018	29538	Purchase	16877863	0.75
				07-Dec-2018	297234	Purchase	17175097	0.76
				14-Dec-2018	273876	Purchase	17448973	0.77

S. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (1st April,2018 to 31st March,2019)	
		No of Shares at the Beginning (1st April, 18) /end of the year (31st March, 2019)	% of total shares of the Company				Shares	% of total shares of the Company
				21-Dec-2018	240384	Purchase	17689357	0.78
				22-Feb-2019	315582	Purchase	18004939	0.80
				01-Mar-2019	460308	Purchase	18465247	0.82
				08-Mar-2019	74982	Purchase	18540229	0.82
				15-Mar-2019	258	Purchase	18540487	0.82
				22-Mar-2019	469974	Purchase	19010461	0.84
				29-Mar-2019	255822	Purchase	19266283	0.85
		19266283	0.85	31-Mar-2019				
7	GOVERNMENT PENSION FUND GLOBAL	26024224	1.15	31-Mar-2018				
				20-Apr-2018	281753	Purchase	26305977	1.17
				18-May-2018	125226	Purchase	26431203	1.17
				01-Jun-2018	588329	Purchase	27019532	1.20
				08-Jun-2018	882131	Purchase	27901663	1.24
				15-Jun-2018	-772261	Sale	27129402	1.20
				22-Jun-2018	-1509256	Sale	25620146	1.14
				29-Jun-2018	351212	Purchase	25971358	1.15
				06-Jul-2018	241675	Purchase	26213033	1.16
				03-Aug-2018	-1023547	Sale	25189486	1.12
				10-Aug-2018	-2517979	Sale	22671507	1.01
				05-Oct-2018	-588952	Sale	22082555	0.98
				02-Nov-2018	-1089732	Sale	20992823	0.93
				16-Nov-2018	-2511174	Sale	18481649	0.82
				23-Nov-2018	-1209685	Sale	17271964	0.77
				30-Nov-2018	-417817	Sale	16854147	0.75
				07-Dec-2018	-125994	Sale	16728153	0.74
				14-Dec-2018	-1181139	Sale	15547014	0.69
				21-Dec-2018	-785819	Sale	14761195	0.65
				28-Dec-2018	-97567	Sale	14663628	0.65
				04-Jan-2019	-462276	Sale	14201352	0.63
				11-Jan-2019	-86528	Sale	14114824	0.63
				01-Feb-2019	832380	Purchase	14947204	0.66
		14947204	0.66	31-Mar-2019				
8	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	24389313	1.08	31-Mar-2018				
				20-Apr-2018	267749	Purchase	24657062	1.09
				27-Apr-2018	186941	Purchase	24844003	1.10
				04-May-2018	-29769	Sale	24814234	1.10
				11-May-2018	-100805	Sale	24713429	1.10
				18-May-2018	-538397	Sale	24175032	1.07
				25-May-2018	-350616	Sale	23824416	1.06
				01-Jun-2018	126451	Purchase	23950867	1.06
				08-Jun-2018	-55562	Sale	23895305	1.06
				15-Jun-2018	9998	Purchase	23905303	1.06
				22-Jun-2018	-319578	Sale	23585725	1.05
				29-Jun-2018	-1283090	Sale	22302635	0.99
				06-Jul-2018	-633816	Sale	21668819	0.96

S. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (1st April,2018 to 31st March,2019)	
		No of Shares at the Beginning (1st April, 18) /end of the year (31st March, 2019)	% of total shares of the Company				Shares	% of total shares of the Company
				13-Jul-2018	-622147	Sale	21046672	0.93
				20-Jul-2018	-132865	Sale	20913807	0.93
				27-Jul-2018	-377178	Sale	20536629	0.91
				03-Aug-2018	305982	Purchase	20842611	0.92
				10-Aug-2018	-11209	Sale	20831402	0.92
				17-Aug-2018	-415975	Sale	20415427	0.91
				24-Aug-2018	3068	Purchase	20418495	0.91
				31-Aug-2018	-1152477	Sale	19266018	0.85
				07-Sep-2018	-66643	Sale	19199375	0.85
				14-Sep-2018	-79146	Sale	19120229	0.85
				21-Sep-2018	-235212	Sale	18885017	0.84
				05-Oct-2018	2425520	Purchase	21310537	0.95
				10-Oct-2018	-126285	Sale	21184252	0.94
				19-Oct-2018	276000	Purchase	21460252	0.95
				26-Oct-2018	4204	Purchase	21464456	0.95
				02-Nov-2018	281230	Purchase	21745686	0.96
				09-Nov-2018	-49103	Sale	21696583	0.96
				16-Nov-2018	-658462	Sale	21038121	0.93
				23-Nov-2018	-505780	Sale	20532341	0.91
				30-Nov-2018	-1011108	Sale	19521233	0.87
				07-Dec-2018	-108137	Sale	19413096	0.86
				14-Dec-2018	-2243973	Sale	17169123	0.76
				21-Dec-2018	-286831	Sale	16882292	0.75
				28-Dec-2018	32188	Purchase	16914480	0.75
				31-Dec-2018	5399	Purchase	16919879	0.75
				04-Jan-2019	-735208	Sale	16184671	0.72
				11-Jan-2019	-258205	Sale	15926466	0.71
				18-Jan-2019	-801318	Sale	15125148	0.67
				25-Jan-2019	-219619	Sale	14905529	0.66
				01-Feb-2019	-1230022	Sale	13675507	0.61
				08-Feb-2019	20973	Purchase	13696480	0.61
				15-Feb-2019	-615682	Sale	13080798	0.58
				22-Feb-2019	-307240	Sale	12773558	0.57
				01-Mar-2019	-196691	Sale	12576867	0.56
				08-Mar-2019	73789	Purchase	12650656	0.56
				15-Mar-2019	1163	Purchase	12651819	0.56
				22-Mar-2019	1255	Purchase	12653074	0.56
				29-Mar-2019	36618	Purchase	12689692	0.56
		12689692	0.56	31-Mar-2019				
9	CITY OF NEW YORK GROUP TRUST	10322021	0.46	31-Mar-2018				
				27-Apr-2018	4390	Purchase	10326411	0.46
				11-May-2018	9998	Purchase	10336409	0.46
				18-May-2018	2029	Purchase	10338438	0.46
				25-May-2018	-110504	Sale	10227934	0.45
				08-Jun-2018	37032	Purchase	10264966	0.46
				15-Jun-2018	21504	Purchase	10286470	0.46

S. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (1st April,2018 to 31st March,2019)	
		No of Shares at the Beginning (1st April, 18) /end of the year (31st March, 2019)	% of total shares of the Company				Shares	% of total shares of the Company
				22-Jun-2018	-146880	Sale	10139590	0.45
				13-Jul-2018	107860	Purchase	10247450	0.45
				27-Jul-2018	36113	Purchase	10283563	0.46
				03-Aug-2018	129886	Purchase	10413449	0.46
				14-Sep-2018	41332	Purchase	10454781	0.46
				29-Sep-2018	9255	Purchase	10464036	0.46
				05-Oct-2018	54665	Purchase	10518701	0.47
				12-Oct-2018	24715	Purchase	10543416	0.47
				19-Oct-2018	46325	Purchase	10589741	0.47
				02-Nov-2018	42995	Purchase	10632736	0.47
				30-Nov-2018	64305	Purchase	10697041	0.47
				07-Dec-2018	366563	Purchase	11063604	0.49
				14-Dec-2018	231843	Purchase	11295447	0.50
				28-Dec-2018	93964	Purchase	11389411	0.51
				11-Jan-2019	200839	Purchase	11590250	0.51
				18-Jan-2019	19800	Purchase	11610050	0.51
				22-Feb-2019	126580	Purchase	11736630	0.52
				01-Mar-2019	910272	Purchase	12646902	0.56
				29-Mar-2019	-46330	Sale	12600572	0.56
		12600572	0.56	31-Mar-2019				
10	KOTAK STANDARD MULTICAP FUND	12506666	0.55	31-Mar-2018				
				20-Apr-2018	26670	Purchase	12533336	0.56
		12533336	0.56	31-Mar-2019				

v) Shareholding of Directors and Key Managerial Personnel :

S. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (1st April,18 to 31st March, 19)	
		No of Shares at the Beginning (1st April,18) /end of the year (31st March, 19)	% of total shares of the company				No of Shares	% of total shares of the company
1.	Shri P. K. Gupta	**533**	0.00	**31-Mar-2018**	00	NA	533	0.00
					00		00	0.00
		533	**0.00**	**31-Mar-2019**			**533**	**0.00**
2.	Shri Anjani Kumar Tiwari Director (Finance) and CFO – Appointed w.e.f 01.12.2018	0	0.00	**31-Mar-2018**		Purchase	0	0.00
					293			0.00
		293	0.00	**31-Mar-2019**			**293**	**0.00**
3.	Shri Manoj Jain Director (Business Development)- Appointed w.e.f 05.06.2018	0	0.00	**31-Mar-2018**		Purchase	0	0.00
					648		648	0.00
		648	0.00	**31-Mar-2019**			648	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in crores)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	499.49	1580.10	-	2079.59
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	4.32	5.80	-	10.12
Total (i +ii + iii)	**503.81**	**1585.90**	**-**	**2089.71**
Change in Indebtedness during the financial year				
Addition*	0.08	7.65	-	7.73
Reduction*	0	-1193.47	-	-1193.47
Exchange Rate Fluctuation	0	106.32	-	106.32
Net Change	**0.08**	**-1079.50**	**-**	**-1079.42**
Indebtedness at the end of the financial year				
ii) Principal Amount	499.57	500.60	-	1000.17
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3.98	3.72	-	7.70
Total (i +ii + iii)	**503.55**	**504.32**	**-**	**1007.87**

*Includes INR equivalent of USD used in refinancing

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

(₹ in lacs)

S. No.	Particulars of Remuneration	Shri B.C Tripathi (CMD)	Shri P.K. Gupta (WTD)	Shri Subir Purkayastha (WTD) & CFO (upto 30.11.2018)	Shri Gajendra Singh (WTD)	Dr. Ashutosh Karnatak (WTD)	Shri Manoj Jain (WTD) (w.e.f. 05.06.2018)	Shri A.K. Tiwari (WTD) & CFO (w.e.f. 01.12.2018)	Total
1.	**Gross salary** (a) Salary as per provisions contained in section 17(1) of the Income-Tax Act,1961	67.02	49.27	82.73	41.42	58.57	34.05	16.47	349.53
	(b)Value of perquisites u/s 17(2) of the Income-taxAct,1961	20.11	6.41	5.66	16.56	14.05	12.19	2.03	77.01
	(c)Profits in lieu of salary under section17(3) of the Income- tax Act,1961	-	-	-	-	-	-	-	-
2.	**Stock Option**	-	-	-	-	-	-	-	-
3.	**Sweat Equity**	-	-	-	-	-	-	-	-
4.	**Commission-**								
	as % of profit-	-	-	-	-	-	-	-	-
	others, specify…	-	-	-	-	-	-	-	-
5.	**Others**	46.73	32.30	32.93	32.03	33.24	19.11	7.50	203.84
	Total	**133.86**	**87.98**	**121.32**	**90.01**	**105.86**	**65.35**	**26.00**	**630.38**
	Ceiling as per the Act	**Not Applicable**							

B. Remuneration to other Directors

(₹ in Lacs)

S No.	Particulars of Remuneration	Name of Directors								Total Amount
	Independent Directors	Shri S.K. Srivastava	Shri Anupam Kulshreshtha	Shri Sanjay Tandon	Shri Dinkar P Srivastava	Dr. Anup K Pujari	Shri Jayanto Narayan Choudhury	Dr. Rahul Mukherjee	Smt Banto Devi Kataria (w.e.f 06.08.2018).	
1.	Fee for attending Board and Committee meetings	12.40	11.20	10.80	9.30	6.80	6.70	4.80	4.60	66.60
	Commission	-	-	-	-	-	-			-
	Others, please specify	-	-	-	-	-	-			-
	Total	**12.40**	**11.20**	**10.80**	**9.30**	**6.80**	**6.70**	**4.80**	**4.60**	**66.60**
	Total Managerial Remuneration Over all Ceiling as per the Act	**Not Applicable**								

Note: The Part-time Director(s) (Government Nominee) do not receive any remuneration from the Company.

C. *(Remuneration to Key Managerial Personnel other than MD/Manager/WTD)*

(₹ in Lacs)

S. No.	Particulars of Remuneration	Key Managerial Personnel	Total
		Company Secretary	
		Shri A. K. Jha	
1.	**Gross salary**		
	(a)Salary as per provisions contained in section17(1) of the Income-tax Act,1961	32.55	**32.55**
	(b) Value of perquisites u/s17(2) of the Income-tax Act,1961	5.07	**5.07**
	(c) Profits in lieu of salary under section17(3) of the Income-tax Act, 1961	-	-
2.	**Stock Option**	-	-
3.	**Sweat Equity**	-	-
4.	**Commission**	-	-
	as % of profit	-	-
	Others, specify	-	-
5.	Others, please specify	11.12	**11.12**
	Total	**48.74**	**48.74**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty / punishment/ Compounding Fees imposed	Authority (RD/NCLT/Court)	Appeal made, if Any (Give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



Business Responsibility Report

Business Responsibility Report (BRR)
FY 2018-19 of GAIL (India) Ltd.

Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the Company	L40200DL1984GOI018976
2	Name of the Company	GAIL (India) Limited
3	Registered address	16 Bhikaiji Cama Place, R K Puram, New Delhi - 110066
3	Registered address	16 Bhikaiji Cama Place, R K Puram, New Delhi - 110066
4	Website	http://www.gailonline.com
5	E-mail id	shareholders@gail.co.in
6	Financial Year reported	2018-19
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	As per National Industrial Classification, Ministry of Statistics & Programme Implementation, the Company is engaged in activities as grouped below: **493-** Transport via pipeline **201-** Manufacture of basic chemicals, fertilizer and nitrogen compounds, plastics and synthetic rubber in primary forms, **061-** Extraction of crude petroleum, **062-** Extraction of natural gas, **351-** Electric power generation, transmission and distribution
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	1. Natural Gas & LPG Marketing and Transmission 2. Petrochemicals (Polyethylene and polypropylene) 3. Other Liquid Hydrocarbons Production- (LPG, Propane, Pentane, Naphtha etc.)
9	Total number of locations where business activity is undertaken by the Company	
	i. Number of International Locations (Provide details of major 5)	Singapore and USA The 3 international wholly owned subsidiaries are 1. GAIL Global (Singapore) Pte Limited, 2. GAIL Global (USA) Inc., 3. GAIL Global (USA) LNG LLC
	ii. Number of National Locations	GAIL has pan India presence in multiple business segments like Gas Marketing and Transmission, (Liquid Hydrocarbons) (LHC) production, Gas imports etc. The major operation sites and offices of GAIL are a under : • LPG plants (6)- Two plants at Vijaipur (M.P.), one each at Vaghodia (Gujarat), Auraiya (U.P.), Gandhar (Gujarat) and Usar (Maharashtra) • Petrochemical Plant at Pata (U.P.), and C2/C3 Plants at Pata (U.P.), Vijaipur (M.P.) • Compressor stations-Vijaipur, Khera, Jhabua & Kailaras (M.P.), Hazira, Vaghodia (Gujarat), Auraiya (U.P.) and Chhainsa (Haryana) • LPG Pipeline Network & Pumping Stations- Jamnagar, Kandla, Samakhiali (Gujarat), Nasirabad, Mansarampura (Rajasthan), Loni (U.P.), Visakhapatnam, GKonduru (Andhra Pradesh), Cherlapally (Telangana) • Regional pipelines network & Offices- Agartala (Tripura), Vadodara (Gujarat), Mumbai (Maharashtra), Rajahmundry (Andhra Pradesh), Delhi-NCR, Karaikal (Puducherry), Kochi (Kerala) • 13 Zonal Marketing Offices at Delhi, Kolkata (West Bengal), Chennai (Tamil Nadu), Bengaluru (Karnataka), Bhopal (M.P.), Chandigarh (Haryana), Jaipur (Rajasthan), Hyderabad (Andhra Pradesh) Lucknow (U.P), Mumbai (Maharashtra), Ahmedabad (Gujarat), Bhubaneswar (Odisha) and Amaravati (Andhra Pradesh) • 2 GAIL Training Institutes at Noida (U.P.) and Jaipur (Rajasthan)
10	Markets served by the Company – Local/State/National/International/	National

Section B: Financial Details of the Company

1.	Paid up Capital (INR)	**INR 2255 crore**
2.	Total Turnover (INR)	**INR 74808 crore (Gross Turnover)**
3.	Total profit after taxes (INR)	**INR 6,026 crore**
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	As per provisions of Companies Act, 2013, GAIL was mandated to spend INR 87.21 Crore in FY 2018-19. 2 % of average net Profit Before Tax of the preceding 03 years on its CSR activities. Against the said commitment, GAIL has incurred a total expenditure of INR 119.29 Crores, in FY 2018-19 which amounts to 2.74 % of the average net Profit Before Tax of the preceding three financial years. Further, CSR expenditure of INR 119.29 Crores amounts to 2 % of profit after tax (%) in FY 2018-19
5.	List of activities in which expenditure in 4 above has been incurred:-	The details of CSR expenditure incurred on activities under identified focus areas, is as under:- a) AROGYA – Health, Drinking Water, Sanitation : INR 44.84 Crore b) KAUSHAL - Skill Development and Livelihood Generation Initiatives: INR 41.47 Crore c) SASHAKT - Women Empowerment: INR 0.54 Crores d) UJJAWAL - Education- INR 14.21 Crore e) UNNATI - Rural Development Initiative: INR 13.60 Crore f) SAKSHAM- Care of Elderly & Disabled: - INR 1.08 Crore g) Others- Training to promote of Rural sports, Nationally recognized sports, Paralympic Sports an Olympics Sports: INR 3.55 Crore

Section C: Other Details

1.	Does the Company have any Subsidiary Company/ Companies?	Yes. The number of subsidiary companies of GAIL as on 31st March, 2019 was 5. Out of 5 subsidiaries, 3 Subsidiaries are operating out of India and 2 Subsidiaries are India based.
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Yes Both subsidiaries of GAIL which are operating in India- BCPL and GAIL Gas have taken up CSR and other BR initiatives.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	Yes. The Business Responsibility initiatives taken by GAIL(India) Ltd. has the collaboration of all its stakeholders. such as Govt. of India, employees, contractors, suppliers, customers and the community at large and these stakeholders are involved with GAIL(India) Ltd. in achieving their business responsibilities. The percentage of such stakeholders is <30%.

Following is the list of Principles referred to in Section D and Section E:

Principle No.	**Principles to assess compliance with Environmental, Social and Governance norms (NVG-SEE) Issued by Ministry of Corporate Affairs**
Principle 1: (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2: (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3: (P3)	Businesses should promote the wellbeing of all employees
Principle 4: (P4)	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
Principle 5: (P5)	Businesses should respect and promote human rights
Principle 6: (P6)	Business should respect, protect, and make efforts to restore the environment
Principle 7: (P7)	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8: (P8)	Businesses should support inclusive growth and equitable development
Principle 9: (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Section D: BR Information

1	Details of Director/Directors responsible for BR	Sustainable Development Committee of Board of Directors
	a. Details of the Director/Directors responsible for implementation of the BR policy/policies	
(i)	DIN Number	02556335
	Name	Dr. Anup K Pujari
	Designation	Part-time Non-official (Independent) Director
(ii)	DIN Number	08194036
	Name	Smt. Banto Devi Kataria
	Designation	Part-time Non-official (Independent) Director
(iii)	DIN Number	07556033
	Name	Shri Manoj Jain (w.e.f. 05.06.2018)
	Designation	Director (Business Development)
(iv)	DIN Number	03267102
	Name	Dr. Ashutosh Karnatak
	Designation	Director (Projects)
	b. Details of the BR head	
1.	DIN Number (if applicable)	3267102
2.	Name	Dr. Ashutosh Karnatak
3.	Designation	Director (Projects)
4.	Telephone number	011-43090758
5.	e-mail id	akarnatak@gail.co.in

2 Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

	Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
1	Do you have a policy/ policies for.	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?									
	Response to above question - Yes, the policies being formulated in consultation with the all Relevant Stakeholders	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Note- GAIL (India) being Central Public Sector Enterprise is governed by policies, circulars, guidelines, procedures issued by the Government of India. The policies have been formulated after wide consultations and discussions amongst all the relevant stakeholders. In the dynamic business environment GAIL (India) Ld. reviews its business policies and practices from time to time.									
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y Ref: f: A K	Y Ref: f: B	Y Ref: f: C	Y Ref: f: A	Y Ref: f: D	Y Ref: f: E	Y Ref: f: K	Y Ref: ef : F	Y Ref: f: A

A: Section 135 of Companies Act 2013 and CSR Rules thereof, DPE Guidelines on Corporate Social Responsibility (CSR) and Sustainability of 2014, DPE guidelines on R&D, DPE guidelines on Corporate Governance, Listing Regulations, PIDPI Resolution No. 89 of GOI Transparency International

B, C: National Policy on Safety, Health and Environment at Work Place, Ministry of Labour and Employment, Government of India, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

D: The Contract Labour (Regulation and Abolition) Act 1970, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

E: National Policy on Safety, Health and Environment at Work Place, Ministry of Labour and Employment, Government of India

F: The Contract Labour (Regulation and Abolition) Act 1970 and DPE Guidelines on Corporate Social Responsibility (CSR) and Sustainability of 2014

	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Y	Y	Y	Y	Y	Y	Y	Y	Y
	Note- The policies are approved by the Board/Competent Authority to which requisite authority has been delegated by the Board.									
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Y Ref: ABC,JK	Y Ref: D	Y Ref: F,I	Y Ref: D,I	Y Ref: F,I	Y Ref: D	Y Ref: A,DK	Y Ref: E,D,I	Y Ref: DK
		All policies relevant to External Stakeholders are hosted on GAIL Website-http://www.gailonline.com on following addresses: **A. Code of Conduct:** http://gailonline.com/pdf/InvestorsZone/Code%20of%20Conduct%20as%20on%2009.04.2019.pdf **B. Fraud Prevention Policy:** http://www.gailonline.com/pdf/others/Drfat_Policy2012.pdf **C. MoU between GAIL (India) Ltd and TII** http://gailonline.com/pdf/others/Revision%20in%20Proforma%20of%20Integrity%20Pact.pdf **D. Sustainable Development Policy:** http://gailonline.com/pdf/Sustainability/GAIL_Sustainable_Development_Policy-English.pdf **E. GAIL CSR Policy:** http://gailonline.com/pdf/CSR/final_policy2010.pdf **F. 'Constitution of internal Complaints Committee post notification of 'Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace'** http://www.gailonline.com/pdf/others/Sexual_Harassment_Women_Workplace.pdf **G. (1) GAIL Material Subsidiary policy** http://gailonline.com/pdf/InvestorsZone/GAIL%20Material%20Subsidiary%20policy%20%20Final%202019.pdf **G. (2) GAIL Related Party Transaction Policy** http://gailonline.com/pdf/InvestorsZone/GAIL-Related-Party-Transaction-Policy-Amended-29.03.2019.pdf **G. (3) GAIL Policy for Determination of Materiality and Disclosure** http://gailonline.com/pdf/InvestorsZone/GAIL%20Policy%20for%20Determination%20of%20Materiality%20and%20Disclosure%20-Amended%20as.pdf **H. Dividend Distribution Policy** http://gailonline.com/pdf/InvestorsZone/GAIL%20Dividend%20Distribution%20Policy.pdf **I. Policy on Diversity of Board of Directors** http://gailonline.com/pdf/InvestorsZone/Policy%20on%20Diversity%20of%20Board.pdf **J. Whistle Blower Policy** http://gailonline.com/pdf/others/Circular_Whistle%20Blower%20Policy_12.02.2019-english.pdf **K. Insider Trading Policy** http://gailonline.com/IZ-Policies.html All policies that are relevant to internal stakeholders are available at GAIL Intranet Portal.									
7	Has the policy been formally communicated to all relevant internal and external stakeholders?									
	All Relevant Stakeholders (Communicated through Website, meetings, emails, circulars etc.)	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y

	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

2a If answer to S.No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3 Governance related to BR

Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

In FY 17-18 total 2 meetings were held by Sustainable Development Committee, further GAIL has various related sub committees of Board which meets from time to time to review aspects related to Business Responsibility.

S.No.	Committees of the Board	Number of Meetings Held in FY 18-19
1	Corporate Social Responsibility Committee	6
2	Audit Committee	11
3	HR Committee	4
4	Stakeholders Relationship Committee	1
5	Stakeholders' Grievance Redressal Committee	3
6	Business Development & Marketing Committee	11
7	Finance Committee	3
8	Nomination and Remuneration Committee	1

Does the Company publish a BR or a Sustainability Report?	Yes, GAIL publishes an Externally assured Sustainability Report annually as per the GRI standard.
What is the hyperlink for viewing this report?	http://www.gailonline.com/SB-Sustainability.html
How frequently it is published?	Yearly

The following section provides information in line with suggested BRR format; however for further details on Sustainability activities, GAIL's Sustainability Report 2018-19 may be referred which would be available at this link: http://www.gailonline.com/SB-Sustainability.html

Principle 1 -

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No.

Does it extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs /Others?

No, Apart from company employees, the policy relating to ethics, bribery and corruption is also extended to GAIL employees on secondment or deputation in any subsidiary or Joint Venture Company.

At GAIL, Code of Conduct, CDA Rules / Standing Orders, Fraud Prevention Policy, and Whistle Blower Policy are applicable to all GAIL employees including those on secondment or deputation to the Joint Venture Companies, Subsidiaries, Government Bodies including autonomous institutions, Regulatory Authorities etc.

The Company's Vigilance department is responsible for the bribery and corruption related issues based on the Central Vigilance Commission (CVC) guidelines and related circulars. The scope is extended to Wholly Owned Subsidiary and Joint Ventures of GAIL where equity of GAIL is more than 50%.

'Integrity Pact' and "Fraud Prevention Policy" extend to suppliers, contractors etc.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the financial Year 2018-19, total number of complaints received from all the stakeholders was 267 Out of these 98.88 % complaints were resolved by the management. The complaints were received from various stakeholders such as Shareholders/Investors, Customers, Employees, Contractors and suppliers (related to Integrity Pact) and from public.

An MoU was signed with M/s Transparency International India for implementation of Integrity Pact in GAIL thereby bringing transparency in the procurement processes. Independent External Monitors have been appointed, who are responsible for overseeing the implementation of Integrity Pact Program to prevent corruption, bribery or any un-ethical practices at GAIL.

Principle 2 -

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1 List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

a) Natural Gas & LPG Transmission

b) Liquid Hydrocarbon

c) Petrochemicals (HDPE & LLDPE)

Note- The following procedures are followed for adopting any new products/process/services -

Detailed Engineering, Detailed Feasibility study including cost estimation & investment approval for new Gas Processing and Petrochemical plants, Renewable Energy projects, trunk pipelines and Last Mile Connectivity to various customers enroute these trunk pipelines

All above projects are developed and executed taking into consideration environmental and social concerns, risks & opportunities by incorporating the following activities:

- EMP (Environmental Management Plan)
- EIA (Environment Impact Assessment)
- SIA (Social Impact Assessment)
- RRA (Rapid Risk Assessment)
- CCOE clearance (Chief Controller of Explosives)
- HAZOP (Hazard & Operability study)
- Market study
- Coastal Regulatory Zone Clearance
- Construction Management Plan (CMP)
- Adopting State of Art Technology for Construction Projects requiring minimal resources and minimising wastages

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

a) Natural Gas & LPG Transmission: In the entire value chain, the company has the responsibility of transmission of Natural Gas (NG) & LPG from source to customers through pipeline and Compressor/Pumping stations by following industry best practices, safety standards with integrated management. GAIL's system of transmission of NG and LPG is supported by SCADA system with central control system for overall monitoring.

b) Liquid Hydrocarbon: GAIL's LPG plants converts the Natural Gas to its value added products i.e. Liquid Hydrocarbons. The plants are designed by adopting state of the art technology with best industry standards, practices and norms such as OISD. The state of the art control system is adopted in all LPG plants. LPG is sold in bulk to LPG retailing companies (OMCs) and other liquid hydrocarbon products are sold to industrial customers for their consumption.

c) Petrochemicals (HDPE & LLDPE): In GAIL's petrochemical plant, ethane-propane (C2/C3) is recovered from natural gas in the Gas Processing Unit and is cracked in the Gas Cracker Unit to produce ethylene and propylene. Ethylene is converted to final products - HDPE (High Density Polyethylene) and LLDPE (Linear Low-Density Polyethylene) in the four polymer units. This procedure has resulted in the optimization of energy, raw material, water etc. for the desired level of production.

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

In FY 18-19, the gas sold or supplied to its customers by GAIL. Over a period of GAIL gained many customers, which have switched from solid, liquid & other inferior fuels to Natural Gas. This led to reduction of GHG Emissions at customer end as Natural Gas is the most benign fossil fuel.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

GAIL has introduced e-tendering which is based on the principle of competitiveness and such procurement practices are executed in a manner that is transparent, fair, competitive and cost effective. This process also contributes towards saving of paper and is a green initiative of the organisation.

Our IT team continuously works with various departments to provide solutions to the internal and external customers, and extend IT enabled services across the entire process. The threshold value of tendering has been reduced to INR 7 Lakhs in order to conclude maximum number of tenders through E-Tendering.

Further, in order to ease the process of submission of CPBG and EMD, GAIL has introduced the option of submitting the same through Online Banking. Further, we host our tenders on our website which is available in public domain and whosoever is interested can participate in those tenders without even visiting the tender issuing site. GAIL has also done away with the requirement of publishing the same in the newspapers.

In order to procure energy efficient and sustainable products, GAIL has introduced the following provisions:

- Loading criteria in tenders for procurements of compressors or turbines or generators etc for fuel consumption/
- Star rating of electrical equipment.
- Green building concept in all new building projects
- Compulsory Buy Back of Old PCs, laptops, Cartridges etc. by Supplier supplying such new items
- Procurement of new lighting and lighting fixture of LED only.
- Automatic switching off the light in utility area to avoid extra consumption of power.
- Specifying minimum 3 star rating in the specification while procuring electrical items and ACs more than 10 years old to be replaced after doing a cost benefit analysis.

In order to ensure sustainability in the supply chain, GAIL has implemented Public Procurement Policy for Micro and Small Enterprises (MSEs), DMEP policy and initiated Make in India campaign in GAIL to develop local vendors and ensure a sustainable future.

In addition to above, GAIL has also started procurement from Govt. E-Market Place (GeM) which is a dedicated portal for online procurement from domestic vendor through efficient and transparent manner.

i. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, GAIL has implemented Public Procurement Policy for Micro and Small Enterprises (MSEs). The policy targets 25% of procurement from MSEs with a sub target of 5% from MSEs owned by the Scheduled Caste or the Scheduled Tribe and 3% from Women entrepreneurs for the Goods and Services rendered by such organizations. In addition, GAIL implements all policies of the Government which contributes sustainable sourcing such as Domestically Manufactured Iron & Steel Product, Purchase Preference (Link with local content) (PP-LC),Policy for Preference to Domestically Manufactured Products, Services or works Relating to Telecom, Domestically Manufactured Electronic Products (DMEP)- Preferential market access policy etc.

Apart from this GAIL has also introduced the startup policy wherein registered Startups are exempted from mandatory requirement of meeting the Technical BEC. All the bidders are required to confirm acceptance to our General Conditions of Contracts wherein they confirm abiding to all provisions relating to impact on (a) society, (b) environment, (c) labor practice (d) human rights aspects.

Further, most of the requirement is met locally approx. 90% goods are sourced locally

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Yes, GAIL has implemented "Public Procurement Policy" for Micro and Small Enterprises (MSEs) .As per the policy, benefits like waiver from tender fee and EMD, Purchase Preference are provided to MSEs. The policy targets 25% of procurement from MSEs with a sub target of 4% of procurement from MSEs owned by the Scheduled Caste or the Scheduled Tribe entrepreneurs and a sub target of 3% of procurement from MSEs owned by the Women entrepreneurs for the Goods and Services rendered by such organizations. These industries are generally local & small producers from the surrounding communities near the place of work.

Additionally, Policy for providing Preference to Domestically Manufactured Electronic Products (DMEP), Purchase Preference Local Content (PP-LC), Domestically Manufactured Products, Services or works Relating to Telecom and Domestically Manufactured Iron & Steel Products (DMI&SP) has been implemented in GAIL to boost domestically manufactured products.

GAIL has implemented Startup Policy wherein the Startups registered with DIPP and participating in GAIL tenders are exempt from meeting the mandatory conditions of prior experience and turnover. This will help and boast the participation from local and Small Suppliers.

Under Make in India campaign in GAIL, INDEG Groups at Apex level and Site level have been constituted. Meetings of Apex level and Site level committee are being held regularly. Several indigenous substitutes for Chemicals (used for production of polymers at GAIL, Pata, UP) and spares used in pipe line installations, Indigenous source for N-Hexane etc. were developed. Further, policy guidelines to encourage development of Indigenous/ Alternate sources on continuous basis has been implemented.

If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

GAIL endeavors to procure material or services following transparent procedure and guidelines & policies of the company and Govt. of India. In order to provide equal opportunities and generate competition, GAIL has taken following steps.

In all tenders pre-tender or pre-bid meeting is conducted to ensure wider participation and to educate vendors on the tendering process. In addition to above, vendor meets, MSEs meets, representing GAIL in Industry Conclave are few other initiatives taken by GAIL to effectively engage with the suppliers. GAIL has also conducted various meets with Micro and Small Enterprises including SC or ST entrepreneurs across India. In this Financial Year, GAIL has conducted twenty two (22) Vendor Development Programs across various work centres.

In order to develop GAIL vendors and coach them for long term association, Vendor Coaching Program are being held with aim to eliminate the gaps in understanding by coaching vendors on the common lapses in tender process and contract execution. Till date, four such vendor coaching programs conducted. C&P Department annually conducts the Vendor Interactive Meet, the last such meet was conducted on 02.11.2018 and attended by approx. 150 vendors.

GAIL in association with M/s HPCL has organized an Entrepreneurship Development Project (EDP) for developing SC/ST entrepreneurs and developed 35 entrepreneurs. C&P Department is conducting regular interactions with these vendors through its hand holding programs at Vizag and Rajahmundry.

In order to facilitate ease of doing business following initiatives have been implemented in GAIL:

1. Review of CPBG in Work Contracts & time period for submission of CPBG
2. Review of Procedure for Vendor Performance Evaluation (Yellow/ Red Card)
3. Introduction of Percentage tendering in other Services/ Works
4. Revised dispute resolution mechanism clause
5. Provision for submission of security deposit/ contract performance guarantee & EMD through additional mode- online bank transaction
6. Methodology for transaction on trade receivable discounting system (TREDS) in GAIL
7. Relaxation of Prior Experience-Prior Turnover Criteria Norms for Startups
8. Policy guidelines to encourage development of indigenous sources on continuous basis
9. General Conditions of Contract for Services
10. Verification and certification of documents pertaining to bid evaluation criteria (BEC)
11. Rationalization of Mobilization Advance
12. Provision for Pradhan Mantri Suraksha Bima Yojna (PMSBY) And Pradhan Mantri Jeewan Jyoti BimaYojana
13. DO'S & DON'T'S: Do and Don't for Contractor published and circulated all sites.

Further, GAIL has implemented Startup Policy wherein the Startups registered with DIPP and participating in GAIL tenders are exempt from meeting the mandatory conditions of prior experience and turnover. Thus, providing Startups with an opportunity to hone their skills and increase their capability.

GAIL has also implemented the following policies for providing preference to the local manufacturers to promote participation from local vendors

A. Purchase Preference- Local Content

B. Domestically Manufactured Iron & Steel Products

C. Domestically Manufactured Electronic Products

D. Domestically Manufactured Products, Services or works Relating to Telecom

GAIL has already introduced e-procurement to reduce the paper work and to speed up the tendering process. This also helps out the local and small vendors to quote in large numbers with ease and reduces their tendering cost involved in submission of bulky bid documents. In all tenders pre-tender or pre-bid meeting is conducted to ensure wider participation and to educate vendors on the tendering process.

GAIL also interacts with the small and local vendors at various forums like vendors meet or MSEs meet or Industry Conclave etc. and the initiatives and make them aware of our requirements.

GAIL has also introduced a comprehensive policy to promote procurement from Government e Marketplace (GeM), which is an online procurement portal providing access to a host of products and services. GeM Special Purpose Vehicle

(SPV) is a one stop Government e-Market place (GeM) to facilitate online procurement of commonly used Goods & Services required by various Government Departments / Organizations / PSUs. GeM aims to enhance transparency, efficiency and speed in public procurement. It provides the tools of e-bidding, reverse e-auction and demand aggregation to facilitate the government users to achieve the best value for their money.

Govt. of India has implemented Trade Receivable Discounting System (TReDS) to address challenges faced by MSEs in delayed payments from Government/PSU buyers leading to shortfall of Working Capital. TReDS is an online electronic institutional mechanism for facilitating the financing of trade receivables of MSMEs through multiple financiers. The TReDS Platform enables discounting of invoices/bills of exchange of MSE Sellers against large Corporates including Govt. Departments and PSUs, through an auction mechanism, to ensure prompt realization of trade receivables at competitive market rates. GAIL has registered itself on the TReDS platform of all the three service providers i.e. M/s RXIL, M/s Mynd Solution and M/s Invoicemart.

Does the company have a mechanism to recycle products and waste?

If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%).

Also, provide details thereof, in about 50 words or so.

Yes, GAIL has a mechanism to recycle products and waste. It is covered under Sustainable Development Policy.

GAIL endeavors to optimise the resource productivity through initiatives like installations of Heat Recovery Steam Generation (HRSG), Effluent Treatment Plant (ETP), Sewage Treatment Plants (STP), Waste Water Treatment Plant (WWTP), rainwater harvesting, etc.

Waste Disposal facility exists at GAIL's plants wherein plant waste having no inherent value & deemed hazardous in nature are disposed of through State Pollution Control Board approved agency. We are committed to Swachh Bharat Abhiyan (Clean India Mission) to implement waste segregation practices at GAIL.

Principle 3 -

Businesses should promote the well being of all employees

1. Please indicate the Total number of employees.

4524- (as on 31.03.2019 excluding Board of Whole-Time Directors and CMD, including CVO)

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

14480

3. Please indicate the Number of permanent women employees.

284

4. Please indicate the Number of permanent employees with disabilities.

94

5. Do you have an employee association that is recognized by management?

Yes, GAIL upholds the Freedom of Association and Collective Bargaining by recognising and supporting the Workers' Unions, Officers' Associations, Women's Forums, SC/ST Employees etc.

In GAIL, there are two Unions (i) GAIL Employees Association (GEA) and (ii) GAIL Karamchari Sangh (GKS), representing the interests of their respective workmen/ staff. GEA is a representative body of non-executives posted at various Field Offices/ Plants/ Installations across the Country except Corporate Office. GKS represents non-executives posted at Corporate Office.

6. What percentage of your permanent employees is members of this recognized employee association?

The regular employees as members of these recognized employee union is 19.96%

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year

Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
A Child labour/ forced labour/ involuntary labour	Nil	Nil
B Sexual harassment	Nil	Nil
C Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

A	**Permanent Employees**	Total: 97.27%
B	**Permanent Women Employees**	Total: 98.75%
C	**Casual/Temporary/Contractual Employees**	Total: 95%
D	**Employees with Disabilities**	Total: 97.74%

Note – 97.20 % Male Permanent Employees were given safety & skill up-gradation training\ in the last year

All the employees posted at sites and projects are given mandatory Safety Awareness training. Apart from the scheduled trainings, employees are also provided trainings related to Safety & Skill up gradation in respective functional areas and behavioural aspects through knowledge sharing programs, online quizzes and competitive events organized on various occasions like Safety Week, National Safety Day etc.

Principle 4 -

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes, GAIL has identified and mapped its key external and internal stakeholders .The key external stakeholders are Government/Regulators, customers, investors, suppliers, implementing agencies, service providers, local communities, civil society, media, consumers, and advocacy groups. The internal stakeholders are all employees.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes, GAIL has identified disadvantaged, vulnerable and marginalized stakeholders as per the extant Corporate Social Responsibility (CSR) Policy of the company.

The same have been identified in terms of the provisions of the Schedule VII-Section 135 of the Companies Act, 2013 and CSR Rules, thereof. Further, the Department of Public Enterprises (DPE) CSR and Sustainability Guidelines of 2014 are also followed. These include people affected by natural calamities, people with disabilities, women, and children, tribals, SC-STs, OBCs, minorities, disadvantaged youths, senior citizens, HIV afflicted people, and people affected by violence. In addition to the above, a compassionate approach towards the community lies at the heart of operations at GAIL.

All CSR projects undertaken at GAIL are aimed at providing a better life to the disadvantaged, vulnerable and marginalized stakeholders. Specific interventions have been designed and implemented by GAIL to bring about holistic and sustainable development of the marginalised stakeholder groups and the community at large.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Yes, GAIL has taken the path of inclusive development to address the societal issues and engage with the disadvantaged, vulnerable and marginalised stakeholder.

GAIL undertakes CSR projects in sectors as identified in Schedule VII of the Companies Act 2013, with special focus on area of wellness, education initiatives, skill development, rural development, women empowerment, care of the elderly and differently abled and environment centric initiatives.

As per GAIL's CSR Policy (Clause 2.2.1), the company undertakes CSR projects specifically focusing on target groups recognized in the clause including BPL, SCs, STs, OBS, PwDs, and communities around work centres of GAIL etc. Additionally, specific interventions have been designed and implemented by GAIL to bring about holistic and sustainable development of the marginalised stakeholder groups and the community at large.

As per the principle which advocates inclusive and equitable development, it can be noted that GAIL's CSR presence is pan-India.

Principle 5 -

Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers /Contractors/NGOs/Others?

Yes, GAIL's policy covers all the legal requirements pertaining to Human Rights .The policy is applicable to all Joint Ventures, Subsidiaries, Contractors of GAIL.

GAIL's policies are suitably designed and fully conform to human right principles, the Constitution of India and all applicable labour laws.

A dedicated grievance redressal system is in place to register and address issues raised by all stakeholders. GAIL supports the Government of India's efforts in development of minorities and economically underprivileged sections of the society. GAIL has also introduced gender mainstreaming, inclusiveness and affirmative programs.

GAIL Women Cell has been established to look after the developmental needs of women employees. The cell focuses on reaching out to the women workforce, initiate discussions and adequately address any concerns including discrimination and sexual harassment at workplace. GAIL remains committed to equal rights for all gender which is reflected in GAIL's compensation policy for employees.

GAIL ensures that all facilities located in different states across India complies to minimum wage requirements as per The Minimum Wages Act, 1948.

All of the Company's work contracts and agreements are embedded with clauses to uphold human rights. GAIL strictly comply to the requirement of Child Labour (Prohibition and Regulation) Act, 1986 and subsequent amendments and a zero-tolerance approach is followed on child or forced labour in all of its operations/facilities.

GAIL upholds collective bargaining, an important worker's right across all its operations through recognition and promotion of worker unions. Several initiatives as detailed below have been undertaken by GAIL to demonstrate its commitments towards human rights and labour practices:\

- regular interaction with employee collectives
- coordination with labour authorities
- settlement of industrial disputes
- recording and analysis of work centre level issues
- long term settlement with Unions.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

If so, provide details thereof, in about 50 words or so.

Please Refer Principle - 1, Answer- 2

Principle 6 -

Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors/ NGOs / others.

Yes. The policy covers the company as well as extends to its other stakeholders excluding Joint Ventures.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N.

If yes, please give hyperlink for web page etc.

Yes. GAIL's Sustainability Report 2018-19 may be referred for details which is available at this link: http://www.gailonline.com/SB-Sustainability.html

3. Does the company identify and assess potential environmental risks?Y/N

Yes,

The Enterprise Risk Management Policy has been rolled out across the organization in all assets except a few plants and offices. High, medium and low categories of risks are reviewed by Chief Risk Officer and the Site Level Risk Steering Committee (SLRSC). As per approved Risk Management Policy, the Corporate Level Risks Steering Committee (CLRSC) is required to review the status of Corporate Level Key Risks on a quarterly basis. Prior to placing before Audit Committee, the status is deliberated in the Risk Management Committee (RMC) on a bi-annual basis. The status is put up to the Board annually. Further, the Audit Committee and Board of Directors also review the policy and procedures periodically.

The unit level risk steering committee maps, monitors and formulates mitigation measures of key risks on a quarterly basis including social and environmental risks and non-key risks on an annual basis. Additionally, the risks associated with specific groups are managed by respective department and management is updated on the same.

4. Does the company have any project related to Clean Development Mechanism?

If so, provide details thereof, in about 50 words or so.

Also, if Yes, whether any environmental compliance report is filed?

Yes, The GAIL's CDM project has been described below-

i) **5 MW Solar Power Plant Project installed by GAIL at Jaisalmer:** This project was registered with UNFCCC as CDM project.

Yes, all the regulatory clearances were taken for the commencement of the project

5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N.

If yes, please give hyperlink for web page etc.

Yes, GAIL is implementing various initiatives on clean technology and energy efficiency. Few of the initiatives are listed below:

1. Renewable Energy: GAIL has a total installed capacity of 128.71 MW of alternative energy; out of which 117.95 MW is wind and 10.76 MWp is solar energy.

2. Solar Potential Assessment of all Operations & Maintenance sites of GAIL: GAIL has undertaken the pre-feasibility and techno- commercial study for the assessment of Potential for installation of the solar power plants across its various sites. The

3. Implementation of Rich lean corridor: Under this project GAIL has undertaken modifications for swapping of pipelines for operational flexibility, reduction of pressure drops resulting in stoppage of few compressors thus saving significant amount of fuel. Also due to stoppage of the compressor there has been reduction in emission of Greenhouse gases from the seals of these compressors.

4. **Energy Efficient& Green Buildings at GAIL:** In order to reduce the energy requirements of the offices, control room buildings we have adopted green building standards for the buildings created in recent past such as GAIL Jubilee Tower, Noida, Belapur office, Chhainsa Office etc.

5. **HawaBadlo:** In a bid to contribute to the government's effort to combat air pollution, GAIL supports and promotes the 'HawaBadlo' initiative to bring about a change in air quality through environment-friendly practices in day-to-day life. More details available at http://changetheair.org/

6. **Green Belt Development:** Extensive Green Belt has been developed at all locations across the country to mitigate pollutants. This has been achieved even in difficult terrains with hostile climate & soil conditions.

For more information Refer to GAIL's Sustainability Reports at: http://www.gailonline.com/SB-Sustainability.html

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of FinancialYear?

Zero

Principle 7 -

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association?

If Yes, Name only those major ones that your business deals with:

Yes, GAIL is a member of following major associations:

1. Institute of Internal Auditors, USA
2. Indian Wind Power Association (IWPA)
3. Chemical & Petrochemicals Manufacturers Association (CPMA)
4. International Group of Liquefied Natural Gas Importers (GIIGNL)
5. Indian Centre for Plastics in the Environment (ICPE)
6. International Gas Union (IGU)
7. Confederation of Indian Industry (CII)
8. British Safety Council
9. National Fire Protection Association (NFPA)
10. Transparency International India
11. Center for Chemical Process Safety (CCPS)
12. Standing Conference of Public Enterprises (SCOPE)
13. Federation of Indian Chambers of Commerce and Industry (FICCI)
14. TERI Council For Business Sustainability & CSO Forum
15. Federation of Indian Petroleum Industry (FIPI)
16. Quality Circle Forum of India

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good?Yes/No;

if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, GAIL is part of various prestigious industry bodies and associations which provide a platform to discuss industry issues and convey the industry voices to the government. This forms a significant basis for advancement of public good. GAIL interacts with the regulatory body Petroleum & Natural Gas Regulatory Board, (PNGRB) on various issues related to Natural Gas Infrastructure. Below are the major organisations where GAIL is associated with in various capacities and scope

- International Gas Union (IGU) which is a global association aimed at promoting the technical and economic progress of the gas industry and it has close association with GAIL for development of gas sector in India.
- GAIL is one of the three full members of International Group of Liquefied Natural Gas Importers (GIIGNL) in India. GIIGNL offers GAIL a forum for exchange of information and experience among industry counterparts to enhance safety, reliability and efficiency of LNG imports activities and the operation of LNG imports terminals.
- GAIL joined The World Economic Forum (WEF) as an Associate Partner in the industry segment of Oil and Gas Independents. WEF provides a platform, opportunity for State Owned Enterprise (SOEs). PSUs from India to represent the country's business landscape and engagement with governments and peers for policy formulation, internationally.
- GAIL is member of the Federation of Indian Petroleum Industry (FIPI) and part of the Governing Council.. FIPI functions as oil industry interface with the Government, regulatory authorities, public and representative bodies of traders in India to work on issues such as optimization of resources, promoting Safety, Tariff, Investments, Healthy Environment and Energy conservation among other issues related to industry.
- GAIL is an active member of Standing Conference of Public Enterprises (SCOPE) which is the apex body representing entire spectrum of public sector enterprises (PSEs) in India.
- CMD, GAIL is the member of Federation of Indian Chambers of Commerce & Industry (FICCI) Executive Committee and Co-Chair of FICCI Hydrocarbon Committee. Hydrocarbon committee endeavours to deliberate on issues related to energy security of the country and supplement various efforts of the Government of India and other bodies engaged in this area through its intellectual input.
- CMD, GAIL is also a member of the Oil Industry Development Board (OIDB).
- GAIL is a member of CPMA (Chemicals & Petrochemicals Manufacturers' Association) which is the apex forum representing the Indian Petrochemical Industry. It provides a linkage between the industry, the Government, and the society.
- GAIL is a member of TERI- Council for Business Sustainability (TERI-CBS) which is an industry led consortium of sustainability practitioners.
- Indian Centre for Plastics in the Environment (ICPE)- The message on plastics advantages has been shared at various forums – Exhibitions, Customer Meets, govt. officials, etc. The awareness about the waste disposal practices and its implementation issues to be done in planned way. A felicitation program of school children who won the prize of all India School contest was organised by ICPE. GAIL Polymer Technology Centre is associated as a committee member and encouraged the children for recycling. GPTC participated in on Sustainable and Safe Use of Chemicals and Petrochemicals: Environment/Health Care/ Safety organised by ICPE at India Habitat Centre, New Delhi on 6th March 2019. A presentation on Beat the Plastics Pollution and Innovative Ideas in Plastics Waste Management was delivered by ED (Mktg.-PC and Retail), GAIL during Global Summit on Waste Management organised during 28th Feb to 1st Mar 19 at New Delhi. The programme was attended by policy makers and various stakeholders of plastics Industry.

Principle 8 -

Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes / initiatives/ projects in pursuit of the policy related to Principle 8?

If yes details thereof.

Yes, GAIL ensures inclusive and equitable growth in pursuit of the goals as listed in Principle 8 by specifically focusing it's CSR initiatives on the most disadvantaged and vulnerable sections of the country.

As per GAIL's CSR Policy (Clause 2.2.1), GAIL undertakes CSR projects specifically focusing on target groups recognized in the clause including BPL, SCs, STs, OBS, PwDs, and communities around work centres of GAIL etc.

GAIL's affirmative policies, in compliance with Government of India guidelines, promote diversity and equity as well as recognize people based on merit and skill sets irrespective of their race, caste, religion, colour, ancestry, marital status, gender, age and nationality. All the vacancies are notified on All India Basis. Manpower in GAIL consists of people from all the walks of society. GAIL also follows strict regulations related to industry in terms of minimum wage compensation for semi - skilled and non- skilled contract personnel.

GAIL has made social investment in 7 identified focus areas, each of which is titled considering the objective it seeks to achieve. The table below provides an overview of the focus areas

S.No	Focus Area	Objective
a)	AROGYA (Wellness)	Nutrition, Health & Drinking Water and Sanitation initiatives
b)	UJJAWAL (Towards a Bright future)	Education centric initiatives
c)	KAUSHAL (Skill)	Skill Development and Livelihood Generation Initiatives
d)	UNNATI (Progress)	Rural Development Initiative
e)	SASHAKT (Empowerment)	Women Empowerment
f)	SAKSHAM (Capable)	Care for the elderly and Differently-abled
g)	HARIT (Green)	Environment centric initiatives

In addition to the above, Company has also set up the GAIL Charitable and Education Trust to extend financial assistance to needy children on merit basis.

2. Are the programmes/ projects undertaken through in-house team/ own foundation/ external NGO/ government structures/ any other organization?

CSR projects at GAIL, are implemented through specialized external agencies including NGOs, Trusts, Foundations, Govt. agencies, PSUs, Pvt. Companies etc. with an established track record of 03 years as mandated in the Companies (Corporate Social Responsibility) Rules, 2014.

In order to ensure that GAIL attains it's social commitments, GAIL has adopted a multi-stakeholder approach for implementation of it's interventions. GAIL collaborates with communities, governmental and non-governmental organisations, academic institutions and other stakeholders to first identify emerging issues and subsequently develop projects for effectively responding to the challenges. Once interventions/initiatives are identified, they are closely monitored by dedicated CSR professionals of GAIL both at the corporate and on-site level.

Further, through it's GAIL Charitable and Education Trust, GAIL has undertaken many education centric initiatives over the last few years, in partnership with Government bodies and NGOs etc.

3. Have you done any impact assessment of your initiative?

Yes

Subsequent to the revision of GAIL CSR Policy, Independent Impact Evaluation has been mandated for all CSR Projects with a cumulative value of INR 2 Crores (Clause 5.2 and 5.3). Impact Assessment is taken up post-completion of a project in order to ensure that a clear-cut picture of the project's impacts is construed – both positive and negative.

These Impact Assessment studies are conducted through an independent agency preferably reputed academic institutions or Government agencies.

The Third-Party Assessor provides feedback pertaining to the strengths, weaknesses, opportunities for improvement or modification of the programme (if any) and challenges or threats (if any) pertaining to each programme. Feedback is also provided in the form of case studies for understanding purpose. Specific feedback and recommendations are shared by the Third-Party Assessor pertaining to the "sustainability of the programmes" with an objective to make the programme more sustainable in nature.

The consolidated feedback is shared with GAIL in the assessment report after the completion of impact assessment which is then shared with the Implementing Agency for further improving the project implementation to ensure better impact.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

A community initiative pertains to projects undertaken to address a 'community' challenge or need. People sharing similar geography or socio-political conditions share parallel problems. Schemes facilitating a community initiative are therefore, utilitarian in nature. GAIL has taken up several CSR projects for implementation to develop communities primarily around GAIL installations and Pipelines.

The details of CSR expenditure incurred on activities under identified focus areas, is as under:

a) AROGYA (Total) – (Health, Drinking Water, Sanitation): INR 44.84 Crore
b) KAUSHAL - Skill Development and Livelihood Generation Initiatives: INR 41.47 Crore
c) SASHAKT - Women Empowerment: INR 0.54 Crores
d) UJJAWAL - Education- INR 14.21 Crore
e) UNNATI - Rural Development Initiative: INR 13.60 Crore
f) SAKSHAM- Care of Elderly & Disabled: - INR 1.08 Crore
g) Others- Training to promote of Rural sports, Nationally recognized sports, Paralympic Sports and Olympics Sports: INR 3.55 Crore

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Yes. All community development initiatives are implemented focussing on the dimension of community involvement/interaction, awareness generation, engagement, stakeholder interaction and capacity building. The initiatives are holistically taken up through a collaborative effort and a process of engagement with the local community, including local governance structures and institutions. The company also emphasises that the implementing agency shall participate in the community development initiative in a phase wise manner, while simultaneously building the community motivation and capability to operate the programme or the service on their own.

Principle 9 -

Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

Customer	Complaints Received	Complaints Resolved	% Complaints Pending
	52	49	0.057

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes / No /N. A. / Remarks (additional information)

Yes,

In case of Polymers the following product information are displayed on 25 kg strong bags made of woven fabric The logo of GAIL, Product name, Grade Name and Batch Nos, Manufacturer details, Made in India, Symbols for storage,

Recyclable, handling of bags, Net Weight, Contact e-mail for customer support In addition to the above information, GAIL is willing to use woven bags with BIS logo for maintaining stringent quality criteria and the necessary actions has been initiated in this regard.

Liquid Hydrocarbon products are marketed by GAIL in bulk only and sold on ex-works basis by loading in road tankers and/or railway wagons deployed by customers. Technical / safety related information on the product being carried is displayed on the truck tanker / rail wagon itself as per local laws and is ensured by the customer/ transporter concerned. As the liquid hydrocarbons are transported in bulk quantity, separate labels are not provided for displaying product specific information.

When LHC is transported through road tankers, for the "inflammable products", it is clearly written on the tankers, which are nominated by the customers. Additionally, the product name, safety signage, hazardous chemicals signage, emergency contact no, transporter's name and contact no are also displayed on the tankers.

Further, Company tries to voluntarily engage Customers through various forums such as meets, one to one interaction, and telephonic conversation to provide product information, over and above mandatory requirements.

GAIL has a specific centre, "GAIL Polymer Technology Centre" (GPTC) for addressing customer's concerns regarding polymer product quality. The GPTC also provides quality certificate on case basis.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

Yes, we submit the status of the following cases which were settled/pending with regard to unfair trade practices, anti-competitive behaviour, monopolization as identified against GAIL:

I. GSPCL filed a case against GAIL before PNGRB claiming Restrictive Trade Practice (RTP) for not allowing to change connectivity from GAIL-PLL to GSPL-PLL connectivity. PNGRB held against GAIL. GAIL challenged the same before APTEL which decided in favor of GAIL. GSPCL appealed against that order before Supreme Court which is pending

II. GSPC Gas filed a case against GAIL claiming RTP before PNGRB but the same was held in favor of GAIL. GSPC Gas has filed appeal against the said order before APTEL and the order of PNGRB has been reversed. Now GAIL has pressed appeal before Supreme Court, which is pending.

III. GSPCL filed a case against GAIL before PNGRB claiming RTP alleging that their request for booking capacity on Reasonable Endeavour (RE) Basis has been rejected by GAIL which amounts to RTP. PNGRB held against GAIL. GAIL appealed against the judgment in APTEL and Supreme Court which vide order dated 13.01.2016 set aside the order of PNGRB and remanded the complaint back to PNGRB for re-considerations. PNGRB again held against GAIL against which GAIL has preferred appeal before APTEL. APTEL has set aside the order of the PNGRB and referred back to PNGRB for fresh consideration.

IV. Sabarmati filed a case against GAIL & BPCL before PNGRB claiming RTP, which PNGRB held RTP on part of BPCL and not on the part of GAIL. BPCL has appealed against the judgment in APTEL and has made GAIL a party and same is pending for disposal.

V. Sravanthi Energy Pvt. Ltd., Beta Infratech Pvt. Ltd. and Gamma Infraprop Pvt. Ltd. have filed complaint before PNGRB alleging RTP against GAIL which was decided against GAIL by PNGRB vide order dated 11.04.2016 and imposed a penalty of Rs. 10 lac against GAIL and directed GAIL to cease RTP and pay cost of Rs. 2 lacs each to each of the party. Also directed to return the BG and SD to the parties. GAIL has filed appeal before APTEL which is pending.

VI. GIPCL: GIPCL had also complaint Against GAIL before CCI alleging abuse of dominant position in the market. However, CCI declined the complaint. But GIPCL appealed against that order before COMPAT which directed investigation by DGI against GAIL for such abuse. GAIL has filed appeal against the said order before Supreme Court wherein the direction for investigation has been stayed and is pending before Supreme Court.

VII. M/s.Pioneer Gas Power Ltd has filed a complaint alleging RTP against GAIL for charging Ship or Pay charges under the GTA. The said complaint is pending before PNGRB.

Cases Disposal during 2018-19

1. RTP complaint was filed by RIL has been settled amicably and complaints stands disposed off.
2. CCI complaints filed by Omax stands concluded in favour of GAIL.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes, GAIL has an on-line SAP based survey for obtaining customer's feedback/ responses through Stakeholder Satisfaction Index (SSI). SSI, as a tool, obtains customer's perspectives on company's products and services in various business segments. A web link is shared with the customers through email for filling up the survey. Customer's feedback / responses on various parameters pertaining to quality, delivery, service, technical support etc., is obtained on the scale of 1 to 10 representing increasing level of customer satisfaction. SSI is derived from the score given by the customers on above parameters. SSI-Survey is carried out on half yearly basis. For FY 2018-19, weightage average SSI score is 93.15%.

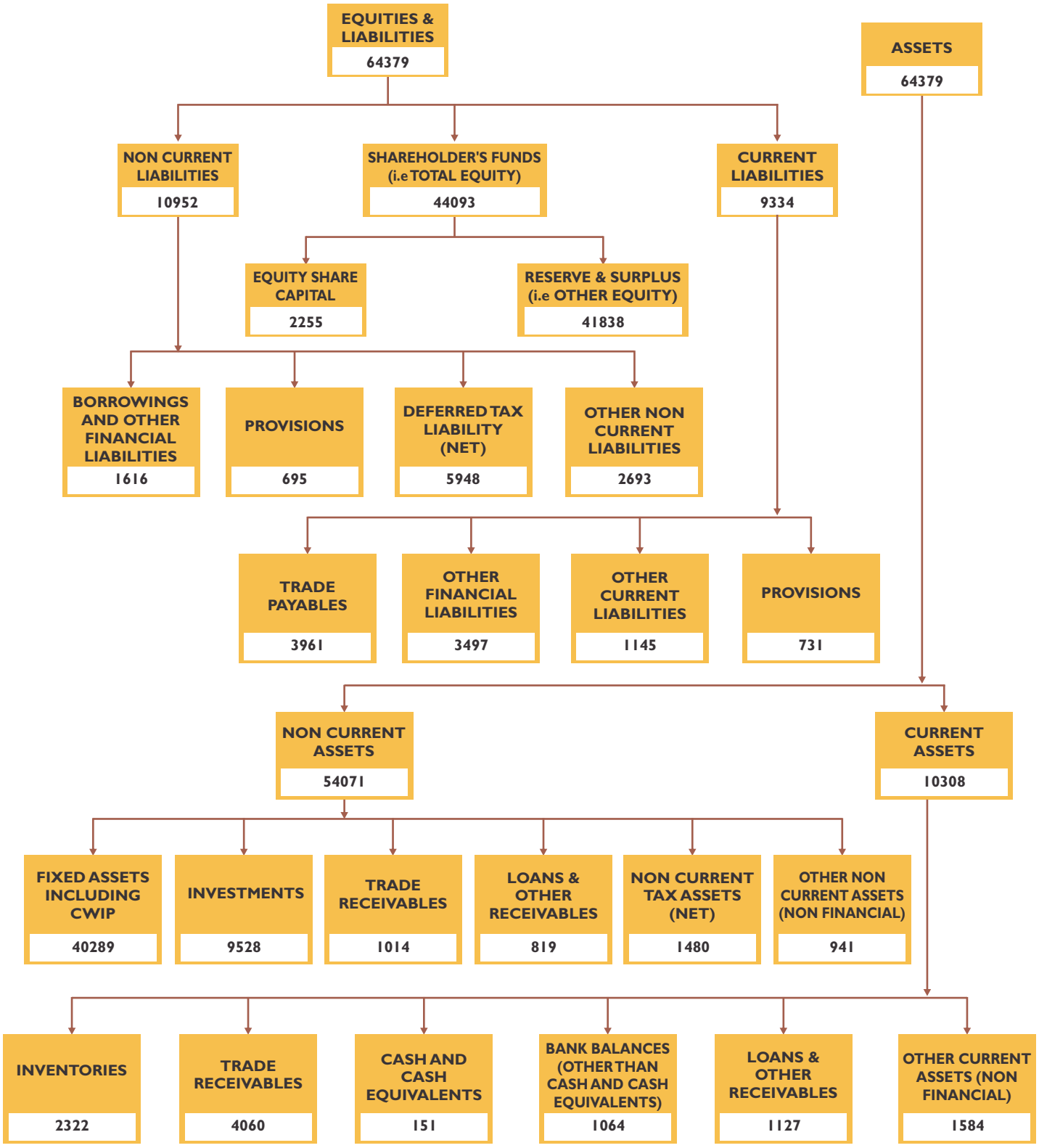




Five Year Profile

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2019

(₹ in crore)



Five Year Profile (Standalone)

Particulars	2014-15*	2015-16	2016-17	2017-18	2018-19
(A) PHYSICAL PERFORMANCE					
1. Natural Gas Marketing (in MMSCMD)	72.07	73.67	81.21	85.01	96.93
2. Natural Gas Transmission (in MMSCMD)	92.10	92.09	100.38	105.23	107.43
Installed Capacity (in MMSCMD)	206.03	206.03	206.03	206.03	206.03
Capacity Utilization %	44.70	44.70	48.72	51.08	52.14
3. LPG Transmission (in TMT)	3093	2819	3362	3721	3975
Installed Capacity (in TMT)	3780	3780	3780	3780	3780
Capacity Utilization %	81.83	74.57	88.93	98.44	105.16
4. LPG Production (in TMT)	1,039	855	862	989	945
Installed Capacity (in TMT)	1,112	1,112	1,040	1,068	1068
Capacity Utilization %	93.45	76.84	82.83	92.62	88.50
5. SBP Solvent/Naphtha Production (in TMT)	99	83	82	94	97
Installed Capacity (in TMT)	128	128	98	124	124
Capacity Utilization %	77.28	65.16	83.93	76.30	78.27
6. Pentane Production (in TMT)	23	23	24	30	36
Installed Capacity (in TMT)	74	74	74	58	58
Capacity Utilization %	30.94	30.89	32.17	51.33	62.46
7. Propane Production (in TMT)	116	128	144	165	247
Installed Capacity (in TMT)	201	201	306	257	257
Capacity Utilization %	57.59	63.68	46.99	64.18	96.20
8. Polymer-HDPE & LLDPE (in TMT)	452	344	604	671	751
Installed Capacity (in TMT)	810	810	810	810	810
Capacity Utilization %	55.76	42.49	74.58	82.84	92.75
(B) INCOME STATEMENT					(₹ in crore)
Gross Sales	**57,291.97**	**52,003.40**	**48,788.75**	**53,690.03**	**74,807.98**
Excise Duty	722.52	474.71	734.14	163.91	0.46
Net Sales	**56,569.45**	**51,528.69**	**48,054.61**	**53,526.12**	**74,807.52**
Gross Margin (EBIDTA)	**5,619.92**	**5,171.62**	**7,286.96**	**8,648.62**	**10,773.58**
Depreciation & Amortisation	974.26	1,309.79	1,396.78	1,415.14	1,550.22
Finance Cost	361.30	799.86	479.36	275.11	138.54
Profit/(Loss) Before Tax	**4,284.36**	**3,061.97**	**5,410.82**	**6,958.37**	**9,084.82**
Profit/(Loss) After Tax	**3,039.17**	**2,226.43**	**3,502.91**	**4,618.41**	**6,025.67**
Dividend Including Interim Dividend	761.08	697.66	1,458.78	1,750.50	1,734.14
Corporate Dividend Tax	153.56	142.03	295.35	352.53	356.46

Particulars	2014-15*	2015-16	2016-17	2017-18	2018-19
(C) EQUITY, LIABILITIES AND ASSETS					(₹ in crore)
EQUITY					
Equity Share Capital	1,268.48	1,268.48	1,691.30	2,255.07	2,255.07
Other Equity	27,851.04	33,826.07	36,458.07	38,073.05	41,837.87
Shareholders' Funds	**29,119.52**	**35,094.55**	**38,149.37**	**40,328.12**	**44,092.94**
LIABILITIES					
Secured Loans	3,651.00	2,893.91	1,749.13	499.49	499.57
Unsecured Loans	5,904.92	5,165.34	3,313.01	1,580.12	500.61
Deferred Tax Liability (Net)	3,308.65	4,071.38	3,722.88	4,630.93	5,947.71
Other Non Current Liabilities	2,658.33	1,728.52	2,086.28	2,246.31	4,133.80
Current Liabilities (Excluding Current Maturities of Long Term Debt)	8,250.81	6,843.70	6,316.29	8,797.21	9,203.98
Total Equity and Liabilities	**52,893.23**	**55,797.40**	**55,336.96**	**58,082.18**	**64,378.61**
ASSETS					
Net Plant, Property & Equipment (Including Intangible Assets)	27,759.69	28,466.95	28,506.19	28,789.77	31,086.09
Capital Work-In-Progress (Including Intangible Assets)	4,360.03	3,420.20	3,803.39	5,514.02	9,202.46
Investments	4,322.36	8,572.38	9,377.08	9,571.60	9,528.17
Other Non Current Assets	5,855.82	5,929.42	4,519.08	4,098.16	4,254.28
Current Assets	10,595.33	9,408.45	9,131.22	10,108.63	10,307.61
Total Assets	**52,893.23**	**55,797.40**	**55,336.96**	**58,082.18**	**64,378.61**
Net Worth	**28,888**	**30,699**	**32,350**	**35,142**	**39,062**
Capital Employed	**41,984**	**47,226**	**46,934**	**47,039**	**51,041**
Contribution To National Exchequer	**5,788**	**4,929**	**5,909**	**6,782**	**8,000**
Market Capitalisation-BSE	**49,192**	**45,209**	**63,669**	**74,102**	**78,319**
No. of Employees	**4,267**	**4,321**	**4,355**	**4,486**	**4,529**
Value Added	**7,413**	**7,129**	**9,510**	**10,725**	**13,058**
Value Added Per Employee	**1.74**	**1.65**	**2.18**	**2.39**	**2.88**
Capex during the Year	**1,923**	**1,880**	**2,264**	**4,080**	**8,349**
(D) CASH FLOW					(₹ in crore)
NET CASH PROVIDED BY / (USED IN)					
Operating Activities	2,444.07	4,070.62	5,760.94	8,662.60	7,876.34
Investing Activities	(964.43)	(670.88)	(380.07)	(2,567.95)	(5,436.60)
Financing Activities	(2,988.98)	(3,318.03)	(5,238.31)	(5,470.45)	(3,365.04)

Particulars	2014-15*	2015-16	2016-17	2017-18	2018-19
(E) KEY FINANCIAL INDICATORS					(₹ in crore)
Net Worth Per Rupee of Paid-Up Capital (₹)	22.77	24.20	19.13	15.58	17.32
Debt to Equity Ratio	0.33	0.26	0.16	0.06	0.03
EBIDTA/Gross Turnover (%)	9.81	9.94	14.94	16.11	14.40
Return On Capital Employed (%)	11.07	8.18	12.55	15.38	18.07
Return on Net Worth (%)	10.52	7.25	10.83	13.14	15.43
Gross Sales To Capital Employed (%)	136.46	110.12	103.95	114.14	146.57
Dividend Payout Ratio (%) (Including Dividend Tax)	30.10	37.71	50.08	45.54	34.69
Earning Per Share (₹)	23.96	17.55	20.71	20.48	26.72
Dividend Per Share (₹)	6.00	5.50	8.63	7.76	7.69

* Figures for financial year 2014-15 are not as per new accounting standards (IND AS)and Schedule III of the Companies Act, 2013. All the figures/ ratios for subsequent years are computed on the basis of figures as per IND AS. Hence the numbers of financial year 2014-15 are not fully comparable with the subsequent years.

