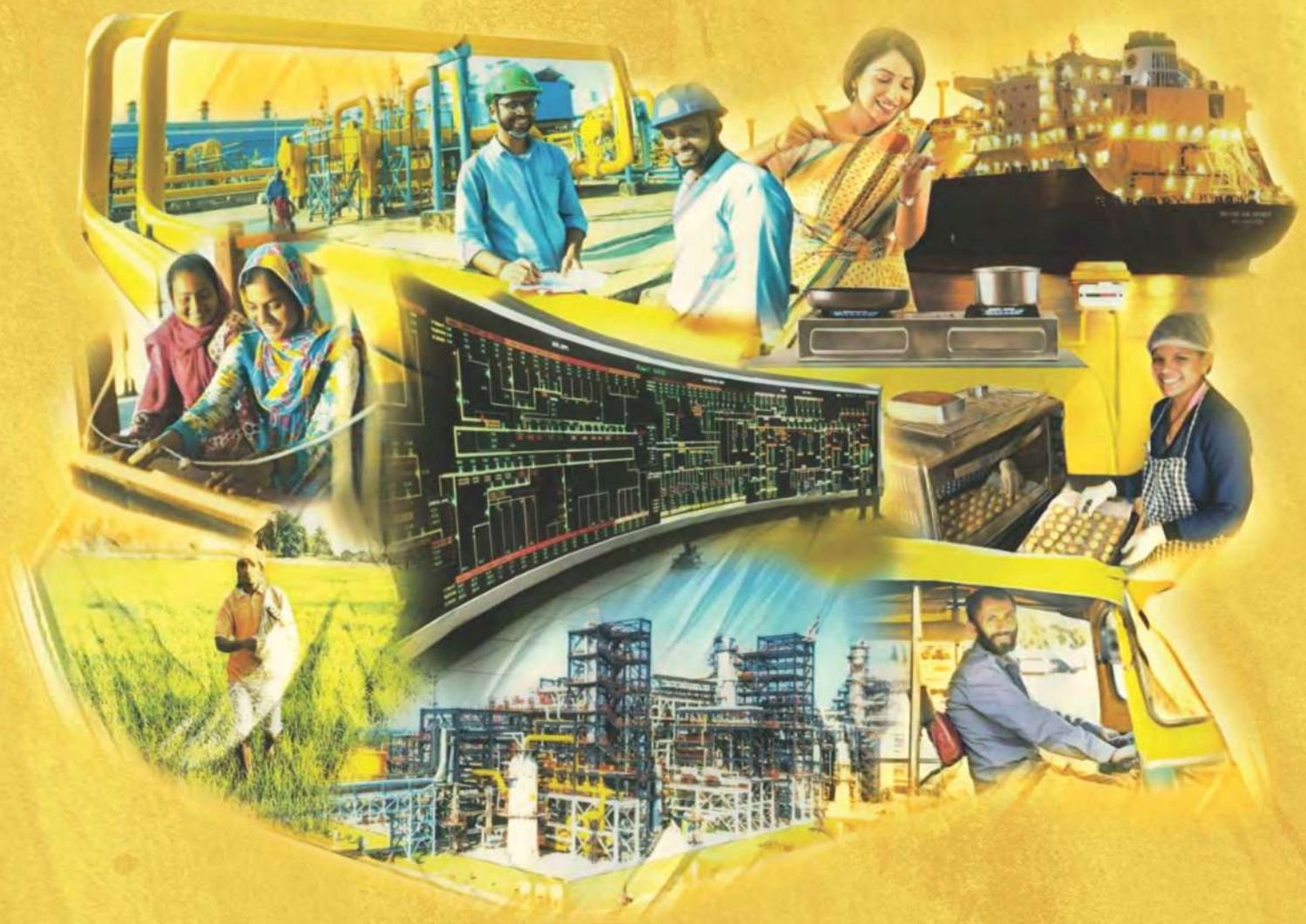
GAIL (India) Limited

India's Natural GAS Leader

Annual Report 2019-20



#EnergizingPossibilities

AATMANIRBHAR BHARAT

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Message from CMD

"In this exciting phase of journey of your Company, I express my gratitude for your unshaken support and the decision of continuing an enduring relationship with the Company, Management and Employees."

Manoj Jain
Chairman & Managing Director

Dear Stakeholders,

I am glad to report that Financial Year 2019-20 was another remarkable year for your Company. Despite numerous challenges such as low oil and gas prices, COVID-19 pandemic, limited economic growth and reduced petrochemical margins, your Company has delivered incredible results on several fronts with enduring spirit. Your Company has yet again clocked new heights by attaining highest ever profits in the history - a feat that is made possible through your continued support and confidence. Our physical performance remained positive in most areas including construction of natural gas pipelines, expansion of new gas markets in different parts of country, development of new gas markets, petrochemical production including new petrochemical grades etc.

Retrospect on the previous year

Last Financial Year was a challenging year for both global economy and global energy sector. Global economy has shown signs of softening in the wake of rising tariffs, escalating trade tensions and policy uncertainty. COVID-19 has further aggravated the position as it resulted into a substantial economic crisis worldwide. Global primary energy consumption, already decelerating due to the weaker economic growth was further weakened by the pandemic crisis. Except nuclear, all other primary fuels witnessed a declining growth in last financial year. Share of coal, which has a dominant share of global primary energy mix, reduced to 27% which is the lowest in last 16 years. Crude price has witnessed significant fall due to significant demand destruction by pandemic and corona virus further threatens to make this shift permanent. Renewables and natural gas have emerged as more feasible options for global energy system. Three-fourth of the overall global energy growth in last year came from natural gas and renewables as both the fuels have started to displace coal gradually in the power sector as sustainable choice. As a result, the growth in carbon emissions has also slowed down in 2019 from the sharp increase seen in the previous year.

India remains one of the few optimistic energy markets. India's energy consumption grew at around 2.3% while gas consumption grew at a higher rate of 2.7%. LNG consumption grew at an even higher rate indicating bright future prospects for the natural gas sector. But against reduced growth in global carbon emission last year, carbon emission growth in India has accelerated. Our country consumed only 5.8% of world primary energy in 2019, but contributed to over 7.3% of global carbon emissions, indicating a less-cleaner energy mix. At a time when environmental issues and pollution are at the heart of concerns, the call for action is intensifying. Rest of the world is increasingly adopting renewables and natural gas as mainstay energy sources and your Company has been advocating for usage of natural gas in power and industrial sector as fuel to shift India's energy mix to cleaner sources.

Performance

During FY 2019-20, your Company has shown consistent performance across all segments despite the volatile macro environment clubbed with sluggish economic growth. Your Company shifted to the new tax regime and has recorded highest ever Profit After Tax (PAT) of ₹ 6,621 crore, a rise of 10% from ₹ 6,026 crore over the last fiscal year. In view of the increase in PAT, EPS has gone up from ₹ 13.36 per share as on March 31, 2019 to ₹ 14.68 per share as on March 31, 2020.

Your Company owns over 70% of India's gas transmission network, operating around 12,426 km of natural gas trunk pipeline. Natural gas transmission segment has witnessed 4.5% increase of gross revenue compared to previous year and transported 108.37 MMSCMD in FY 2019-20. Your Company is aligned to the Government of India's vision of gas based economy with inclusive growth. As a part of providing access to natural gas across India, your Company is executing around 7,500 km of pipeline projects in various parts. Significant progress has been made in pipeline laying activities of Pradhan Mantri Urja Ganga pipeline, also known as Jagdishpur-Haldia and Bokaro-Dhamra Pipeline (JHBDPL) across 6 states of Bihar, Uttar Pradesh, Jharkhand, Odisha, West Bengal and Assam. Your Company has commissioned 165 km Gorakhpur spurline section of JHBDPL and 350 km section of KKMBPL pipeline last year. Construction of various other pipeline sections are under progress in phases and are on schedule. The construction of above natural gas pipelines re-affirms the commitment of your Company to provide access of cleaner fossil fuel, natural gas, in different parts of the country by creating national gas grid.

In 2019-20, your Company received PNGRB approval for capacity expansion of the JHBDPL network by way of a new pipeline from Dhamra to Haldia and resizing of the Dhamra-Paradip section of JHBDPL. Your Company also received PNGRB authorization for the Mumbai-Nagpur-Jharsuguda pipeline, while the construction of the 690 km Srikakulam-Angul pipeline has commenced. To offer seamless and transparent pipeline access to its customers, your Company launched a 24x7 available online portal in 2018. Around 1,800 Capacity Tranche (CT) requests have been processed through the portal during FY 2019-20 while total CT requisitions processed till March 31, 2020 since the launch of online portal is around 3,000. With an aim towards market development, your Company has tied-up more than 13 MMSCMD of gas supply to customers in FY 2019-20 including customers along the new pipelines viz. JHBDPL and KKMBPL, reinforcing its position as a trusted supplier.

Natural gas trading remains your Company's one of the core business with gross revenue ₹ 59,955 crore in FY 2019-20. Your Company's LNG import touched new heights as GAIL imported 74 LNG cargoes to India amounting to approx. 4.8 MMT of LNG volumes to cater to the growing needs of the country. LNG imports, at 7.4% year on year growth

witnessed higher growth than overall sector growth of 2.7% indicating significant appetite of India to consume LNG. Konkan LNG Limited (KLL) has become a subsidiary of your Company which shall provide greater operational flexibility in LNG business in terms of sourcing, regasification and trading of LNG.

In the LPG transmission segment, Jamnagar-Loni and the Vizag-Secunderabad pipeline networks achieved a throughput of 3.91 MMTPA during the year. In petrochemicals, with a marketing portfolio of over 1 MMTPA, your Company successfully maintained its market share in the domestic Polyethylene market and remained the second largest player therein. During FY 2019-20, your Company achieved highest ever polymer production of 788 KTA which is an increase of 5% from preceding year. Your Company has five LPG plants at four locations in the country having a production capacity of 1.4 Million MT, total liquid hydrocarbon production was about 1.26 Million MT of which almost 90% constitutes LPG and Propane. During FY 2019-20, the gross revenue in the liquid hydrocarbon segment has increased by 2%. In E&P segment, revenue from sale of hydrocarbons is being generated from 4 producing blocks in Myanmar and in India. In E&P, your Company has generated revenue of ₹ 968 crore during FY 2019-20 as against ₹ 639 crore in FY 2018-19.

Your Company has presence directly and through affiliates in most of the major metropolitan cities and state capital cities under CGD and has participated in the 9th and 10th CGD bidding rounds of PNGRB. During FY 2019-20, your Company along with its Subsidiaries and Joint Venture Companies (JVC) has achieved around 9.52 lakh domestic PNG connections and has commenced operations at 311 CNG stations, the highest figure ever achieved.

Enabling Innovation

Your Company is a part of the pioneering Coal Gasification Project in Talcher which has huge potential to convert the abundant coal reserves of the country to natural gas. In petrochemicals, after creating history in 2019 by becoming the first ever producer of Metallocene grade polymer in India, your Company has successfully produced around 12,800 MT of Metallocene grade polymers during the year.

As part of our continued advocacy efforts, your Company also partnered with UN patronized "Interdependence" - a global campaign, for raising awareness on environment & climate change.

I am delighted to inform you that as a part of the Sustainable Alternative Towards Affordable Transportation (SATAT) initiative, our wholly owned subsidiary GAIL Gas is actively engaged with entrepreneurs to promote Compressed Bio Gas (CBG).

Your Company has signed investment agreements with 9 Start-Ups during the year with a commitment of ₹ 22 crore. As on date, 24 Start-Ups are supported with a total commitment of ₹ 46 crore and ₹ 35 crore has already been disbursed.

Going Strong

The headwinds due to pandemic did contribute to some negative factors in our performance. There was slowdown in business activities due to country wide lockdown. With graded relaxation in lockdown and other measures adopted by the Government of India to resume economic activities, the operations of your Company has been normalized to a great extent. Your Company remained pioneer in maintaining essential supply of natural gas to key segments such as power, fertilizer, PNG, mobility and other essential industries. Soon after COVID-19 unlock provisions, construction work on pipeline projects of GAIL resumed and work started at JHBDPL, KKMBPL and VAPL sites, while adhering fully to the various Government's COVID guidelines. CGD activities have also commenced in a gradual manner in most of the cities.

For FY 2019-20, there were little consequences of COVID-19 on the physical and financial performance of your company. However, going forward, the pandemic may act as a catalyst upsetting performance of your Company even with preventive measures. However, your Company is determined to stay strong and will remain committed to perform business obligations towards developing future gas market in the country. I am certain that your Company will sail through these tough times and will emerge as a stronger and more determined entity.

Way forward

Last year, we had adopted a revised strategic plan identifying priority business initiatives and reviewed at our purpose with new Vision and Mission statements. This strategic plan will help us to address our challenges in changing industry scenario and provide new areas for growth with geographic expansion meeting high employee aspiration. While gas will remain our core segment, we will look for growth in other areas such as petrochemicals, specialty chemicals, renewables, water etc. With our newly embraced Mission and Vision as guiding principles and strategic initiatives as the chosen path, I am confident that GAIL will reach new heights in coming years.

Towards the end, I would like to express my sincere gratitude for your continued belief in the Company which has enabled us to tread the path of consistent business growth over the years in spite of challenging and harsh business environment. I look forward to the same camaraderie in the times to come as well.

Manoj Jain
Chairman & Managing Director

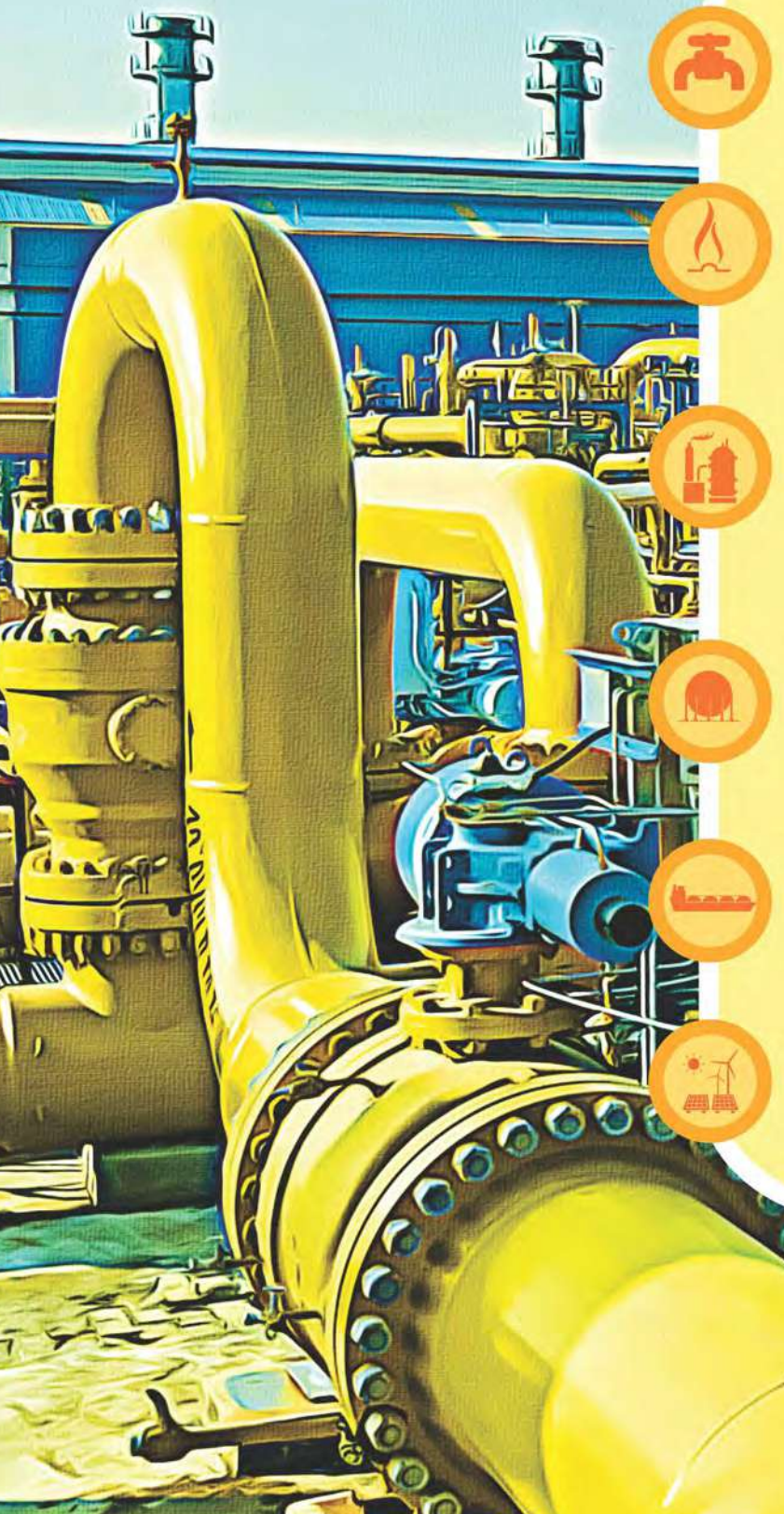
Vision

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

GAIL - Connecting the Gas Value Chain



Natural Gas

- Gas Pipeline Network of over 12,426 km and adding 7,500 km further more
- Over 70% share in Natural Gas Transmission market in India
- Contributes 55% of Natural Gas sold in India

City Gas Distribution

- Serving over 2.4 million CNG vehicles & 4.1 million households with PNG
- Authorized to operate in 62 Geographical Areas throughout India including metro cities of Delhi, Mumbai, Hyderabad, Bengaluru, Kolkata

Petrochemicals

G-Lex G-Lene

- Domestic market Share of about 17.5%
- 1st ever producer of Metallocene catalyst based LLDPE Film grade polymer in India
- 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

LPG & Liquid Hydrocarbons

- 5 Gas Processing Plants producing LPG, Propane Pentane, Naphtha etc.
- LPG Transmission Capacity 3.8 MMTPA (2,038 km)
- 1,425 KTA of production capacity

