



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
NEW DELHI-110066, INDIA
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ND/GAIL/SECTT/ 2016

February 9, 2016

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

**Sub.: Un-audited Financial Results for the quarter ended on 31st December, 2015
and recommendation of Interim Dividend for FY 2015-16**

Dear Sir,

This is in continuation of our letter of even no. dated February 2, 2016.

The Board of Directors of the Company in its meeting held today i.e. **9th February, 2016** has, inter-alia, approved the un-audited financial results of the Company for the quarter ended **31st December, 2015** and approved payment of interim dividend for the FY 2015-16 @ **25 %** (Rs. **2.50** per equity share) on the paid-up equity share capital of the Company.

Interim Dividend will be paid with reference to the '**Record Date**' i.e. **Wednesday, the 17th February, 2016** fixed for the said purpose.

Please find enclosed herewith a copy of the un-audited financial results of the Company for the quarter year ended on **31st December, 2015** as approved by the Board of Directors along with Limited Review Report of M/s G.S. Mathur & Co. and M/s O.P. Bagla & Co., Joint Statutory Auditors of the Company on the said results.

The Board meeting commenced at 11.00 a.m. and concluded at **2.50 P.M.**

The above is for your information and records please.

Thanking You
Yours faithfully

(N.K. Nagpal)
Company Secretary
e-mail: nknagpal@gail.co.in

Encl.: As above

Copy to:

1. Listing Department
BSE Limited
Floor 1, Phiroze Jeejeebhoy Towers
Dalal Street,
MUMBAI – 400 001
 2. Central Depository Services (India) Limited
28th Floor, P. J. Towers,
Dalal Street,
MUMBAI – 400 001
 3. National Securities Depository Limited
Trade World, A wing, 4th & 5th Floors
Kamala Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai – 400013
 4. MCS Limited, R&TA-
New Delhi
- K/A – Shri S. Biswas

**GAIL (INDIA) LIMITED****STATEMENTS OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2015**

(₹ In Lakhs)

Particulars		For the Quarter ended			For the Nine Months Ended		For the Year ended
		31.12.2015 Unaudited	30.09.2015 Unaudited	31.12.2014 Unaudited	31.12.2015 Unaudited	31.12.2014 Unaudited	31.03.2015 Audited
PART - I							
1	Income from Operations						
	a) Net Sales/Income from operations (Net of excise duty)	1,338,005	1,408,797	1,493,375	3,998,707	4,233,404	5,656,945
	b) Other Operating Income	7,153	7,695	3,566	19,472	13,732	17,253
	Total Income from Operations (Net)	1,345,158	1,416,492	1,496,941	4,018,179	4,247,136	5,674,198
2	Expenses						
	a) Consumption of raw materials	90,011	93,165	137,487	261,559	382,599	502,760
	b) Purchase of Stock - in - trade	994,695	1,024,865	1,139,635	3,014,561	3,144,292	4,034,833
	c) (Increase)/decrease in Inventories of Finished Goods, Work in Progress and Stock in Trade	2,215	70,119	(11,764)	34,003	(60,600)	23,217
	d) Employees benefits expense	26,296	25,784	24,423	76,899	70,422	90,640
	e) Depreciation & amortisation expenses	33,297	32,272	25,103	96,343	72,143	97,426
	f) Other expenses	116,317	118,117	108,587	326,703	305,143	553,128
	Total Expenses	1,262,831	1,364,322	1,423,471	3,810,068	3,913,999	5,302,004
3	Profit / (Loss) from Operations before other income, finance costs and exceptional Items (1-2)	82,327	52,170	73,470	208,111	333,137	372,194
4	Other Income	25,691	30,176	14,029	63,724	60,153	86,086
5	Profit / (Loss) from ordinary activities before finance costs and exceptional Items (3±4)	108,018	82,346	87,499	271,835	393,290	458,280
6	Finance Costs	15,833	16,352	8,508	48,542	26,989	36,130
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional Items (5±6)	92,185	65,994	78,991	223,293	366,301	422,150
8	Exceptional Items	-	-	6,286	-	6,286	6,286
9	Profit/ (Loss) from Ordinary Activities before tax (7±8)	92,185	65,994	85,277	223,293	372,587	428,436
10	Tax expenses :						
	Current Tax						
	- Current Year (Net of Mat Credit Entitelment)*	8,817	(1,963)	13,635	14,966	91,791	47,984
	- Earlier Year	-	-	(4,385)	-	(4,385)	(2,200)
	Deferred Tax	16,942	23,906	15,619	55,436	32,339	78,735
11	Net Profit/(Loss) from Ordinary Activities after tax (9±10)	66,426	44,051	60,408	152,891	252,842	303,917
12	Extraordinary items (Net of tax expenses)	-	-	-	-	-	-
13	Net Profit/(Loss) for the period (11±12)	66,426	44,051	60,408	152,891	252,842	303,917
14	Paid up Equity Share Capital	126,848	126,848	126,848	126,848	126,848	126,848
	(Face value of ₹ 10/- per share)	-	-	-	-	-	-
15	Reserves excluding Revaluation Reserves	-	-	-	-	-	2,785,104
16	Earnings Per Share (EPS) (in ₹)						
	(a) Basic & Diluted EPS before Extraordinary items	5.24	3.47	4.76	12.05	19.93	23.96
	(b) Basic & Diluted EPS after Extraordinary itesms	5.24	3.47	4.76	12.05	19.93	23.96