Notes

Borrowing	Both Secured and Unsecured Loans are inclusive of Current Maturities of Long Term Debt & Current Loans
Capital Employed	Equity Share Capital+Other Equity+Long Term Borrowing+Deferred Tax Liability (Net)+Current Maturities of Long Term Debt
Net Worth	Equity Share Capital+Other Equity (Excluding Transition Reserves, Other Comprehensive Income & Bond Redemption Reserve)
Net Worth Per Rupee of Paid-Up Capital	Net Worth / Equity Share Capital
EBIDTA/Gross Turnover (%)	EBDITA / Gross Turnover
Return On Capital Employed (%)	PBIT / Capital Employed
Return on Net Worth (%)	PAT / Net Worth
Gross Sales To Capital Employed (%)	Gross Sales / Capital Employed
Dividend Payout Ratio (%) (Including Dividend Tax)	(Dividend + Corporate Dividend Tax) / PAT
Earning Per Share (₹)	PAT / Weighted Average No. of Equity Share Outstanding During the Period
Dividend Per Share (₹)	Dividend / No. of Equity Shares

Five Year Profile (Standalone)

(In US$# Millions)

Particulars	2014-15*	2015-16	2016-17	2017-18	2018-19
(A) INCOME STATEMENT					
Gross Sales	**9,066.62**	**7,773.30**	**7,456.63**	**8,180.71**	**10,722.08**
Excise Duty	114.34	70.96	112.20	24.97	0.07
Net Sales	**8,952.28**	**7,702.35**	**7,344.43**	**8,155.74**	**10,722.02**
Gross Margin (EBIDTA)	**889.37**	**773.04**	**1,113.70**	**1,317.78**	**1,544.16**
Depreciation & Amortisation	154.18	195.78	213.48	215.62	222.19
Finance Cost	57.18	119.56	73.26	41.92	19.86
Profit/(Loss) Before Tax	**678.01**	**457.69**	**826.96**	**1,060.24**	**1,302.11**
Profit/(Loss) After Tax	**480.96**	**332.80**	**535.37**	**703.70**	**863.65**
Dividend Including Interim Dividend	120.44	104.28	222.95	266.72	248.55
Corporate Dividend Tax	24.30	21.23	45.14	53.71	51.09
(B) EQUITY, LIABILITIES AND ASSETS					
EQUITY					
Equity Share Capital	200.74	189.61	258.49	343.60	323.21
Other Equity	4,407.51	5,056.21	5,572.07	5,801.17	5,996.54
Shareholders' Funds	**4,608.25**	**5,245.82**	**5,830.56**	**6,144.77**	**6,319.76**
LIABILITIES					
Secured Loans	577.78	432.57	267.33	76.11	71.60
Unsecured Loans	934.47	772.10	506.34	240.76	71.75
Deferred Tax Liability (Net)	523.60	608.58	568.99	705.61	852.47
Other Non Current Liabilities	420.69	258.37	318.86	342.27	592.49
Current Liabilities (Excluding Current Maturities of Long Term Debt)	1,305.71	1,022.97	965.35	1,340.43	1,319.19
Total Equity and Liabilities	**8,370.51**	**8,340.42**	**8,457.43**	**8,849.94**	**9,227.26**
ASSETS					
Net Plant Property & Equipment (Including Intangible Assets)	4,393.05	4,255.15	4,356.75	4,386.68	4,455.51
Capital Work-In-Progress	689.99	511.24	581.29	840.17	1,318.97
Investments	684.03	1,281.37	1,433.15	1,458.42	1,365.65
Other Non Current Assets	926.70	886.31	690.67	624.43	609.76
Current Assets	1,676.74	1,406.35	1,395.57	1,540.25	1,477.37
Total Assets	**8,370.51**	**8,340.42**	**8,457.43**	**8,849.94**	**9,227.26**
Net Worth	**4,571.66**	**4,588.85**	**4,944.18**	**5,354.62**	**5,598.75**
Capital Employed	**6,644.10**	**7,059.20**	**7,173.22**	**7,167.25**	**7,315.58**
Contribution to National Exchequer	**915.97**	**736.77**	**903.10**	**1,033.32**	**1,146.62**
Market Capitalisation-BSE	**7,784.78**	**6,757.70**	**9,730.86**	**11,290.87**	**11,225.25**
No. of Employees	**4,267**	**4,321**	**4,355**	**4,486**	**4,529**
Value Added	**1,173.13**	**1,065.62**	**1,453.46**	**1,634.13**	**1,871.58**
Value Added Per Employee	**0.27**	**0.25**	**0.33**	**0.36**	**0.41**
Capex during the Year	**304.32**	**281.02**	**346.02**	**621.67**	**1,196.65**
(C) CASH FLOW					
NET CASH PROVIDED BY / (USED IN)					
Operating Activities	386.78	608.46	880.47	1,319.91	1,128.90
Investing Activities	(152.62)	(100.28)	(58.09)	(391.28)	(779.22)
Financing Activities	(473.01)	(495.97)	(800.60)	(833.53)	(482.30)
# INR Converted in US$ at the exchange rate prevalent on 31st March of respective financial year	***63.19***	***66.90***	***65.43***	***65.63***	***69.77***

* Figures for financial year 2014-15 are not as per new accounting standards (IND AS)and Schedule III of the Companies Act, 2013. All the figures/ ratios for subsequent years are computed on the basis of figures as per IND AS. Hence the numbers of financial year 2014-15 are not fully comparable with the subsequent years.

Previous Year (i.e FY 2017-18) figures have been regrouped/re-classified wherever necessary to correspond with current year's classification/disclosure.

Five Year Profile (Consolidated)

(₹ in crore)

Particulars	2014-15*	2015-16	2016-17	2017-18	2018-19
(A) INCOME STATEMENT					
Gross Sales	**61,428.73**	**52,355.08**	**49,236.70**	**54,556.09**	**75,912.02**
Excise Duty	914.00	499.80	761.80	197.96	44.28
Net Sales	**60,514.73**	**51,855.28**	**48,474.90**	**54,358.13**	**75,867.74**
Gross Margin (EBIDTA)	**6,576.76**	**5,283.16**	**7,237.28**	**8,757.56**	**11,657.02**
Depreciation & Amortisation	1,432.57	1,495.60	1,543.01	1,526.89	1,666.64
Finance Cost	651.83	821.83	510.99	294.91	159.20
Profit/(Loss) Before Tax	**4,492.36**	**2,965.73**	**5,183.28**	**6,935.76**	**9,831.18**
Profit/(Loss) After Tax (Excluding Minority Interest)	**3,160.05**	**1,869.22**	**3,368.16**	**4,799.07**	**6,545.74**
Dividend Including Interim Dividend	761.08	697.66	1,458.75	1,750.50	1,734.15
Corporate Dividend Tax	153.56	142.03	295.33	356.36	356.46
(B) EQUITY, LIABILITIES AND ASSETS					
EQUITY					
Equity Share Capital	1,268.48	1,268.48	1,691.30	2,255.07	2,255.07
Other Equity	32,754.19	35,134.93	37,613.59	39,423.50	43,749.02
Shareholders' Funds	**34,022.67**	**36,403.41**	**39,304.89**	**41,678.57**	**46,004.09**
Non Controlling Interest	**1,758.30**	**27.24**	**33.00**	**38.92**	**45.95**
LIABILITIES					
Secured Loans	11,237.71	2,893.91	1,914.22	653.17	499.57
Unsecured Loans	7,053.64	6,156.86	4,096.28	2,565.72	1,700.76
Deferred Tax Liability (Net)	3,547.69	4,824.81	5,293.07	5,039.11	6,509.88
Other Non Current Liabilities including Provisions	2,851.76	1,751.04	2,112.24	2,273.45	4,160.49
Current Liabilities including Provisions (Excluding Current Maturities of Long Term Debt & Short Term Borrowings)	9,173.48	6,980.31	6,465.37	9,085.20	9,486.66
Total Equity and Liabilities	**69,645.25**	**59,037.59**	**59,219.07**	**61,334.14**	**68,407.40**
ASSETS :					
Net Plant, Property & Equipment (Including Intangible Assets)	33,850.05	29,946.45	30,091.84	30,480.29	32,700.28
Capital Work-In-Progress	16,247.80	3,406.14	3,956.08	5,938.39	9,737.50
Investments / Advances For Investment (Including Pending Allotment & Short Term Investments)	1,633.06	9,844.40	10,268.13	10,559.43	10,735.80
Other Non Current Assets (Including Goodwill on Consolidation)	5,550.71	6,228.24	5,524.29	3,467.61	4,185.19
Current Assets	12,363.63	9,612.36	9,378.73	10,888.42	11,048.63
TOTAL ASSETS	**69,645.25**	**59,037.59**	**59,219.07**	**61,334.14**	**68,407.40**
NET WORTH	**30,420**	**31,989**	**33,492**	**36,463**	**40,897**
CAPITAL EMPLOYED INCLUDING ASSETS UNDER CONSTRUCTION & INVESTMENTS	57,620	50,307	49,913	49,687	54,044
(C) CASH FLOW					
NET CASH PROVIDED BY / (USED IN)					
Operating Activities	4,214.12	3,960.36	6,078.90	8,768.71	7,984.20
Investing Activities	(2,115.66)	(903.73)	(833.73)	(2,631.60)	(5,706.58)
Financing Activities	(3,058.47)	(3,027.60)	(4,830.34)	(5,251.62)	(3,364.29)
(D) KEY FINANCIAL INDICATORS					
Net Worth Per Rupee Of Paid-Up Capital (₹)	23.98	25.22	19.80	16.17	18.14
EBIDTA/Gross Turnover (%)	10.71	10.09	14.70	16.05	15.36
Return On Capital Employed (%)	8.93	7.53	11.41	14.55	18.49
Return on Net Worth (%)	10.39	5.84	10.06	13.16	16.01
Gross Sales To Capital Employed (%)	106.61	104.07	98.65	109.80	140.46
Dividend Payout Ratio (%) (Including Dividend Tax)	28.94	44.92	52.08	43.90	31.94
Earning Per Share (₹)	24.91	14.74	19.91	21.28	29.03
Dividend Per Share (₹)	6.00	5.50	8.63	7.76	7.69

* Figures for financial year 2014-15 are not as per new accounting standards (IND AS)and Schedule III of the Companies Act, 2013. All the figures/ ratios for subsequent years are computed on the basis of figures as per IND AS. Hence the numbers of financial year 2014-15 are not fully comparable with the subsequent years.

Please refer five year profile (standalone) for formula of various ratios

Five Year Profile (Consolidated)

(In US$# Millions)

Particulars	2014-15*	2015-16	2016-17	2017-18	2018-19
(A) INCOME STATEMENT					
Gross Sales	**9,721.27**	**7,825.87**	**7,525.10**	**8,312.68**	**10,880.32**
Excise Duty	144.64	74.71	116.43	30.16	6.35
Net Sales	**9,576.63**	**7,751.16**	**7,408.67**	**8,282.51**	**10,873.98**
Gross Margin (EBIDTA)	**1,040.79**	**789.71**	**1,106.11**	**1,334.38**	**1,670.78**
Depreciation & Amortisation	226.71	223.56	235.83	232.65	238.88
Finance Cost	103.15	122.84	78.10	44.94	22.82
Profit/(Loss) Before Tax	**710.93**	**443.31**	**792.19**	**1,056.80**	**1,409.08**
Profit/(Loss) After Tax (Excluding Minority Interest)	**500.09**	**279.40**	**514.77**	**731.23**	**938.19**
Dividend Including Interim Dividend	120.44	104.28	222.95	266.72	248.55
Corporate Dividend Tax	24.30	21.23	45.14	54.30	51.09
(B) EQUITY, LIABILITIES AND ASSETS					
EQUITY					
Equity Share Capital	200.74	189.61	258.49	343.60	323.21
Other Equity	5,183.45	5,251.86	5,748.68	6,006.93	6,270.46
Shareholders' Funds	**5,384.19**	**5,441.47**	**6,007.17**	**6,350.54**	**6,593.68**
Non Controlling Interest	**278.26**	**4.07**	**5.04**	**5.93**	**6.59**
LIABILITIES					
Secured Loans	1,778.40	432.57	292.56	99.52	71.60
Unsecured Loans	1,116.26	920.31	626.06	390.94	243.77
Deferred Tax Liability (Net)	561.43	721.20	808.97	767.81	933.05
Other Non Current Liabilities including Provisions	451.30	261.74	322.82	346.40	596.32
Current Liabilities including Provisions (Excluding Current Maturities of Long Term Debt & Short Term Borrowings)	1,451.73	1,043.39	988.14	1,384.31	1,359.70
Total Equity and Liabilities	**11,021.56**	**8,824.75**	**9,050.75**	**9,345.44**	**9,804.70**
ASSETS :					
Net Plant Property & Equipment (Including Intangible Assets)	5,356.87	4,476.30	4,599.09	4,644.26	4,686.87
Capital Work-In-Progress	2,571.26	509.14	604.63	904.83	1,395.66
Investments / Advances For Investment (Including Pending Allotment & Short Term Investments)	258.44	1,471.51	1,569.33	1,608.93	1,538.74
Other Non Current Assets (Including Goodwill on Consolidation)	878.42	930.98	844.31	528.36	599.86
Current Assets	1,956.58	1,436.83	1,433.40	1,659.06	1,583.58
TOTAL ASSETS	**11,021.56**	**8,824.75**	**9,050.75**	**9,345.44**	**9,804.70**
NET WORTH	**4,813.99**	**4,781.62**	**5,118.78**	**5,555.87**	**5,861.70**
CAPITAL EMPLOYED INCLUDING ASSETS UNDER CONSTRUCTION & INVESTMENTS	**9,118.53**	**7,519.75**	**7,628.46**	**7,570.76**	**7,746.01**
(C) CASH FLOW					
NET CASH PROVIDED BY / (USED IN)					
Operating Activities	666.90	591.98	929.07	1,336.08	1,144.36
Investing Activities	(334.81)	(135.09)	(127.42)	(400.98)	(817.91)
Financing Activities	(484.01)	(452.56)	(738.25)	(800.19)	(482.20)
# INR Converted in US$ at the exchange rate prevalent on 31st March of respective financial year	63.19	66.90	65.43	65.63	69.77

* Figures for financial year 2014-15 are not as per new accounting standards (IND AS)and Schedule III of the Companies Act, 2013. All the figures/ ratios for subsequent years are computed on the basis of figures as per IND AS. Hence the numbers of financial year 2014-15 are not fully comparable with the subsequent years.



Standalone Financial Statement

INDEPENDENT AUDITORS' REPORT

To the Members of GAIL (India) Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of GAIL (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, changes in equity, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements:

1. Note No: 33 (c) - regarding 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 also certain customers have challenged these orders of PNGRB in Court of Law. Adjustment if any will be recognized as and when matter is finally decided.
2. Note no. 56 – pending opinion of Expert Advisory Committee (EAC) of ICAI with respect to applicability of provisions of Ind-AS 109 (Financial instruments) for accounting of embedded derivative in certain contracts entered into by the Company through international competitive bidding, the Company has not considered such transaction as embedded derivatives. Any adjustment if any will be recognized as and when the EAC opinion is received.
3. Note no. 29 (I) (a) (iii) – regarding CESTAT order confirming the demand for the differential amount by the Central Excise Department in the matter pertaining to classification of 'Naphtha' manufactured by the Company, of Rs. 2,888.72 crore including applicable penalty and interest thereon. Considering the merits of the case, Company has filed an appeal before the Hon'ble Supreme Court. Based on the legal opinion obtained, the Company does not foresee any probable outflow in the matter and accordingly has disclosed the same under contingent liability.
4. Note No. 48 (ii) – regarding subsequent investment of Rs. 143.01 crore in equity and Rs. 252 crore in preference shares of a joint venture Company, Konkan LNG Private Limited ('KLPL') as approved by Board of Directors of the Company towards construction of Breakwater and other business requirements of KLPL. Investment in KLPL of Rs. 139.75 crore stood fully impaired in view of accumulated losses and eroded net-worth upto March 31, 2018. In order to assess impact of further infusion of capital as aforesaid, the Company has during the year carried out fresh impairment study of KLPL which projects positive future cash flows after commencement of operation of breakwater and accordingly a sum of Rs. 2.18 crore has been reversed from the aforesaid Impairment provision.

Our opinion is not modified in respect of above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

Sr. No.	Key Audit Matter	Audit Response on Key Audit Matters
1	**Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers"** The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. *Refer notes 1.9, 21 and 37.*	Principal Audit Procedures We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard and checked the appropriateness of accounting policy. Our audit approach consisted testing of the design and operating effectiveness of the internal controls as follows: 1. Evaluated the design of internal controls relating to implementation of the new revenue accounting standard, wherever applicable. 2. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls. 3. Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. Selected a sample of continuing and new contracts and performed the following substantive procedures: 1. Read, analyzed and identified the distinct performance obligations in these contracts. 2. Compared these performance obligations with that identified and recorded by the Company. 3. Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.
2	**Evaluation of uncertain tax positions and contingent liabilities** The Company has material uncertain tax positions and contingent liabilities including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. It includes order of CESTAT confirming the demand for the differential amount by the Central Excise Department in the matter pertaining to classification of 'Naphtha' manufactured by GAIL, of Rs. 2,888.72 crore including applicable penalty and interest thereon. Considering the merits of the case, Company has filed an appeal before the Hon'ble Supreme Court. Based on the legal opinion obtained, the Company does not foresee any probable outflow in the matter and accordingly has disclosed the same under contingent liability. *Refer note 29 (I) (a) (iii)*	**We have applied the following audit procedures in this regard:** 1. Obtained details of completed tax assessments and demands for the year ended March 31, 2019 from management. 2. We have obtained the opinion from independent expert to support the management's judgement about the probable outcome in this regard. 3. We also obtained the opinion from legal team and representation taken from the management. 4. We assessed the appropriate disclosures in the financials. 5. We considered the effect of new information in respect of uncertain tax positions as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties. 6. Referring to point no 3 of Emphasis of Matter Paragraph in this audit report for disputes with Central Excise Department as it is fundamental to the users of the financial statements.

Sr. No.	Key Audit Matter	Audit Response on Key Audit Matters
3.	**Derivative transaction and accounting of hedge accounting** The hedge accounting has resulted into significant impact on financial statements coupled with complexity of its accounting, calculations and complex/numerous assumptions taken for establishing hedge relationship. Mark to market gain / loss pertaining to these derivative contracts are recognized in the other comprehensive income. *Refer note 58*	**We have applied the following audit procedures in this regard:** 1. Understanding management's controls over the recording of derivative transactions and the application of hedge accounting, 2. Testing the accuracy and completeness of derivative transactions. 3. We have relied on the valuation report evaluating the appropriateness of the valuation methodologies applied and testing on sample basis the valuation of the derivative financial instruments. 4. Validated that the derivative financial instruments qualified for hedge accounting and tested accuracy of hedge effectiveness and ineffectiveness on sample basis.
4.	**Technical parameters and voluminous transactions of Natural gas trading and transmission captured to measure Revenue and Inventory through integrated system and complexities involved therein.** Revenue from sale of Natural Gas amounted to ₹ 61,501.94 crore and Closing inventory of ₹ 843.54 crore for the year ended 31 March 2019. The determination of the quantity of Natural Gas sold and in stock through gas-pipelines involves use of various technical aspects of the natural gas such as pressure, temperature etc. captured from the measuring devices installed on the gas pipelines. We were informed that the methodology is standard and used industry-wide. This increases the complexity around the validating of quantity of Natural Gas sold and in stock in pipeline. *Refer notes 1.8, 1.9, 10 and 21.*	**We have applied the following audit procedures in this regard:** 1. We performed test of controls, assisted by our IT specialists, over the accuracy and completeness of the quantity captured via IT system through to the accounting software. 2. We have obtained the management representation that the IT system applies the standard methodology to capture the quantity of Natural Gas for the purpose of Revenue and inventory measurement. 3. We have carried out the audit procedures for verification of valuation of closing Inventories by applying the various aspects made available to us by the management such as conversion factors, meter reading etc.
5.	**Gratuity** Pursuant to implementation of Pay Revision Directions, the Company has evaluated impact of increase in gratuity ceiling from Rs. 10 Lakh to Rs. 20 Lakh and has considered the incremental amount of Rs. 150.51 crore as recoverable from the respective fund as on March 31, 2018 by reversing the impact taken in Statement of Profit & Loss account in financial year 2016-17. During the year, vide directive of DPE dated July 10, 2018 clarified that gratuity under DPE guidelines dated August 3, 2017, is subject to affordability of the CPSE concerned effective for the period from January 1, 2017 till March 28, 2018, where pay has been revised with effect from January 1, 2017. Accordingly, the Board of Directors has approved to fund the contribution along with interest and accordingly, a sum of Rs. 182.58 crore has been charged to Statement of Profit and Loss. *Refer note 40 (b)*	**We have applied the following audit procedures in this regard:** 1. Obtained the copy of the notifications 2. Obtained the approval of the board and management representation letter for the same. 3. We have verified the accuracy of the amount charged.
6	**Impairment of Investment of ₹173.62 crores in an overseas subsidiary.** Gail Global(USA) Inc. (GGUI): Refer to note 48 (iv) -GGUI is a wholly owned subsidiary of the Company and has during the year sold certain producting property assets which has resulted reduction in profit to the extent of ₹ 173.62 crore being impairment provision in Standalone Financial Statements of the Company consequent to the erosion of net worth of GGUI as at last reporting dated December 31, 2018. The Company has evaluated fair value through an independent valuer which has resulted in impairment of investment of ₹173.62 crore. The impact of impairment has been affected in financial statements as at end of the year.	**We have applied the following audit procedures in this regard:** 1. Obtained valuation report of GGUI by the Independent Valuer considering the financial aspect as on date. 2. Obtained and verified the audited financial statements as on December 31, 2018 3. Obtained the management representation letter for the same.
7.	**Accounting of corporate guarantees in line with the requirements of Ind AS 109 – "Financial Instruments"** Refer to note No. 38 – regarding matter pertaining to the accounting in line with the requirements of Ind AS 109 – "Financial Instruments", of the fair value of the corporate guarantees given by the Company on behalf of its subsidiaries. In response to the opinion provided by the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India, the Company has sought further clarification. Pending clarification from the EAC, no accounting entry has been passed in respect of these corporate guarantees. Management have confirmed that impact, if any will not be material to the financial statements.	**We have applied the following audit procedures in this regard:** 1. Obtained the confirmation from the management that the EAC opinion is yet to be received as of date. 2. Obtained the management representation letter that the impact of the same, if any will not be material

Information Other than the Standalone Ind AS Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the Director's report, Corporate Governance report, Business Responsibility report and Management Discussion and Analysis of Annual report, but does not include the Standalone Ind AS Financial Statements and our report thereon. The Directors report, Corporate Governance report, Business Responsibility report and Management Discussion and Analysis of Annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information identified above when it becomes available to us and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read such other information as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that

give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We draw attention to the following matters in the Notes to the financial statements:

1. Note no. 45(B)(iii)- regarding inclusion of proportionate share in Jointly Controlled Operations in the standalone financial statements of the Company. The total proportionate share includes Assets of Rs. 1567.91 crore, Liabilities of ₹ 430.75 crore, Expenditure of ₹ 365.48 crore, Income of ₹ 639.35 crore along with the elements making up the Cash Flow Statement and related disclosures. The aforesaid amounts have been included based on the unaudited statements of these entities. Management is of view that this will not have a material impact on the Company's financial statements.

Our opinion is not modified in respect of above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by Comptroller and Auditor General of India through directions/sub-directions issued under Section 143 (5) of the Companies Act 2013, on the basis of written representation received from the management, we give our report on the matter specified in the "Annexure –B" attached.
3. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and 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 it appears from our examination of those books;
   (c) The Balance Sheet, the Statement of Profit and Loss (including the Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.;
   (e) Pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Companies Act, 2013, are not applicable to the Company, being a Government Company.;
   (f) We are enclosing herewith a report in "Annexure – C" for our opinion on adequacy of internal financial controls system in place in the Company and the operating effectiveness of such controls;
   (g) Pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of Section 197 of the Companies Act, 2013, are not applicable to the Company, being a Government Company; and
   (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 29(I)(a) to the financial statements;
      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any and to the extent ascertainable, on long-term contracts including derivative contracts.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For O. P. Bagla & Co. LLP
Chartered Accountants
Firm No.: 000018N/N500091

Rakesh Kumar
Partner
Membership No.: 087537

For ASA & Associates LLP
Chartered Accountants
Firm No.: 009571N/N500006

Parveen Kumar
Partner
Membership No.: 088810

Place: New Delhi
Dated: 27th May, 2019

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 to "Report on Other legal and regulatory requirements" of the Independent Auditors' Report of even date to the members of GAIL (INDIA) LIMITED on the Standalone Ind AS Financial Statements for the year ended March 31, 2019.

(i) (a) As informed to us the Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) According to information and explanation given to us, there is a regular programme of physical verification of these fixed assets by the management which in our opinion is reasonable having regard to the size of the Company and nature of its assets. As informed to us no material discrepancies were noticed on such verification.

(c) As informed to us and as verified by us during the course of our audit the title deeds of immovable properties are held in name of the Company except for the cases as follows.

Description of Asset	No. of cases	Area in Hectares	Gross block as on 31.03.2019 (Rs. in Cr.)	Net block as on 31.03.2019 (Rs. in Cr.)
Land				
- Freehold	9	5.31	10.93	10.93
- Leasehold	6	40.53	10.46	10.46
- Leasehold– stated at carrying value (classified as prepayment under non-financial assets)	1	20.96	4.59	4.59

(ii) As informed to us physical verification of inventory has been conducted at reasonable intervals by the management except the store and spares lying with the third parties. We have been explained that the stock of gas at the end of the year has been taken with reference to reading of Turbine Flow Meter/Gas Chromatograph installed at Terminals, Stock of LPG/Pentane/SBP Solvent are determined with reference to Tank Level Gauge measurement which are converted into tonnage by measurement of density and applying correction factor for temperature. LPG vapors volume is converted to tonnage by standard formulae. As informed to us no material discrepancies were noticed on physical verification of inventory.

(iii) As informed to us the Company has granted unsecured loans to companies covered in the register maintained under section 189 of the Companies Act 2013. In respect of such loans:

a) In our opinion and as informed to us the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.

b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

c) As informed to us, no amount of loan is overdue as at end of the year for a period more than ninety days.

(iv) According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of Companies Act 2013 in respect of loans/investment/guarantee/security granted during the year.

(v) The Company has not accepted any deposits, in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under.

(vi) We have broadly reviewed the accounts and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 read with Companies (Cost Records & Audit) Rules, 2014 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.

(vii) (a) According to records of the Company and information and explanation given to us the Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, Goods and Service Tax and any other statutory dues with the appropriate authorities. According to information and explanation given to us there are no outstanding statutory dues as referred above as at the last day of the financial year under audit for a period of more than six months from the date they became payable.

(b) As certified by the management on which we have relied upon the dues of income tax or sale tax or service tax or duty of custom or duty of excise or value added tax or cess or Goods and Service Tax which have not been deposited on account of dispute or deposited under protest and the forum where the dispute is pending are given below:

S. No.	Name of Statute	Nature of the Dues	Period to which the amount relates	Forum where the dispute is pending	Gross disputed amount	Amount deposited under protest/ appeal	Amount not deposited
1	Entry Tax Act of respective States	Entry Tax / Penalty / Interest	2002-03 to 2004-05	Hon. High Court, Allahabad	20.97	-	20.97
			1999-00 to 2009-10	Commercial Tax Tribunal, UP	233.59	6.41	227.18
			2008-09	Additional Commissioner (Appeals) Noida, Commercial Taxes	0.53	-	0.53
			2015-16	Additional commissioner (Appeals) Gwalior, Commercial Taxes	20.83	-	20.83
			2002-03 to 2005-06	Dy. Commissioner (Appeals), Commercial Tax, Ajmer	7.19	-	7.19
	SUB-TOTAL				**283.11**	**6.41**	**276.70**
2	Central Sales Tax Act, 1956 and respective State Sales Tax / VAT Act	CST / Sales Tax / VAT/ Penalty / Interest	2011-12	Hon. Supreme Court	10.77	3.24	7.53
			2003-2004	Hon. High Court, Mumbai	0.63	0.03	0.60
			2003-2004	Hon. High Court, Guwahati	0.29	0.14	0.15
			2006-07 to 2010-11	Sales Tax Tribunal Mumbai	55.10	20.12	34.98
			2014-15	Sales Tax Tribunal, Ernakulam	0.46	0.07	0.39
			Oct 2011 to Dec 2011	Joint Commissioner of Commercial Taxes, Trichy	0.77	-	0.77
			2011-12 to 2014-15	Joint Commissioner (Appeals), Sales Tax, Mumbai	73.27	6.81	66.46
			2014-15	Joint Commissioner (Appeals), Sonepat	4.88	-	4.88
			2003-04, 2008-09, 2009-10, 2012-13	Joint Commissioner (Appeals), Commercial Tax, Vadodara	93.77	82.98	10.79
	SUB-TOTAL				**239.94**	**113.39**	**126.55**

S. No.	Name of Statute	Nature of the Dues	Period to which the amount relates	Forum where the dispute is pending	Gross disputed amount	Amount deposited under protest/ appeal	Amount not deposited
3.	Central Excise Act 1944	Central Excise Duty / Interest / Penalty	Jan 2008 to March 2012	Hon. Supreme Court	2888.72	20 (in addition to that Bank guarantee of ₹132 crore has been submitted to the department)	2868.72
			Mar 2000 to Feb 2002, April 2002 to March 2003 & Nov 2004 to Feb 2005	Hon. Supreme Court	58.16	-	58.16
			Aug 2006 to Feb 2014	Customs, Excise and Service Tax Appellate Tribunal, Delhi	10.29	-	10.29
			Jan 2001 to Feb 2005	Customs, Excise and Service Tax Appellate Tribunal, Mumbai	21.06	-	21.06
			April 2010 to March 2011	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad	10.95	-	10.95
			April 2008 to March 2010 & July 2010 to Nov 2010	Customs, Excise and Service Tax Appellate Tribunal, Kolkata	102.74	0.66	102.08
	SUB-TOTAL				**3091.92**	**20.66**	**3071.26**
4	Finance Act 1994 (Service Tax)	Service Tax / Interest / Penalty	Apr 2009 to Mar 2014	Customs, Excise and Service Tax Appellate Tribunal, Delhi	6.36	0.42	5.94
			Oct. 2006 to Mar 2007	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad	0.17	-	0.17
			Jan 2011 to Mar 2012	Customs, Excise and Service Tax Appellate Tribunal, Allahabad	0.29	-	0.29
			July 2010 to Nov 2010	Commissioner (Appeals), Delhi	0.12	-	0.12
			April 2014 to March 15	Commissioner (Appeals), Noida	0.92	-	0.92
	SUB-TOTAL				**7.86**	**0.42**	**7.44**
5	Customs Act, 1962	Customs Duty/ Interest / Penalty	March 2006	Customs, Excise and Service Tax Appellate Tribunal, Delhi	0.53	0.46	0.07
			March 2013 to July 2014	Commissioner of Customs, Excise and Service Tax, (Appeals), Ahmedabad	7.78	7.78	-
	SUB-TOTAL				**8.31**	**8.24**	**0.07**
6	Income Tax Act, 1961	Income Tax/ Penalty/ Interest	A.Y. 2008-09 to A.Y. 2018-19	Jurisdictional Assessing Officer (TDS)	1.02	-	1.02
			A.Y. 2013-14 & 2016-17	Commissioner Income Tax (Appeals)-22, New Delhi	85.02	75.09	9.93
			A.Y. 1996-97 to AY 2012-13 & A.Y. 2014-15 to AY 2015-16	Income Tax Appellate Tribunal, Delhi	2072.06	1350.38	721.68
			1997-98 & 1998-99	Hon. Supreme Court	0.26	0.26	-
	SUB-TOTAL				**2158.36**	**1425.73**	**732.63**
7	Gujarat Municipalities Act, 1963	Notified Area Tax / GIDC Tax / Interest	1998-99 to 2005-06 & 1985-86 to 2009-10	Hon. High Court, Ahmedabad	4.50	-	4.50
	SUB-TOTAL				**4.50**	**-**	**4.50**
	TOTAL				**5,794.00**	**1,574.85**	**4,219.15**

(viii) Based on our audit procedures and in accordance with the information and explanations given to us by the management the Company has not defaulted in repayment of dues to a bank or government or bonds holders.

(ix) The Company has not raised any money by way of initial public offer or further public offer or further public offer (including debt instrument). As informed to us, no term loans have been obtained during the year.

(x) According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, no case of frauds by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) As per notification no. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 is not applicable to the Government Companies. Accordingly, provisions of clause 3 (xi) of the Order are not applicable to the Company.

(xii) The Company is not a nidhi Company and therefore clause 3(xii) of the Order related to such companies is not applicable to the Company.

(xiii) In our opinion, the Company has complied with provisions of sections 177 and 188 of Companies Act, 2013 in respect of transactions with the related parties and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

(xv) As informed to us, during the year the Company has not entered into any non-cash transactions with any of its directors or persons connected with the Directors.

(xvi) The Company is not required to get registered under section 45-IA of Reserve Bank of India Act'1934.

For O. P. Bagla & Co. LLP
Chartered Accountants
Firm No.: 000018N/N500091

Rakesh Kumar
Partner
Membership No.: 087537

For ASA & Associates LLP
Chartered Accountants
Firm No.: 009571N/N500006

Parveen Kumar
Partner
Membership No.: 088810

Place: New Delhi
Dated: 27th May, 2019

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2 to "Report on Other legal and regulatory requirements" of the Independent Auditors' Report of even date to the members of GAIL (INDIA) LIMITED on the financial statements for the year ended March 31, 2019.

Sl. No.	Directions / Sub Directions	Action taken	Impact on financial statement
1	Whether the Company has system in place to process all the accounting transitions through IT system? If yes the implications of processing of accounting transaction outside IT system on the integrity of the accounts along with the financia l implications, if any, may be stated?	The Company maintain its books of account on IT system, SAP, which is an ERP system. All accounting transactions are processed in accounts maintained on SAP. We did not notice any transaction which was processed outside of IT system.	Nil
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest made by a lender due to Company inability to repay the loan? If yes, the financial impact may be stated?	There are no such case.	Nil
3	Whether funds received/ receivable for specific schemes from central state agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.	Refer to Note 54 regarding the grant received by the Company for the project Jagdishpur Haldia Bokaro Dhamra Pipeline Project (JHBDPL). According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company, these have been used for the purposes for which these were given. We did not encounter any deviation.	Nil
4	Whether disclosure in Notes to Financial Statements/inclusion under contingent liabilities, of Corporate Guarantee issued by the parent Company to a bank for issuance of Performance Bank Guarantee on behalf of its subsidiaries/JVs/Associates etc. if any, has been made.	Refer to Note no 29 (I)(b) the Company has disclosed the Corporate Guarantee issued to a bank for issuance of Performance Bank Guarantee on behalf of its subsidiaries.	Nil

For O.P. Bagla & Co. LLP
Chartered Accountants
Firm No.: 000018N/N500091

Rakesh Kumar
Partner
Membership No.:087537

For ASA & Associates LLP
Chartered Accountants
Firm No.: 009571N/N500006

Parveen Kumar
Partner
Membership No.:088810

Place: New Delhi
Dated: 27th May, 2019

ANNEXURE - C TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 3(f) to "Report on Other legal and regulatory requirements" of the Independent Auditors' Report of even date to the members of **GAIL (INDIA) LIMITED** on the standalone Ind AS financial statements for the year ended March 31, 2019.

Report on the Internal Financial Controls under Clause (i) of Sub section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of GAIL (INDIA) LIMITED ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence I/we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For O. P. Bagla & Co. LLP
Chartered Accountants
Firm No.: 000018N/N500091

Rakesh Kumar
Partner
Membership No.: 087537

For ASA & Associates LLP
Chartered Accountants
Firm No.: 009571N/N500006

Parveen Kumar
Partner
Membership No.: 088810

Place: New Delhi
Dated: 27th May, 2019

GAIL (India) Limited, New Delhi
Standalone Balance Sheet as at 31st March, 2019

(₹ in Crore)

Sr.No	Particulars	Note No	As at 31st March 2019	As at 31st March 2018
1.	**ASSETS**			
	Non Current Assets			
	a) Property, Plant and Equipment	2	29,682.92	27,738.64
	b) Capital work-in-progress	3	9,202.46	5,514.02
	c) Intangible Assets	4	1,403.17	1,051.13
	d) Financial Assets			
	- Investments	5	9,528.17	9,571.60
	- Trade Receivables	6	1,014.14	996.92
	- Loans & Other Receivables	7	667.76	558.24
	- Other Financial Assets	8	151.33	258.37
	e) Non Current Tax Assets (Net)	9	1,480.11	1,353.42
	f) Other Non Current Assets	12	940.94	931.21
	Sub total (1)		**54,071.00**	**47,973.55**
2.	**Current Assets**			
	a) Inventories	10	2,321.91	1,919.53
	b) Financial Assets			
	- Investments	5A	-	381.47
	- Trade Receivables	6A	4,060.19	3,054.59
	- Cash and Cash Equivalents	11	150.78	1,076.08
	- Other Bank Balances	11A	1,063.91	1,453.31
	- Loans & Other Receivables	7A	828.39	691.63
	- Other Financial Assets	8A	298.63	85.89
	c) Other Current Assets	12A	1,583.80	1,446.13
	Sub total (2)		**10,307.61**	**10,108.63**
	Total Assets (1+2)		**64,378.61**	**58,082.18**
1.	**EQUITY AND LIABILITIES**			
	EQUITY			
	a) Equity Share Capital	13	2,255.07	2,255.07
	b) Other Equity	14	41,837.87	38,073.05
	Sub total (1)		**44,092.94**	**40,328.12**
2.	**LIABILITIES**			
	Non Current Liabilities			
	a) Financial Liabilities			
	- Borrowings	15	870.58	976.12
	- Other Financial Liabilities	16	745.14	775.59
	b) Provisions	17	694.55	580.43
	c) Contract Liabilities		129.72	44.07
	d) Deferred Tax Liabilities (Net)	20	5,947.71	4,630.93
	e) Other Non Current Liabilities	19	2,563.52	845.37
	Sub total (2)		**10,951.22**	**7,852.51**
3.	**Current Liabilities**			
	a) Financial Liabilities			
	- Trade Payables			
	Trade Payables to Micro and Small Enterprises	18	202.19	68.11
	Trade Payables Other than Micro and Small Enterprises	18	3,758.99	3,813.44
	- Other Financial Liabilities	16A	3,497.06	3,983.92
	b) Other Current Liabilities	19A	524.14	441.43
	c) Contract Liabilities		621.28	746.77
	d) Provisions	17A	730.79	847.88
	Sub total (3)		**9,334.45**	**9,901.55**
	Total Equity and Liabilities (1+2+3)		**64,378.61**	**58,082.18**

The significant accounting policies and accompanying notes form an integral part of Standalone Financial Statements.

For and on behalf of the Board of Directors

A. K. Jha	A. K. Tiwari	Dr. Ashutosh Karnatak	B. C. Tripathi
Company Secretary	Director (Finance)	Director (Projects)	Chairman & Managing Director
(M. No. 18644)	(DIN: 07654612)	(DIN: 03267102)	(DIN: 01657366)

Place : New Delhi
Dated : 27th May, 2019

As per our separate Report of even date

For O. P. Bagla & Co LLP	For ASA & Associates LLP
Chartered Accountants	Chartered Accountants
Firm No.00018N/N500091	Firm No.009571N/N500006
Rakesh Kumar	Parveen Kumar
(Partner) Membership No.087537	(Partner) Membership No.088810

GAIL (India) Limited, New Delhi
Standalone Statement of Profit and Loss for the Financial Year ended 31st March 2019

(₹ in Crore)

Sr.No	Particulars	Note No	Year Ended 31st March 2019	Year Ended 31st March 2018
I.	**INCOME**			
	Revenue from Operations*	21	75,126.76	53,825.49
	Other Income	22	1,544.81	987.00
	Total Revenue (I)		**76,671.57**	**54,812.49**
II.	**EXPENSES**			
	Cost of Materials Consumed		4,584.26	3,712.42
	Purchase of Stock in trade		54,662.34	36,758.58
	Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress	23	(382.45)	(34.12)
	Employee Benefits Expenses	24	1,778.37	1,340.73
	Finance Costs	25	138.54	275.11
	Depreciation and Amortization Expenses	26	1,550.22	1,415.14
	Excise Duty		0.46	163.91
	Other Expenses	27	4,928.68	4,250.04
	Total Expenses (II)		**67,260.42**	**47,881.81**
III.	**Profit before exceptional items and tax (I-II)**		**9,411.15**	**6,930.68**
IV	**Exceptional Items**			
	Less : Impairment of Investment (Refer Note No. 48)		326.33	(27.69)
V	**Profit before tax (III-IV)**		**9,084.82**	**6,958.37**
VI	**Tax Expense :**			
	Current tax		2,464.26	1,654.10
	Earlier years		(25.62)	(20.78)
	Deferred tax		620.51	706.64
	Total Tax Expense		**3,059.15**	**2,339.96**
VII	**Profit for the year (V-VI)**		**6,025.67**	**4,618.41**
	Other Comprehensive Income	**A**		
VIII	**Item to be reclassified to P&L in subsequent periods:**			
	Net movement on cash flow hedge gain/ (loss)		531.19	(231.95)
	Income tax effect thereon		(185.62)	81.05
	Net OCI to be reclassified to Profit/(Loss) in subsequent periods		**345.57**	**(150.90)**
IX	**Items not to be reclassified to P&L in subsequent periods:**			
	(i) Net gain / (loss) on FVTOCI of equity shares		(556.28)	(241.14)
	Income tax effect thereon		-	-
			(556.28)	**(241.14)**
	(ii) Re measurement gain/(loss) on defined benefit plans		62.20	85.18
	Income tax effect thereon		(21.74)	(29.77)
			40.46	**55.41**
	Net OCI not to be reclassified to P&L in subsequent period		**(515.82)**	**(185.73)**
X	**Other Comprehensive income for the period, Net of Tax(VIII+IX)**		**(170.25)**	**(336.63)**
XI	**Total Comprehensive Income for the period (Profit and Loss and OCI), net of tax (VII+X)**		**5,855.42**	**4,281.78**
XII	**Earning per share in (₹) (face value of ₹ 10 each)**	**B**		
	a) Basic		26.72	20.48
	b) Diluted		26.72	20.48

* 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 year ended 31st March, 2019 is not comparable with previous year.

The significant accounting policies and accompanying notes form an integral part of Standalone Financial Statements. There is no discontinuing operation in the above period.

For and on behalf of the Board of Directors

A. K. Jha	A. K. Tiwari	Dr. Ashutosh Karnatak	B. C. Tripathi
Company Secretary	Director (Finance)	Director (Projects)	Chairman & Managing Director
(M. No. 18644)	(DIN: 07654612)	(DIN: 03267102)	(DIN: 01657366)

As per our separate Report of even date

For O. P. Bagla & Co LLP	For ASA & Associates LLP
Chartered Accountants	Chartered Accountants
Firm No.00018N/N500091	Firm No.009571N/N500006
Rakesh Kumar	Parveen Kumar
(Partner) Membership No.087537	(Partner) Membership No.088810

Place : New Delhi
Dated : 27th May, 2019

Note A

Notes to Financial Statement for the Financial Year Ended 31st March, 2019

Components of other comprehensive income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended 31st March, 2019

(₹ in Crore)

Particulars	Retained Earnings	Total
Net gain / (loss) on FVTOCI of Equity Shares	(556.28)	(556.28)
Income tax effect thereon	-	-
Total	**(556.28)**	**(556.28)**
Remeasurement gain / (loss) on defined benefit plans	62.20	62.20
Income tax effect thereon	(21.74)	(21.74)
Total	**40.46**	**40.46**
Net movement on cash flow hedges gain / (loss)	531.19	531.19
Income tax effect thereon	(185.62)	(185.62)
Total	**345.57**	**345.57**

During the year ended 31st March, 2018

(₹ in Crore)

Particulars	Retained Earnings	Total
Net gain / (loss) on FVTOCI of Equity Shares	(241.14)	(241.14)
Income tax effect thereon	-	-
Total	**(241.14)**	**(241.14)**
Remeasurement gain / (loss) on defined benefit plans	85.18	85.18
Income tax effect thereon	(29.77)	(29.77)
Total	**55.41**	**55.41**
Net movement on cash flow hedges gain / (loss)	(231.95)	(231.95)
Income tax effect thereon	81.05	81.05
Total	**(150.90)**	**(150.90)**

Note B

Notes to Financial Statements for the Financial Year ended 31st March, 2019

Earnings Per Share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year. Diluted EPS are calculated by dividing the profit for the year attributable to the equity holders of the company by weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in Crore)

Particulars	31st March 2019	31st March 2018
Profit for the year as per Statement of Profit & Loss	6,025.67	4,618.41
Profit attributable to equityholders of the Company for basic earnings	**6,025.67**	**4,618.41**
	No. crore	**No. crore**
Weighted average number of equity shares in calculating basic EPS	225.51	225.51
Weighted average number of equity shares in calculating diluted EPS	**225.51**	**225.51**
Earnings per equity share in ₹		
Basic	26.72	20.48
Diluted	26.72	20.48
Face Value of each equity share in ₹	**10**	**10**

Standalone Statement of Changes in Equity for the Financial Year Ended 31st March 2019

A. Equity Share Capital

For The Year Ended 31st March 2019

Equity Share Capital Issued, Subscribed and Paid up (Equity share of ₹ 10 each)

Particulars	Note. No.	Amount (₹ in crore)
As at 1st April 2018	13	2,255.07
As at 31st March 2019		**2,255.07**

For The Year Ended 31st March 2018

Equity Share Capital Issued, Subscribed and Paid up (Equity share of ₹ 10 each)

Particulars	Note. No.	Amount (₹ in crore)
As at 1st April 2017	13	1,691.30
Changes in equity share capital during the year*		563.77
As at 31st March 2018		**2,255.07**

* During the financial year 2017-18 the Company has issued 56,37,67,733 bonus shares in the ratio of one equity share of ₹ 10 each for every three equity shares held by equity shareholders.

B. Other Equity (Refer Note No.14)

For The Year Ended 31st March 2019

(₹ in Crore)

Particulars	Reserve and Surplus				Other Comprehensive Income			
	Security Premium Account	Bond Redemption Reserves	General Reserves	Transition Reserve	Net (loss)/ gain on FVTOCI of Equity Shares	Net movement on cash flow hedges (loss)/ gain	Retained Earnings	Total
Balance as at 1st April 2018	0.27	59.87	4,251.21	6,084.44	(906.79)	(150.90)	28,734.95	38,073.05
Profit for the Year							6,025.67	6,025.67
Re-measurement gains on defined benefit plans (net of tax)							40.46	40.46
Transfer to Reserve during the year		14.97	602.57				(617.54)	-
Transfer from Reserve during the year		-					-	-
Issue of Bonus Shares			-					-
Interim Dividend							(1,409.41)	(1,409.41)
Final Dividend							(324.73)	(324.73)
Corporate Dividend Tax							(356.46)	(356.46)
Other Comprehensive Income/(loss) for the Year								-
- Net gain/ (loss) on FVTOCI of equity shares					(556.28)			(556.28)
- Net movement on cash flow hedges gain/ (loss)						345.57		345.57
Balance as at 31st March 2019	**0.27**	**74.84**	**4,853.78**	**6,084.44**	**(1,463.07)**	**194.67**	**32,092.94**	**41,837.87**

For The Year Ended 31st March, 2018

(₹ in Crore)

Particulars	Reserve and Surplus				Other Comprehensive Income			
	Security Premium Account	Bond Redemption Reserves	General Reserves	Transition Reserve	Net (loss)/ gain on FVTOCI of Equity Shares	Net movement on cash flow hedges (loss)/ gain	Retained Earnings	Total
Balance as at 1st April 2017	0.27	337.18	4,353.14	6,084.44	(665.65)	-	26,348.69	36,458.07
Profit for the year							4,618.41	4,618.41
Re-measurement gains on defined benefit plans (net of tax)							55.41	55.41
Transfer to Reserve during the year		35.19	461.84				(497.03)	-
Transfer from Reserve during the year		(312.50)					312.50	-
Issue of Bonus Shares			(563.77)					(563.77)
Interim Dividend							(1,293.85)	(1,293.85)
Final Dividend							(456.65)	(456.65)
Corporate Dividend Tax							(352.53)	(352.53)
Other Comprehensive Income/(loss) for the Year								-
-Net gain/ (loss) on FVTOCI of equity shares					(241.14)			(241.14)
-Net movement on cash flow hedges gain/ (loss)						(150.90)		(150.90)
Balance as at 31st March, 2018	**0.27**	**59.87**	**4,251.21**	**6,084.44**	**(906.79)**	**(150.90)**	**28,734.95**	**38,073.05**

For and on behalf of the Board of Directors

A. K. Jha	A. K. Tiwari	Dr. Ashutosh Karnatak	B. C. Tripathi
Company Secretary	Director (Finance)	Director (Projects)	Chairman & Managing Director
(M. No. 18644)	(DIN: 07654612)	(DIN: 03267102)	(DIN: 01657366)

As per our separate Report of even date

For O. P. Bagla & Co LLP	For ASA & Associates LLP
Chartered Accountants	Chartered Accountants
Firm No.00018N/N500091	Firm No.009571N/N500006
Rakesh Kumar	Parveen Kumar
(Partner) Membership No.087537	(Partner) Membership No.088810

Place : New Delhi
Dated : 27th May, 2019

GAIL (India) Limited, New Delhi
Standalone Cash Flow Statement For the Financial Year Ended 31st March 2019

(₹ in Crore)

	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	1 Profit Before Tax	**9,084.82**	**6,958.37**
	2 Adjustments for :		
	Depreciation and amortisation expenses	1,550.22	1,415.14
	Exchange Rate Variation on Foreign Currency Loan/Advance	55.42	29.05
	Finance Cost	138.54	275.11
	Dividend Income on Investments	(247.49)	(227.14)
	Dividend Income from Related Party	(339.64)	(183.64)
	Interest Income	(445.10)	(327.81)
	Gain on Sale of Investments	(31.06)	(5.83)
	MTM (gain)/loss on Mutual fund Investment	0.47	(0.47)
	Re measurement (gain)/loss on defined benefit plans	62.20	85.18
	Provision for Employees Benefits	(33.06)	(101.46)
	Provision for Probable Obligations	29.97	16.43
	Provision for Doubtful Debts	42.05	(33.02)
	Other Provisions	6.09	(4.54)
	Amortization of Govt. Grant	(8.23)	(0.35)
	(Profit) / Loss on Sale of Assets (Net)	11.01	24.35
	Provision for Impairment Loss/ CWIP	11.58	100.07
	MTM loss on Commodity Derivative (Net)	44.99	79.25
	Dry Well Expenses written off	21.88	26.80
	Exceptional item-Provision/(Reversal) for Impairment (Net)	326.33	(27.69)
	Sub total (2)	**1,196.17**	**1,139.43**
	3 Operating Profit Before Working Capital Changes (1+2)	**10,280.99**	**8,097.80**
	4 Changes in Working Capital (Excluding Cash and Cash Equivalents)		
	Trade and Other Receivables	(534.54)	606.77
	Inventories	(402.81)	(219.29)
	Trade and Other Payable	609.13	1,498.88
	Changes in Working Capital (Excluding Cash and Cash Equivalents)	**(328.22)**	**1,886.36**
	5 Cash Generated from Operations (3+4)	**9,952.77**	**9,984.16**
	6 Direct Taxes Paid	(2,076.43)	(1,321.56)
	Net Cash flow from Operating Activities (5+6)	**7,876.34**	**8,662.60**
B)	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets/ CWIP	(7,239.16)	(2,945.55)
	Sale of Fixed Assets	36.93	3.09
	Receipt of Government Grants (Capital Grant)	1,208.04	401.43
	Investment in Mutual Funds	(30,935.00)	(5,713.00)
	Sale of Mutual Funds	31,347.06	5,337.83
	Investment in Other Companies	(681.20)	(424.71)
	Loans & Advances - Related Parties	(213.13)	36.72
	Interest Received	452.73	325.46
	Dividend Received on Investment	247.49	227.14
	Dividend Received from Related Party	339.64	183.64
	Net Cash flow from Investing Activities	**(5,436.60)**	**(2,567.95)**

(₹ in Crore)

	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
C)	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of Long term Borrowings	(1,134.83)	(3,011.59)
	Dividend & Dividend Tax Paid	(2,088.56)	(2,102.67)
	Finance Cost Paid	(141.65)	(356.19)
	Net Cash Flow from Financing Activities	**(3,365.04)**	**(5,470.45)**
	Net Increase in Cash and Cash Equivalents (A+B+C)	**(925.30)**	**624.20**
	Cash and Cash equivalent at the begining of the year	1,076.08	451.88
	Cash and Cash equivalent at the closing of the year	150.78	1,076.08

Note:

1 Cash Flow Statement has been prepared using Indirect Method as per Ind AS 7-Statement of Cash Flows

2 Refer Note 11 for Cash and Cash equivalents

3 Previous year's figures have been regrouped wherever necessary to correspond with current year's classification/disclosure

For and on behalf of the Board of Directors

A. K. Jha	A. K. Tiwari	Dr. Ashutosh Karnatak	B. C. Tripathi
Company Secretary	Director (Fin ance)	Director (Projects)	Chairman & Managing Director
(M. No. 18644)	(DIN: 07654612)	(DIN: 03267102)	(DIN: 01657366)

As per our separate Report of even date

For O. P. Bagla & Co LLP	For ASA & Associates LLP
Chartered Accountants	Chartered Accountants
Firm No. 00018N/N500091	Firm No. 009571N/N500006
Rakesh Kumar	Parveen Kumar
(Partner) Membership No.087537	(Partner) Membership No.088810

Place : New Delhi
Dated : 27th May, 2019

NOTE 1 A: Corporate Information & Significant Accounting Policies

Corporate Information

GAIL (India) Limited ("GAIL" or "the company") is a limited company domiciled in India and was incorporated on August 16, 1984. Equity shares of the Company are listed in India on the Bombay Stock Exchange and the National Stock Exchange. Also Global Depository Receipts (GDRs) of the company are listed at London Stock Exchange. The Government of India holds 52.19% in the paid-up equity capital of the company as on 31st March 2019. The registered office of the Company is located at 16, Bhikaiji Cama Place, R K Puram, New Delhi- 110066.

GAIL is the largest state-owned natural gas processing and distribution company in India. The company has a diversified business portfolio and has interests in the sourcing and trading of natural gas, production of LPG, Liquid hydrocarbons and petrochemicals, transmission of natural gas and LPG through pipelines, etc. GAIL has also participating interest in India and overseas in Oil and Gas Blocks.

The financial statements of the company for the year ended 31st March 2019 were authorized for issue in accordance with a resolution of the Board of Directors on 27th May 2019.

Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements have been prepared as a going concern on accrual basis of accounting. The company has adopted historical cost basis for assets and liabilities except for certain items which have been measured on a different basis and such basis is disclosed in the relevant accounting policy.

The financial statements are presented in Indian Rupees (INR) and the values are rounded to the nearest crore (INR 0,000,000), except when otherwise indicated.

1. Accounting Policies

1.1 Property, Plant and Equipment (PPE)

A. Tangible Assets

(i) Property, Plant and Equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation/ amortization and cumulative impairment losses. All costs relating to acquisition of fixed assets till commissioning of such assets are capitalized. In the case of commissioned assets where final payment to the Contractors is pending, capitalization is made on provisional basis, including provisional liability pending approval of Competent Authority, subject to necessary adjustment in cost and depreciation in the year of settlement.

(ii) Stores & Spares which meet the definition of PPE (whether as component or otherwise) and satisfy the recognition criteria, are capitalized as PPE in the underlying asset. Major inspection/overhaul/repair is recognized in the carrying amount of respective assets as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

(iii) Technical know-how/license fee incurred at the time of procurement of PPE are capitalized as part of the underlying asset.

B. Intangible Assets

(iv) Intangible assets like Right of Use (RoU), Software, Licenses which are expected to provide future enduring economic benefits are capitalized as Intangible Assets and are stated at their cost of acquisition less accumulated amortization and any accumulated impairment loss.

1.2 Capital Work in Progress

(i) Crop compensation is accounted for under Capital Work-in-Progress on the basis of actual payments/estimated liability, as and when work commences where RoU is acquired.

(ii) The capital work in progress includes Construction Stores including Material in Transit/ Equipment / Services, etc. received at site for use in the projects.

(iii) All revenue expenses incurred during Construction Period, which are exclusively attributable to acquisition / construction of the asset, are capitalized at the time of commissioning of such assets.

1.3 Exploration and Development Costs

a. The Company follows Successful Efforts Method for accounting of Oil & Gas exploration and production activities carried out through Joint Ventures in the nature of Production Sharing Contracts (PSC) with respective host government and various body corporates for exploration, development and production activities, which includes:

(i) Survey Costs are recognized as revenue expenditure in the year in which these are incurred.

(ii) Cost of exploratory/development wells are carried as Intangible assets under development/Capital work in progress. Such exploratory wells in progress are capitalized in the year in which the Producing Property is created. Such costs are written off in the year when determined to be dry / abandoned.

(iii) Cost of all "exploratory wells in progress" is debited to Statement of Profits and Loss except of those wells for which there are reasonable indications of sufficient quantity of reserves and the enterprise is making sufficient progress assessing the reserves and the economic and operating viability of the project.

b. Capitalization of Producing Properties

(i) Producing Properties are capitalized as "completed wells / producing wells" when the wells in the area / field are ready to commence commercial production on establishment of proved developed oil and gas reserves.

(ii) Cost of Producing Properties includes cost of successful exploratory wells, development wells, initial depreciation of support equipments& facilities and estimated future abandonment cost.

c. Depletion of Producing Properties

Producing Properties are depleted using the "Unit of Production Method (UOP)". The depletion or unit of production charged for all the capitalized cost is calculated in the ratio of production during the year to the proved developed reserves at the year end.

d. Production cost of Producing Properties

Company's share of production costs as indicated by Operator consists of pre well head and post well head expenses including depreciation and applicable operating cost of support equipment and facilities.

e. Accounting for joint operations

In relation to its interests in joint operations entered through Production Sharing Contracts (PSC), the company recognizes its proportionate share in assets, liabilities, revenue from the sale of the output, expenses of the joint operation entity, in the financial statements.

1.4 Foreign Currency Transaction

(i) Functional Currency of the Company is Indian Rupee (INR).

(ii) Transactions in foreign currency are initially accounted at the exchange rate prevailing on the transaction date.

(iii) Monetary items (such as Cash, Receivables, Loans, Payables, etc.) denominated in foreign currencies, outstanding at the year end, are translated at exchange rates (BC Selling Rate for Payables and TT Buying Rate for Receivables) prevailing at year end.

(iv) Non-monetary items (such as Investments, Property plant and equipment, etc.), denominated in foreign currencies are accounted at the exchange rate prevailing on the date of transaction(s).

(v) Any gains or loss arising on account of exchange difference either on settlement or on translation is adjusted in the Statement of Profit & Loss.

(vi) Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item arising on determination of fair value of such item, either in other comprehensive income or the Statement of Profit and Loss as the case maybe.

1.5 Borrowing Cost

Borrowing cost of the funds specifically borrowed for the purpose of obtaining qualifying assets and eligible for capitalization along with the cost of the assets, is capitalized up to the date when the asset is ready for its intended use after netting off any income earned on temporary investment of such funds. Other borrowing costs are recognized as expense in the year of incurrence.

1.6 Grants

Government Grants are not recognized until there is reasonable assurance

that the Company will comply with conditions attached to them and the grants will be received.In case of depreciable assets, the cost of the assets is shown at gross value and grant thereon is taken to deferred income which is recognised as income in the Statement of Profit and Loss over the useful life of the asset.Grants related to non-depreciable assets may also require the fulfilment of certain obligations and would then be recognised in profit or loss over the periods that bear the cost of meeting the obligations.

1.7 Non Current Assets held for Sale:

Non-current assets or disposable groups classified as held for sale are measured at the lower of carrying amount and fair value less cost to sale. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Non-current assets or disposable groups are classified as held for sale if their carrying amount will be recovered principally through a sale rather than through continuing use. Management must be committed to the sale expected within one year from the date of classification. Action required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

PPE and Intangible assets once classified as held for sale are not depreciated or amortised.

1.8 Inventories

a) Stock of Liquefied Natural Gas (LNG) and Natural Gas in pipelines is valued at cost on First in First out (FIFO) basis or net realizable value, whichever is lower.

b) Raw materials and finished goods are valued at weighted average cost or net realizable value, whichever is lower. Finished goods include excise duty and royalty wherever applicable.

c) Stock in process is valued at weighted average cost or net realisable value, whichever is lower. It is valued at weighted average cost where the finished goods in which these are to be incorporated are expected to be sold at or above the weighted average cost.

d) Stores and spares and other material for use in production of inventories are valued at weighted average cost or net realisable value, whichever is lower. It is valued at weighted average cost where the finished goods in which they will be incorporated are expected to be sold at/or above cost.

e) Surplus / Obsolete Stores and Spares are valued at cost or net realisable value, whichever is lower.

f) Surplus / Obsolete Capital Stores, other than held for use in construction of a capital asset, are valued at lower of cost or net realisable value.

g) Imported LNG in transit is valued at CIF value or net realizable value whichever is lower.

h) Renewable Energy Certificates (RECs) are valued at cost on First in First out (FIFO) basis or net realizable value, whichever is lower.