Gas Sourcing and Upstream

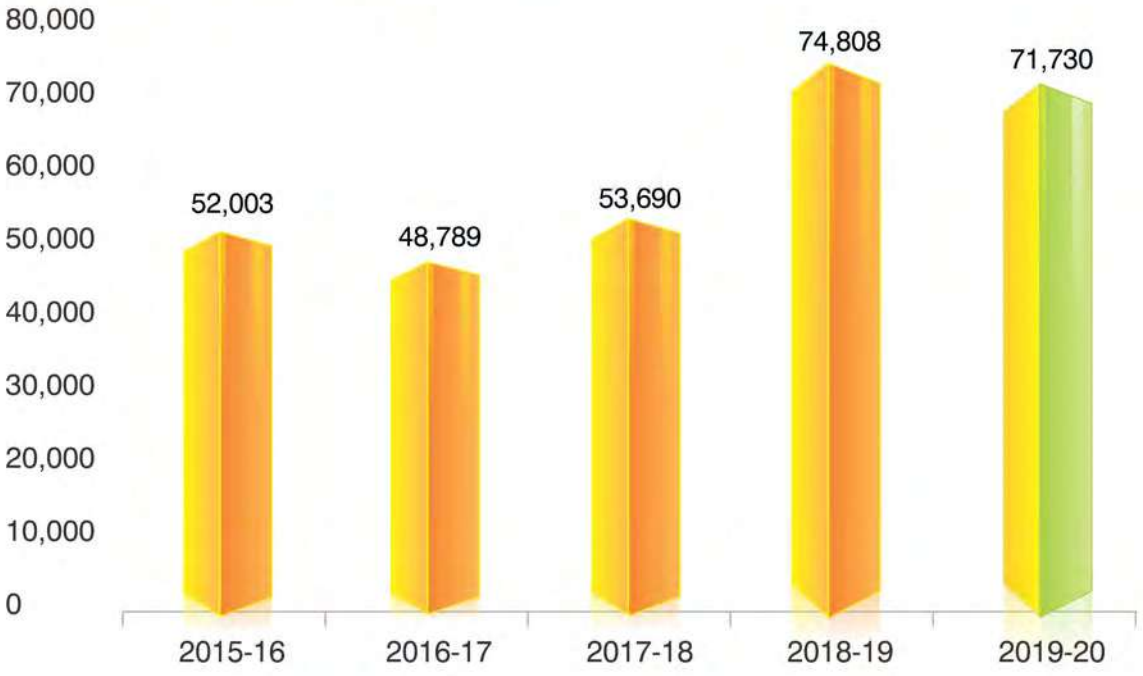
- Participation in 11 E&P blocks
- Regas capacity in PLL Regas Terminal at Dahej, India
- LNG Terminal at Dabhol, India
- Among Top 10 Global LNG Portfolio marketers

Renewables

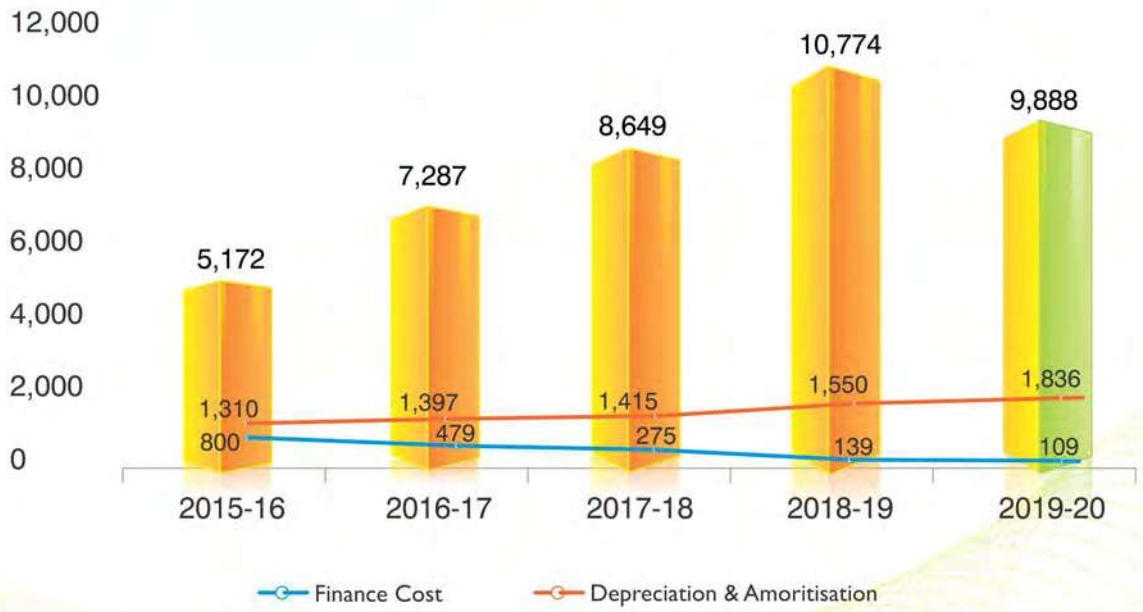
- 118 MW of Wind Power Capacity
- 12.3 MW of Solar Power Capacity

Key Financial Highlights

GROSS SALES (₹ in crore)

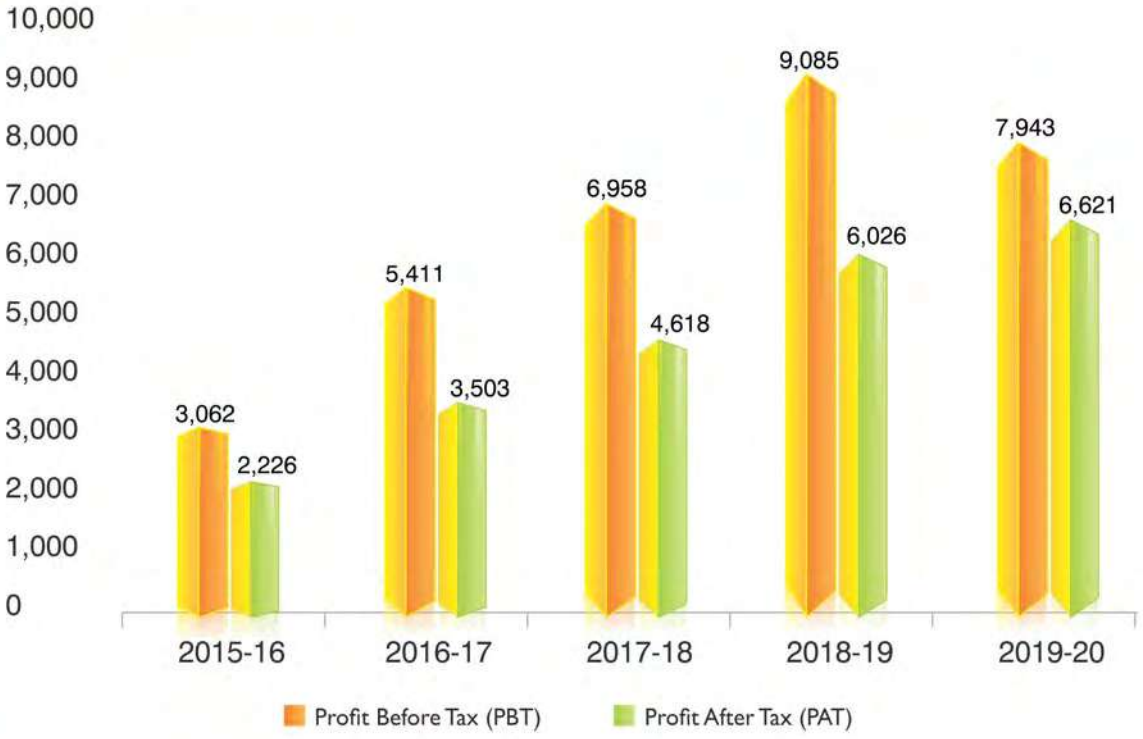


GROSS MARGIN (EBIDTA) (₹ in crore)



PROFITABILITY

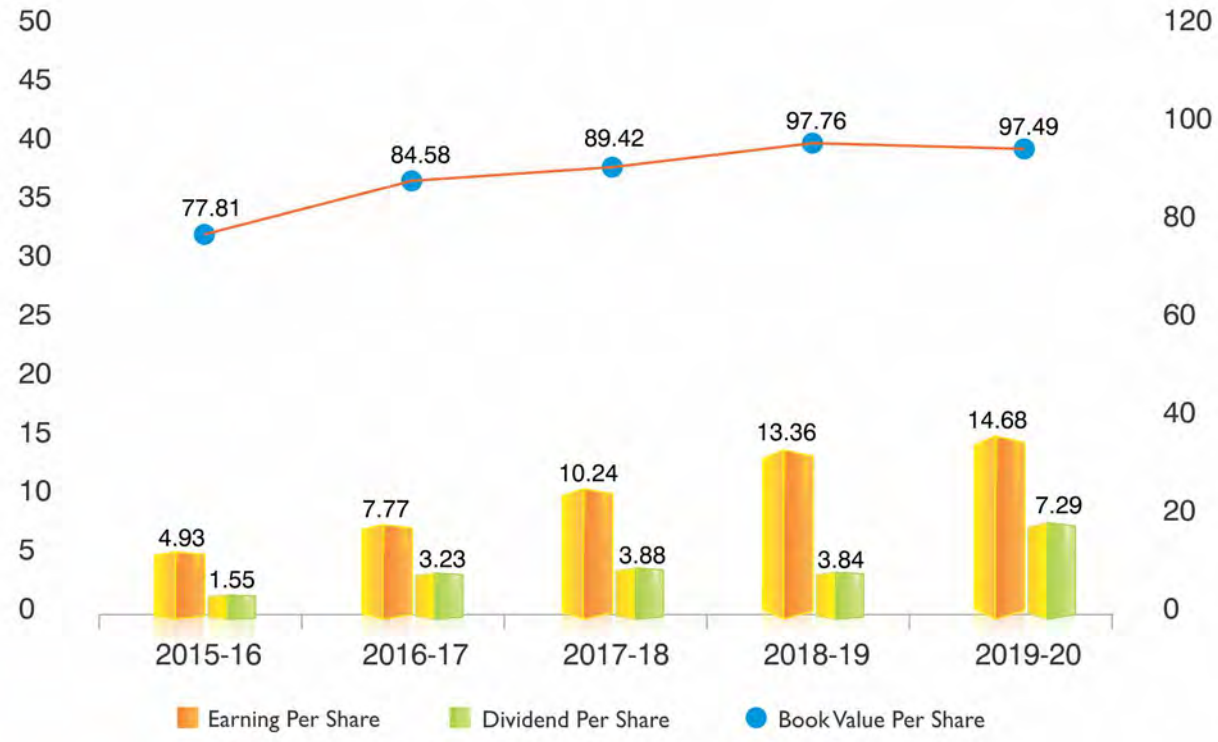
(₹ in crore)



SHAREHOLDERS' FUND

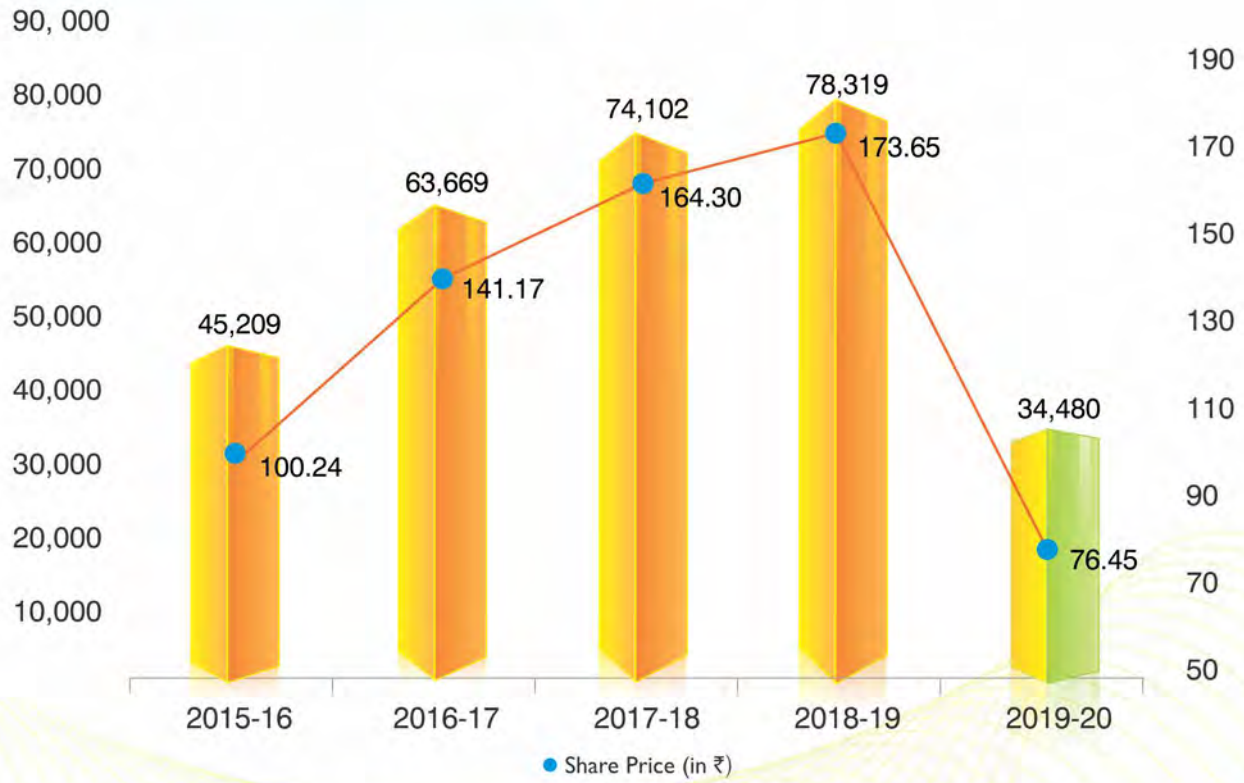
(₹ in crore)

EPS, DPS & BOOK VALUE PER SHARE (in ₹)



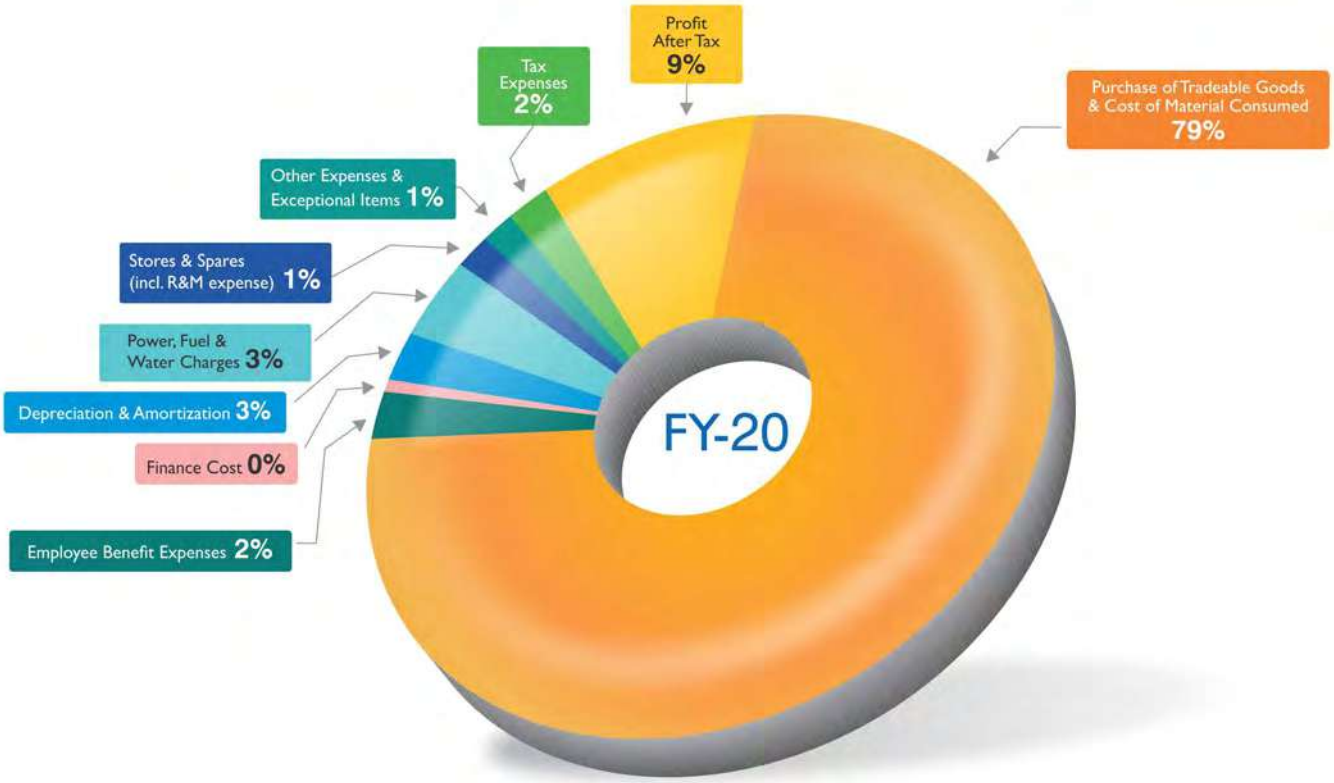
EPS and DPS is adjusted based on the number of shares at the close of current financial year.

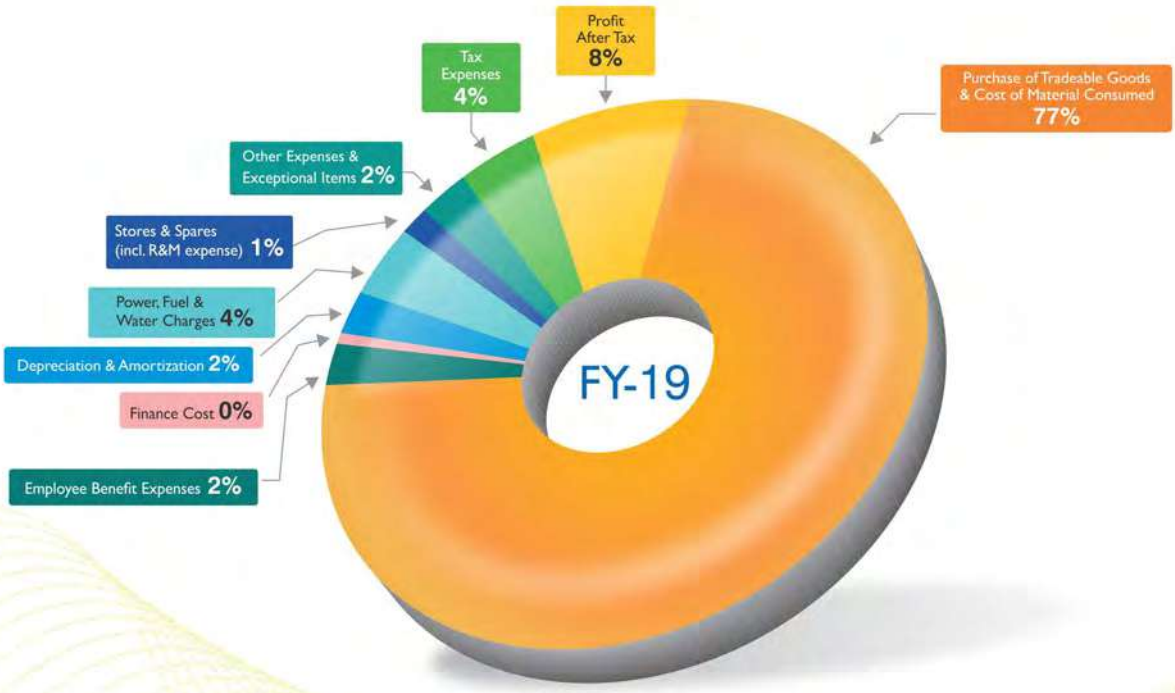
MARKET CAPITALISATION - BSE (₹ in crore)



Market price per share is adjusted based on the number of shares at the close of current financial year.