* MAT Credit Entitlement for the Nine Months ended ₹ (32,849)/- Lakhs (Corresponding Nine Months ended ₹ NIL)

Segment wise Revenue, Results and Capital Employed for the Quarter and Nine Months ended 31st December 2015

(₹ In Lakhs)

PARTICULARS	For the Quarter ended			For the Nine Months Ended		For the Year ended
	31.12.2015 Unaudited	30.09.2015 Unaudited	31.12.2014 Unaudited	31.12.2015 Unaudited	31.12.2014 Unaudited	31.03.2015 Audited
1 Segment Revenue (Net Sales/Income)						
A. Transmission Services						
I) Natural Gas	97,893	106,023	99,534	296,394	242,257	334,914
II) LPG	11,272	11,238	10,712	36,134	31,635	44,055
B. Natural Gas Marketing	1,168,653	1,221,799	1,316,687	3,448,562	3,665,476	4,917,404
C. Petrochemicals	72,866	79,810	124,595	204,303	352,002	472,008
D. LPG And Liquid Hydrocarbons	82,760	74,784	105,371	250,452	401,752	505,275
E. Other Segment*	21,203	23,465	20,299	63,547	56,547	76,268
Total	1,454,647	1,517,119	1,677,198	4,299,392	4,749,669	6,349,924
Less : Inter- Segment Revenue	116,642	108,322	183,823	300,685	516,265	692,979
Sales / Income from Operations	1,338,005	1,408,797	1,493,375	3,998,707	4,233,404	5,656,945
2 Segment Results (Profit/(Loss) before Interest and Tax)						
A. Transmission Services						
I) Natural Gas	42,769	57,553	50,804	139,696	99,348	131,560
II) LPG	5,430	5,804	5,418	19,455	17,089	23,795
B. Natural Gas Marketing	48,342	19,253	5,114	101,832	46,745	56,086
C. Petrochemicals	(16,056)	(23,694)	477	(69,769)	28,489	13,059
D. LPG And Liquid Hydrocarbons	23,275	7,214	24,240	58,166	163,903	192,171
E. Other Segment*	(1,212)	11,009	(946)	16,611	15,070	22,500
Total	102,548	77,139	85,107	265,991	370,644	439,171
Less : (i) Interest	15,833	16,352	8,508	48,542	26,989	36,130
(ii) Other Un-allocable Expenditure	19,791	23,824	14,564	57,691	39,637	68,640
(iii) Other Un-allocable Income	(25,261)	(29,031)	(23,242)	(63,535)	(68,569)	(94,035)
Total Profit before Tax	92,185	65,994	85,277	223,293	372,587	428,436
3 Capital Employed (Segment Assets - Segment Liabilities)						
A. Natural Gas Transmission / Marketing	1,921,730	1,964,912	1,984,988	1,921,730	1,984,988	2,038,308
B. LPG Transmission	73,708	72,857	72,524	73,708	72,524	71,004
C. Petrochemicals	854,941	802,652	129,364	854,941	129,364	788,270
D. LPG And Liquid Hydrocarbons	85,526	83,503	154,411	85,526	154,411	84,133
E. Other Segment*	168,185	160,910	156,187	168,185	156,187	155,469
F. Un Allocable	1,222,244	1,229,941	1,683,270	1,222,244	1,683,270	1,061,225
Total	4,326,334	4,314,775	4,180,744	4,326,334	4,180,744	4,198,409

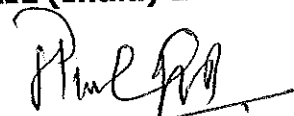
*Other Segment includes GAILTel, E&P, City Gas and Power Generation.