1.9 Revenue recognition

Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. The Company has applied the modified retrospective approach on transition to Ind AS 115.

1. Revenue is recognized to depict the transfer of control of promised goods or services to customers upon the satisfaction of performance obligation under the contract in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Consideration includes contributions by customers towards assets over which Company has control.
2. Where performance obligation is satisfied over time, company recognizes revenue using input/ output method based on performance completion till reporting date. Where performance obligation is satisfied at a point in time, company recognizes revenue when customer obtains control of promised goods and services in the contract.
3. The Company uses output method in accounting for the revenue in respect of sale of services. Use of output method requires the Company to recognize revenue based on performance completion till date e.g. time elapsed. The estimates are assessed continually during the term of the contract and the company re-measures its progress towards complete satisfaction of its performance obligations satisfied over time at the end of each reporting period.
4. Company updates its estimated transaction price at each reporting period, to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period including penalties, discounts and damages etc.
5. Insurance claims are accounted for on the basis of claims admitted by the insurers.
6. Claims (including interest on delayed realization from customers) are accounted for, when there is significant certainty that the claims are realizable.
7. Liability in respect of Minimum Guaranteed Offtake (MGO) of Natural gas is not provided for where the same is secured by MGO recoverable from customers. Payments/receipts during the year on account of MGO are adjusted on receipt basis.
8. Minimum charges relating to transportation of LPG are accounted for on receipt basis.
9. In terms of the Gas Sales Agreement with the customers, amount received towards Annual Take or Pay Quantity (ATOPQ) of Gas is accounted for on the basis of realization and shown as liability till make up Gas is delivered to customer as per the contract.

1.10 Depreciation /Amortisation

A. Tangible Assets

Depreciation on Tangible PPE (including enabling assets) is provided in accordance with the manner and useful life as specified in Schedule II of the Companies Act, 2013, on straight line method (SLM) on pro-rata basis (monthly pro-rata for bought out assets), except for the assets as mentioned below where different useful life has been taken on the basis of external / internal technical evaluation:

Particulars	Years
Furniture and Electrical Equipment's provided for the use of employees	6 years
Mobile Phones provided for the use of employees	2 years

(I) Cost of the leasehold land is amortised over the lease period except perpetual leases.

(ii) Depreciation due to price adjustment in the original cost of fixed assets is charged prospectively.

B. Intangible Assets

(i) Intangible assets comprising software and licences are amortised on Straight Line Method (SLM) over the useful life from the date of capitalization which is considered not exceeding five years.

Right of Use (RoU) having indefinite life (for which there is no foreseeable limit to the period over which they are expected to generate net cash flows given the fact that these rights can be used even after the life of respective pipelines) are not amortized, but are tested for impairment annually.

(ii) After impairment of assets, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

C. Capital assets facilities installed at the consumers' premises

Capital assets facilities installed at the consumers' premises on the land whose ownership is not with the company, has been depreciated on SLM basis in accordance with the useful life as specified in Schedule II of the Companies Act, 2013.

1.11 Employees Benefits

(a) All short term employee benefits are recognized at the undiscounted amount in the accounting period in which they are incurred.

(b) The Company's contribution to the Provident Fund is remitted to a separate trust established for this purpose based on a fixed percentage of the eligible employee's salary and debited to Statement of Profit and Loss / CWIP. Further, the company makes provision as per actuarial valuation towards any shortfall in fund assets to meet statutory rate of interest in the future period, to be compensated by the company to the Provident Fund Trust.

(c) Employee Benefits under Defined Benefit Plans in respect of post-retirement medical scheme and gratuity are recognized based on the present value of defined benefit obligation, which is computed on the basis of actuarial valuation using the Projected Unit Credit Method. Actuarial liability in excess of respective plan assets is recognized during the year.

(d) Obligations on other long term employee benefits, viz., leave encashment, Compensated absence and Long Service Awards are provided using the Projected Unit Credit method of actuarial valuation made at the end of the year.

(e) Re-measurement including actuarial gains and losses are recognized in the balance sheet with a corresponding debit or credit to retained earnings through Statement of Profit and Loss or Other Comprehensive Income in the year of occurrence, as the case may be. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

(f) The Company also operates a defined contribution scheme for Pension benefits for its employees and the contribution is remitted to a separate Trust.

(g) Liability for gratuity as per actuarial valuation is funded with a separate trust.

1.12 Impairment of non-financial assets

The Carrying amount of cash generating unit are reviewed at each reporting date. In case there is any indication of impairment based on Internal / External factors, impairment loss is recognized wherever the carrying amount of asset exceeds its recoverable amount.

1.13 Provisions, Contingent Liabilities, Contingent Assets & Capital Commitments

(a) Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities/assets exceeding Rs. 5 Lacs in each case are disclosed by way of notes to accounts except when there is remote possibility of settlement/realization.

(b) Estimated amount of contracts remaining to be executed on capital accounts are disclosed each case above Rs. 5 lacs.

1.14 Taxes on Income

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period.

Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes considering the tax rate and tax laws that have been enacted or substantively enacted as on the reporting date.

Deferred tax relating to items recognized outside Statement of Profit and Loss is recognized outside Statement of Profit and Loss (either in Other Comprehensive Income or in Equity).

The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

1.15 R&D Expenditure

Revenue expenditure on Research and Development is charged to Statement of Profit and Loss in the year in which it is incurred. Capital expenditure on Research and Development is capitalized in case the same qualifies as asset.

1.16 Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

1.17 Segment reporting

The Management of the company monitors the operating results of its business Segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products / services.

a) Segment revenue includes directly identifiable with/allocable to the segment including inter-segment revenue.

b) Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result.

c) Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.

d) Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.

e) Segment assets including CWIP and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

1.18 Earning per share

Basic earnings per equity share is computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

1.19 Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

(A) Company as a lessee

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on straight line basis. However, rent expenses shall not be straight-lined, if escalation in rentals is in line with expected inflationary cost.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the Statement of Profit and Loss.

(B) Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee.

(C) Lease Land

Land having lease term of 70 year and above are accounted as finance leases which are recognized at upfront premium paid for the lease and the present value of the lease rent obligation. The corresponding liability is recognized as a finance lease obligation. Land having lease term of below 70 year are treated as operating leases.

1.20 Liquidated damages/ Price Reduction Schedule

Amount recovered towards Liquidated Damages/PriceReduction Schedule are adjusted/appropriated as and when the matter is settled.

1.21 Cash Flow Statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Indian Accounting Standard (Ind AS) 7 on 'Statement of Cash Flows'.

1.22 Fair value measurement

The Company measures financial instruments including derivatives and specific investments (other than subsidiary, joint venture and associates), at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

(ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

(iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred

between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.23 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(A) Financial assets

(i) Classification

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through Statement of Profit and Loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(ii) Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

(iii) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

(a) Financial assets carried at amortised cost

A financial asset other than derivatives and specific investments, is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income

A financial asset other than derivatives comprising specific investment is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

c) Financial assets at fair value through Statement of Profit and Loss

A financial asset comprising derivatives which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Derecognition

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(v) Investment in subsidiaries, joint ventures and associates

The company has accounted for its investment in subsidiaries, joint ventures and associates at cost. The company assesses whether there is any indication that these investments may be impaired. If any such indication exists, the investment is considered for impairment based on the fair value thereof.

(vi) Impairment of other financial assets

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables or contract revenue receivables and all lease receivables etc.

(B) Financial liabilities

(i) Classification

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through Statement of Profit and Loss. Such liabilities, including derivatives shall be subsequently measured at fair value.

(ii) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

(iii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(a) Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(b) Financial liabilities at fair value through Statement of Profit and Loss

Financial liabilities at fair value through Statement of Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through Statement of Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category comprises derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

(iv) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

(C) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously

(D) Derivative financial instruments and Hedge Accounting

The Company uses derivative financial instruments, in form of forward currency contracts, interest rate swaps, cross currency interest rate swaps, commodity swap contracts to hedge its foreign currency risks, interest rate risks and commodity price risks.

(i) Derivatives Contracts not designated as hedging instruments

- The derivatives that are not designated as hedging instrument under Ind AS 109, are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.
- Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

(ii) Derivatives Contracts designated as hedging instruments

- The derivatives that are designated as hedging instrument under Ind AS 109 to mitigate its risk arising out of foreign currency and commodity hedge transactions are accounted for as cash flow hedges.
- The Company enters into hedging instruments in accordance with policies as approved by the Board of Directors, provide written principles which is consistent with the risk management strategy of the Company.

- The hedge instruments are designated and documented as hedges at the inception of the contract. The effectiveness of hedge instruments is assessed and measured at inception and on an ongoing basis. The effective portion of change in the fair value of the designated hedging instrument is recognized in the "Other Comprehensive Income" as "Cash Flow Hedge Reserve". The ineffective portion is recognized immediately in the Statement of Profit and Loss as and when occurs. The amount accumulated in Cash Flow Hedge Reserve is reclassified to profit or loss in the same period(s) during which the hedged item affects the Statement of Profit or Loss Account. In case the hedged item is the cost of non- financial assets / liabilities, the amount recognized as Cash Flow Hedge Reserve are transferred to the initial carrying amount of the non-financial assets / liabilities.
- If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in Cash Flow Hedging Reserve remains in Cash Flow Hedging Reserve till the period the hedge was effective. The cumulative gain or loss previously recognized in the Cash Flow Hedging Reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

1.24 Recent accounting pronouncements - Standards issued but not yet effective:

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 amending the following standard. Several other amendments and interpretations have been issued but are not yet effective.

1. IndAS 116-Leases

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less).

At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company will implement Ind AS 116 from 1 April 2019 by applying the modified retrospective approach, meaning that the comparative figures in the financial statements for the year ending 31st March 2019 will not be restated to show the impact of Ind AS 116.

The operating leases which will be recorded on the balance sheet following implementation of Ind AS 116 are principally in respect of office premises, leasehold land, warehouses, plant and machinery, vehicles and other identified assets representing right to use as per contracts excluding low value assets and short term leases of 12 months or less.

The anticipated impact of the standard on the company is not yet known though is not expected to be material on the income statement or net assets though assets and liabilities will be grossed up for the net present value of the outstanding operating lease liabilities as at 1 April 2019.

2. Amendments to Ind AS 19 : Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event
- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss.

An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income.

The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 April 2019. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Company.

3. Amendments to IndAS 12: Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, the Company does not expect any effect on its financial statements.

4. Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements

NOTE-1 B: Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures, contingent liabilities/assets at the date of the standalone financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

1. Judgements

In the process of applying the Company's accounting policies, management has made the judgements, which have the most significant effect on the amounts recognized in the standalone financial statements:

1.1 Contingencies

Contingent liabilities and assets which may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involve the exercise of significant judgements and the use of estimates regarding the outcome of future events.

2. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company determines its assumptions and estimates on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

2.1 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

2.2 Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.3 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.4 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgements in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Impairment of investment in subsidiaries, joint ventures or associates is based on the impairment calculations using discounted cash flow/net asset value method, valuation report of external agencies, Investee Company's past history etc.

Note 2 - Property, Plant and Equipment for the year ended 31st March 2019

(₹ in Crore)

Particulars	Gross Block					Depreciation				Impairment Loss**			Net Block
	As at 1st April 2018	Additions during the year	Acquisition from AUC	Disposals /Adj during the year	As at 31st March 2019	As at 1st April 2018	For the year	Disposals /Adj during the year	As at 31st March 2019	As at 1st April 2018	For the Year	As at 31st March 2019	As at 31st March 2019
Land : Freehold	333.51	19.45	82.74	-	435.70	-	-	-	-	-	-	-	435.70
Land : Leasehold	106.12	8.86	2.59	(0.69)	116.88	2.55	1.89	0.14	4.58	-	-	-	112.30
Building : Office/Others	769.04	9.11	57.33	3.39	838.87	99.13	37.95	5.00	142.08	-	-	-	696.79
Building : Residential	277.67	12.49	21.29	(0.52)	310.93	32.28	11.62	(0.09)	43.80	-	-	-	267.13
Bunk Houses	1.00	0.20	1.11	0.07	2.38	0.77	0.49	0.07	1.33	-	-	-	1.05
Plant and Machinery*	28,500.37	294.70	2,923.75	181.12	31,899.94	3,358.64	1,297.24	225.43	4,881.32	15.55	19.37	34.91	26,983.71
Railway Lines & Sidings	0.27	-	-	-	0.27	-	-	-	-	-	-	-	0.27
Electrical Equipments	348.54	15.17	7.82	(0.21)	371.32	111.76	42.71	0.98	155.45	-	-	-	215.87
Furniture & Fixtures	129.58	9.42	5.98	(2.26)	142.72	32.85	15.00	(1.34)	46.51	-	-	-	96.21
Office Equipments	190.11	10.56	8.19	10.53	219.39	86.01	27.54	11.02	124.57	-	-	-	94.82
Other Equipments	150.16	28.64	5.61	(7.44)	176.97	58.95	25.03	(6.36)	77.62	-	-	-	99.35
Transport Equipments	6.43	2.15	-	(0.01)	8.57	2.26	0.89	-	3.14	-	-	-	5.43
E&P Assets				-									
Producing Property	973.05	-	-	-	973.05	250.16	51.96	-	302.13	-	-	-	670.92
Support Equipment & Facilities	4.72	-	-	-	4.72	1.02	0.34	-	1.35	-	-	-	3.37
Total	**31,790.56**	**410.75**	**3,116.41**	**183.98**	**35,501.71**	**4,036.37**	**1,512.66**	**234.85**	**5,783.88**	**15.55**	**19.37**	**34.91**	**29,682.92**

Note: During the financial year 2018-19, an amount of ₹ 26.23 crore has been capitalised towards Research & Development

*It includes LPG pipeline and other associated facilities amounting to ₹ 2.63 crore, Board in its meeting dated 5th February, 2019 approved the transfer of pipeline to Hindustan Petroleum Corporation Limited (HPCL) at book value on the applicable date of transfer

** Refer Note No. 47 for impairment of assets.

Note 2 - Property, Plant and Equipment for the year ended 31st March 2018

(₹ in Crore)

Particulars	Gross Block					Depreciation				Impairment Loss**			Net Block
	As at 1st April 2017	Additions during the year	Acquisition from AUC	Disposals /Adj during the year	As at 31st March 2018	As at 1st April 2017	For the year	Disposals /Adj during the year	As at 31st March 2018	As at 1st April 2017	For the Year	As at 31st March 2018	As at 31st March 2018
Land : Freehold	231.01	54.56	50.88	(2.94)	333.51	- -	-			-	-	-	333.51
Land : Leasehold	86.80	0.14	17.11	2.07	106.12	(0.73)	1.21	2.07	2.55	-	-	-	103.57
Building : Office/Others	725.67	5.35	27.95	10.07	769.04	52.88	35.37	10.88	99.13	-	-	-	669.91
Building : Residential	264.59	0.20	6.92	5.96	277.67	15.28	11.04	5.96	32.28	-	-	-	245.39
Bunk Houses	0.66	-	0.09	0.25	1.00	0.25	0.27	0.25	0.77	-	-	-	0.23
Plant and Machinery	27,143.98	330.51	817.32	208.56	28,500.37	1,930.34	1,170.50	257.80	3,358.64	15.28	0.27	15.55	25,126.18
Railway Lines & Sidings	0.27	-	-	-	0.27	-	-	-	-	-	-	-	0.27
Electrical Equipments	310.04	16.17	14.91	7.42	348.54	61.88	41.91	7.96	111.76	-	-	-	236.78
Furniture & Fixtures	109.07	8.66	6.31	5.54	129.58	12.98	13.87	6.00	32.85	-	-	-	96.73
Office Equipments	108.60	25.18	29.64	26.69	190.11	29.94	29.06	27.01	86.01	-	-	-	104.10
Other Equipments	116.98	14.95	9.49	8.74	150.16	25.45	24.15	9.35	58.95	-	-	-	91.21
Transport Equipments	5.24	0.76	-	0.43	6.43	1.14	0.68	0.44	2.26	-	-	-	4.17
E&P Assets						-							
Producing Property	973.06	-	-	(0.01)	973.05	172.51	77.66	(0.01)	250.16	-	-	-	722.89
Support Equipment & Facilities	4.72	-	-	-	4.72	0.67	0.34	0.01	1.02	-	-	-	3.70
Total	**30,080.67**	**456.49**	**980.62**	**272.78**	**31,790.56**	**2,302.60**	**1,406.06**	**327.71**	**4,036.37**	**15.28**	**0.27**	**15.55**	**27,738.64**

Note: During the previous financial year 2017-18, an amount of ₹ 11.64 crore has been capitalised towards Research & Development

** Refer Note No. 47 for impairment of assets.

Note 3- Capital Work in Progress for the year ended 31st March 2019

(₹ in Crore)

Particulars	Gross Block					Provision and Impairment			Net Block
	As at 1st April 2018	Additions during the year	Capitalization during the year	Retirement/ Transfer	As at 31st March 2019	As at 1st April 2018	For the year	As at 31st March 2019	As at 31st March 2019
A. Tangible									
Plant & Machinery									
Linepipe Construction and related facilities	3,725.55	3,513.07	(3,163.37)	(7.00)	4,068.25	138.13	(27.37)	110.77	3,957.48
Despatch/Receiving Terminals	16.01	4.90	(5.35)	-	15.56	-	-	-	15.56
Compressor Stations	40.02	20.72	(50.74)	-	10.00	-	-		10.00
Telecom/Telesupervisory System	0.44	4.16	(1.63)	-	2.97		-		2.97
Others	141.25	285.69	(190.17)	(2.17)	234.60	-	-		234.60
Petrochemicals	6.58	18.12	(9.05)		15.65	-	-		15.65
Exploratory Well in Progress	245.17	(31.49)	-	(5.34)	208.34	76.02	40.34	116.37	91.97
Development well in Progress	13.14	46.86	-	-	60.00	9.95	-	9.95	50.05
Buildings	33.13	53.44	(46.25)	-	40.32	5.28	-	5.28	35.04
Linepipes, Capital Items in Stock/Transit	1,523.02	3,275.23	(2.26)	-	4,795.99	11.30	(1.40)	9.90	4,786.10
B. Intangible	10.38	7.59	(14.93)	-	3.04				3.04
Total	**5,754.70**	**7,198.29**	**(3,483.75)**	**(14.51)**	**9,454.72**	**240.68**	**11.57**	**252.27**	**9,202.46**

Note 3- Capital Work in Progress for the year ended 31st March 2018

(₹ in Crore)

Particulars	Gross Block					Provision and Impairment			Net Block
	As at 1st April 2017	Additions during the year	Capitalization during the year	Retirement/ Transfer	As at 31st March 2018	As at 1st April 2017	For the year	As at 31st March 2018	As at 31st March 2018
A. Tangible									
Plant & Machinery									
Linepipe Construction and related facilities	1,931.69	2,657.33	(861.76)	(1.71)	3,725.55	124.52	13.61	138.13	3,587.42
Despatch/Receiving Terminals	14.62	2.72	(1.33)	-	16.01	-	-	-	16.01
Compressor Stations	66.83	13.46	(40.27)	-	40.02	-	-	-	40.02
Telecom/Telesupervisory System	28.67	(7.81)	(20.42)	-	0.44	-	-	-	0.44
Others	151.46	155.06	(165.27)	-	141.25	-	-	-	141.25
Petrochemicals	131.06	13.16	(137.64)	-	6.58	-	-	-	6.58
Exploratory Well in Progress	218.19	29.77	(2.79)	-	245.17	-	76.02	76.02	169.15
Development well in Progress	11.37	1.77	-	-	13.14	-	9.95	9.95	3.19
Buildings	32.15	30.97	(29.99)	-	33.13	5.28	-	5.28	27.85
Linepipes, Capital Items in Stock/Transit	1,325.92	198.68	(1.58)	-	1,523.02	10.81	0.49	11.30	1,511.72
B. Intangible	32.05	13.11	(34.77)	-	10.38				10.38
Total	**3,944.01**	**3,108.22**	**(1,295.81)**	**(1.71)**	**5,754.70**	**140.61**	**100.07**	**240.68**	**5,514.02**

Note 4 - Intangible Assets for the year ended 31st March 2019

(₹ in Crore)

Particulars	Gross Block					Amortisation				Net Block
	As at 1st April 2018	Additions during the year	Acquisition from AUC	Disposals/Adj during the year	As at 31st March 2019	As at 1st April 2018	For the year	Disposals/Adj during the year	As at 31st March 2019	As at 31st March 2019
Right of Use	988.82	4.10	347.84	0.15	1,340.91	0.07	-	0.15	0.22	1,340.69
Softwares / Licences	96.27	0.13	19.50	1.63	117.53	33.89	19.53	1.63	55.05	62.48
Total	**1,085.09**	**4.23**	**367.34**	**1.78**	**1,458.44**	**33.96**	**19.53**	**1.78**	**55.27**	**1,403.17**

Note 4 - Intangible Assets for the year ended 31st March 2018

(₹ in Crore)

Particulars	Gross Block					Amortisation				Net Block
	As at 1st April 2017	Additions during the year	Acquisition from AUC	Disposals/Adj during the year	As at 31st March 2018	As at 1st April 2017	For the year	Disposals/Adj during the year	As at 31st March 2018	As at 31st March 2018
Right of Use	721.23	2.09	265.49	0.01	988.82	0.05	-	0.02	0.07	988.75
Softwares / Licences	46.51	0.08	46.93	2.75	96.27	24.30	9.77	(0.18)	33.89	62.38
Total	**767.74**	**2.17**	**312.42**	**2.76**	**1,085.09**	**24.35**	**9.77**	**(0.16)**	**33.96**	**1,051.13**

Note 5 - Investments Non-Current

(₹ in Crore)

Sr. No.	Particulars	As at 31st March, 2019		As at 31st March, 2018	
		Number of Shares	Amount	Number of Shares	Amount
(a)	**Investment in Subsidiary companies In equity shares Unquoted, fully paid at Cost**				
1	- GAIL Global (Singapore) Pte. Ltd.	71,00,000 (USD 1 each)	41.94	71,00,000 (USD 1 each)	41.94
2	- GAIL Gas Ltd.	1,12,70,00,000 (₹ 10 each)	1,127.00	87,70,00,000 (₹ 10 each)	877.00
3	- Gail Global USA Inc.	3,60,00,000 (USD 1 each)	179.17	3,60,00,000 (USD 1 each)	179.17
	Less: Provision for Impairment Loss (Refer Note No. 48 (iv))		(173.62)		-
4	- Tripura Natural Gas Company Ltd.	1,92,000 (₹ 100 each)	1.92	1,92,000 (₹ 100 each)	1.92
	Sub total (a)		**1,176.41**		**1,100.03**

(₹ in Crore)

Sr. No.	Particulars	As at 31st March, 2019		As at 31st March, 2018	
		Number of Shares	Amount	Number of Shares	Amount
(b)	**In Joint Venture Companies: In equity shares Unquoted, at Cost**				
1	- Ratnagiri Gas and Power Pvt. Ltd	83,45,56,046 (₹ 10 each)	834.56	83,45,55,636 (₹ 10 each)	834.56
	Less: Provision for Impairment Loss (Refer Note No. 48(iii))		(775.03)		(617.11)
2	- Konkan LNG Private Limited (13,97,52,264 equity shares of ₹ 10 each fully paid up and 26,00,16,509 equity shares of ₹ 10 each, ₹ 5.5 partly paid up)	39,97,68,773 (₹ 10 each)	282.76	13,97,52,264 (₹ 10 each)	139.75
	Less: Provision for Impairment Loss (Refer Note No. 48(ii))		(137.57)		(139.75)
3	- Central UP Gas Ltd.	1,50,00,000 (₹ 10 each)	15.00	1,50,00,000 (₹ 10 each)	15.00
4	- Green Gas Ltd.	2,30,42,250 (₹ 10 each)	23.04	2,30,42,250 (₹ 10 each)	23.04
5	- Maharashtra Natural Gas Ltd.	2,25,00,000 (₹ 10 each)	22.50	2,25,00,000 (₹ 10 each)	22.50
6	- Aavantika Gas Ltd. (includes 70,57,038 equity shares allotted at a premium of ₹ 29/- per share)	2,95,57,038 (₹ 10 each)	50.02	2,95,48,663 (₹ 10 each)	49.99
7	- Bhagyanagar Gas Ltd. (includes 2,11,50,000 equity shares allotted at a premium of ₹ 40/- per share)	4,36,50,000 (₹ 10 each)	128.25	4,36,50,000 (₹ 10 each)	128.25
8	- Vadodara Gas Limited	7,91,37,831 (₹ 10 each)	79.14	7,91,37,831 (₹ 10 each)	79.14
9	- Talcher Fertilizers Ltd.	1,63,44,568 (₹ 10 each)	16.34	50,15,000 (₹ 10 each)	5.02
10	- Tapi Pipeline Company Ltd.	5,60,025 (USD 10 each)	37.16	2,65,025 (USD 10 each)	17.70
11	- Indradhanush Gas Grid Ltd	50,00,000 (₹ 10 each)	5.00	-	
	In Preference Shares Unquoted, at Cost				
1	- Konkan LNG Private Limited (10% Cumulative Compulsorily Convertible Preference Shares)	25,20,03,718 (₹ 10 each)	252.00	-	-
	Sub Total (b)		**833.17**		**558.09**

(₹ in Crore)

Sr. No.	Particulars	As at 31st March, 2019		As at 31st March, 2018	
		Number of Shares	Amount	Number of Shares	Amount
c)	**In Associate companies:** **In equity shares** **Quoted Investments at Cost**				
1	- China Gas Holding Ltd. China (acquired at a premium of HK$ 1.148 per share)	15,00,00,000 (HK$ 0.01 each)	97.37	15,00,00,000 (HK$ 0.01 each)	97.37
2	- Petronet LNG Ltd. (Includes 1,00,00,000 equity shares allotted at a premium of ₹ 5/- per share, 1:1 Bonus is issued on 05th July 2017)	18,75,00,000 (₹ 10 each)	98.75	18,75,00,000 (₹10 each)	98.75
3	- Mahanagar Gas Ltd.	3,21,02,750 (₹ 10 each)	32.10	3,21,02,750 (₹ 10 each)	32.10
4	- Indraprastha Gas Ltd. (Share split in the ratio 5:1 on 11th November 2017)	15,75,00,000 (₹ 2 each)	31.50	15,75,00,000 (₹ 2 each)	31.50
	Unquoted Investments at Cost				
1	- Brahmaputra Cracker & Polymer Ltd.	99,23,69,000 (₹ 10 each)	992.37	99,23,69,000 (₹ 10 each)	992.37
2	- Fayum Gas Company Limited (acquired at a premium of LE 478.95 per share)	19,000 (LE 100 each)	8.10	19,000 (LE 100 each)	8.10
	Less: Provision for Impairment Loss (Refer Note No. 48(i))		(0.46)		(3.48)
3	- ONGC Petro Additions Ltd.	99,49,45,000 (₹ 10 each)	994.95	99,49,45,000 (₹ 10 each)	994.95
4	Ramgundam Fertilizers & Chemical Ltd.	15,05,29,500 (₹ 10 each)	150.53	-	-
	Sub Total (c)		**2,405.21**		**2,251.66**
(d)	**Other Investments, fully paid up Quoted equity shares (Fair Value) through OCI**				
1	-Gujarat Industries Power Co. Ltd. (includes 1,90,200 Equity Shares acquired at a premium of ₹ 15/- per share)	5,70,600 (₹ 10 each)	4.06	5,70,600 (₹ 10 each)	5.54
2	- Oil and Natural Gas Corporation Ltd. (Acquired 3,42,66,845 shares of ₹ 10/-each during 1999-2000 at a price of ₹ 162.34 per Share, 1,71,33,422 bonus shares of ₹ 10/- each received during 2006-07,During the year 2010-11, 5,14,00,267 Equity shares of ₹ 10/- each were split into Equity shares of ₹ 5/- each and bonus issue of 1:1 equity shares of ₹ 5/- each after split received during 2010-11, further during the year 2016-17 bonus issue of 1:2 equity shares has been received)	30,84,01,602 (₹ 5 each)	4,920.55	30,84,01,602 (₹ 5 each)	5,483.38
	Unquoted equity shares (Fair Value) through OCI				
1	- South East Asia Gas Pipeline Company Ltd.	8,347 (USD 1 each)	175.83	8,347 (USD 1 each)	167.75
2	- Gujarat State Energy Generation Ltd.	2,07,60,000 (₹ 10 each)	3.07	2,07,60,000 (₹ 10 each)	**3.13**

(₹ in Crore)

Sr. No.	Particulars	As at 31st March, 2019		As at 31st March, 2018	
		Number of Shares	Amount	Number of Shares	Amount
	- Unquoted Equity Shares at Cost- Start-up Companies				
1	JV Foodworks Pvt. Ltd (180 equity shares acquired at a premium of ₹ 5,524.49 per share and 2909 equity shares acquired at a premium of ₹ 4,459.27 per share)	3,089 (₹ 10 each)	1.40	1,138 (₹ 10 each)	0.63
2	Bhagwandas Retail Pvt. Ltd (acquired at a premium of ₹ 8,976/- per Share)	467 (₹10 each)	0.42	-	-
3	Attentive AI Solutions Pvt. Ltd (acquired at a premium of ₹ 10,790/- per share)	1,111 (₹ 10 each)	1.20	499 (₹ 10 each)	0.60
4	Tache Technologies Pvt. Ltd (acquired at a premium of ₹ 890.98 per share)	1,307 (₹ 10 each)	0.12	-	-
5	Addverb Technologies Pvt. Ltd. (acquired at a premium of ₹ 2,574.06 per share)	2,902 (₹ 10 each)	0.75	-	-
6	Kshumat Energy Pvt Ltd (acquired at a premium of ₹ 5,990/- per share)	2,499 (₹ 10 each)	1.50	-	-
7	Sarvodaya Infotech Pvt. Ltd. (acquired at a premium of ₹ 2,240.23 per share)	2,666 (₹ 10 each)	0.60	-	-
8	Persapien Innovations Pvt. Ltd (acquired at a premium of ₹ 3,79,994.18 per share)	52 (₹ 10 each)	1.98	21 (₹ 10 each)	0.79
9	Tycheejuno Speciality Tyres Pvt. Ltd.(acquired at a premium of ₹ 13,418.57 per share)	372 (₹ 10 each)	0.50	-	-
10	VDT Pipeline Solutions Pvt. Ltd. (acquired at a premium of ₹ 22,490/- per share)	222 (₹ 10 each)	0.50	-	-
11	Featherdyne Private Limited (acquired at a premium of ₹ 8,490/- per share)	882 (₹ 10 each)	0.75		-
12	RD Grow Green India Pvt. Ltd (acquired at a premium of ₹ 752.72 per share)	1966 (₹ 10 each)	0.15	-	-
	Unquoted equity shares (Co-operative Societies) at Cost				
1	- Darpan Co-operative Housing Society Ltd., Vadodara	30 (₹ 50 each)	-	30 (₹ 50 each)	-
2	- Ashoka Apartments Co-operative Housing Society Ltd., Vadodara	50 (₹ 50 each)	-	50 (₹ 50 each)	-
3	- Sanand Members Association, Ahmedabad	400 (₹ 10 each)	-	400 (₹ 10 each)	-
4	- Green Field (B) Co-operative Housing Society Ltd., Mumbai	55 (₹ 50 each)	-	55 (₹ 50 each)	-
5	- Avillion Greenfields Co-Op Hsg. Society Ltd, Mumbai	50 (₹ 5 each)	-	50 (₹ 5 each)	-
6	- Suraj Heights A Co-Op Hsg. Society Ltd, Mumbai	50 (₹ 30 each)	-	50 (₹ 30 each)	-
7	- Sheel Jeet Co-Operative Hsg Society Ltd., Mumbai	10(₹ 5 each)	-	10(₹ 5 each)	-
	Total (d)		**5,113.38**		**5,661.82**
	Gross Total (a+b+c+d)		**9,528.17**		**9,571.60**
	Opening		**9,571.60**		**9,377.08**
	Allotment during the year		839.18		407.96
	Disposal during the year		-		-
	Changes in Fair Value during the year		(556.28)		(241.14)
	Impairment Gain/(Loss) (Net of Reversal) during the year		(326.33)		27.70
	Closing		**9,528.17**		**9,571.60**

Notes:-

Aggregate amount of quoted investments		
- Book Value (at carrying cost)	5,184.33	5,748.64
- Market Value	21,380.00	20,820.67
Aggregate amount of unquoted investments (Gross of Impairment provision)	5,256.90	4,583.30

a) Out of aforesaid investments in Subsidiary/ JV/ Associate, few shares are held in the name of GAIL officials jointly with GAIL
b) Investment are valued in accordance with Accounting Policy No. 1.22 given in Note No. 1
c) Aggregate amount of impairment in value of investments is ₹ 1,086.68 Crore upto end of the year (Previous Year ₹ 760.35 Crore)
d) Investment in other than subsidiary, associate and joint ventures are valued at fair value through OCI at each Balance Sheet date.
e) Investment made in Start-up companies and its fair value is considered to be equal to book value for initial 5 years.

Note 5A - Investments Current

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Quoted Investments		
- Investments in Mutual Funds		
IDBI liquid fund	-	**381.47**
(Measured at fair value through profit or loss)		
Total	**-**	**381.47**
Opening	381.47	-
Allotment/Investment during the year	30,935.00	5,713.00
Disposal during the year	(31,316.00)	(5,332.00)
Changes in Fair Value/MTM	(0.47)	0.47
Closing	**-**	**381.47**

Note 6 - Trade receivables- Non Current

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade receivables	1,390.79	1,379.57
Receivables from related parties	284.47	253.05
	1,675.26	1,632.62
Less: Provision for Doubtful Debts	(661.12)	(635.70)
Total	**1,014.14**	**996.92**

Note 6A - Trade receivables- Current

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade receivables	3,427.37	2,687.74
Receivables from related parties	684.25	401.65
	4,111.62	3,089.39
Less: Provision for expected Credit loss	(51.43)	(34.80)
Total	**4,060.19**	**3,054.59**

Breakup of Trade Receivables

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Non Current (Unsecured)				
Considered good	1,014.14		996.92	
Considered doubtful	661.12		635.70	
	1,675.26		1,632.62	
Less: Provision for Doubtful Debts	661.12	1,014.14	635.70	996.92
Current (Unsecured)				
Considered good	4,111.62		3,089.39	
Less: Allowance for Expected credit Loss	51.43	4,060.19	34.80	3,054.59
Total		**5,074.33**		**4,051.51**

Note 7-Financial Assets Non Current- Loans and Other Receivables (Unsecured considered good unless specified otherwise)

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Loans to related parties:				
- Loan to subsidiaries				9.70
- Loan to associates		200.00		-
Other loans and receivables:				
- Loan to employees:				
- Secured (including dues from Directors and Officers ₹ 0.81 crore (Previous year: ₹ 0.49 crore))	259.42		269.60	
- Unsecured	7.21	266.63	21.42	291.02
Security deposits paid:				
- Considered Good	51.88		67.23	
- Considered Doubtful	6.31		6.61	
	58.19		73.84	
Less : Provision for Doubtful Deposits	(6.31)	51.88	(6.61)	67.23
Finance lease receivables		15.85		17.88
-Loan to others		133.40		172.41
Total		**667.76**		**558.24**

Note 7A-Financial Assets Current- Loans and Other Receivables (Unsecured considered good unless specified otherwise)

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Loans to related parties:				
- Subsidiaries		6.88		-
Receivable from related parties				
- Subsidiaries		39.03		8.27
- Associates		6.52		15.19
- Joint ventures		18.07		24.21
Other loans and receivables:				
- Loan to employees:				
- Secured (including dues from Directors and Officers ₹ 0.15 crore (Previous year: ₹ 0.13 crore))	49.22		33.88	
- Unsecured	15.20	64.42	38.76	72.64
Security deposits paid		633.40		508.82
Finance lease receivables		2.03		2.01
Interest accrued but not due		8.01		13.47
Loan to others		50.03		47.02
Total		**828.39**		**691.63**

Note 8-Other Financial Assets -Non Current

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Receivables for Derivative Contracts (Hedged/ Non Hedged)		54.25		3.31
Equity Investments Pending Allotment (Refer Note No. 46) (Includes Rs. Nil (Previous year ₹ 150 crore) related to subsidiary and ₹ 95.78 crore (Previous year ₹ 95.78 crore) related to other Investment in a company registered in Hong Kong)		97.08		255.06
Total		**151.33**		**258.37**

Note 8A-Other Financial Assets -Current

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Receivables for Derivative Contracts (Hedged/ Non Hedged)		296.35		11.10
Other Receivable		2.28		74.79
Total		**298.63**		**85.89**

Note 9 - Non Current tax assets (Net)

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Advance income tax against pending demand				
- Unsecured considered good	1,166.48		1,143.10	
- Unsecured considered doubtful	218.48		207.21	
	1,384.96		1,350.31	
Less : Provision for doubtful advance income tax against pending demand	(218.48)	1,166.48	(207.21)	1,143.10
Advance tax	2,305.29		1,689.18	
Less : Provision for tax (Net of MAT credit entitlement)	(1,991.66)	313.63	(1,478.86)	210.32
Total		**1,480.11**		**1,353.42**

Note 10 - Inventories

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Raw materials:				
Stock of gas (after adjustment of calorific value)				
Work in progress:				
Stock in process		14.97		11.76
Finished goods:				
Polymers / LPG and Other Products		446.38		353.34
Stock in Trade:				
Stock of gas including Liquified Natural Gas (After adjustment of calorific value)		843.54		557.34
Stores and spares:				
Stores and spares	999.66		935.99	
Less: Provision for Obsolesence/ loss	(18.97)	980.69	(18.54)	917.45
In Transit				
Stores and spares		36.33		79.64
Total		**2,321.91**		**1,919.53**

Valuation of Inventories are done in accordance with Accounting Policy No. 1.8

Note 11 - Cash and cash equivalents

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Balances with banks:				
- Current accounts		60.80		27.92
- Deposits with original maturity less than three months		89.30		1,047.62
Cash on hand		0.68		0.50
Cheque/Demand Draft in hand		-		0.04
Total		**150.78**		**1,076.08**

Note 11A - Bank Balance Others

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Other Bank Balance (FD with original maturity more than three months)		301.70		751.46
Earmarked accounts:				
- Current Account - Dividend Payable		5.06		3.02
- Short Term Deposits - Gas Pool Money		327.22		298.93
(Including interest accrued but not due ₹ 5.54 crore (Previous Year ₹ 7.79 crore)) (Refer Note No. 35(a))				
- Short Term Deposits - Imbalance & Overrun		124.15		113.24
(Including interest accrued but not due ₹ 4.91 crore (Previous Year ₹ 3.21 crore)) (Refer Note No. 35(a))				
- Short Term Deposits -JV Consortium		24.09		22.80
(Including interest accrued but not due ₹ 0.27 crore (Previous Year ₹ 0.20 crore))(Refer Note No. 35(a))				
- Short Term Deposits -Post Retirement Medical Scheme		281.69		263.86
Total		**1,063.91**		**1,453.31**

Note 12 - Other non financial assets-Non Current

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Balance with Government Authorities				
Unsecured, considered good:				
VAT Credit Receivable		201.47		198.33
Claims recoverable:				
- Unsecured, considered good	10.55		11.03	
- Unsecured, considered doubtful	-		0.52	
	10.55		11.55	
Less : Provision for doubtful claims	-	10.55	(0.52)	11.03
Other advances recoverable in cash or in kind		438.29		477.04
(Including advance to an associate ₹ 437.64 Crore (Previous year: ₹ 475.84 Crore))				
Capital advances:				
- Unsecured, considered good	79.08		24.33	
- Unsecured, considered doubtful	0.35		0.35	
	79.43		24.68	
Less: Provision for doubtful advances	(0.35)	79.08	(0.35)	24.33
Prepayments				
Prepaid expenses		0.14		0.23
Prepaid rent		73.13		72.47
Prepaid employee expenses		138.28		147.78
Total		**940.94**		**931.21**

Note 12A - Other non financial assets-Current

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Balance with Government Authorities				
Unsecured, considered good:				
CENVAT credit receivable	0.15		0.27	
GST credit receivable	87.72		72.98	
VAT credit receivable	220.72	308.59	877.71	950.96
Claims recoverable:				
- Unsecured, considered good	14.37		35.08	
- Unsecured, considered doubtful	21.26		15.14	
	35.63		50.22	
Less : Provision for doubtful claims	(21.26)	14.37	(15.14)	35.08
Other advances recoverable in cash or in kind		1,134.13		362.68
(Including advance to an associate ₹ 38.20 crore. (Previous year: ₹ 38.20 crore))				
Advances to suppliers/contractors:				
- Unsecured, considered good	27.97		11.10	
- Unsecured, considered doubtful	8.76		9.52	
	36.73		20.62	
Less : Provision for doubtful advances	(8.76)	27.97	(9.52)	11.10
Gold coins in hand		0.09		0.09
Prepayments				
Prepaid expenses		75.63		63.39
Prepaid rent		4.05		4.09
Prepaid employee benefits		18.97		18.74
Total		**1,583.80**		**1,446.13**

Note 13 - Equity Share Capital

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Share Capital				
Authorized				
500,00,00,000 Equity Shares of ₹10 each (Previous Year 500,00,00,000 Equity shares of ₹ 10 each)		5,000.00		5,000.00
Issued, subscribed and fully paid up				
225,50,70,933 Equity shares of ₹ 10 each (Previous Year 225,50,70,933 Equity shares of ₹ 10 each)		2,255.07		2,255.07
Total		**2,255.07**		**2,255.07**

Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Numbers	Amount	Numbers	Amount
At the Beginning of the Year	2,25,50,70,933	2,255.07	1,69,13,03,200	1,691.30
Issued during the Year				
Bonus Shares	-	-	56,37,67,733	563.77
Outstanding at the end of the year	**2,25,50,70,933**	**2,255.07**	**2,25,50,70,933**	**2,255.07**

Related Information:-

a) Details of Shareholders holding more than 5% shares

Name of Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	Numbers	Percentage of Holding	Numbers	Percentage of Holding
i) The President of India (Promoter)	1,17,70,29,046	52.19	1,20,85,48,124	53.59

a) The Company has only one class of equity shares having par value of ₹ 10/- per share.. The Holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their shareholding at the shareholders meetings.

b) 1,92,66,283 shares (Previous Year: 1,52,83, 549) are held in the form of Global Depository Receipts.

c) The Company has not issued any shares for a consideration other than cash in immediately preceding five years except 56,37,67,733 Bonus Shares during the previous FY 2017-18 and 42,28,25,800 Bonus Shares during the FY 2016-17 in the ratio of one equity share for every three equity shares held.

Note 14 - Other Equity

(₹ in Crore)

Sr. No.	Particulars		As at 31st March, 2019		As at 31st March, 2018
a)	**Security Premium**		0.27		0.27
	Total (a)		**0.27**		**0.27**
b)	**Retained Earnings***				
	Opening Balance		28,734.95		26,348.69
	Add: Profit for the year		6,025.67		4,618.41
	Add: Re-measurement gains/ (loss) on defined benefit plans (net of tax)		40.46		55.41
	Less: Appropriations				
	- Transfer to Bond Redemption Reserve	(14.97)		(35.19)	
	- Transfer to General Reserve	(602.57)		(461.84)	
	- Final Dividend	(324.73)		(456.65)	
	- Corporate Dividend Tax	(356.46)		(352.53)	
	- Interim Dividend	(1,409.41)	(2,708.14)	(1,293.85)	(2,600.06)
	Add: Appropriations				
	- Transfer from Bond Redemption Reserve		-	312.50	312.50
	Total (b)		**32,092.94**		**28,734.95**
c)	**Other reserves**:				
	Bond Redemption Reserves				
	- Opening Balance	59.87		337.18	
	- Transfer to Retained Earning	0		(312.50)	
	- Appropriation from Retained Earnings	14.97	74.84	35.19	59.87
	General Reserves				
	- Opening Balance	4,251.21		4,353.14	
	- Transfer during the period from the statement of P&L	602.57		461.84	
	- Changes During the Year (Issue of Bonus Shares)	-	4,853.78	(563.77)	4,251.21
	Other Comprehensive Income				
	- Opening Balance	(1,057.69)		(665.65)	
	Add: OCI for the year (Other then FCTR)	(210.71)	(1,268.40)	(392.04)	(1,057.69)
	Ind AS Transition Reserve		6,084.44		6,084.44
	Total (c)		**9,744.66**		**9,337.83**
	Grand Total (a+b+c)		**41,837.87**		**38,073.05**

During the year, the Company has paid Interim Dividend of ₹ 6.25 per share (Previous Year: ₹ 7.65 per share) and Final Dividend of ₹ 1.44 per share of FY 2017-18 (Previous Year: ₹ 2.70 per share)

* Retained Earnings includes Re-measurement gain on defined benefit plan of ₹ 139.58 crore upto end of the year (Previous Year: ₹ 99.12 crore)

Note 15 Borrowings-Non Current

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Non current borrowings				
Secured Bonds:				
- Bond series 2015 (8.30% Secured Non-convertible redeemable Bonds 2015 -Series - I are redeemable in 4 equal instalments commencing from the end of the 7th year up to the end of the 10th year from the deemed date of allotment i.e Feb 23, 2015 with a call option at the end of the 7th year). Bonds are secured on pari passu basis, by charge on freehold non agricultural land at village Tandalja, Vadodara together with the entire building constructed thereon, both present & future and whole of plant and machinery , spares, tools and accessories and other movables of the company pertaining to its projects at Vijaipur Dadri Pipeline Projects, excluding compressor stations at Vijaipur, both present and future and whether installed or not and lying in store		499.57		499.49
Unsecured Term loans:				
- KFW Germany (Coperion Facility) (Repayment in 14 half yearly equal Instalments starting from November 2014) (Loan carries a fixed rate of interest)		20.64		32.10
- Societe Generale (Repayable in 20 half yearly equal instalments from 22nd October 2012) (Loan carries a floating rate of interest linked to 6 Months LIBOR plus spread).		128.21		167.98
- Japan Bank for International Cooperation(JBIC) (Repayable in 20 half yearly equal instalments from June'2013) (Loan carries a fixed rate of interest)		98.19		127.85
- KFW Germany (Siemens Facility) (Repayable in 20 half yearly equal instalments from March 2014) (Loan carries a fixed rate of interest)		123.10		147.85
Long term maturities of finance lease obligations:				
Obligations under finance leases		0.87		0.85
Total		**870.58**		**976.12**

Note 16 - Other financial liabilities - Non Current

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Payables for Derivative Contracts (Hedged/ Non Hedged)	10.35	39.01
Deposits/Retention Money from customers/contractors/others	15.18	14.59
Gas pool money provisional (Refer Note No. 35(b))	652.45	654.83
Other Liabilities	67.16	67.16
Total	**745.14**	**775.59**

Note 16A - Other financial liabilities - Current

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Payables for Derivative Contracts (Hedged/ Non Hedged)		26.42		316.09
Current maturities of finance lease obligations:				
Obligations under finance leases		0.07		0.06
Current maturity of long term loans:				
Unsecured Term loans:				
- KFW Germany (Coperion Facility)	13.48		12.49	
- Societe Generale	50.37		46.89	
- Japan Bank for International Cooperation(JBIC)	32.54		31.72	
- KFW Germany (Siemens Facility)	34.08		31.62	
- Syndication of Banks for Refinancing	-	130.47	981.62	1,104.34
(In Syndication SMBC, Mizuho Bank Ltd., DBS Bank Ltd., $ 100 million each)				
Deposits/Retention Money from customers/contractors/others		1,086.63		546.45
Other payables				
Interest accrued but not due	10.96		13.01	
Unpaid/unclaimed dividend	5.06		3.02	
Gas Pool Money (Refer Note No. 35(a))	203.26		299.93	
Imbalance and overrun charges (Refer Note No. 35(a))	123.22		112.30	
Payable for capital expenditure	1,294.55		861.57	
Adjustment in pipeline tariff	31.33		31.33	
E&P expenditure payable	60.47		188.84	
Employee benefits payable	386.70		343.00	
Other payables (Including metering charges, Misc. Payments etc.)	137.92	2,253.47	163.98	2,016.98
Total		**3,497.06**		**3,983.92**

Note 17 - Provisions- Non Current

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provisions		
Provisions for employee benefits	693.53	579.53
Provision for abandonment costs	1.02	0.90
Total	**694.55**	**580.43**

Disclosure of movement in provision as required in Ind AS 37 is given in Note No. 49

Note 17A - Provisions- Current

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provisions		
Provisions for employee benefits	44.77	191.83
Provision for probable obligations	686.02	656.05
Total	**730.79**	**847.88**

Disclosure of movement in provision as required in Ind AS 37 is given in Note No. 49

Note 18 - Trade Payables

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Trade Payables to Micro and Small Enterprises*		202.19		68.11
Trade payables to related parties		1,332.54		1,310.21
Trade Payables others		2,426.45		2,503.23
Total		**3,961.18**		**3,881.55**

*Disclosure with respect to Micro, Small and Medium Enterprises Development Act, 2006 is given in Note No. 53

Note 19 - Other non financial liabilities -Non-Current

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Government Grant - Capital subsidy on JHBD pipeline project (Refer Note No. 54)		2,563.52		845.37
Total		**2,563.52**		**845.37**

Note 19A - Other non financial liabilities -Current

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Advance against Capital assets		1.62		-
Statutory payables		405.12		347.24
Other liabilities		87.62		87.67
Government Grant - Capital subsidy on JHBD pipeline project (Refer Note No. 54)		29.78		6.52
Total		**524.14**		**441.43**

Note 20 - Deferred Taxation

Income Taxes

The Major components of Income tax expenses for the year ended are:-

A. Statement of Profit and Loss:

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
(I) Profit or Loss section				
Current Income Tax:				
Current Income Tax Charge		2,464.26		1,654.10
Adjustment in respect of current income tax of Previous Year		(25.62)		(20.78)
Deferred Tax:				
Relating to origination and reversal of temporary differences		620.51		706.64
MAT Credit entitlement for the year			-	
Income tax expenses reported in the statement of profit or loss		3,059.15		2,339.96
(II) OCI Section				
Deferred tax related to items recognized in OCI during the year:				
For OCI to be reclassified to P&L				
Net movement on cash flow hedges Profit (+)/ Loss(-)		(185.62)		81.05
For OCI not to be reclassified to P&L				
Net (Gain)/ Loss on remeasurement of defined benefit plans		(21.74)		(29.77)
Net (Gain)/ Loss on FVTOCI Equity securities*			-	-
Income tax Charged to OCI		(207.36)		51.28

*Note:-Finance Act 2018 has amended section 112A/10 (38) of the Income tax Act 1961 to introduce tax on income from long term capital gains on listed securities on which STT has been paid. The Company has not recognised deferred tax asset (net) of Rs. 139.88 crores on unrealized loss arising due to revaluation of FVTOCI - equity securities as there is no reasonable certainty of future taxable income under this head.

B. Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Accounting profit before income tax		9,084.82		6,958.37
At India's statutory income tax rate of 34.944% (31st March 2018: 34.608%)		3,174.60		2,408.16
Adjustments in respect of previous years		(25.62)		(20.78)
Expenses not allowed as deduction		162.82		31.91
Other temporary differences of earlier years		-		-
Deferred Tax Assets earlier unrecognized now recognized		(48.07)		-
Deductions not leading to timing differences		-		-
Profit on sale of long term shares		-		-
Exempt income		(204.58)		(130.37)
Impact of change in effective tax rate in B/F tax liability		-		51.04
Effective rate of income tax - 33.69% (31st March 2018: 33.63%)		3,059.15		2,339.96
Income tax expense reported in the statement of profit and loss		3,059.15		2,339.96
		3,059.15		**2,339.96**

Deferred Tax

Deferred tax relates to the following:

(₹ in Crore)

Particulars	Balance Sheet		Profit or Loss Statement	
	As at 31st March, 2019	As at 31st March, 2018	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Accelerated depreciation for tax purposes	7,838.90	6,470.38	1,368.52	732.58
Other Liabilities	12.97	8.38	4.59	(0.46)
Ind AS adjustments	171.82	53.43	118.39	17.97
Prov for doubtful debts, deposits ,probable obligation etc.	(592.23)	(554.22)	(38.01)	(42.43)
Prov for employee benefits	(257.99)	(299.31)	41.32	2.76
Government Grant	(817.44)	(207.69)	(609.75)	(72.58)
Others adjustments	(121.45)	(163.23)	41.78	13.99
Prior period adjustment in profit & loss a/c	-	-	-	3.52
Reclassification of Current and Deferred Tax based on ITR	-	-	(98.97)	-
Net Deferred Tax Liability	**6,234.58**	**5,307.74**	**827.87**	**655.36**

Reflected in the balance sheet as follows:

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Deferred tax assets		(1,789.11)		(1,224.45)
Deferred tax liabilities		8,023.69		6,532.19
Deferred tax liabilities (Net)		**6,234.58**		**5,307.74**

Reconciliation of deferred tax liabilities (net):

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Opening balance as at 1st April		5,307.74		4,655.91
Tax (income)/expense during the period recognised in profit or loss		620.51		706.64
Tax (income)/expense during the period recognised in OCI		207.36		(51.28)
Tax (income)/expense of earlier year period recognised in profit or loss		-		(3.52)
Reclassification of Current and Deferred Tax based on ITR		98.97		-
Deferred taxes acquired in business combinations				
Deferred Tax Liability		**6,234.58**		**5,307.74**

Note:- ₹ 98.97 crore has been transferred from provision for taxation to deferred tax in current year

B. Balance Sheet

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Deferred tax liabilities				
Net Deferred Tax Liability due to taxable temporary Differences		6,234.58		5,307.74
Less:- Mat Credit Entitlement		(286.87)		(676.81)
		5,947.71		**4,630.93**

Note 21 - Revenue from Operations

(₹ in Crore)

Sr. No.	Particulars		For the Year Ended 31st March, 2019		For the Year Ended 31st March, 2018
a)	**Sale of Products**				
	Gas		61,501.94		41,748.48
	Polymers		6,630.63		5,788.10
	LPG		3,750.39		3,368.95
	Propane/Pentane/SBPS/Naphtha		882.19		809.58
	Crude Oil		35.64		33.18
	CNG		12.47		0.28
	Power		57.10		63.14
b)	**Sale of Service**				
	LPG Transmission / RLNG Shippers Charges		1,935.20		1,875.67
c)	**Income from Telecom services**		2.42		2.65
	Total		**74,807.98**		**53,690.03**
	Add: Other Operating Income		318.78		135.46
	TOTAL		**75,126.76**		**53,825.49**

Note 22 - Other Income

(₹ in Crore)

Particulars		For the Year Ended 31st March, 2019		For the Year Ended 31st March, 2018
Interest on :				
- Deposits with Banks	168.44		151.72	
- Income Tax / Vat refund	122.67		74.94	
- Delayed payment from customers	83.65		23.81	
- Loan to Joint Ventures, Subsidiaries, and Associates etc.	24.07		30.25	
- Loan to Employees	24.36		26.24	
- Others	24.07		22.17	
Less : Transferred to Expenditure during construction period (Ref Note No. 28)	(2.16)	445.10	(1.32)	327.81
Dividend from Investments		247.49		227.14
Dividend from Related parties		339.64		183.64
Gain on Sale of Investments (Mutual Funds)		31.06		5.83
Amount of grant transfer from Capital Reserve		8.23		0.35
Net Gain on Foreign Currency Transaction and Translation		232.70		81.69
Excess Provision Written Back		39.72		113.28
Miscellaneous Income	201.23		47.72	
Less : Transferred to Expenditure during construction period (Ref Note No. 28)	(0.36)	200.87	(0.46)	47.26
TOTAL		**1,544.81**		**987.00**

Note 23 - (Increase) / Decrease in Inventories of Stock in Trade Finished Goods & Work in Progress

(₹ in Crore)

Particulars		For the Year Ended 31st March, 2019		For the Year Ended 31st March, 2018
Inventories at the end of the year:-				
Work-in-Progress		14.97		11.76
Finished Goods		446.38		353.34
Stock in Trade		843.54		557.34
Total		**1,304.89**		**922.44**
Inventories at the beginning of the year:-				
Work-in-Progress		11.76		9.89
Finished Goods		353.34		395.93
Stock in Trade		557.34		482.50
Total		**922.44**		**888.32**
Changes in Inventories of Stock in trade, Finished Goods & WIP		(382.45)		(34.12)

Note 24 - Employees' Benefits Expense

(₹ in Crore)

Particulars		For the Year Ended 31st March, 2019		For the Year Ended 31st March, 2018
Salaries, Wages and Allowances	1,363.59		1,182.58	
Contribution to Provident and Other Funds (Refer Note No. 41)	419.00		121.25	
Staff Welfare Expenses	192.53	1,975.12	157.78	1,461.61
Less :				
-Employees Benefit Expenses transferred to Capital Work-in-Progress (Ref Note No. 28)	(119.84)		(62.20)	
-Reimbursements for employees on deputation	(76.91)	(196.75)	(58.68)	(120.88)
TOTAL		**1,778.37**		**1,340.73**

Note 25 - Finance Cost

(₹ in Crore)

Particulars		For the Year Ended 31st March, 2019		For the Year Ended 31st March, 2018
Interest on:				
- Term Loans	100.48		226.36	
- Bonds	41.50		85.88	
- Others	4.98	146.96	3.08	315.32
(Gain)/Loss on changes in fair value of Derivatives		(113.69)		(28.32)
Net (Gain) / loss on foreign currency transactions on Borrowings		106.33		(3.32)
Less : Interest and Finance Charges transferred to Capital Work-in-Progress (Ref Note No. 28)		(1.06)		(8.57)
TOTAL		**138.54**		**275.11**

Note 26 - Depreciation and Amortization Expenses

(₹ in Crore)

Particulars		For the Year Ended 31st March, 2019		For the Year Ended 31st March, 2018
Depreciation and Amortization Expenses		1,532.19		1,415.83
Impairment Loss (Refer Note No. 2-3)		19.37		0.27
Less : Depreciation and Amortization Expenses transferred to Capital Work-in-Progress (Ref Note No. 28)		(1.34)		(0.96)
TOTAL		**1,550.22**		**1,415.14**

Note 27 - Other Expenses

(₹ in Crore)

Particulars		For the Year Ended 31st March, 2019		For the Year Ended 31st March, 2018
Gas Pool Expenses		10.41		15.95
Stores and Spares consumed		441.64		370.47
Power, Fuel and Water Charges				
Power Charges	356.34		428.86	
Gas used as Fuel	2,283.19		1,696.83	
Water Charges	14.80	2,654.33	12.10	2,137.79
Rent		35.29		24.06
Repairs and Maintenance				
Plant and Machinery	314.61		268.58	
Buildings	46.02		45.69	
Others	95.91	456.54	67.62	381.89
Insurance		45.19		39.35
Rates and Taxes		0.99		7.76
Miscellaneous Expenditure :				
- Travelling Expenses		84.41		77.84
- Advertisement and Publicity		76.30		70.37
- Vehicle Hire and Running Expenses		54.64		40.49
- Survey Expenses		9.97		17.87
- Dry Well Expenses written off		21.88		26.80
- Oil & Gas Producing Expenses		56.08		58.37
- Royalty on Crude Oil (including share of Govt in Profit Petroleum)		155.00		153.00
- Consultancy Charges		37.33		36.97
- Donation		5.00		61.29
- Research and Development Expenses		10.94		17.24
- Provision for Impairment Loss		20.05		85.96
- Loss on sale / written off of assets (net)		11.01		24.35
- Bad Debts/Claims/Advances/Stores written off		2.86		0.36
- Provision for Doubtful Debts, Advances, Claims, Deposits and Obsolescence of Stores & Capital items		78.14		36.01
- Provision for Probable Obligations / Contingencies		50.21		60.47
- Expenses on Enabling Facilities		0.59		0.53
- Selling & Distribution Expenses		46.74		39.02
- Commission on Sales		23.03		22.79
- Security Expenses		194.60		189.14
- Corporate Social Responsibility Expenses		119.29		91.65
- MTM loss on Commodity Derivative (Net)		44.99		79.25
- Other Expenses		196.36		114.31
Payment to Auditors				
Audit Fees	0.60		0.66	
Tax Audit fees	0.10		0.11	
Other Services (for issuing certificates, etc.)	0.25		0.30	
Travelling & Out of Pocket Expenses	0.34	1.29	0.49	1.56
Less : Incidental Expenditure during construction transferred to Capital Work-in-Progress (Ref Note No. 28)		(16.42)		(32.87)
TOTAL		**4,928.68**		**4,250.04**

Note 28 - Expenditure during Construction Period

(₹ in Crore)

Particulars		For the Year Ended 31st March, 2019		For the Year Ended 31st March, 2018
Employees' Remuneration and Benefits				
Salaries, Wages and Allowances	84.97		49.79	
Contribution to Provident and Other Funds	23.07		5.81	
Welfare Expenses	11.80	119.84	6.60	62.20
Interest and Finance Charges		1.06		8.57
Depreciation		1.34		0.96
Power, Fuel and Water Charges				
Power Charges		0.80		18.56
Stores and Spares Consumed		-		0.67
Insurance		0.03		0.02
Rent		0.06		0.06
Repairs and Maintenance				
Plant and Machinery	0.02		0.10	
Buildings	-		0.01	
Others	2.10	2.12	0.22	0.33
Rates and Taxes		0.01		-
Miscellaneous Expenditure :				
- Travelling Expenses	11.40		7.35	
- Advertisement and Publicity	0.07		-	
- Vehicle Hire and Running Expenses	0.05		0.02	
- Consultancy Charges	0.13		0.16	
- Other Expenses	1.75	13.40	5.70	13.23
Less : - Interest Income	2.16		1.32	
- Misc. Income	0.36	2.52	0.46	1.78
Net Expenditure		**136.14**		**102.82**
Less :Allocated to Capital Work-in-progress				
a) Employees' Benefits Expenses		119.84		62.20
b) Interest & Finance Charges		1.06		8.57
c) Depreciation		1.34		0.96
d) Other Expenses		16.42		32.87
		138.66		104.60
Less:				
e) Other Income		2.52		1.78
Sub Total		**136.14**		**102.82**
Total		**-**		**-**

Notes to Financial Statements for the year ended 31st March 2019

29. Contingent Liabilities and Commitments:

I. Contingent Liabilities:

(a) Claims against the Company not acknowledged as debts:

(i) Legal cases for claim of ₹1,812.88 crore (Previous Year: ₹1,805.11 crore) by suppliers/contractors etc. on account of liquidated damages/price reduction schedule, natural gas price differential etc. and by customers for natural gas transmission charges etc.

(ii) Income tax demands of ₹1,171.09 crore (net of provision of ₹ 265.59 crore) (Previous Year ₹1,138.04 crore net of provision of ₹ 254.33 crore) against which the Company has filed appeals before appellate authorities & courts. Further, the Income Tax Department has also filed appeals before ITAT against the relief granted by CIT (Appeals) to the Company. The aggregate amount involved in appeals filed by Department is ₹ 721.68 crore (including interest) (Previous Year: ₹ 674.89 crore).

(iii) Disputed Indirect tax demands are as under:

(₹ in Crore)

Sl. No.	Particulars	As at 31st March 2019	As at 31st March 2018
1	Custom Duty	8.17	8.96
2	Excise Duty	3,442.89*	3,476.69
3	Sales Tax / VAT	158.06	145.62
4	Entry Tax	28.55	26.10
5	Service Tax	158.32	2,856.80
6	GST	94.35	-
	Total	**3,890.34**	**6,514.17**

*It includes ₹ 2,888.72 crore towards demand (including interest and penalty) of Central Excise duty in the matter pertaining to classification of 'Naphtha' manufactured by the Company. CESTAT, Delhi vide order dated 30.11.2018 has allowed the appeal filed by the Central Excise Department in this matter. Considering the merits of the case, the Company has filed an appeal before the Hon'ble Supreme Court.

The appeal filed by Company has been admitted and stay has been granted by the Hon'ble Court on compliance of the conditions of depositing a sum of ₹ 20 Crore with the court and furnishing security to the extent of ₹ 132 Crore by the Company.

Further, expert opinion from legal experts have been obtained by the Company and according to them, the Company has a good case on merits as well as on limitation.

(iv) Miscellaneous claims of ₹ 268.47 crore (Previous Year: ₹ 160.80 crore) includes mainly arbitration cases filed by vendors for delayed payments and losses incurred by them etc.

The movement of above contingent liabilities from (i) to (iv) under various categories is tabulated below:

Categories	Opening Bal.	Additions	Deletions	Closing Bal.
Central Govt.	8227.60	254.75	2937.64	5544.73
State Govt.	233.44	113.86	21.44	325.86
CPSEs	2.15	-	-	2.15
Others	1829.82	385.76	223.85	1991.72
Total	**10293.01**	**754.37**	**3182.93**	**7864.46**

(v) Some of the customers have submitted counter claims amounting to ₹ 17,733 crore (PY: ₹ 15,028 crore) against Ship or Pay charges / consequential losses for not supplying gas.

(b) Corporate Guarantees

(i) The company has issued Corporate Guarantee to banks for ₹ 6,084.99 crore (PY: ₹ 5,951.99 crore) for issuance of Performance Bank Guarantee to one of its subsidiaries in regard to implementation of various City Gas Projects.

In respect of accounting of these guarantees in line with the requirements of Ind AS 109 – "Financial Instruments"and in response to the opinion provided by the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India, the company has sought further clarification from EAC. Pending clarification from EAC, no accounting entry has been passed in respect of these corporate guarantees. Management is of the view that the impact, if any, will not be material to the financial statements.

(ii) The Company has issued Corporate Guarantees for ₹ 2,449 crore (Previous Year: ₹ 2,207 crore) on behalf of related parties for raising loan(s). The amount of loans outstanding as at the end of the year under these Corporate Guarantees are ₹ 1,201 crore (Previous Year: ₹ 1,559 crore).

II. Capital Commitments:

(a) Estimated amount of contracts (Net of advances) remaining to be executed on capital account as at 31st March 2019 is ₹ 7,300.66 crore (Previous Year: ₹ 7,472.82 crore).

(b) Other Commitments:

(i) The Company has commitment of ₹1,394.42 crore (Previous Year: ₹ 771.56crore) towards further investment and disbursement of loan in the subsidiaries, Joint Ventures, Associates and other companies.

