



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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फैक्स/FAX : +91 11 26185941
ई-मेल/E-mail : info@gail.co.in

ND/GAIL/SECTT/2017

August 1, 2017

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
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Sub.: Appointment of Auditor


Dear Sir,

This is to inform that Comptroller & Auditor General of India (CAG) vide its letter no. CA.V/COY/Central Government, GAIL(2)/ 8 dated 11/07/2017 appointed M/s A S A & Associates LLP, Chartered Accountants, New Delhi as Statutory Auditors of the Company for the FY 2017-18.

This is in compliance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The above is for your information and records.

Thanking you,
Yours faithfully,


(A.K. Jha)
Company Secretary

Copy to:

1. Deutsche Bank Trust Company Americas
Global Equity Services
Corporate Trust & Agency Services
Kodak House, 1st Floor, 222 Dr. D N Road
MUMBAI – 400001



OFFICE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
10, BAHADUR SHAH ZAFAR MARG, NEW DELHI - 110 124

No./CA. V/ COY/CENTRAL GOVERNMENT,GAIL(2)/8
Dated :11/07/2017

To
THE MANAGING DIRECTOR
GAIL (INDIA) LIMITED
16, BHIKAIJI CAMA PLACE, R K PURAM,
NEW DELHI-110066

Subject : Appointment of Auditors under section 139 of the Companies Act, 2013 for the financial year 2017-2018

Sir/Madam,

I am directed to state that in exercise of the powers conferred by section 139 of the Companies Act 2013, the Comptroller and Auditor General of India is pleased to appoint the Chartered Accountant firms/Limited Liability Partnerships As per Annexure - II as the Statutory/Joint Statutory/ Branch Auditors of the company for the year(s) : 2017-2018. Statutory/Joint Statutory Auditor (s) of holding company shall also be the auditors of Consolidated Financial Statements under section 139 read with section 129(4) of the Companies Act, 2013.

2. You are requested to contact the concerned auditors individually under intimation to this office

3. The supplementary/test audit under sections 143 (6) & (7) of the Companies Act, 2013 of your company is entrusted to

PR.DIR.COMML.AUDIT & EX-OFFICIO MEMBER AUDIT BOARD-II
ANNEXE BUILDING, 10 BAHADUR SHAH ZAFAR MARG
NEW DELHI-110124

4 . The remuneration and other allowances payable to the auditors may be regulated as per the provisions of section 142 of the Companies Act 2013 read with guidelines issued by the Department of Company Affairs vide no. 7/76 dated 8th April, 1976 and no. 8/6/83 dated 07th June, 1984.

5. The audit fees paid/payable to the auditors as intimated by the Company has been indicated in Annexure-II. Any revision in the audit fees payable (including fees for consolidation) for the year 2017-2018 and item-wise details of all remuneration paid to the auditors for other services (other than statutory audit) alongwith the amount of TA/DA paid for 2016-2017 may be intimated.

The said information may be provided as soon as the Accounts for the year 2016-2017 is finalised so as to enable this office to review the appointment/ re-appointment of the appointed auditors.

6. The above appointment is subject to the other conditions stipulated in Annexure-I(Copy enclosed).

Yours faithfully,


(Preeti Narayanan)

Sr. Administrative Officer


Phone : 011-23509240 Fax : 91-11-23237730, 91-11-23509241 E-mail : saoca5@cag.gov.in,
sao2ca5@cag.gov.in

Copy to :

Firm Name and Address	Audit Type	PSU Code / Unit Code	Audit Details
A S A & ASSOCIATES LLP (DE1187) 81/1, Third Floor Adchini, Aurobindo Marg New Delhi NEW DELHI NEW DELHI - 110017,DELHI	Statutory	GAIL JTST 2	STATUTORY AUDITORS.

The appointment is subject to the other conditions mentioned in Annexure - I (copy enclosed). The firm is requested to contact the company immediately and take such further action as may be required.

(Annexure - II is only for the Company)


(Preethy Narayanan)
Sr. Administrative Officer

the Companies Act, 2013.