Notes

1. The above is an extract of the detailed format of standalone financial results for the quarter and nine months ended on 31st December 2015 filed with the Stock Exchange under Regulation 33 of SEBI (Listing and Disclosure Requirements) Regulations, 2015. The full format of the standalone financial results for the quarter and nine months ended 31st December 2015 are available on websites of the Stock Exchange (www.nseindia.com, www.bseindia.com), and the Company (www.gailonline.com).
2. The above financial results were reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 09th February 2016.
3. Limited Review of the Financial Results has been carried out by the Statutory Auditors of the Company.
4. The Company provided 'NIL' discount for the quarter ending 31st December, 2015 (Previous year corresponding quarter: ₹ 50,000 Lakhs) as the company has not received any orders from Ministry of Petroleum & Natural Gas (MOP&NG) relating to sharing of under recoveries on LPG for the quarter. The provisional discount provided for the nine months ended 31st December, 2015 is 'NIL' (Previous year corresponding period: ₹ 100,000 Lakhs).
5. Petroleum and Natural Gas Regulatory Board (PNGRB) has issued various provisional transportation tariff orders in respect of pipeline tariff. Some of these orders have been contested by the Company with Competent Authority, i.e., Appellate Tribunal for Electricity (APTEL), which were remanded back by APTEL to PNGRB for review. Further adjustment on account of review, if any, will be recognized as and when the matters are decided.
6. Investment in equity shares of Ratnagiri Gas and Power Private Ltd. (RGPPL) (A joint venture of the Company) of ₹ 97,431 Lakhs has been stated at book value as at 31st December, 2015, as diminution in the value of the investment is considered of non-permanent nature by the management in view of future plans of the JV company. Further to this, during the period RGPPL has obtained in-principle approval of its Board of Directors for demerger of its Power generation business and LNG business into separate companies.
7. Ministry of Corporate Affairs (MCA) vide notification dated 29th August 2014 has amended Schedule II to the Companies Act 2013 requiring mandatory componentization of assets and ascertaining different useful life of such components for financial statements in respect of financial years commencing on or after 1st April 2015. The Company has reviewed and implemented the componentization of its assets during the quarter ended 31st December 2015. Due to the same, depreciation has increased by ₹ 99 Lakhs and profit has decreased to that extent.

8. The long term Gas Sales and Purchase Contract with Petronet LNG Ltd., for off-take of R-LNG has been renegotiated during the quarter ended 31st December 2015. As per the amendment carried out, the quantity of R-LNG not off-taken by the Company during CY 2015 shall be treated as "Downward Flexibility" and shall be taken as "Make Good Gas" during subsequent Contract Years. Further, additional volume of about 1 MMSCMD of R-LNG would also be purchased by GAIL. The long term contracts are materially back to back with the customers.
9. The Board of Directors has declared interim dividend of ₹ 2.50 per equity share (25% of face value ₹ 10 /-each) amounting to ₹ 31,712 Lakhs in its meeting held on 09th February 2016.
10. Previous period / year figures have been regrouped / reclassified, wherever required.

For GAIL (India) Limited



(Subir Purkayastha)
Director (Finance)

Place: New Delhi
Date: 09.02.2016

M/s G.S.Mathur & Co.
Chartered Accountants
A-160, Ground Floor,
Defence Colony,
New Delhi – 110 024

M/s O P Bagla & Co.
Chartered Accountants
8/12, Kalkaji Extension,
New Delhi-110 049

Review Report

The Board of Directors,
GAIL (India) Ltd.
16, Bhikaiji Cama Place,
R.K. Puram,
New Delhi – 110 066.

We have reviewed the accompanying statement of standalone unaudited financial results of GAIL (India) Ltd. for the quarter and nine months ended on 31st December 2015. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

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

Without qualifying our report, attention is invited to Note No. 5 (Provisional Pipeline Transportation Tariff issued by PNGRB, which are contested by the Company at Appellate Tribunal for Electricity) and Note No.6 (Status of investment in Ratnagiri Gas and Power Private Ltd, a joint venture of the Company) of statement of standalone unaudited financial results.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of standalone unaudited financial results read with notes thereon, prepared in accordance with applicable accounting standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies thereon has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

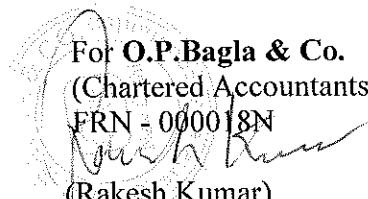
For G.S.Mathur & Co.
(Chartered Accountants)
FRN - 008744N

(Rajiv Kumar Wadhawan)
Partner
M.No. 091007



For O.P.Bagla & Co.
(Chartered Accountants)
FRN - 000018N

(Rakesh Kumar)
Partner
M.No.087537



Place : New Delhi
Date : 9th February 2016