Cost & Profit as a Percentage of Total Revenue





Financial Performance on Consolidated Basis

GROSS SALES (₹ in crore)

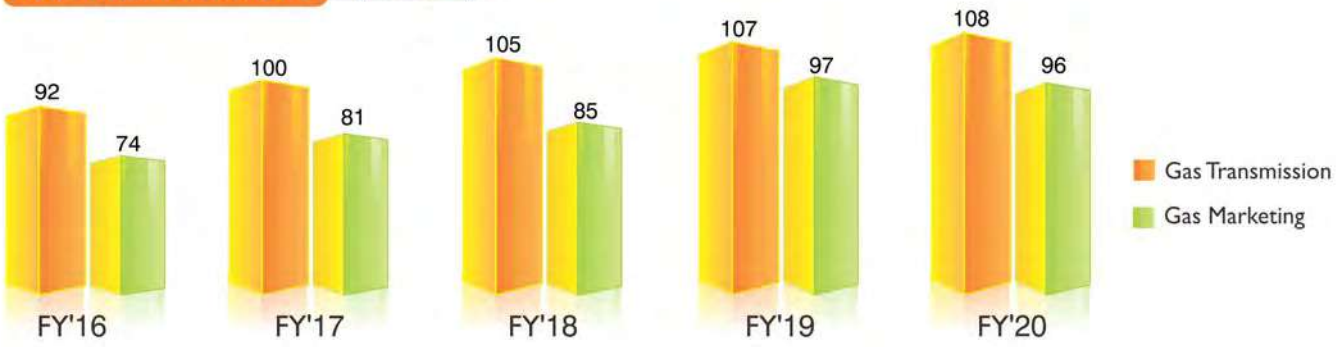
GROSS MARGIN (EBIDTA) (₹ in crore)

PROFIT BEFORE TAX (₹ in crore)

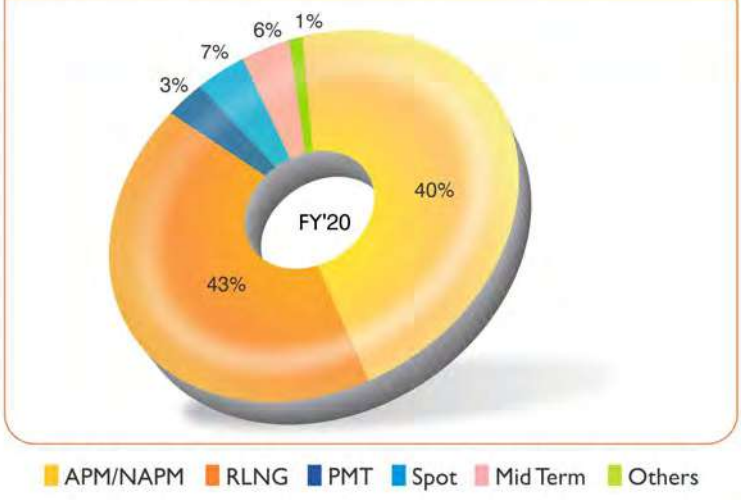
PROFIT AFTER TAX (₹ in crore)

Operational Performance Highlights

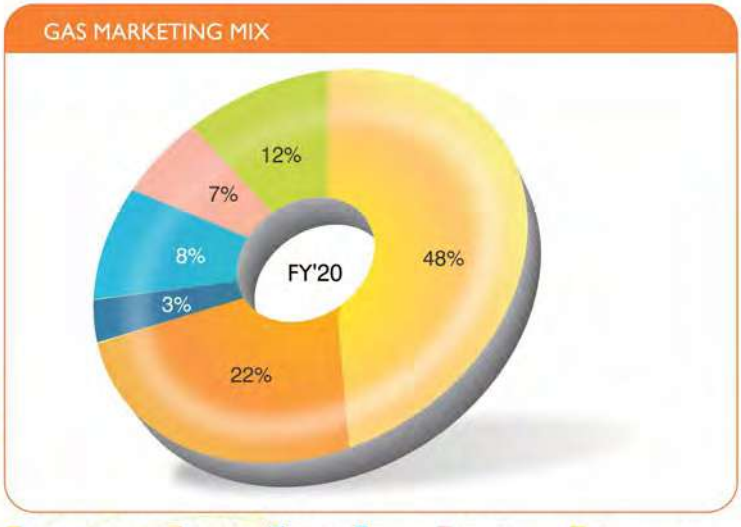
GAS VOLUME TREND (MMSCMD)



GAS TRANSMISSION MIX



GAS MARKETING MIX



PETROCHEMICALS SALES (TMT)

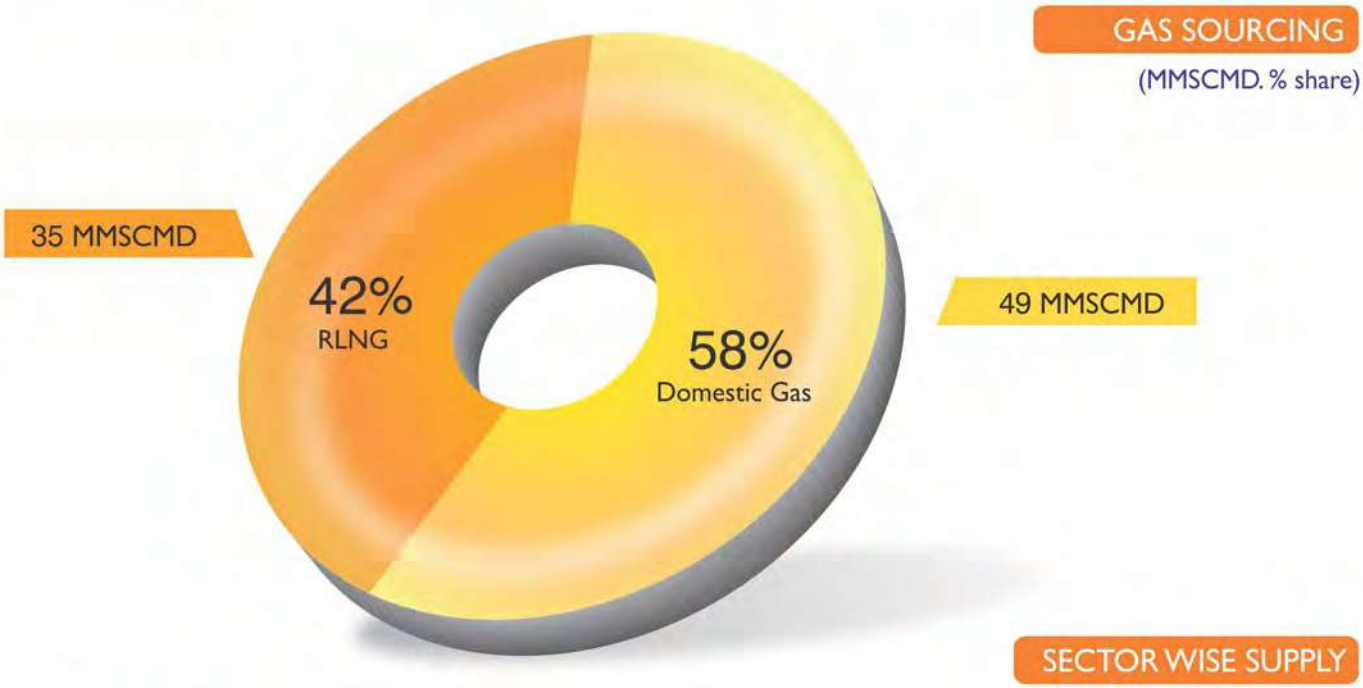
LIQUID HYDROCARBONS SALES (TMT)

LPG TRANSMISSION (TMT)

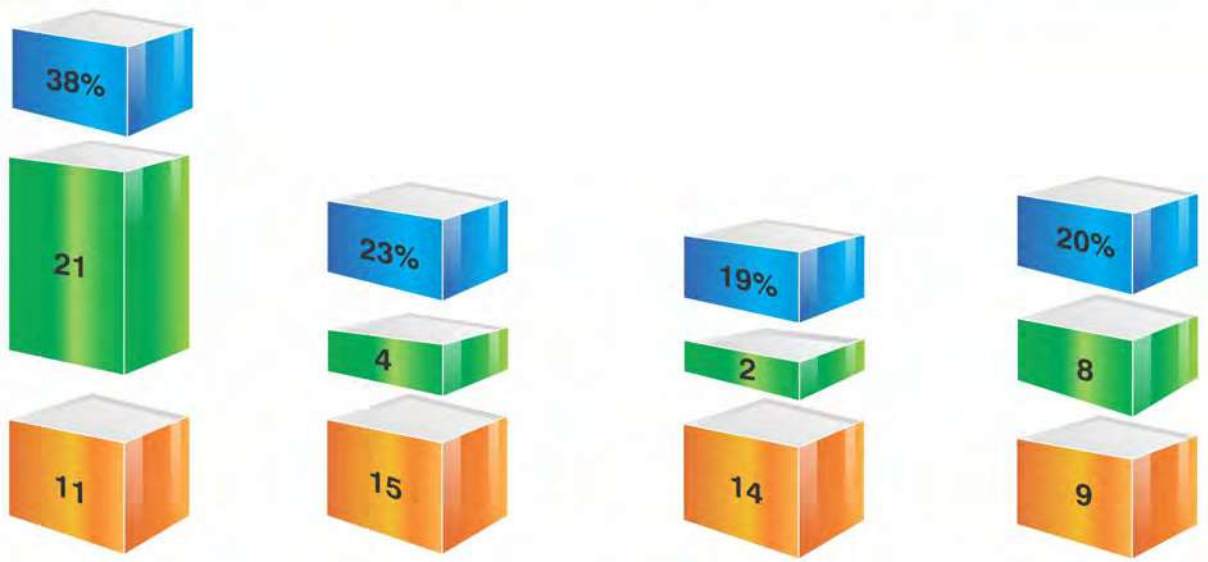
Gas Sourcing & Sector Wise Supply (FY 19-20)

GAS SOURCING

(MMSCMD. % share)



SECTOR WISE SUPPLY



Domestic **RLNG** **%age Share**

- Imported Gas primarily consists of Long Term RLNG, Mid Term RLNG and Spot
- Major sources for domestic gas are ONGC(APM & Non APM), Ravva, Ravva satellite etc.
- Highest demand of Natural Gas from Power & Fertilizer companies
- The above number excludes Gas Volume sold in the international markets ~10.5 MMSCMD for FY 19 & ~11.7 MMSCMD for FY 20

* Others include Steel, Refineries, Sponge Iron, Petrochemicals, GAIL Internal consumption etc.

GAIL - Growing the Green Fuel

1984

Birth of GAIL : Natural Gas transmission & marketing Company

1987

India's first natural gas pipeline-HVJ commissioned

1999

First petrochemical plant at Pata

2001

JLPL LPG transmission pipeline commissioned

2011

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

2012

2,200 km Dahej- Vijaipur-Dadri-Bawana-Nangal-Bathinda pipeline network dedicated to the Nation

2013

- Achieved Maharatna Status
- Commissioned Dabhol Terminal & Dabhol -Bengaluru natural gas pipeline
- Capacity Booking in Cove Point LNG Terminal in US

Leading India's Natural Gas Sector

- Operates 72% of India's natural gas transmission pipelines
- Supplies gas for about 73% of India's fertilizer produced
- Operates more than 65% of India's total CNG stations through alliances
- Responsible for 67% of PNG Connections in India
- Contributes 55% of natural gas sold in India
- Supplies gas for about 63% of India's gas based power

2015

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

2016

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

2017

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

2018

- Launch of commencement of work of Talcher Fertilizers Limited (TFL)
- 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
- CNG Stations inaugurated in Cuttack

2019

- Jamshedpur CGD project inaugurated
- Ranchi CGD project inaugurated
- Patna CGD project inaugurated
- Konkan LNG Limited set up

GAIL Group

GAIL's Subsidiaries

GAIL Gas Limited
GAIL Global (Singapore) Pte. Limited
GAIL Global (USA) Inc.
GAIL Global (USA) LNG LLC
Brahmaputra Cracker and Polymer Limited
Konkan LNG Limited
Tripura Natural Gas Company Limited

GAIL's Joint Ventures

Aavantika Gas Limited
Bengal Gas Company Limited
Bhagyanagar Gas Limited
Central U.P. Gas Limited
Green Gas Limited
Indradhanush Gas Grid Limited
Indraprastha Gas Limited
Mahanagar Gas Limited
Maharashtra Natural Gas Limited
Vadodara Gas Limited
Petronet LNG Limited
Ramagundam Fertilizers and Chemicals Limited
Ratnagiri Gas and Power Private Limited
Talcher Fertilizers Limited
ONGC Petro Additions Limited
China Gas Holdings Ltd.
Fayum Gas
South-East Asia Gas Pipeline Company Limited
TAPI Pipeline Company Limited

Major Sustainability Initiatives in FY 2019-20

Total renewable Energy portfolio of GAIL is around 130 MW

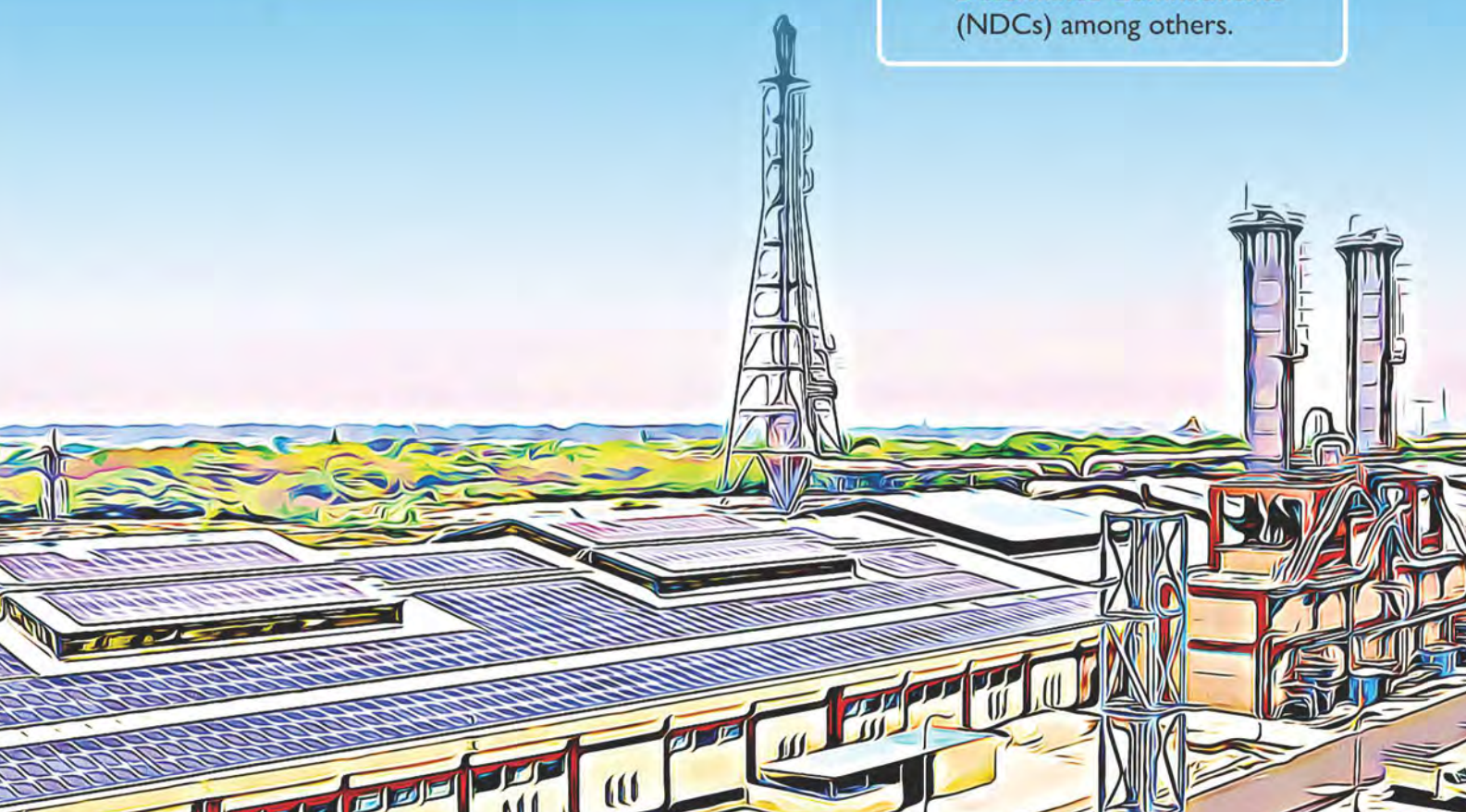
In FY 19-20, GAIL has embarked upon journey of adoption of GreenCo Rating. This rating helps in making products, services and operations greener.

Solar Power at Every Site-GAIL has carried out a pre-feasibility & techno-commercial study to assess the potential for the installation of solar power plants at its sites across India. Implementation of Solar Power is under progress at shortlisted sites.

More than 40% of GAIL Land Holdings are covered by Green Belt and Water Bodies across all Locations

GAIL has published externally assured Annual Sustainability Reports based on the GRI Sustainability Reporting Standards now for over a decade

GAIL revised its Sustainability Policy considering the new national & international developments such as UN Sustainable Development Goals (SDGs), India's Nationally Determined Commitments (NDCs) among others.