(ii) Commitments made by the Company towards the minimum work programme in respect of Jointly Controlled Assets have been disclosed in Note 45 (B) (iv).

30. Disclosure relating to Corporate Social Responsibility (CSR):

The disclosure in respect of CSR expenditure for the FY 2018-19 is as under:

(₹ in Crore)

Particulars	2018-19	2017-18
(a) Gross amount required to be spent by the company during the year.		
Annual CSR Allocation	118.01	104.51
Carry forward from previous year	0.00	0.00
Gross amount required to be spent, @ 2% (as per Provision of Section 135 of the Companies Act 2013)	87.21	69.67

(b) Amount spent during the year on:

(₹ in Crore)

	2018-19			2017-18		
	In cash	Yet to be paid in cash**	Total	In cash	Yet to be paid in cash**	Total
(i) Construction/acquisition of any assets	Nil	Nil	Nil	Nil	Nil	Nil
(ii) On purposes other than (i) above						
AROGYA (Health, Nutrition, Drinking Water and Sanitation)	38.45	6.39	44.84	21.85	5.28	27.13
KAUSHAL (Skill Development and Livelihood Initiatives)	40.67	0.80	41.47	6.71	0.99	7.70
UJJWAL (Education Centric Initiatives)	11.16	3.05	14.21	6.56	1.55	8.11
UNNATI (Rural Development Projects)	12.30	1.30	13.60	7.41	2.30	9.71
SASHAKT (Women Empowerment)	0.54	0.00	0.54	0.66	0.10	0.76
SAKSHAM (Care of Elderly and Disabled)	1.05	0.03	1.08	0.00	0.00	0.00
HARIT (Green Initiatives)	0.00	0.00	0.00	0.00	0.00	0.00
Other - Promotion of Sports, National Heritage etc.	1.56	1.33	2.89	32.97	4.66	37.63
Total Expenses (ii)	105.72	12.90	118.62	76.16	14.88	91.04
Capacity Building	0.43	0.24	0.67	0.36	0.25	0.61
Grand Total (i) and (ii)	**106.15**	**13.14**	**119.29**	**76.52**	**15.13**	**91.65**

** Provisions made for liabilities incurred

31. In respect of certain customers towards Ship or Pay charges, matter being sub-judice/under dispute, the Company has been issuing claim letters, aggregate amount of which is ₹1,561.97 crore (Previous Year ₹1,268.77 crore) as at the end of the year. Income in respect of the same shall be recognized on final disposal of the matter.

32. Pending court cases in respect of certain customers for recovery of invoices raised by the company for use of APM gas for non-specified purposes by fertilizer companies pursuant to guidelines of Ministry of Petroleum & Natural Gas (MOP&NG), the Company has issued claim letters amounting to ₹ 3,091.94 crore (PY: ₹ 2,990.39 crore) on the basis of information provided by Fertilizer Industry Coordination Committee (FICC).

33. Pricing and Tariff

(a) With effect from 1st April 2002, Liquefied Petroleum Gas (LPG) prices has been deregulated and is now based on the import parity prices fixed by the Oil Marketing Companies. However, the pricing mechanism is provisional and is yet to be finalized by the MoPNG. Impact on pricing, if any, will be recognized as and when the matter is finalized.

(b) Natural Gas Pipeline Tariff and Petroleum Products Pipeline Transportation Tariff are subject to various Regulations issued by Petroleum and Natural Gas Regulatory Board (PNGRB) from time to time. Impact on profits, if any, is being recognized consistently as and when the pipeline tariff is revised by orders of PNGRB.

(c) (i) As per directions of Appellate Tribunal (APTEL), till date, PNGRB has issued 06(Six) final tariff orders applicable from financial year 2016-17. The Company has filed appeal(s) before Appellate Tribunal (APTEL), against various moderations done by PNGRB in these tariff orders. Aforesaid appeals are pending for disposal.

(ii) PNGRB, vide its Tariff Order no. TO/07/2018 dated 27th September 2018, has approved Final Pipeline Tariffs for South Gujarat Regional Pipeline Networks. Hon'ble High Court of Gujarat, vide its Order dated 20thNovember 2018, has granted interim stay over retrospective implementation of this Final Tariff Order in respect of some of these customers.

Nonetheless, impact on profits, if any, is being recognized consistently as and when the pipeline tariff is revised by orders of PNGRB. As regards rest of the Tariff Orders, PNGRB is yet to issue its final orders.

(d) The Company has filed a Writ Petition, during the financial year 2015-16, before the Hon'ble Delhi High Court challenging the jurisdiction of PNGRB on fixation of transmission tariff for own requirement capacity in natural gas pipelines. The Hon'ble Delhi High Court has dismissed the aforesaid Writ Petition vide its Order dated 11th April 2017. In this regard, the Company has filed a Review Petition before the Hon'ble Delhi High Court on 12thMay 2017 against the said Order which has been admitted by the Hon'ble Court for review and is pending adjudication.

34. Land& Building

(a) Freehold and Leasehold Land amounting to ₹ 22.21 crore and ₹ 7.17 crore (Previous Year: ₹ 26.67crore and ₹ 15.84crore) respectively are capitalized on provisional basis.

(b) Title deeds for freehold (5.31 hectares) and leasehold (61.49 hectares) land amounting to ₹ 10.93 crore and ₹ 15.05 crore (Previous Year: ₹ 23.35 crore and ₹ 8.84 crore) respectively are pending execution for transfer in the name of the Company. This includes ₹ 4.59 crore (Previous year ₹ 4.59 crore) amount of Lease hold Land shown under 'Prepayments' in Note no 12 (Other Non-Current Assets - Non financial)

(c) Net Block for "Building" includes an amount of ₹1.32crore (Previous Year ₹1.90crore) earmarked for disposal but in use.

(d) Details of Land & Buildings booked under CSR activities and not part of Property, Plant & Equipment (PPE) Schedule are as under:

(₹ in Crore)

S. No.	Description	As at 31st March 2019	As at 31st March 2018
1	Freehold Land measuring 3.28 acre at District Lakhimpur Kheri, Uttar Pradesh	0.31	0.31
2	Hospital Building constructed on Freehold Land mentioned at Sl No. 1	4.44	4.44
3	Leasehold Land measuring 2 hectares from Govt. of Madhya Pradesh. (Annual lease rent of ₹ 0.06 crore)	0.80	0.80
4	Skill Development School Building constructed on Leasehold Land mentioned at Sl No. 3	6.51	6.51

35. Earmarked Balances:

(a) Liabilities on account of the following are kept as Earmarked Balances in short term deposit in banks:

(₹ in Crore)

Particulars	Earmarked Balance in short term deposit in banks (Refer Note 11A)		Interest accrued but not due*	
	As on 31.03.2019	As on 31.03.2018	As on 31.03.2019	As on 31.03.2018
Balance Retention from Panna Mukta Tapti (PMT) JV consortium	24.09	22.80	0.27	0.20
Amount held by the Company as a custodian pursuant to directions of MOPNG with regard to Liability on account of Gas Pool Account	203.26	299.93	5.54	7.79
Amount held by the Company as a custodian pursuant to directions of MOPNG with regard to Liability on account of Pipeline Overrun and Imbalance Charges	123.22	112.30	4.91	3.21

*This interest income does not belong to the Company and not accounted for as income.

(b) Gas Pool Money (Provisional) shown under "Other Long Term Liabilities" amounting to ₹ 652.45 crore (Previous Year: ₹ 654.83 crore) with a corresponding debit thereof under Trade Receivable (after reversal during the year in case of certain customers) will be invested/paid as and when said amount is received from the customers.

36. (a) The Company is acting as pool operator in terms of the decision of Government of India for pooling of natural gas for Urea Plants. The scheme envisages uniform cost of gas for urea production by settlement of difference in weighted average price of gas of each plant to the weighted average price for the industry. Accordingly, an amount of ₹ 266.83 crore (Previous Year ₹ 368.37 Crore) is payable to and correspondingly receivable from Urea Plants, as on 31st March 2019. After netting of the payable and receivable amounts, there is no impact in the financial statements.

(b) The Company is acting as pool operator in terms of the decision of the Government of India for capacity utilization of the notified gas based power plants. The Scheme, which was applicable till 31st March 2017, envisaged support to the power plants from the Power Sector Development Fund (PSDF) of the Government of India. The gas supplies were on provisional / estimated price basis which were to be reconciled based on actual cost. Accordingly, current liabilities include a sum of ₹ 87.63 crore (Previous Year ₹ 87.63 Crore) on this account, as on 31st March 2019 which is payable to the above said power plants and / or to the Government of India.

37. Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 has become effective from 1st April 2018 and accordingly the Company has adopted this Ind AS for the first time.

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the Standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. The Company elected to apply the Standard to all contracts as at 1 April 2018.

The cumulative effect of initially applying Ind AS 115 is recognized at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18.

The impact of applying Ind AS 115 on the Company's retained earnings as at 1 April 2018 is Nil.

Set out below, are the amounts by which each financial statement line item is affected as at and for the year ended 31 March 2019 as a result of the adoption of Ind AS 115. The adoption of Ind AS 115 did not have a material impact on OCI or the Company's operating, investing and financing cash flows. The first column shows amounts prepared under Ind AS 115 and the second column shows what the amounts would have been, had Ind AS 115 not been adopted.

Statement of Profit & Loss for year ended 31st March 2019

(₹ in Crore)

	As per Ind AS 115	As per previous Ind AS	Increase/ (Decrease)
I. INCOME			
Revenue from Operations	75,126.76	80,794.14	(5,667.38)
Other Income	1,544.81	1,544.81	-
Total Revenue (I)	**76,671.57**	**82,338.95**	**(5,667.38)**
II. EXPENSES			
Cost of Materials Consumed	4,584.26	4,584.26	-
Purchase of Stock in trade	54,662.34	60,329.72	(5,667.38)
Changes in Inventories of Finished Goods,Stock in Trade and WIP	(382.45)	(382.45)	-
Others Exp. including Exceptional Items	8,722.60	8,722.60	-
Total Expenses (II)	**67,586.75**	**73,254.13**	**(5,667.38)**
III. Profit/(loss) before tax (I-II)	**9,084.82**	**9,084.82**	**-**
IV .Tax Expense	**3,059.15**	**3,059.15**	**-**
V Profit for the Year (III-IV)	**6,025.67**	**6,025.67**	**-**

The nature of the adjustments and the reasons for the significant changes in the statement of financial position as at 31st March 2019 and the statement of profit or loss for the year ended 31st March 2019 are described below:

Repurchase arrangements- Destination swap

GAIL has entered into a contract with customer to purchase and sell the same quantity of liquefied natural gas (LNG) at different locations at fixed prices. Since the transaction is in the nature of repurchase arrangements under Ind AS 115, no separate purchase and sale is recorded for the consideration transferred/received.

Revenue from Contracts with Customers:

Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

For the Year Ending 31st March 2019

(₹ in Crore)

Sr. No	Particulars	Natural Gas Transmission	LPG Transmission	Natural Gas Trading /Marketing	Petro-chemical	LPG and Other Liquid Hydrocarbon	Other Segment*	Unallocable	Total 31st March 2019
1	**Revenue**								
	Revenue from Operations	5,778.62	624.10	61,337.62	6,703.94	5,083.14	747.30	9.35	80,284.07
Less:	Inter Segment Sales	540.40	9.66	4,134.04	1.88	449.20	20.39	1.74	5,157.31
	Total Revenue	**5,238.22**	**614.44**	**57,203.58**	**6,702.06**	**4,633.94**	**726.91**	**7.61**	**75,126.76**
2	**Primary geographical markets**								
	Domestic Sales	5,238.22	614.44	49,798.88	5,826.66	4,633.94	691.27	7.61	66,811.02
Add:	International Sales	-	-	7,404.70	875.40	-	35.64	-	8,315.74
	Total Revenue	**5,238.22**	**614.44**	**57,203.58**	**6,702.06**	**4,633.94**	**726.91**	**7.61**	**75,126.76**
3	**Timing of revenue recognition**								
	At the Point	-	-	7,404.70	6,702.06	4,633.94	-	-	6,702.06
Add:	Over the time	5,238.22	614.44	49,798.88	-	-	726.91	7.61	68,424.70
	Total Revenue	**5,238.22**	**614.44**	**57,203.58**	**6,702.06**	**4,633.94**	**726.91**	**7.61**	**75,126.76**

For the Year Ending 31st March 2018

(₹ in Crore)

Sr. No.	Particulars	Natural Gas Trans-mission	LPG Trans-mission	Natural Gas Trading /Marketing	Petro-chemical	LPG and Other Liquid Hydrocarbon	Other Segment*	Unallo cable	Total 31st March 2019
I	**Revenue**								
	Revenue from Operations	4,974.16	564.80	41,095.83	5,855.45	4,329.83	746.28	84.20	57,650.55
Less:	Inter Segment Sales	487.53	6.24	3,070.95	13.31	146.62	20.08	80.30	3,825.03
	Total Revenue	**4,486.63**	**558.56**	**38,024.88**	**5,842.14**	**4,183.21**	**726.20**	**3.90**	**53,825.52**
2	**Primary geographical markets**								
	Domestic Sales	4,486.63	558.56	37,410.35	5,450.88	4,183.21	693.02	3.90	52,786.55
Add:	International Sales	-	-	614.53	391.26	-	33.18	-	1,038.97
	Total Revenue	**4,486.63**	**558.56**	**38,024.88**	**5,842.14**	**4,183.21**	**726.20**	**3.90**	**53,825.52**
3	**Timing of revenue recognition**								
	At the Point	-	-	-	5,842.14	4,183.21	-	-	5,842.14
Add:	Over the time	4,486.63	558.56	38,024.88	-	-	726.20	3.90	47,983.38
	Total Revenue	**4,486.63**	**558.56**	**38,024.88**	**5,842.14**	**4,183.21**	**726.20**	**3.90**	**53,825.52**

Note: No single customer represents 10% or more of the total Company's revenue during the year ended 31st March 2019 & 31st March 2018

Trade Receivables and Contract Balances

The following table provides the information about receivables and contract liabilities from contracts with customers.

(₹ in Crore)

Particulars	As at 31st March 2019	As at 31st March 2018
Trade Receivable (Net)	4,060.19	3,054.59
Contract Assets		
Unbilled Receivables	0.23	-
Contract Liabilities		
- Advance from Customers	751.00	790.84

Trade receivables are non-interest bearing and are generally on terms of 4 to 60 days. Contract Assets represents gas supplied to Domestic and Commercial Customers in City Gas Distribution business for which invoicing will be done at a future date. Contract liabilities are the advances paid by the customers against which supply of products is to happen after the reporting date.

(₹ in Crore)

Changes in Contract Assets	As at 31st March 2019
Balance at the beginning of the year	-
Revenue recognised during the year	0.23
Invoices raised during the year	-
Balance at the end of the year	**0.23**

(₹ in Crore)

Changes in Contract Liabilities	As at 31st March 2019
Balance at the beginning of the year	790.84
Revenue recognized that was included in Advances balance at the beginning of the year	2,331.75
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	2,291.91
Balance at the end of the year	751.00

Management expects that 83 % of the transaction price allocated to unsatisfied contract as on 31st March 2019 for ₹ 621.28 cr will be recognized as revenue during the next FY2019-20. 2% of the transaction price allocated to unsatisfied contract as on 31st March 2019 amounting to ₹16.23 cr will be recognized during 2020-21 to 2021-22. The balance 15% amounting to ₹113.49 cr will be realized from 2022-23 onwards.

38. The company has given corporate guarantee to lenders on behalf of its related parties in respect of their borrowings.

39. PNGRB on 19.02.2014 notified insertion of Regulation 5A in the Amended Affiliate Code of Conduct Regulations that an entity engaged in both marketing and transportation of natural gas shall create a separate legal entity on or before 31.03.2017 so that the activity of transportation of natural gas is carried on by such separate legal entity and the right of first use shall, however, remain with the affiliate of such separate legal entity. The Company has challenged the said PNGRB Regulations before Hon'ble Delhi High Court by way of writ and the same is pending adjudication.

40. (a) Pay revision of Non-Executives of the Company is due w.e.f. 1st Jan 2017. Pending finalization of pay revision, a provision of ₹ 42.72crore (PY: ₹ 36.00 crore) has been made based on estimated basis. Accordingly, cumulative balance towards pay revision, pending settlement is ₹ 88.93 crore (PY: ₹ 46.21 crore)

(b) Pursuant to implementation of Pay Revision Directions, the Company has evaluated impact of increase in gratuity ceiling from ₹ 10 Lakh to ₹ 20 Lakh and has considered the incremental amount of ₹ 150.51 crore as recoverable from the respective fund as on March 31, 2018 by reversing the impact taken in Statement of Profit & Loss Account in FY 2016-17. During the year, vide directive of DPE dated 10th July 2018 clarified that gratuity under DPE guidelines dated 3rd August 2017, is subject to affordability of the CPSE concerned effective for the period from 01.01.2017 till 28.03.2018, where pay has been revised w.e.f., 01.01.2017. Accordingly, the Board of Directors in its 394th Meeting held on 22nd October 2018, approved to fund the contribution along with interest and accordingly, a sum of ₹182.58 crore has been charged to Statement of Profit and Loss.

41. Disclosure under the Ind AS 19 on Employee Benefits is given as below:

I. Superannuation Benefit Fund (Defined Contribution Fund)

The Company has paid for an amount of ₹115.35 crore (Previous Year: ₹ 56.16 crore) towards contribution to Superannuation Benefit Fund Trust and National Pension System (NPS) and charged to statement of profit and loss.

II. Provident Fund

The Company has paid contribution of ₹ 63.89 crore (Previous Year ₹ 63.09 crore) to Provident Fund Trust at predetermined fixed percentage of eligible employees' salary and charged to statement of profit and loss. Further, the obligation of the Company is to make good shortfall, if any, in the fund assets based on the statutory rate of interest in the future period. During the year, surplus in the fund is more than the interest rate guaranteed liability of the Company hence, the Company has reversed a provision of ₹ Nil (Previous Year ₹ Nil), as per actuarial

valuation and the balance provision to meet any shortfall in the future period to be compensated by the Company to the Provident Fund Trust as at the end of the current financial year is ₹ Nil (Previous Year ₹Nil).

III. Other Benefit Plans

a) Gratuity:

As per Payment of Gratuity Act, Gratuity is payable for 15 days salary for every completed year of service subject to minimum service period of 5 years. Total Gratuity payable is limited to ₹ 20 lakh as per Central Government notification S.O. 1420 (E) dated 29.03.2018.

b) Post-Retirement Medical Scheme (PRMS)

The Company contributes to the defined benefit plans for Post-Retirement Medical Scheme using projected unit credit method of actuarial valuation. Under the scheme eligible ex-employees are provided medical facilities. During the year the Company has earmarked ₹ 281.69 crore (Previous Year ₹ 263.86) towards the PRMS in a separate bank account.

c) Earned Leave Benefit (EL)

Earned Leave is accrued 30 days per year. Earned Leave can be encashed while in service upto 75% of accumulated Earned Leave balance subject to maximum of 90 days at a time; provided a minimum balance of 15 days is left over in the respective employee's account. Encashment on retirement or superannuation is limited to 300 days.

d) Terminal Benefits (TB)

At the time of superannuation, employees are entitled to settle at a place of their choice and they are eligible for Transfer Traveling Allowance from place of their last posting.

e) Half Pay Leave (HPL)

HPL is accrued 20 days per year. The encashment of unavailed HPL is allowed as per approved Company rule at the time of Superannuation.

f) Long Service Award (LSA)

On completion of specified period of service with the company and also at the time of retirement, employees are rewarded monetarily based on the duration of service completed as per approved policy of the Company.

The following table summarizes the components of net benefit expenses recognized in the statement of profit and loss based on actuarial valuation. (₹ in Crore)

	Gratuity Funded		PRMS Non Funded		EL Non Funded		Terminal Benefits Non Funded		HPL Non Funded		LSA Non Funded	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
A. Expenses recognized in the Statement of Profit & Loss Account												
Current Service Cost	37.38	36.33	28.47	38.47	52.98	7.37	1.34	0.95	10.34	10.19	1.34	1.39
Past service cost	(53.87)	57.03	-	-	-	-	-	-	-	-	-	-
Interest on Benefit Obligation	9.97	12.14	20.90	19.57	7.99	14.10	0.80	0.88	12.84	13.42	1.49	1.58
Expected Return on Plan Assets	(8.86)	(9.17)	-	-	-	-	-	-	-	-	-	-
Net actuarial (Gain) / Loss recognized in the year	(26.94)	(55.26)	(11.72)	(20.75)	7.04	(18.69)	2.23	0.78	7.88	(23.71)	0.49	0.15
Impact of Gratuity Limit enhancement to ₹ 20 lakh reversed	173.12	(150.51)										
Interest on under Funding transferred to Emp. Rec. account	15.98	(12.13)										
Other Comprehensive Income	35.81	64.43	11.72	20.75								
Expenses recognized in P&L Statement*	182.58	(57.14)	49.37	58.04	68.01	2.78	4.37	2.61	31.06	(0.10)	3.32	3.12
* Figures for FY 18-19 excludes amounts pertaining to GAIL Gas Ltd., which have been transferred to GAIL Gas Ltd w.e.f. 01st Apr 2018.												
B Reconciliation of fair value of plan assets and Present value of defined benefit obligation												
Present value of Obligation as at year end	328.52	366.65	328.08	290.17	171.07	110.91	16.72	13.55	199.20	171.65	23.21	22.42
Fair value of Plan Assets as at year end	379.68	162.49	-	-	-	-	-	-	-	-	-	-
Difference	51.16	(204.16)	(328.08)	(290.17)	(171.07)	(110.91)	(16.72)	(13.55)	(199.20)	(171.65)	(23.21)	(22.42)
Net Asset / (Liability) recognized in the Balance Sheet	51.16	(204.16)	(328.08)	(290.17)	(171.07)	(110.91)	(16.72)	(13.55)	(199.20)	(171.65)	(23.21)	(22.42)

	Gratuity Funded		PRMS Non Funded		EL Non Funded		Terminal Benefits Non Funded		HPL Non Funded		LSA Non Funded	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
C. Reconciliation of the changes in the Present Value of the Defined Benefit Obligations:												
Present value of Obligations as at beginning of the year	366.65	316.17	290.17	254.74	110.91	257.66	13.55	11.79	171.65	176.42	22.42	21.70
Interest Cost	22.90	23.93	22.26	19.57	7.99	14.10	0.97	0.88	12.84	13.42	1.60	1.58
Current Service Cost	39.57	36.33	30.14	38.47	56.80	7.37	1.42	0.95	12.16	10.19	1.42	1.39
Past service cost	(57.03)	57.03	-	-	-	-	-	-	-	-	-	-
Benefit Paid	(16.63)	(11.55)	(2.77)	(1.86)	(11.67)	(149.53)	(1.45)	(0.85)	(5.33)	(4.67)	(2.72)	(2.40)
Net Actuarial Gain / (Loss) on Obligation	(26.94)	(55.26)	(11.72)	(20.75)	7.04	(18.69)	2.23	0.78	7.88	(23.71)	0.49	0.15
Present Value of the Defined Benefit Obligation as at end of the year	328.52	366.65	328.08	290.17	171.07	110.91	16.72	13.55	199.20	171.65	23.21	22.42
D. Reconciliation of the changes in the Fair Value of Plan Assets												
Fair Value of Plan Assets as at beginning of the year	162.49	153.08	-	-	-	-	-	-	-	-	-	-
Expected return on Plan Assets	8.86	9.17	-	-	-	-	-	-	-	-	-	-
Contributions by Employer	224.96	11.79	-	-	-	-	-	-	-	-	-	-
Benefit Paid	(16.63)	(11.55)	-	-	-	-	-	-	-	-	-	-
Actuarial Gain / (Loss)	-	-	-	-	-	-	-	-	-	-	-	-
Fair Value of Plan Assets as at end of the year	379.68	162.49	-	-	-	-	-	-	-	-	-	-
E. Principal actuarial assumption at the Balance Sheet Date												
Discount rate	7.60%	7.71%	7.60%	7.71%	7.60%	7.71%	7.60%	7.71%	7.60%	7.71%	7.60%	7.71%
Expected return on plan assets	7.60%	7.71%	-	-	-	-	-	-	-	-	-	-
Annual increase in costs	-	-	10.00%	10.00%	-	-	10.00%	10.00%	-	-	10.00%	10.00%
Annual increase in salary	10.00%	10.00%	-	-	10.00%	10.00%	-	-	10.00%	10.00%	-	-

F. Other Disclosure

(i) Net Asset / (Liability) recognized in the Balance Sheet (including experience adjustment impact)

Gratuity	31.03.2019	31.03.2018	31.03.2017	31.03.2016	31.03.2015
Present Value of Defined Benefit Obligation as at end of the year	328.52	366.65	316.17	150.93	140.21
Fair Value of Plan Asset as at end of the year	379.68	162.49	153.08	145.54	134.82
Status [Surplus / (Deficit)]	51.16	(204.16)	(163.09)	(5.39)	(5.39)
Experience Adjustment of Plan Assets [Gain / (Loss)]	8.86	(9.17)	(3.65)	4.02	2.05
Experience Adjustment of Obligation [Gain / (Loss)]	(26.94)	(55.26)	(22.97)	(34.90)	(32.31)

PRMS	31.03.2019	31.03.2018	31.03.2017	31.03.2016	31.03.2015
Present Value of Defined Benefit Obligation as at end of the year	328.08	290.17	254.74	226.13	197.80
Experience Adjustment of Obligation [Gain / (Loss)]	(11.71)	(20.76)	(22.18)	(5.45)	87.17

Earned Leave	31.03.2019	31.03.2018	31.03.2017	31.03.2016	31.03.2015
Present Value of Defined Benefit Obligation as at end of the year	171.07	110.91	257.66	225.44	250.11
Experience Adjustment of Obligation [Gain / (Loss)]	7.03	(18.69)	(3.10)	12.64	(0.65)

Terminal Benefits	31.03.2019	31.03.2018	31.03.2017	31.03.2016	31.03.2015
Present Value of Defined Benefit Obligation as at end of the year	16.72	13.55	11.79	11.61	9.89
Experience Adjustment of Obligation [Gain / (Loss)]	2.23	0.79	(0.88)	0.70	(0.30)

HPL	31.03.2019	31.03.2018	31.03.2017	31.03.2016	31.03.2015
Present Value of Defined Benefit Obligation as at end of the year	199.20	171.65	176.42	167.03	146.19
Experience Adjustment of Obligation [Gain / (Loss)]	7.87	(23.71)	18.12	(4.39)	(5.59)

Long Service Award	31.03.2019	31.03.2018	31.03.2017	31.03.2016	31.03.2015
Present Value of Defined Benefit Obligation as at end of the year	23.21	22.42	21.70	21.36	17.13
Experience Adjustment of Obligation [Gain / (Loss)]	0.49	0.15	1.87	(0.17)	(3.93)

(ii) The effect of increase/decrease of cost

Sensitivity Analysis	GRATUITY				PRMS			
	Funded				Non - Funded			
	2018-19		2017-18		2018-19		2017-18	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	315.26	342.8	351.25	383.24	296.72	364.04	262.44	321.92
%Change Compared to base due to sensitivity	-4.04%	4.35%	-4.20%	4.52%	-9.56%	10.96%	-9.56%	10.94%
Salary Growth (-/+ 0.5%)	330.4	326.62	369.43	363.81	N/A	N/A	N/A	N/A
%Change Compared to base due to sensitivity	0.57%	-0.58%	0.76%	-0.78%	N/A	N/A	N/A	N/A
Attrition Rate (-/+ 0.5%)	328.86	328.18	366.93	366.39	328.26	327.92	290.32	290.03
%Change Compared to base due to sensitivity	0.10%	-0.10%	0.07%	-0.07%	0.05%	-0.05%	0.05%	-0.05%
Mortality Rate (-/+ 10%)	329.11	327.93	367.20	366.12	318.11	338.29	281.67	299.09
%Change Compared to base due to sensitivity	0.18%	-0.18%	0.15%	-0.15%	-3.04%	3.11%	-2.93%	3.07%

Sensitivity Analysis	EARNED LEAVE				HALF PAY LEAVE			
	Non - Funded				Non - Funded			
	2018-19		2017-18		2018-19		2017-18	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	161.25	181.87	104.54	117.91	189.93	209.18	163.63	180.27
%Change Compared to base due to sensitivity	-5.74%	6.31%	-5.75%	6.30%	-4.65%	5.01%	-4.67%	5.03%
Salary Growth (-/+ 0.5%)	181.52	161.46	117.69	104.67	208.86	190.13	180.00	163.79
%Change Compared to base due to sensitivity	6.11%	-5.62%	6.11%	-5.63%	4.85%	-4.55%	4.87%	-4.57%
Attrition Rate (-/+ 0.5%)	170.89	171.26	110.80	111.03	199.06	199.33	172.06	171.23
%Change Compared to base due to sensitivity	-0.11%	0.11%	-0.11%	0.10%	-0.07%	0.07%	0.24%	-0.24%
Mortality Rate (-/+ 10%)	170.89	171.13	110.80	111.03	199.01	199.38	172.68	170.61
%Change Compared to base due to sensitivity	-0.11%	0.11%	-0.12%	0.10%	-0.09%	0.10%	0.60%	-0.60%

Sensitivity Analysis	TERMINAL BENEFITS				LONG SERVICE AWARD			
	Non - Funded				Non - Funded			
	2018-19		2017-18		2018-19		2017-18	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	15.99	17.51	12.94	14.22	22.35	24.12	21.60	23.31
%Change Compared to base due to sensitivity	-4.36%	4.72%	-4.54%	4.91%	-3.67%	3.95%	-3.67%	3.94%
Salary Growth (-/+ 0.5%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
%Change Compared to base due to sensitivity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Attrition Rate (-/+ 0.5%)	16.67	16.76	13.51	13.59	23.29	23.12	22.35	22.51
%Change Compared to base due to sensitivity	-0.27%	0.27%	-0.28%	0.28%	0.36%	-0.35%	-0.35%	0.36%
Mortality Rate (-/+ 10%)	16.61	16.83	13.46	13.64	23.33	23.09	22.32	22.54
%Change Compared to base due to sensitivity	-0.64%	0.65%	-0.67%	0.67%	0.51%	-0.51%	-0.50%	0.50%

(iii) Details of the investment pattern of Plan Assets of Gratuity Trust

Particulars	(% age of investment)	
	31.03.2019	31.03.2018
Central Govt. Securities	2.65	6.06
State Govt. Securities	1.35	5.11
PSU Bonds	-	7.22
Private Bonds	-	0.29
Insurance Investment	96	81.32
Total	**100.00**	**100.00**

Mortality table referred		IALM 2006-2008 ULTIMATE	IALM 2006-2008 ULTIMATE
	AGE	Withdrawal Rate % (2018-19)	Withdrawal Rate % (2017-18)
Withdrawal Rate/Employee Turnover Rate	UPTO 30 YEARS UPTO 44 YEARS ABOVE 44 YEARS	3% 2% 1%	3% 2% 1%

Note:

i. The actuarial valuation takes into account the estimates of future salary increases, inflation, seniority, promotion and other relevant factors.

ii. The management has relied on the overall actuarial valuation conducted by the actuary.

42. Disclosure as per Ind AS 23 on 'Borrowing Costs':

Borrowing costs capitalized in assets including amount allocated towards Capital Work in Progress during the year was ₹1.06 crore (Previous Year: ₹ 8.57 crore).

43. In compliance of Ind AS 108 on "Operating Segment", the Company has adopted following Business segments as its reportable segments:

(i) Transmission services

a) Natural Gas
b) LPG

(ii) Natural Gas Marketing

(iii) Petrochemicals

(iv) LPG and other Liquid Hydrocarbons

(v) Other Segments (include GAIL TEL, E&P, Power Generation and City Gas)

There are no geographical segments in the Company.

The disclosures of segment wise information is given as per **Annexure-A.**

44. In compliance of Ind AS 24 on "Related Party Disclosures", the names of related parties, nature of relationship and detail of transactions entered therewith are given in **Annexure-B.**

45. Disclosure under Ind AS 112 on "Disclosure of Interests in Other Entities":

A) Subsidiaries/ Jointly Venture/ Associates

Sr. No.	Name of companies	Relation	Proportion of ownership as on 31.03.2019	Proportion of ownership as on 31.03.2018
1	GAIL Global (Singapore) PTE Ltd	Subsidiary	100.00%	100.00%
2	GAIL Global (USA) Inc.	Subsidiary	100.00%	100.00%
3	GAIL Gas Limited	Subsidiary	100.00%	100.00%
4	Tripura Natural Gas Co Ltd. (TNGCL)	Subsidiary	48.98%	48.98%
5	Bengal Gas Company Limited*	Subsidiary	NA	NA
6	Central UP Gas Limited	Joint Venture	25.00%	25.00%
7	Green Gas Limited	Joint Venture	49.97%	49.97%
8	Ratnagiri Gas & Power (Private) Ltd (RGPPL)	Joint Venture	25.51%	25.51%
9	Konkan LNG Pvt. Ltd. (KLPL)**	Joint Venture	40.92%	25.50%
10	Maharashtra Natural Gas Limited (MNGL)	Joint Venture	22.50%	22.50%
11	Aavantika Gas Limited	Joint Venture	49.99%	49.98%
12	Bhagyanagar Gas Limited	Joint Venture	49.97%	49.97%
13	Talcher Fertilizers Limited	Joint Venture	33.33%	33.32%
14	TAPI Pipeline Company Limited	Joint Venture	5.00%	5.00%
15	Vadodara Gas Limited	Joint Venture	50.00%	50.00%
16	GAIL China Gas Global Energy Holdings Ltd.	Joint Venture	50.00%	50.00%
17	Indradhanush Gas Grid Ltd	Joint Venture	20.00%	0.00%
18	ONGC Petro-additions Limited (OPaL)***	Associate	49.21%	49.21%
19	Indraprastha Gas Limited	Associate	22.50%	22.50%
20	Petronet LNG Limited	Associate	12.50%	12.50%
21	Mahanagar Gas Limited	Associate	32.50%	32.50%
22	Brahmaputra Cracker & Polymer Ltd	Associate	70.00%	70.74%
23	Ramagundam Fertilizers & Chemicals Ltd.	Associate	14.77%	0.00%
24	China Gas Holdings Limited	Associate	2.87%	3.02%
25	Fayum Gas Company	Associate	19.00%	19.00%

* Issued Capital is Nil as on 31.03.2019. Company's effective shareholding as per MOU shall be 50%.

** Calculated on the basis of voting rights in proportion to amount paid in respect of partly paid-up equity share. In addition to above, during the year company has also invested ₹ 252 crore in 10% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of KLPL, which makes the total effective Share Holding to 56.71%.

*** Holding on fully diluted basis is 8.86%

The Company's share in the assets and liabilities and in the income and expenditure for the year in respect of above Subsidiaries/Joint Ventures/Associates, based on audited/unaudited financial statements, as furnished by these companies, is as under:

(₹ in Crore)

S.N.	Particulars	2018-19	2017-18
A.	**Summary of Balance Sheet**		
1	**Assets**		
	Non-Current Assets	29,687.29	27,950.62
	Current Assets	6,476.32	6,058.95
	Total	**36,163.60**	**34,009.56**
2	**Liabilities & Provisions**		
	Non-Current Liabilities	20,846.83	18,260.09
	Current Liabilities & Provisions	9,351.05	11,314.88
	Total	**30,197.88**	**29,574.97**
B.	**Summary of Profit and Loss A/c**		
1	Income	31,487.44	15,793.97
2	Expenditure	31,556.45	10,718.99
C.	**Contingent Liability (*)**	8,673.18	8,074.75

(*) To the extent of information available with the Company

B) Jointly Controlled Assets

i) The Company has participating interest in blocks offered under New Exploration Licensing Policy (NELP) / Open Acreage Licensing Policy (OALP) in 9 Blocks (Previous Year: 8 Blocks) for which the Company has entered into Production Sharing Contract(s) (PSCs) with Government of India along with other partners for exploration and production of oil and gas. The Company is operator in Blocks CB-ONN-2010/11 and CB-ONHP-2017/12 and it is Non-Operating Partner in other 7 blocks. The expenses, incomes, assets and liabilities are shared by the company based upon its participating interest in PSC(s) of respective blocks.

Details of NELP-blocks as on 31st March, 2019 is as under:

S. No	Name of the E&P Block	Participating Interest	Remarks
1	CB-ONN-2000/1	50%	Non-Operator
2	AA-ONN-2002/1	80%	Non-Operator
3	CB-ONN-2003/2	20%	Non-Operator
4	CB-ONN-2000/1-RING FENCED CONTRACT	50%	Non-Operator
5	CB-ONN-2010/11	25%	Operator
6	AA-ONN-2010/2	20%	Non-Operator
7	GK-OSN-2010/1	10%	Non-Operator
8	CB-ONN-2010/8	25%	Non-Operator
9	CB-ONHP-2017/12	100%	Operator

ii) In addition to NELP blocks, the company has farmed-in as non-operator in the following 3 blocks:-

S. No.	Name of the Block	Participating Interest
1	A-1,Myanmar*	8.5%
2.	A-3, Myanmar*	8.5%
3.	CY-OS/2	25%

* In addition, the company has 8.5% participating interest in "SHWE Offshore pipeline" in Myanmar for the purpose of transportation of gas from the offshore delivery point to landfall point in Myanmar.

iii) The Company's share in the Assets, Liabilities, Income and Expenditure for the year in respect of joint operations project blocks has been incorporated in the Company's financial statements based upon unaudited financial statement submitted by the operators and are as given below: (Final adjustments are effected during the year in which audited financial statements are received):

(₹ In crore)

Particulars	2018-19	2017-18
Income	639.35	632.97
Expenditure	365.48	430.55
Fixed Assets (Gross block)	192.90	203.76
Producing Property (Gross block)	973.05	1069.56
Other Assets	401.96	483.65
Liabilities	430.75	390.92

The above includes the following amounts pertaining to 32 E&P blocks relinquished till 31st March 2019 (including 32 E&P blocks relinquished till 31st March 2018) where company is non-operator.

(₹ In crore)

Particulars	2018-19	2017-18
Income	(0.01)	0.05
Expenditure	15.08	0.37
Fixed Assets (Gross block)	0.00	0.01
Other Assets	11.65	3.95
Liabilities	50.41	36.08

iv) Share of Minimum work program committed under various production sharing contracts in respect of E&P joint ventures is ₹ 73.04 crore (Previous Year ₹ 37.72 crore)

v) Quantitative information:

a) Details of the Company's Share of Production of Crude Oil and Natural Gas during the year ended 31st March 2019:

i) Crude Oil Block No. CB-ONN-2000/1 & CB-ONN-2003/2:

Particulars	Opening stock		Production (Treated & processed crude)		Sales		Closing Stock	
	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Crude Oil	(MT)	₹ In Crore	(MT)	₹ In Crore	(MT)	₹ In Crore	(MT)	₹ In Crore
Year ended 31/03/19	552.83	0.90	11307.99	-	11306.49	35.64	554.33	0.93
Year ended 31/03/18	726.91	0.68	14264.67	-	14438.76	33.18	552.83	0.90

ii) Natural Gas Block No.A1 and A3 (Myanmar)

Particulars	Opening stock		Production		Sales		Closing Stock	
	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Natural Gas	(Million M^3)	₹ In Crore	(Million M^3)	₹ In Crore	(Million M^3)	₹ In Crore	(Million M^3)	₹ In Crore
Year ended 31/03/19	0.470	0.29	348.45	-	348.40	524.10	0.52	0.33
Year ended 31/03/18	0.55	0.24	414.10	-	405.62	519.16	0.47	0.29

b) Net Quantities of the Company's interest in proved reserves and proved developed reserves:

Particulars	Proved Reserves		Proved Developed Reserves	
	2018-19	2017-18	2018-19	2017-18
Crude Oil : in 000'MT				
Beginning of the year	91.50	128.90	90.50	108.00
Additions	19.50	-	-	-
Deletion	-	2.45	-	2.45
Production	11.84	15.67	11.84	15.05
Closing Balance	99.16	91.50	78.66	90.50
Natural Gas : in Million M3				
a) Myanmar				
Beginning of the year	4,507.37	4,921.15	4,109.42	4,522.15
Additions	664.40	-	324.98	-
Deletion	-	-	-	-
Production	348.45	414.10	348.45	414.10
Closing Balance	4,823.32	4,507.37	4,085.95	4,109.42
b) India				
Beginning of the year	1,812.28	1,462.25	-	-
Additions	-	350.03	-	-
Deletion*	-	-	-	-
Production	-	-	-	-
Closing Balance	1,812.28	1,812.28	-	-
Closing Balance Total (a+b)	**6,635.60**	**6,319.65**	**4,085.95**	**4,109.42**

*As per approval of Field Development Plan

Notes:

i. The Company is Non-operating partner in E&P blocks for which reserves are disclosed.

ii. The initial oil and gas reserve assessment was made through expert third party agency / internal expert assessment by respective Operators of E&P blocks. The year-end oil reserves are estimates based on information obtained from Operator / on the basis of depletion during the year. Re-assessment of oil and gas reserves carried out by the respective Operator as and when new significant data or discovery of hydrocarbon in the respective block.

iii. The Company's share of Crude Oil Production in FY 2018-19 is 91,075 barrels (PY 1,15,057 barrels).

iv. E&P blocks are assessed individually for impairment.

c) The Company's share of balance cost recovery is ₹ 499.20 crore (Previous Year ₹ 738.12 crore) to be recovered from future revenues from E&P blocks having proved reserves as per Production sharing contracts.

46. Advance against equity pending allotment with South East Asia Gas Pipeline (SEAGP)as on 31st March 2019 is ₹95.78 crore (Previous Year ₹95.78 crore) equivalent to USD 20,288,217. The Board of Directors and shareholders of SEAGP decided that refund, if any, will be determined based on their future cash flows and shall be subject to the approval of Board and Shareholders of SEAGP. During the year, SEAGP has not approved any further refund.

47. In compliance of Ind AS 36 on Impairment of Assets, the Company has carried out an assessment of impairment in respect of its following assets as on 31.03.2019:

i) During the year the Company has made net impairment of ₹ 0.35 crore(Previous Year ₹ 0.27 crore) in respect of its GAIL Tel Assets and the same has been recognized as impairment loss in the statement of profit and loss.

ii) During the year the Company has made impairment provision of ₹19.02 crore (Previous Year: ₹ Nil) in respect of unused assets of LPG plant at Usar and the same has been recognized as impairment loss in the statement of profit and loss.

iii) During the year based on Project Evaluation of E&P Blocks, the following impairment provision has been made:

(₹ in Crore)

E&P Block	Provision for Impairment	
	FY 18-19	FY 17-18
Block CB-ONN-2010/8 (Operator M/s BPRL) in Wells PA#1 and PA#2	12.15	-
Block CB-ONN-2010/11 (Operator M/s GAIL) in Well Galiyana#1	7.90	-
Kathalchari Block	-	85.96
Total	**20.05**	**85.96**

48. In compliance of Ind AS 109 on Impairment of Financial Assets, the Company has carried out an assessment of impairment in respect of its following assets as on 31.03.2019:

i) During the year, based on increase in fair value of Company's investment in Fayum Gas Company S.A.E., Egypt, the Company has made a reversal of impairment of ₹ 3.03 crore (Previous Year: ₹ 1.55 crore). The Carrying Value of Company's investment in Fayum Gas Company S.A.E., Egypt after reversal of aforesaid impairment provision as on 31.03.2019 stands at ₹ 7.64 crore. (Previous year: ₹ 4.62 crore).

ii) During the year, based on increase in fair value of Company's investment in Konkan LNG Private Limited (KLPL), the Company has made a reversal of impairment of ₹ 2.18 crore out of the impairment provision of ₹ 139.75 crore provided during the last financial year on account of accumulated losses and eroded net worth.

During the year Company has infused further capital of ₹143.01 crore in Equity and ₹ 252 crore in Preference Share Capital of KLPL for construction of Breakwater and other business purpose. In order to assess impairment on further capital infusion as aforesaid, the Company has carried out fresh impairment study, which projects future positive cash flows after commencement of Operation of Breakwater and accordingly, the carrying value of Company's investment in KLPL as on 31.03.2019 stands at ₹ 397.20 crore (Previous year : ₹ NIL), after reversal of aforesaid impairment provision.

iii) During the year, based on fair value of Company's investment in RGPPL, the Company has provided for loss on impairment of ₹ 157.92 crore (Against reversal of impairment provision of ₹ 26.14 crore in Previous Year). The Carrying Value of Company's investment in RGPPL after making the aforesaid impairment provision as on 31.03.2019 stands at ₹ 59.53 crore (Previous year: ₹ 217.45 crore).

iv) During the year, based on fair value of Company's investment in GAIL Global USA Inc. (GGUI), the Company has provided for loss on impairment of ₹ 173.62 crore. The Carrying Value of Company's investment in GGUI after making the aforesaid impairment provision as on 31.03.2019 stands at ₹ 5.55 crore (Previous year: ₹ 179.17 crore).

49. In compliance of Ind AS 37 on "Provisions, Contingent liabilities and Contingent Assets", the required information on provision for probable obligation is as under:

(₹ in Crore)

Provisions	Opening Balance	Addition during the year (incl OCI)	Reversal/adjusted during the year	Closing Balance
Direct Tax	1,478.86	1,960.45	1,447.65	1,991.66
Deferred Tax	5,307.74	926.84	-	6,234.58
Indirect Tax	318.22	15.20	-	333.42
Employee Benefit	771.36	91.67	124.73	738.30
Legal & Arbitration Cases	337.83	42.81	28.04	352.60

50. Unhedged Foreign Currency exposure

Particulars	Currencies	Amount (₹ In crore)	
		31.03.2019	31.03.2018
Borrowings, including interest accrued but not due*	USD	37.52	48.01
Trade payables /deposits and retention monies	USD	932.80	567.85
	EURO	2.72	3.20
	Others	20.87	21.62
Trade/Other receivables and bank balances	USD	212.02	50.89
	Others	0.41	-
Unexecuted amount of contracts remaining to be executed	USD	850.49	977.61
	EURO	18.31	22.20
	Others	17.83	50.82

*excludes amount which is naturally hedged against foreign currency inflows.

51. Details of Loans, Investments, Guarantee and Security given by the Company covered u/s 186 (4) of the Companies Act 2013.

a. Investments made and Loans given are disclosed under the respective notes No 5 and 7.

b. Corporate Guarantees given by the Company in respect of loans as at the end of the current financial year are as under:

(₹ in Crore)

Sl. No.	Name of the Company	As at 31st March 2019	As at 31st March 2018
1	GAIL Global (USA) Inc.	948.87	748.18
2	Brahmaputra Cracker and Polymer Ltd	802.34	802.34
3	GAIL Global Singapore Pte Ltd.	697.70	656.30

c. There is no security provided by the Company.

52. Interest free advance has been given to Petronet LNG Ltd.(PLL) for booking of regasification capacity to the tune of ₹ 561.80 crore (Previous Year: ₹ 561.80 crore). The said advance is to be adjusted within 15 years against regasification invoices of PLL. Out of above advance, PLL has adjusted ₹ 38.20 crore during the year(Previous Year: ₹ 38.20 crore). Balance amount of ₹ 475.84 crore (Previous year ₹ 514.04 crore) has been accounted as advance in Note No 12 and 12A.

53. In some cases, the Company has received intimation from Micro and Small Enterprises regarding their status under "The Micro, Small and Medium Enterprises Development Act, 2006". As per practice, the payment to all suppliers has been made within 7-10 days of receipt of valid invoice.

(₹ in Crore)

Particulars	FY 2018-19	FY 2017-18
Amount due and Payable at the year end		
- Principal	202.19	68.11
- Interest on above Principal	-	-
Payments made during the year after the due date		
- Principal	-	-
- Interest	-	-
Interest due and payable for principals already paid	-	-
Total Interest accrued and remained unpaid at year end	-	-

54. Cabinet Committee on Economic Affairs (CCEA), Government of India in its meeting held on 21st September 2016 has approved 40% capital grant of estimated capital cost of ₹12,940 crore i.e. ₹ 5,176 crore to the Company for execution of Jagdishpur Haldia Bokaro Dhamra Pipeline Project (JHBDPL). The Company has received ₹ 2056.60 crore (Previous year ₹ 850 crore) towards Capital Grant on above ground till 31.03.2019. Further, the Company has shown ₹ 541.60 crore as receivable towards Capital Grant as on 31.03.2019 for the amount to be received based on the letter received from the Ministry of Petroleum and Natural Gas. During the year, the Company has amortised the capital grant amounting ₹ 8.00 crore (Previous year ₹ 0.24 crore) based on the life of the asset capitalized.

55. Financial Risk management

The company is exposed to a number of financial risks arising from natural business exposures as well as its use of financial instruments including market risks relating to commodity prices, foreign currency exchange and interest rates; credit risk; and liquidity risk.

a. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the long-term foreign currency loans with floating interest rates. The Company manages its interest rate risk according to its Board approved Foreign Currency and Interest Rate Risk Management policy'. Market interest rate risk is mitigated by hedging through appropriate derivative products such as interest rate swaps & full currency swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Interest rate sensitivity

With all other variables held constant, the following table demonstrates the sensitivity to a reasonably possible change in interest rates on floating rate portion of **forex loans and borrowings** outstanding as on 31.03.2019, after considering the impact of swap contracts.

Particulars	31-03-2019			31-03-2018		
	US Dollar (LIBOR)*		Others	US Dollar (LIBOR)*		Others
Increase/decrease (in Basis Points)	+ 10	-10	Nil	+ 10	-10	Nil
Effect on profit before Tax (₹ in Cr)	-0.09	0.09		-0.11	0.11	

*LIBOR- London Interbank Offer Rate

With all other variables held constant, the following table demonstrates the sensitivity to a reasonably possible change in interest rates on Corporate Linked Deposit Scheme (CLTD) outstanding as on 31.03.2019 which are linked with MIBOR:-

Particulars	31-03-2019			31-03-2018		
	INR (MIBOR)*		Others	INR (MIBOR)*		Others
Increase/decrease in (MIBOR) by 100 bps	+ 100	-100	Nil	+ 100	-100	Nil
Effect on profit before Tax (₹ in Cr)	0.87	-0.87		8.66	-8.66	

*MIBOR- Mumbai Interbank Offer Rate

(ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Company transacts business in local currency and in foreign currency, primarily U.S. dollars. Company has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. As per its Board approved policy, Company may mitigate its foreign currency risk through plain vanilla derivative products such as foreign exchange option contracts, swap contracts or forward contracts towards hedging such risks. These foreign exchange contracts, carried at fair value, may have varying maturities depending upon the underlying contract requirement and risk management strategy of the Company.

Foreign Currency Sensitivity

The following table demonstrates the sensitivity in the USD, Euro, and other currencies to the functional currency of Company, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives.

Particulars	31-03-2019				31-03-2018			
	USD		Other Currency		USD		Other Currency	
Increase/decrease in Exchange Rate (%)	1%	-1%	1%	-1%	1%	-1%	1%	-1%
Effect on profit before Tax (₹ in Cr)	-16.09	16.09	-0.59	0.59	-15.91	15.91	-0.98	0.98

(iii) Commodity Price risk

Company imports LNG for marketing and for its internal consumption on an on-going basis and is not exposed to the price risk to the extent it has contracted with customers in India and overseas on back to back basis. However, the company is exposed to the price risk on the volume which is not contracted on back to back basis. As most of the LNG purchase and sales contracts are based on natural gas or crude based index, such price risk arises out of the volatility in these indices. In order to mitigate this index linked price risk, Company has been taking appropriate derivative products in line with the Board approved ' Natural Gas Price Risk Management Policy'

(iv) Equity Price Risk

The Company's listed and non-listed equity investments are susceptible to market price risk arising from uncertainties about future values of these investments. The Company manages the equity price risk through review of investments by Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all the equity investment decisions of the Company.

At the reporting date, the exposure to unlisted equity investments at fair value was ₹188.77 Crore (Previous Year ₹172.90Crore).

At the reporting date, the exposure to listed equity investments at fair value was ₹ 4924.61 Crore (Previous Year ₹ 5488.92 Crore). A variation of (+/-) 10% in share price of equity investments listed on the stock exchange could have an impact of approximately (+/-) ₹ 492 Crore (Previous Year ₹ 549 Crore) on the OCI and equity investments of the Company. These changes would not have an effect on profit or loss.

b. Liquidity Risk

Liquidity is the risk that suitable sources of funding for Company's business activities may not be available. The Company's objective is to maintain optimum level of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It also maintains adequate sources to finance its short term and long term fund requirement such as overdraft facility and Long term borrowing through domestic and international market.

Liquidity risk - Maturity profile as on 31.03.2019

(₹ in Crore)

Particulars	On demand	Less than 3 months	3 to 12 months	>1 to 5 years	> 5 years	Total
Borrowings (Non-current) #	-	-	-	741.01	125.00	866.01
Borrowings (current) #	-	48.58	81.34	-	-	129.92
Interest on Borrowings##	-	10.48	62.25	180.27	10.38	263.37
Trade Payables	-	3,961.18	-	-	-	3,961.18
Other Financial Liabilities (Current)	-	3,497.08	-	-	-	3,497.08
Other Financial Liabilities (Non-Current)	-	-	-	745.14	-	745.14
Total	**-**	**7,517.32**	**143.59**	**1,666.42**	**135.38**	**9,462.70**

Borrowings include impact of derivative contracts.
##includes interest accrued but not due as on 31.03.2019 as well as interest to be paid till maturity.

Liquidity risk - Maturity profile as on 31.03.2018

(₹ in Crore)

Particulars	On demand	Less than 3 months	3 to 12 months	>1 to 5 years	> 5 years	Total
Borrowings (Non-current) #	-	-	-	727.66	266.20	993.86
Borrowings (current) #	-	47.56	1086.55	-	-	1134.10
Interest on Borrowings##	-	30.79	102.89	228.31	31.82	393.82
Trade Payables	-	3881.55	-	-	-	3881.55
Other Financial Liabilities (Current)	-	3983.92	-	-	-	3983.92
Other Financial Liabilities (Non-Current)	-	-	-	775.59	-	775.59
Total	**-**	**7943.82**	**1189.44**	**1731.56**	**298.02**	**11162.84**

Borrowings include impact of derivative contracts.
##includes interest accrued but not due as on 31.03.2018 as well as interest to be paid till maturity.

c. Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due, causing financial loss to the company and arises from cash and cash equivalents, derivative financial instruments and deposits with financial institutions and principally from credit exposures to customers relating to outstanding receivables. Credit exposure also exists in relation to guarantees issued by company. Each segment is responsible for its own credit risk management and reporting. Credit risk is considered as part of the risk-reward balance of doing business. On entering into any business contract the extent to which the arrangement exposes the company to credit risk is considered.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients.

(₹ in Crore)

Particulars	Neither past due not impaired	Past due but not impaired				Total
		Less than 30 days	30 to 60 days	60 to 90 days	Above 90 days	
As on 31 March 2019	3,749.86	115.36	84.96	-	1,123.92	5,074.10
As on 31 March 2018	2,855.47	213.17	34.66	-	948.21	4051.51

Provision for Doubtful Debts

The following table summarizes the changes in the allowances for doubtful accounts for trade receivables:

(₹ in Crore)

Particulars	31 March 2019	31 March 2018
Start of the year	670.50	703.52
Provision for Impairment	42.06	-33.02
Receivables written off during the year as uncollectible		
Unused amounts reversed		
End of year	712.55	670.50

Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with approved limits of its empanelled bank for the purpose of Investment surplus funds and foreign exchange transactions. Foreign exchange transaction and Investments of surplus funds are made only with empanelled Banks. Credit limits of all Banks are reviewed by the Management on regular basis.

d. Capital management

For the purpose of the capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, or issue new shares. No changes were made in the objectives, policies or processes during the reporting year.

56. The Company is evaluating applicability of provisions of Ind AS 109 w.r.t certain contracts of the Company with vendors awarded through ICB (International competitive bidding) which are denominated in third currency (i.e. a currency which not the functional currency of any of the parties to the contract). In this regard, in line with other PSU,the Company has sought opinion from the Expert Advisory Committee (EAC) constituted by The Institute of Chartered Accountants of India on the above matter vide letter no GAIL/ND/F&A/CO/EAC Opinion/2018-19 dated 21stMay 2018. On receipt of opinion / clarification from EAC, the Company will take necessary action in the matter.

57. Accounting classifications and fair value measurements

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: technique which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

As at 31 March 2019, the Company held the following financial instruments carried at fair value on the statement of financial position:

(₹ in Crore)

Particulars	Carrying Amount	Fair value		
	31st March 2019	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Non-current				
Loans	266.63	-	-	274.12
Current				
Loans	64.42	-	-	49.49
Financial assets at fair value through profit and loss account:				
Non-current				
Derivative instruments	54.25	-	54.25	-
Investments				
Current				
Derivative instruments	296.35	-	296.35	-
Investments		-		
Financial assets at fair value through other comprehensive income:				
Investments	5113.38	4924.61	-	188.77
Financial liabilities at amortised cost:				
Non-current				
Interest-bearing loans and borrowings:				
Fixed	741.50			711.62
Floating	128.21			128.21
Current				
Interest-bearing loans and borrowings:				
Fixed	80.10			128.65
Floating	50.37			50.37
Financial liabilities at fair value through Profit and loss account:				
Non-current				
Derivatives instruments	10.35		10.35	
Current				
Derivatives instruments	26.42		26.42	

Note:

1. The carrying cost of Interest-bearing loans & borrowings is approximately equal to their Fair Market Value
2. The carrying amount of trade receivables, cash and cash equivalents, other bank balance, others receivables, trade payables, interest accrued and due, other payables and other financial liabilities are considered to be same as their fair value due to their short term nature.
3. With respect to loans, the fair value were calculated based on cash flows discounted using the current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

As at **31 March 2018,** the Company held the following financial instruments carried at fair value on the statement of financial position:

(₹ in Crore)

Particulars	Carrying Amount	Fair value		
	31st March 2018	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Non-current				
Loans	291.02	-	-	261.31
Current				
Loans	72.64	-	-	74.98
Financial assets at fair value through profit and loss account:				
Non-current				
Derivative instruments	3.31	-	3.31	-
Investments				
Current				
Derivative instruments	11.10	-	11.10	-
Investments	381.47	381.47	-	-
Financial assets at fair value through other comprehensive income:				
Investments	5661.82	5488.92	-	172.90
Financial liabilities at amortised cost:				
Non-current				
Interest-bearing loans and borrowings:				
Fixed	807.28	-	-	821.45
Floating	167.99	-	-	167.99
Current				
Interest-bearing loans and borrowings:				
Fixed	75.83	-	-	88.55
Floating	1028.51	-	-	1028.51
Financial liabilities at fair value through Profit and loss account:				
Non-current				
Derivatives instruments	39.01	-	39.01	-
Current				
Derivatives instruments	316.09	-	316.09	-

Note:

1. The carrying cost of Interest-bearing loans & borrowings is approximately equal to their Fair Market Value
2. The carrying amount of trade receivables, cash and cash equivalents, other bank balance, others receivables, trade payables, interest accrued and due, other payables and other financial liabilities are considered to be same as their fair value due to their short term nature.
3. With respect to loans, the fair value were calculated based on cash flows discounted using the current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

   The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Description for significant unobservable inputs to valuation:

The following table shows the valuation techniques and inputs used for financial instruments:

	As at 31st March 2019	As at 31st March 2018
Investments	Discounted Cash flow method using risk adjusted discount rate	

The following table shows a reconciliation of opening balances to the closing balances for Level 3 fair values:

Particulars	Amount (₹ In Crore)
Balance as at 31 March 2018	172.90
Add: Additional investment during the year	7.85
Add: Fair Value gain recognized in Other Comprehensive Income	8.09
Less: Fair Value loss recognized in Other Comprehensive Income	0.06
Balance as at 31 March 2019	**188.77**

58. Hedging activities and derivatives

Derivatives not designated as hedging instruments

The Company uses forward currency contracts, interest rate swaps, cross currency interest rate swaps, commodity swap contracts to hedge its foreign currency risks, interest rate risks and commodity price risks. Derivative contracts not designated by management as hedging instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value on each reporting date. Such contracts are entered into for periods consistent with exposure of the underlying transactions.

Derivatives designated as hedging instruments:

Cash flow hedges

The Company enters into hedging instruments in accordance with policies as approved by the Board of Directors with written principles which is consistent with the risk management strategy of the Company. Company has decided to apply hedge accounting for certain derivative contracts that meets the qualifying criteria of hedging relationship entered into post October 01, 2017.

Foreign currency risk

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of firm commitment of capital purchases in US dollar and existing borrowings e.g. US dollars/ Japanese Yen etc.

Commodity price risk

The Company purchases and sells natural gas on an ongoing basis as its operating activities. The significant volatility in natural gas prices over the years has led to Company's decision to enter into hedging instruments through swaps transactions including basis swaps. These contracts are designated as hedging instruments in cash flow hedges of forecasted sales and purchases of natural gas.

The table below shows the position of hedging instruments and hedged items (underlying) as of the balance sheet date.

Details relating to hedging instrument for March 2019:

Dr (+) / Cr (-) for OCI

Cash flow hedge	Nominal amount/ Qty. of the hedging instrument	Carrying amount of hedging instrument		Changes in fair value	Line item in balance sheet where hedging instrument is disclosed
		Asset (₹ in crore)	Liabilities (₹ in crore)		
Foreign currency risk					
Forward contracts - Borrowings	USD 20102042.26	-	0.95	0.61	Liabilities- Non Current liabilities- Other Financial Liabilities- Current - Note 16A
Forward contracts - Purchases of capital goods	NIL	-	-	-0.35	Liabilities- Non Current liabilities- Other Financial Liabilities- Current - Note 16A
Commodity price risk					
Commodity swap - Forecasted purchase & sell of natural gas	MMBTU 101199703 & Barrel 3543486	317.54	27.00	-521.80	Liabilities- Non Current & Current liabilities & - Other Financial Liabilities- Current & Non Current- Note 16 & 16A

Details relating to hedged item for March 2019:

Amount in ₹ crore

	Change in fair value	Balance in cash hedge flow reserve		
		For continuing hedges	For hedges no longer applied	Total balance
Foreign currency risk				
Borrowings	8.32	0.95	0	0.95
Firm commitment for capital goods purchase	-0.35	0	0	0
Commodity price risk				
Highy probable forecasted sale and purchase of natural gas	-521.80	-290.54	0	-290.54

Details relating to hedging instrument for March 2018:

Dr (+) / Cr (-) for OCI

Cash flow hedge	Nominal amount/ Qty. of the hedging instrument	Carrying amount of hedging instrument		Changes in fair value	Line item in balance sheet where hedging instrument is disclosed
		Asset (₹ in crore)	Liabilities (₹ in crore)		
Foreign currency risk					
Forward contracts – Borrowings	USD 20102042.26	-	0.34	-0.34	Liabilities- Non Current liabilities- Other Financial Liabilities- Current - Note 16A
Forward contracts - Purchases of capital goods	USD 70000000	-	0.35	-0.35	Liabilities- Non Current liabilities- Other Financial Liabilities- Current - Note 16A
Commodity price risk					
Commodity swap - Forecasted purchase & sell of natural gas	MMBTU 58495041	5.64	236.9	-231.26	Liabilities- Non Current & Current liabilities & - Other Financial Liabilities- Current & Non-Current- Note 16 & 16A

Details relating to hedged item for March 2018:

Amount in ₹ crore

	Change in fair value	Balance in cash hedge flow reserve		
		For continuing hedges	For hedges no longer applied	Total balance
Foreign currency risk				
Borrowings	0.77	0.34	0	0.34
Firm commitment for capital goods purchase	0.35	0.18	0.17	0.35
Commodity price risk				
Highly probable forecasted sale and purchase of natural gas	231.26	231.26	0	231.26

Reconciliation of cash flow hedge reserve for year ended 31 March 2019 is given in **Annexure-C**

59. a. Confirmation of balances has been received for trade receivables and payables. These confirmations are subject to reconciliation and consequential adjustments, which in the opinion of the management are not material.

b. In the opinion of management, the value of assets, other than fixed assets and non-current investments, on realization in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet

60. Value of Raw Materials, Stores / spares and Components consumed during the year.

Sr. No.	Particulars	2018-19			2017-18		
		Qty.	₹ in crore	%	QTY.	₹ in crore	%
i)	**Raw Material consumed Gas (MMSCM):**						
	- Indigenous	1,282.51	3,363.26	73	1,288.50	2,791.91	75
	- Imported	300.58	1,221.00	27	285.41	920.51	25
Sub Total (A)		**1,583.08**	**4,584.26**	**100**	**1,573.91**	**3,712.42**	**100**
ii)	**Stores, spares component consumed:**						
	- Indigenous		289.32	65		226.22	52
	- Imported		158.99	35		146.93	48
Sub Total (B)			**448.32**	**100**		**373.15**	**100**
Total		**1,583.08**	**5,032.58**		**1,573.91**	**4,085.57**	

61. Statement containing salient features of the financial statements of Subsidiaries/Joint Ventures of the Company pursuant to Section 129 (3) of Companies Act, 2013 in form AOC I is attached in **Annexure-D.**

62. Previous year's figures have been regrouped wherever necessary to correspond with the current year's classification / disclosure.