CONDITIONS FOR THE COMPANY

1. The Company may send a list of Directors and the previous Auditors of the Company giving their names and addresses to the newly appointed Auditors immediately on receipt of this letter.
2. While the auditor is responsible for forming and expressing an independent opinion on the financial statements, the responsibility for their preparation is that of the management of the enterprise. The audit of the financial statements does not relieve the management of its responsibilities relating to the maintenance of adequate accounting records, internal controls and safeguarding of the assets of the enterprise. As provided in Section 134 of the Act, the Company should submit to the auditors the Financial Statements/Consolidated Financial Statements duly approved by the Board of Directors for their report thereon.
3. According to Section 143 (1) of the Act, the books of accounts and vouchers may be made available to the Auditors. A suitable program of audit in consultation with the statutory auditors and the concerned MAB/AG be drawn up so as to complete the audit within the prescribed time schedule. Details of transactions or explanation called for by the Statutory Auditors must be furnished expeditiously.
- 4 (i). The remuneration payable to the Auditors, fixed by the Company in accordance with section 142 of the Companies Act, 2013, may be intimated immediately to this office and to the auditors.
(ii) While fixing the auditor's remuneration, due consideration might be given to the volume of work involved, amount of time normally spent by the partners/chartered accountant employees and the audit clerks of the firm/LLP.
(iii) While fixing audit fee due consideration might also be given to the notification No 1-CA (7)/93/2006 dated 18th September 2006 issued by the Institute of Chartered Accountants of India prescribing minimum audit fee. It has been clarified that city/town referred to in the Notification refers to city/town of the Head office or Branch office of the auditor to which the audit is actually allotted.
(iv) In cases where audits are allotted to the Branch office of the Firm/LLP no TA/DA should be paid for the audit of the Company/Units located at the same station of the branch.
5. In the interest of maintaining the independence of auditors, no assignment for consultancy or internal audit or any other services i.e. accounting and book keeping services, design and implementation of any financial information system, actuarial services, investment advisory services, investment banking services, rendering of outsourced financial services, management services etc. of the Company or its holding company or partly owned subsidiaries of the Company (irrespective of the shareholding) or joint ventures of the company whether under production sharing contract or otherwise may be provided to the firm/LLP directly or indirectly as per explanation given under section 144 of the Companies Act, 2013 during the year of audit and for one year (to be counted from the date of conclusion of the relevant Annual General Meeting of the Company) after the firm/LLP ceases to be auditor. Non-audit assignments that involve performing management functions or making management decisions and audit of annual accounts of subsidiary companies (irrespective of the shareholding)/Joint Ventures/Associates are also prohibited during the year of audit and for one year after the firm/LLP ceases to be auditor. This condition would not apply in case of auditors being entrusted assignments for the tax audit under Income Tax Act, review of Quarterly/ half yearly accounts as per SEBI guidelines, VAT audit required under various State Legislations and other statutory certificates related to the audit assignment.
- 6(a) The Company should confirm past audit details including audit fees. Any changes in audit details including the fees in the future may be intimated to this office from time to time. Any other remuneration like TA/DA, Certification fees, tax audit fees, quarterly/half yearly review fees, VAT audit etc. paid to the Statutory/Branch Auditors in addition to the audit fees in the last three years and in future may also be intimated. The remuneration for other work like review of quarterly accounts as per SEBI guidelines, fees for tax audit, other statutory certificates etc should be restricted to a reasonable the percentage of the total audit fee payable to the auditors and which in total should not exceed the fee payable for carrying out the statutory audit. The details of such remuneration may also be intimated to this office for record.
- 6(b) The Auditors have to comply with the directions issued by this office under Section 143 (5) of the Companies Act, 2013 and for this purpose the auditors have to attend meetings called by the concerned DG/PAG/AG/MAB. For attending such meetings, reasonable expenditure on TA/DA incurred by the auditors may be reimbursed by the company.
7. Proposals for re-organisation of units in the future may be sent to this Office well before the beginning of the financial year the accounts of which are to be audited.
8. The Company may also intimate to this office (i) the date of commencement of audit, and the date on which the comments of the C&AG of India along with the Auditors Report is placed in AGM as per the provisions of 143 (6) of the Companies Act, 2013.
9. To reduce the arrears, in case of Companies whose accounts are in arrears, and to avoid delays in appointing auditors for the past few accounting years in arrears, the Company may initiate action for appointment of auditors for the subsequent years soon after the completion of audit of the preceding years. A copy of such certified accounts may be made available direct to the Director General (Commercial) in this Office. If the process is repeated in succession, the Company can hold a series of meetings of the shareholders and present the accounts. It can thus clear the accounts for 3-4 years within a period of one year.