Board of Directors

(From left to right)

Shri Manoj Jain, Chairman & Managing Director

Shri E.S. Ranganathan, Director (Marketing)

Shri P.K. Gupta, Director (Human Resources)

Shri A.K. Tiwari, Director (Finance)

Shri Ashish Chatterjee
Director (Government Nominee)

Smt. Esha Srivastava
Director (Government Nominee)

Dr. Rahul Mukherjee
Independent Director

Shri Jayanto Narayan Choudhury
Independent Director

Smt. Banto Devi Kataria
Independent Director

Shri B. C. Tripathi
Chairman & Managing Director
upto 31.07.2019

Dr. Ashutosh Karnatak
Director (Projects) upto 21.05.2020 and
CMD w.e.f. 01.08.2019 to 13.02.2020

Shri Gajendra Singh
Director (Marketing)
upto 30.06.2020

Smt. Indrani Kaushal
Director (Government Nominee)
upto 27.05.2019

Shri Ashutosh Jindal
Director (Government Nominee)
w.e.f 27.05.2019 to 04.11.2019

Shri Rajiv Bansal
Director (Government Nominee)
w.e.f. 08.01.2020 to17.02.2020)

Shri S. K. Srivastava
Independent Director
upto 18.11.2019

Shri Anupam Kulshreshtha
Independent Director
upto 18.11.2019

Shri Sanjay Tandon
Independent Director
upto 18.11.2019

Shri Dinkar Prakash Srivastava
Independent Director
upto 30.01.2020

Dr. Anup K. Pujari
Independent Director
upto 30.01.2020

Board Structure

Functional Directors

Shri Manoj Jain
CMD, Director (Projects) &
Director (Business Development)
DIN 07556033

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

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

Shri E. S. Ranganathan
Director (Marketing)
DIN 07417640

Independent Directors

Shri Jayanto Narayan Choudhury
DIN 07940286

Dr. Rahul Mukherjee
DIN 07940278

Smt. Banto Devi Kataria
DIN 08194036

Government Nominee Directors

Shri Ashish Chatterjee
DIN 07688473

Smt. Esha Srivastava
DIN 08504560

Details of the Sub-Committees of Board

Audit Committee

- Shri Jayanto Narayan Choudhury **-Chairperson**
- Dr. Rahul Mukherjee
- Smt. Banto Devi Kataria
- Director (Marketing)

Permanent Invitee:

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

Business Development & Marketing Committee

- Director (BD)-**Chairperson**
- Shri Jayanto Narayan Choudhury
- Director (Finance)
- Director (Marketing)
- Dr. Rahul Mukherjee

Corporate Social Responsibility Committee (CSR)

- CMD-**Chairperson**
- Director (HR)
- Shri Jayanto Narayan Choudhury
- Smt. Banto Devi Kataria

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 Jayanto Narayan Choudhury-**Chairperson**
- Director (Finance)
- Director (Marketing)

H.R. Committee

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

Nomination and Remuneration Committee

- Dr. Rahul Mukherjee-**Chairperson**
- Shri Jayanto Narayan Choudhury
- Smt. Banto Devi Kataria

Permanent Invitee:

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

Project Appraisal Committee

- CMD-**Chairperson**
- Director (Finance)
- Concerned Functional Director
- Dr. Rahul Mukherjee
- Director (Marketing)

Stakeholders' Grievance Redressal Committee

- Smt. Banto Devi Kataria-**Chairperson**
- Director (Finance)
- Dr. Rahul Mukherjee
- 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)
  iv) For BD related disputes – Director (Marketing)

Stakeholders Relationship Committee

- Dr. Rahul Mukherjee-**Chairperson**
- Director (HR)
- Smt. Banto Devi Kataria

Sustainable Development Committee

- CMD-**Chairperson**
- Director (HR)
- Shri Jayanto Narayan Choudhury
- 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 36th Directors' Report of your young and vibrant Maharatna Company, along with Audited Standalone and Consolidated Financial Statements for the financial year 2019-20:

Performance Review

The important financial highlights on standalone basis for the year 2019-20 are as under:

Particulars	FY 2019-20		FY 2018-19	
	US $ Million	(₹ in Crore)	US $ Million	(₹ in Crore)
Gross Sales	9,431	71,730	10,722	74,808
Other income (including other operating income)	206	1,564	267	1,864
Cost of Sales (excluding Finance cost and depreciation)	8,350	63,507	9,398	65,572
Net Exceptional Items i.e. Impairment/ (Reversal) of Investments	(13)	(102)	47	326
Gross Margin	1,300	9,888	1,544	10,774
Finance Cost	14	109	20	139
Depreciation	241	1,836	222	1,550
Profit Before Tax (PBT)	1,044	7,943	1,302	9,085
Provision for Tax	174	1,323	438	3,059
Profit After Tax (PAT)	870	6,621	864	6,026
Appropriations				
Final Dividend for previous year	52	399	47	325
Interim Dividend for current year	379	2,886	202	1,409
Corporate Dividend Tax	86	657	51	356
Net transfer to (from) Bond Redemption Reserve	2	15	2	15
Transfer to General Reserve	87	662	86	603
Net surplus after Appropriations	263	2,001	476	3,318

Note: The following exchange rates are used in calculations :

For **FY** 2019-20: 1 US$ = ₹ 76.06 as on 31st March, 2020.

For **FY** 2018-19: 1 US$ = ₹ 69.77 as on 31st March, 2019.

- **Consolidated Financial Statements**

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

(₹ in crore)

Particulars	FY 2019-20	FY 2018-19
Gross Sales	72,414	75,912
Profit Before Tax	10,429	9,831
Profit After Tax	9,422	6,546

Performance Indicators (Standalone)

- **Gross Sales**

  Gross sales decreased by 4% from ₹ 74,808 crore in **FY** 2018-19 to ₹ 71,730 crore in **FY** 2019-20.

- **Profit Before Tax (PBT)**

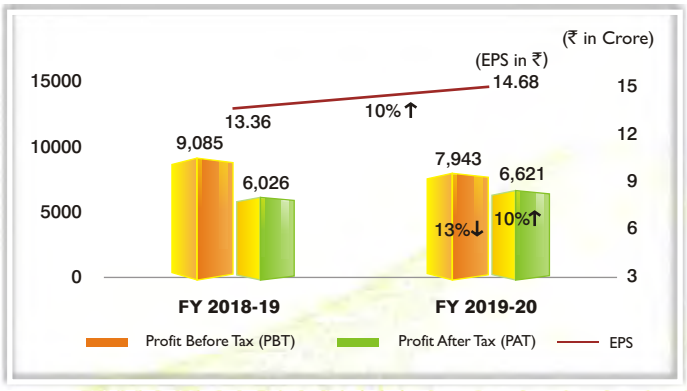
  PBT registered a fall of 13% from ₹ 9,085 crore during **FY** 2018-19 to ₹ 7,943 crore during **FY** 2019-20.

- **Profit After Tax (PAT)**

  Profit after Tax increased by 10% from ₹ 6,026 crore in **FY** 2018-19 to ₹ 6,621 crore in **FY** 2019-20.

- **Earnings Per Share (EPS)**

  In view of the increase in PAT, EPS has gone up from ₹ 13.36 per share as on March 31, 2019 (after adjustment to bonus in 1:1 ratio) to ₹ 14.68 per share as on March 31, 2020.



Shri Manoj Jain, CMD (Centre) announced the Annual Financial Results 2019-20 of the Company at a Press Conference in the presence of Shri P.K. Gupta, Director (HR), Shri A.K. Tiwari, Director (Finance), Shri E.S. Ranganathan, Director (Marketing)

Business Overview

➢ Pipeline Transmission

- **Natural Gas Transmission**

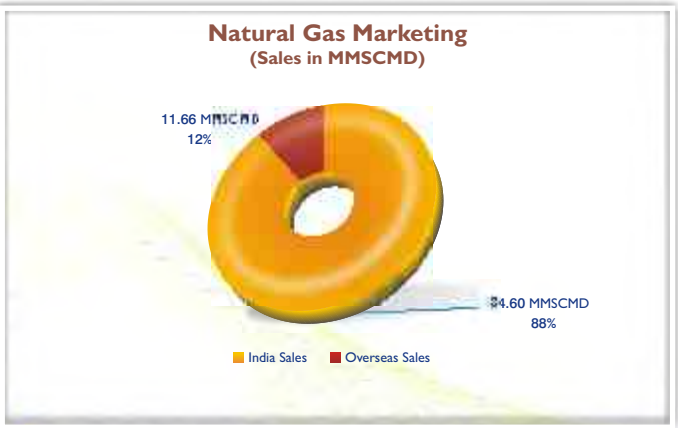
  Your Company owns and operates a network of around 12,426 km of natural gas pipeline across the length and breadth of country. The average gas transmission during the financial year 2019-20 increased to 108.37 MMSCMD as compared to 107.43 MMSCMD in the previous financial year. Gross revenue of your Company from Natural Gas Transmission in FY 2019-20 was ₹ 6,034 crore as against ₹ 5,779 crore in FY 2018-19.

- **LPG Transmission**

  Your Company owns and operates 2,038 km LPG pipeline network for LPG transmission namely Jamnagar-Loni (JLPL) & Vizag-Secunderabad (VSPL). Jamnagar-Loni (JLPL) and the Vizag-Secunderabad (VSPL) pipeline networks achieved a throughput of 3.91 MMTPA during the year against 3.97 MMTPA in the previous year. Gross revenue of your Company from LPG Transmission in FY 2019-20 was ₹ 637 crore as against ₹ 624 crore in FY 2018-19.

➢ Natural Gas Marketing

During the financial year 2019-20, your Company clocked a sales figure of 96.26 MMSCMD (which included sales within India of 84.60 MMSCMD and overseas sales of 11.66 MMSCMD) as against 96.93 MMSCMD during FY 2018-19. Gross revenue of your Company from Natural Gas Marketing in FY 2019-20 was ₹ 59,955 crore as against ₹ 61,338 crore in FY 2018-19.



➢ Petrochemicals

During FY 2019-20, your Company's production increased by 4.9% to 788 KTA of polymers as against 751 KTA in FY 2018-19 and sales increased to 737 KTA of polymers as against 735 KTA in FY 2018-19. Gross revenue of your Company from Petrochemicals in FY 2019-20 was ₹ 5,432 crore as against ₹ 6,704 crore in FY 2018-19.

➢ LPG and Other Liquid Hydrocarbon

Your Company has five Gas Processing Plants (GPUs) at four locations in the country having LHC production capacity of 1.4 Million MT. During FY 2019-20, total Liquid Hydrocarbon production was about 1.26 Million MT as against 1.32 Million MT in FY 2018-19, of which almost 90% constitutes LPG and Propane. Gross revenue of your Company from Liquid Hydrocarbons in FY 2019-20 was ₹ 4,234 crore as against ₹ 5,083 crore in FY 2018-19.

➢ Exploration and Production (E&P)

Your Company is having participating interest in 11 E&P blocks out of which 9 blocks are in India and 2 blocks are in Myanmar. Your Company is Operator in two onland blocks CB-ONN-2010/11 and CB-ONHP-2017/12 in Cambay basin awarded during NELP-IX and OALP-I bidding rounds respectively. These eleven E&P blocks hold an acreage of 2,170 km^2 as per its Participation Interest (P.I.) in various consortiums.

Revenue from sale of hydrocarbons is being generated from 4 producing blocks namely A-1 & A-3 in Myanmar and CB-ONN-2000/1 & CB-ONN-2003/2 (Cambay onshore blocks) in India. Revenue of ₹ 968 crore has been generated from E&P activities during FY 2019-20 as against ₹ 639 crore in FY 2018-19.

Appraisal activities are in progress in one NELP-IX block i.e. GK-OSN-2010/1, where ONGC is the operator. Development activities are in progress in three blocks (i) two NELP-IX blocks CB-ONN-2010/8 (Lead Operator: Bharat Petro Resources Limited) & CB-ONN-2010/11 (Lead Operator: GAIL) and (ii) one NELP-IV block AA-ONN-2000/1 (Operator: Jubilant Oil & Gas Pvt. Ltd.). As a part of Revised Field Development Plan (RFDP) in Myanmar offshore blocks A1 & A3, development activities have commenced. Simultaneously, drilling of 3 exploratory wells in Block A-3, Myanmar was also initiated during FY 2019-20 and one gas discovery has been made in this block. Exploratory activities continued in two blocks (i) one NELP-IX block AA-ONN-2010/2 (Operator: OIL) and (ii) one OALP block CB-ONHP-2017/12 (Operator: GAIL).

Hon'ble Chief Minister of Jharkhand Shri Raghubar Das, Hon'ble Union Minister of Tribal Affairs Shri Arjun Munda and Hon'ble Minister for Petroleum & Natural Gas and Steel Shri Dharmendra Pradhan along with other dignataries launching supply of Compressed Natural Gas (CNG), domestic Piped Natural Gas (PNG) and CNG-run vehicles in Ranchi

- **Projects Execution**

  Currently your Company is executing around 7,500 km of pipeline projects wherein, your Company has made significant progress in the ongoing 2,655 km of Jagdishpur Haldia and Bokaro Dhamra Pipeline (JHBDPL) Project popularly known as Pradhan Mantri Urja Ganga Pipeline Project. Phase-I (750 km) of this prestigious project from Phulpur to Varanasi, Gaya, Patna and Barauni has already been commissioned. Your Company is also extending this pipeline project to the eastern region of India upto Guwahati in Assam with construction of 729 km Barauni-Guwahati Pipeline as integrated part of JHBDPL. GAIL commissioned 594 km of Natural Gas Pipeline in FY 2019-20 with consist of 165 km Gorakhpur spurline section of JHPDPL Phase-I alongwith 350 km section of Kochi-Koottanad-Bangalore-Mangalore Pipeline Phase-II and 07 customer connectivity projects. Your Company has made significant progress in pipeline laying activities in the 6 states of Bihar, Uttar Pradesh, Jharkhand, Odisha, West Bengal and Assam. Natural gas supply for CNG & PNG has also commenced in Ranchi & Jamshedpur City in the august presence of the Hon'ble Chief Minister, Jharkhand, Shri Raghubar Das & Hon'ble Minister of Petroleum & Natural Gas and Steel, Shri Dharmendra Pradhan. With this your Company has completed gas supply in all six cities, entrusted to your Company by the Government of India, i.e. Varanasi, Bhubaneswar, Cuttack, Patna, Ranchi & Jamshedpur.

  Your Company also completed construction of 30 CNG stations in FY 2019-20, out of which 14 are already commissioned & 16 CNG stations are mechanically completed. Further, your Company is also taking up hook up connections from pipeline network with CGD entities to supply gas for CNG and PNG. Your Company has completed 7 CGD hook ups with these CGD entities authorised by PNGRB.

  Other ongoing pipeline projects under execution at various stages include Dobhi-Durgapur Pipeline Project (Section-2B) (500 km), Bokaro- Angul Pipeline Project (Section-3A) (667 km), Baruani Guwahati Pipeline (729 km) and Vijaipur to Auraiya (357 km).

Disinvestment by the President of India

The Government of India disinvested 1,96,10,227 shares in October 2019 through CPSE Bharat 22 ETF. After disinvestment, the President of India's shareholding is 2,33,44,49,987 equity shares, representing 51.76% of paid-up share capital of your Company.

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 @ 64% on equity share of ₹10 each (₹ 6.40 per equity share) amounting to ₹ 2,886.49 crore on the paid-up equity share capital of the Company (₹ 4510.14 crore) and it was paid in February, 2020.

Changes in the Share Capital/ Bonus Issue

Your Company fixed 10th July, 2019 as the record date for the purpose of ascertaining the eligibility of shareholders for Issuance of bonus shares in the ratio of 1:1 i.e. one new bonus equity share of ₹10/- each for every one existing equity share of ₹10/- each held subject to the approval of shareholders which was obtained through postal ballot process. The results of Postal Ballot/E-voting were announced on 2nd July, 2019. During the FY 2019-20, the Company had issued a total of 2,25,50,70,933 equity bonus shares.

Contribution to Exchequer

Your Company has contributed ₹ 9,460 crore in FY 2019-20 to the exchequer through dividend, duties, taxes and others, as compared to ₹ 8,070 crore in FY 2018-19.

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 Baa3 with negative outlook which is equal to the sovereign rating of India. Further, Fitch Ratings has also assigned a long-term foreign currency issuer rating of BBB- with a negative 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, loans and guarantees covered under Section 186 of the Companies Act, 2013, forms part of the financial statement, as a separate section in the Annual Report for FY 2019-20.

Related Parties - Subsidiaries/Associates/ JointVentures

Your Company has formed various subsidiaries / associates / joint venture companies for different business areas such as City Gas Distribution (GAIL Gas Limited, Indraprastha Gas Limited, Mahanagar Gas Limited, etc.), Petrochemical production (Brahmaputra Cracker and Polymer Limited, ONGC Petro-additions Limited), LNG/ Re-gasification (Petronet LNG Limited, Konkan LNG Limited (KLL), etc.), Gas trading (GGSPL), Power generation (RGPPL) and Shale gas (GGUI). Contracts or arrangements / transactions with the related parties were on an arm's length basis and in the ordinary course of business.

Your Company has acquired shares in KLL by providing financial support to KLL for debt resolution with its lenders. As part of debt resolution exercise, lenders of KLL have transferred their entire equity shareholding in KLL to your company. Subsequently, KLL became subsidiary of your company w.e.f. 27th March, 2020, with GAIL's equity shareholding of 69.06% along with NTPC and others.

No other Subsidiary / Joint Venture Company except GAIL China Gas Global Energy Holdings Limited ceased to exist during the year. 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 individual contribution of these companies towards the overall performance of the 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.

During the year, many system improvements were undertaken to ensure greater transparency as well as automation of processes for reducing manual intervention. Review of policies and procedures were carried out, which helped in reduction of corruption and ensure all round good governance. Some of these systematic improvements were:

- Review of Whistle Blower Policy has been carried out and revised policy has been implemented.
- To ensure greater transparency, additional information viz. Health and Safety Policy, Information Security Policy, Quality Policy and Risk Management Policy have been displayed on your Company website. In addition to the above, list of

Hon'ble Chief Minister of Jharkhand Shri Raghubar Das, Hon'ble Union Minister for Tribal Affairs Shri Arjun Munda and Hon'ble Union Minister for Petroleum & Natural Gas and Steel Shri Dharmendra Pradhan inaugurated the supply of domestic Piped Natural Gas (PNG) and inaugurated Compressed Natural Gas (CNG) station in Jamshedpur, in the presence of several dignitaries

parties/ vendors banned/ put on holiday by your Company, have also been displayed on your Company's website.

- In order to have uniformity in the tender conditions for submission of EMD & CPBG in the form of DD / Bank Guarantee being submitted by the bidder/ Vendor, provisions has been made that EMD and CPBG will not be accepted in case the same has reference of remitter / financer other than bidder on the aforementioned financial instrument of EMD/ CPBG as a part of Government's initiative for ease of doing business.
- To avoid the time gap between the date of complaint uploaded by the complainant and the date when Complaint system is accessed by Vigilance Executive, provision for generating auto e-mail alerts has been developed.