A .K. Jha
Company Secretary
(M.No. 18644)

A. K. Tiwari
Director (Finance)
(DIN : 07654612)

Dr. Ashutosh Karnatak
Director (Projects)
(DIN : 03267102)

B. C. Tripathi
Chairman & Managing Director,
(DIN : 01657366)

As per our separate Report of even date

For **O. P. Bagla & Co. LLP**
Chartered Accountants
Firm No.000018N/N500091

Rakesh Kumar
(Partner)
Membership No.087537

For **ASA & Associates LLP**
Chartered Accountants
Firm No.009571N/N500006

Parveen Kumar
(Partner)
Membership No.088810

Place : New Delhi
Dated : 27th May, 2019

Information About Business Segments For The Financial Year Ended March 31, 2019

(ANNEXURE - A)

(₹in Crore)

Sl. No	Segment	Transmission Services *		Natural Gas Marketing *	Petro-Chemicals	LPG & Liquid Hydrocarbons	Other Segment **	Unallocable	Total	Elimination	Consolidated Total
		Natural Gas	LPG								
1	**Segment Revenue #**										
	External Sales/Other Income	5,238.22	614.44	57,203.58	6,702.06	4,633.94	726.91	7.61	75,126.76	-	75,126.76
	Intersegment Sales	540.40	9.66	4,134.04	1.88	449.20	20.39	1.74	5,157.31	5,157.31	-
	Total revenue	**5,778.62**	**624.10**	**61,337.62**	**6,703.94**	**5,083.14**	**747.30**	**9.35**	**80,284.07**	**5,157.31**	**75,126.76**
2	**Segment Results**										
	Segment Result(Profit before Interest &Tax)	3,253.90	301.38	2,859.07	384.90	2,546.52	297.91	-	9,643.68	-	9,643.68
	Unallocated expenses (Net)	-	-	-	-	-	-	1,452.54	1,452.54	-	1,452.54
	Operating Profit	**3,253.90**	**301.38**	**2,859.07**	**384.90**	**2,546.52**	**297.91**	**(1,452.54)**	**8,191.14**	**-**	**8,191.14**
	Interest Expenses	-	-	-	-	-	-	138.54	138.54	-	138.54
	Interest/ Dividend Income	23.50	4.13	62.07	15.21	2.96	7.40	916.95	1,032.22	-	1,032.22
	Provision for Taxation	-	-	-	-	-	-	3,059.15	3,059.15	-	3,059.15
	Profit/ (Loss) from Ordinary Activities	**3,277.40**	**305.51**	**2,921.14**	**400.11**	**2,549.48**	**305.31**	**(3,733.28)**	**6,025.67**	**-**	**6,025.67**
	Extra Ordinary Items	-	-	-	-	-	-	-	-	-	-
	Net Profit/ (Loss)	**3,277.40**	**305.51**	**2,921.14**	**400.11**	**2,549.48**	**305.31**	**(3,733.28)**	**6,025.67**	**-**	**6,025.67**
3	**Other Information**										
	Segment Assets	36,920.56	1,045.40	-	9,958.51	978.30	2,036.72	13,439.12	64,378.61	-	64,378.61
	Segment Liabilities	9,638.50	124.22	-	581.71	190.00	420.50	9,330.74	20,285.67	-	20,285.67
	Cost to acquire fixed assets	6,928.67	145.64	-	302.61	39.37	16.21	180.77	7,613.27	-	7,613.27
	Depreciation and Amortization Expenses	835.46	57.20	-	429.88	83.99	91.58	52.11	1,550.22	-	1,550.22
	Non Cash expenses other than Depreciation and Amortization Expenses	35.58	0.63	103.38	8.53	4.54	61.21	341.60	555.47	-	555.47

Segment Revenue includes other operating income

* Assets & Liabilities of Natural Gas Marketing included in Natural Gas Transmission Segment

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

Information about Business Segments for the financial year ended March 31, 2018

(ANNEXURE - A)

(₹in Crore)

Sl. No	Segment	Transmission Services*		Natural Gas Marketing *	Petro-Chemicals	LPG & Liquid Hydrocarbons	Other Segment **	Unallocable	Total	Elimination	Consolidated Total
		Natural Gas	LPG								
1	**Segment Revenue #**										
	External Sales/Other Income	4,486.63	558.56	38,024.86	5,842.14	4,183.21	726.20	3.89	53,825.49	-	**53,825.49**
	Intersegment Sales	487.53	6.24	3,070.96	13.31	146.62	20.08	80.30	3,825.04	3,825.04	-
	Total revenue	**4,974.16**	**564.80**	**41,095.82**	**5,855.45**	**4,329.83**	**746.28**	**84.19**	**57,650.53**	**3,825.04**	**53,825.49**
2	**Segment Results**										
	Segment Result(Profit before Interest &Tax)	2,920.53	272.61	1,256.06	266.68	2,304.25	262.16	-	7,282.29	-	**7,282.29**
	Unallocated expenses (Net)	-	-	-	-	-	-	787.40	787.40	-	**787.40**
	Operating Profit	**2,920.53**	**272.61**	**1,256.06**	**266.68**	**2,304.25**	**262.16**	**(787.40)**	**6,494.89**	**-**	**6,494.89**
	Interest Expenses	-	-	-	-	-	-	275.11	275.11	-	**275.11**
	Interest/ Dividend Income	23.19	-	14.95	14.46	3.51	0.33	682.15	738.59	-	**738.59**
	Provision for Taxation	-	-	-	-	-	-	2,339.96	2,339.96	-	**2,339.96**
	Profit/(Loss) from Ordinary Activities	**2,943.72**	**272.61**	**1,271.01**	**281.14**	**2,307.76**	**262.49**	**(2,720.32)**	**4,618.41**	**-**	**4,618.41**
	Extra Ordinary Items	-	-	-	-	-	-	-	-	-	**-**
	Net Profit/(Loss)	**2,943.72**	**272.61**	**1,271.01**	**281.14**	**2,307.76**	**262.49**	**(2,720.32)**	**4,618.41**	**-**	**4,618.41**
3	**Other Information**										
	Segment Assets	28,891.18	991.50	-	10,024.60	993.09	1,970.75	15,211.06	58,082.18	-	**58,082.18**
	Segment Liabilities	7,762.53	131.49	-	670.77	229.60	387.77	8,571.90	17,754.06	-	**17,754.06**
	Cost to acquire fixed assets	3,044.38	77.77	-	192.87	58.36	146.59	46.90	3,566.87		**3,566.87**
	Depreciation and Amortization Expenses	712.81	54.20	-	421.30	67.43	115.67	43.73	1,415.14		**1,415.14**
	Non Cash expenses other than Depreciation and Amortization Expenses	63.81	0.46	104.28	(1.11)	20.04	123.53	(25.02)	285.99	-	**285.99**

Note: Consequent upon implementation of Goods and Service Tax (GST) Act w.e.f., 1st July 2017, total income excludes GST

Segment Revenue includes other operating income

* Assets & Liabilities of Natural Gas Marketing included in Natural Gas Transmission Segment

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

RELATED PARTY DISCLOSURES

(ANNEXURE -B)

I) Relationship

A) Joint Venture Companies/Associates/ Employees trust

Details of Subsidiary Companies

1) GAIL Global (Singapore) Pte. Ltd.
2) GAIL Gas Ltd.
3) GAIL Global (USA) Inc.
4) Tripura Natural Gas Corporation Limited
5) GAIL Global USA LNG LLC
6) Bengal Gas Company Limited

Details of Joint Venture Companies

7) Ratnagiri Gas & Power Private Limited
8) Konkan LNG Private Limited
9) Central UP Gas Limited
10) Green Gas Limited
11) Maharashtra Natural Gas Limited
12) Aavantika Gas Limited
13) Bhagyanagar Gas Limited
14) Vadodara Gas Limited
15) Talcher Fertilizers Limited
16) Tapi Pipeline Company Limited
17) GAIL China Gas Global Energy Holding Limited
18) Andhra Pradesh Gas Distribution Corporation Limited
19) Kerala GAIL Gas Limited
20) Rajasthan State Gas Limited
21) Haridwar Natural Gas Private Limited
22) Goa Natural Gas Private Limited
23) Indradhanush Gas Grid Limited

Details of Associate Companies

24) China Gas Holdings Limited
25) Petronet LNG Limited
26) Mahanagar Gas Limited
27) Indraprastha Gas Limited
28) Brahmaputra Cracker and Polymer Limited
29) Fayum Gas Company Limited
30) ONGC Petro Additions Limited (OPAL)
31) Ramagundam Fertilizers & Chemicals Limited

Details of Trusts

32) GAIL Employees Superannuation Benefit Fund
33) GAIL (India) Ltd. Employees Provident Fund Trust
34) GAIL (India) Ltd. Employees Death-cum- Superannuation Gratuity Scheme
35) GAIL Post Retirement Medical Scheme Trust (GAIL PRMS Trust)
36) GAIL Charitable & Education Trust

B) Key Management Personnel

i) Whole time Directors:

1) Shri B C Tripathi ,Chairman and Managing Director
2) Dr. Ashutosh Karnatak, Director (Projects)
3) Shri Subir Purkayastha, Director (Finance) and CFO till 30.11.2018
4) Shri P K Gupta, Director (Human Resources)
5) Shri Gajendra Singh, Director (Marketing)
6) Shri Manoj Jain, Director (Business Development) (w.e.f 05.06.2018)
7) Shri A K Tiwari, Director (Finance) and CFO (w.e.f 01.12.2018)

ii) Independent Directors:

1) Shri S.K. Srivastava
2) Shri Anupam Kulshreshtha
3) Shri Sanjay Tandon
4) Shri Dinkar Prakash Srivastava
5) Dr. Anup K Pujari
6) Shri Jayanto Narayan Choudhury
7) Dr. Rahul Mukherjee
8) Smt Banto Devi Kataria

iii) Company Secretary

1) Shri Anil Kumar Jha

C) Unincorporated Joint venture for Exploration & Production Activities:

1) SHWE Offshore Pipeline (Non-operator with participating interest: 8.5%)
2) A-1, Myanmar (Non-operator with participating interest: 8.5%)
3) A-3, Myanmar (Non-operator with participating interest: 8.5%)
4) CY-OS/2 (Non-operator with participating interest: 25%)

II) The following transactions were carried out with the related parties in the ordinary course of business:

A) Details relating to parties referred to in item no. I (A) above: **(₹ in Crore)**

		2018-19	2017-18
1)	**Sales**		
	Indraprastha Gas Limited	2,836.64	2,151.97
	Mahanagar Gas Limited	1,133.31	912.74
	Maharashtra Natural Gas Limited	430.58	317.64
	Green Gas Limited	165.19	113.65
	Central UP Gas Limited	147.80	96.32
	Aavantika Gas Limited	116.38	67.62
	Bhagyanagar Gas Limited	82.06	56.92
	Rajasthan State Gas Limited	33.76	5.85
	Goa Natural Gas Private Limited	0.02	-
	Haridwar Natural Gas Private Limited	0.03	-
2)	**Amount receivable as at Balance Sheet Date for (1) above**		
	Indraprastha Gas Limited	123.62	39.00
	Mahanagar Gas Limited	237.17	157.20
	Maharashtra Natural Gas Limited	19.82	6.51
	Green Gas Limited	5.74	5.19
	Central UP Gas Limited	6.08	4.48
	Aavantika Gas Limited	5.09	3.62
	Bhagyanagar Gas Limited	3.99	2.48
	Rajasthan State Gas Limited	1.39	0.71
3)	**Purchases**		
	Petronet LNG Limited	21,823.16	15,394.24
	Indraprastha Gas Limited	3.22	3.62
4)	**Amount payable as at Balance Sheet Date for (3) above**		
	Petronet LNG Limited	833.22	702.32
	Indraprastha Gas Limited	0.07	0.45
5)	**Reimbursement for other expenditure received/receivable**	9.28	25.06
6)	**Amount receivable as at Balance Sheet Date for (5) above**	-	-
7)	**Dividend Income**		
	Mahanagar Gas Limited	65.81	61.00
	Indraprastha Gas Limited	31.50	15.75
	Petronet LNG Limited	187.50	46.88
	China Gas Holdings Ltd.	46.26	34.38
	Others	8.57	6.82
8)	**Other Income**		
	Bhagyanagar Gas Limited	-	6.38
	China Gas Holdings Ltd.	0.29	0.33
	Others	0.36	0.47
9)	Amount receivable as at Balance Sheet Date for (8) above		
	Bhagyanagar Gas Limited	-	-
	Others	-	-
10)	Provision Created against Debtors	2.42	2.42
11)	Investment as at Balance Sheet date	693.86	520.82
12)	Advances for allotment of Equity as at Balance Sheet date	-	9.18
13)	Advances / loan given as at Balance Sheet date	477.94	520.58

Apart from transactions reported above, the company has transactions with other Government related entities, which includes but not limited to the following:

Name of Government: Government of India

Nature of Relationship: Control

Nature of Transactions: **(₹ in Crore)**

I) Sale of Products and Services	2018-19	2017-18
GAIL Gas Ltd. (Subidiary of Central PSU)	4,512.21	3,902.35
Ratnagiri Gas & Power Pvt. Ltd. (Joint Venture of Central PSU)	1,621.13	1,444.30
GAIL Global (Singapore) Pte. Ltd.(Subidiary of Central PSU)	4,094.07	638.38
Brahmaputra Cracker and Polymer Limited (Associate of Central PSU)	64.44	122.03
ONGC Petro Additions Ltd (OPAL) (Associate of Central PSU)	177.97	0.12
Tripura Natural Gas Corporation Limited (Subidiary of Central PSU)	26.98	22.90
Vadodara Gas Limited (Joint Venture of Central PSU)	97.02	68.85

2) Amount receivable as at Balance Sheet Date for (1) above	2018-19	2017-18
GAIL Gas Ltd. (Subidiary of Central PSU)	167.50	214.57
Ratnagiri Gas & Power Pvt. Ltd. (Joint Venture of Central PSU)	209.86	184.27
Brahmaputra Cracker and Polymer Limited (Associate of Central PSU)	0.55	27.27
ONGC Petro Additions Ltd (OPAL) (Associate of Central PSU)	0.72	0.12
Tripura Natural Gas Corporation Limited (Subidiary of Central PSU)	2.53	22.90
Vadodara Gas Limited (Joint Venture of Central PSU)	6.34	68.85
3) Purchase of Products		
GAIL Global USA LNG LLC	5,082.16	1.96
GAIL Global (Singapore) Pte. Ltd.(Subidiary of Central PSU)	1,467.54	4,775.20
Ratnagiri Gas & Power Pvt. Ltd. (Joint Venture of Central PSU)	-	340.32
GAIL Global (USA) Inc. (Subidiary of Central PSU)	-	-
Konkan LNG Private Limited (Joint Venture of Central PSU)	430.89	31.27
GAIL Gas Ltd. (Subidiary of Central PSU)	-	8.44
4) Amount payable as at Balance Sheet Date for (3) above		
GAIL Global USA LNG LLC	492.20	1.96
GAIL Global (Singapore) Pte. Ltd.	-	578.65
Ratnagiri Gas & Power Pvt. Ltd.	-	-
GAIL Gas Ltd. (Subidiary of Central PSU)	-	8.44

These transactions are conducted in the ordinary course of the Company's business on terms comparable to those with other entities that are not Government-related.

B) Details relating to parties referred to in item no.- 1 (B) above (₹ in Crore)

	Key Management Personnel(KMP)		Relatives of KMP	
	2018-19	2017-18	2018-19	2017-18
1) Remuneration*			1.54	1.17
Shri B C Tripathi	1.34	0.92		
Dr. Ashutosh Karnatak	1.02	0.77		
Shri Subir Purkayastha	1.21	0.69		
Shri P K Gupta	0.88	0.75		
Shri Gajendra Singh	0.90	0.75		
Shri Manoj Jain	0.65	-		
Shri A K Tiwari	0.26	-		
Shri Anil Kumar Jha	0.49	0.38		
2) Interest bearing outstanding loans receivable	0.20	0.30	0.29	0.06
3) Interest accrued on loans given	0.22	0.23	0.16	0.11
4) Self lease	0.04	0.08	-	-
5) Sitting Fees				
Shri S.K. Srivastava	0.12	0.13		
Shri Anupam Kulshreshtha	0.11	0.13		
Shri Sanjay Tandon	0.11	0.10		
Shri Dinkar P Srivastava	0.09	0.10		
Dr. Anup K Pujari	0.07	0.07		
Shri Jayanto Narayan Choudhury	0.07	0.05		
Dr. Rahul Mukherjee	0.05	0.02		
Smt Banto Devi Kataria	0.05	-		

* This does not include the impact of provision made on actuarial valuation of retirement benefit/ long term Schemes and provision made during the period towards Post Retirement Benefits as the same are not separately ascertainable for individual directors.

* Remuneration includes Basic, Allowances, reimbursements, contribution to PF and perquisites. In addition, whole time directors are allowed use of staff car including for private journeys upto a ceiling of 1000 KMs per month on payment in accordance with the Bureau of Enterprises Circular

C) Details relating to parties referred to in item no.1 (C) above: (₹ in Crore)

	2018-19	2017-18
1) Minimum work program commitment .	-	-
2) Survey, Production, Royalty and other expenses	181.30	178.44
3) CWIP & Other assets	(55.07)	4.55
4) Amount outstanding on Balance Sheet date(net of advance)	(40.21)	33.97
5) Amount written Off- Dry well expenditure	-	0.95
6) Sales/Income from operation	606.78	598.64
7) Amount outstanding on Balance Sheet date(against sales)	62.82	50.85

Reconciliation of cash flow hedge reserve for year ended 31 March 2019:

ANNEXURE-C

	Opening balance as at April 01, 2018 (Dr Bal.{+} Cr. Bal. {-})	Hedging (gains) & loss recognized in OCI during the year	Cost of Hedging recognized in profit or loss	Line item in statement of profit and loss in which hedge ineffectiveness is recognized	Amount reclassified to statement of profit and loss for which future cashflows are no longer expected to occur	Line item in statement of profit and loss that includes reclassification adjustments	Amount reclassified to statement of profit and loss as hedged item has affected profit or loss	Line item in statement of profit and loss that includes reclassification adjustments	Amount adjusted to the carrying amount of non financial asset on recognition of non financial asset	Line item in Balance sheet that includes basis adjustments	Closing balance as at March 31, 2019 (Dr Bal.{+} Cr. Bal {-})
Foreign currency risk	(₹ in crore)	(₹ in crore)	(₹ in crore)		(₹ in crore)		(₹ in crore)		(₹ in crore)		(₹ in crore)
Forward contracts - Borrowings	0.34	-2.37	-5.34	Finance Cost under Expenses Note 24	-		8.32	Finance Cost under Expenses Note 24	-		0.95
Forward contracts - Purchases of capital goods	0.35	-16.51	-		-		-		16.16	Assest- Non Current Asset- Capital Work in Progress	-
Commodity price risk											
Commodity swap - Forecasted purchase & sale of natural gas	231.26	-363.40	-		-44.99	Other Expenses under Expenses Note 26	-113.41	Revenue from Operation (Gross) Note 20 & Purchase of Stock in trade	-		-290.54
Total	**231.95**	**-382.28**	**-5.34**		**-44.99**		**-105.09**		**16.16**		**-289.59**

Reconciliation of cash flow hedge reserve for year ended 31 March 2018:

ANNEXURE-C

	Opening balance as at April 01, 2017 (Dr Bal.{+} Cr. Bal. {-})	Hedging gains & loss recognized in OCI during the year	Cost of Hedging recognized in profit or loss	Line item in statement of profit and loss in which hedge ineffectiveness is recognized	Amount reclassified to statement of profit and loss for which future cash flows are no longer expected to occur	Line item in statement of profit and loss that includes reclassification adjustments	Amount reclassified to statement of profit and loss as hedged item has affected profit or loss	Line item in statement of profit and loss that includes reclassification adjustments	Amount adjusted to the carrying amount of non financial asset on recognition of non financial asset	Line item in Balance sheet that includes basis adjustments	Closing balance as at March 31, 2018 (Dr Bal.{+} Cr. Bal. {-})
Foreign currency risk	(₹ in crore)	(₹ in crore)	(₹ in crore)		(₹ in crore)		(₹ in crore)		(₹ in crore)		(₹ in crore)
Forward contracts - Borrowings	-	1.33	-1.76	Finance Cost under Expenses Note 24	-		0.77	Finance Cost under Expenses Note 24	-		0.34
Forward contracts - Purchases of capital goods	-	0.45	-		-		-		-0.10	Assest- Non Current Asset- Capital Work in Progress	0.35
Commodity price risk											
Commodity swap - Forecasted purchase & sale of natural gas	-	295.01	-		-30.38	Other Expenses under Expenses Note 26	-33.37	Revenue from Operation (Gross) Note 20 & Purchase of Stock in trade	-		231.26
Total	**-**	**296.79**	**-1.76**		**-30.38**		**-32.60**		**-0.10**		**231.95**

FORM NO. AOC 1

ANNEXURE-D

Statement pursuant to Section 129 (3) of Companies Act, 2013 related to financial statement of subsidiaries / associate companies / joint ventures

Part "A": Subsidiaries

S. No.	Particulars	GAIL Global Singapore Pte. Ltd. (₹ in crore)	GAIL Global (USA) Inc. (₹ in crore)	GAIL Gas Limited (₹ in crore)	Tripura Natural Gas Limited (₹ in crore)
1	The financial year of the subsidiary Company ended on	31st March 2019	31st December 2018	31st March 2019	31st March 2019
2	(a) Reporting Currency	USD	USD	INR	INR
	(b) Exchange rate as on last date of the relevant Financial Year	68.78	69.45	NA	NA
3	Share Capital	41.94	179.17	1,127.00	3.92
4	Reserves & Surplus	101.00	(198.22)	285.48	86.15
5	Total Assets	322.79	1,551.94	2,204.03	145.56
6	Total Liabilities	179.85	1,570.99	791.55	55.49
7	Investments	131.14	0	152.52	0.00
8	Turnover	5,423.11	3,510.00	5,367.05	95.59
9	Profit before Taxation	4.23	(230.26)	126.06	21.25
10	Provision for Taxation	0.48	9.31	44.67	7.48
11	Profit after Taxation	3.75	(239.57)	81.39	13.77
12	% of shareholding	100.00%	100.00%	100.00%	48.98%

Note :

1 Name of the subsidiaries which are yet to commence operations : Bengal Gas Company Limited

2 Name of the subsidiaries which have been liquidated or sold during the year : Not Applicable

For and on behalf of the Board of Directors

A .K. Jha	**A. K. Tiwari**	**Dr. Ashutosh Karnatak**	**B. C. Tripathi**
Company Secretary	Director (Finance)	Director (Projects)	Chairman & Managing Director,
(M.No. 18644)	(DIN : 07654612)	(DIN : 03267102)	(DIN : 01657366)

FORM NO. AOC 1

ANNEXURE - D

Statement pursuant to Section 129 (3) of Companies Act, 2013 related to Associate Companies and joint ventures

Part "B": Associates and Joint Ventures

(Amount ₹ in Crore)

Particulars	Mahanagar Gas Ltd	Indraprastha Gas Ltd	Central UP Gas Ltd	Green Gas Ltd	Maharashtra Natural Gas Ltd	Avantika Gas Ltd	Bhagyanagar Gas Ltd	China Gas Holdings Ltd	Fayum Gas	Petronet LNG Ltd	Talcher Fertilizers Ltd	Brahmputra Cracker & Polymer Ltd.	GAIL China Gas Global Energy Holding Ltd	TAPI Pipelines Company Limited	ONGC Petro additions Ltd	Ratnagiri Gas & Power (private) Ltd.	Konkan LNG Pvt. Ltd.	Indradhanush Gas Grid Ltd	Ramagundam Fertilizers and Chemicals Limited	Vadodara Gas Ltd.
Latest audited Balance Sheet Date	31.03.2019	31.03.2018	31.03.2019	31.03.2019	31.03.2018	31.03.2019	31.03.2019	31.03.2018	31.12.2018	31.03.2019	31.03.2018	31.03.2019	Not Applicable	31.12.2018	31.03.2019	31.03.2019	31.03.2018	31.03.2019	31.03.2019	31.03.2018
No of Shares of Associate / joint Ventures held by the Company on the year end-	3,21,02,750 (₹ 10 each)	15,75,00,000 (₹ 2 each)	1,50,00,000 (₹ 10 each)	2,30,42,250 (₹ 10 each)	2,25,00,000 (₹ 10 each)	2,95,57,038 (₹ 10 each)	4,36,50,000 (₹ 10 each)	15,00,00,000 (HK$. 0.01each)	19,000 (LE 100 each)	18,75,00,000 (₹ 10 each)	1,63,44,568 (₹ 10 each)	99,23,69,000 (₹ 10 each)	Not Applicable	5,60,025 (USD 10each)	99,49,45,000 (₹ 10 each)	83,45,56,046 (₹ 10 each)	39,97,68,773 (₹ 10 each)	50,00,000 (₹ 10 each)	15,05,29,500 (₹ 10 each)	7,91,37,831 (₹ 10 each)
Amount of Investment in Associates / Joint Venture	32.10	31.50	15.00	23.04	22.50	50.02	128.25	97.37	8.10	98.75	16.34	992.37	-	37.16	994.95	834.56	282.76	5.00	150.53	79.14
Extent of Holding %	32.50%	22.50%	25.00%	49.97%	22.50%	49.99%	49.97%	2.87%	19.00%	12.50%	33.33%	70.00%	50.00%	5.00%	49.21%	25.51%	40.92%	20.00%	14.77%	32.93%
Joint Control / Significant influence	Associate	Associate	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Representation on the board of directors or corresponding governing body of the investee	Associate	Associate	Joint Venture	Associate	Joint Venture	Joint Venture	Associate	Joint Venture	Joint Venture	Joint Venture	Associate	Joint Venture
Reason for not consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Networth attributable to Shareholding as per latest audited Balance Sheet	779.63	971.03	70.50	168.35	117.28	97.46	165.02	879.26	7.44	1,278.82	11.28	396.86	Not Applicable	13.65	59.93	(886.19)	(29.61)	2.58	147.71	88.29
Profit / Loss for the year* (i) Considered in Consolidation	547.64	841.17	52.11	46.11	142.65	25.94	19.20	9,940.37	17.11	2,228.53	(15.24)	68.97	Not Applicable	(335.65)	(1,419.63)	(574.04)	(386.58)	(12.12)	(12.56)	4.81
(ii) Not Considered in Consolidation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-

* Total Profit of the Entity Including Other Comprehensive Income

Note :

1 Name of the associates or joint ventures which are yet to commence operations:
   a) Gail China Gas Global Energy Holding Ltd
   b) TAPI Pipeline Company Limited

2 Name of associates or joint ventures which have been liquidated or sold during the year: Not Applicable

For and on behalf of the Board of Directors

A .K. Jha	**A. K. Tiwari**	**Dr. Ashutosh Karnatak**	**B. C. Tripathi**
Company Secretary	Director (Finance)	Director (Projects)	Chairman & Managing Director,
(M.No. 18644)	(DIN : 07654612)	(DIN : 03267102)	(DIN : 01657366)

Licensed Capacity, Installed Capacity and Actual Production

	CURRENT YEAR -2018-19				PREVIOUS YEAR - 2017-18			
	Licensed Capacity	Installed Capacity	Gas Through-put	Production	Licensed Capacity	Installed Capacity	Gas Through-put	Production
i) Natural Gas (MMSCMD)	206.03	206.03	107.43		206.03	206.03	105.23	
ii) LPG (MT)*	952,685	986,276		944,987	1,092,185	1,067,773		989,019
iii) Propane (MT)	257,100	257,100		247,327	257,100	257,100		165,002
iv) Ethylene (MT)**	850,000	896,000		772,818	850,000	896,000		696,929
v) HDPE/LLDPE (MT)***	810,000	810,000		756,799	810,000	810,000		670,996
vi) Pentane (MT)	55,182	57,545		35,944	55,182	57,545		29,535
vii) Naphtha (MT)	120,574	123,773		96,878	120,574	123,773		94,443
viii) Crude Oil (MT)								
ix) CNG & PNG ('000 KG)****	23,794	23,794		1,616	-	-		-
x) C2/C3 (MT)**	-	1,242,594		966,718	-	1,242,594		938,780
xi) Butene-1 (MT)**	30,000	30,000		23,264	30,000	30,000		24,712

Notes :

* Excluding Licensed & Installed Capacities of Usar Plant in FY 2018-19

** Internally consumed

*** Includes L P Wax and Poly Lumps

**** Licensed & Installed Capacities of CNG & PNG are prorated on the basis of date of Commissioning

Quantitative Information

(Amount in ₹ crore)

S. No.	PARTICULARS	OPENING STOCK		PURCHASES		SALES		INTERNAL CONSUMPTION		CLOSING STOCK	
		QTY	VALUE	QTY	VALUE	QTY	VALUE	QTY	VALUE	QTY	VALUE
1	Natural Gas including LNG and RLNG (MMSCM)										
	Year Ended 31.03.2019	**271.30**	**557.28**	**35,713.66**	**61,525.85**	**32,387.90**	**61,501.94**	**2,991.81**	**6,867.45**	**331.07**	**843.44**
	Year Ended 31.03.2018	277.50	482.01	31,295.24	42,167.64	28,154.83	41,748.47	2,871.27	5,409.25	271.30	557.28
2	LPG (MT)										
	Year Ended 31.03.2019	**8,159.74**	**12.25**			**945,745.80**	**3,750.39**	**-**	**-**	**6,132.72**	**11.03**
	Year Ended 31.03.2018	8,166.99	12.35			988,313.86	3,368.95	-	-	8,159.74	12.25
3	Pentane (MT)										
	Year Ended 31.03.2019	**268.68**	**0.36**			**31,687.80**	**161.12**	**4,199.99**	**-**	**302.48**	**0.54**
	Year Ended 31.03.2018	267.00	0.52			27,085.31	115.01	2,512.55	-	268.68	0.36
4	Propane (MT)										
	Year Ended 31.03.2019	**3,888.35**	**5.72**			**83,026.34**	**354.80**	**167,628.63**	**-**	**761.70**	**1.34**
	Year Ended 31.03.2018	2,516.15	4.70			109,270.55	404.60	54,328.75	-	3,888.35	5.72
5	Naphtha (MT)										
	Year Ended 31.03.2019	**623.90**	**0.92**			**96,484.08**	**366.27**	**-**	**-**	**927.40**	**1.79**
	Year Ended 31.03.2018	396.53	0.71			94,442.37	289.97	-	-	623.90	0.92
6	Polymers (MT)										
	Year Ended 31.03.2019	**33,492.36**	**237.96**			**735,051.32**	**6,297.82**	**5,130.47**	**-**	**50,107.12**	**373.33**
	Year Ended 31.03.2018	42,532.80	327.50			674,607.81	5,520.49	5,378.34	-	33,492.36	237.96
7	C2/C3 (MT)*										
	Year Ended 31.03.2019	**6,336.91**	**21.33**			**-**	**-**	**970,893.75**	**-**	**1,864.84**	**6.79**
	Year Ended 31.03.2018	3,309.98	10.46			-	-	936,513.13	-	6,336.91	21.33
8	Ethylene (MT)*										
	Year Ended 31.03.2019	**6,462.02**	**37.06**			**-**	**-**	**776,986.79**	**-**	**2,292.93**	**13.68**
	Year Ended 31.03.2018	1,002.46	5.23			-	-	691,469.70	-	6,462.02	37.06
9	Butene-1 (MT)*										
	Year Ended 31.03.2019	**1,339.84**	**10.47**			**3,417.76**	**32.89**	**19,896.84**	**-**	**1,289.03**	**11.22**
	Year Ended 31.03.2018	624.25	4.83			2,522.16	23.49	21,473.97	-	1,339.84	10.47
10	Crude Oil (MT)										
	Year Ended 31.03.2019	**552.83**	**0.90**			**11,306.49**	**35.64**			**554.33**	**0.93**
	Year Ended 31.03.2018	726.91	0.68			14,438.76	33.18			552.83	0.90
11	CNG and PNG ('000KG)										
	Year Ended 31.03.2019	**10.23**	**0.05**	**1,059.31**	**3.94**	**2,660.23**	**12.47**	**2.81**	**-**	**18.47**	**0.10**
	Year Ended 31.03.2018	-	-	67.53	0.19	57.30	0.29	-	-	10.23	0.05
12	Power (KWH)										
	Year Ended 31.03.2019	**-**	**-**			**166,364,151**	**57.10**	**29,096,209**			
	Year Ended 31.03.2018					181,778,365	63.14	30,470,447			
13	Other Products (MT)										
	Year Ended 31.03.2019	**5,463.10**	**26.37**			**65,996.04**	**299.92**	**11,511.45**		**5,080.96**	**25.43**
	Year Ended 31.03.2018	5,223.81	28.42			63,992.98	244.12	12,126.00		5,463.10	26.37

Note :

(i) Difference in reconciliation of opening stock, purchase, sales and closing stock is on account of measurement tolerance
(ii) Natural Gas used for Fuel & Raw Material.
(*) Ethylene, Butene-1and C2/C3 are consumed internally for manufacture of final products at Pata

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF GAIL (INDIA) LIMITED FOR THE YEAR ENDED 31 MARCH 2019

The preparation of financial statements of GAIL (India) Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of GAIL (India) Limited for the year ended 31 March 2019 under section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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

(Nandana Munshi)
Director General of Commercial Audit
& Ex-officio Member, Audit Board-II
New Delhi

Place : **New Delhi**
Date : **11.07.2019**

Schedule of Fixed Assets (Township)

2018-19

(₹ in Lakhs)

DESCRIPTION	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at 01.04.2018	Additions / Adjustments during the Year	Sales / Adjustments during the Year*	As at 31.03.2019	As at 01.04.2018	For The Year	Adjustments during the Year	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
LAND : FREEHOLD	1,945.95	-	70.51	2,016.46	-	-	-	-	2,016.46	1,945.95
LAND : LEASEHOLD	1,476.13	164.76	(103.70)	1,537.19	344.77	16.83	(31.73)	329.87	1,207.32	1,131.36
BUILDING, ROADS ETC.	35,680.55	3,452.84	(421.66)	38,711.73	13,733.44	1,195.86	(485.02)	14,444.28	24,267.45	21,947.11
DRAINAGAE,SEWAGE & WATER SUPPLY SYS.ETC.	2,138.82	112.23	(107.44)	2,143.61	981.46	65.99	(58.44)	989.01	1,154.60	1,157.36
FURNITURE,FIXTURES & OTHER EQP.	2,932.88	259.34	(332.06)	2,860.16	1,813.02	174.15	(243.99)	1,743.18	1,116.98	1,119.86
TRANSPORT EQUIPMENTS	23.82	-	(0.42)	23.40	22.67	-	(0.42)	22.25	1.15	1.15
TOTAL	**44,198.15**	**3,989.17**	**(894.77)**	**47,292.55**	**16,895.36**	**1,452.83**	**(819.60)**	**17,528.59**	**29,763.96**	**27,302.79**

Income and Expenditure Account

Income and Expenditure Account for the year ended 31st March, 2019 on provisions of township, Education, Medical and other facilities.

(₹ in Lakhs)

S. No.	PARTICULARS	YEAR ENDED 31ST MARCH, 2019	YEAR ENDED 31ST MARCH, 2018
	INCOME		
1	RECOVERY OF HOUSE RENT	176.64	225.99
2	RECOVERY OF UTILITIES	339.37	304.16
3	OTHER RECOVERIES	31.65	35.82
4	EXCESS OF EXPENDITURE OVER INCOME	10,296.30	7,694.29
	TOTAL	**10,843.96**	**8,260.27**
	EXPENDITURE		
1	SALARIES,WAGES & PF CONTRIBUTION	1,529.37	1,284.02
2	CONSUMABLES, STORES & MEDICINES	48.52	10.90
3	SUBSIDIES FOR SOCIAL & CULTURAL ACTIVITIES	191.28	134.24
4	REPAIRS & MAINTENANCE	2,730.00	1,678.56
5	DEPRECIATION	1,452.83	1,567.82
6	UTILITIES:POWER,GAS & WATER	1,682.92	1,432.81
7	LAND RENT	703.51	17.78
8	WELFARE - SCHOOL	1,219.34	1,147.83
9	BUS HIRE CHARGES	167.29	124.77
10	CLUB & RECREATION	156.13	123.63
11	MISC EXPENSES - TAXES,LICENSE FEES,INS ETC.	274.72	323.62
12	HORTICULTURE EXPENSES	688.07	414.29
	TOTAL	**10,843.96**	**8,260.27**



Consolidated Financial Statement

INDEPENDENT AUDITORS' REPORT

To the members of GAIL (India) Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of GAIL (India) Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (together referred to as "the Group")associates and jointly controlled entities, which comprise of the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated and Consolidated Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2019, their consolidated profits (financial performance including other comprehensive income), its consolidated changes in equity, and their cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the following matters in the Notes to the consolidated Ind AS financial statements:

1. Note No: 33 (c) -regarding various provisional transportation tariff orders issued by Petroleum and Natural Gas Regulatory Board (PNGRB), these orders have been contested by the Holding Company at Appellate Tribunal for Electricity (APTEL) and also certain customers have challenged these orders of PNGRB in Court of Law. Adjustment if any will be recognized as and when matter is finally decided.
2. Note no. 50– pending opinion of Expert Advisory Committee (EAC) of ICAI with respect to applicability of provisions of Ind-AS 109 (Financial instruments) for accounting of embedded derivative in certain contracts entered into by the Holding Company through international competitive bidding, the Company has not considered such transaction as embedded derivatives. Adjustment if any will be recognized as and when the EAC opinion is received.
3. Note no. 31 (I) (a) (iii) – regarding CESTAT order confirming the demand for the differential amount by the Central Excise Department in the matter pertaining to classification of 'Naphtha' manufactured by the Company, of Rs. 2,888.72 crore including applicable penalty and interest thereon. Considering the merits of the case, Holding Company has filed an appeal before the Hon'ble Supreme Court. Based on the legal opinion obtained, the Company does not foresee any probable outflow in the matter and accordingly has disclosed the same under contingent liability.
4. Note No. 42 (ii) – regarding subsequent investment of Rs. 143.01 crores in equity and Rs. 252 crores in preference shares of a joint venture Company, Konkan LNG Private Limited ('KLPL') as approved by Board of Directors of the Company towards construction of Breakwater and other business requirements of KLPL. Investment in KLPL of Rs.139.75 Crores stood fully impaired in view of accumulated losses and eroded net-worth upto March 31, 2018. In order to assess impact of further infusion of capital as aforesaid, the Company has during the year carried out fresh impairment study of KLPL which projects positive future cash flows after commencement of operation of breakwater and accordingly a sum of Rs. 2.18 Crores has been reversed from the aforesaid Impairment provision.

Our opinion is not modified in respect of above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Audit Response on Key Audit Matters
I	**Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers"** The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer notes 1.9, 21 and 36.	**Principal Audit Procedures** We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard and checked the appropriateness of accounting policy. Our audit approach consisted testing of the design and operating effectiveness of the internal controls as follows: 1. Evaluated the design of internal controls relating to implementation of the new revenue accounting standard, wherever applicable. 2. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls. 3. Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. Selected a sample of continuing and new contracts and performed the following substantive procedures: 1. Read, analyzed and identified the distinct performance obligations in these contracts. 2. Compared these performance obligations with that identified and recorded by the Company. 3. Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.

S.N.	Key Audit Matter	Audit Response on Key Audit Matters
2	**Evaluation of uncertain tax positions and contingent liabilities** The Company has material uncertain tax positions and contingent liabilities including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. It includes order of CESTAT confirming the demand for the differential amount by the Central Excise Department in the matter pertaining to classification of 'Naphtha' manufactured by GAIL, of Rs. 2,888.72 crore including applicable penalty and interest thereon. Considering the merits of the case, Company has filed an appeal before the Hon'ble Supreme Court. Based on the legal opinion obtained, the Company does not foresee any probable outflow in the matter and accordingly has disclosed the same under contingent liability. Refer note 31 (I) (a) (iii)	**We have applied the following audit procedures in this regard:** 1. Obtained details of completed tax assessments and demands for the year ended March 31, 2019 from management. 2. We have obtained the opinion from independent expert to support the management's judgement about the probable outcome in this regard. 3. We also obtained the opinion from legal team and representation taken from the management. 4. We assessed the appropriate disclosures in the financials. 5. We considered the effect of new information in respect of uncertain tax positions as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties. 6. Referring to point no 3 of Emphasis of Matter Paragraph in this audit report for disputes with Central Excise Department as it is fundamental to the users of the financial statements.
3	**Derivative transaction and accounting of hedge accounting** The hedge accounting has resulted into significant impact on financial statements coupled with complexity of its accounting, calculations and complex/numerous assumptions taken for establishing hedge relationship. Mark to market gain / loss pertaining to these derivative contracts are recognized in the other comprehensive income. Refer note 52	**We have applied the following audit procedures in this regard:** 1. Understanding management's controls over the recording of derivative transactions and the application of hedge accounting, 2. Testing the accuracy and completeness of derivative transactions. 3. We have relied on the valuation report evaluating the appropriateness of the valuation methodologies applied and testing on sample basis the valuation of the derivative financial instruments. 4. Validated that the derivative financial instruments qualified for hedge accounting and tested accuracy of hedge effectiveness and ineffectiveness on sample basis.
4	**Technical parameters and voluminous transactions of Natural gas trading and transmission captured to measure Revenue and Inventory through integrated system and complexities involved therein.** Revenue from sale of Natural Gas amounted to Rs. 57,007.84 crores and Closing inventory of Rs. 1,009.57 Crores for the year ended 31 March 2019. The determination of the quantity of Natural Gas sold and in stock through gas-pipelines involves use of various technical aspects of the natural gas such as pressure, temperature etc. captured from the measuring devices installed on the gas pipelines. We were informed that the methodology is standard and used industry-wide. This increases the complexity around the validating of quantity of Natural Gas sold and in stock in pipeline. Refer notes 1.8, 1.9, 10 and 21.	**We have applied the following audit procedures in this regard:** 1. We performed test of controls, assisted by our IT specialists, over the accuracy and completeness of the quantity captured via IT system through to the accounting software. 2. We have obtained the management representation that the IT system applies the standard methodology to capture the quantity of Natural Gas for the purpose of Revenue and inventory measurement. 3. We have carried out the audit procedures for verification of valuation of closing Inventories by applying the various aspects made available to us by the management such as conversion factors, meter reading etc.
5	**Gratuity** Pursuant to implementation of Pay Revision Directions, the Company has evaluated impact of increase in gratuity ceiling from Rs. 10 Lakh to Rs. 20 Lakh and has considered the incremental amount of Rs. 150.51 crore as recoverable from the respective fund as on March 31, 2018 by reversing the impact taken in Statement of Profit & Loss account in financial year 2016-17. During the year, vide directive of DPE dated July 10, 2018 clarified that gratuity under DPE guidelines dated August 3, 2017, is subject to affordability of the CPSE concerned effective for the period from January 1, 2017 till March 28, 2018, where pay has been revised with effect from January 1, 2017. Accordingly, the Board of Directors has approved to fund the contribution along with interest and accordingly, a sum of Rs. 182.58 crore has been charged to Statement of Profit and Loss. Refer note 41 (b).	**We have applied the following audit procedures in this regard:** 1. Obtained the copy of the notifications 2. Obtained the approval of the board and management representation letter for the same. 3. We have verified the accuracy of the amount charged.
6	**Impairment of Investment of Rs. 173.62 crores in an overseas subsidiary.** Gail Global (USA) Inc. (GGUI): Refer to note 42 (iv), GGUI is a wholly owned subsidiary of the Company and has during the year sold certain producing property assets which has resulted in reduction in profit to the extent of Rs. 171.62 crore being impairment provision in Standalone Financial Statements of the Company, consequent to the erosion of net worth of GGUI as at last reporting dated December 31, 2018. The Company has evaluated fair value through an independent valuer which has resulted in impairment of investment of Rs. 173.62 crores. The impact of impairment has been affected in financial statements as at end of the year.	**We have applied the following audit procedures in this regard:** 1 Obtained valuation report of GGUI by the Independent Valuer considering the financial aspect as on date. 2 Obtained and verified the audited financial statements as on December 31, 2018 3 Obtained the management representation letter for the same.
7	**Accounting of corporate guarantees in line with the requirements of IndAS 109 – "Financial Instruments"** Refer to note No. 37 – regarding matter pertaining to the accounting in line with the requirements of Ind AS 109 – "Financial Instruments", of the fair value of the corporate guarantees given by the Company on behalf of its subsidiaries. In response to the opinion provided by the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India, the Company has sought further clarification. Pending clarification from the EAC, no accounting entry has been passed in respect of these corporate guarantees. Management have confirmed that impact, if any will not be material to the financial statements.	**We have applied the following audit procedures in this regard:** 1. Obtained the confirmation from the management that the EAC opinion is yet to be received as of date. 2. Obtained the management representation letter that the impact of the same, if any will not be material

Information Other than the Consolidated IndAS Financial Statements and Auditors' Report Thereon

(The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the Director's report, Corporate Governance report, Business responsible report and Management Discussion and Analysis of Annual report), but does not include the consolidated Ind AS financial statements and our auditors' report thereon. (The Director's report, Corporate Governance report, Business responsible report and Management Discussion and Analysis of Annual report is expected to be made available to us after the date of this auditors' report).

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read such other information as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated IndAS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group, its associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. Respective Board of Directors of the companies included in the Group, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated Ind AS financial statements, respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We draw attention to the following matters in the Notes to the consolidated Ind AS financial statements:

1. We did not audit the financial statements of 3 (Three) subsidiaries included in consolidated Ind AS financial statements, whose financial statements reflects total assets of Rs. 4,078.76 Crores and total liabilities of Rs. 2,542.39 Crores, as at March 31, 2019, total revenue of Rs. 14,315.39 Crores and net cash outflows amounting to Rs. 147.06 Crores for the year then ended, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit aggregates to Rs. 384.53 Crores and other comprehensive income Rs. (0.55) Crores using equity method for the year ended March 31, 2019, as considered in consolidated Ind AS financial statements, in respect of 5 (five) associates and 6 (six) joint ventures, whose financial statement / financial information have not been audited by us.

   These financial statements have been audited by other auditors whose reports have been furnished to us by the Holding Company's Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of other auditors.

2. The consolidated Ind AS financial statements include Standalone Ind AS financial statements of 1 (one) subsidiary, whose financial statements reflects total assets of Rs. 145.56 Crores and total liabilities of Rs. 55.49 Crores as on March 31, 2019, total revenue of Rs. 100.15 Crores and net cash outflows amounting to Rs. 8.26 Crores for the year then ended and the consolidated Ind AS financial statements also includes the Group's share of net profit

aggregates to Rs. 390.29 Crores and other comprehensive income Rs. 0.20 Crores using equity method for the year ended March 31, 2019, as considered in consolidated Ind AS financial statements, in respect of 3 (three) associates and 5 (five) joint ventures. The financial statement / financial information of these subsidiary, associates and joint ventures are unaudited and furnished to us by management.

These financial statements / financial information have been furnished to us by the Holding Company's Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, joint ventures and associates, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary, joint ventures and associates, is based solely on such unaudited financial statements / financial information.

3. GAIL Global (USA) Inc. whose financial statement are audited reflect total asset of Rs. 1,551.94 Crore, liabilities Rs. 1,570.99 Crore as at 31 December 2018, total revenue of Rs. 3,510.15 Crore and net cash inflow of Rs. 12.90 Crore for the year ended on that date. Management has not provided figures for the subsequent period upto 31 March 2019 and is of the opinion that they are not significant and will not have any material impact on the consolidated Ind AS financial statements.
4. Regarding inclusion of proportionate share in Jointly Controlled Operations in the consolidated Ind AS financial statements of the Company. The total proportionate share includes Assets of Rs. 1567.91 Crore, Liabilities of Rs. 430.75 Crore, Expenditure of Rs. 365.48 Crore, Income of Rs. 639.35 Crore along with the elements making up the Cash Flow Statement and related disclosures. The aforesaid amounts have been included based on the unaudited statements of these entities. Management is of view that this will not have a material impact on the Company's consolidated Ind AS financial statements.

The status of Audited Financial Statements and unaudited management accounts as mentioned above are based on information furnished to us till 24th May 2019. Cases where Auditors of subsidiary, joint ventures and associates have not furnished their report till aforesaid date have been considered as unaudited.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. Companies (Auditors' Report) Order, 2016, issued by the Central Government of India in terms of Section 143(11) of the Act is not applicable on Consolidated Financial Statements as referred in proviso to para 2 of the order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (Including the other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
   (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015 as amended.
   (e) Pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Companies Act, 2013, are not applicable to the Company, being a Government Company.;
   (f) We are enclosing herewith a report in Annexure - A for our opinion considering the opinion of other auditors of subsidiary companies, associate companies and jointly controlled companies incorporated in India on adequacy of internal financial controls system in place and the operating effectiveness of such controls.
   (g) Pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of Section 197 of the Companies Act, 2013, are not applicable to the Company, being a Government Company; and
   (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors') Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities– Refer Note 31 (I) to the consolidated Ind AS financial statements.
      ii. The Holding Company and its subsidiary companies, associate companies and jointly controlled companies have made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any and to the extent ascertainable, on long-term contracts including derivative contracts;
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

As per our separate Report of even date

For O P Bagla & Co. LLP
Chartered Accountants
Firm No.000018N/N500091

Rakesh Kumar
(Partner)
Membership No.087537

For ASA & Associates LLP
Chartered Accountants
Firm No.009571N/N500006

Parveen Kumar
(Partner)
Membership No. 088810

Place : **New Delhi**
Dated : **27th May, 2019**

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 3(f) to "Report on Other legal and regulatory requirements" of the Independent Auditors' Report of even date to the members of **GAIL (INDIA) LIMITED** on the consolidated Ind AS financial statements for the year ended March 31, 2019.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2019, We have audited the internal financial controls over financial reporting of GAIL (INDIA) LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company;

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 1 (One) subsidiary and 11 (eleven) jointly controlled / associate Company which is incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. In one of the report of a joint venture entity Green Gas Limited, the auditor has given qualified opinion raising serious doubts and has reported material weakness and deficiency on "internal financial control over financial reporting".

As per our separate Report of even date

For O P Bagla & Co. LLP
Chartered Accountants
Firm No.000018N/N500091

Rakesh Kumar
(Partner)
Membership No.087537

For ASA & Associates LLP
Chartered Accountants
Firm No.009571N/N500006

Parveen Kumar
(Partner)
Membership No. 088810

Place : **New Delhi**
Dated : **27th May, 2019**

GAIL (India) Limited, New Delhi
Consolidated Balance Sheet as at 31st March, 2019

(₹ in Crore)

Sr. No.	Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
	ASSETS			
1	**Non Current Assets**			
	a) Property, Plant and Equipment	2	31,287.77	29,416.84
	b) Capital work-in-progress	3	9,737.50	5,938.39
	c) Intangible Assets	4	1,412.51	1,063.45
	d) Financial Assets			
	- Investments	5	10,625.72	10,070.40
	- Trade Receivables	6	1,011.88	996.92
	- Loans & Other Receivables	7	669.29	550.06
	- Others Financial Assets	8	165.27	111.74
	e) Non Current Tax Assets (Net)	9	1,485.56	1,355.60
	f) Other Non Current Assets	12	963.27	942.32
	Total Non Current Assets (1)		**57,358.77**	**50,445.72**
2	**Current Assets**			
	a) Inventories	10	2,502.64	1,932.51
	b) Financial Assets			
	- Investments	5A	-	381.47
	- Trade Receivables	6A	4,363.39	3,429.56
	- Cash and Cash Equivalents	11	296.63	1,377.24
	- Other Bank Balances	11A	1,128.47	1,481.30
	- Loans & Other Receivables	7A	824.00	693.59
	- Others Financial Assets	8A	298.63	85.89
	c) Other Current Assets	12A	1,634.87	1,506.86
	Total Current Assets (2)		**11,048.63**	**10,888.42**
	Total Assets (1+2)		**68,407.40**	**61,334.14**
	EQUITY AND LIABILITIES			
1	**EQUITY**			
	a) Equity Share Capital	13	2,255.07	2,255.07
	b) Other Equity	14	43,749.03	39,423.50
	c) Non - Controlling Interests		45.95	38.92
	Total Equity (1)		**46,050.05**	**41,717.49**
2	**LIABILITIES**			
	Non Current Liabilities			
	a) Financial Liabilities			
	-Borrowings	15	1,027.83	1,118.64
	-Other Financial Liabilities	16	745.14	775.59
	b) Provisions	17	702.04	589.10
	c) Contract Liabilities		147.99	61.52
	d) Deferred Tax Liabilities (net)	20	6,509.88	5,039.11
	e) Other Non Current Liabilities	19	2,564.45	846.39
	Total Non Current Liabilities (2)		**11,697.33**	**8,430.35**
3	**Current Liabilities**			
	a) Financial Liabilities			
	-Borrowings	15A	1,042.90	977.66
	-Trade Payables			
	Trade Payable to Micro and Small Enterprises	18	220.40	68.11
	Trade Payable Other than Micro and Small Enterprises	18	3,655.67	3,835.78
	-Other Financial Liabilities	16A	3,789.44	4,187.08
	b) Other Current Liabilities	19A	573.03	504.00
	c) Contract Liabilities		623.53	748.59
	d) Provisions	17A	755.05	865.08
	Total Current Liabilities (3)		**10,660.02**	**11,186.30**
	Total Equity and Liabilities (1+2+3)		**68,407.40**	**61,334.14**

The significant accounting policies and accompanying notes form an integral part of Consolidated Financial Statements.

For and on behalf of the Board of Directors

A.K. Jha	**A. K. Tiwari**	**Dr. Ashutosh Karnatak**	**B. C. Tripathi**
Company Secretary	Director (Finance)	Director (Projects)	Chairman & Managing Director
(M.No. 18644)	(DIN: 07654612)	(DIN: 03267102)	(DIN: 01657366)

As per our separate Report of even date

For O P Bagla & Co. LLP	**For ASA & Associates LLP**
Chartered Accountants	Chartered Accountants
Firm No.000018N/N500091	Firm No.009571N/N500006
Rakesh Kumar	**Parveen Kumar**
(Partner)	(Partner)
Membership No.087537	Membership No. 088810

Place : **New Delhi**
Dated : **27th May, 2019**

GAIL (India) Limited, New Delhi

Consolidated Statement of Profit and Loss for the Year ended 31st March, 2019

(₹ in Crore)

Sr. No.	Particulars	Note	Year Ended 31st March, 2019	Year Ended 31st March, 2018
I	**Income**			
	Revenue from Operation *	21	76,234.17	54,694.31
	Other Income	22	1,214.27	812.72
	Total Revenue (1)		**77,448.44**	**55,507.03**
2	**Expenses**			
	Cost of Materials Consumed		5,079.83	4,140.90
	Purchase of Stock in trade		54,807.98	36,721.20
	Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress	23	(547.61)	(34.08)
	Employee Benefit Expenses	24	1,863.20	1,345.61
	Finance costs	25	159.20	294.91
	Depreciation and Amortization Expense	26	1,666.64	1,526.89
	Excise Duty		44.28	197.96
	Other Expenses	27	5,318.93	4,543.70
	Total Expenses (2)		**68,392.45**	**48,737.09**
3	**Profit/ (Loss) before share of profit/(loss) of associate and Joint Ventures, exceptional items and tax (1-2)**		9,055.99	6,769.94
4	Share of Profit / (Loss) in JV's/Associates for the year (4)		775.20	153.25
5	**Profit/(loss) before tax (3+4)**		**9,831.19**	**6,923.19**
6	**Tax expense:**			
	(1) Current tax		2,493.09	1,683.86
	(2) Adjustment of tax relating to earlier years		(24.79)	(20.11)
	(3) Deferred tax		810.12	459.10
	Total Tax Expenses		**3,278.42**	**2,122.85**
7	**Net Profit / (Loss) for the year from continuing operations (5-6)**		**6,552.77**	**4,800.34**
	DISCONTINUED OPERATIONS			
	Profit/(loss) from discontinued operations		-	12.57
	Tax expense of discontinued operations		-	(7.86)
8	**Profit/(loss) from Discontinued operations (after tax)**		**-**	**4.71**
9	**Profit for the year (7+8)**		**6,552.77**	**4,805.05**
10	**Other comprehensive income**			
	Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
	Exchange differences on translation of foreign operations		105.29	(42.12)
	Income tax effect		**-**	**-**
			105.29	**(42.12)**
	Net movement on cash flow hedges Profit (+)/ Loss(-)		443.02	(143.78)
	Income Tax effect thereon		**(154.81)**	**50.24**
			288.21	(93.54)
	Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**393.50**	**(135.66)**
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
	Re-measurement gains (losses) on defined benefit plans		62.22	84.96
	Income Tax effect thereon		(21.75)	(29.69)
			40.47	**55.27**
	Net (loss)/gain on FVTOCI equity shares		(556.28)	(241.14)
	Income Tax effect thereon		**-**	**-**
			(556.28)	**(241.14)**
	Share of Other Comprehensive income in Associates/JV's for the year		(0.35)	0.75
	Income Tax effect thereon		**-**	**-**
			(0.35)	**0.75**
	Net other comprehensive income not to be reclassified to profit or loss in subsequent periods:		**(516.16)**	**(185.12)**
	Other comprehensive income for the year, net of tax (10)		**(122.66)**	**(320.78)**

Cont.

(₹ in Crore)

Sr. No.	Particulars	Note	Year Ended 31st March, 2019	Year Ended 31st March, 2018
11	**Total Comprehensive Income for the period (Profit and Loss and OCI), net of tax attributable to (9+10):**		**6,430.11**	**4,484.27**
	Profit for the year		**6,552.77**	**4,805.05**
	Attributable to:			
	Equity holders of the parent		6,545.74	4,799.07
	Non-controlling interests		7.03	5.98
	Total Other comprehensive income for the year		**(122.66)**	**(320.78)**
	Attributable to:			
	Equity holders of the parent		(122.67)	(320.71)
	Non-controlling interests		0.01	(0.07)
	Total comprehensive income for the year		**6,430.11**	**4,484.27**
	Attributable to:			
	Equity holders of the parent		6,423.07	4,478.36
	Non-controlling interests		7.04	5.91
12	**Earnings per share for continuing operations (in ₹) (Note 47)**			
	Basic, attributable to equity holders of the parent		29.03	21.26
	Diluted, attributable to equity holders of the parent		29.03	21.26
13	**Earnings per share for discontinuing operations (in ₹)**			
	Basic, attributable to equity holders of the parent		-	0.02
	Diluted, attributable to equity holders of the parent		-	0.02
14	**Earnings per share from continuing and discontinued operations(in ₹)**			
	Basic, attributable to equity holders of the parent		29.03	21.28
	Diluted, attributable to equity holders of the parent		29.03	21.28

*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 year ended 31st March 2019 is not comparable with previous year.

The significant accounting policies and accompanying notes form an integral part of Consolidated Financial Statements. There are no discontinuing operations in the above period

For and on behalf of the Board of Directors

A.K. Jha	**A. K. Tiwari**	**Dr. Ashutosh Karnatak**	**B. C. Tripathi**
Company Secretary	Director (Finance)	Director (Projects)	Chairman & Managing Director
(M.No. 18644)	(DIN: 07654612)	(DIN: 03267102)	(DIN: 01657366)

As per our separate Report of even date

For O P Bagla & Co. LLP	**For ASA & Associates LLP**
Chartered Accountants	Chartered Accountants
Firm No.000018N/N500091	Firm No.009571N/N500006
Rakesh Kumar	**Parveen Kumar**
(Partner)	(Partner)
Membership No.087537	Membership No. 088810

Place : **New Delhi**
Dated : **27th May, 2019**

Consolidated Statement of Changes in Equity for the Year Ended 31st March 2019

A. Equity Share Capital

For The Year Ended 31st March 2019
Equity Share Capital for Issued, Subscribed and Paid up Equity share of ₹ 10 each attributable to owners of the parent

Particulars	Note. No.	(₹ in Cr.)
As at 1st April 2018	13	2,255.07
Changes in equity share capital during the year		-
As at 31st March 2019		**2,255.07**

For The Year Ended 31st March 2018
Equity Share Capital for Issued, Subscribed and Paid up Equity share of ₹ each attributable to owners of the parent

Particulars	Note. No.	(₹ in Cr.)
As at 1st April 2017	13	1,691.30
Changes in equity share capital during the year*		563.77
As at 31st March 2018		**2,255.07**

* During the year the Company has issued 56,37,67,733 bonus share in the ratio of one equity of ₹ 10 each for every three equity shares held by equity shareholders.

B. Other Equity (Refer Note No.14)

For The Year Ended 31st March 2019

(₹ in Crore)

Particulars	Reserve and Surplus				Other Comprehensive Income			Retained earnings	Total	Non Controlling Interest
	Security premium Account	Bond redemption reserves	General reserves	Transition Reserves	Net (loss)/ gain on FVTOCI equity Shares	Net movement on cash flow hedges (loss)/gain	Foreign Currency Translation Reserve			
Balance as at 1st April 2018	**0.27**	**59.87**	**4,251.21**	**6,084.44**	**(906.79)**	**(93.54)**	**(43.05)**	**30,071.09**	**39,423.50**	**38.92**
Adjustment in Opening Balance								(6.94)	(6.94)	
Profit for the Year								6,545.74	6,545.74	7.03
Transfer to Reserve during the Period		14.97	602.57					(617.54)	-	
Transfer from Reserve during the Period		-						-	-	
Issue of Bonus Shares			-						-	
Interim Dividend								(1,409.42)	(1,409.42)	
Final Dividends								(324.73)	(324.73)	
Corporate Dividend Tax								(356.46)	(356.46)	
Other Comprehensive Income/(loss) for the Year										
-Net (loss)/gain on FVTOCI equity shares					(556.28)				(556.28)	
-Re-measurement gains (losses) on defined benefit plans								40.12	40.12	0.01
-Net movement on cash flow hedges (loss)/gain						288.21			288.21	
-Exchange Diffrence on Translation of Foreign Operation							105.29		105.29	
Balance as at 31st March 2019	**0.27**	**74.84**	**4,853.78**	**6,084.44**	**(1,463.07)**	**194.67**	**62.24**	**33,941.86**	**43,749.03**	**45.96**

For The Year Ended 31st March, 2018

(₹ in Crore)

Particulars	Reserve and Surplus				Other Comprehensive Income			Retained earnings	Total	Non Controlling Interest
	Security premium Account	Bond redemption reserves	General reserves	Transition Reserves	Net (loss)/ gain on FVTOCI equity Shares	Net movement on cash flow hedges (loss)/gain	Foreign Currency Translation Reserve			
Balance as at 1st April 2017	**0.27**	**337.18**	**4,353.14**	**6,084.44**	**(665.65)**	**-**	**(0.93)**	**27,505.14**	**37,613.59**	**33.00**
Adjustment in Opening Balance								2.18	2.18	0.01
Profit /(Loss) for the Year								4,799.07	4,799.07	5.98
Transfer to Reserve during the Period		35.19	461.84					(497.03)	-	
Transfer from Reserve during the Year		(312.50)						312.50	-	
Issue of Bonus Shares			(563.77)						(563.77)	
Interim Dividends								(1,293.85)	(1,293.85)	
Final Dividends								(456.65)	(456.65)	
Corporate Dividend Tax								(356.36)	(356.36)	
Other Comprehensive Income/(loss) for the Year										
-Net (loss)/gain on FVTOCI equity shares					(241.14)				(241.14)	
-Re—measurement gains (losses) on defined benefit plans								56.09	56.09	(0.07)
-Net movement on cash flow hedges (loss)/gain						(93.54)	-		(93.54)	
-Exchange Diffrence on Translation of Foreign Operation							(42.12)		(42.12)	
Balance as at 31st March, 2018	**0.27**	**59.87**	**4,251.21**	**6,084.44**	**(906.79)**	**(93.54)**	**(43.05)**	**30,071.09**	**39,423.50**	**38.92**

For and on behalf of the Board of Directors

A.K. Jha
Company Secretary
(M.No. 18644)

A. K. Tiwari
Director (Finance)
(DIN: 07654612)

Dr. Ashutosh Karnatak
Director (Projects)
(DIN: 03267102)

B. C. Tripathi
Chairman & Managing Director
(DIN: 01657366)

As per our separate Report of even date

For O P Bagla & Co. LLP
Chartered Accountants
Firm No.000018N/N500091

Rakesh Kumar
(Partner)
Membership No.087537

For ASA & Associates LLP
Chartered Accountants
Firm No.009571N/N500006

Parveen Kumar
(Partner)
Membership No. 088810

Place : **New Delhi**
Dated : **27th May, 2019**

GAIL (India) Limited, New Delhi
Consolidated Cash Flow Statement For The Financial Year Ended 31st March, 2019

(₹ in Crore)

		Year Ended 31st March, 2019		Year Ended 31st March, 2018	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	1 Net Profit Before Tax and After share in associates'/Joint Ventures Profit		**9,831.19**		**6,923.19**
	2 ADD :				
	Depreciation	1,666.64		1,527.54	
	Exchange Rate Variation on Foreign Currency Loan and translation	55.40		43.90	
	Finance Cost	159.20		287.33	
	Dividend Income on Investments	(249.17)		(227.14)	
	Interest Income	(459.93)		(334.54)	
	(Profit) / Loss on Sale of Investment	(31.06)		(5.83)	
	MTM (gain)/loss on Mutual fund Investment	0.47		(0.47)	
	Provision for Employees Benefits	49.55		(0.99)	
	Provision for Doubtful Debts	42.05		(32.70)	
	Provision for Probable Obligations	31.65		17.83	
	Other Provisions	6.09		(4.05)	
	Amortization of Govt. Grant	(8.23)		(0.35)	
	Profit / Loss on Sale of Assets (Net)	249.72		11.83	
	Provision / Write off of Assets / CWIP	11.58		116.42	
	Net Movement on cash flow hedges (loss)/gain	(57.36)		167.42	
	Other non cash expenditure/income, written off/(credited)	-		27.08	
	MTM loss on Commodity Derivative (Net)	44.99		-	
	Dry Well Expenses written off	21.88		-	
	Share of Loss / (Profit) from of JV's and Associate companies	(775.20)		(153.25)	
			758.27		1,440.03
	3 Operating Profit Before Working Capital Changes (1 + 2)		**10,589.46**		**8,363.22**
	4 Changes in Working Capital (Excluding Cash & Cash Equivalents)				
	Trade and Other Receivables	(1,589.48)		(933.35)	
	Inventories	(570.43)		(221.93)	
	Trade and Other Payables	1,666.81		2,907.04	
			(493.11)		1,751.76
	5 Cash Generated from Operations (3+4)		10,096.35		10,114.98
	6 Direct Taxes Paid		(2,112.15)		(1,350.98)
	7 Net Profit after tax from Discontinuing Operations		-		4.71
	NET CASH FROM OPERATING ACTIVITIES (5+6+7)		**7,984.20**		**8,768.71**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets	(7,795.81)		(3,402.04)	
	Sale of Fixed Assets	254.42		3.09	
	Receipt of Government Grants (Capital Grant)	1,208.04		401.43	
	Sale /Transfer of Investments	11.92		80.00	
	Sale of Mutual Fund Investments	31,347.06		5,337.83	
	Investments in Mutual Fund	(30,935.00)		(5,713.00)	
	Investment in Other Companies	(300.80)		(74.71)	
	Investment in Term Deposits	-		(16.68)	
	Loans & Advances to Related Parties	(213.13)		28.45	
	Interest Received	467.49		332.06	
	Dividend Received	249.22		391.97	
	NET CASH FROM INVESTING ACTIVITIES		**(5,706.58)**		**(2,631.60)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Long Term Borrowings	36.66		334.71	
	Repayment of Long Term Borrowings	(1,152.25)		(3,111.83)	
	Proceeds from Short Term Borrowings	(3,113.40)		723.18	
	Repayment from Short Term Borrowings	3,094.01		(722.83)	
	Finance Cost Paid	(140.74)		(368.35)	
	Dividend & Dividend Tax Paid	(2,088.56)		(2,106.50)	
	NET CASH FROM FINANCING ACTIVITIES		**(3,364.29)**		**(5,251.62)**

(₹ in Crore)

		Year Ended 31st March, 2019		Year Ended 31st March, 2018	
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		**(1,086.66)**		**885.49**
	CASH AND CASH EQUIVALENTS AS AT 01.04.2018 (OPENING BALANCE)		**1,377.24**		**519.68**
	EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS		**6.06**		**(27.93)**
	CASH AND CASH EQUIVALENTS AS AT 31.03.2019 (CLOSING BALANCE)		**296.63**		**1,377.24**

For and on behalf of the Board of Directors

As per our separate Report of even date

A.K. Jha	**A. K. Tiwari**	**Dr. Ashutosh Karnatak**	**B. C. Tripathi**	**For O P Bagla & Co. LLP**	**For ASA & Associates LLP**
Company Secretary	Director (Finance)	Director (Projects)	Chairman & Managing Director	Chartered Accountants	Chartered Accountants
(M.No. 18644)	(DIN: 07654612)	(DIN: 03267102)	(DIN: 01657366)	Firm No.000018N/N500091	Firm No.009571N/N500006

Place : **New Delhi**
Dated : **27th May, 2019**

Rakesh Kumar
(Partner)
Membership No.087537

Parveen Kumar
(Partner)
Membership No. 088810

Notes Accompanying Consolidated Financial Statement for the year ended 31 March, 2019

CORPORATE INFORMATION

GAIL (India) Limited ("GAIL" or "the Company" or "Parent") is a Limited Company domiciled in India and was incorporated on August 16, 1984. Equity shares of the Company are listed in India on the Bombay stock exchange and the National stock exchange. In addition, GAIL GDRs are listed with London Stock Exchange. The Government of India holds 52.19% in the paid-up equity capital of the company as on 31st March 2019. The registered office of the Company is located at 16, Bhikaji Cama Place, R K Puram, New Delhi 110066.