The Vigilance Awareness Week 2019 was observed by your Company and its various site Offices from 28th October to 2nd November 2019, under the guidance of Central Vigilance Commission (CVC). Theme for this year's Vigilance Awareness Week was **"Integrity–A Way of Life"-** "**ईमानदारी–एक जीवन शैली**". The observance of the Vigilance Awareness Week commenced by taking the Integrity Pledge by GAIL Employees at the Corporate Office and all its work centers.

During the week, a lecture by Shri Subhash Chandra Agarwal – a right to information activist, was organized at GAIL Corporate Office. Your Company also organized two Customer Interactive Meets at New Delhi and Jaipur, wherein customers from Gas, Polymer and Retail business along with Consignment Stockiest participated.

Your Company organized two vendor meets at New Delhi and Vijaipur, Guna. At New Delhi, the meet was attended by Independent External Monitor (IEM) of GAIL, Chief Vigilance Officer, Director (Finance) and other senior executives.

An e-pledge booth was organized in the office of Goods & Service Tax, Central Goods & Services Tax Commissionerate, South Delhi at Bhikaiji Cama Place, New Delhi, for facilitating the employees of GST to administer e-pledge.

To spread awareness amongst students, various competitions like poster, debate, elocution, panel discussion were organized in Colleges/ Schools. Some work centers also organized "Walkathon" as a part of the Vigilance Awareness campaign. Two Gram Sabhas were organized at Khano and Munshipur Tarai in District Auraiya of Uttar Pradesh with co-operation of the Village Head.

Representation of Priority Section

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

Group wise details with regard to total number of employees and the representation of Scheduled Castes, Scheduled Tribes, and Other Backward Classes amongst them in your Company as on 31st March, 2020 are given in the Table below:

Group	Total no. of Employees on Roll	SC	ST	OBC	PWD
A	3,393	538	225	660	56
B	441	71	43	111	7
C	790	150	35	271	35
D	52	13	6	16	-
CMD, DIRECTORS & CVO	6	-	1	-	-
Total	4,682 (*)	772	310	1,058	98

(*Including Advisor (Security))

A total of 271 new employees (including CVO) joined your Company during the FY 2019-20. Total Manpower of the Company as on 31st March, 2020 stood at 4,682 (including Whole-time Directors & CVO) with 16% of its employees belonging to the SC category, 7% to the ST category, 23% to the OBC category, 8% to the Minorities and 2.1% to the Persons with Disabilities (PWDs) category. Your Company's workforce comprised of 304 women employees as on 31st March, 2020.

Shri Nitin Gadkari, Hon'ble Union Minister, Road Transport and Highways and Micro, Small and Medium Enterprises inaugurated GAIL's stall at Auto Expo 2020

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, Government of India.

Hindi workshops / trainings are organized on regular basis at Corporate Office and all work centers including training centers at GTI Noida and GTI Jaipur. Hindi computer training sessions are also integral part of these programs. As many as 120 Hindi workshops were conducted during FY 2019-20 in which 2,402 employees were provided training.

Hindi Fortnight (हिन्दी पखवाड़ा) was observed across your Company from 16th to 30th September, 2019, to propagate linguistic harmony and to motivate the employees for the progressive usage of Hindi in their day-to-day work. Several Competitions /programmes 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 **"Standard Implementation Procedure (SIP)"** for Official Language has been prepared and hosted on your Company's intranet for the benefit of the employees.

"GAIL Rajbhasha Sammelan" was organized from 31st January to 1st February, 2020 at Puri (Odisha), 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.

The First Sub-Committee of Committee of Parliament on Official Language inspected your Company's Lucknow Zonal Office, GGL Bengaluru and Hyderabad Zonal 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 your Company on 10th January, 2020. To mark the occasion, a Literary Seminar was organized at Corporate Office to promote Official Language. To inculcate the reading habit in Hindi, 'Kathgodam' Hindi Book was distributed to employees of Corporate Office. Several other programmes were organized across your Company to promote Hindi during Vishwa Hindi Divas.

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 : 1
c) Number of complaints disposed of during the Financial Year: NIL
d) Number of complaints pending at the end of the Financial Year: 1

Procurement from Micro and Small Enterprises

The Government of India has notified a Public Procurement Policy for Micro and Small Enterprises (MSEs), Order 2012 mandating 25% Procurement/Services from MSMEs. In terms of the said policy, out of the total eligible value of annual procurement of approx. ₹ 3,548 crore towards goods procured and services rendered by MSEs (including MSEs owned by SC/ST Entrepreneurs and Women Entrepreneurs) during the FY 2019-20. The value of total procurement made from MSEs is ₹ 1,367 crore, which is approx. 38.53%.

Further, several initiatives have been taken towards ease of doing business in recent past for pre-award and post-award activities including initiatives for coaching and development of stakeholders. Initiatives for Pre-Award stage include Pre-Tender Meeting, Model Instructions to Bidders (ITB) For Domestic Bidding -Procurement of Services & Works and Goods, Provision for Submission of EMD/ Security Deposit/ Contract Performance Guarantee through additional mode of Online Bank Transaction, Standardization of terms and conditions with OEMs etc. For better contract administration, your Company has implemented initiatives like Health Monitoring of Contracts, Quarterly Closure of Contracts, Pre-Dispute Resolution (Samadhan) Mechanism, Methodology for Transaction on Trade Receivable Discounting System (TReDS), uploading details on Company's Website, Contract Management Document (COMAND), Rationalization of Mobilization Advance, Review of CPBG in Work Contracts & Time Period for Submission of CPBG, Review of Arbitration Provision and many others.

Your Company also believes that coaching and development of stakeholders (both internal as well external) forms an important part of sustainable growth and accordingly, initiatives like Vendor Coaching Program, EIC Coaching Program and Vendor Interactive Meets are regularly organized in this direction.

MoU Performance

Your Company achieved 'Excellent' MoU rating for the Financial Year 2018-19 with a score of 93.27.

MoU for the FY 2019-20 was signed between Chairman & Managing Director, GAIL and Secretary (P&NG), Government of India on 30th May, 2019.

In 2019-20 also, GAIL's MoU was aligned with GOI's aspiring vision of transforming India into a Gas based economy. Key thrust area of MoU was mainly on continuing effort to increase number of PNG connections and CNG stations. Other critical aspects were related to key financial parameters, gas marketing, gas transmission, project implementation, capital expenditure and support to Start-ups to align with GoI's vision of 'Start-up India'.

Your Company has made earnest efforts in fulfilling MoU obligations in spite of adverse effects faced due to COVID-19 situation. Self-Evaluation of MoU FY 2019-20 will be carried out and submitted to DPE in due time, result of which is expected to be announced by December, 2020.

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 Right to Information Act, 2005. Your Company has nominated CPIO/ACPIOs/First Appellate Authorities and Nodal Officer at its units/offices across the Company to provide information to citizens under the provisions of the RTI Act.

GAIL's team at one of the world's largest integrated gas, LNG and energy event – Gastech 2019 at Houston, USA

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 had 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 Authority on a suo-motu or proactive basis. Section 4(2) and Section 4(3) of the RTI Act, 2005 prescribes the method of dissemination of this information. Accordingly, keeping in view the purpose of suo-motu disclosures under Section-4, 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 Government of India's DoPT Online RTI Portal from July, 2016 and ever since, we are providing information through Online mode also, apart from providing the requested information in offline manner.

For the FY 2019-20, GAIL's Corporate RTI Cell has disposed-off all applications received through online/offline mode. All RTI Applications were disposed-off 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 FY 2019-20 in respect of second Appeal(s) filed by Appellants.

Management 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 Discussion and Analysis Report 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 displayed through responsibility, accountability, consistency, fairness and transparency towards our stakeholders. Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE guidelines on Corporate Governance, a report on Corporate Governance forms part of this Report at **Annexure- B.**

The details of the meetings & composition of the Board, details of meetings & composition of statutory committees of the Board including the terms of reference, Company's policy on Directors' appointment and remuneration and also their shareholding in the Company, details of establishment of whistle blower mechanism, details related to Annual General Meeting, information pertaining to Dividend declared, IEPF Details and other matters, etc. forms part of report on Corporate Governance.

There are no significant and material orders passed by the regulators or Courts or tribunals impacting the going concern status and operations of your Company 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 Auditors of your Company are appointed by Comptroller & Auditor General of India (C&AG). M/s ASA & Associates LLP, Chartered Accountants, New Delhi and M/s A R & Co., Chartered Accountants, New Delhi were appointed as Joint Statutory Auditors of your Company for the FY 2019-20.

Review and Comments of C&AG, if any, on the Company's Financial Statements for the Financial Year ending March 31, 2020, forms part of Financial Statements. Notes on the Financial Statement referred to in the Auditors' Report are self-explanatory. There is no qualification on the Financial Statements by the Statutory Auditors for FY 2019-20.

➢ Cost Auditors

Your Company has appointed six Cost Auditors for FY 2019-20 i.e., 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 2019-20. M/s Ramanath Iyer & Co. is the lead Cost Auditor.

Shri A.K. Tiwari, Director (Finance), reviewed the project progress of the 'Pradhan Mantri Urja Ganga' pipeline project at Durgapur and met Analysts and Investors to brief them about the project

Your Company is maintaining Cost Accounting Records as prescribed under the Companies (Cost Records and Audit) Rules, 2014, specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

The Cost Audit Report for the Financial Year ended March 31, 2019 was filed with the Central Government on August 7, 2019.

➢ Internal Auditor

Your Company has an in-house Internal Audit Department, which is headed by Chief General Manager.

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 C&AG audit regularly.

➢ Secretarial Auditor

Your Company has appointed M/s Agarwal S. & Associates as Secretarial Auditor for FY 2019-20. 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 observations made in the Secretarial Audit Report and Company's response to the observations as under: -

Observation No. 1: Non-Compliance of Regulation 17(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 3.1.4 of the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, the Company did not have requisite no. of Independent Directors on the Board of the Company w.e.f. 19.11.2019 to 31.03.2020.

GAIL Pata has amongst the largest rooftop solar plants in India

Company's Response: GAIL is a Government Company and appointment/nomination of all Directors on the Board of the Company is done by Government of India, (GOI). Further, the terms & conditions of appointment as well as tenure of all Directors are also decided by GOI. GAIL has been regularly following up with its Administrative Ministry (MoP&NG), Government of India for filling up the vacant positions of Independent Directors on its Board of Directors.

Observation No. 2 : 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 are undertaken by Government of India, being the appointing authority. Further, there is a well laid down procedure for evaluation of Directors by the Administrative Ministry, Government of India.

Performance Evaluation

GAIL is a CPSE and appointment/nomination of all the Directors including Independent Directors is 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 the Government of India being the appointing authority.

Corporate Social Responsibility

Your Company firmly believes that the commitment towards playing a defining role in the development of its stakeholders extends to uplifting the 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 ₹125.30 crore (2.01% of the average net profit of the preceding three years) on CSR activities during FY 2019-20 which is more than the statutory mandated expenditure of 2% (₹124.79 crore) of average net profits of the preceding three years.

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.**

Your Company's CSR Policy is also available on Company's website at **https://gailonline.com/CSR_Ploicy.html**

Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo

As per the requirement of section 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 eamings and outgo forms part of this report at **Annexure- G.**

Particulars of Contracts or Arrangements with Related parties

As per the requirement of section 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 the related parties as referred in the 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 the 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 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 2020 is also available on the Company's website at **https://gailonline.com/IZ-AnnualReports.html**

Dividend Distribution Policy

As per Regulation 43A of the SEBI (LODR) Regulations, 2015, your Company has formulated a Dividend Distribution Policy. The dividend pay-out is made 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%20 Distribution%20Policy.pdf**

Issue of Shares and Fixed Deposits

In Financial Year 2019-20, there was no buyback of shares. Your Company had issued a total of 2,25,50,70,933 equity bonus shares.

Your Company has not accepted any fixed deposits during the Financial Year 2019-20 and as such, no amount of principal or interest was outstanding as on the balance sheet date.

Fund Raising

During FY 2019-20, your Company has not raised funds through preferential allotment or qualified institutions placement.

Foreign Exchange Earnings and Outgo

During FY 2019-20, Foreign exchange earnings was ₹13,078 crore and foreign currency outgo was ₹ 26,485 crore.

Key Managerial Personnel and Directors

The following Key Managerial Personnel (KMP) / Directors were appointed/ceased/extension of tenure on the Board of your Company:

KMP

- Shri Manoj Jain, Director (Business Development) was appointed as Chairman & Managing Director w.e.f. 14.02.2020 in place of Dr. Ashutosh Karnatak, Director (Projects) who was holding additional charge of the post of Chairman & Managing Director during the period w.e.f. 01.08.2019 upto 13.02.2020.
- Shri E.S. Ranganathan was appointed as Director (Marketing) on the Board of the Company w.e.f. 01.07.2020.
- Shri B.C. Tripathi was Chairman and Managing Director upto 31.07.2019.
- Dr. Ashutosh Karnatak was Director (Projects) upto 21.05.2020.
- Shri Gajendra Singh was Director (Marketing) upto 30.06.2020.

Government Nominee Director

- The tenure of Shri Ashish Chatterjee, Government Nominee Director was extended for a period of 3 years w.e.f. 19.12.2019 or until further orders, whichever is earlier.
- Smt. Esha Srivastava was appointed as Government Nominee Director w.e.f. 24.03.2020 for a period of three years or until further orders, whichever is earlier.
- Smt. Indrani Kaushal was Government Nominee Director upto 27.05.2019.
- Shri Ashutosh Jindal was Government Nominee Director w.e.f. 27.05.2019 till 04.11.2019.

- Shri Rajiv Bansal was Government Nominee Director w.e.f. 08.01.2020 till 17.02.2020.

Independent Director

- Shri Sanjay Tandon was Independent Director upto 18.11.2019.
- Shri Anupam Kulshrestha was Independent Director upto 18.11.2019.
- Shri S.K. Srivastava was Independent Director upto 18.11.2019.
- Dr. Anup K. Pujari was Independent Director upto 30.01.2020.
- Shri Dinkar Prakash Srivastava was Independent Director upto 30.01.2020.

The Board placed on record its deep appreciation for the valuable services rendered by outgoing Directors 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, 2020.

Information Systems and Technology

Under the **'Digital Yatra 2.0'** initiative - an umbrella programme towards the next level of digitalization, various developments in digital technologies were adopted by your Company. One such initiative was Digital Conduct of Board and Committee Meetings- **'G Board'**. The Board of Directors adopted digital way to conduct Board and Committee meetings. It has been developed with the support of in-house BIS team of GAIL. Employees can use e-Note sheet application for taking approvals online wherever required. E-measurement Portal **'Anjani'**, was rolled out to automate and digitalize contractor payments. The E-Sales of Polymers was launched on 17th March, 2020. Launch of SUGAM Portal to facilitate paperless, smooth & faster processing in submission of medical claims and travel claims. Digitalization of medical claims under Post-Retirement Medical Scheme (PRMS) for superannuated employees. Automation in capitalization and buyback of employee assets under furnishing scheme and also started remote DD Printing facility.

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'** in production system for review of Accounts under its Robotic process automation program.

GAIL's services during Lockdown and impact of COVID-19 on GAIL's business

Employees were given the facility to work from home and advised to strictly follow Government guidelines w.r.t COVID-19. During FY 2019-20, your Company and its employees have contributed around ₹ 54 crore to PM-CARES Fund at this hour of the national crisis. In addition, several CSR measures such as distribution of PPE kits, mask, food and ration, etc. to the needy across districts were arranged as a relief measure worth ₹ 4.74 crore.

Despite restrictions imposed on account of COVID-19 outbreak and nationwide lockdown, your Company managed uninterrupted and safe operations of pipeline systems and plants to ensure the availability of Natural Gas and LPG to the essential sectors in the country. The Petrochemical complex at Pata was under temporary shutdown from 03rd April, 2020 to 18th April, 2020 due to reduction of demand as well as transport restrictions in the Country. Further, during lockdown, Vendors, Contractors, etc. bills were paid smoothly through digital mode. It is worth mentioning that more than 40 lakh households, connected to GAIL and GAIL`s CGD JV`s were supplied uninterrupted Piped Natural Gas.

Aarogya Setu App (Mobile application developed by the Government of India to connect essential health services with the people of India to fight against COVID-19) was downloaded by all employees of GAIL. Further details on COVID-19 impact on GAIL's business and services of GAIL during lockdown are included in Management Discussion & Analysis Report.

Directors Responsibility Statement

Your Directors confirm that they have:

i) followed applicable accounting standards, along with proper explanation relating to material departures, in the preparation of the annual accounts for the Financial Year ending March 31, 2020;

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 ending March 31, 2020 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, Cost and Secretarial Auditors, guidance received from C&AG and are grateful for their consistent support and cooperation.

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

Manoj Jain
Chairman & Managing Director
(DIN: 07556033)

Place: New Delhi
Dated: 14.08.2020

Management Discussion & Analysis

ANNEXURE - A

MANAGEMENT DISCUSSION AND ANALYSIS

1. SECTORAL DISCUSSION AND ANALYSIS

A. Global Economic Development and Outlook

After the global financial crisis, world economy has enjoyed a profound growth as most emerging markets and developing economies have successfully managed to weather the global recession using extensive fiscal and monetary policy support. However, since early 2019, there have been signs of downside economic risks in the horizon as the global economic growth has started to fade off in the wake of rising tariffs, escalating trade tensions and policy uncertainty. Dwindling business and consumer confidence have led to significantly curtailed investment, and have pushed global trade growth down to 0.3% in 2019, its lowest level in a decade. World gross product growth has also slipped to 2.3% in 2019, the lowest rate since the global financial crisis of FY 2008-2009. The long-standing debate between economic development and environment sustainability has re-emerged strongly with increasing dissatisfaction over social and environmental quality of economic growth, amid prevalent inequalities and deepening climate crisis.

The world economy has further changed dramatically since the World Health Organization (WHO) declared COVID-19 a world health emergency in January 2020. Since then, the COVID-19 pandemic has quickly moved from just being a health crisis to a substantial economic crisis. The pandemic has negatively affected the global economic growth beyond anything experienced in nearly a century. The lockdown measures adopted by the most of the Governments across the globe have succeeded in slowing the spread of the virus and reducing the death toll, but have also slowed down business activities in many sectors. These measures have widened inequality, disrupted education and dented confidence in the future. Estimates so far indicate that the pandemic could trim global economic growth by 3% to 6% in 2020, with a partial recovery in 2021. Over 3/4th of countries are now forced to reopen despite the fact that the pandemic is intensifying in many emerging markets and developing economies. The recovery is likely to be more gradual in absence of a medical solution and the strength of the recovery expected to be highly uncertain with uneven impact on sectors and countries.