The Company along with Subsidiary (the group) and its Joint ventures and Associate is the largest state-owned natural gas processing and distribution Company in India. The Company has a diversified business portfolio and has interests in the sourcing and trading of natural gas, manufacturing of LPG, Liquid hydrocarbons and Petrochemicals, transmission of natural gas and LPG through pipelines, City Gas, etc. GAIL is also engaged in the business of Oil and Gas Exploration and Production to increase the access to gas supplies through equity and joint venture participations.

The Consolidated Financial Statements of the Company for the year ended 31st March 2019 were authorized for issue in accordance with a resolution of the directors of the Company on 27th May 2019.

BASIS OF PREPARATION

The Consolidated Financial Statements of the Group along with its Associates and Joint venture have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Consolidated Financial Statements have been prepared on accrual basis of accounting and on historical cost basis. Where there are assets and liabilities calculated on a different basis, this fact is disclosed in the relevant accounting policy.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupees (₹) which is functional currency of the company and the values are rounded to the nearest crore (₹ 00,00,000), except otherwise indicated.

BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of GAIL and its subsidiaries along with its joint ventures and associates as at 31 March 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of the Group and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances. If necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies if material.

The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the parent i.e. year ended 31 March 2019, except as stated in Note 30.

Consolidation Procedure

a) The consolidated financial statements of the Company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-Group balances and intra-Group transactions resulting in unrealized profits or losses.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

c) Eliminate in full intragroup assets and liabilities, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

d) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture. The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the Group's associate and joint venture are prepared for the same reporting period as the Group except as stated in Note 30. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

1. Accounting Policies

1.1 Property, Plant and Equipment (PPE)

A. Tangible Assets

(i) Property, Plant and Equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation / amortization and cumulative impairment losses. All costs relating to acquisition of fixed assets till commissioning of such assets are capitalized. In the case of commissioned assets where final payment to the Contractors is pending, capitalization is made on provisional basis, including provisional liability pending approval of Competent Authority, subject

to necessary adjustment in cost and depreciation in the year of settlement.

(ii) Stores & Spares which meet the definition of PPE (whether as component or otherwise) and satisfy the recognition criteria are capitalized as PPE in the underlying asset. Major inspection/overhaul/ repair is recognized in the carrying amount of respective assets as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

(iii) Technical know-how/license fee incurred at the time of procurement of PPE are capitalized as part of the underlying asset.

B. Intangible Assets

(iv) Intangible assets like Right of Use (RoU), Software, Licenses which are expected to provide future enduring economic benefits are capitalized as Intangible Assets and are stated at their cost of acquisition less accumulated amortization and any accumulated impairment loss.

1.2 Capital Work in Progress

(i) Crop compensation is accounted for under Capital Work-in-Progress on the basis of actual payments/estimated liability, as and when work commences where ROU is acquired.

(ii) The capital work in progress includes Construction Stores including Material in Transit/ Equipment / Services, etc. received at site for use in the projects.

(iii) All revenue expenses incurred during Construction Period, which are exclusively attributable to acquisition / construction of the asset, are capitalized at the time of commissioning of such assets.

1.3 Exploration and Development Costs

a. The Company follows Successful Efforts Method for accounting of Oil & Gas exploration and production activities carried out through Joint Ventures in the nature of Production Sharing Contracts (PSC) with respective host government and various body corporates for exploration, development and production activities, which includes:

(i) Survey Costs are recognized as revenue expenditure in the year in which these are incurred.

(ii) Cost of exploratory/development wells are carried as Intangible assets under development/Capital work in progress. Such exploratory wells in progress are capitalized in the year in which the Producing Property is created. Such costs are written off in the year when determined to be dry / abandoned.

(iii) Cost of all "exploratory wells in progress" is debited to Statement of Profits and Loss except of those wells for which there are reasonable indications of sufficient quantity of reserves and the enterprise is making sufficient progress assessing the reserves and the economic and operating viability of the project.

b. Capitalization of Producing Properties

(i) Producing Properties are capitalized as "completed wells / producing wells" when the wells in the area / field are ready to commence commercial production on establishment of proved developed oil and gas reserves.

(ii) Cost of Producing Properties includes cost of successful exploratory wells, development wells, initial depreciation of support equipment's & facilities and estimated future abandonment cost.

c. Depletion of Producing Properties

Producing Properties are depleted using the "Unit of Production Method (UOP)". The depletion or unit of production charged for all the capitalized cost is calculated in the ratio of production during the year to the proved developed reserves at the year end.

d. Production cost of Producing Properties

Company's share of production costs as indicated by Operator consists of pre well head and post well head expenses including depreciation and applicable operating cost of support equipment and facilities.

e. Accounting for joint operations

In relation to its interests in joint operations entered through Production Sharing Contracts (PSC), the company recognizes its proportionate share in assets, liabilities, revenue from the sale of the output, expenses of the joint operation entity, in the financial statements.

1.4 Foreign Currency Transaction

(i) Functional Currency of the Company is Indian Rupee (₹).

(ii) Transactions in foreign currency are initially accounted at the exchange rate prevailing on the transaction date.

(iii) Monetary items (such as Cash, Receivables, Loans, Payables, etc.) denominated in foreign currencies, outstanding at the year end, are translated at exchange rates (BC Selling Rate for Payables and TT Buying Rate for Receivables) prevailing at year end.

(iv) Non-monetary items (such as Investments, Property plant and equipment, etc.), denominated in foreign currencies are accounted at the exchange rate prevailing on the date of transaction(s).

(v) Any gains or loss arising on account of exchange difference either on settlement or on translation is adjusted in the Statement of Profit & Loss.

(vi) Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item arising on determination of fair value of such item, either in other comprehensive income or the Statement of Profit and Loss as the case maybe.

1.5 Borrowing Cost

Borrowing cost of the funds specifically borrowed for the purpose of obtaining qualifying assets and eligible for capitalization along with the cost of the assets, is capitalized up to the date when the asset is ready for its intended use after netting off any income earned on temporary investment of such funds. Other borrowing costs are recognized as expense in the year of incurrence.

1.6 Grants

Government Grants are not recognized until there is reasonable assurance that the Company will comply with conditions attached to them and the grants will be received. In case of depreciable assets, the cost of the assets is shown at gross value and grant thereon is taken to deferred income which is recognised as income in the Statement of Profit and Loss over the useful life of the asset. Grants related to non-depreciable assets may also require the fulfilment of certain obligations and would then be recognised in profit or loss over the periods that bear the cost of meeting the obligations.

1.7 Non-Current Assets held for Sale:

Non-current assets or disposable groups classified as held for sale are measured at the lower of carrying amount and fair value less cost to sale. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Non-current assets or disposable groups are classified as held for sale if their carrying amount will be recovered principally through a sale rather than through continuing use. Management must be committed to the sale expected within one year from the date of classification. Action required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

PPE and Intangible assets once classified as held for sale are not depreciated or amortised.

1.8 Inventories

a) Stock of Liquefied Natural Gas (LNG) and Natural Gas in pipelines is valued at cost on First in First out (FIFO) basis or net realizable value, whichever is lower.

b) Raw materials and finished goods are valued at weighted average cost or net realizable value, whichever is lower. Finished goods include excise duty and royalty wherever applicable.

c) Stock in process is valued at weighted average cost or net realisable value, whichever is lower. It is valued at weighted average cost where the finished goods in which these are to be incorporated are expected to be sold at or above the weighted average cost.

d) Stores and spares and other material for use in production of inventories are valued at weighted average cost or net realisable value, whichever is lower. It is valued at weighted average cost where the finished goods in which they will be incorporated are expected to be sold at/or above cost.

e) Surplus / Obsolete Stores and Spares are valued at cost or net realisable value, whichever is lower.

f) Surplus / Obsolete Capital Stores, other than held for use in construction of a capital asset, are valued at lower of cost or net realisable value.

g) Imported LNG in transit is valued at CIF value or net realizable value whichever is lower.

h) Renewable Energy Certificates (RECs) are valued at cost on First in First out (FIFO) basis or net realizable value, whichever is lower.

1.9 Revenue recognition

Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. The Company has applied the modified retrospective approach on transition to Ind AS 115.

1. Revenue is recognized to depict the transfer of control of promised goods or services to customers upon the satisfaction of performance obligation under the contract in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Consideration includes contributions by customers towards assets over which Company has control.
2. Where performance obligation is satisfied over time, company recognizes revenue using input/ output method based on performance completion till reporting date. Where performance obligation is satisfied at a point in time, company recognizes revenue when customer obtains control of promised goods and services in the contract.
3. The Company uses output method in accounting for the revenue in respect of sale of services. Use of output method requires the Company to recognize revenue based on performance completion till date e.g. time elapsed. The estimates are assessed continually during the term of the contract and the company re-measures its progress towards complete satisfaction of its performance obligations satisfied over time at the end of each reporting period.
4. Company updates its estimated transaction price at each reporting period, to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period including penalties, discounts and damages etc.
5. Insurance claims are accounted for on the basis of claims admitted by the insurer.
6. Claims (including interest on delayed realization from customers) are accounted for, when there is significant certainty that the claims are realizable.
7. Liability in respect of Minimum Guaranteed Offtake (MGO) of Natural gas is not provided for where the same is secured by MGO recoverable from customer. Payments/receipts during the year on account of MGO are adjusted on receipt basis.
8. Minimum charges relating to transportation of LPG are accounted for on receipt basis.
9. In terms of the Gas Sales Agreement with the customers, amount received towards Annual Take or Pay Quantity (ATOPQ) of Gas is accounted for on the basis of realization and shown as liability till make up Gas is delivered to customer as per the contract.

1.10 Depreciation /Amortisation

A. Tangible Assets

Depreciation on Tangible PPE (including enabling assets) is provided in accordance with the manner and useful life as specified in Schedule II of the Companies Act, 2013, on straight line method (SLM) on pro-rata basis (monthly pro-rata for bought out assets), except for the assets as mentioned below where different useful life has been taken on the basis of external / internal technical evaluation:

Particulars	Years
Furniture and Electrical Equipment's provided for the use of employees	6 years
Mobile Phones provided for the use of employees	2 years

(i) Cost of the leasehold land is amortised over the lease period except perpetual leases.

(ii) Depreciation due to price adjustment in the original cost of fixed assets is charged prospectively.

B. Intangible Assets

(i) Intangible assets comprising software and licenses are amortised on Straight Line Method (SLM) over the useful life from the date of capitalization which is considered not exceeding five year.

Right of use (ROU) having indefinite life (for which there is no foreseeable limit to the period over which they are expected to generate net cash flows given the fact that these rights can be used even after the life of respective pipelines) are not amortized, but are tested for impairment annually.

(ii) After impairment of assets, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

C. Capital assets facilities installed at the consumers' premises

Capital assets facilities installed at the consumers' premises on the land whose ownership is not with the company, has been depreciated on SLM basis in accordance with the useful life as specified in Schedule II of the Companies Act, 2013.

1.11 Employees Benefits

(a) All short term employee benefits are recognized at the undiscounted amount in the accounting period in which they are incurred.

(b) The Company's contribution to the Provident Fund is remitted to a separate trust established for this purpose based on a fixed percentage of the eligible employee's salary and debited to Statement of Profit and Loss / CWIP. Further, the company makes provision as per actuarial valuation towards any shortfall in fund assets to meet statutory rate of interest in the future period, to be compensated by the company to the Provident Fund Trust.

(c) Employee Benefits under Defined Benefit Plans in respect post-retirement medical scheme and gratuity are recognized based on the present value of defined benefit obligation, which is computed on the basis of actuarial valuation using the Projected Unit Credit Method. Actuarial liability in excess of respective plan assets is recognized during the year.

(d) Obligations on other long term employee benefits, viz., leave encashment, Compensated absence and Long Service Awards are provided using the Projected Unit Credit method of actuarial valuation made at the end of the year.

(e) Re-measurement including actuarial gains and losses are recognized in the balance sheet with a corresponding debit or credit to retained earnings through Statement of Profit and Loss or Other Comprehensive Income in the year of occurrence, as the case may be. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

(f) The Company also operates a defined contribution scheme for Pension benefits for its employees and the contribution is remitted to a separate Trust.

(g) Liability for gratuity as per actuarial valuation is funded with a separate trust.

1.12 Impairment of non-financial assets

The Carrying amount of cash generating unit are reviewed at each reporting date. In case there is any indication of impairment based on Internal / External factors, impairment loss is recognized wherever the carrying amount of asset exceeds its recoverable amount.

1.13 Provisions, Contingent Liabilities, Contingent Assets & Capital Commitments

(a) Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities/assets exceeding ₹ 5 Lacs in each case are disclosed by way of notes to accounts except when there is remote possibility of settlement/realization.

(b) Estimated amount of contracts remaining to be executed on capital accounts are disclosed each case above ₹ 5 lacs.

1.14 Taxes on Income

Provision for current tax is made as per the provisions of the Income Tax

Act, 1961. Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period.

Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes considering the tax rate and tax laws that have been enacted or substantively enacted as on the reporting date.

Deferred tax relating to items recognized outside Statement of Profit and Loss is recognized outside Statement of Profit and Loss (either in Other Comprehensive Income or in Equity).

The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

1.15 R&D Expenditure

Revenue expenditure on Research and Development is charged to Statement of Profit and Loss in the year in which it is incurred. Capital expenditure on Research and Development is capitalized in case the same qualifies as asset.

1.16 Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

1.17 Segment reporting

The Management of the company monitors the operating results of its business Segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products / services.

a) Segment revenue includes directly identifiable with/allocable to the segment including inter-segment revenue.

b) Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result.

c) Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.

d) Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.

e) Segment assets including CWIP and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

1.18 Earnings per share

Basic earnings per equity share is computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

1.19 Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

(A) Company as a lessee

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on straight line basis. However, rent expenses shall not be straight-lined, if escalation in rentals is in line with expected inflationary cost.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the Statement of Profit and Loss.

(B) Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee.

(C) Lease Land

Land having lease term of 70 year and above are accounted as finance leases which are recognized at upfront premium paid for the lease and the present value of the lease rent obligation. The corresponding liability is recognized as a finance lease obligation. Land having lease term of below 70 year are treated as operating leases.

1.20 Liquidated damages/ Price Reduction Schedule

Amount recovered towards Liquidated Damages/Price Reduction Schedule are adjusted/appropriated as and when the matter is settled.

1.21 Cash Flow Statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Indian Accounting Standard (Ind AS) 7on 'Statement of Cash Flows'.

1.22 Fair value measurement

The Company measures financial instruments including derivatives and specific investments (other than subsidiary, joint venture and associates), at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) **Level 1 -** quoted (unadjusted) market prices in active markets for identical assets or liabilities

(ii) **Level 2 -** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

(iii) **Level 3 -** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.23 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(A) Financial assets

(i) Classification

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through Statement of Profit and Loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(ii) Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

(iii) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

(a) Financial assets carried at amortised cost

A financial asset other than derivatives and specific investments, is subsequently measured at amortised cost if it is held within a business

model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) **Financial assets at fair value through other comprehensive income**

A financial asset other than derivatives comprising specific investment is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

c) **Financial assets at fair value through Statement of Profit and Loss**

A financial asset comprising derivatives which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) **De recognition**

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(v) **Investment in subsidiaries, joint ventures and associates**

The company has accounted for its investment in subsidiaries, joint ventures and associates at cost. The company assesses whether there is any indication that these investments may be impaired. If any such indication exists, the investment is considered for impairment based on the fair value thereof.

(vi) **Impairment of other financial assets**

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables or contract revenue receivables and all lease receivables etc.

(B) Financial liabilities

(i) **Classification**

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through Statement of Profit and Loss. Such liabilities, including derivatives shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

(iii) **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

(a) **Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(b) **Financial liabilities at fair value through Statement of Profit and Loss**

Financial liabilities at fair value through Statement of Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through Statement of Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category comprises derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

(iv) **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

(C) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(D) Derivative financial instruments and Hedge Accounting

The Company uses derivative financial instruments, in form of forward currency contracts, interest rate swaps, cross currency interest rate swaps, commodity swap contracts to hedge its foreign currency risks, interest rate risks and commodity price risks.

(i) **Derivatives Contracts not designated as hedging instruments**

- The derivatives that are not designated as hedging instrument under Ind AS 109, are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.
- Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

(ii) **Derivatives Contracts designated as hedging instruments**

- The derivatives that are designated as hedging instrument under Ind AS 109 to mitigate its risk arising out of foreign currency and commodity hedge transactions are accounted for as cash flow hedges.
- The Company enters into hedging instruments in accordance with policies as approved by the Board of Directors, provide written principles which is consistent with the risk management strategy of the Company.
- The hedge instruments are designated and documented as hedges at the inception of the contract. The effectiveness of hedge instruments is assessed and measured at inception and on an ongoing basis. The effective portion of change in the fair value of the designated hedging instrument is recognized in the "Other Comprehensive Income" as "Cash Flow Hedge Reserve". The ineffective portion is recognized immediately in the Statement of Profit and Loss as and when occur the amount accumulated in Cash Flow Hedge Reserve is reclassified to profit or loss in the same period(s) during which the hedged item affects the Statement of Profit or Loss Account. In case the hedged item is the cost of non- financial assets / liabilities, the amount recognized as Cash Flow Hedge Reserve are transferred to the initial carrying amount of the non-financial assets / liabilities.
- If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in Cash Flow Hedging Reserve remains in Cash Flow Hedging Reserve till the period the hedge was effective. The cumulative gain or loss previously recognized in the Cash Flow Hedging Reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

1.24 Recent accounting pronouncements - Standards issued but not yet effective:

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 amending the following standard. Several other amendments and interpretations have been issued but are not yet effective.

1. Ind AS 116 Leases

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces

Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less).

At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company will implement Ind AS 116 from 1 April 2019 by applying the modified retrospective approach, meaning that the comparative figures in the financial statements for the year ending 31st March 2019 will not be restated to show the impact of Ind AS 116.

The operating leases which will be recorded on the balance sheet following implementation of Ind AS 116 are principally in respect of office premises, leasehold land, warehouses, plant and machinery, vehicles and other identified assets representing right to use as per contracts excluding low value assets and short term leases of 12 months or less.

The anticipated impact of the standard on the company is not yet known though is not expected to be material on the income statement or net assets though assets and liabilities will be grossed up for the net present value of the outstanding operating lease liabilities as at 1 April 2019.

2 **Amendments to Ind AS 19 : Plan Amendment, Curtailment or Settlement**

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event.
- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss.

An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income.

The amendments apply to plan amendments, curtailments or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 April 2019. These amendments will apply only to any future plan amendments, curtailments or settlements of the Company.

3 **Amendments to Ind AS 12: Income Taxes**

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, the Company does not expect any effect on its financial statements.

4 **Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:**

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the consolidated financial statements.

Note 2 - Property, Plant and equipment for the year ended 31st March 2019

(₹ in Crore)

Particulars	Gross Block					Depreciation / Amortisation					Impairment Loss			Net Block
	As at 01 April 2018	Additions during the Year	Transfer from/to Capitalization	Disposals/ Adj during the year	As at 31st March 2019	As at 01 April 2018	During the year	Disposals/ Adj during the year	As at 31st March 2019	As at 01 April 2018	For the Year	Reversal/ Adjustment during the year	As at 31st March 2019	As at 31st March 2019
Property, Plant and Equipment														
Land : Freehold	353.79	19.45	82.74	(0.03)	455.95	-	-	-	-	-	-	-	-	455.95
Land : Leasehold	113.39	8.86	2.59	(0.69)	124.15	2.90	1.97	0.14	5.01	-	-	-	-	119.14
Building : Office/Others	830.27	10.45	63.71	0.23	904.66	104.45	40.08	4.74	149.27	-	-	-	-	755.39
Building : Residential	277.67	12.49	21.29	(0.52)	310.93	32.28	11.62	(0.10)	43.80	-	-	-	-	267.13
Bunk Houses	1.00	0.20	1.11	0.07	2.38	0.77	0.49	0.07	1.33	-	-	-	-	1.05
Plant and Machinery	29,242.59	308.06	3,211.95	178.52	32,941.12	3,411.80	1,330.79	225.17	4,967.76	15.55	19.37	-	34.92	27,938.44
Railway Lines & Sidings	0.27	-	-	-	0.27	-	-	-	-	-	-	-	-	0.27
Electrical Equipment's	348.60	15.17	7.82	(0.21)	371.38	111.80	42.71	0.98	155.49	-	-	-	-	215.89
Furniture & Fixtures	130.94	9.44	6.17	(2.30)	144.25	33.26	15.16	(1.36)	47.06	-	-	-	-	97.19
Office Equipment's	201.91	10.60	11.07	10.51	234.09	89.89	29.35	11.00	130.24	-	-	-	-	103.85
Other Equipment's	150.16	28.85	5.61	(7.43)	177.19	58.95	25.07	(6.35)	77.67	-	-	-	-	99.52
Transport Equipment's	6.44	2.15	-	(0.01)	8.58	2.26	0.89	(0.01)	3.14	-	-	-	-	5.44
E&P Assets														
Producing Property	2,221.93	149.37	-	(490.14)	1,881.16	601.63	127.78	(73.40)	656.01	-	-	-	-	1,225.15
Support Equipment & Facilities	4.72	-	-	-	4.72	1.02	0.34	-	1.36	-	-	-	-	3.36
Total	**33,883.68**	**575.09**	**3,414.06**	**(312.00)**	**37,560.83**	**4,451.01**	**1,626.25**	**160.88**	**6,238.14**	**15.55**	**19.37**	**-**	**34.92**	**31,287.77**

Note 2 - Property , Plant and equipment for the year ended 31st March 2018

(₹ in Crore)

Particulars	Gross Block					Depreciation / Amortisation					Impairment Loss			Net Block
	As at 01 April 2017	Additions during the Year	Transfer from/to Capitalization	Disposals/ Adj during the year	As at 31st March 2018	As at 01 April 2017	During the year	Disposals/ Adj during the year	As at 31st March 2018	As at 01 April 2017	For the Year	Reversal/ Adjustment during the year	As at 31st March 2018	As at 31st March 2018
Property, Plant and Equipment														
Land : Freehold	245.48	60.38	50.88	(2.95)	353.79	-	-	-		-	-	-	-	353.79
Land : Leasehold	97.75	0.14	17.11	(1.61)	113.39	(0.51)	1.30	2.11	2.90	-	-	-	-	110.49
Building : Office/Others	771.91	23.78	27.95	6.63	830.27	56.49	37.16	10.80	104.45	-	-	-	-	725.82
Building : Residential	264.59	0.20	6.92	5.96	277.67	15.27	11.04	5.97	32.28	-	-	-	-	245.39
Bunk Houses	0.65	-	0.09	0.26	1.00	0.25	0.27	0.25	0.77	-	-	-	-	0.23
Plant and Machinery	27,679.54	583.67	817.32	162.06	29,242.59	1,974.34	1,195.13	257.88	3,427.35		0.28	-	0.28	25,814.96
Railway Lines & Sidings	0.27	-	-	-	0.27	-	-	-	-	-	-	-	-	0.27
Electrical Equipment's	310.11	16.17	14.91	7.41	348.60	61.93	41.92	7.95	111.80	-	-	-	-	236.80
Furniture & Fixtures	110.28	8.94	6.31	5.41	130.94	13.26	14.03	5.97	33.26	-	-	-	-	97.68
Office Equipment's	117.04	28.87	29.64	26.36	201.91	31.52	31.51	26.86	89.89	-	-	-	-	112.02
Other Equipment's	116.97	14.95	9.49	8.75	150.16	25.44	24.15	9.36	58.95	-	-	-	-	91.21
Transport Equipment's	5.24	0.76	-	0.44	6.44	1.16	0.68	0.42	2.26	-	-	-	-	4.18
E&P Assets														
Producing Property	2,287.81	74.83	-	(140.71)	2,221.93	498.45	157.78	(54.60)	601.63	-	-	-	-	1,620.30
Support Equipment & Facilities	4.72	-	-	-	4.72	0.68	0.34	-	1.02	-	-	-	-	3.70
Total	**32,012.36**	**812.69**	**980.62**	**78.01**	**33,883.68**	**2,678.28**	**1,515.31**	**272.97**	**4,466.56**	**-**	**0.28**	**-**	**0.28**	**29,416.84**

Note 3 - Capital Work in Progress for the year ended 31st March 2019

(₹ in Crore)

Particulars	Gross Block					Provision and Impairment			Net Block
	As at 01 April 2018	Additions	Capitalization during the year	Retirement/ Transfer	As at 31st March 2019	As at 01 April 2018	For the year	As at 31st March 2019	As at 31st March 2019
A. Tangible									
Plant & Machinery									
Linepipe Construction and related facilities	4,137.16	3,933.60	(3,461.03)	(7.33)	4,602.40	138.13	(27.36)	110.77	4,491.63
Despatch/Receiving Terminals	16.01	4.90	(5.35)	-	15.56	-	-	-	15.56
Compressor Stations	40.02	20.72	(50.74)	-	10.00	-	-	-	10.00
Telecom/Telesupervisory System	0.44	4.15	(1.62)	-	2.97	-	-	-	2.97
Others	141.25	285.69	(190.17)	(2.17)	234.60	-	-	-	234.60
Petrochemicals	6.58	18.12	(9.05)	-	15.65	-	-	-	15.65
Exploratory Well in Progress	255.35	(31.49)	-	(15.52)	208.34	76.02	40.35	116.37	91.97
Development well in Progress	13.14	46.86	-	-	60.00	9.95	-	9.95	50.05
Railway Sidings	-	-	-	-	-	-	-	-	-
Buildings	33.13	53.44	(46.25)	-	40.32	5.28	-	5.28	35.04
Linepipes, Capital Items in Stock/Transit	1,525.61	3,273.54	(2.26)	-	4,796.89	11.30	(1.40)	9.90	4,786.99
B. Intangible	**10.38**	**7.59**	**(14.93)**	**-**	**3.04**	**-**	**-**	**-**	**3.04**
Total	**6,179.07**	**7,617.12**	**(3,781.40)**	**(25.02)**	**9,989.77**	**240.68**	**11.59**	**252.27**	**9,737.50**

Note 3 - Capital Work in Progress for the year ended 31st March 2018

(₹ in Crore)

Particulars	Gross Block					Provision and Impairment			Net Block
	As at 01 April 2017	Additions	Capitalization during the year	Retirement/ Transfer	As at 31st March 2018	As at 01 April 2017	For the year	As at 31st March 2018	As at 31st March 2018
A. Tangible									
Plant & Machinery									
Linepipe Construction and related facilities	2,250.84	3,030.79	(1,131.08)	(13.39)	4,137.16	124.52	13.61	138.13	3,999.03
Despatch/Receiving Terminals	14.62	2.72	(1.33)	-	16.01	-	-	-	16.01
Compressor Stations	66.83	13.46	(40.27)	-	40.02	-	-	-	40.02
Telecom/Telesupervisory System	28.67	(7.81)	(20.42)	-	0.44	-	-	-	0.44
Others	151.46	155.06	(165.27)	-	141.25	-	-	-	141.25
Petrochemicals	131.05	13.16	(137.64)	-	6.57	-	-	-	6.57
Exploratory Well in Progress	218.19	39.95	(2.79)	-	255.35	-	76.02	76.02	179.33
Development well in Progress	11.37	1.77	-	-	13.14	-	9.95	9.95	3.19
Railway Sidings	-	-	-	-	-	-	-	-	-
Buildings	32.15	30.97	(29.99)	-	33.13	5.28	-	5.28	27.85
Linepipes, Capital Items in Stock/Transit	1,329.42	202.54	(1.58)	(4.77)	1,525.61	10.81	0.49	11.30	1,514.31
B. Intangible	**32.05**	**13.11**	**(34.77)**	**-**	**10.39**	**-**	**-**	**-**	**10.39**
Total	**4,266.65**	**3,495.72**	**(1,565.14)**	**(18.16)**	**6,179.07**	**140.61**	**100.07**	**240.68**	**5,938.39**

Note 4 - Intangible Assets for the year ended 31st March 2019

(₹ in Crore)

	Gross Block					Depreciation / Amortisation				Net Block
Particulars	**As at 01 April 2018**	**Additions during the year**	**Transfer from/to capitalization**	**Disposals/ Adj. during the year**	**As at 31st March 2019**	**As at 01 April 2018**	**During the year**	**Disposals/ Adj during the year**	**As at 31st March 2019**	**As at 31st March 2019**
Intangible Asset										
Right of Use	989.17	4.10	347.84	0.15	1,341.26	0.07	-	0.15	0.22	1,341.04
Softwares / Licences	115.58	0.13	19.50	1.19	136.40	41.23	22.36	1.34	64.93	71.47
Total	**1,104.75**	**4.23**	**367.34**	**1.34**	**1,477.66**	**41.30**	**22.36**	**1.49**	**65.15**	**1,412.51**

Note 4 - Intangible Assets for the year ended 31st March 2018

(₹ in Crore)

	Gross Block					Depreciation / Amortisation				Net Block
Particulars	**As at 01 April 2017**	**Additions during the year**	**Transfer from/to capitalization**	**Disposals/ Adj. during the year**	**As at 31st March 2018**	**As at 01 April 2017**	**During the year**	**Disposals/ Adj during the year**	**As at 31st March 2018**	**As at 31st March 2018**
Intangible Asset										
Right of Use	721.59	2.09	265.49	-	989.17	0.05	-	0.02	0.07	989.10
Softwares / Licences	64.72	1.18	46.93	2.75	115.58	28.50	12.91	(0.18)	41.23	74.35
Total	**786.31**	**3.27**	**312.42**	**2.75**	**1,104.75**	**28.55**	**12.91**	**(0.16)**	**41.30**	**1,063.45**

Notes to Consolidated Financial Statements Year Ended 31st March 2019

Note 5 - Investments

(₹ in Crore)

S.N.	Particulars	As at 31st March 2019		As at 31st March 2018	
		Number of Shares	Amount	Number of Shares	Amount
	Investment in Equity Shares				
(a)	**In Joint Venture Companies:**				
	Unquoted Investment (Equity Method)				
1	- Central UP Gas Ltd.	1,50,00,000 (₹ 10 each)	70.50	1,50,00,000 (₹ 10 each)	60.18
2	- Green Gas Ltd.	2,30,42,250 (₹ 10 each)	168.35	2,30,42,250 (₹ 10 each)	145.32
3	- Ratnagiri Gas Power Pvt. Ltd.	83,45,56,046 (₹ 10 each)	-	83,45,55,636 (₹ 10 each)	-
4	- Konkan LNG Private Ltd. (13,97,52,264 equity shares are ₹ 10 each fully paid up and 26,00,16,509 equity shares of ₹ 10 each, ₹ 5.5 partly paid up)	39,97,68,773 (₹ 10 each)	-	13,97,52,264 (₹ 10 each)	-
5	- Maharashtra Natural Gas Ltd.	2,25,00,000 (₹ 10 each)	117.28	2,25,00,000 (₹ 10 each)	94.37
6	- Avantika Gas Ltd. (Includes 70,57,038 equity shares allotted at premium of ₹ 29/- per share)	2,95,57,038 (₹ 10 each)	97.45	2,95,48,663 (₹ 10 each)	84.47
7	- Bhagyanagar Gas Ltd. (Includes 2,11,50,000 equity shares allotted at premium of ₹ 40/- per share)	4,36,50,000 (₹ 10 each)	165.02	4,36,50,000 (₹ 10 each)	155.43
8	-Vadodara Gas Ltd.	7,91,37,831 (₹ 10 each)	134.05	7,91,37,831 (₹ 10 each)	131.50
9	-Talchar Fertilizers Ltd.	1,63,44,568 (₹ 10 each)	11.28	50,15,000 (₹ 10 each)	5.03
10	-Tapi Pipeline Company Ltd.	5,60,025 (USD 10 each)	13.65	2,65,025 (USD 10 each)	6.59
11	-Indradhnush Gas Grid Ltd	50,00,000 (₹ 10 each)	2.58	-	-
	Through GAIL Gas Ltd				
12	- Andhra Pradesh Gas Distribution Corporation Ltd.	1,50,00,000 ₹ (10 each)	27.99	1,50,00,000 ₹ (10 each)	17.73
13	- Kerala GAIL GAS Ltd.	1,19,28,000 ₹ (10 each)	2.08	1,19,28,000 ₹ (10 each)	13.74
14	- Rajasthan State Gas Ltd.	1,70,25,000 ₹ (10 each)	56.51	1,70,25,000 ₹ (10 each)	54.19
15	- Haridwar Gas Private Ltd.	75,00,000 ₹ (10 each)	11.11	75,00,000 ₹ (10 each)	7.10
16	-GOA Natural Gas Private Ltd.	25,00,000 ₹ (10 each)	9.07	25,00,000 ₹ (10 each)	7.16
	Total (a)		**886.92**		**782.81**
b)	**In Associate companies:**				
	Quoted Investments (Equity Method)				
1	- China Gas Holding Ltd. China(acquired at a premium of HK$ 1.148 per share)	15,00,00,000 (HK$. 0.01 each)	660.79	15,00,00,000 (HK$ 0.01 each)	518.76
2	- Indraprastha Gas Ltd. (Share split in the ratio 5:1 on 11th November 2017)	15,75,00,000 (₹ 2 each)	971.03	15,75,00,000 (₹ 2 each)	820.57
3	- Petronet LNG Ltd.(PLL)(includes 1,00,00,000 equity shares alloted at a premium of ₹ 5/- per share, 1:1 bonus is issued on 05th July 2017)"	18,75,00,000 (₹ 10 each)	1,278.82	18,75,00,000 (₹ 10 each)	1,226.41
4	- Mahanagar Gas Ltd.	3,21,02,750 (₹ 10 each)	779.63	3,21,02,750 (₹ 10 each)	680.99
	Unquoted Investments (Equity Method)				
1	- ONGC Petro Additions Ltd.	99,49,45,000 (₹ 10 each)	-	99,49,45,000 (₹ 10 each)	-
2	- Fayoum Gas Company (acquired at a premium of LE 478.95 per share)	19,000 (LE 100 each)	7.44	19,000 (LE 100 each)	4.19
3	- Brahmaputra Cracker & Polymer Ltd.	99,23,69,000 (₹ 10 each)	396.86	99,23,69,000 (₹ 10 each)	352.28
4	-Ramagundam Fertilizers & Chemical Ltd.	15,05,29,500 (₹ 10 each)	147.71	...	-
	Total (b)		**4,242.28**		**3,603.20**

S.N.	Particulars	As at 31st March 2019		As at 31st March 2018	
		Number of Shares	Amount	Number of Shares	Amount
(c)	**Other Investments**				
	Investments at fair value through Other comprehensive Income (fully paid):				
	Quoted equity shares (Fair Value through OCI)				
1	-Gujarat Industries Power Co. Ltd.(includes 1,90,200 Equity Shares acquired at a premium of ₹15/- per share)	5,70,600 (₹ 10 each)	4.06	5,70,600 (₹ 10 each)	5.54
2	-Oil and Natural Gas Corporation Ltd.	30,84,01,602 (₹ 5 each)	4,920.55	30,84,01,602 (₹ 5 each)	5,483.38
	(*Acquired 3,42,66,845 shares of ₹ 10/-each during 1999-2000 at a price of ₹ 162.34 per Share, 1,71,33,422 bonus shares of ₹10/- each received during 2006-07, During the year 2010-11, 5,14,00,267 Equity shares of ₹ 10/- each were splitted into Equity shares of ₹ 5/- each and bonus issue of 1:1 equity shares of ₹ 5/- each after split received during 2010-11, further during the year 2016-17 bonus issue of 1:2 equity shares has been received)				
	Unquoted equity shares (Fair Value through OCI)				
1	- South East Asia Gas Pipeline Ltd.	8,347 (USD 1 each)	175.83	8,347 (USD 1 each)	167.75
2	- Gujrat State Energy Generation Ltd.	2,07,60,000 (₹ 10 each)	3.07	2,07,60,000 (₹ 10 each)	3.13
3	- National Gas Company "Nat Gas"	30,00,000 (LE 100 each)	131.14	-	22.57
	Unquoted Preference Shares				
1	Konkan LNG Pvt. Ltd.	25,20,03,718 (₹ 10 each)	252.00	-	-
	(10% Cumulative Compulsorily Convertible Preference Shares)				
	- Unquoted equity shares at Cost -Start up Companies				
1	-JV Foodworks Pvt. Ltd.	3,089 (₹ 10 each)	1.40	1,138 (₹ 10 each)	0.63
2	-Bhagwandas Retail Pvt. Ltd.	467 (₹ 10 each)	0.42	-	-
3	-Attentive AI Solutions Pvt. Ltd.	1,111 (₹ 10 each)	1.20	499 (₹ 10 each)	0.60
4	-Tache Technologies Pvt. Ltd	1,307 (₹ 10 each)	0.12	-	-
5	-Addverb Technologies Pvt. Ltd.	2,902 (₹ 10 each)	0.75	-	-
6	-Kshumat Energy Pvt Ltd	2,499 (₹ 10 each)	1.50	-	-
7	-Sarvodaya Infotech Pvt. Ltd.	2,666 (₹ 10 each)	0.60	-	-
8	-Persapien Innovations Pvt. Ltd.	52 (₹ 10 each)	1.98	21 (₹ 10 each)	0.79
9	-Tycheejuno Speciality Tyres Pvt. Ltd.	372 (₹ 10 each)	0.50	-	-
10	-VDT Pipeline Solutions Pvt. Ltd.	222 (₹ 10 each)	0.50	-	-
11	-Featherdyne Private Ltd.	222 (₹ 10 each)	0.75	-	-
12	-RD Grow Green India Pvt. Ltd.	1966 (₹ 10 each)	0.15	-	-
	Unquoted equity shares (Co-operative societies) at Cost				
1	- Darpan Co-operative Housing Society Ltd., Vadodara (₹ 1,500/-).	30 (₹ 50 each)	-	30 (₹ 50 each)	-
2	- Ashoka Apartments Co-operative Housing Society Ltd., Vadodara (₹ 2,500/-).	50 (₹ 50 each)	-	50 (₹ 50 each)	-
3	- Sanand Members Association, Ahmedabad (₹ 4,000/-).	400 (₹ 10 each)	-	400 (₹ 10 each)	-
4	- Green Field (B) Co-operative Housing Society Ltd., Mumbai (₹ 2,750/-)	55 (₹ 50 each)	-	55 (₹ 50 each)	-
5	- Avillion Greenfields Co-Op Hsg. Society Ltd, Mumbai (₹ 250/-)	50 (₹ 5 each)	-	50 (₹ 5 each)	-
6	- Suraj Heights A Co-Op Hsg. Society Ltd, Mumbai (₹ 1,500/-)	50 (₹ 30 each)	-	50 (₹ 30 each)	-
7	- Sheel Jeet Co-Operative Hsg Society Ltd., Mumbai (₹ 50/-)	10 (₹ 5 each)	-	10 (₹ 5 each)	-
	Total(c)		**5,496.52**	**-**	**5,684.39**
	Total Non current Investments (a+b+c)		**10,625.72**	**-**	**10,070.40**
	Aggregate amount of quoted investments				
	-Book Value (At Carrying Value)		8,614.88		8,735.65
	-Market Value		21,380.00		20,820.67
	Aggregate amount of unquoted investment (At Carrying Value)		2,010.84		1,334.77

a) Out of aforesaid investments in Subsidiary/ JV/ Associate, few shares are held in the name of GAIL officials jointly with GAIL
b) Investment are valued in accordance with Accounting Policy No. 1.22 given in Note No. 1
c) Aggregate amount of impairment in value of investments is ₹ 1,086.68 Crore upto end of the year (previous year ₹ 760.35 Crore) in Standalone Financials
d) Investment in other than subsidiary, associate and joint ventures are valued at fair value through OCI at each Balance Sheet date.
e) Investment made in Start-up companies and its fair value is considered to be equal to book value for initial 5 years.

Note 5A - Investments Current

(₹ in Crore)

	Particulars	As at 31st March 2019		As at 31st March 2018	
		Nature of Investment	Amount	Nature of Investment	Amount
	Quoted Investments				
	- Investments in Mutual Funds				
	IDBI liquid fund	Mutual Fund	-	Mutual Fund	381.47
	Measured at fair value through Profit and Loss)				
	Total		**-**		**381.47**

Opening	381.47	-
Allotment/Investment during the year	(30,935.00)	5,713.00
Disposal during the year	31,316.00	(5,332.00)
Changes in Fair Value/MTM	(0.47)	0.47
Closing	**-**	**381.47**

Note 6 - Trade receivables- Non Current

(₹ in Crore)

	Particulars	As at 31st March 2019	As at 31st March 2018
	Trade receivables	1,392.59	1,379.57
	Receivables from related parties	281.98	253.05
	Less: Provision for Doubtful Debts	662.69	635.70
	Total	**1,011.88**	**996.92**

Note 6A - Trade receivables- Current

(₹ in Crore)

	Particulars	As at 31st March 2019	As at 31st March 2018
	Trade receivables	3,896.09	3,278.37
	Receivables from related parties	518.73	187.53
	Less: Provision for Doubtful Debts	51.43	36.34
	Total	**4,363.39**	**3,429.56**

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Non Current (Unsecured)				
	Considered good	1,011.88		996.92	
	Considered doubtful	662.69		635.70	
		1,674.57		**1,632.62**	
	Less: Provision for Doubtful Debts	662.69	1,011.88	635.70	996.92
	Current (Unsecured)				
	Considered good	4,363.39		3,429.56	
	Considered doubtful	51.43		37.91	
		4,414.82		**3,467.47**	
	Less: Allowance for bad and doubtful debts	-		-	
	Less: Allowance for Expected credit Loss	51.43	4,363.39	37.91	3,429.56
	Total		**5,375.27**		**4,426.48**

Note 7-Financial Assets Non Current- Loans and Other Receivables (Unsecured considered good unless specified otherwise)

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Loans to related parties:				
	- Loan to associates (Unsecured considered good)		200.00		-
	(Loan to Associate Company BCPL)				
	Other loans and receivables:				
	- Loan to employees:				
	- Secured, considered good	259.42		269.60	
	- Unsecured, considered good	7.21	266.63	21.42	291.02
	- Security deposits paid:				
	- Unsecured, Considered Good	53.41		68.75	
	- Unsecured, Considered Doubtful	9.85		10.15	
		63.26		78.90	
	Less : Provision for Doubtful Deposits	9.85	53.41	10.15	68.75
	Other Receivable		-		
	Finance lease receivables		15.85		17.88
	-Loan to others (Unsecured considered Good)		133.40		172.41
	Total		**669.29**		**550.06**

Note 7A-Financial Assets Current- Loans and Other Receivables (Unsecured considered good unless specified otherwise)

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Other Receivable from Related Parties				
	- Subsidiaries *		2.07		-
	- Associates		6.52		15.19
	- Joint ventures		39.23		32.91
	Other loans and receivables:				
	- Loan to employees:				
	- Secured	49.23		33.88	
	- Unsecured	15.22	64.45	38.81	72.69
	Security deposits paid		633.40		508.82
	Finance lease receivables		2.03		2.01
	Interest accrued but not due		10.24		14.95
	Loan to others		50.03		47.02
	Other Receivables		16.03		-
	Total		**824.00**		**693.59**

* Pertaining to Subsidiary Bengal Gas Company Limited which is yet to start its operation and first financial year will end on 31st March 2020 hence not considered in Consolidation

Note 8-Other Financial Assets -Non Current (Unsecured considered good unless specified otherwise)

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Receivables for Derivative Contracts (Hedged/ Non Hedged)		54.25		3.31
	Equity Investments Pending Allotment		110.08		107.56
	Balance with Bank Deposits exceeding twelve Months		0.94		0.87
	Total		**165.27**		**111.74**

Note 8A-Other Financial Assets -Current

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Receivables for Derivative Contracts (Hedged/ Non Hedged)		296.35		11.10
	Other Receivable		2.28		74.79
	Total		**298.63**		**85.89**

Note 9 - Non Current tax assets (Net)

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Advance income tax against pending demand				
	- Unsecured considered good	1,167.22		1,143.45	
	- Unsecured considered doubtful	218.48		207.21	
		1,385.70		1,350.66	
	Less : Provision for doubtful advance income tax against pending demand	218.48	1,167.22	207.21	1,143.45
	Advance tax	2,378.79		1,753.50	
	Less : Provision for tax (Net of MAT credit entitlement)	2,060.45	318.34	1,541.35	212.15
	Total		**1,485.56**		**1,355.60**

Note 10 - Inventories

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Raw materials:				
	Stock of gas (after adjustment of calorific value)				
	Work in progress:				
	Stock in process		14.97		12.50
	Finished goods:				
	Polymers / LPG and Other Products		446.38		353.34
	Stock in Trade:				
	Stock of gas including Liquefied Natural Gas (After adjustment of calorific value) (Including Renewable Energy Certificate)		1,009.57		557.39
	Stores and spares:				
	Stores and spares	1,013.06		947.52	
	Less: Provision Construction Surplus - Capital / Stores	18.97	994.09	18.54	928.98
	In Transit				
	Stores and spares		37.63		80.30
	Total		**2,502.64**		**1,932.51**

Valuation of Inventories are done in accordance with Accounting Policy No. 1.8

Note 11 - Cash and cash equivalents

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Balances with banks:				
	- Current accounts		82.64		42.59
	- Deposits with original maturity less than three months		210.16		1,330.96
	Cash on hand		3.83		3.65
	Cheque/Demand Draft in hand		-		0.04
	Total		**296.63**		**1,377.24**

Note 11A - Other Bank Balances

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Other Bank Balance (FD with original maturity more than three months)		**332.77**		**769.73**
	Earmarked accounts:				
	- Current Account - Dividend Payable		5.06		3.02
	- Short Term Deposits - Gas Pool Money		327.22		298.93
	(Including interest accrued but not due ₹ 5.54 crore (PY ₹ 7.79 crore))				
	- Short Term Deposits - Imbalance & Overrun		124.15		113.24
	(Including interest accrued but not due ₹ 4.91 crore (PY ₹ 3.21 crore))				
	- Short Term Deposits -JV Consortium		24.09		22.80
	(Including interest accrued but not due ₹ 0.27 crore (PY ₹ 0.20 crore))				
	- Short Term Deposits -Post Retirement Medical Scheme		281.69		263.86
	- Others (by Group Companies)		33.49		9.72
	Total		**1,128.47**		**1,481.30**

Note 12 - Other Assets-Non Current

(₹ in Crore)

	Particulars				As at 31st March 2019			As at 31st March 2018
	Balance with Government Authorities							
	Unsecured, Considered Good:							
	CENVAT Credit Receivable		-				0.09	
	VAT Credit Receivable		201.47				198.33	
	Sales tax/ Court Cases		-		201.47		0.74	199.16
	Claims recoverable:							
	- Unsecured considered good		10.55				11.03	
	- Unsecured considered doubtful		-				0.52	
			10.55				11.55	
	Less : Provision for doubtful claims		-		10.55		0.52	11.03
	Other advances recoverable in cash or in kind (Including advance to an associate ₹ 437.64 Crore (Previous year: ₹ 475.84 Crore))				438.29			477.56
	Capital advances:							
	- Unsecured considered good		98.73				33.57	
	- Unsecured considered doubtful		0.35				0.35	
			99.08				33.92	
	Less: Provision for doubtful advances		0.35		98.73		0.35	33.57
	Prepayments							
	Prepaid expenses				2.75			0.67
	Prepaid rent				73.20			72.55
	Prepaid employee expenses (loans to employees)				138.28			147.78
	Total				**963.27**			**942.32**

Note 12A - Other Assets-Current

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Balance with Government Authorities				
	Unsecured, Considered Good:				
	CENVAT Credit Receivable	0.15		0.27	
	GST Receivable	87.72		72.98	
	VAT Credit Receivable	220.98	308.85	877.74	950.99
	Claims recoverable:				
	- Unsecured considered good	57.76		89.01	
	- Unsecured considered doubtful	21.26		15.14	
		79.02		104.15	
	Less : Provision for doubtful claims	21.26	57.76	15.14	89.01
	Other advances recoverable in cash or in kind		1,141.05		367.55
	(Including advance to an associate ₹ 38.20 crore. (Previous year: ₹ 38.20 crore))				
	Advances to suppliers/contractors:				
	- Unsecured considered good	28.00		11.12	
	- Unsecured considered doubtful	8.76		9.52	
		36.76		20.64	
	Less : Provision for doubtful advances	8.76	28.00	9.52	11.12
	Gold coins in hand		0.09		0.09
	Prepayments				
	Prepaid expenses		76.10		65.27
	Prepaid rent		4.05		4.09
	Prepaid employee benefits		18.97		18.74
	Total		**1,634.87**		**1,506.86**

Note 13 - Equity share capital

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Share capital				
	Authorized				
	500,00,00,000 Equity Shares of ₹ 10 each		5,000.00		5,000.00
	(Previous year 500,00,00,000 Equity shares of ₹ 10 each)				
	Issued, subscribed and fully paid up				
	225,50,70,933 Equity shares of ₹ 10 each		2,255.07		2,255.07
	(Previous year 225,50,70,933 Equity shares of ₹ 10 each)				
	Total		**2,255.07**		**2,255.07**

Reconciliation of the shares outstanding at the beginning and at the end of the year

(₹ in Crore)

	Particulars	As at 31st March 2019		As at 31st March 2018	
		Numbers	Amount	Numbers	Amount
	At the Beginning of the Year	2,255,070,933	2,255.07	1,691,303,200.00	1,691.30
	Issued during the Year				
	Bonus Shares	-	-	563,767,733.00	563.77
	Outstanding at the end of the year	**2,255,070,933**	**2,255.07**	**2,255,070,933.00**	**2,255.07**

Related Information:-

a) Details of Shareholders holding more than 5% shares in the parent company

	Particulars	As at 31st March 2019		As at 31st March 2018	
		Numbers	% of Holding	Numbers	% of Holding
i)	President of India (Promoter)	1,177,029,046	52.19%	1,208,520,341.00	53.96%

b) The Company has only one class of equity shares having par value of ₹ 10/- per share. The Holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the shareholders meetings.

c) 1,92,66,283 shares (Previous Year : 1,52,83,549) are held in the form of Global Depository Receipts.

d) The Company has not issued any shares for a consideration other than cash in immediately preceding five years except 56,37,67,733 Bonus Shares during the previous FY 2017-18 and 42,28,25,800 Bonus Shares during the FY 2016-17 in the ratio of one equity share for every three equity shares held.

Note 14 - Other equity

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	a) Security premium		**0.27**		**0.27**
	Total (a)		**0.27**		**0.27**
	b) Retained earnings opening balance	**30,071.09**		**27,505.14**	
	Add: Profit for the Period	6,545.74		4,799.07	
	Add: Remeasurment of Defined Benefit Plans	40.12	36,656.95	56.09	32,360.30
	Add: Adjustment Retained Earnings Associate/JV's and Other		(6.94)		2.18
	Less: Appropriations				
	-Transfer to Bond Redemption Reserve	14.97		35.19	
	-Transfer to General Reserve	602.57		461.84	
	-Dividend	324.73		456.65	
	-Corporate Dividend Tax	356.46		356.36	
	-Interim Dividend	1,409.42	2,708.15	1,293.85	2,603.89
	Add: Appropriations				
	-Transfer from Bond Redemption Reserve		-		312.50
	Total (b)		**33,941.86**		**30,071.09**
	Total(a+b)		**33,942.13**		**30,071.36**
	Other reserves:				
	- Bond redemption reserves				
	- Op Balance	59.87		337.18	
	- Transfer to Retained Earning	14.97		(312.50)	
	- Appropriation from Retained Earnings	-	74.84	35.19	59.87
	- Foreign Currency Translation Reserve				
	- Op Balance	(43.05)		(0.93)	
	- FCTR during the Period	105.29	62.24	(42.12)	(43.05)
	- General Reserves				
	- Op Balance	4,251.21		4,353.14	
	- Transfer during the period from the statement of P&L	602.57		461.84	
	- Changes During the Year (Issue of Bonus Shares)	-	4,853.78	(563.77)	4,251.21
	- Other Comprehensive Income	(1,000.33)		(665.65)	
	Add: OCI for The Period (Other then FCTR)	(268.07)	(1,268.40)	(278.59)	(944.24)
	-Ind AS Transition Reserve		6,084.44		6,084.44
	Total		**9,806.90**		**9,408.23**
	G.Total		**43,749.03**		**39,479.59**

During the year the Company has paid Interim dividend of ₹ 6.25 per share (Previous Year ₹ 7.65 per share) and final dividend of ₹ 1.44 per share of financial year 2017-18 (Previous Year ₹ 2.70 per share)

Note 15 Borrowings-Non Current

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Non current borrowings				
	- Bond series 2015*		499.57		499.49
	(8.30% Secured Non-convertible redeemable Bonds 2015 -Series - I are redeemable in 4 equal instalment commencing from the end of the 7th year up to the end of the 10th year from the deemed date of allotment Feb 23, 2015 with a call option at the end of the 7th year).				
	*Bonds are secured on pari pasu basis, by charge on freehold non agricultural land at village Tandalja, Vadodara together with the entire building constructed thereon both present & future and whole of plant and machinery, spares, tools and accessories and other movables of the company pertaining to its projects at Vijaipur Dadri Pipeline Projects excluding compressor stations at Vijaipur both present and future and whether installed or not and lying or in store				
	Unsecured Term loans:				
	- KFW Germany (Coperion Facility)		20.64		32.10
	(Repayment in 14 half yearly equal Instalments starting from November 2014) (Loan carries fixed rate of interest)				
	- Societe Generale		128.21		167.98
	(Repayment in 20 half yearly equal Instalments starting from 22nd October 2012) (Loan carries floating rate of interest linked to 6 Months LIBOR plus spread).				
	- Japan bank for International Cooperation(JBIC)		98.19		127.85
	(Repayable in 20 half yearly equal Instalments starting from June'2013) Loan carries fixed rate of interest)				
	- KFW Germany (Siemens Facility)		123.10		147.85
	(Repayment in 20 half yearly equal Instalments starting from March 2014) Loan carries fixed rate of interest)				
	Other Borrowings by Group Companies		157.25		142.52
	Long term maturities of finance lease obligations:				
	Obligations under finance leases		0.87		0.85
	Total		**1,027.83**		**1,118.64**

Note 15A Borrowings - Current

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Unsecured Current borrowings				
	Other Short term Borrowings by Group Companies		1,042.90		977.66
	Total		**1,042.90**		**977.66**

Note 16 - Other financial liabilities - Non Current

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Payables for Derivative Contracts (Hedged/ Non Hedged)		10.35		39.01
	Deposits/Retention Money from Customers/contractors/others		15.18		14.59
	Gas Pool money provisional		652.45		654.83
	Other Liabilities		67.16		67.16
	Total		**745.14**		**775.59**

Note 16A - Other financial liabilities - Current

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Payables for Derivative Contracts (Hedged/ Non Hedged)		26.42		316.09
	Current maturities of finance lease obligations:				
	Obligations under finance leases		0.07		0.06
	Current maturity of long term loans:				
	Unsecured Term loans:				
	- KFW Germany (Coperion Facility)	13.48		12.49	
	- Societe Generale	50.37		46.89	
	- Japan bank for International Cooperation(JBIC)	32.54		31.72	
	- KFW Germany (Siemens Facility)	34.08		31.62	
	- Syndication of Banks for Refinancing	-	130.47	981.62	1,104.34
	(In Syndication SMBC, Mizuho Bank Ltd., DBS Bank Ltd., $ 100 million each)				
	Other loans by group companies		22.46		19.10
	Deposits/Retention Money from Customers/contractors/others		1,243.24		656.62
	Other payables				
	Interest accrued but not due	12.05		13.01	
	Unpaid/unclaimed dividend	5.06		3.02	
	Gas Pool Money	203.26		299.93	
	Imbalance and overrun charges	123.22		112.30	
	Payable for capital expenditure	1,295.59		862.21	
	Adjustment in pipeline tariff	31.33		31.33	
	E&P expenditure payable	60.47		188.84	
	Employee benefits payable	386.70		343.00	
	Other payables (Including metering charges, Misc. Payments etc.)	249.10	2,366.78	237.23	2,090.87
	Total		**3,789.44**		**4,187.08**

Note 17 - Provisions- Non Current

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Provisions for employee benefits		696.01		581.73
	Provisions for Abandonment costs		6.03		7.37
	Total		**702.04**		**589.10**

Note 17A - Provisions- Current

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Provisions for employee benefits		65.48		207.16
	Provision for probable obligations		689.57		657.92
	Total		**755.05**		**865.08**

Note 18 - Trade Payables

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Trade Payables Other then MSMEs		3,117.74		2,525.50
	Trade payables to related parties		537.93		1,310.28
	Micro and small Enterprises		220.40		68.11
	Total		**3,876.07**		**3,903.89**

Note 19 - Other Liabilities -Non-Current

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Government Grant		2,564.45		846.39
	Total		**2,564.45**		**846.39**

Note 19A - Other Liabilities -Current

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Advance against Capital assets		1.62		-
	Statutory payables		453.92		409.40
	Other liabilities		87.62		87.96
	Government Grant		29.87		6.63
	Total		**573.03**		**504.00**

Note 20 - Deferred taxation

Income Taxes

The Major components of Income tax expenses for the year ended are:-

A. Statement of Profit and Loss:

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	(I) Profit or Loss section				
	Current Income Tax:				
	Current Income Tax Charge		2,493.09		1,683.86
	Adjustment in respect of current income tax of previous Year		(24.79)		(20.11)
	Deferred Tax:				
	Relating to origination and reversal of temporary differences		810.12		459.10
	Income tax expenses reported in the statement of profit or loss		**3,278.42**		**2,122.85**
	(II) OCI Section				
	Deferred tax related to items recognized in OCI during the year:				
	For OCI to be reclassified to P&L				
	Net movement on cash flow hedges Profit (+)/ Loss(-)		(154.81)		50.24
	For OCI not to be reclassified to P&L				
	Net Loss/(Gain) on remeasurement of defined benefit plans		(21.75)		(29.69)
	Income tax Charged to OCI		**(176.56)**		**20.55**

B. Balance Sheet

(₹ in Crore)

	Particulars		As at 31st March 2019		As at 31st March 2018
	Deferred tax liabilities				
	Net Deferred Tax Liability due to taxable temporary Differences		6,234.58		5,370.03
	- Others (Share of Associate and JV's and other group companies)		578.54		356.70
	Less:- Mat Credit Entitlement		303.24		687.62
	Total		**6,509.88**		**5,039.11**

Note 21 - Revenue from Operations

(₹ in Crore)

	Particulars		Year Ended 31st March 2019		Year Ended 31st March 2018
	a) Sale of Products				
	Gas		57,007.84		37,822.83
	Polymers		6,630.63		5,788.10
	LPG		3,750.39		3,368.95
	Propane/Pentane/SBPS/Naphtha		882.19		809.58
	Crude Oil		205.79		149.52
	City Gas		5,359.11		4,609.71
	Power		57.10		63.14
	b) Sale of Service				
	LPG Transmission / RLNG Shippers Charges		2,016.55		1,941.61
	c) Income from Telecom services		2.42		2.65
	Total		**75,912.02**		**54,556.09**
	Add: Other Operating Income		322.15		138.22
	TOTAL		**76,234.17**		**54,694.31**

Note 22 - Other Income

(₹ in Crore)

	Particulars		Year Ended 31st March 2019		Year Ended 31st March 2018
	Interest on :				
	- Deposits with Banks	170.81		151.72	
	- Income Tax / Vat Refund	122.67		74.94	
	- Delayed payment from cutomers	83.65		23.81	
	- Loan to Joint Ventures, and Associates etc.	23.80		29.98	
	- Loan to Employees	24.36		45.29	
	- Others	36.80		4.08	
	Less : Transferred to Expenditure during construction period (refer note no - 28)	2.16	459.93	1.32	328.50
	Dividend from Investments		249.17		227.14
	Gain on Sale of Investments (Mutual Funds)		31.06		5.83
	Amount of grant transfer from Capital Reserve		8.23		0.35
	Net Gain on Foreign Currency Transaction and Translation		232.70		81.70
	Excess Provision Written Back		39.72		113.28
	Amortization of Government. Grant		2.09		2.59
	Fair value gain on Investments (for Associates)		-		8.37
	Miscellaneous Income	191.73		45.42	
	Less : Transferred to Expenditure during construction period (refer note no - 28)	0.36	191.37	0.46	44.96
	Total		**1,214.27**		**812.72**

Note 23 - (Increase) / Decrease in Inventories of Stock in Trade Finished Goods, Work in Progress

(₹ in Crore)

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Inventories at the end of the period:-		
Work-in-Progress	14.97	11.76
Finished Goods	446.38	352.73
Stock in Trade	1,009.57	557.38
Total	**1,470.92**	**921.87**
Inventories at the beginning of the period:-		
Work-in-Progress	11.76	9.89
Finished Goods	352.73	395.40
Stock in Trade	557.38	482.50
Total	**921.87**	**887.79**
TOTAL	**(547.61)**	**(34.08)**

Note 24 - Employee benefit expenses

(₹ in Crore)

Particulars		Year Ended 31st March 2019		Year Ended 31st March 2018
Salaries, Wages and Allowances	1,435.52		1,162.74	
Contribution to Provident and Other Funds	423.93		125.18	
Staff Welfare Expenses	219.39	2,078.84	202.87	1,490.79
Less :				
-Employees Benefit Expenses transferred to Capital Work-in-Progress (Ref Note No. 28)	138.73		86.50	
-Reimbursements for employees on deputation	76.91	215.64	58.68	145.18
Total		**1,863.20**		**1,345.61**

Note 25 - Finance Cost

(₹ in Crore)

Particulars		Year Ended 31st March 2019		Year Ended 31st March 2018
Interest on:				
- Term Loans	111.62		239.16	
- Bonds	41.50		85.88	
- Others	28.80	181.92	17.35	342.39
(Gain)/Loss on changes in fair value of Derivatives		(113.69)		(28.32)
Net (Gain) / loss on foreign currency transactions on Borrowings		106.33		(3.32)
Less : Interest and Finance Charges transferred to Capital Work-in-Progress (Ref Note No. 28)		15.36		15.84
Total		**159.20**		**294.91**

Note 26 - Depreciation and Amortization Expenses

(₹ in Crore)

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Depreciation and Amortization Expenses	1,648.61	1,527.58
Impairment Loss (Refer Note No. 2,3 & 4)	19.37	0.27
Less : Depreciation and Amortization Expenses transferred to Capital Work-in-Progress (Ref Note No. 28)	1.34	0.96
Total	**1,666.64**	**1,526.89**

Note 27 - Other Expenses

(₹ in Crore)

	Particulars		Year Ended 31st March 2019		Year Ended 31st March 2018
	Gas Pool Expenses		10.41		15.95
	Stores and Spares consumed		444.24		372.12
	Power, Fuel and Water Charges				
	Power Charges	358.35		430.53	
	Gas used as Fuel	2,288.52		1,700.29	
	Water Charges	14.83	2,661.70	12.12	2,142.94
	Rent		73.75		58.70
	Repairs and Maintenance				
	Plant and Machinery	348.81		296.50	
	Buildings	46.17		46.02	
	Others	99.01	493.99	67.64	410.16
	Insurance		45.73		39.78
	Rates and Taxes		16.98		15.63
	Miscellaneous Expenditure :				
	- Travelling Expenses		88.61		120.19
	- Advertisement and Publicity		80.47		74.54
	- Vehicle Hire and Running Expenses		60.07		42.89
	- Survey Expenses		9.97		17.87
	- Dry Well Expenses written off		21.88		26.80
	- Oil & Gas Producing Expenses		56.08		58.37
	- Royalty on Crude Oil (including share of Govt in Profit Petroleum)		155.00		153.00
	- Consultancy Charges		40.87		43.20
	- Donation		5.00		61.29
	- Research and Development Expenses		10.94		17.24
	- Provision for Impairment Loss CWIP/ Investments		20.05		102.31
	- Loss on sale / written off of assets (net)		272.54		24.36
	- Bad Debts/Claims/Advances/Stores written off		2.86		0.36
	- Provision for Doubtful Debts, Advances, Claims, Deposits and obsolescence of Stores and Capital Items		78.14		37.87
	- Provision for Probable Obligations / Contingencies		51.89		60.47
	- Expenses on Enabling Facilities		0.59		0.53
	- Selling & Distribution Expenses		59.97		45.78
	- Commission on Sales		32.33		29.03
	- Security Expenses		200.06		193.13
	- Corporate Social Responsibility Expenses		121.57		92.49
	- MTM loss (Gain) on Commodity Derivative (Net)		(43.18)		167.42
	- Other Expenses		263.57		130.20
	Reclassification of cumulative exchange difference relating to foreign operation		-		23.21
	Payment to Auditors				
	Audit Fees	0.77		0.74	
	- Tax Audit fees	0.11		0.12	
	- Other Services (for issuing certificates, etc.)	0.25		0.31	
	- Travelling & Out of Pocket Expenses	0.34	1.47	0.54	1.71
	Less : Incidental Expenditure during construction transferred to Capital Work-in-Progress (Ref Note No. 28)		18.62		35.84
	Total		**5,318.93**		**4,543.70**

Note 28 - Expenditure during Construction Period

(₹ in Crore)

	Particulars		Year Ended 31st March 2019		Year Ended 31st March 2018
	Employees Remuneration and Benefits				
	Salaries, Wages and Allowances	103.86		49.79	
	Contribution to Provident and Other Funds	23.07		5.81	
	Welfare Expenses	11.80	138.73	6.60	62.20
	Interest and Finance Charges		15.36		8.57
	Depreciation		1.34		0.96
	Power, Fuel and Water Charges				
	Power Charges	0.80		18.56	
	Water Charges	-	0.80	-	18.56
	Stores and Spares Consumed		-		0.67
	Insurance		0.03		0.02
	Rent		0.06		2.02
	Repairs and Maintenance				
	Plant and Machinery	0.02		0.10	
	Buildings	-		0.01	
	Others	2.10	2.12	0.22	0.33
	Rates and Taxes		0.01		-
	Miscellaneous Expenditure :				
	- Travelling Expenses		11.40		8.36
	- Advertisement and Publicity		0.07		-
	- Vehicle Hire and Running Expenses		0.05		0.02
	- Consultancy Charges		0.13		0.16
	- Other Expenses		3.95		5.70
	Less : - Interest Income	2.16		1.32	
	- Misc. Income	0.36	2.52	0.46	1.78
	Net Expenditure		**171.53**		**105.79**
	Less :Transferred to Capital Work-in-progress				
	a) Employees Benefit Expenses		138.73		62.20
	b) Interest & finance Charges		15.36		8.57
	c) Depreciation		1.34		0.96
	d) Other Expenses		18.62		35.84
	Less:				
	e) Other Income		2.52		1.78
	Sub Total		**171.53**		**105.79**
	Total		**-**		**-**

Notes Accompanying Consolidated Financial Statement for the year ended 31 March, 2019

29. Significant accounting judgements, estimates and assumptions

The preparation of the Company's Consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities/assets at the date of the consolidated financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

29.1 Judgements

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements:

Contingencies

Contingent liabilities and assets which may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involve the exercise of significant judgments and the use of estimates regarding the outcome of future events.

29.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicator.

b) Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Impairment of investment in subsidiaries, joint ventures or associates is based on the impairment calculations using discounted cash flow/net asset value method, valuation report of external agencies, Investee Company's past history etc.

30) The Consolidated Financial Statements represent consolidation of accounts of the Company, its subsidiaries, joint venture companies and associates as detailed below with summarized financial information of Partly owned Subsidiaries, Joint Ventures and Associates along with other disclosures requirements under Ind - AS112:-

A) Group Information:-

Sr. No.	Name of companies	Country of Incorporation	Principal Activity	Relation	Equity Holding 31.03.2019	Equity Holding 31.03.2018
1	GAIL Global (Singapore) PTE Ltd	Singapore	LNG Trading	Subsidiary	100.00%	100.00%
2	GAIL Global (USA) Inc. (Refer *1)	USA	E&P	Subsidiary	100.00%	100.00%
3	GAIL GAS Limited (Refer *2)	India	City Gas	Subsidiary	100.00%	100.00%
4	Tripura Natural Gas Co. Ltd. (TNGCL)	India	Petrochemical	Subsidiary	48.98%	48.98%
5	Bengal Gas Company Limited(Refer *3)	India	City Gas	Subsidiary	NA	NA
6	Central UP Gas Limited	India	City Gas	Joint Venture	25.00%	25.00%
7	Green Gas Limited	India	City Gas	Joint Venture	49.97%	49.97%
8	Ratnagiri Gas & Power (Private) Ltd. (RGPPL)	India	Power	Joint Venture	25.51%	25.51%
9	Konkan LNG Pvt. Limited (Refer *4)	India	LNG Terminal	Joint Venture	40.92%	25.51%
10	Maharashtra Natural Gas Limited (MNGL)	India	City Gas	Joint Venture	22.50%	22.50%
11	Aavantika Gas Limited	India	City Gas	Joint Venture	49.99%	49.98%
12	Bhagyanagar Gas Limited	India	City Gas	Joint Venture	49.97%	49.97%
13	Talcher Fertilizers Limited	India	Fertilizers	Joint Venture	33.33%	33.32%
14	TAPI Pipeline Company Limited	Isle of Man	Gas Pipeline	Joint Venture	5.00%	5.00%
15	Vadodara Gas Limited (Refer *5)	India	City Gas	Joint Venture	50.00%	50.00%
16	GAIL China Gas Global Energy Holdings Limited#	Bermuda	City Gas	Joint Venture	50.00%	50.00%
17	Indradhanush Gas Grid Limited	India	Gas Transmission	Joint Venture	20.00%	0.00%
18	ONGC Petro-additions Limited (OPaL) (Refer *6)	India	Petrochemical	Associate	49.21%	49.21%
19	Indraprastha Gas Limited	India	City Gas	Associate	22.50%	22.50%
20	Petronet LNG Limited	India	LNG Terminal	Associate	12.50%	12.50%
21	Mahanagar Gas Limited	India	City Gas	Associate	32.50%	32.50%
22	Brahmaputra Cracker & Polymer Ltd.	India	Petrochemical	Associate	70.00%	70.74%
23	Ramagundam Fertilizers & Chemicals Ltd.	India	Fertilizers	Associate	14.77%	0.00%
24	China Gas Holding Limited	Bermuda	City Gas	Associate	2.87%	3.02%
25	Fayoum Gas Company	Egypt	City Gas	Associate	19.00%	19.00%

*1: Consolidated financial statement of GAIL Global (USA) Inc. includes its 100% subsidiary, Gail Global (USA) LNG LLC having primary business of LNG trading.

*2: Consolidated financial statement of GAIL GAS Ltd includes its 50%, 17.07%, 50%, 50%, 50% & 50% interest in joint venture companies, i.e., Andhra Pradesh Gas Distribution Corporation Ltd., Vadodara Gas Ltd., Rajasthan State Gas Ltd., Kerala GAIL GAS Ltd., Haridwar Natural Gas Pvt. Ltd., and Goa Natural Gas Pvt. Ltd. Respectively engaged in the business of City gas Distribution.

*3: Bengal Gas Company Limited is Incorporated during the financial year 2018-19 and yet to start its operations. As on 31st March 2019 allotment of shares has not been done by the company. First financial year of the entity will be ending on 31st March 2020, hence not considered in consolidation for FY 2018-19.

*4: Calculated on the basis of voting rights in proportion to amount paid in respect of partly paid-up equity share.

*5: GAIL is a holding 32.93% equity of VGL and 17.07% is held through GAIL Gas Ltd.

*6: Holding 8.86% on a fully diluted basis.

No investments has been made till date.

B) The accounts of all Group Companies, its joint ventures and associates are drawn upto the same reporting date as the parent entity (i.e. Financial Year ended 31st March, 2019), except for Gail Global (USA) Inc., TAPI Pipeline Company Ltd., and Fayoum Gas Company (for whom the accounts are drawn up as at 31st December, 2018, due to local reporting requirements in respective countries) and for China Gas Holding Limited having its reporting period ending 31st March 2019 but due to local legal requirements could not provide the financials till the time of consolidation hence management provided the financial information up to 31st December, 2018 and same have been used in consolidation. No adjustments (except dividend and intra group transaction) have been done for the period subsequent to that date, since there are no significant material transactions, as informed by respective company's management.

C) The unaudited Financial statements and relevant notes to accounts available up to 24th May, 2019 has been taken in to account in preparing consolidated financial statements in respect of Subsidiary Tripura Natural Gas Limited and Joint ventures/associates namely Konkan LNG Pvt. Ltd., Maharashtra Natural Gas Limited, Talcher Fertilizers Limited, Vadodara Gas Limited, China Gas Holding Limited and TAPI Pipeline Company Limited.

D) Information about Partially owned Subsidiaries having material non-controlling interest is given in Annexure-A.

E) Summarized financial information of joint ventures and associates is given in Annexure –B.

F) The Group has unrecognized share of losses in respect of Ratnagiri Gas and Power Pvt. Ltd. and Konkan LNG Pvt. Ltd. amounting to ₹886/- and ₹30/- crore respectively as at 31 March 2019 as per their financial statements for the year ended 31 March 2019 and ₹698/- Crore for ONGC Petro additions Ltd. as per the audited financial statements of the company as at that date. Same has not been recognized in consolidated financial statements, as Group's share of losses exceeds Group's interest in the joint ventures/associates.

G) Significant Judgement and assumptions made in consolidation:-

a) The Group holds 48.98% equity shares of Tripura Natural Gas Company Limited (TNGCL), but Based on a control assessment carried out under Ind AS 110 'Consolidated Financial Statements', TNGCL is considered to be a subsidiary of the Company because the Company has a sufficiently dominant voting interest to direct the relevant activities of TNGCL.

b) In Brahmaputra Cracker and Polymer Limited (BCPL), the Group holds70% of equity shares in the Company but based on a control assessment carried out under Ind AS 110 'Consolidated Financial Statements' BCPL is considered to be an associate because the Company does not have absolute power over managing the relevant activities of BCPL, but participates and have a significant influence in the decision making for relevant activities.

c) In China Gas Holding Limited Group holds 2.87% equity shares but assessed as an associate as per IND AS 28 "Investments in Associates and Joint Ventures" as group have representation on the board of directors of the company.

31) Contingent Liabilities and Commitments (To the extent not provided for):-

I. Contingent Liability

a) Claims against the Company not acknowledged as debts:-

(i) Legal cases for claim of ₹ 1,812.88 crore (Previous Year: ₹1,805.11 crore) by suppliers/contractors etc. on account of liquidated damages/price reduction schedule, natural gas price differential etc. and by customers for natural gas transmission charges etc.

(ii) Income tax demands of ₹ 1,171.09 crore (net of provision of ₹ 265.59 crore) (Previous Year ₹ 1,138.04 crore net of provision of ₹ 254.33 crore) against which the Company has filed appeals before appellate authorities & courts. Further, the Income Tax Department has also filed appeals before ITAT against the relief granted by CIT (Appeals) to the Company. The aggregate amount involved in appeals filed by department is ₹ 721.68 crore (including interest) (Previous Year: ₹ 674.89 crore).

(iii) Disputed Indirect tax demands are as under:

(₹ in Crore)

Sl. No	Particulars	As at 31st March 2019	As at 31st March 2018
1	Custom Duty	8.17	8.96
2	Excise Duty	3,442.89*	3,476.69
3	Sales Tax / VAT	158.06	145.62
4	Entry Tax	28.55	26.10
5	Service Tax	158.32	2,856.80
6	GST	94.35	-
	Total	**3,890.34**	**6,514.17**

*It includes ₹ 2,888 crore towards demand (including interest and penalty) of Central Excise Duty in the matter pertaining to classification of 'Naphtha' manufactured by the Company. CESTAT, Delhi vide order dated 30.11.2018 has allowed the appeal filed by the Central Excise Department in this matter. Considering the merits of the case, the Company has filed an appeal before the Hon'ble Supreme Court.

The appeal filed by Company has been admitted and stay has been granted by the Hon'ble Court on compliance of the conditions of depositing a sum of ₹ 20 Crore with the court and furnishing security to the extent of ₹ 132 Crore by the Company.

Further, expert opinion from legal experts have been obtained by the Company and according to the expert opinions, the Company has a good case on merits as well as on limitation.

(iv) Miscellaneous claims of ₹ 268.47 crore (Previous Year: ₹ 160.81 crore) includes mainly arbitration cases filed by vendors for delayed payments and losses incurred by them etc.

The movement of above contingent liabilities from (i) to (iv) under various categories is tabulated below:

Categories	Opening Bal	Additions	Deletions	Closing Bal.
Central Govt.	8,227.60	254.75	2,937.64	5,544.73
State Govt.	233.44	113.86	21.44	325.86
CPSEs	2.15	-	-	2.15
Others	1,829.82	385.76	223.85	1,991.72
Total	**10,293.01**	**754.37**	**3,182.93**	**7,864.46**

(v) Some of the customers have submitted counter claims amounting to ₹ 17,733 crore (PY: ₹ 15,028 crore) against Ship or Pay charges / consequential losses for not supplying gas.

b) Corporate Guarantees

(I) The company has issued Corporate Guarantee to banks for ₹ 6,084.99 crore (PY: ₹ 5,951.99 crore) for issuance of Performance Bank Guarantee to one of its subsidiaries in regard to implementation of various City Gas Projects.

In respect of accounting of such guarantees in line with the requirements of Ind AS 109 – "Financial Instruments" and in response to the opinion provided by the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India, the company has sought further clarification from EAC. Pending clarification from EAC, no accounting entry has been passed in respect of these corporate guarantees. Management is of the view that the impact, if any, will not be material to the financial statements.

(II) The Company has issued Corporate Guarantees for ₹ 2,449 crore (Previous Year: ₹ 2,207 crore) on behalf of related parties for raising loan(s). The amount of loans outstanding as at the end of the year under these Corporate Guarantees are ₹ 1,201 crore (Previous Year: ₹ 1,559 crore).

c) Share in Contingent Liabilities of Group Companies based on their audited / unaudited financial statement are as follows:-

(₹ in Crore)

Particulars	2018-19	2017-18
a) Subsidiaries	7,258.47	6,860.87
b) Joint Ventures	620.97	321.99
c) Associates	793.74	819.52

II. Capital Commitments:-

(a) Estimated amount of contracts (Net of advances) remaining to be executed on capital account as at 31st March 2019 is ₹ 7,300.66 crore (Previous Year: ₹ 7,472.82 crore).

(b) Company's share in estimated amount of contracts remaining to be executed on capital account and not provided for based on audited / unaudited financial statement of Group Companies:-

(₹ in Crore)

Particulars	2018-19	2017-18
a) Subsidiaries	801.80	455.19
b) Joint Ventures	237.11	154.39
c) Associates	2543.77	303.68

c) Other commitments:-

i. The Company has commitment of ₹1,394.42 crore (Previous Year: ₹ 771.56 crore) towards further investment and disbursement of loan in the subsidiaries, Joint Ventures, Associates and other companies.

ii. Commitments made by the Company towards the minimum work programme in respect of Jointly Controlled Assets have been disclosed in Note 47 (B) (iv) to the standalone financial statements.

32) Pending court cases in respect of certain customers for recovery of invoices raised by the company for use of APM gas for non-specified purposes by fertilizer companies pursuant to guidelines of Ministry of Petroleum & Natural Gas (MOP&NG), the Company has issued claim letters amounting to ₹ 3,091.94 crore (PY: ₹ 2,990.39 crore) on the basis of information provided by Fertilizer Industry Coordination Committee (FICC).

33) Pricing and Tariff:-

a) With effect from 1st April 2002, Liquefied Petroleum Gas (LPG) prices has been deregulated and is now based on the import parity prices fixed by the Oil Marketing Companies. However, the pricing mechanism is provisional and is yet to be finalized by the MoPNG. Impact on pricing, if any, will be recognized as and when the matter is finalized.

(b) Natural Gas Pipeline Tariff and Petroleum and Petroleum Products Pipeline Transportation Tariff are subject to various Regulations issued by Petroleum and Natural Gas Regulatory Board (PNGRB) from time to time. Impact on profits, if any, is being recognized consistently as and when the pipeline tariff is revised by orders of PNGRB.

(c) (i) As per directions of Appellate Tribunal (APTEL), till date, PNGRB has issued 06(Six) final tariff orders applicable from financial year 2016-17. The Company has filed appeal(s) before Appellate Tribunal (APTEL), against various moderations done by PNGRB in these tariff order aforesaid appeals are pending for disposal.

(ii) PNGRB, vide its Tariff Order no. TO/07/2018 dated 27th September 2018, has approved Final Pipeline Tariffs for South Gujarat Regional Pipeline Networks. Hon'ble High Court of Gujarat, vide its Order dated 20th November 2018, has granted interim stay over retrospective implementation of this Final Tariff Order in respect of some of these customer. Nonetheless, impact on profits, if any, is being recognized consistently as and when the pipeline tariff is revised by orders of PNGRB. As regards rest of the Tariff Orders, PNGRB is yet to issue its final orders

d) The Company has filed a Writ Petition, during the financial year 2015-16, before the Hon'ble Delhi High Court challenging the jurisdiction of PNGRB on fixation of transmission tariff for own requirement capacity in natural gas pipelines. The Hon'ble Delhi High Court has dismissed the aforesaid Writ Petition vide its Order dated 11th April 2017. In this regard, the Company has filed a Review Petition before the Hon'ble Delhi High Court on 12th May 2017 against the said order which has been admitted by the Hon'ble Court for review and is pending adjudication.

34) Earmarked Balances

(a) Liabilities on account of the following are kept as Earmarked Balances in short term deposit in banks:

(₹ in Crore)

Particulars	Earmarked Balance in short term deposit in banks (Refer Note 11A)		Interest accrued but not due*	
	As on 31.03.2019	As on 31.03.2018	As on 31.03.2019	As on 31.03.2018
Balance Retention from Panna Mukta Tapti (PMT) JV consortium	24.09	22.80	0.27	0.20
Amount held by the Company as a custodian pursuant to directions of MOPNG with regard to Liability on account of Gas Pool Account	203.26	299.93	5.54	7.79
Amount held by the Company as a custodian pursuant to directions of MOPNG with regard to Liability on account of Pipeline Overrun and Imbalance Charges	123.22	112.30	4.91	3.21
Fixed Deposits kept under lein for issue of LC/BG (TNGCL)	33.49	9.72	1.64	1.30

* This interest income does not belong to the Company and not accounted for as income.

b) Gas Pool Money (Provisional) shown under "Other Long Term Liabilities" amounting to ₹ 652.45 crore (Previous Year: ₹ 654.83 crore) with a corresponding debit thereof under Trade Receivable (after reversal during the year in case of certain customers) will be invested/paid as and when said amount is received from the customer.

35) a) The Company is acting as pool operator in terms of the decision of Government of India for pooling of natural gas for Urea Plants. The scheme envisages uniform cost of gas for urea production by settlement of difference in weighted average price of gas of each plant to the weighted average price for the industry. Accordingly, an amount of ₹ 266.83 crore (Previous Year ₹ 368.37 Crore) is payable to and correspondingly receivable from Urea Plants, as on 31st March 2019. After netting of the payable and receivable amounts, there is no impact in the financial statements.

b) GAIL is acting as pool operator in terms of the decision of the Government of India for capacity utilization of the notified gas based power plants. The Scheme, which was applicable till 31st March 2017, envisaged support to the power plants from the Power Sector Development Fund (PSDF) of the Government of India. The gas supplies were on provisional / estimated price basis

which were to be reconciled based on actual cost. Accordingly, current liabilities include a sum of ₹ 87.63 crore (Previous Year ₹ 87.63 Crore) on this account, as on 31st March 2019 which is payable to the above said power plants and / or to the Government of India.

36) Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 has become effective from 1st April 2018 and accordingly the Company has adopted this Ind AS for the first time.

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customer the standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. The Company elected to apply the standard to all contracts as at 1 April 2018.

The cumulative effect of initially applying Ind AS 115 is recognized at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18.

The impact of applying Ind AS 115 on the Company's retained earnings as at 1 April 2018 is Nil.

Set out below, are the amounts by which each financial statement line item is affected as at and for the year ended 31 March 2019 as a result of the adoption of Ind AS 115. The adoption of Ind AS 115 did not have a material impact on OCI or the Company's operating, investing and financing cash flows. The first column shows amounts prepared under Ind AS 115 and the second column shows what the amounts would have been had Ind AS 115 not been adopted:

The nature of the adjustments and the reasons for the significant changes in the statement of financial position as at 31 March 2019 and the statement of profit or loss for the year ended 31 March 2019 are described below:

Statement of Profit & Loss for year ended 31st March 2019 (₹ in Crore)

Particulars	As per Ind AS 115	As per previous Ind AS	Increase/ (Decrease)
I. INCOME			
Revenue from Operations	76,234.17	81,901.55	(5,667.38)
Other Income	1214.27	1214.27	-
Total Revenue (I)	77,448.44	83,115.82	(5,667.38)
II. EXPENSES			
Cost of Materials Consumed	5079.83	5079.83	-
Purchase of Stock in trade	54,807.98	60,475.36	(5,667.38)
Changes in Inventories of Finished Goods, Stock in Trade and WIP	(547.61)	(547.61)	-
Others	9,052.25	9,052.25	-
Total Expenses (II)	68,392.45	74,059.83	(5,667.38)
Share of Profit / (Loss) in JV's/ Associates for the year	775.20	775.20	-
III. Profit/(loss) before tax (I-II)	9,831.19	9,831.19	-
IV .Tax Expense	3,278.42	3,278.42	-
V Profit for the Year (III-IV)	6,552.77	6,552.77	-

The nature of the adjustments and the reasons for the significant changes in the statement of financial position as at 31 March 2019 and the statement of profit or loss for the year ended 31 March 2019 are described below:-

Repurchase arrangements- Destination swap

GAIL has entered into a contract with customer to purchase and sell the same quantity of liquefied natural gas (LNG) at different locations at fixed prices. Since the transaction is in the nature of repurchase arrangements under Ind AS 115, no separate purchase and sale is recorded for the consideration transferred/received.

Revenue from Contracts with Customers:

Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

IND AS 115 – Revenue Disclosures

For the Year Ending 31st March 2019 (₹ in Crore)

S. No.	Particulars	Natural Gas Trans-mission	LPG Trans-mission	Natural Gas Trading/ Marketing	Petro-chemical	LPG and Other Liquid Hydrocarbon	City Gas	Other Segment*	Unallo-cable	Total 31st March 2019
1	**Revenue**									
	Revenue from Operations	5,778.62	624.10	66,760.74	6,703.94	5,083.14	5,476.14	4,243.80	9.35	94,679.83
Less:	Inter Segment Sales	540.40	9.66	9,543.35	1.88	449.20	4,539.26	3,360.17	1.74	18,445.66
	Total Revenue	**5,238.22**	**614.44**	**57,217.39**	**6,702.06**	**4,633.94**	**936.88**	**883.63**	**7.61**	**76,234.17**
2	**Primary geographical markets**									
	Domestic Sales	5,238.22	614.44	49,812.69	5,826.66	4,633.94	936.88	847.99	7.61	67,918.43
Add:	International Sales	-	-	7,404.70	875.40	-	-	35.64	-	8,315.74
	Total Revenue	**5,238.22**	**614.44**	**57,217.39**	**6,702.06**	**4,633.94**	**936.88**	**883.63**	**7.61**	**76,234.17**
3	**Timing of revenue recognition**									
	At the Point	-	-	7404.70	6,702.06	-	-	-	-	6,702.06
Add:	Over the time	5,238.22	614.44	49,812.69	-	4,633.94	936.88	883.63	7.61	69,532.11
	Total Revenue	**5,238.22**	**614.44**	**57,217.39**	**6,702.06**	**4,633.94**	**936.88**	**883.63**	**7.61**	**76,234.17**

For the Year Ending 31st March 2018 (₹ in Crore)

SN.		Natural Gas Trans-mission	LPG Trans-mission	Natural Gas Trading/ Marketing	Petro-chemical	LPG and Other Liquid Hydrocarbon	City Gas	Other Segment*	Unallo-cable	Total 31st March 2018
1	**Revenue**									
	Revenue from Operations	4,974.16	564.80	46,483.91	5,855.45	4,329.83	4,678.46	862.29	84.19	67,833.09
Less:	Inter Segment Sales	487.53	6.24	8,459.45	13.31	146.62	3,925.25	20.08	80.30	13,138.78
	Total Revenue	**4,486.63**	**558.56**	**38,024.46**	**5,842.14**	**4,183.21**	**753.21**	**842.21**	**3.89**	**54,694.31**
2	**Primary geographical markets**									
	Domestic Sales	4,486.63	558.56	37,409.93	5,450.88	4,183.21	753.21	809.03	3.89	53,655.34
Add:	International Sales	-	-	614.53	391.26	-	-	33.18	-	1,038.97
	Total Revenue	**4,486.63**	**558.56**	**38,024.46**	**5,842.14**	**4,183.21**	**753.21**	**842.21**	**3.89**	**54,694.31**
3	**Timing of revenue recognition**									
	At the Point	-	-	614.53	5,842.14	-	-	-	-	5,842.14
Add:	Over the time	4,486.63	558.56	38,024.46	-	4,183.21	753.21	842.21	3.89	48,852.17
	Total Revenue	**4,486.63**	**558.56**	**37,409.93**	**5,842.14**	**4,183.21**	**753.21**	**842.21**	**3.89**	**54,694.31**

Note: No single customer represents 10% or more of the total Company's revenue during the year ended 31st March 2019 & 31st March 2018.

Trade Receivables and Contract Balances

The following table provides the information about receivables and contract liabilities from contracts with customer

(₹ in Crore)

Particulars	As on 31.03.2019	As on 31.03.2018
Trade Receivable (Net)	4,363.16	3,429.56
Contract Assets		
Unbilled Receivables	0.23	-
Contract Liabilities		
- Advance from Customers	771.52	810.11

Trade receivables are non-interest bearing and are generally on terms of 4 to 60 days. Contract Assets represents gas supplied to Domestic and Commercial Customers in City Gas Distribution business for which invoicing will be done at a future date. Contract liabilities are the advances paid by the customers against which supply of products is to happen after the reporting date.

(₹ in Crore)

Changes in Contract Assets	31st March 2019
Balance at the beginning of the year	-
Revenue recognised during the year	0.23
Invoices raised during the year	-
Balance at the end of the year	0.23

(₹ in Crore)

Changes in Contract Liabilities	31st March 2019
Balance at the beginning of the year	810.11
Revenue recognized that was included in Advances balance at the beginning of the year	2,331.75
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	2,370.34
Balance at the end of the year	771.52

Management expects that 83 % of the transaction price allocated to unsatisfied contract as on 31st March 2019 for ₹621.28 cr will be recognized as revenue during the next FY2019-20. 2% of the transaction price allocated to unsatisfied contract as on 31st March 2019 amounting to ₹16.23 cr will be recognized during 2020-21 to 2021-22. The balance 15% amounting to ₹113.49 cr will be realized from 2022-23 onwards.

37) The company has given corporate guarantee to lenders on behalf of its related parties in respect of their borrowings.

38) PNGRB on 19.02.2014 notified insertion of Regulation 5A in the Amended Affiliate Code of Conduct Regulations that an entity engaged in both marketing and transportation of natural gas shall create a separate legal entity on or before 31.03.2017 so that the activity of transportation of natural gas is carried on by such separate legal entity and the right of first use shall, however, remain with the affiliate of such separate legal entity. The Company has challenged the said PNGRB Regulations before Hon'ble Delhi High Court by way of writ and the same is pending adjudication.

39) Interest free advance has been given to Petronet LNG Ltd. (PLL) for booking of regasification capacity to the tune of ₹ 561.80 crore (Previous Year: ₹ 561.80 crore). The said advance is to be adjusted within 15 years against regasification invoices of PLL. Out of above advance, PLL has adjusted ₹ 38.20 crore during the year (Previous Year: ₹ 38.20 crore). Balance amount of ₹ 475.84 crore (Previous year ₹ 514.04 crore) has been accounted as advance in Note No 12 and 12A.

40) Cabinet Committee on Economic Affairs (CCEA), Government of India in its meeting held on 21st September 2016 has approved 40% capital grant of estimated capital cost of ₹ 12,940 crore i.e. ₹ 5,176 crore to the Company for execution of Jagdishpur Haldia Bokaro Dhamra Pipeline Project (JHBDPL). The Company has received ₹2,056.60 crore (Previous year ₹ 850 crore) towards Capital Grant on above ground till 31.03.2019. Further, the Company has shown ₹ 541.60 crore as receivable towards Capital Grant as on 31.03.2019 for the amount to be received based on the letter received from the Ministry of Petroleum and Natural Gas. During the year, the Company has amortised the capital grant amounting ₹ 8.00 crore (Previous year: ₹ 0.24 crore) based on the life of the asset capitalized.

41) (a) Pay revision of Non-Executives of the Company is due w.e.f. 1st Jan 2017. Pending finalization of pay revision, a provision of ₹ 42.72 crore (PY: ₹ 36.00 crore) has been made based on estimated basis. Accordingly, cumulative balance towards pay revision, pending settlement is ₹ 88.93 crore (PY: ₹ 46.21 crore)

(b) Pursuant to implementation of Pay Revision Directions, the Company has evaluated impact of increase in gratuity ceiling from ₹ 10 Lakh to ₹ 20 Lakh and has considered the incremental amount of ₹ 150.51 crore as recoverable from the respective fund as on March 31, 2018 by reversing the impact taken in Statement of Profit & Loss account in FY 2016-17. During the year, vide directive of DPE dated 10th July 2018 clarified that gratuity under DPE guidelines dated 3rd August 2017, is subject to affordability of the CPSE concerned effective for the period from 01.01.2017 till 28.03.2018, where pay has been revised w.e.f., 01.01.2017. Accordingly, the Board of Directors in its 394th Meeting held on 22nd October 2018, approved to fund the contribution along with interest and accordingly, a sum of ₹ 182.58 crore has been charged to Statement of Profit and Loss.

42) In compliance of Ind AS 109 on Impairment of Financial Assets, the Company(in its Standalone financial statement) has carried out an assessment of impairment in respect of its following assets as on 31.03.2019 (in Consolidated financial statements the investments are accounted as per equity method (IND AS 28) (Fayoum, RGPPL, KPLP) and line by line consolidation (GGUI) as per IND AS 110):

i) During the year, based on increase in fair value of Company's investment in Fayoum Gas Company S.A.E., Egypt, the Company has made a reversal of impairment of ₹ 3.03 crore (Previous Year: ₹ 1.55 crore). The Carrying Value of Company's investment in Fayoum Gas Company S.A.E., Egypt after reversal of aforesaid impairment provision as on 31.03.2019 stands at ₹ 7.64 crore. (Previous year: ₹ 4.62 crore).

ii) During the year, based on increase in fair value of Company's investment in Konkan LNG Private Limited (KLPL), the Company has made a reversal of impairment of ₹ 2.18 crore out of the impairment provision of ₹ 139.75 crore provided during the last financial year on account of accumulated losses and eroded net worth.

During the year Company has infused further capital of ₹ 143.01 crore in Equity and ₹ 252 crore in Preference Share Capital of KLPL for construction of Breakwater and other business purpose. In order to assess impairment on further capital infusion as aforesaid, the Company has carried out fresh impairment study, which projects future positive cash flows after commencement of Operation of Breakwater and accordingly, the carrying value of Company's investment in KLPL as on 31.03.2019 stands at ₹ 397.20 crore (Previous year: ₹ NIL), after reversal of aforesaid impairment provision.

iii) During the year, based on fair value of Company's investment in RGPPL, the Company has provided for loss on impairment of ₹ 157.92 crore (Against reversal of impairment provision of ₹ 26.14 crore in Previous Year). The Carrying Value of Company's investment in RGPPL after making the aforesaid impairment provision as on 31.03.2019 stands at ₹ 59.53 crore (Previous year: ₹ 217.45 crore).

iv) During the year, based on fair value of Company's investment in GAIL Global USA Inc. (GGUI), the Company has provided for loss on impairment of ₹ 173.62 crore. The Carrying Value of Company's investment in GGUI after making the aforesaid impairment provision as on 31.03.2019 stands at ₹ 5.55 crore (Previous year: ₹ 179.17 crore).

43) Other relevant notes may be referred in the standalone financial statements of the Company, as only selective notes are repeated in the consolidated financial statements of group.

44) In respect of Subsidiary and Joint Ventures/Associate Companies, the following salient notes to accounts are disclosed.

I) GAIL Gas Limited

a) An amount of ₹ 11.92 crores has been received from Kerala GAIL Gas Ltd. (KGGL), one of the joint venture company due to reduction in the equity share capital of the company. Further company is in the process of voluntary winding up. No diminution in value of the balance equity investment of ₹ 0.50 lakhs has been considered as the investment has been valued at cost as the assets of KGGL mainly consists of current assets in the form of deposits with schedule commercial banks and there is no diminution in the value of such deposits on the reporting date.

b) The company has been awarded 5 new Geographical areas(GAs) namely Giridh-Dhanbad Districts, Dakshina Kannada Districts, Sundergarh-Jharsuguda Districts, Ganjam-Nayagarh-Puri Districts and Dehradun Districts by Petroleum and Natural Gas Regulatory Board (PNGRB) in the 9th round of CGD Bidding and 4 new GAs namely Seraikela – Kharsawan Districts, Mirzapur, Chandauli and Sonbhadra Districts, West Singhbhum Districts, and Raisen, Shajapur and Sehore Districts in the 10th round of CGD Bidding for carrying out the development of City Gas Distribution Network in these GAs. Further, a joint venture company i.e. M/s RSGL has been awarded a GA namely Gwalior (excluding areas already authorized) Districts and Sheopur Districts during 10th round of CGD Bidding by PNGRB.

II) Mahanagar Gas Limited

a) As per authorisation terms and conditions of the PNGRB for Raigad Geographical Area, the Company is required to meet Minimum Work Programme (MWP) targets by March 2020 (with reference to connections and pipeline inch Kilo Meters) and the Company had submitted Performance Bank Guarantee of ₹105.20 Crore dated March 19, 2015 to the PNGRB. Show cause notice dated July 23, 2018 was given by the PNGRB for shortfall in periodic MWP, asking MGL to explain why penalty should not be levied for the interim MWP target shortfall. The Company submitted catch up plan vide letter dated August 2, 2018 for meeting MWP target by March 2020 and reiterated host of factors beyond control of MGL causing a shortfall. No further written communication is received from PNGRB. The Company has achieved connection targets as per catch up plan up to 31st March 2019 and the progress on pipeline inch Kilo Meters is being expedited. The Company has received critical permissions from various authorities for laying pipelines as of April 2019. The management is of the view that it will be able to make substantial progress on the required work by March 31, 2020 and that the penalty can be avoided. Accordingly, no provision is deemed necessary in relation to the bank guarantee issued to the PNGRB at this stage.

III) ONGC Petro-additions Limited

a) The Company issued three compulsory convertible debentures in July 2016, May 2017, and March 2018. Earlier it was classified as debt instrument. The company undertook a detailed review of the terms of compulsory convertible debenture in September 2018. By applying the working as prescribed under Ind AS 32, for classifying the instrument into debt or Equity, the company concluded all three compulsory convertible debentures as compound financial instrument because of existence of compulsion to convert it into equity share (equity feature) and mandatory payment of interest (debt feature). The error has now been corrected by restating the prior period financial statements.

IV) Brahmaputra Cracker and Polymer Ltd.

a) During the current financial year the company has allotted equity shares of ₹ 10 each in favour of Government of Assam (GoA) against advance received in the previous financial year i.e. on 31.03.2018 as part of the balance equity contribution of ₹ 1,486.70 lakh against revised project cost (₹ 9,96,500.00 Lakh) of Assam Gas Cracker Project. With this contribution, the equity of the approved funding for enhanced cost of ₹ 1,04,500.00 Lakh has been completed. During the year the Company has received ₹ 20,000.00 Lakh in FY 2018-19 and cumulatively ₹ 5,01,102 Lakh (including interest earned) against total Capital Subsidy of ₹ 5,23,945 Lakh against approved cost of Assam Gas Cracker Project. The balance Capital Subsidy is expected to be allocated in the RE for FY 2019-20.

b) Based on the initial condition of approval of the project and recommendation of the Inter-Ministerial Committee (IMC) of the Government of India (GoI), the Company has submitted its claim for sanction of Feed Stock subsidy for 15 Years of Plant operation. The note is under active consideration by the Government. The estimated financial implication for15 Years of plant operations is ₹ 4,600 Crore as against the amount of ₹ 4,614.54 crore considered by CCEA in 2011. The budgetary support would be sought after CCEA approval by the administrative Ministry/ Department. Out of the above total subsidy requirement, an amount ₹ 930 crore is estimated towards subsidy requirement from commissioning date till FY 2017-18. The necessary accounting to effect shall be done once the approval of Government is obtained.

V) Green Gas Limited

a) The company's contractor M/s Torrent Project Limited was awarded three contracts for steel pipeline laying and associated work at agra. Contractor had subsequently raised a claim of ₹ 5.32Crore towards misl. Charges related to the said project company is of the view that said claims are not tenable and are based on arbitrary and imaginary facts. Further company had lodged a counter claim of ₹ 10.32Crore on the contractor for delay in project and loss of profit to the company and the case is under arbitration with sole arbitrator. The proceedings are continuing since December 2016.

A Favorable decision was obtained from the high court which further appealed by the party in Supreme Court.

VI) Bhagayanagar Gas Limited

a) At the 11th Annual General meeting of the company held on August 20, 2014, consent of the Company was accorded to the board to create, offer, issue and allot, from time to time, one or more tranches up to an aggregate of 5 crore equity shares of face value of INR 10 each at a price of INR 10 per equity share aggregating to INR 50 crore on a preferential basis. Accordingly 2,24,87,500 shares each were issued and allotted to GAIL and HPCL. Allotment of shares to APIIC is pending for transfer of title to the parcels of land allotted by them to the company. Aggrieved by the above decision of the company Kakinada Seaports ltd. One of the shareholders approached the Company Law Board (CLB) Chennai Bench, seeking various reliefs including stay of the aforesaid issue and allotment of shares which was dismissed by CLB the same on 14th September in favor of the company. Against this dismissal order, the aggrieved shareholder has filed an appeal in the high court of Judicature in Hyderabad and also an application, inter alia, seeking stay of allotment of said shares. The high court has admitted the appeal, it has not granted any stay against the order of the CLB. The matter is sub-judice.

b) In line with memorandum of understanding, APIC would be contributing 5% of the equity in the form of cash or land. For this purpose at the 13th Annual General Meeting of the company held on September 28th 2016, consent of the company was once again accorded to the Board to create, offer, issue and allot, from time to time, equity share on a preferential basis to APIIC and/or its successor in terms of AP Reorganization Act, 2014. The company has reserved 50,00,000 shares of INR 10/- to be allotted to APIIC

and/or its successor. In anticipation APIIC has already allotted land at three places in the GA's of Hyderabad (Telangana), Vijayawada (Andhra Pradesh) and Kakinada (Andhra Pradesh) and the company has taken possession. The total consideration of land allotted from APIIC is INR 4,51,96,880. The company has paid INR 20,00,000 upfront pending of procedural formalities of the documentation and bifurcation of assets and liabilities between Telangana and Andhra Pradesh state in terms of AP reorganization Act, 2014 the balance amount of INR 4,31,96,880 has been shown as Share Application (Other than cash Consideration). The amount would be adjusted against the subscription of shares.

VII) Konkan LNG Pvt. Ltd.

Management has prepared and presented financial statements of the company on a going concern basis in view of the following mitigating factors:-

a) The tax Neutral demerger scheme of LNG terminal from RGPPL w.e.f. 01.01.2016 i.e. "the appointed date" at book value basis for which a scheme of arrangement (demerger) under section 230 to 232 of the Companies Act, 2013 has been approved by Hon'ble National Company Law Appellate Tribunal (NCLAT) vide order dated 28.02.2018 and has been made effective from 26.03.2018 by filing necessary documents with Registrar of Companies.

b) The tendering for completion of Breakwater works is in progress and completion of breakwater is expected to be completed by 31.03.2022 to enhance the capacity.

45) In compliance of Ind – AS 108 on "Operating Segments" as notified under section 133 of the Companies Act 2013, the required information is given in **Annexure – C.**

Operating Segments: The operating segments have been identified as: -

(i) Transmission services
   a) Natural Gas
   b) LPG
(ii) Natural Gas Trading
(iii) Petrochemicals
(iv) LPG and other Liquid Hydrocarbons
(v) City Gas Distribution
(vi) Other Segment (includes GAILTEL, E&P, and Power Generation)

There are no geographical segments in the Company.

46) In compliance of Ind – AS 24 on "Related Party Disclosures", the name of related parties, nature of relationship and details of transaction entered therewith are given in Annexure – D.

47) In compliance to Ind AS – 33 on "Earning per Share" Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year. Diluted EPS are calculated by dividing the profit for the year attributable to the equity holders of the parent by weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in Crore)

Particulars	2018-19	2017-18
Net Profit after tax from continuing operation - (₹ crores)	6,545.74	4,794.36
Net Profit /(Loss) after tax from discontinued operation – (₹ crores)	-	4.71
Weighted average numbers of equity shares used as denominator	2,25,50,70,933	2,25,50,70,933
Face value of each equity share	10.00	10.00
Earnings per share from continuing operation(Basic and Diluted) – (₹)	29.03	21.26
Earnings per share from Discontinued operation(Basic and Diluted) – (₹)	-	0.02
Earnings per share from continuing and Discontinued operation (Basic and Diluted) – (₹)	29.03	21.28

48) Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries / Associates / Joint Ventures is given in **Annexure – E.**

49) Financial Risk Management

The company is exposed to a number of different financial risks arising from natural business exposures as well as its use of financial instruments including market risks relating to commodity prices, foreign currency exchange and interest rates; credit risk; and liquidity risk..

I) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, and derivative financial instruments.

a) Interest Rate Risk:-

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the long-term foreign currency loans with floating interest rates. The Company manages its interest rate risk according to its Board approved Foreign Currency and Interest Rate Risk Management policy. Market interest rate risk is mitigated by hedging through appropriate derivatives products such as interest rate swaps & full currency swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Interest rate sensitivity

With all other variables held constant, the following table demonstrates the sensitivity to a reasonably possible change in interest rates on floating rate portion of forex loans and borrowings outstanding as on 31.03.2019, after considering the impact of swap contracts.

For GAIL: -

(₹ in Crore)

Particulars	31/03/2019			31/03/2018		
	US Dollar (LIBOR)*		Others	US Dollar (LIBOR)*		Others
Increase/decrease (in Basis Points)	10	-10	Nil	10	-10	Nil
Effect on profit before Tax (₹ in Cr)	-0.09	0.09		-0.11	0.11	

*LIBOR- London Interbank Offer Rate

With all other variables held constant, the following table demonstrates the sensitivity to a reasonably possible change in interest rates on Corporate Linked Deposit Scheme (CLTD) outstanding as on 31/03/2019 which are linked with MIBOR:-

(₹ in Crore)

Particulars	31/03/2019			31/03/2018		
	INR (MIBOR)*		Others	INR (MIBOR)*		Others
Increase/decrease (MIBOR) by 100 bps	+ 100	-100	Nil	+100	-100	Nil
Effect on profit before Tax (₹ in Cr)	0.87	-0.87		8.66	-8.66	

*MIBOR – Mumbai Interbank Offer Rate

The table below summarizes the impact of a potential increase or decrease on the Group's profit before tax, as applied to the variable element of interest rates on loans and borrowings. The increase/decrease is based on management estimates of potential interest rate movements in INR loans.

For GAIL Gas Limited:-

Particulars	31/03/2019		31/03/2018	
	Increase Decrease in IR basis point			
Increase/decrease (in Basis Points)	+100	-100	+100	-100
Effect on profit before Tax (₹ in Cr)	NIL	NIL	NIL	NIL

For TNGCL:-

Particulars	31/03/2019		31/03/2018	
	Increase Decrease in IR basis point			
Increase/decrease (in Basis Points)	+100	-100	+100	-100
Effect on profit before Tax (₹ in Cr)	0.05	(0.05)	0.07	(0.07)

b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Company transacts business in local currency and in foreign currency, primarily U.S. dollar. Company has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. As per its Board approved policy, Company may mitigate its foreign currency risk through plain vanilla derivative products such as foreign exchange option contracts, swap contracts or forward contracts towards hedging such risks. These foreign exchange contracts, carried at fair value, may have varying maturities depending upon the underlying contract requirement and risk management strategy of the Company.

Foreign Currency Sensitivity

The following table demonstrates the sensitivity in the USD, Euro, and other currencies to the functional currency of Company, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives.

For GAIL: -

(₹ in Crore)

Particulars	31/03/2019				31/03/2018			
	USD		Other Currency		USD		Other Currency	
Increase/decrease in Exchange Rate (%)	1%	-1%	1%	-1%	1%	-1%	1%	-1%
Effect on profit before Tax (₹ in Crs)	-16.09	+16.09	-0.59	+0.59	-15.91	+15.91	-0.98	0.98

For GGSPL:-

(₹ in Crore)

Particulars	31/03/2019				31/03/2018			
	EGP		SGD		EGP		SGD	
Increase/decrease in Exchange Rate (%)	2%	-2%	3%	-3%	3%	-3%	6%	-6%
Effect on profit before Tax (₹ in Crs)	0.00	(0.00)	0.00	(0.00)	0.00	(0.00)	0.03	(0.03)

c) Commodity price risk

Company imports LNG for marketing and for its internal consumption on an on-going basis and is not exposed to the price risk to the extent it has contracted with customers in India and overseas on back to back basis. However, the company is exposed to the price risk on the volume which is not contracted on back to back basis. As most of the LNG purchase and sales contracts are based on natural gas or crude based index, such price risk arises out of the volatility in these indices. In order to mitigate this index linked price risk, Company has been taking appropriate derivative products in line with the Board approved ' Natural Gas Price Risk Management Policy'.

d) Equity Price Risk

The Company's listed and non-listed equity investments are susceptible to market price risk arising from uncertainties about future values of these investments. The Company manages the equity price risk through review of investments by Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all the equity investment decisions of the Company.

At the reporting date, the exposure to unlisted equity investments at fair value was ₹ 188.70 Crore (Previous Year ₹ 172.90 Crore).

At the reporting date, the exposure to listed equity investments at fair value was ₹ 4,924.61 Crore (Previous Year ₹ 5,488.92 Crore). A variation of (+/-) 10% in share price of equity investments listed on the stock exchange could have an impact of approximately (+/-) ₹ 492 Crore (Previous Year ₹ 549 Crore) on the OCI and equity investments of the Company. These changes would not have an effect on profit or loss.

II) Liquidity Risk

Liquidity is the risk that suitable sources of funding for Company's business activities may not be available. The Company's objective is to maintain optimum level of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It also maintains adequate sources to finance its short term and long term fund requirement such as overdraft facility and Long term borrowing through domestic and international market.

For GAIL :-
Liquidity risk - Maturity profile as on 31.03.2019

(₹ in Crore)

Particulars	On demand	Less than 3 months	3 to 12 months	>1 to 5 years	> 5 years	Total
Borrowings (Non-current) #	-	-	-	741.01	125.00	866.01
Borrowings (current) #	-	48.58	81.34	-	-	129.92
Interest on Borrowings##	-	10.48	62.25	180.27	10.38	263.37
Trade Payables	-	3,961.18	-	-	-	3961.18
Other Financial Liabilities (Current)	-	3,497.08	-	-	-	3,497.08
Other Financial Liabilities (Non-Current)	-	-	-	745.14	-	745.14
Total	**-**	**7,517.32**	**143.59**	**1,666.42**	**135.38**	**9,462.70**

Borrowings include impact of derivative contracts.
includes interest accrued but not due as on 31.03.2018 as well as interest to be paid till maturity.

Liquidity risk - Maturity profile as on 31.03.2018

(₹ in Crore)

Particulars	On demand	Less than 3 months	3 to 12 months	>1 to 5 years	> 5 years	Total
Borrowings (Non-current) #	-	-	-	727.66	266.20	993.86
Borrowings (current) #	-	47.56	1086.55	-	-	1134.10
Interest on Borrowings##	-	30.79	102.89	228.31	31.82	393.82
Trade Payables	-	3881.55		-	-	3881.55
Other Financial Liabilities (Current)	-	3983.89		-	-	3983.89
Other Financial Liabilities (Non-Current)	-	-	-	775.59	-	775.59
Total	**-**	**7943.79**	**1189.44**	**1731.56**	**298.02**	**11162.81**

Borrowings include impact of derivative contracts.
includes interest accrued but not due as on 31.03.2018 as well as interest to be paid till maturity

For GAIL Gas:-
Liquidity risk - Maturity profile as on 31.03.2019

(₹ in Crore)

As at 31.03.2019	On demand	Less than 3 months	3-12 months	1-5 years	More than 5 years	Total
Interest-bearing loans and borrowings	-	3.09	16.98	90.29	64.42	**174.78**
Trade and other payables	-	230.21	-	-	-	**230.21**
Other financial liabilities	95.01	0.89	49.59	-	-	**145.48**

Liquidity risk - Maturity profile as on 31.03.2018

(₹ in Crore)

As at 31.03.2018	On demand	Less than 3 months	3-12 months	1-5 years	More than 5 years	Total
Interest-bearing loans and borrowings	-	3.08	12.48	72.22	65.90	**153.68**
Trade and other payables	-	235.72	-	-	-	**235.72**
Other financial liabilities	71.28	0.34	31.44	-	-	**103.06**

For GGSPL

(₹ in Crore)

Liquidity risk - Maturity profile Particulars	Less than 1 Year	Between 1 and 5 years	Total
For FY 2018-19			
Trade and other payable	2.69	-	2.69
Borrowings	178.97	-	178.97
Total undiscounted financial liabilities	**181.61**	**-**	**181.61**
For FY 2017-18			
Trade and other payable	583.39	-	583.39
Borrowings	299.84	10.18	310.02
Total undiscounted financial liabilities	**883.23**	**10.18**	**893.41**

For TNGCL:-
Liquidity risk - Maturity profile as on 31.03.2019

(₹ in Crore)

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Interest-bearing loans and borrowings- Interest Payable	-	0.07	0.25	-	-	0.33
Interest-bearing loans and borrowings- Principal Payable	-	0.33	4.62	-	-	4.94
Trade and other payables	-	2.75	-	-	-	2.75
Expenses Payable	-	3.32	-	-	-	3.32
Liability For Capital Expenditure	-	1.04	-	-	-	1.04
Security Deposit (From Major Industrial Consumers)	0.22	-	-	-	-	0.22
Security Deposit Collected from the Consumers	9.90	-	-	-	-	9.90
Security Deposit Collected from Contractors	-	4.66	0.80	-	-	5.46
Earnest Money Deposit (EMD)	-	-	0.29	-	-	0.29
Security Deposit (Galileo)	0.35	-	-	-	-	0.35
Security Deposit/Retention Money(Suppliers)	-	0.76	0.06	-	-	0.81
Total	**10.47**	**12.92**	**6.01**	**-**	**-**	**29.40**

Liquidity risk - Maturity profile as on 31.03.2018

(₹ in Crore)

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Interest-bearing loans and borrowings-Interest Payable	-	0.10	0.43	0.31	-	0.84
Interest-bearing loans and borrowings-Principal Payable	-	0.30	1.57	4.93	-	6.80
Trade and other payables	-	1.29	-	-	-	1.29
Expenses Payable	-	1.76	-	-	-	1.76
Liability For Capital Expenditure	-	0.64	-	-	-	0.64
Security Deposit (From Major Industrial Consumers)	0.15	-	-	-	-	0.15
Security Deposit Collected from the Consumers	8.48	-	-	-	-	8.48
Security Deposit Collected from Contractors	-	3.39	0.71	-	-	4.10
Earnest Money Deposit (EMD)	-	-	0.32	-	-	0.32
Security Deposit (Galileo)	0.35	-	-	-	-	0.35
Security Deposit/Retention Money (Suppliers)	-	0.25	0.16	-	-	0.41
Total	**8.97**	**7.73**	**3.19**	**5.24**	**-**	**25.14**

III) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due, causing financial loss to the company and arises from cash and cash equivalents, derivative financial instruments and deposits with financial institutions and principally from credit exposures to customers relating to outstanding receivables. Credit exposure also exists in relation to guarantees issued by company. Each segment is responsible for its own credit risk management and reporting. Credit risk is considered as part of the risk-reward balance of doing business. On entering into any business contract the extent to which the arrangement exposes the company to credit risk is considered.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients.

Aging Analysis GAIL:-

(₹ in Crore)

Particulars	Neither past due nor impaired	Past due but not impaired				Total
		Less than 30 days	30 to 60 days	60 to 90 days	Above 90 days	
As on 31 March 2019	3,749.86	115.36	84.96	-	1,123.92	5,074.10
As on 31 March 2018	2,855.46	213.17	34.66	-	948.21	4,051.50

Provision for Doubtful Debts

The following table summarizes the changes in the allowances for doubtful accounts for trade receivables: -

(₹ in Crore)

Particulars	31 March 2019	31 March 2018
Start of the year	670.50	703.52
Provision for Impairment	42.06	(33.02)
Receivables written off during the year as uncollectible		
Unused amounts reversed		
End of year	**712.55**	**670.50**

For GAIL Gas:- Aging Analysis

(₹ in Crore)

Trade receivables	Neither past due nor impaired	Past due but not impaired				
		Less than 30 days	30 - 60 days	60 - 90 days	Above 90 days	Total
31.03.2019	267.42	6.99	2.47	0.68	5.22	282.79
31.03.2018	257.81	2.90	3.13	0.63	6.03	270.50

Provision for Doubtful Debts

(₹ in Crore)

Provisions	31st March 2019	31st March 2018
Start of the year	1.57	1.25
Provision for Doubtful Debt	-	0.32
Receivables written off during the year as uncollectible	-	-
Unused amounts reversed	-	-
End of year	**1.57**	**1.57**

Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with approved limits of its empaneled bank for the purpose of Investment surplus funds and foreign exchange transactions. Foreign exchange transaction and Investments of surplus funds are made only with empaneled Banks. Credit limits of all Banks are reviewed by the Management on regular basis.

IV) Capital Management

For the purpose of the capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, or issue new shares. No changes were made in the objectives, policies or processes during the reporting year.

50) The Company is evaluating applicability of provisions of Ind AS 109 w.r.t certain contracts of the Company with vendors awarded through ICB (International Competitive Bidding) which are denominated in third currency (i.e. a currency which is not the functional currency of any of the parties to the contract). In this regard, in line with other PSU, the Company has sought opinion from the Expert Advisory Committee (EAC) constituted by The Institute of Chartered Accountants of India on the above matter vide letter no GAIL/ND/F&A/CO/EAC Opinion/2018-19 dated 21st May 2018. On receipt of opinion / clarification from EAC, the Company will take necessary action in the matter.

51) Accounting classifications and fair value measurements

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: technique which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

For GAIL:-

As at 31 March 2019, the Company held the following financial instruments carried at fair value on the statement of financial position:-

Provision for Doubtful Debts

(₹ in Crore)

Particulars	Carrying amount as on 31 March 2019	Fair value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Non-current				
Loans	266.63	-	-	274.12
Current				
Loans	64.42	-	-	49.49
Financial assets at fair value through profit and loss account:				
Non-current				
Derivative instruments	54.25	-	54.25	-
Investments	-	-	-	-
Current				
Derivative instruments	296.35	-	296.35	-
Investments	-	-	-	-
Financial assets at fair value through other comprehensive income:				
Investments	5,113.38	4,924.61	-	188.77
Financial liabilities at amortised cost:				
Non-current				
Interest-bearing loans and borrowings:				
Fixed	741.50	-	-	711.62
Floating	128.21	-	-	128.21
Current				
Interest-bearing loans and borrowings:				
Fixed	80.10	-	-	128.65
Floating	50.37	-	-	50.37
Financial liabilities at fair value through Profit and loss account:				
Non-current				
Derivatives instruments	10.35	-	10.35	-
Current				
Derivatives instruments	26.42	-	26.42	-

Note:

1. The carrying cost of Interest-bearing loans and borrowings is approximately equal to their Fair Market Value.
2. The carrying amount of trade receivables, cash and cash equivalents, other bank balance, others receivables, trade payables, other payables and other financial liabilities are considered to be same as their fair value due to their short term nature.
3. With respect to loans, the fair values were calculated based on cash flows discounted using the current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

As at 31 March 2018, the Company held the following financial instruments carried at fair value on the statement of financial position:

Provision for Doubtful Debts

(₹ in Crore)

Particulars	Carrying amount as on 31 March 2018	Fair value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Non-current				
Loans	291.02	-	-	261.31
Current				
Loans	72.64	-	-	74.98
Financial assets at fair value through profit and loss account:				
Non-current				
Derivative instruments	3.31	-	3.31	-
Investments	-	-	-	-
Current				
Derivative instruments	11.10	-	11.10	-
Investments	381.47	381.47	-	-
Financial assets at fair value through other comprehensive income:				
Investments	5,661.82	5,488.92	-	172.90
Financial liabilities at amortised cost:				
Non-current				
Interest-bearing loans and borrowings:				
Fixed	807.28	-	-	821.45
Floating	167.99	-	-	167.99
Current				
Interest-bearing loans and borrowings:				
Fixed	75.82	-	-	88.55
Floating	1028.51	-	-	1028.51
Financial liabilities at fair value through Profit and loss account:				
Non-current				
Derivatives instruments	39.01	-	39.01	-
Current				
Derivatives instruments	316.09	-	316.09	-

Note:

1) The carrying cost of Interest-bearing loans & borrowings is approximately equal to their Fair Market Value.

2) The carrying amount of trade receivables, cash and cash equivalents, other bank balance, others receivables, trade payables, interest accrued and due, other payables and other financial liabilities are considered to be same as their fair value due to their short term nature.

3) With respect to loans, the fair values were calculated based on cash flows discounted using the current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

For TNGCL:-

As at 31 March 2019, the Company held the following financial instruments carried at fair value on the statement of financial position: (₹ in Crore)

Particulars	Carrying amount	Fair value	Fair value		
	31 March 2019	31 March 2019	Level 1	Level 2	Level 3
Financial assets at amortised cost:					
Non-current					
Loans and receivables	0.01	0.01	-	-	-
Other Financial assets	0.87	0.87	-	-	-
Current					
Trade receivables	13.69	13.69	-	-	-
Cash and cash equivalents	3.63	3.63	-	-	-
Other bank balances	43.93	43.93	-	-	-
Loans	1.66	1.66	-	-	-
Other Financial Assets	-	-	-	-	-
Total	**63.80**	**63.80**	**-**	**-**	**-**
Financial liabilities at amortised cost:					
Non-current					
Borrowings	2.54	2.54	-	-	-
Other Financial Liabilities	-	-	-	-	-
Current					
Trade Payables					
(i) total outstanding dues of micro and small enterprises	1.63	1.63	-	-	-
(ii) total outstanding dues other than (i) above	4.39	4.39	-	-	-
Other Financial Liabilities	20.46	20.46	-	-	-
Total	**29.03**	**29.03**	**-**	**-**	**-**

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, bank deposits, trade payables and other financial liabilities are considered to be same as their fair values, due to their short term nature.

As at 31 March 2018, the Company held the following financial instruments carried at fair value on the statement of financial position:

(₹ in Crore)

Particulars	Carrying amount	Fair value	Fair value		
	31 March 2018	31 March 2018	Level 1	Level 2	Level 3
Financial assets at amortised cost:					
Non-current					
Loans and receivables	0.01	0.01	-	-	-
Other Financial assets	0.87	0.87	-	-	-
Current					
Trade receivables	7.54	7.54	-	-	-
Cash and cash equivalents	11.89	11.89	-	-	-
Other bank balances	27.99	27.99	-	-	-
Loans	1.36	1.36	-	-	-
Other Financial Assets	-	-	-	-	-
Total	**49.66**	**49.66**	**-**	**-**	**-**
Financial liabilities at amortised cost:					
Non-current					
Borrowings	4.40	4.40	-	-	-
Other Financial Liabilities	-	-	-	-	-
Current					
Trade Payables					
(i) total outstanding dues of micro and small enterprises	1.11	1.11	-	-	-
(ii) total outstanding dues other than (i) above	1.93	1.93	-	-	-
Other Financial Liabilities	16.85	16.85	-	-	-
Total	**24.29**	**24.29**	**-**	**-**	**-**

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, bank deposits, trade payables and other financial liabilities are considered to be same as their fair values, due to their short term nature.

For GAIL Gas

As as 31st March 2019 the Company held the following financial instruments carried at fair value on the statement of financial position:

(₹ in Crore)

Financial Assets	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial Assets at amortised cost:				
Loans and Other Receivables	22.68	-	-	-
Trade Receivables	282.79	-	-	-
Cash and Cash Equivalents	125.24	-	-	-
At Fair value through profit and loss	**-**	**-**	**-**	**-**
At Fair value through OCI	**-**	**-**	**-**	**-**
Total Financial Assets	**430.71**	**-**	**-**	**-**
Financial Liabilities at amortized cost				
Borrowings	174.78	-	-	-
Trade Payables	230.21	-	-	-
Other Financial Liabilities	145.48	-	-	-
At Fair value through profit and loss	**-**	**-**	**-**	**-**
Total Financial Liabilities	**550.47**	**-**	**-**	**-**

As as 31st March 2018 the Company held the following financial instruments carried at fair value on the statement of financial position:

(₹ in Crore)

Financial assets	Carrying amount	Fair value		
		Level -1	Level-2	Level-3
Financial Assets at amortised cost:				
Loans and Other Receivables	10.21	-	-	-
Trade Receivables	270.50	-	-	-
Cash and Cash Equivalents	269.56	-	-	-
At Fair value through profit and loss	**-**	**-**	**-**	**-**
At Fair value through OCI	**-**	**-**	**-**	**-**
Total Financial Assets	**550.27**	**-**	**-**	**-**
Financial Liabilities at amortized cost				
Borrowings	153.68	-	-	-
Trade Payables	235.72	-	-	-
Other Financial Liabilities	103.06	-	-	-
At Fair value through profit and loss	**-**	**-**	**-**	**-**
Total Financial Liabilities	**492.46**	**-**	**-**	**-**

Description for significant unobservable inputs to valuation:

The following table shows the valuation techniques and inputs used for financial instruments:

Particulars	As at 31 March 2019	As at 31 March 2018
Investments	Discounted Cash flow method using risk adjusted discount rate	

The following table shows a reconciliation of opening balances to the closing balances for Level 3 fair values:-

(₹ in Crore)

Particulars	Amount
Balance as at 31 March 2018	**172.90**
Add: Additional investment during the year	7.85
Add: Fair Value gain recognized in Other Comprehensive Income	8.09
Less: Fair Value loss recognized in Other Comprehensive Income	0.06
Balance as at 31 March 2019	**188.77**

52) Hedging activities and derivatives

Derivatives not designated as hedging instruments

The Company uses forward currency contracts, interest rate swaps, cross currency interest rate swaps, commodity swap contracts to hedge its foreign currency risks, interest rate risks and commodity price risks. Derivative contracts not designated by management as hedging instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value on each reporting date. Such contracts are entered into for periods consistent with exposure of the underlying transactions.

Derivatives designated as hedging instruments:

Cash flow hedges

The Company enters into hedging instruments in accordance with policies as approved by the Board of Directors with written principles which is consistent with the risk management strategy of the Company. Company has decided to apply hedge accounting for certain derivative contracts that meets the qualifying criteria of hedging relationship entered into post October 01, 2017.

Foreign currency risk

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of firm commitment of capital purchases in US dollar and existing borrowings e.g. US dollars/ Japanese Yen etc.

Commodity price risk

The Company purchases and sells natural gas on an ongoing basis as its operating activities. The significant volatility in natural gas prices over the years has led to Company's decision to enter into hedging instruments through swaps transactions including basis swaps. These contracts are designated as hedging instruments in cash flow hedges of forecasted sales and purchases of natural gas.

The table below shows the position of hedging instruments and hedged items (underlying) as of the balance sheet date.