The pandemic has exposed the inherent risks in supply chains as more and more Governments and businesses are now seeking to source commodities, components and goods that are less distant and more secure. There are signs of a retreat from globalization and free trade, and nations may move towards greater economic nationalism to protect themselves. Persistent requirement for social distancing and advancement of technology is likely to increase use of automation and may reduce demand for travel.

B. Trends in Indian Economy and Outlook – "The enduring journey to the top"

India's economy was growing at around 7-8% for the past few years, the fastest in the world. However, since 2019, growth has started to decelerate noticeably on the back of sharp decline in private consumption and weakening growth in industrial and services sectors. As per ADB statistics, growth in Indian GDP slowed to 3.1% in the last quarter of fiscal year 2019, its slowest since early 2003. The overall economic growth reduced to 4.2% in FY 2019 as both exports and investment started to contract. India's lackluster performance has further been aggravated by the global economic downturn and ongoing international trade disputes between the US, China and the EU. Weak banking and finance sector saddled with too much bad debt and serious problems with fraud has led to liquidity crunch, triggering declines in consumer spending, business investment and exports. Non-oil exports and imports have fallen, as have production of investment goods.

Steps have been taken by the Government to strengthen the financial sector though reforms such as providing the banks with extra capital, introducing new bankruptcy rules to give extra protection to lenders, and consolidating the state-owned institutions that dominate the sector. Other steps have also been taken to bring the Indian economic growth back on track including lowering corporation tax rates from 30% to 22%; slashing corporation tax rates for investments in greenfield manufacturing plants to 15% from 25%; raising foreign direct investment limits in a range of sectors; and reductions in interest rates to offer liquidity. Some of these initiatives has helped to bring additional investment as FDI inflows into India rose 13% on year in FY20 to a record $49.97 billion compared to $44.36 billion in 2018-19. India has also climbed from 134th to 77th position in the World Bank's rankings for ease of doing business.

The economic impact of the COVID-19 pandemic on India has been disruptive, as it has further magnified the pre-existing risks to the Indian Economy. COVID-19 containment measures and weaker external demand have taken a heavy toll on the Indian Economy. India's FDI dipped 62% to $ 976 million in April 2020. India's Manufacturing PMI fell to 27.4 in April 2020 from 51.8 in the previous month and far below market consensus of 42. India's Services PMI fall to 5.4 in April 2020 from 49.3, and far below market expectations of 40.0. The Indian Micro, Small, and Medium Enterprises (MSMEs) sector, the backbone of national economic structure that contributes to 31% of the India's GDP has also been severely affected. The adverse effect of pandemic on low-income households has been particularly acute, jeopardizing India's continuous efforts to eradicate poverty. The lockdown, started since 25th March 2020 and extended several times, caused millions of people to lose their jobs - many of whom rely on daily labour to earn money. The World Bank and other rating agencies have revised India's growth projection for coming years with the lowest figures that India has not seen in three decades since India's economic liberalization in the 1990s. IMF projected a sharp contraction of 4.5% for the Indian economy in 2020, a "historic low," citing the unprecedented coronavirus pandemic that has nearly stalled all economic activities.

Like many other countries, the Indian Government has spared no effort to balance the control of COVID-19 and avoid economic disaster. The different phases of India's lockdown up to the "first unlock" on 1st June 2020 had varying degrees of the opening of the economy but economy is yet to show signs of stabilization.

An overall economic package worth ₹20 lakh crore (US$280 billion), 10% of India's GDP, has already been announced to stimulate the Indian economy with emphasis on India as a self-reliant nation. Various agencies forecast that Indian economy is poised for a modest rebound and additional policy support can lead to a quicker resumption of economic activities. MSME sector along with "Make in India" initiative has the potential to drive the Indian economy, as employment opportunities can be generated with additional investment in the manufacturing sector. But, India needs additional measures to rebuild business confidence and bring further investment. IMF cited that India is expected to bounce back in 2021 with a robust 6% growth rate, but there is still high degree of uncertainty over it. Success in vaccine development, better treatment facility and additional policy support may lead to a quicker resumption of economic activities, but, further waves of infections can contract movements and spending, resulting in rapidly tightening financial conditions.

C. Trends in Global Energy–"The bold and magnificent dream of clean energy"

Global energy consumption was growing at a swift pace in past few decades riding on expanding population, rapid urbanization and higher living standards attributable to increasing prosperity. BP Statistical Review of World Energy 2020 data indicates a growth rate of 2.25% a year on an average in global energy consumption for the past half-century owing to strong economic growth across the nations. But slowly and steadily, growth in energy demand and economic growth are being "decoupled". In recent years, global energy demand has shown signs of deceleration despite of strong population expansion and economic growth, primarily driven by the penetration of renewable energy and increasing energy efficiency. Global primary energy consumption growth was around 1.6% in last decade whereas there was a mere 1.3% YoY growth in 2019, almost half of what has been seen in the preceding year at 2.8%. This slowdown was particularly apparent in the USA, Russia and India, each of which exhibited remarkably

strong growth in 2018. Despite the lower consumption, China was by far the biggest individual driver of global primary energy growth, accounting for more than three quarters of net growth. India and Indonesia were the next largest contributors, while the US and Germany posted the largest declines in energy terms.

Reliance of energy system on fossil fuels have remained stubbornly high but energy systems has shown rapid and widespread changes towards a clean energy transition. Sources of energy that emit greenhouse gases have increasingly been replaced by cleaner sources. Consumption of coal, which is one of the most preferred fuel globally owing to its low cost, has fallen by 0.6% in 2019, its fourth decline in six years, taking its share in energy mix to lowest in 16 years (27%). In pursuit of cleaner energy mix, natural gas and renewables have started to displace coal gradually as the sustainable choices particularly in the power sector. The share of renewables in power generation has increased from 9.3% to 10.4% in 2019, surpassing nuclear for the first time. Natural gas and renewables have contributed around 75% of the overall energy consumption growth in 2019. A combination of new policies and favorable economics have driven the momentum for natural gas and renewables, which is likely to continue. The growth in carbon emissions has also slowed down in 2019 from the sharp increase seen in the previous year, as primary energy consumption decelerated, and renewables and natural gas emerged as more feasible options.

A summary of key statistics is shown in table 1.

Table 1: Summary of key global energy statistics, 2019

Energy Aspect	Unit[1]	2018	2019	% Growth
Primary Energy Consumption	MTOE	13,865	14,049	1.3%
Carbon Emissions	Mn. Tons	34,008	34,169	0.5%
Gas Consumption	MMSCMD	10,552	10,765	2.0%
LNG Imports	MMSCMD	1,180	1,329	12.7%
Renewables Consumption	Twh	2,468	2,806	13.7%
Oil Consumption	Mbd	97.35	98.27	0.9%
Coal Consumption	Exajoules	159	158	-0.6%

(Source: BP Statistical Review of World Energy 2020)

[1]MTOE: Million Tons of Oil Equivalent (converted "exajoules" reported by BP Statistical Review of World Energy 2019 to MTOE by multiplying the former with last year's ratio), MMSCMD: Metric Million Standard Cubic Meters per Day, Twh: Terawatt-hours, Mbd: Million Barrels per Day.

Despite of many challenges, global gas consumption continued to rise in 2019 and the share of natural gas in global primary energy hit a record high (24.2%). But growth remained sluggish in 2019 (2.0%) compared to the 10-year historical average of 2.5% during 2008-18. The USA, the largest gas consumer witnessed a growth of 3.1% in 2019, thanks to lower prices and new gas-fired capacity in the power sector and has contributed to 34% of the global growth in 2019. Europe has also shown some growth but Asian demand has declined particularly in Japan and South Korea, as a result of a lower demand from the power sector (lower electricity consumption and increased competition from nuclear reactors and renewables). China, which is a major global demand center, accounted for 31% of the global increase, but the growth in Chinese gas consumption(8.6%) in 2019 remained only a fraction of historical average (13.2%; 2008-18) due to the economic slowdown and the relaxation of policy on coal-to-gas switching.

Since the beginning of 2020, the world has experienced the largest recorded demand shock in the history of global natural gas markets as COVID-19 pandemic led to weakening demand. The COVID-19 pandemic has further squeezed out an already declining gas demand, faced with historically mild temperatures over the first months of the year. Gas consumption is estimated to fall by 4% in 2020, under the successive impacts of lower heating demand from the warm winter, the implementation of lockdown measures in almost all countries to slow the spread of the virus, and a lower level of activity caused by the COVID-19 induced macroeconomic crisis.

Natural gas supply value chain was not in a position to cope up to this consumption drop, resulting in a considerable build-up of gas in storages. Faced with extraordinary shocks, global natural gas markets have gone through a strong supply and trade adjustments, resulting in historically low spot prices and high volatility. The prices of three major global benchmark – JKM, NBP and Henry Hub has converged offering little scope for arbitrage. Several LNG export projects seeking final-investment decision (FID) unlikely to reach the milestone this year due to the depressed gas market and lack of offtake agreements.

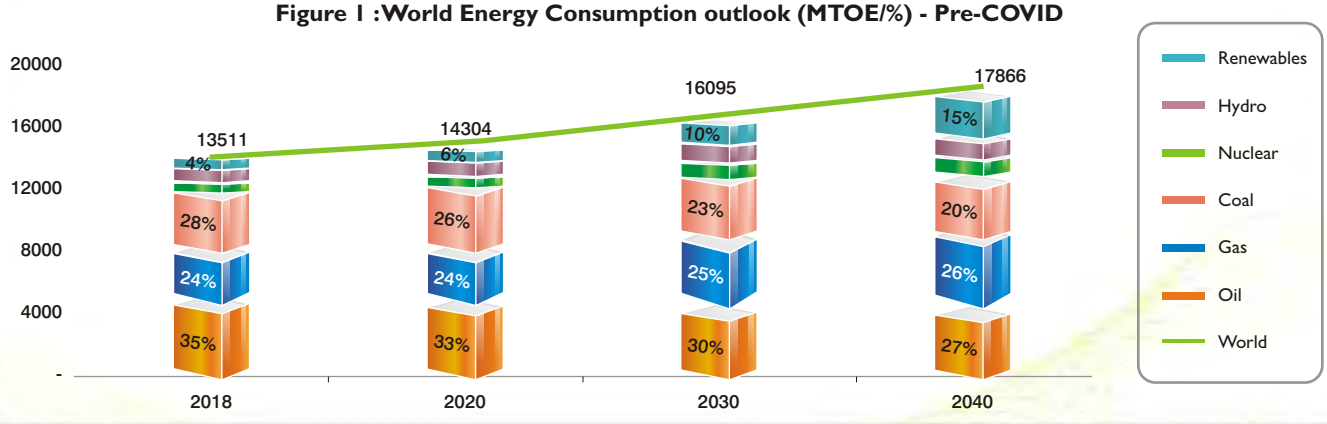
Despite of muted demand, US LNG exports is expected to rise in 2020 as more than four new trains with eventual capacity of about 20 million tons a year come online, worsening the supply glut. This has provided an opportunity for countries like India to take advantage of low spot prices and increase share of cheaper available natural gas in country's consumption.

D. Global Energy Sector and COVID-19-The Black Swan Event

The COVID-19 pandemic has significantly disrupted all aspects of life, including the energy sector. With lockdowns imposed in several countries, transportation such as road and air travel has largely been restricted resulted into fall in global energy demand. Further, since millions of people were confined to their homes, domestic electricity demand has increased while there has been a sharp fall in commercial demand. It is almost certain that the year 2020 will witness some major shifts and disruptions in energy sector globally. Although the full impact on the energy sector is difficult to predict accurately, decreased energy demand, plummeting energy prices and a sharp decline in oil prices have already been observed.

Pre-COVID energy sector projections have estimated global energy sector growth at modest 1.3% from 2018 to 2040, with renewable energy and natural gas as the only fossil fuel showing accelerated growth with higher share in the energy mix in 2040 as compared to 2018. Refer Figure 1 for world energy consumption estimates made in year 2019.

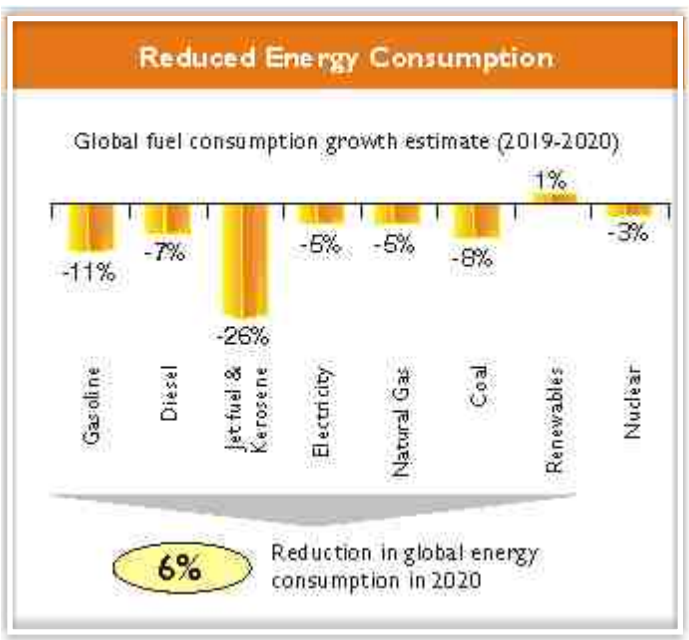
Figure 1 :World Energy Consumption outlook (MTOE/%) - Pre-COVID



Source : BP Energy Outlook 2019

Energy demand collapse brought on by the COVID-19 pandemic has impacted energy market projections everywhere. According to IEA, the global energy demand declined by around 3.8% during Jan-Mar'20 as restrictions were imposed in Europe, North America and else where. Global coal demand has witnessed its highest decline at 8% compared with the first quarter of 2019. Due to non-activity in mobility and aviation sector, which accounts for nearly 60% of global demand, demand for oil was hit strongly. Oversupply combined with demand shrinkage has quickly filled the oil storage to the brim and crude oil futures prices dropped into negative territory for the first time in history. Pandemic has also impacted the global gas demand during Jan-Mar'20 moderately as demand shrink by 2%. Renewable energy sources were the only source that witnessed growth in demand due to large installed capacities and preferential generation in most of the regions.

As per IEA estimation, the pandemic may result in contraction of energy demand in 2020 by 6%, which will be the largest in last 70 years in the percentage terms and the largest ever in the absolute terms. This impact will be more than 7 times larger than the impact of 2008 financial crisis on energy demand in the percentage term. The global demand for oil could drop by 9% on an average in 2020, which will return oil consumption to 2012 levels. Coal demand could decline by 8%, mainly due to a fall in electricity demand of over 5% over the course of the year. Amongst advanced economies, coal demand is expected to fall by 25% in the US, 20% in the European Union (EU) and 5-10% in Korea and Japan.



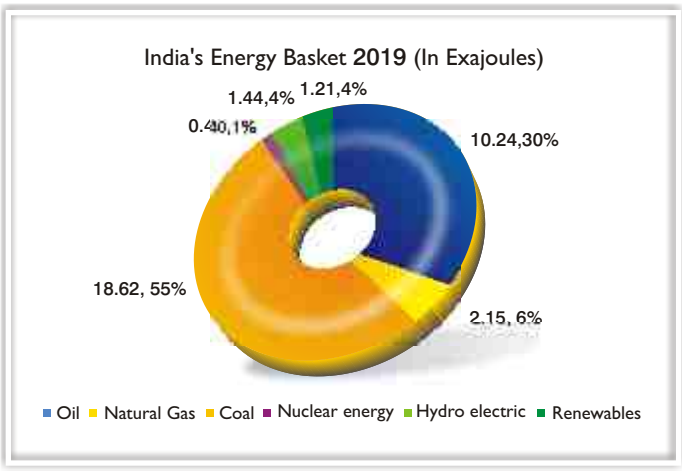
The current crisis will have a profound impact on the oil & gas industry, both in the short and long term. Oil demand in particular is at risk and it may take years to regain its levels before the pandemic, and growing only slowly thereafter. Two of the world's largest energy companies – BP and Shell have recently write-off billions of dollars invested in fossil fuel assets, strongly signalling that the global oil and gas industry is undergoing a fundamental transformation and the future may have held dwindling oil demand. Further, the coronavirus pandemic may accelerate a global transition away from oil and world may pivot towards a cleaner energy system in order to reduce greenhouse gas emissions.

Natural gas sector may not witness severe decline compared to other fossil fuels but consumption is estimated to fall by 2% because of reduced demand in power and industry applications. LNG supply glut is likely to be longer and deeper. As per McKinsey study, global gas and LNG will have a favourable role in the energy transition, ensuring a place in the future energy mix, supported by the continual demand growth in the coming decade. Renewable energy sector has been the "most resilient" to the COVID-19 lockdown measures. The demand for renewables is expected to increase by 1% in 2020 in IEA estimation because of low operating costs and preferential access for many power systems.

E. Trends in Indian Energy sector – "The Usual Suspects"

As one of the world's fastest-growing major economies with a population of 1.35 billion, India is vital for the future of the global energy markets. Today, India is the third largest energy consumer in the world in spite of having very low per capita consumption, leaving past countries like Japan, Germany and the UK behind. With an ambitious vision to bring secure, affordable and sustainable energy to all, India has made an impressive progress in the recent years in increasing access to electricity and clean cooking. A three-way race is now underway amongst coal, natural gas and renewables to provide much needed energy to boost India's fast-growing economy.

India has emerged as the second biggest growth driver of primary energy consumption globally in 2019, behind China. Majority of this growth came from oil and hydro sector. Indian primary energy basket remained heavily skewed towards coal and oil, with 85% of the energy originated from these two sources in 2019. BP Statistical Review of World Energy 2020 data shows that while coal consumption has declined globally, it has marginally increased in India. But the growth of coal in India, usually a key driver of global coal consumption, was a mere 0.3%, its lowest since 2001. India posted the third biggest rise in oil consumption in the world, behind China and Iran. Natural gas sector has shown a YoY growth of around 2.7% in 2019, which was a notch higher than average YoY growth of 2.3% in primary energy consumption. Nuclear and Hydro sector has registered the biggest jump with YoY growth of over 15%.



Growth in coal and oil consumption has led to a high carbon emission growth from India (1.1%) as compared to the world average of 0.5%. Even during last decade (2008-2018), India has registered a carbon emission growth of over 5% compared to the world average of just over 1%. Though India consumed only 5.8% of world's primary energy in 2019, but it has contributed to over 7.3% of global carbon emissions, indicating a less-cleaner energy mix.

In spite of massive Renewable capacity addition, India is falling behind in reduction of carbon emissions as compared to the rest of the world, which is increasingly adopting renewables and natural gas as mainstay energy sources. India can look for a much cleaner energy mix, by placing gas along with renewables as sustainable energy source aligning with the rest of the world.