Details relating to hedging instrument as on 31 March 2019:

Dr (+) / Cr (-) for OCI

Cash flow hedge	Nominal amount/ Qty. of the hedging instrument	Carrying amount of hedging instrument		Changes in fair value	Line item in balance sheet where hedging instrument is disclosed
		Asset (₹ in crore)	Liabilities (₹ in crore)		
Foreign currency risk					
Forward contracts – Borrowings	USD 20,102,042.26	-	0.95	0.61	Liabilities- Non Current liabilities- Other Financial Liabilities- Current - Note 15A
Forward contracts - Purchases of capital goods	NIL	-	-	(0.35)	Liabilities- Non Current liabilities- Other Financial Liabilities- Current - Note 15A
Commodity price risk					
Commodity swap - Forecasted purchase & sell of natural gas	MMBTU 101199703 & Barrel 3543486	317.54	27.00	(521.80)	Liabilities- Non Current & Current liabilities & - Other Financial Liabilities- Current & Non- Current- Note 15 & 15A

Details relating to hedged item for March 2019:

(₹ in Crore)

	Change in fair value	Balance in cash hedge flow reserve		
		For continuing hedges	For hedges no longer applied	Total balance
Foreign currency risk				
Borrowings	8.32	0.95	-	0.95
Firm commitment for capital goods purchase	(0.35)	-	-	-
Commodity price risk				
Highly probable forecasted sale and purchase of natural gas	(521.80)	(290.54)	-	(290.54)

Details relating to hedging instrument as on 31 March 2018:

Dr (+) / Cr (-) for OCI

Cash flow hedge	Nominal amount/ Qty. of the hedging instrument	Carrying amount of hedging instrument		Changes in fair value	Line item in balance sheet where hedging instrument is disclosed
		Asset (₹ in crore)	Liabilities (₹ in crore)		
Foreign currency risk					
Forward contracts – Borrowings	USD 20,102,042.26	-	0.34	(0.34)	Liabilities- Non Current liabilities- Other Financial Liabilities- Current - Note 15A
Forward contracts - Purchases of capital goods	USD 70,000,000	-	0.35	(0.35)	Liabilities- Non Current liabilities- Other Financial Liabilities- Current - Note 15A
Commodity price risk					
Commodity swap - Forecasted purchase & sell of natural gas	MMBTU 41,692,792	5.62	148.75	(143.13)	Liabilities- Non Current & Current liabilities & - Other Financial Liabilities- Current & Non- Current- Note 15 & 15A

Details relating to hedged item as on 31 March 2018:

(₹ in Crore)

Particulars	Change in fair value	Balance in cash hedge flow reserve		
		For continuing hedges	For hedges no longer applied	Total balance
Foreign currency risk				
Borrowings	0.77	0.34	-	0.34
Firm commitment for capital goods purchase	0.35	0.18	0.17	0.35
Commodity price risk				
Highly probable forecasted sale and purchase of natural gas	143.09	143.09	-	143.09

Reconciliation of cash flow hedge reserve for year ended 31 March, 2019 is given in **Annexure-F**

53) Previous year's (PY) figures have been regrouped wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

A.K. Jha	**A. K. Tiwari**	**Dr. Ashutosh Karnatak**	**B. C. Tripathi**
Company Secretary	Director (Finance)	Director (Projects)	Chairman & Managing Director
(M.No. 18644)	(DIN: 07654612)	(DIN: 03267102)	(DIN: 01657366)

As per our separate Report of even date

For O P Bagla & Co. LLP	**For ASA & Associates LLP**
Chartered Accountants	Chartered Accountants
Firm No.000018N/N500091	Firm No.009571N/N500006
Rakesh Kumar	**Parveen Kumar**
(Partner)	(Partner)
Membership No.087537	Membership No. 088810

Place : **New Delhi**
Dated : **27th May, 2019**

ANNEXURE-A

A) Information About Partially owned Subsidiaries having material non controlling interest:-

The following table summaries the informations relating to TNGCL that has material Non controlling interest before any intra group elimination for the Financial year ending 31st March 2019:-

(₹ in Crore)

	Particulars	31st March, 2019	31st March, 2018
A.)	**Proportion of equity Interest held by non controlling Interest**		
	Tripura Natural Gas Limited	51.02%	51.02%
B)	**Summarised financial Information of partly owned subsidiary**		
	Balance Sheet		
	Non-Current Assets	77.38	71.46
	Current Assets (Other than cash and cash equivalent)	64.55	41.38
	Cash and Cash Equivalent	3.63	11.89
	Non-Current Liabilities	26.17	26.48
	Current Liabilities	29.32	21.97
	Equity	90.07	76.28
	Attributable to non controlling interest	45.95	38.92
	Profit and Loss		
	Revenue	95.59	76.00
	Expenses	74.34	61.46
	Pre-tax Profit / (Loss)	21.25	18.96
	Income Tax expenses	7.48	7.24
	Post-tax Profit / (Loss)	13.77	11.72
	Other Comprehensive Income	0.02	(0.14)
	Total comprehensive profit / (loss)	13.79	11.58
	Attributable to non controlling interest	7.03	5.91
	Dividend paid to Non controlling interest	-	-
	Summarised Cash Flow Information		
	Operating Activities	20.73	22.68
	Investing Activities	(26.59)	(27.11)
	Financing Activities	(2.40)	(2.38)
	Net increase/ (decrease) in cash and cash Equivalents	(8.25)	(6.81)

A) Summarised financial information of joint ventures as at 31st March 2019

ANNEXURE-B (a)

(₹ in Crore)

Particulars	Total	Central UP Gas Ltd.	Green Gas Ltd.	Maharashtra Natural Gas Limited	Avantika Gas Limited	Bhagyanagar Gas Limited	Ratnagiri Gas and Power Pvt. Ltd.*	Konkan LNG Private Limited	Talchar Fertilizers Limited	Tapi Pipelines Company Ltd	Vadodra Gas Limited	Indradh-anush Gas Grid Ltd
Assets												
Non-Current Assets	**7,869.67**	**280.19**	**389.26**	**916.00**	**365.17**	**500.99**	**1,580.56**	**3,399.28**	**26.53**	**126.01**	**285.68**	**0.96**
Current Assets												
Cash and cash Equivalents	450.49	2.24	4.20	38.92	14.95	15.94	187.41	7.45	17.08	159.08	7.42	4.16
Other Current Assets (Excluding cash and cash equivalents)	1,501.48	77.81	28.42	179.36	26.60	26.39	563.32	519.09	5.00	23.33	47.96	16.22
Total current assets	**1,951.97**	**80.05**	**32.62**	**218.28**	**41.55**	**42.33**	**750.73**	**526.54**	**22.08**	**182.41**	**55.38**	**20.38**
Liabilities												
Non-Current Liabilities												
Non Current Financial Liabilities (Other than trade and other payables and provisions)	5,708.74	-	24.58	221.29	110.85	145.00	1,492.45	3,705.23	-	-	9.34	6.75
Other Non Current Liabilities	173.93	18.21	25.02	64.76	36.89	15.32	9.58	0.11	-	-	4.04	1.71
Total non current liabilites	**5,882.67**	**18.21**	**49.60**	**286.05**	**147.74**	**160.32**	**1,502.03**	**3,705.34**	**-**	**-**	**13.38**	**8.46**
Current Liabilities												
Current Financial Liabilities (Other than trade and other payables and provisions)	4,618.50	46.22	4.70	181.83	53.17	42.20	4,046.71	188.86	9.93	-	44.88	-
Other Current Liabilities	518.54	13.79	29.01	33.72	10.87	10.57	286.58	88.48	0.18	30.65	14.69	14.69
Total Current Liabilities	**5,244.99**	**60.01**	**35.38**	**326.99**	**64.04**	**52.77**	**4,303.15**	**292.85**	**14.77**	**35.46**	**59.57**	**-**
Equity	(1,306.01)	282.01	336.91	521.24	194.95	330.23	(3,473.89)	(72.37)	33.84	272.96	268.11	12.88
Percentage of Group's ownership interest		25.00%	49.97%	22.50%	49.99%	49.97%	25.51%	40.92%	33.33%	5.00%	50.00%	20.00%
Interest in joint venture/associate	(138.21)	70.50	168.35	117.28	97.46	165.02	(886.19)	(29.61)	11.28	13.65	134.06	2.58
Carrying amount of interest in Joint Venture #	**(138.21)**	**70.50**	**168.35**	**117.28**	**97.46**	**165.02**	**(886.19)**	**(29.61)**	**11.28**	**13.65**	**134.06**	**2.58**
Revenue	4,528.41	328.03	354.71	909.57	201.39	185.28	2,051.85	328.49	-	-	169.09	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	662.94	12.32	11.52	35.79	12.05	12.16	481.31	93.58	0.05	-	4.16	-
Finance Cost	496.51	-	-	21.18	6.99	1.75	151.55	312.71	-	-	2.33	-
Income tax expenses	261.34	26.77	25.46	71.55	11.00	10.33	-	113.61	0.01	-	2.61	-
Other Expenses (Net)	3,791.74	236.83	271.62	638.39	145.41	141.82	1,678.86	195.52	15.18	312.93	155.18	12.12
Profit for the year	**(997.94)**	**52.11**	**46.11**	**142.65**	**25.94**	**19.23**	**(574.04)**	**(386.58)**	**(15.24)**	**(312.93)**	**4.81**	**(12.12)**
Other Comprehensive Income	(0.02)	0.01	-	-	-	(0.03)	-	-	-	-	-	-
Group's share in joint venture's/ associates profit for the year	(71.41)	13.03	23.04	32.10	12.97	9.61	-	(143.01)	(5.08)	(15.65)	1.58	-
Group's share in joint venture's/ associates OCI for the Year	(0.01)	-	-	-	-	(0.01)	-	-	-	-	-	-
Consolidation adjustments	1.28	-	(0.01)	(2.02)	(0.02)	(0.02)	-	-	-	3.24	0.11	-
Group's share in joint venture's/ associates profit recognised	(70.14)	13.03	23.03	30.08	12.95	9.58	-	(143.01)	(5.08)	(12.41)	1.69	-
Dividends received from associate	8.19	2.25	-	5.94	-	-	-	-	-	-	-	-

*Share of Profit from RGPPL is not recognised as unabsorbed loss has not been recovered

Carying amount also include unabsorbed lossed for depiction only

B) Summarised financial information of joint ventures as at 31st March 2018

ANNEXURE-B (b)

(₹ in Crore)

Particulars	Total	Central UP Gas Ltd.	Green Gas Ltd.	Maharashtra Natural Gas Limited	Avantika Gas Limited	Bhagyanagar Gas Limited	Ratnagiri Gas and Power Pvt. Ltd.*	Konkan LNG Private Limited	Talchar Fertilizers Limited	Tapi Pipelines Company Ltd	Vadodra Gas Limited	Indradh-anush Gas Grid Ltd
Assets												
Non-Current Assets	**7,520.32**	**205.78**	**292.08**	**786.99**	**297.19**	**390.85**	**2,330.43**	**2,937.89**	**6.81**	**-**	**272.30**	**-**
Current Assets												
Cash and cash Equivalents	778.24	4.12	2.40	-	63.64	1.74	431.06	100.10	8.49	160.45	6.24	-
Other Current Assets (Excluding cash and cash equivalents)	1,079.54	99.38	70.85	108.18	24.71	30.23	443.28	246.97	0.65	6.33	48.96	-
Total current assets	**1,857.78**	**103.50**	**73.25**	**108.18**	**88.35**	**31.97**	**874.34**	**347.07**	**9.14**	**166.78**	**55.20**	**-**
Liabilities												
Non-Current Liabilities												
Non Current Financial Liabilities (Other than trade and other payables and provisions)	5,762.42	0.22	18.26	195.61	151.45	50.85	1,633.06	3,699.68	-	-	13.29	-
Other Non Current Liabilities	134.29	14.56	19.29	50.86	26.21	11.20	7.81	0.01	-	-	4.35	-
Total non current liabilites	**5,896.71**	**14.78**	**37.55**	**246.47**	**177.66**	**62.05**	**1,640.87**	**3,699.69**	**-**	**-**	**17.64**	**-**
Current Liabilities												
Current Financial Liabilities (Other than trade and other payables and provisions)	4,801.34	38.00	19.69	174.24	29.89	37.20	4,210.04	251.52	0.82	4.33	35.61	-
Other Current Liabilities	520.53	15.78	29.01	33.72	10.87	10.57	286.58	88.48	0.18	30.65	14.69	-
Total Current Liabilities	**5,295.14**	**53.78**	**36.97**	**229.31**	**38.88**	**49.73**	**4,463.75**	**340.00**	**0.86**	**34.98**	**46.88**	**-**
Equity	(1,813.75)	240.73	290.80	419.40	169.00	311.04	(2,899.85)	(754.73)	15.09	131.80	262.97	-
Percentage of Group's ownership interest		25.00%	49.97%	22.50%	49.98%	49.97%	25.50%	25.50%	33.32%	5.00%	50.00%	0.00%
Interest in joint venture/associate	(249.06)	60.18	145.31	94.37	84.47	155.43	(739.46)	(192.46)	5.03	6.59	131.49	-
Carrying amount of interest in Joint Venture	**(249.06)**	**60.18**	**145.31**	**94.37**	**84.47**	**155.43**	**(739.46)**	**(192.46)**	**5.03**	**6.59**	**131.49**	**-**
Revenue	4,277.37	268.79	285.08	660.64	148.46	156.59	2,302.68	317.10	-	-	138.03	-
Interest Income	26.60	-	3.59	-	0.85	1.78	20.30	-	0.08	-	-	-
Depreciation	683.29	10.42	9.05	37.98	9.64	9.80	492.11	110.50	-	-	3.79	-
Finance Cost	515.20	-	-	28.05	10.44	15.15	161.16	298.87	-	0.01	1.52	-
Income tax expenses	119.01	23.63	22.91	54.92	8.08	5.28	-	-	0.02	-	4.17	-
Other Expenses (Net)	2,909.10	188.64	213.70	442.01	96.87	118.99	1,454.17	165.04	-	108.59	121.09	-
Profit for the year	**(583.30)**	**46.10**	**43.01**	**97.69**	**24.28**	**9.16**	**64.74**	**(767.21)**	**0.07**	**(108.60)**	**7.46**	**-**
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-
Group's share in joint venture's/ associates profit for the year	68.75	11.52	21.49	21.98	12.13	4.58	-	-	0.02	(5.43)	2.46	-
Group's share in joint venture's/ associates OCI for the Year	0.23	(0.07)	0.26	0.02	-	0.02	-	-	-	-	-	-
Consolidation adjustments	(4.04)	-	-	-	-	-	-	-	-	(5.68)	1.64	-
Group's share in joint venture's/ associates profit recognised	64.94	11.45	21.75	22.00	12.13	4.60	-	-	0.02	(11.11)	4.10	-
Dividends received from associate	6.82	2.55	2.30	1.97	-	-	-	-	-	-	-	-

*Share of Profit from RGPPL, KLPL is not recognised as unabsorbed loss has not been recovered

Carying amount also include unabsorbed lossed for depiction only

C) Summarised financial information of Associates as at 31st March 2019

ANNEXURE-B (c)

(₹ in Crore)

Particulars	Total	China Gas Holdings Ltd.	Mahanagar Gas Limited	Indraprastha Gas Limited	Petronet LNG Ltd.	Fayoum Gas	ONGC Petro Additions Ltd.	Brahmputra Crackers and Polymers Ltd.	Ramagundam Fertilizers and Chemicals Ltd.
Assets									
Non-Current Assets	**108,214.12**	**52,486.60**	**2,265.16**	**3,940.92**	**9,287.54**	**1.95**	**28,401.73**	**7,943.73**	**3,886.49**
Current Assets									
Cash and cash Equivalents	9,081.17	8,572.30	26.53	71.16	226.58	21.47	15.45	1.40	146.28
Other Current Assets (Excluding cash and cash equivalents)	33,520.46	21,383.08	1,149.34	2,171.21	5,735.22	85.54	2,031.19	856.62	108.26
Total current assets	**42,601.63**	**29,955.38**	**1,175.87**	**2,242.37**	**5,961.80**	**107.01**	**2,046.64**	**858.02**	**254.54**
Liabilities									
Non-Current Liabilities									
Non Current Financial Liabilities (Other than trade and other payables and provisions)	51,664.72	21,483.83	1.81	0.41	101.20	-	24,479.12	2,731.35	2,867.00
Other Non Current Liabilities	8,025.31	810.14	219.15	336.45	2,433.20	-	0.41	4,201.69	24.27
Total non current liabilites	**59,690.03**	**22,293.97**	**220.96**	**336.86**	**2,534.40**	**-**	**24,479.53**	**6,933.04**	**2,891.27**
Current Liabilities									
Current Financial Liabilities (Other than trade and other payables and provisions)	16,530.28	7,698.03	661.05	1,039.42	1,172.37	-	4,878.21	831.55	249.65
Other Current Liabilities	25,286.11	21,813.79	160.15	491.30	1,311.99	69.80	968.85	470.21	0.02
Total Current Liabilities	**41,816.39**	**29,511.82**	**821.20**	**1,530.72**	**2,484.36**	**69.80**	**5,847.06**	**1,301.76**	**249.67**
Equity	49,309.33	30,636.20	2,398.87	4,315.71	10,230.58	39.16	121.78	566.94	1,000.09
Percentage of Group's ownership interest		2.87%	32.50%	22.50%	12.50%	19.00%	49.21%	70.00%	14.77%
Interest in joint venture/associate	4,520.69	879.26	779.63	971.03	1,278.82	7.44	59.93	396.86	147.71
Carrying amount of interest in Joint Venture	**4,520.69**	**879.26**	**779.63**	**971.03**	**1,278.82**	**7.44**	**59.93**	**396.86**	**147.71**
Revenue	110,837.80	50,565.48	3,056.79	6,361.87	38,395.43	42.58	9,738.72	2,676.93	-
Interest Income	10.02	-	-	-	-	10.02	-	-	-
Depreciation	2,324.32	-	125.93	201.07	411.24	0.72	1,198.71	386.65	-
Finance Cost	3,079.11	872.15	0.32	2.05	98.92	-	1,840.98	264.69	-
Income tax expenses	2,593.70	1,604.65	290.52	427.17	1,078.15	5.08	(752.06)	(59.81)	-
Other Expenses (Net)	95,689.17	43,043.34	2,093.63	4,976.44	34,656.19	32.15	8,871.39	2,016.03	
Profit for the year	**7,611.43**	**5,341.22**	**546.39**	**842.10**	**2,230.56**	**14.65**	**(1,420.30)**	**69.37**	**(12.56)**
Other Comprehensive Income	(1.44)	-	1.25	(0.93)	(2.03)	-	0.67	(0.40)	-
Group's share in joint venture's/associates profit for the year	850.50	153.29	177.58	189.47	278.82	2.78	-	48.56	-
Group's share in joint venture's/associates OCI for the Year	(0.33)	-	0.41	(0.21)	(0.25)	-	-	(0.28)	-
Consolidation adjustments	32.15	35.00	-	-	-	0.85	-	(3.70)	-
Group's share in joint venture's/associates profit recognised	882.32	188.29	177.99	189.26	278.57	3.63	-	44.58	-
Dividends received from associate	331.45	46.26	65.81	31.50	187.50	0.38	-	-	-

D) Summarised financial information of Associates as at 31st March 2018

ANNEXURE-B (d)

(₹ in Crore)

Particulars	Total	China Gas Holdings Ltd.	Mahanagar Gas Limited	Indraprastha Gas Limited	Petronet LNG Ltd.	Fayoum Gas	ONGC Petro Additions Ltd.	Brahmputra Crackers and Polymers Ltd.	Ramagundam Fertilizers and Chemicals Ltd.
Assets									
Non-Current Assets	**88,218.27**	**37,568.83**	**2,034.74**	**3,313.88**	**8,717.43**	**55.08**	**28,293.83**	**8,234.48**	**-**
Current Assets									
Cash and cash Equivalents	6,867.15	5,640.61	91.88	203.68	855.30	49.26	11.38	15.04	-
Other Current Assets (Excluding cash and cash equivalents)	22,642.08	10,669.31	883.62	1,578.91	6,171.80	114.33	2,157.04	1,067.07	-
Total current assets	**29,509.23**	**16,309.92**	**975.50**	**1,782.59**	**7,027.10**	**163.59**	**2,168.42**	**1,082.11**	**-**
Liabilities									
Non-Current Liabilities									
Non Current Financial Liabilities (Other than trade and other payables and provisions)	35,242.29	11,965.87	2.06	-	733.41	48.10	19,717.63	2,775.22	-
Other Non Current Liabilities	21,556.47	10,328.10	218.90	336.86	1,800.99	(48.10)	4,761.90	4,157.82	-
Total non current liabilites	**56,798.76**	**22,293.97**	**220.96**	**336.86**	**2,534.40**	**-**	**24,479.53**	**6,933.04**	**-**
Current Liabilities									
Current Financial Liabilities (Other than trade and other payables and provisions)	22,114.77	9,001.25	607.28	836.82	1,278.22	1.71	9,257.23	1,132.26	-
Other Current Liabilities	16,415.49	12,657.43	115.97	339.49	1,582.00	146.76	860.85	712.99	-
Total Current Liabilities	**38,530.26**	**21,658.68**	**723.25**	**1,176.31**	**2,860.22**	**148.47**	**10,118.08**	**1,845.25**	**-**
Equity	34,477.75	19,664.31	2,095.35	3,646.95	9,811.29	22.05	(1,260.19)	497.99	-
Percentage of Group's ownership interest		3.02%	32.50%	22.50%	12.50%	19.00%	49.21%	70.74%	0.00%
Interest in joint venture/associate	3,058.15	593.86	680.99	820.56	1,226.41	4.19	(620.14)	352.28	-
Carrying amount of interest in Joint Venture	**3,058.15**	**593.86**	**680.99**	**820.56**	**1,226.41**	**4.19**	**(620.14)**	**352.28**	**-**
Revenue	83,026.13	37,529.25	2,452.92	5,071.57	30,598.62	33.27	5,591.82	1,748.68	-
Interest Income	27.42	-	-	21.89	-	5.53	-	-	-
Depreciation	2,244.81	-	111.18	181.29	411.65	0.57	1,152.29	387.83	-
Finance Cost	3,325.43	729.48	0.09	1.69	162.99	0.07	2,152.22	278.89	-
Income tax expenses	2,209.17	1,381.94	248.64	374.22	977.26	3.38	(725.42)	(50.85)	-
Other Expenses (Net)	69,900.41	30,957.24	1,615.18	3,886.43	26,968.85	27.24	5,232.28	1,213.19	-
Profit for the year	**6,258.71**	**5,241.12**	**477.83**	**721.72**	**2,110.46**	**7.53**	**(2,219.56)**	**(80.39)**	**-**
Other Comprehensive Income	1.63	-	1.03	(0.28)	0.52	-	0.36	-	-
Group's share in joint venture's/associates profit for the year		158.28	155.29	162.39	263.81	1.43	(566.96)	(56.87)	-
Group's share in joint venture's/associates OCI for the Year		-	0.33	(0.06)	0.07	-	0.18	-	-
Consolidation adjustments	(24.04)	(29.98)	-	19.31	(3.34)	(0.16)	-	(9.87)	-
Group's share in joint venture's/associates profit recognised	93.85	128.30	155.62	181.64	260.54	1.27	(566.78)	(66.74)	-
Dividends received from associate	158.01	34.38	61.00	15.75	46.88	-	-	-	-

(ANNEXURE - C)

INFORMATION ABOUT BUSINESS SEGMENTS FOR FINANCIAL YEAR 2018-19

(₹ in Crore)

SL NO	SEGMENTS	TRANSMISSION SERVICES *		NATURAL GAS MARKETING* Note 1	PETRO-CHEMICALS	LPG & LIQUID HYDROCARBONS	CITY GAS Note 2	OTHER SEGMENT** Note 3	UN-ALLOCABLE	TOTAL	ELIMINATION	CONSO-LIDATED TOTAL
		NATURAL GAS	LPG									
1	**REVENUE#**											
	External Sales/Other Income	5,238.21	614.44	57,217.39	6,702.06	4,633.94	936.88	883.63	7.62	76,234.17	-	76,234.17
	Intersegment sales	540.41	9.66	9,543.35	1.88	449.20	4,539.26	3,360.17	1.73	18,445.66	18,445.66	-
	Total revenue	**5,778.62**	**624.10**	**66,760.74**	**6,703.94**	**5,083.14**	**5,476.14**	**4,243.80**	**9.35**	**94,679.83**	**18,445.66**	**76,234.17**
2	**RESULTS**											
	Segment Result(Profit before Interest &Tax)	3,253.90	301.38	2,928.86	384.90	2,546.52	138.33	95.62	-	9,649.51	-	9,649.51
	Unallocated expenses (Net)	-	-	-	-	-	-	-	368.22	368.22	-	368.22
	Operating Profit	**3,253.90**	**301.38**	**2,928.86**	**384.90**	**2,546.52**	**138.33**	**95.62**	**(368.22)**	**9,281.29**	**-**	**9,281.29**
	Interest Expenses	-	-	-	-	-	-	-	159.20	159.20	-	159.20
	Interest/ Dividend Income	-	-	-	-	-	-	-	709.10	709.10	-	709.10
	Provision for Taxation	-	-	-	-	-	-	-	3,278.42	3,278.42	-	3,278.42
	Profit/(Loss) from Ordinary Activities	**2,920.53**	**272.61**	**1,171.79**	**266.68**	**2,304.25**	**140.30**	**233.20**	**(3,096.74)**	**6,552.77**	**-**	**6,552.77**
	Extra Ordinary Items	-	-	-	-	-	-	-	-	-	-	-
	Discontinuing Operation	-	-	-	-	-	-	-	-	-	-	-
	Net Profit/(Loss)	**2,920.53**	**272.61**	**1,171.79**	**266.68**	**2,304.25**	**140.30**	**233.20**	**(3,096.74)**	**6,552.77**	**-**	**6,552.77**
3	**OTHER INFORMATION**											
	Segment Assets *	37,144.07	1,045.40	-	10,062.49	874.32	2,691.37	2,450.18	-	54,267.83	-	54,267.83
	Unallocated Assets	-	-	-	-	-	-	-	14,139.57	14,139.57	-	14,139.57
	Total Assets	**37,144.07**	**1,045.40**	**-**	**10,062.49**	**874.32**	**2,691.37**	**2,450.18**	**14,139.57**	**68,407.40**	**-**	**68,407.40**
	Segment Liabilities*	8,842.56	124.22	-	581.71	190.00	590.14	1,014.58	-	11,343.21	-	11,343.21
	Unallocated Liabilities	-	-	-	-	-	-	-	11,014.14	11,014.14	-	11,014.14
	Total Liabilities	**8,842.56**	**124.22**	**-**	**581.71**	**190.00**	**590.14**	**1,014.58**	**11,014.14**	**22,357.35**	**-**	**22,357.35**
	Cost to acquire fixed assets	6,928.67	145.64	-	302.61	39.37	871.41	10.41	180.77	8,478.88	-	8,478.88
	Depreciation	835.46	57.20	0.01	429.88	83.99	42.84	165.16	52.10	1,666.64	-	1,666.64
	Non Cash expenses other than Depreciation	**35.58**	**0.63**	**15.21**	**8.53**	**4.54**	**1.18**	**323.24**	**15.28**	**404.19**	**-**	**404.19**

Note: Consequent upon implementation of Goods and Services Tax (GST) Act w.e.f. 1st July 2017, total income excludes GST
Segment Revenue includes Other Operating Income
* Assets & Liabilities of Gas Trading Business included in Gas Transmission Business
** other Segment includes GAILTel, E&P, & Power Generation.
Notes (to the extent information available at the time of consolidation)
1. Includes subsidiary GAIL Global Singapore Pte. Ltd.
2. Includes Subsidiaries GAIL Gas Ltd. and Tripura Natural Gas Compnay Ltd.
3. Includes Subsidiary GAIL Global (USA) Inc.

(ANNEXURE - C)

INFORMATION ABOUT BUSINESS SEGMENTS FOR FINANCIAL YEAR 2017-18

(₹ in Crore)

SL NO	SEGMENTS	TRANSMISSION SERVICES *		NATURAL GAS MARKETING* Note 1	PETRO-CHEMICALS	LPG & LIQUID HYDROCARBONS	CITY GAS Note 2	OTHER SEGMENT** Note 3	UN-ALLOCABLE	TOTAL	ELIMINATION	CONSO-LIDATED TOTAL
		NATURAL GAS			LPG							
1	**REVENUE#**											
	External Sales/Other Income	4,486.63	558.56	38,024.46	5,842.14	4,183.21	753.21	842.21	3.89	54,694.31	-	54,694.31
	Intersegment sales	487.53	6.24	8,459.45	13.31	146.62	3,925.25	20.08	80.30	13,138.78	13,138.78	-
	Total revenue	**4,974.16**	**564.80**	**46,483.91**	**5,855.45**	**4,329.83**	**4,678.46**	**862.29**	**84.19**	**67,833.09**	**13,138.78**	**54,694.31**
2	**RESULTS**											
	Segment Result(Profit before Interest &Tax)	2,920.53	272.61	1,171.79	266.68	2,304.25	152.87	233.28	-	7,322.01	-	7,322.01
	Unallocated expenses (Net)	-	-	-	-	-	-	-	646.98	646.98	-	646.98
	Operating Profit	**2,920.53**	**272.61**	**1,171.79**	**266.68**	**2,304.25**	**152.87**	**233.28**	**(646.98)**	**6,675.03**	**-**	**6,675.03**
	Interest Expenses	-	-	-	-	-	-	-	294.91	294.91	-	294.91
	Interest/ Dividend Income	-	-	-	-	-	-	-	555.64	555.64	-	555.64
	Provision for Taxation	-	-	-	-	-	-	-	2,122.85	2,122.85	-	2,122.85
	Profit/(Loss) from Ordinary Activities	**2,920.53**	**272.61**	**1,171.79**	**266.68**	**2,304.25**	**152.87**	**233.28**	**(2,509.10)**	**4,812.91**	**-**	**4,812.91**
	Extra Ordinary Items	-	-	-	-	-	-	-	-	-	-	-
	Discontinuing Operation	-	-	-	-	-	4.71	-	-	4.71	-	4.71
	Net Profit/(Loss)	**2,920.53**	**272.61**	**1,171.79**	**266.68**	**2,304.25**	**157.58**	**233.28**	**(2,509.10)**	**4,817.62**	**-**	**4,817.62**
3	**OTHER INFORMATION**											
	Segment Assets *	29,282.42	991.50	-	10,004.87	1,012.82	1,916.00	2,795.17	-	46,002.78	-	46,002.78
	Unallocated Assets	-	-	-	-	-	-	-	15,331.36	15,331.36	-	15,331.36
	Total Assets	29,240.48	991.50	-	10,004.87	1,012.82	887.08	2,616.00	16,581.99	61,334.14	-	61,334.14
	Segment Liabilities*	7,754.37	131.49	-	670.78	229.60	408.61	353.93	-	9,548.78	-	9,548.78
	Unallocated Liabilities	-	-	-	-	-	-	-	10,067.87	10,067.87	-	10,067.87
	Total Liabilities	**7,754.37**	**131.49**	**-**	**670.78**	**229.60**	**408.61**	**353.93**	**10,067.87**	**19,616.65**	**-**	**19,616.65**
	Cost to acquire fixed assets	3,044.38	77.77	-	192.87	58.36	281.35	221.45	46.90	3,923.08	-	3,923.08
	Depreciation	712.81	54.20	-	421.30	67.43	31.74	195.67	43.74	1,526.89	-	1,526.89
	Non Cash expenses other than Depreciation	63.81	0.46	104.28	(1.11)	20.04	-	123.53	(25.02)	285.99	-	285.99

Note: Consequent upon implementation of Goods and Services Tax (GST) Act w.e.f. 1st July 2017, total income excludes GST

Segment Revenue includes Other Operating Income

* Assets & Liabilities of Gas Trading Business included in Gas Transmission Business

** other Segment includes GAIL Tel, E&P, & Power Generation.

Notes (to the extent information available at the time of consolidation)

1. Includes subsidiary GAIL Global Singapore Pte. Ltd.
2. Includes Subsidiaries GAIL Gas Ltd. and Tripura Natural Gas Company Ltd.
3. Includes Subsidiary GAIL Global (USA) Inc.

RELATED PARTY DISCLOSURES

(ANNEXURE -D)

I) Relationship

A) Joint Venture Companies/Associates/ Employees trust

Details of Subsidiary Companies

1) GAIL Global (Singapore) Pte. Ltd.
2) GAIL Gas Ltd.
3) GAIL Global (USA) Inc.
4) Tripura Natural Gas Corporation Limited
5) GAIL Global USA LNG LLC
6) Bengal Gas Company Limited

Details of Joint Venture Companies

7) Ratnagiri Gas & Power Pvt. Ltd.
8) Konkan LNG Private Limited
9) Central UP Gas Limited
10) Green Gas Limited
11) Maharashtra Natural Gas Limited
12) Aavantika Gas Ltd.
13) Bhagyanagar Gas Limited
14) Vadodara Gas Limited
15) Talcher Fertilizers Limited
16) Tapi Pipeline Company Ltd.
17) GAIL China Gas Global Energy Holding Ltd.
18) Andhra Pradesh Gas Distribution Corporation Limited
19) Kerala GAIL GAS Limited
20) Rajasthan State Gas Limited
21) Haridwar Natural Gas Private Limited
22) GOA Natural Gas Private Limited
23) Indradhanush Gas Grid Ltd.

Details of Associate Companies

24) China Gas Holdings Ltd.
25) Petronet LNG Limited
26) Mahanagar Gas Limited
27) Indraprastha Gas Limited
28) Brahmaputra Cracker and Polymer Limited
29) Fayoum Gas Company Limited
30) ONGC Petro Additions Ltd. (OPAL)
31) Ramagundam Fertilizers & Chemical Ltd.

Details of Trusts

32) GAIL Employees Superannuation Benefit Fund
33) GAIL (India) Ltd. Employees Provident Fund Trust
34) GAIL (India) Ltd. Employees Death-cum- Superannuation Gratuity Scheme
35) GAIL Post Retirement Medical Scheme Trust (GAIL PRMS Trust)
36) GAIL Charitable & Education Trust

B) Key Management Personnel

i) Whole time Directors:

1) Shri B C Tripathi ,Chairman and Managing Director
2) Dr. Ashutosh Karnatak, Director (Projects)
3) Shri Subir Purkayastha, Director (Finance) and CFO till 30.11.2018
4) Shri P K Gupta, Director (Human Resources)
5) Shri Gajendra Singh, Director (Marketing)
6) Shri Manoj Jain, Director (Business Development) (w.e.f 05.06.2018)
7) Shri A K Tiwari, Director (Finance) and CFO (w.e.f 01.12.2018)

ii) Independent Directors:

1) Shri S.K. Srivastava
2) Shri Anupam Kulshreshtha
3) Shri Sanjay Tandon
4) Shri Dinkar Prakash Srivastava
5) Dr. Anup K Pujari
6) Shri Jayanto Narayan Choudhury
7) Dr. Rahul Mukherjee
8) Smt Banto Devi Kataria

iii) Executive on the Board of Group Companies

1) Shri N. Gangopadhyay
2) Shri Banani Debbarman
3) Shri E. S. Rangannathan
4) Shri Sankavaram Venkateshwara Prasad
5) Shri Harish Kumar Srivastava
6) Shri Amarendra Kumar
7) Shri Jiledar
8) Shri Sanjib Datta
9) Shri Pankaj Patel
10) Shri Arrvind Madhukar Tambekar
11) Shri Satyabrata Bairagi
12) Shir Deben Buragohain
13) Shri J.S. Saini
14) Shir Partha Jana

iv) Company Secretary

1) Shri Anil Kumar Jha

C) Unincorporated Joint venture for Exploration & Production Activities:

1) SHWE Offshore Pipeline (Non-operator with participating interest: 8.5%)
2) A-1, Myanmar (Non-operator with participating interest: 8.5%)
3) A-3, Myanmar (Non-operator with participating interest: 8.5%)
4) CY-OS/2 (Non-operator with participating interest: 25%)

II) The following transactions were carried out with the related parties in the ordinary course of business:

A) Details relating to parties referred to in item no. I (A) above:

(₹ in Crore)

	2018-19	2017-18
1) Sales		
Indraprastha Gas Limited	2,836.64	2,151.97
Mahanagar Gas Limited	1,133.31	912.74
Maharashtra Natural Gas Limited	430.58	317.64
Green Gas Limited	165.19	113.65
Central UP Gas Limited	147.80	96.32
Aavantika Gas Ltd.	116.38	67.62
Bhagyanagar Gas Limited	82.06	56.92
Rajasthan State Gas Limited	33.76	5.85
GOA Natural Gas Private Limited	0.02	-
Haridwar Natural Gas Pvt Ltd	0.03	-
Others	-	-
2) Amount receivable as at Balance Sheet Date for (1) above		
Indraprastha Gas Limited	123.62	39.00
Mahanagar Gas Limited	237.17	157.20
Maharashtra Natural Gas Limited	19.82	6.51
Green Gas Limited	5.74	5.19
Central UP Gas Limited	6.08	4.48
Aavantika Gas Ltd.	5.09	3.62
Bhagyanagar Gas Limited	3.99	2.48
Rajasthan State Gas Limited	1.39	0.71
Others	-	-
3) Purchases		
Petronet LNG Limited	21,823.16	15,394.24
Indraprastha Gas Limited	3.22	3.62
4) Amount payable as at Balance Sheet Date for (3) above		
Petronet LNG Limited	833.22	702.32
Indraprastha Gas Limited	0.07	0.45
5) Reimbursement for other expenditure received/receivable	**9.28**	**25.06**
6) Amount receivable as at Balance Sheet Date for (5) above	**-**	**-**

(₹ in Crore)

	2018-19	2017-18
7) Dividend Income		
Mahanagar Gas Limited	65.81	61.00
Indraprastha Gas Limited	31.50	15.75
Petronet LNG Limited	187.50	46.88
China Gas Holdings Ltd.	46.26	34.38
Others	8.57	6.82
8) Other Income		
Bhagyanagar Gas Limited	-	6.38
China Gas Holdings Ltd.	0.29	0.33
Others	0.36	0.47
9) Amount receivable as at Balance Sheet Date for (8) above		
Bhagyanagar Gas Limited	-	-
Others	-	-
10) Provision Created against Debtors	**2.42**	**2.42**
11) Investment as at Balance Sheet date	**693.86**	**520.82**
12) Advances for allotment of Equity as at Balance Sheet date	**-**	**9.18**
13) Advances / loan given as at Balance Sheet date	**477.94**	**520.58**

Apart from transactions reported above, the company has transactions with other Government related entities, which includes but not limited to the following:

Name of Government: Government of India

Nature of Relationship: Control

(₹ in Crore)

Nature of Transactions:	2018-19	2017-18
1) Sale of Products and Services		
GAIL Gas Ltd. (Subidiary of Central PSU)	4,512.21	3,902.35
Ratnagiri Gas & Power Pvt. Ltd. (Joint Venture of Central PSU)	1,621.13	1,444.30
GAIL Global (Singapore) Pte. Ltd.(Subidiary of Central PSU)	4,094.07	638.38
Brahmaputra Cracker and Polymer Limited (Associate of Central PSU)	64.44	122.03
ONGC Petro Additions Ltd. (OPAL) (Associate of Central PSU)	177.97	0.12
Tripura Natural Gas Corporation Limited (Subidiary of Central PSU)	26.98	22.90
Vadodara Gas Limited (Joint Venture of Central PSU)	97.02	68.85
2) Amount receivable as at Balance Sheet Date for (1) above		
GAIL Gas Ltd. (Subidiary of Central PSU)	167.50	214.57
Ratnagiri Gas & Power Pvt. Ltd. (Joint Venture of Central PSU)	209.86	184.27
Brahmaputra Cracker and Polymer Limited (Associate of Central PSU)	0.55	27.27
ONGC Petro Additions Ltd. (OPAL) (Associate of Central PSU)	0.72	0.12
Tripura Natural Gas Corporation Limited (Subidiary of Central PSU)	2.53	22.90
Vadodara Gas Limited (Joint Venture of Central PSU)	6.34	68.85
3) Purchase of Products		
GAIL Global USA LNG LLC	5,082.16	1.96
GAIL Global (Singapore) Pte. Ltd.(Subidiary of Central PSU)	1,467.54	4,775.20
Ratnagiri Gas & Power Pvt. Ltd. (Joint Venture of Central PSU)	-	340.32
GAIL Global (USA) Inc. (Subidiary of Central PSU)	-	-
Konkan LNG Private Limited (Joint Venture of Central PSU)	430.89	31.27
GAIL Gas Ltd. (Subidiary of Central PSU)	-	8.44
4) Amount payable as at Balance Sheet Date for (3) above		
GAIL Global USA LNG LLC	492.20	1.96
GAIL Global (Singapore) Pte. Ltd.	-	578.65
Ratnagiri Gas & Power Pvt. Ltd.	-	-
GAIL Gas Ltd. (Subidiary of Central PSU)	-	8.44

These transactions are conducted in the ordinary course of the Company's business on terms comparable to those with other entities that are not Government-related.

B) Details relating to parties referred to in item no.- 1 (B) above

(₹ in Crore)

S. No.	Particulars	Key Management Personnel(KMP)		Relatives of KMP	
		2018-19	2017-18	2018-19	2017-18
1)	Remuneration*	16.01	11.92	1.54	1.17
2)	Interest Bearing outstanding loans receivable	0.20	0.30	0.29	0.06
3)	Interest accrued on loans given	0.22	0.23	0.16	0.11
4)	Self Lease	0.04	0.08	-	-
5)	Sitting Fees	0.67	0.60	-	-

* This does not include the impact of provision made on actuarial valuation of retirement benefit/ long term Schemes and provision made during the period towards Post Retirement Benefits as the same are not separately ascertainable for individual directors.

* Remuneration includes Basic, Allowances, reimbursements, contribution to PF and perquisites. In addition, whole time directors are allowed use of staff car including for private jouneys upto a ceiling of 1000 Kms per month on payment in accordance with the Bureau of Enterprises Circular.

C) Details relating to parties referred to in item no. 1 (C) above:

(₹ in Crore)

Particulars	2018-19	2017-18
1) Minimum work program commitment	-	-
2) Survey, Production, Royality and other expenses	181.30	178.44
3) CWIP & Other assets	(55.07)	4.55
4) Amount outstanding on Balance Sheet date(net of advance)	(40.21)	33.97
5) Amount written Off- Dry well expenditure	-	0.95
6) Sales/Income from operation	606.78	598.64
7) Amount outstanding on Balance Sheet date (against sales)	62.82	50.85

Additional Information as Required by Schedule III of Companies Act 2013

ANNEXURE - E

(₹ in Crore)

S. No.	Name of the Entity (% of Share)	Proportion of ownership interest as on 31st March 2019	Net Asset * (i.e., Total Assets minus Total Liabilities)		Share of Profit or Loss**		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income	
			As % of Consolidated Net Asset	(₹ in crore)	As % of Consolidated Profit or Loss	(₹ in crore)	As % of Consolidated OCI	(₹ in crore)	As % of Total Comprehensive Income	(₹ in crore)
1	**GAIL Standalone**		**64.46%**	**44,092.94**	**93.81%**	**6,025.67**	**138.79%**	**(170.25)**	**91.16%**	**5,855.42**
2	**Subsidiaries**									
A)	**Indian**									
i)	GAIL Gas Limited	100.00%	2.06%	1,412.48	1.27%	81.39	0.00%	-	1.82%	81.39
ii)	Tripura Natural Gas Limited	48.98%	0.06%	44.12	0.10%	6.74	-0.02%	0.02	0.15%	6.76
iii)	Bengal Gas Company Limited^	0.00%	0.00%	-	-	-	-	-	-	-
B)	**Foreign**									
i)	GAIL Global Singapore Pte. Ltd.	100.00%	0.21%	142.94	0.06%	3.75	0.00%	-	0.08%	3.75
ii)	GAIL Global (USA) Inc.	100.00%	-0.03%	(19.05)	-3.73%	(239.57)	0.00%	-	-5.34%	(239.57)
3	**Minority Interests in All subsidiaries**		**0.07%**	**45.95**	**0.11%**	**7.03**	**0.00%**	**-**	**0.16%**	**7.03**
4	**Associates (Investment as per the Equity Method)**									
A)	**Indian**									
i)	Mahanagar Gas Ltd.	32.50%	Equity Method	Equity Method	2.55%	164.06	-0.33%	0.41	3.67%	164.47
ii)	Petronet LNG Ltd.	12.50%	Equity Method	Equity Method	3.74%	240.16	0.20%	(0.25)	5.35%	239.91
iii)	Brahmaputra Cracker & Polymer Ltd.	70.00%	Equity Method	Equity Method	0.76%	48.56	0.23%	(0.28)	1.08%	48.28
iv)	Indraprastha Gas Limited	22.50%	Equity Method	Equity Method	2.84%	182.18	0.17%	(0.21)	4.06%	181.97
v)	ONGC Petro Additions Ltd.	49.21%	Equity Method	Equity Method	0.00%	-	0.00%	-	0.00%	-
vi)	Ramagundam Fertilizers and Chemicals Limited	14.77%	Equity Method	Equity Method	-0.03%	(1.86)	0.00%	-		
B)	**Foreign**									
i)	Fayoum Gas	19.00%	Equity Method	Equity Method	0.04%	2.78	0.00%	-	0.06%	2.78
ii)	China Gas Holding Limited	2.87%	Equity Method	Equity Method	2.39%	153.29	0.00%	-	3.42%	153.29
5	**Joint Ventures**									
A)	**Indian**									
i)	Bhagyanagar Gas Limited	49.97%	Equity Method	Equity Method	0.15%	9.61	0.01%	(0.01)	0.21%	9.60
ii)	Central UP Gas Limited	25.00%	Equity Method	Equity Method	0.20%	12.57	0.00%	-	0.28%	12.57
iii)	Green Gas Limited	49.97%	Equity Method	Equity Method	0.36%	23.04	0.00%	-	0.51%	23.04
iv)	Maharashtra Natural Gas Limited (MNGL)	22.50%	Equity Method	Equity Method	0.48%	30.88	0.00%	-	0.69%	30.88
v)	Aavantika Gas Limited	49.99%	Equity Method	Equity Method	0.20%	12.97	0.00%	-	0.29%	12.97
vi)	Talcher Fertilizers Limited	33.33%	Equity Method	Equity Method	-0.08%	(5.08)	0.00%	-	-0.11%	(5.08)
vii)	Vadodara Gas Limited	50.00%	Equity Method	Equity Method	0.02%	1.58	0.00%	-	0.04%	1.58
viii)	Ratnagiri Gas Power Pvt. Ltd.	25.51%	Equity Method	Equity Method	0.00%	-	0.00%	-	0.00%	-
ix)	Konkan LNG Pvt. Ltd.	40.92%	Equity Method	Equity Method	-2.23%	(143.01)	0.00%	-	-3.19%	(143.01)
x)	Indradhanush Gas Grid Limited	20.00%	Equity Method	Equity Method	-0.04%	(2.42)	0.00%	-		
B)	**Foreign**									
i)	TAPI Pipeline Company Limited	5.00%	Equity Method	Equity Method	-0.24%	(15.65)	0.00%	-	-0.35%	(15.65)
ii)	GAIL China Gas Global Energy Holdings Ltd. #	50.00%	NA	NA	NA	NA	NA	NA	NA	NA

* Net Assets in Group Companies is considered on basis of total net assets of Subsidiaries, on gross basis without eliminating common transactions among group companies, if any.
** Share of profit from Parent company is shown after adjustment of consolidation adjustment of elimination tranactions pertaining to consolidation.
^ Bengal Gas Company Limited is Incorporated during the financial year 2018-19 and yet to start its operations. As on 31st March 2019 allotment of shares has not been done by the company. First financial year of the entity will be ending on 31st March 2020, hence not considered in consolidation for FY 2018-19.
# No equity infusion / investment has been made so far and hence financial statements have not been made.

ANNEXURE - F

Reconciliation of cash flow hedge reserve for year ended 31 March 2019:

(₹ in Crore)

Particulars	Opening balance as at April 01, 2018 (Dr Bal.{+} Cr. Bal.{-})	Hedging (gains) and loss recognized in OCI during the year	Cost of Hedging recognized in profit or loss	Line item in statement of profit and loss in which hedge ineffectiveness is recognized	Amount reclassified to statement of profit and loss for which future cash flows are no longer expected to occur	Line item in statement of profit and loss that includes reclassification adjustments	Amount reclassified to statement of profit and loss as hedged item has affected profit or loss	Line item in statement of profit and loss that includes reclassification adjustments	Amount adjusted to the carrying amount of non financial asset on recognition of non financial asset	Line item in Balance sheet that includes basis adjustments	Closing balance as at March 31, 2019 (Dr Bal.{+} Cr. Bal.{-})
Foreign currency risk	(₹ in crore)	(₹ in crore)	(₹ in crore)		(₹ in crore)		(₹ in crore)		(₹ in crore)		(₹ in crore)
Forward contracts - Borrowings	0.34	(2.37)	(5.34)	Finance Cost under Expenses Note 24	-		8.32	Finance Cost under Expenses Note 24	-		0.95
Forward contracts - Purchases of capital goods	0.35	(16.51)	-		-		-		16.16	Assest- Non Current Asset- Capital Work in Progress	-
Commodity price risk											
Commodity swap - Forecasted purchase & sale of natural gas	231.26	(363.40)	-		(44.99)	Other Expenses under Expenses Note 26	(113.41)	Revenue from Operation (Gross) Note 20 & Purchase of Stock in trade	-		(290.54)
Total	**231.95**	**(382.28)**	**(5.34)**		**(44.99)**		**(105.09)**		**16.16**		**(289.59)**

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GAIL (INDIA) LIMITED FOR THE YEAR ENDED 31st MARCH 2019

The preparation of consolidated financial statements of GAIL (India) Limited for the year ended 31st March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27.05.2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of GAIL (India) Limited for the year ended 31st March 2019 under section 143(6) (a) read with section 129(4) of the Act. We have conducted a supplementary audit of the financial statements of companies mentioned in Annexure-A, but did not conduct supplementary audit of the financial statements of companies mentioned in Annexure-B for the year ended on that date. Further, Section 139(5) and 143(6) (a) of the Act are not applicable to the companies mentioned in Annexure-C being private entities/entities incorporated in Foreign countries under the respective laws, for appointment of their Statutory Auditors and for conduct of supplementary audit. Accordingly, C&AG has neither appointed the Statutory Auditor nor conducted the supplementary audit of the companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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

(Prachi Pandey)
Principal Director of Commercial Audit
& Ex-officio Member, Audit Board-II
New Delhi

Place: **New Delhi**
Date: **15.07.2019**

Name of the Company / Subsidiaries/JVs/Associate Companies of which supplementary audit conducted:

Annexure A

S.No.	Name of the Company	Relation
1.	GAIL (India) Limited – Holding Company	Holding Company
2.	GAIL Gas Limited	Subsidiary
3.	Indraprastha Gas Limited*	Associate
4.	Green Gas Limited	Joint Venture
5.	Central UP Gas Limited	Joint Venture
6.	Bhrahmaputra Cracker & Polymer Limited	Associate
7.	ONGC Petro-additions Limited (OPAL)*	Associate
8.	Bhagyanagar Gas Limited (BGL)*	Joint Venture
9.	Avantika Gas Limited *	Joint Venture
10.	Ramagundam Fertilizers and Chemicals Limited	Associate
11.	Maharashtra Natural Gas Limited*	Joint Venture
12.	Ratnagiri Gas & Power (Private) Limited (RGPPL)*	Joint Venture
13.	Konkan LNG Private Limited*	Joint Venture
14.	Tripura Natural Gas Co. Limited*	Subsidiary
15.	Talcher Fertilizers Limited*	Joint Venture

* Audit in Progress

Name of the Subsidiaries/JVs/Associate Companies of which supplementary audit not conducted:

Annexure B

S.No.	Name of the Company	Relation
1.	Indradhanush Gas Grid Limited	Joint Venture

Annexure C

List of all Subsidiaries/Joint Ventures/Associates to which Section 139(5) and 143 (6) (a) of the Companies Act, 2013 are not applicable: Non-Government Company:

S.No.	Name of the Company	Relation
1	Mahanagar Gas Limited	Associate
2	Petronet LNG Limited	Associate
3	Vadodara Gas Limited	Joint Venture

Entities incorporated in foreign countries:

S.No.	Group Companies	Registered Office
A	**Subsidiaries:**	
	1) GAIL Global (Singapore) Pte Ltd.	Singapore
	2) GAIL Global (USA) Inc.	USA
B	**Associates:**	
	1) Fayum Gas	Egypt
	2) China Gas Holding Limited	Bermuda
C	**Joint Ventures:**	
	1) TAPI Pipeline Company Limited	Isle of Man
	2) GAIL China Gas Global Energy Holdings Ltd*	Bermuda

* No equity infusion investment has been made so far and financial statements have not been made.

GLOSSARY

Gas Industry Specific Terminologies

CBM	Coal Bed Methane
CGD	City Gas Distribution
CNG	Compressed Natural Gas
DUPL	Dahej Urvan Panvel Pipeline
DGH	Director General Hydrocarbons
DVPL	Dahej-Vijaipur Pipeline
E&P	Exploration and Production
ESA	External Safety Audits
GREP	Gas Rehabiliation & Expansion Project
GPU	Gas Processing Unit
GTI	GAIL Training Institute
HDPI	High Density Polyethylene
HVJ	Hazira Vijaipur Jagdishpur
JLPL	Jamnagar-Loni Pipeline
LLDPE	Linear Low Density Polyethylene
LHC	Liquid Hydrocarbons
LNG	Liquified Natural Gas
LPG	Liquified Petroleum Gas
MDPE	Medium Density Polyethylene
MSCM	Million Standard Cubic Meter
MMBTU	Million Metric British Thermal Unit
MMSCMD	Million Metric Standard Cubic Meters Per Day
MMT	Million Metric Tonne
MMTPA	Million Metric Tonne Per Annum
MOP&NG	Ministry of Petroleum and Natural Gas
MOU	Memorandum of Understanding
MT	Metric Tonne
NELP	New Exploration & Licensing Policy
O&M	Operation and Maintenance
OLHC	Other Liquid Hydro-Carbon
PE	Poly-Ethylene
PNG	Piped Natural Gas
PNGRB	Petroleum & Natural Gas Regulatory Board
SBP Solvent	Special Boiling Point Solvent
TPA	Tonnes Per Annum
VSPL	Vizag-Secundarabad Pipeline

General abbreviations

BD	Business Development
BIS	Business Information System
CSR	Corporate Social Responsibility
ERP	Enterprise Resource Planning
HR	Human Resource
HSE	Health Safety and Environment
HRD	Human Resource Development
JVCs	Joint Venture Companies
MW	Mega-Watt
PSU	Public Sector Unit
QC	Quality Circle
SCADA	Supervisor Control and Data Acquisition
TQM	Total Quality Management

Financial Terms

BSE	Bombay Stock Exchange
CAGR	Compounded Annual Growth Rate
CAPEX	Capital Expenditure
EBIDTA	Earnings Before Interest Depreciation Tax and Amortization
ED	Excise Duty
EPS	Earning Per Share
GDP	Gross Domestic Product
NSE	National Stock Exchange
PAT	Profit After Tax
PBIDTA	Profit Before Interest Depreciation Tax and Amortization
PBIT	Profit Before Interest and Tax
PBT	Profit Before Tax
ROCE	Return on Capital Employed
ROIC	Return on Invested Capital
RONW	Return on Net-Worth

ATTENDANCE SLIP

GAIL (INDIA) LIMITED
Registered Office: 16, Bhikaiji Cama Place, R.K. Puram, New Delhi – 110066
CIN: L40200DL1984GOI018976 **Website:** www.gailonline.com **E-mail:** shareholders@gail.co.in
Phone: 011-26182955, **Fax:** 011-26185941

Folio No. /DP & Client ID : **No. of Shares :**

Name : **Father's Name :**

Address :

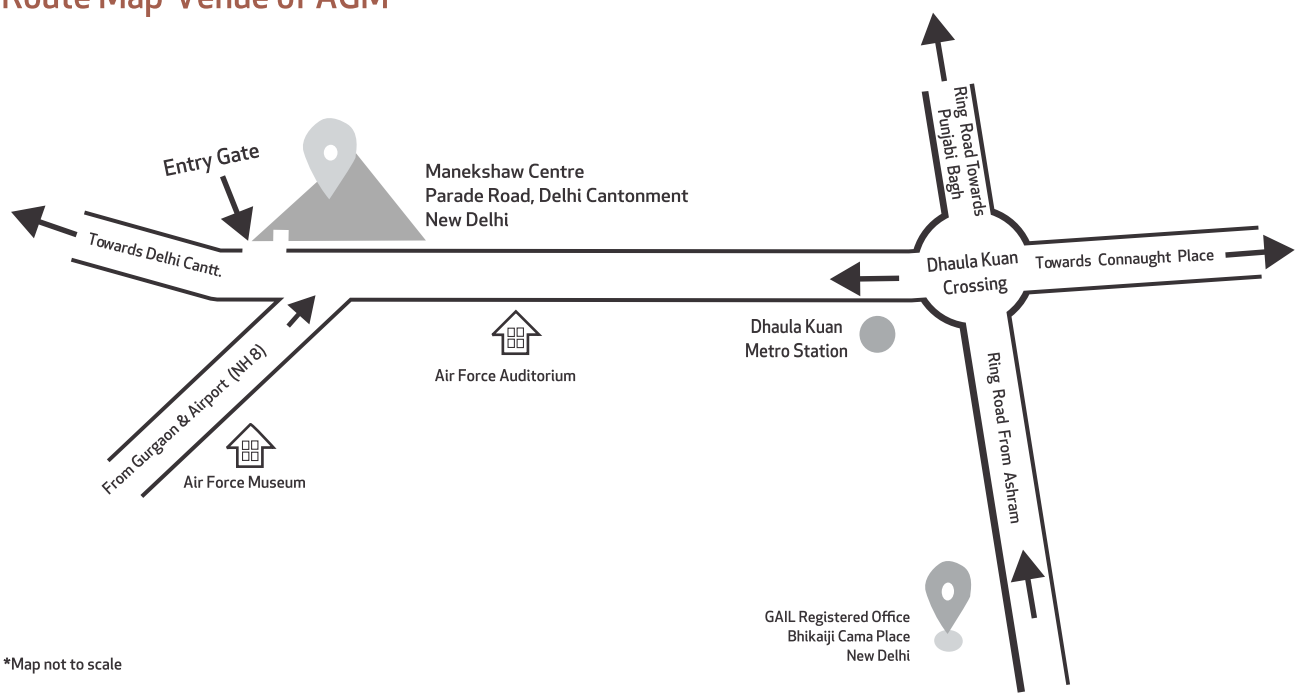
I hereby record my presence at the **Thirty- Fifth Annual General Meeting** of the members of GAIL (India) Limited on **Tuesday, the 20th day of August, 2019 at 10:30 a.m.** at **Manekshaw Centre, Parade Road, Delhi Cantonment, New Delhi 110010.**

Signature of Shareholder/ Proxy holder

NOTES:

1. The attendance slip should be signed as per the specimen signature registered with the R&TA/ Depository Participant (DP). Such duly completed and signed Attendance Slip(s) should be handed over at the R&TA counter(s) at the venue against which R&TA will provide admission card. Entry to the hall will be strictly on the basis of admission card as provided by R&TA. Members in person and proxy holders may **please carry photo-ID card for identification/ verification purposes.**
2. Member(s) present in person or through registered proxy shall only be entertained.
3. Briefcase, mobile phone(s), bag(s), eatables, helmets and other belongings **will not be allowed** to be taken inside the venue of the meeting for security purposes and member(s)/ proxy holder(s) will be required to take care of their belonging(s).
4. **No gifts** will be distributed at the Annual General Meeting.

Route Map-Venue of AGM



*Map not to scale

GAIL (INDIA) LIMITED

PROXY FORM

GAIL (INDIA) LIMITED
Registered Office: 16, Bhikaiji Cama Place, R.K. Puram, New Delhi – 110066
CIN: L40200DL1984GOI018976 **Website:** www.gailonline.com **E-mail:** shareholders@gail.co.in
Phone: 011-26182955, **Fax:** 011-26185941

Name of the shareholder(s): **Folio No./DP ID & Client ID:**

Registered address: **E-mail ID:**

I/ We, being the member(s) of .....shares of GAIL (India) Limited, hereby appoint:

1) ..... of ..... having e-mail id .....or failing him

2) ..... of ..... having e-mail id ..... or failing him

3) ..... of ..... having e-mail id .....

and whose signature(s) are appended below, as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the **Thirty- Fifth Annual General Meeting** of the members of GAIL (India) Limited which will be held on **Tuesday, the 20th day of August, 2019** at **10:30 a.m.** at **Manekshaw Centre, Parade Road, Delhi Cantonment, New Delhi-110010** and at any adjournment thereof in respect of such resolutions as are indicated below:-

S. No.	Resolution	Vote	
		For	Against
	ORDINARY BUSINESS		
1	Adoption of audited Financial Statements and audited consolidated financial statements of the Company for the year ended 31st March, 2019 and Report of the Board of Directors and Auditors		
2	Approval of Final Dividend for the financial year ended 31st March, 2019 and to confirm the payment of Interim Dividend already paid in February, 2019		
3	Appointment of Shri P K Gupta, who retires by rotation, and being eligible, offers himself for re-appointment		
4	Appointment of Shri Gajendra Singh, who retires by rotation, and being eligible, offers himself for re-appointment		
5	Authorization to the Board of Directors to fix the remuneration of the Joint Statutory Auditors for FY 2019-20		
	SPECIAL BUSINESS		
6	Approval for appointment of Shri A. K. Tiwari as Director (Finance) and CFO, liable to retire by rotation		
7	Approval for ratification of remuneration of the Cost Auditors for FY 2018-19		
8	Approval for Material Related Party Transactions with Petronet LNG Limited for FY 2019 -20		
9	Amendment in the Articles of Association of the Company		
10	Re-Appointment of Shri Anupam Kulshreshtha (DIN - 07352288), Non-Official Part-Time (Independent) Director of the Company		
11	Re-Appointment of Shri Sanjay Tandon (DIN - 00484699), Non-Official Part-Time (Independent) Director of the Company		
12	Re-Appointment of Shri S K Srivastava (DIN - 02163658), Non-Official Part-Time (Independent) Director of the Company		

Signed this..... day of..... 2019

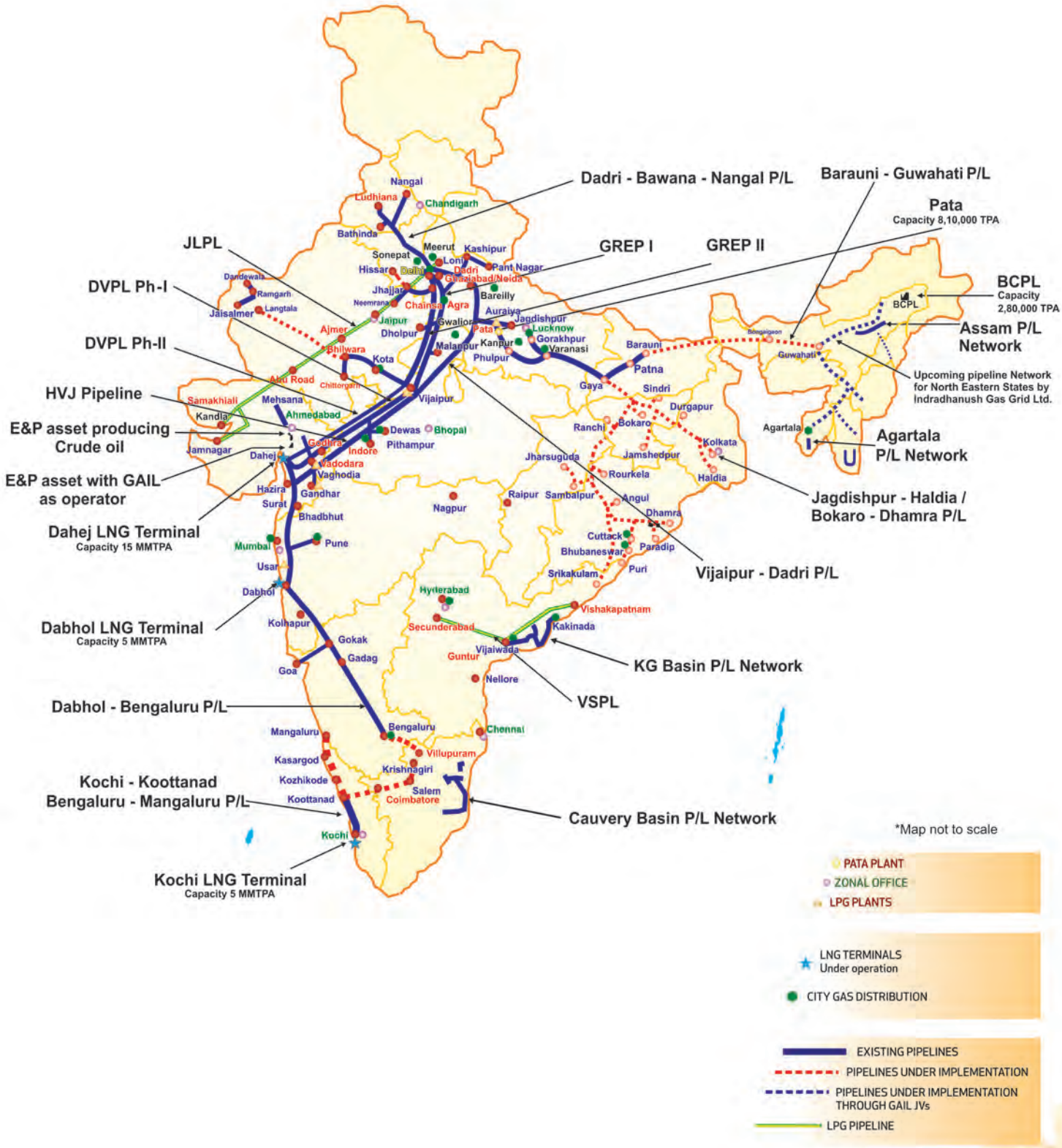
Affix Revenue Stamp Re.1/-

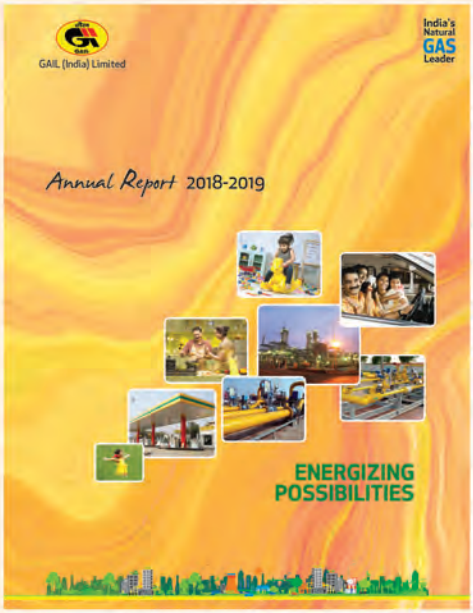
Signature of Proxy holder(s) **First** **Second** **Third** **Signature of Shareholder**

NOTES:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, **not less than 48 hours** before the commencement of the meeting.
2. The Proxy Form should be signed across the stamp as per specimen signature registered with the R&TA/ Depository Participant (DP).
3. Please put 'X' in the appropriate column against the resolutions indicated in the Box. If you leave 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/ she thinks appropriate.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
5. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

GAIL's Presence in India





Energizing Possibilities

As the drivers of change in the world's largest democracy, GAIL (India) Limited is powering not just the energy needs of the present but also of the coming generations.

Spreading the positivity of the greener fuel through its nationwide pipeline network, GAIL (India) Limited is energizing industries, businesses, homes and people.

With growing demand for clean and sustainable energy across economic sectors, GAIL's efforts in strengthening its Natural Gas grid connecting cities and towns is augmenting possibilities in energy and in turn the lives of people while paving the way for a greener and prosperous India.

GAIL (India) Limited

Regd. Off. : 16, Bhikaiji Cama Place, R.K. Puram, New Delhi-110066
Website : www.gailonline.com
Corporate Identification No.: L40200DL1984GOI018976