Table 2: Summary of key India energy statistics, 2019

Energy Aspect	Unit	2018		2019		% Growth in 2019 over 2018
		Actual	% of World	Actual	% of World	
Primary Energy Consumption	MTOE	809	5.8%	828	5.9%	2.3%
Carbon Emissions	Mn. Tons	2453	7.2%	2480	7.3%	1.1%
Gas Consumption	MMSCMD	159	1.5%	164	1.5%	2.7%
LNG Imports	MMSCMD	84	7.1%	90	6.8%	7.4%
Renewable Energy Consumption	Twh	123	5.0%	135	4.8%	9.8%
Oil Consumption	Mbd	5.11	5.3%	5.27	5.4%	3.1%
Coal Consumption	Exajoules	19	11.7%	19	11.8%	0.3%

(Source: BP Statistical Review of World Energy 2020)

F. Indian Natural Gas Sector–"Pioneering change with inclusive growth"

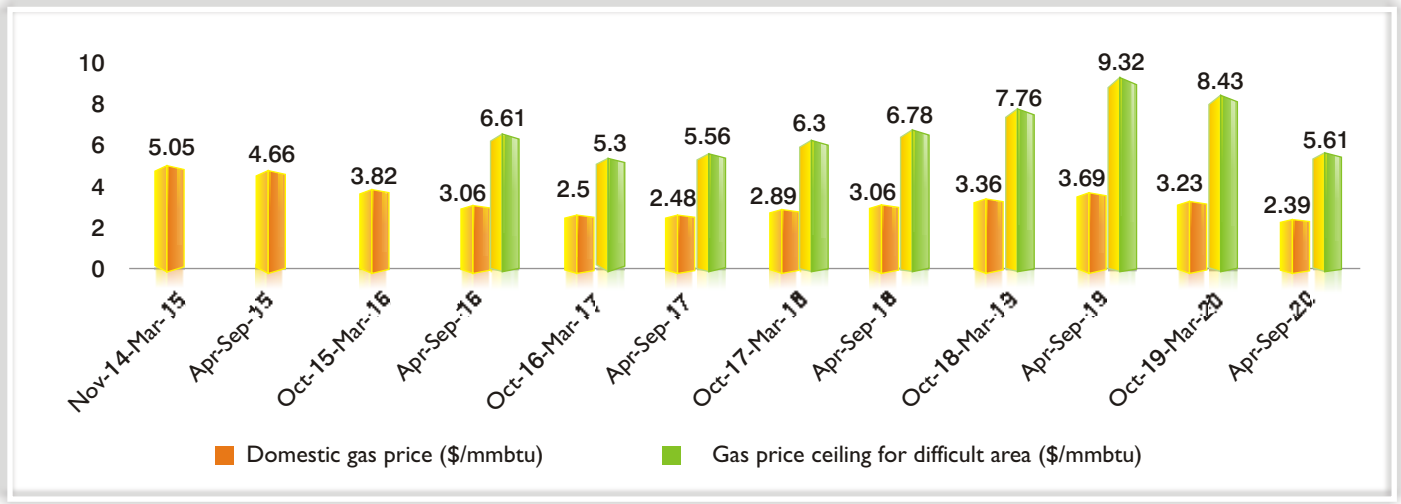
India's endeavour towards a Gas Based Economy and Natural Gas has been identified as a sustainable option to create a balanced Indian energy basket. Share of natural gas in India's energy mix is presently around 6.3% and target is to take it to 15% by 2030.

Natural Gas consumption in India has increased consistently over last five years. India is now the 13th largest consumer of natural gas globally and 3rd in Asia Pacific region, only behind China and Japan. India's Natural Gas consumption during 2019-20 has increased by around 4% in spite of restricted activities in last week of March 2020. Overall gas consumption increased significantly primarily driven by higher LNG imports and cheaper LNG prices. Most of this consumption growth came from City Gas Distribution (CGD) and Fertilizer sector. But COVID-19 had put a brake on gas consumption as LNG has almost fallen 30% due to absence of transport, commercial and industrial activities. CGD sector was the worst impacted sector due to lack of transportation and industrial activities. But gas sector is quick to reinstate its position as most major anchor segments including Fertilizer, Power and Refinery sustained their consumption. Restrictions have been eased gradually during lockdown Phase 2 (15th April – 3rd May), Phase 3 (4th May – 17th May), and Phase 4 (18th May-31st May), with industries and transport sector gradually picked up their activities. GAIL's sales volumes were up 30% during Phase 3 of the lockdown as compared with Phase 1. However, gas consumption in MSME sector is expected to take longer time to return to business-as-usual mode.

Domestic gas production has declined by over 5% to 31.18 BCM (85 MMSCMD) in FY 2019-20 from 32.87 BCM (90 MMSCMD) in the previous year, the lowest recorded output in the last 18 years. The reduction was primarily in response to less off-take by gas-based power plants, fertilizer plants, industrial customers as well as operational issues faced by E&P companies due to COVID-19. Natural gas production is expected to increase once RIL starts production from the new KG-D6 fields and ONGC ramps up production from its offshore fields.

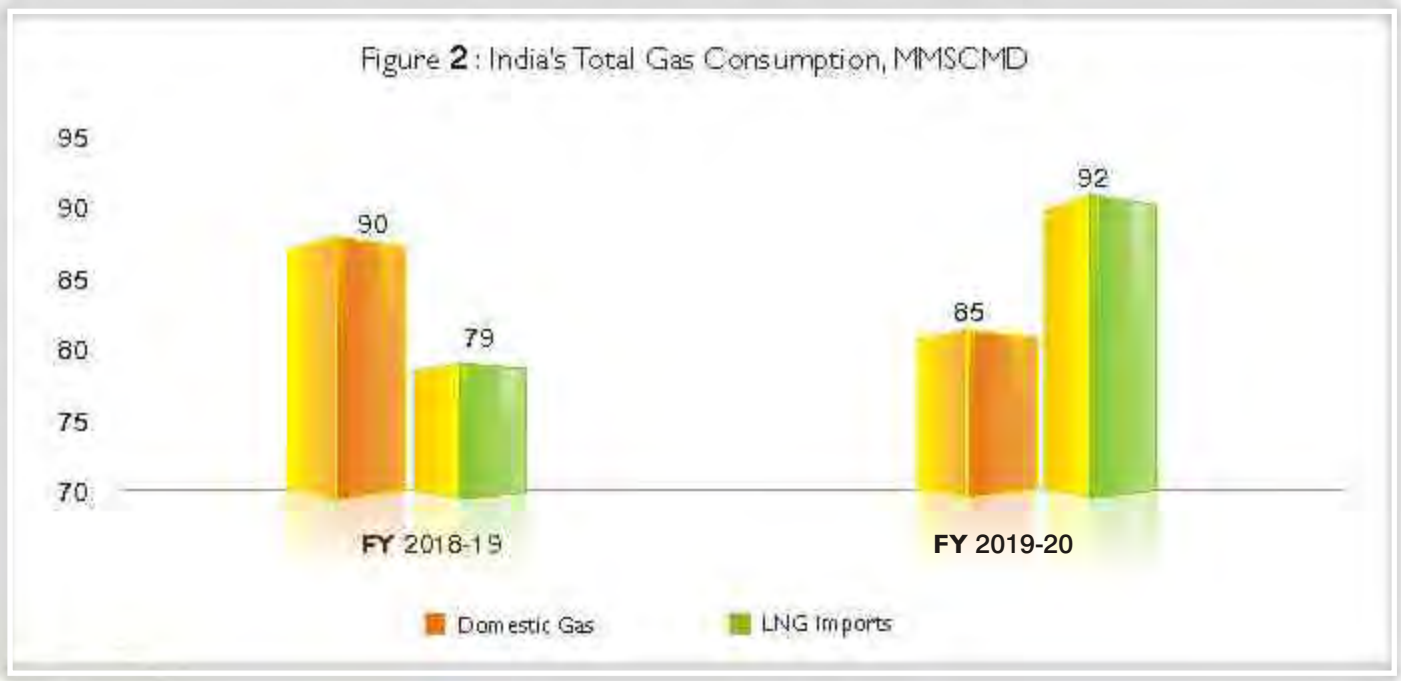
Source : IHS Markit

Domestic natural gas price which takes into account international benchmarks price including Henry Hub, Alberta Hub, Russia and UK NBP has fallen 26% to $2.39 per Million British Thermal Units (MMBTU) for the period between 1st April 2020 to 30th September 2020, the lowest recorded price of domestically produced natural gas. The gas price for difficult areas (deep water, ultra-deep water, and high-pressure high temperature areas) has also been notified at $5.61 per MMBTU for the period between 1st April 2020 to 30th September 2020, 33.45% down as compared to Oct'19-Mar'20 period.



Source: PPAC

India's increasing appetite for LNG has continued and India has become the 4th largest LNG importer globally. LNG consumption has increased by over 16% in 2019-20 to 33.68 BCM (92 MMSCMD) which is now around 52% of the total gas consumption. India also has witnessed commissioning of two new LNG terminals – One in East coast and another in West coast of India. With these two new terminals, regasification capacity of India has reached 39 MMTPA. With another 4 greenfield LNG terminals under construction and expansion in Dabhol terminal, India's regasification capacity is set to cross 60 MMTPA in the coming years.



Source : PPAC

India also moved towards a market-based pricing by setting up the first gas exchange. Indian Gas Exchange Ltd. (IGX), India's first automated national level trading platform was launched in June 2020 to promote an efficient and robust Gas market and to foster gas trading in the country. IGX is expected to start its operations at three physical hubs in Dahej, Hazira in Gujarat and Odoru in Andhra Pradesh with day-ahead market and forward contracts.

India has also witnessed a successful transition towards cleaner energy at industrial cluster **"Morbi"** in Gujarat which can be the benchmark model for the rest of the India. Morbi accounts for more than 950 ceramic units, almost 70% of the ceramic industry in India and almost 5% worldwide. Nearly 50% of ceramic companies were relying on coal gasifiers at the start of 2019 and gas consumption was around 2.5 MMSCMD. In view of the local pollution from this cluster, the National Green Tribunal (NGT) restricted use of the polluting fuel and passed orders to switch to cleaner alternative like natural gas. This move has resulted in additional LNG consumption of around 5 MMSCMD within a span of 8 months with significant improvement in the air quality levels in Morbi region.

CGD has been identified as an enabler for the gas-based economy to provide affordable energy to the masses. Number of authorized GAs/Cities in India has reached 232 in 2019-20 covering 407 districts across India. Early in June 2020, PNGRB has clarified that any entity can set up an LNG filling station in any Geographical Area (GA) or anywhere else, even if it is not the authorized entity for that GA. This development could potentially provide a big boost to the sector to promote green fuels like LNG and will promote the participation of more players across the value chain starting from OEMs and the fleet operators to the LNG dispensing infrastructure.

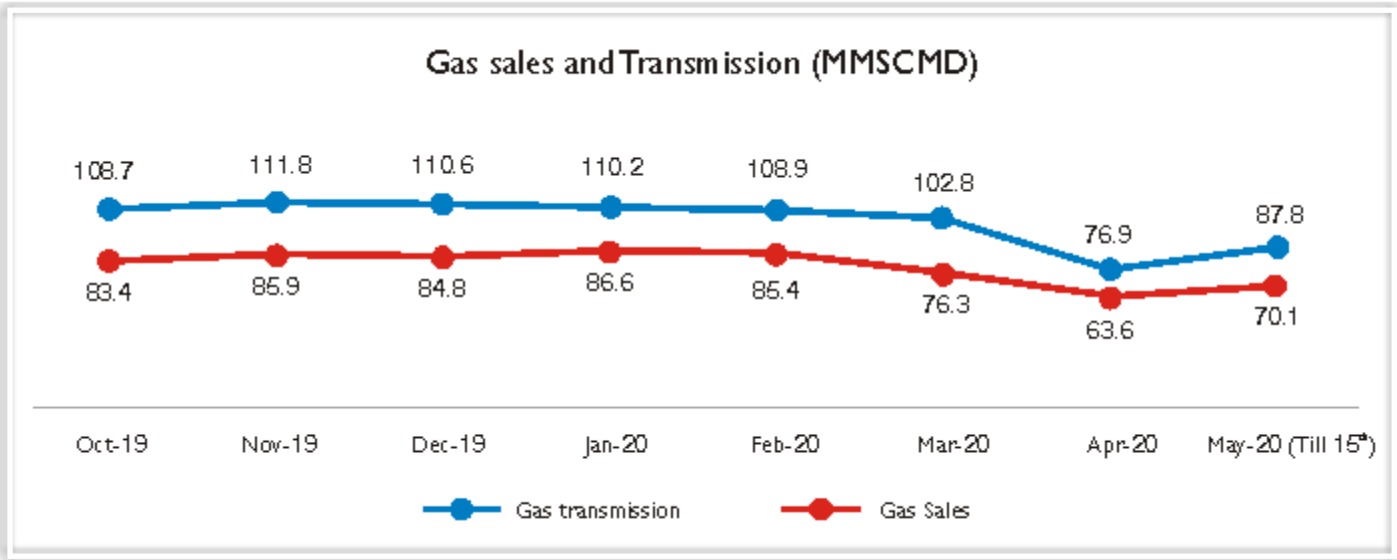
COVID-19 will have a lasting impact on the Indian gas sector and the next 1–2 years are expected to be the most challenging. Lockdowns may have had a significant impact with gas demand possibly falling by approximately 3–6% during 2020. Supply may be tightened globally in the coming years due to slowdown in exploration and delayed FID on liquefaction plants and import terminals. Before, COVID-19, it was expected that the natural gas demand in India would be driven by Fertilizers, CGD, Refineries and emerging applications. But post COVID-19, demand from the end-use sectors would be influenced from various factors including economic growth, cost competitiveness and govt. support received in the short term and long term. But current circumstance also opens up new market opportunities for LNG suppliers in power and emerging applications such as LNG trucking and LNG for mining equipment that offer very attractive cost savings to the end users in the current LNG price environment.

India's natural gas consumption needs to increase by more than three-folds in the next 10 years to increase its share to 15% in the country's energy basket. This target is highly ambitious and needs sustained and robust policy support. India's future gas demand growth is expected largely from the industrial and CGD sector. Expansion of gas infrastructure and offering affordable supply will be the key to unlock this demand. A new pipeline tariff policy is expected to be unveiled to rationalize gas prices across the country.

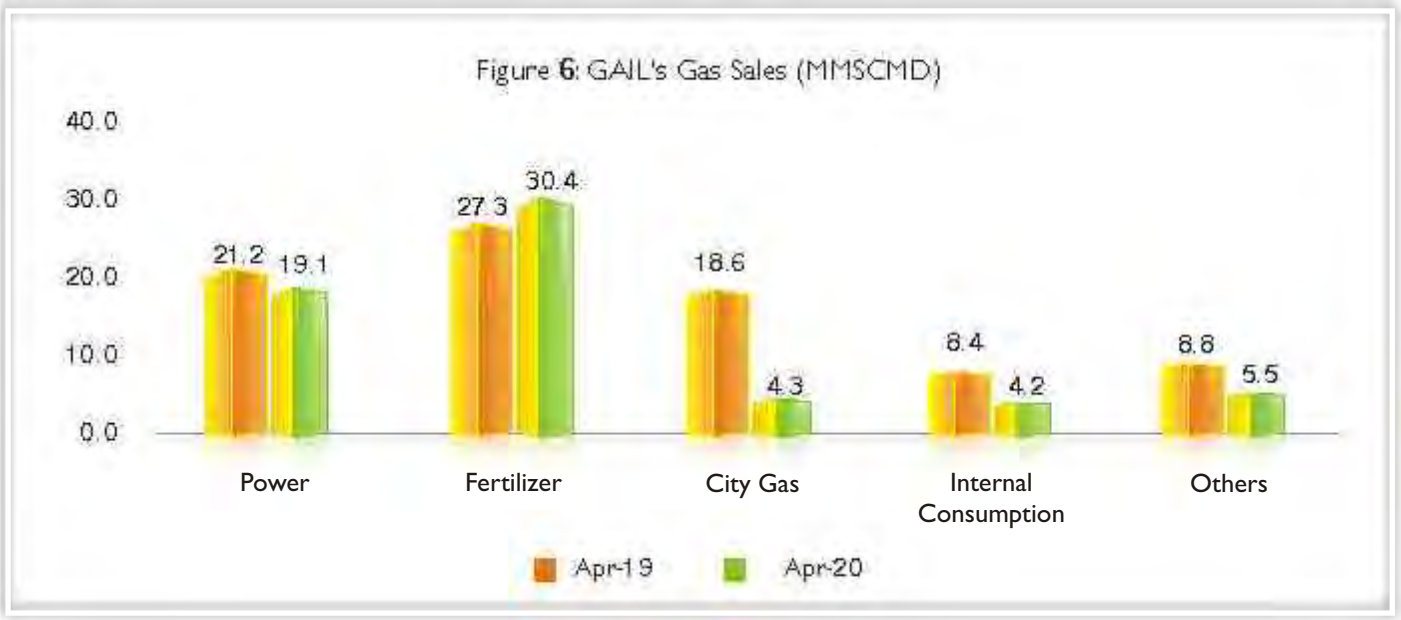
G. GAIL during COVID-19 – Service to the Nation

GAIL is committed to provide uninterrupted supply of natural gas even in the times of crisis. Despite of pandemic situation, GAIL has maintained uninterrupted and safe operations of pipeline systems and has ensured uninterrupted gas supply to all the key customers including the fertilizer and power sector. Operations of its LPG pipelines also remain normal. All the gas processing units operated normal during this crisis maintaining stable LPG production. Only the Petrochemical complex at Pata was under temporary shutdown for 15 days from 3rd April 2020 to 18th April 2020 due to reduction of demand as well as transport restrictions. Further, there were no challenges for releasing of payment to Vendors, Contractors etc. during lockdown due to large scale adoption of digital mode.

	Daily Average (Apr'19 – Feb'20)	8th April 2020 (lowest sale)	26th June 2020
GAIL's Domestic Gas Sales	49.04	39.20	44.87
GAIL's RLNG Gas Sales	35.90	20.43	37.87
Total Sale within India	84.94	59.63	82.74
Total Gas Transportation in GAIL's Network	108.70	73.30	106.71



GAIL's supply to Fertilizer sector was reduced by 20% but offtake has recovered to normal level within one month. Consumption of gas in power sector has witnessed miniscule decrease despite of reduced electricity consumption by almost 20-30% during lockdown which confirms the significance of gas-based power sector in meeting power requirements of the country. CGD faced highest decline with over 75% reduced offtake due to closed commercial, industrial and CNG mobility. Other sectors comprising refineries, petrochemicals, steel, sponge iron have shown decline in consumption. Force majeure notices were served to Petronet LNG Ltd., Qatar Gas and Gazprom due to reduction in consumption and ullage constraints in LNG regasification terminals.



Source : GAIL Data

Construction work on all ongoing pipeline projects of GAIL has been resumed. Project activities are also back on track in all CGD projects (GAIL & GAIL Gas). Corrective measures have already been taken to catch up the delayed project schedule. To strengthen the fight against COVID-19, GAIL has contributed ₹ 50 crore and GAIL's employees have come forward to donate another ₹ 3.8 crore (2 days' salary) to the PM Cares Fund. Apart from these, support was provided to various district administrations across India by contributing PPEs / ventilators / masks / medical equipment and food packets / ration kits etc. Relief measures worth ₹4.74 crore were rendered.

2. GAIL's PERFORMANCE – DOMESTIC & OVERSEAS

2.1 Operational Performance

The operational performance of GAIL for the FY 2019-20 is as follows:

Particulars	UoM	2019-20		2018-19	
		Quantity	Total Revenue* ₹ Cr.	Quantity	Total Revenue* ₹ Cr.
Natural Gas Throughput	MMSCMD	108.37	6,034	107.43	5,779
Natural Gas Trading	MMSCMD	96.26	59,955	96.93	61,338
Liquid Hydrocarbon Sales	TMT	1,263	4,234	1,329	5,083
Polymers Sales	TMT	737	5,432	735	6,704
LPG Transported	TMT	3,909	637	3,975	624

*including intersegment sales.

➢ NG Marketing

Natural gas trading continues to be one of your Company's core businesses. During the FY 2019-20, your Company clocked a sales figure of 96.26 MMSCMD (which included sales within India of 84.60 MMSCMD and overseas sales of 11.66 MMSCMD) as against 96.93 MMSCMD during FY 2018-19. Gross revenue of your Company from Natural Gas Marketing in FY 2019-20 was ₹ 59,955 crore as against ₹ 61,338 crore in FY 2018-19.

Your Company marketed 49.21 MMSCMD domestic gas in FY 2019-20 as against 53.8 MMSCMD in the previous financial year. Domestic gas volume contributed around 58% of overall natural gas volume marketed by GAIL in India. The rest 35.4 MMSCMD (42%) gas marketed in India was through imported long-term, mid-term and spot LNG volumes. Sector-wise details are as below:

Fertilizer Sector: Your Company supplies majority of the gas consumed in the Fertilizer sector. In the recent years, your Company has tied up with various Fertilizer users to supply around 12 MMSCMD of gas. During this FY, your Company has commenced gas supply to Ramagundam Fertilizers & Chemicals Limited (RFCL), w.e.f. October, 2019 for pre-commissioning of the plant.

Power Sector: Your Company supplies around 60% of the gas consumed by gas-based power plants in the country. Over the past few years, GAIL has successfully partnered with various power producers to operationalize their stranded units. GAIL continues to explore opportunities for supply of natural gas to gas based power generation units at affordable prices and is currently supplying around 4.12 MMSCMD of RLNG to power plants apart from allocated domestic gas.

➢ Natural Gas Transmission

Your Company owns and operates a network of around 12,426 km of natural gas pipeline across the length and breadth of country. The average gas transmission during the FY 2019-20 increased to 108.37 MMSCMD as compared to 107.43 MMSCMD in the previous financial year, registering a moderate growth of a little less than a percent.

LPG Transmission

Your Company owns and operates 2,038 km LPG pipeline network for LPG transmission namely Jamnagar-Loni (JLPL) & Vizag-Secunderabad (VSPL). JLPL and the VSPL pipeline networks achieved a throughput of 3.91 MMTPA during the year against 3.97 MMTPA in the previous year.

➢ Petrochemicals

Your Company has polymer production capacity of 810 KTA at Pata complex. Your Company's subsidiary (70% equity share) 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.

Shri Manoj Jain, CMD (2nd from right), Shri P.K. Gupta, Director (HR) (4th from right), Shri A.K.Tiwari, Director (Finance) (3rd from right) and Shri E.S. Ranganathan, Director (Marketing) (1st from right) addressed the Investors and Analysts Meet 2020

Further, your Company has a joint venture with ONGC and GSPC i.e. ONGC Petro- Additions Limited (OPAL) which has a 1,400 KTA capacity plant at Dahej.

Overall production from the Pata Petrochemicals complex in FY 2019-20 was 788 KTA. A combined volume of approx. 1,000 KTA of polymers including that of BCPL was marketed by your Company during the year. Your Company also exported 9 KTA of polymers to various Asian markets. Your Company has successfully maintained its market share in the domestic polyethylene market and remained the second largest player in the Indian petrochemical market with a portfolio of over 1,000 KTA of polyethylene. Your Company and BCPL together have a combined production share of 17.4% of the High Density and Liner Low Density Polyethylene (HDPE & LLDPE) market in the country.

BCPL has achieved 100% capacity utilization in FY 2019-20 also, making it two consecutive years of achieving its capacity utilization of more than 100% production.

➢ LPG and Other Liquid Hydrocarbons (LHC)

Your Company has 5 LHC plants at four locations across the country having production capacity of 1.4 Million MT. In FY 2019-20, total liquid hydrocarbon production was 1.266 Million MT, 90% of which was LPG and Propane.

➢ Exploration & Production

Your Company is having interest in both domestic and overseas blocks. The participating interest is in 9 domestic E&P blocks and another 2 blocks in Myanmar (A-1 & A-3). Your Company is Operator in two onshore domestic E&P blocks. During FY 2019-20, your Company has made its first oil discovery in Cambay basin as Operator. There is an additional gas discovery in A-3 asset in Myanmar and the production periods of this block may get extended after the successful appraisal of this discovery.

➢ Renewable Energy

Your Company is committed to reduce carbon emissions and implement renewable projects. Further, your Company has a total installed capacity of 130.26 MW of alternative energy; out of which 118 MW are wind energy projects and 12.26 MW are solar energy projects. Your Company is implementing a 1.8 MW captive Solar Energy PV Project at Vijaipur unit in Madhya Pradesh. The power generated from the plant will substitute the power drawn from the grid which will help your Company in reducing its carbon footprint in addition to optimization of the power cost.

Further, roof-top and ground mounted solar units are also being installed at various offices/ work centers for captive use.

Your Company is exploring various business opportunities in the Production and Marketing of Compressed Bio Gas (CBG) from organic waste. Your Company is an integral part of the MoP&NG's initiative – SATAT (Sustainable Alternative Towards Affordable Transportation) and accordingly has invited Expression of Interest (EOI) from various CBG Producers for providing Marketing tie up of CBG at the Retail Outlets of your Company and its JVs. This has led to issuance of number of letter of intents (LoI) to potential CBG producers. In order to sensitize the CBG entrepreneurs, a Road Show was organized by your company in Ranchi.

Your Company has taken the decision of venturing into CBG business by setting up CBG production plants. Your Company is in the advance stage of tie up with Ranchi Municipal Corporation for supply of Municipal Solid Waste (MSW) and associated infrastructure for setting up CBG plant at Ranchi. Your company already has the City Gas Distribution license from PNGRB for Ranchi District and has established its Eastern Regional office at Ranchi. This will help in integrated management of CBG plant operations and CBG marketing.

➢ City Gas Distribution

Your Company (including group companies) is currently authorized to operate in 61 Geographical Areas through-out India including metro cities of Delhi, Mumbai, Hyderabad, Bengaluru, Kolkata, etc. These CGD networks together cater to around 66% of total 62.05 lakh domestic PNG connections in the country. Out of the total 2,207 CNG stations in the country, your Company's group operates 1,385 CNG stations representing 63% share. This year, your Company registered record addition of 9.52 lakh household PNG connections and 311 CNG stations.

Your Company was authorized to take up CGD projects in six cities as a part of PM URJA Ganga project namely, Varanasi, Bhubaneswar, Cuttack, Patna, Ranchi and Jamshedpur. Supply of gas has already commenced to CNG, PNG customers in Varanasi, Bhubaneswar, Cuttack and Patna, while supply of gas has commenced in Ranchi and Jamshedpur through cascades during this financial year. Your Company is executing the CGD project at Kolkata through its JV - Bengal Gas Company Limited.

GAIL Gas Limited (a wholly owned subsidiary of your Company) is executing and operating CGD (City Gas Distribution) projects in 14

GAIL awarded the "Project Management Company of the Year" for successfully completing Phase I of the Pradhan Mantri Urja Ganga Pipeline Project by Shri Dharmendra Pradhan, Hon'ble Union Minister of Petroleum & Natural Gas and Steel

GAs, including Bengaluru. Currently, GAIL Gas has 07 nos. of JVCs and they are implementing CGD projects in 09 GAs. GAIL Gas along with its JVCs is providing DPNG to 4.64 lakh households and catering to clean fuel requirement for vehicles through its 166 CNG stations spread across various GAs.

During FY 2019-20, GAIL Gas along with its Joint Venture Companies (JVC) has achieved around 1.63 lakh domestic PNG connections, the highest figure ever achieved by GAIL Gas since its formation. During the same period, GAIL Gas along with its JV companies have also set up 81 CNG stations.

Bengaluru remained a major focus for your Company for CGD expansion. 26 CNG stations were set up and 55,582 domestic PNG connections were provided in Bengaluru CGD area in during FY 2019-20 ahead of schedule.

2.2 Financial Performance

➢ Capex

Your Company executed a capex of ₹ 6,114 crore (including equity contribution to subsidiary and JV) during the FY 2019-20 as against a capex of ₹ 8,344 crore in the FY 2018-19.

➢ Profitability

The Turnover in FY 2019-20 decreased by 4% to ₹ 71,730 crore against ₹ 74,808 crore in the previous year. The PAT increased to ₹ 6,621 crore in FY 2019-20 against ₹ 6,026 crore in the previous year, registering an increase of 10%. This is the highest ever PAT reported by your Company.

➢ Shareholders' Funds

The Reserves and Surplus (excluding Transition Reserve & Other Comprehensive Income) at the end of the FY 2019-20 stood at ₹ 37,434 crore as compared to ₹ 37,022 crore in the corresponding previous year. As on March 31, 2020, net worth of the Company stood at ₹ 41,854 crore, as compared to ₹ 39,202 crore as on March 31, 2019.

➢ Debt and Interest

Total Debts outstanding as on 31st March, 2020 is ₹ 5,257 crore as against ₹1,000 crore as on 31st March, 2019. The total Foreign Currency Loans of ₹ 407 crore outstanding as on March 31, 2020, over 95% (i.e. ₹ 385 crore) is hedged with financial derivatives such as currency swaps or forwards.

Debt–Equity ratio as on March 31, 2020 increased to 0.09 as compared to 0.03 as on March 31, 2019. The Debt-Equity Ratio has increased to 0.09 mainly due to additional borrowings during the year to meet the capital expenditures of the company. The long term debt as on 31st March 2020, increased to ₹ 3,757 crore from ₹ 1,000 crore as on 31st March 2019.

The Debt Service Coverage Ratio (DSCR) was 30 times as on March 31, 2020 as against 7 times on March 31, 2019. The DSCR increased during the year mainly due to substantially lower scheduled repayments during the year as compared to the previous year. Further, the Interest Coverage Ratio was 59 times as on March 31, 2020 as against 66 times on March 31, 2019. This reflects the strong financial position of your Company and ability to take up new projects.

➢ Ratio Analysis

Return to Net Worth (PAT/Net Worth) for the Company as on March 31, 2020 improved to 15.82% as compared to 15.37% as on March 31, 2019. The PAT to Networth Ratio improved during the current year mainly on account of higher PAT which increased by 10% to ₹ 6,621 crore as compared to ₹ 6,026 crore in FY 2019. The higher PAT during the year is attributable to higher Natural Gas and LPG transmission profits and due to the adoption of the lower Corporate Income Tax rate of 25.17% during the year.

Return on Capital Employed (PBIT/Capital Employed) decreased to 15.36% in FY 2019-20 as compared to 18.07% in FY 2018-19.

Debtors Turnover (Net Credit Sales i.e. Gross Turnover/Average Trade Receivables) for the Company as on March 31, 2020, stood at 13.47 as compared to 16.39 as on March 31, 2019.

Inventory Turnover (Cost of Goods Sold/ Average Inventory) was 40.26 as on March 31, 2020, as compared to 59.60 as on March 31, 2019. The primary reasons for the decline in Inventory Turnover Ratio is the sharp increase in Petrochemical Inventory due to lockdown, increase in LNG Inventory as 2 LNG Cargoes were in transit.

Current Ratio (Current Assets/ Current Liabilities) for the Company as on March 31, 2020, stood at 0.97 as compared to 1.10 as on March 31, 2019.

Operating Profit Margin (%) [Operating Income (Operating EBIT) / Revenue from Operations (Net)] for the Company as on March 31, 2020 stood at 11.06% as compared to 12.71% as on March 31, 2019.

Net Profit Margin (%) [Profit after Tax (PAT) / Revenue from Operations (Net)] for the Company as on March 31, 2020 stood at 9.21% as compared to 8.02% as on March 31, 2019.

➢ Market Capitalization

Market capitalization of the Company decreased from ₹ 78,398 crore as on March 31, 2019 to ₹ 34,525 crore as on March 31, 2020, due to meltdown of equity markets across the globe in view of the outbreak of COVID-19 pandemic.

2.3 Company's Global Presence

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 the USA, 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 a 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 and Myanmar through South East Asia Gas Pipeline Company Limited (SEAGP), in which your Company is also an equity partner. SEAGP is paying dividends to your Company regularly. Your Company's Branch Office in Myanmar is scouting business opportunities in Myanmar and other South East Asian countries, in the areas of gas value chain and beyond. Further, your Company and IGL are jointly pursuing a natural gas supply and distribution project in New Yangon for which techno-commercial study has already been completed.

Your Company is the Govt. of India's 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. The project is currently under pre-FID stage, wherein various activities are being undertaken by TPCL. Considering the changes in the global energy market, your Company is discussing with Turkmengas for arriving at mutually acceptable terms and conditions to enhance the marketability of the pipeline gas to be received from Turkmenistan. In addition to the GSPA, discussions are being held on the Business Principles at the commercial level. MoP&NG, under Govt. of India is monitoring the development of the Project.

Your Company holds equity interests in two CGD companies in Egypt, namely Fayum Gas Company (FGC) and National Gas Company (Natgas), involved in the supply of natural gas to residential, commercial and small industrial customers in Egypt. The investment in Natgas was made through GGSPL. Political uncertainty in Egypt during 2011-12 affected all foreign investors in Egypt including your Company. However, over the last few years, the situation in Egypt has improved. Fayum Gas has started making profits and after a gap of 3 years, Fayum Gas has paid dividend for CY 2018. For CY 2019 also, Fayum Gas has declared dividend for its shareholders. Natgas is declaring dividends for its shareholders on regular basis.

Your Company is also an equity partner in China Gas Holdings Limited (China Gas), a retail gas company involved in the 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.

3. FUTURE ROADMAP

3.1 Strategy

Your Company framed **'Strategy 2020'** in the year 2011 and has implemented several strategic initiatives identified under the Strategy including commissioning of major gas pipelines, international gas sourcing contracts for enhancing energy security of India and expansion of petrochemicals capacity.

Hindi Diwas 2019 being celebrated at GAIL

During the year, your Company has undertaken **'Strategy 2030'** exercise to define its journey through the 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 a long term growth of the Company and in turn delivers long term value to stakeholders.

Your Company is planning to bid consistently for new pipelines put on offer through PNGRB. Your Company shall continue to grow its gas transmission business by laying important sections of National Gas Grid (NGG) i.e. Jagdishpur-Haldia-Bokaro-Dhamra Pipeline, Kochi - Koottanad - Bengaluru - 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 the Govt's. priorities and by providing last mile connectivity.

Development of Indian gas market is a major focus area of your Company. 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 increasing pace of activities in the fast growing CGD sector through GAIL Gas and JVs. Your Company is under discussion for development of LNG stations by CGD companies having authorized Geographical Areas along the important National Highways primarily Golden Quadrilateral Highway. Your Company is also in discussions with various stakeholders for developing Market Seeding Schemes for Fleet Operators for promoting use of LNG as Transport Fuel. Discussion is undergoing with a prominent company in energy efficiency for cooperation for use of natural gas in trigeneration system.

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 the consumers by selling the right mix in the domestic and international geographies. Your Company is consistently looking for new international geographies to sell LNG volumes.

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

Your Company will be selectively making investments 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. Your Company is exploring the opportunity of acquiring stakes in renewable energy assets of existing players and also looking towards participating in the solar park tenders as Solar Power Producer.

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

Your Company is continuously exploring new business opportunities which have the potential to offer future growth engine and substantially add to the portfolio. To promote new technologies, GAIL has invested in the startups which focus on new technologies like Electric Vehicles, digitization, etc.

Digital Strategy

Your Company has always been at the forefront of implementing and adopting new technologies and has made significant investments in digital technologies in the past. Given the dynamic market environment, your Company has assumed a **'Digital Strategy'** exercise to leverage on the recent advances in digital technologies and advanced analytics to support effective decision making and build a scalable, and agile enterprise with improved business performance and competitive advantage. This **'Digital Strategy'** exercise is aimed at to address the future needs of your Company in terms of mission critical services, supporting operations, maintenance, planning, sustainability and overall vision. Your Company has

also defined its digital vision to bring alignment amongst various stakeholders and the potential digital themes. The new Digital Vision of your company is

"Be a digitally empowered organization for operational excellence and stakeholder value creation"

The new Digital vision of your Company addresses the needs and aspirations of all the key stakeholders, including employees, customers, vendors, shareholders, and society. Under the **'Digital Strategy'** exercise, key digital themes were identified focusing on various business value drivers such as Brand strength, Customer Satisfaction, Health Safety & Environment, People Effectiveness, Sourcing Effectiveness and Trustworthiness. A roadmap has been established with potential digital initiatives to bridge the gaps between the current state and leading practices/emerging digital trends. Implementations of various digital initiatives are in process to bridge the gaps between the current state and the leading practices/emerging digital trends.

Adoption of latest digital technologies by your Company is expected to make huge contributions to promote sustainability through enhanced monitoring and data capturing. A broad multi-stakeholder alliance and platforms for sharing digital solutions and services are essential to attain the Sustainability Development Goals. New digital methods are facilitating timely and precise monitoring of data relevant for promoting sustainability in your organization and helping to do the operations in a right manner. Digital co-operation on platforms are helping in creating a database, which could be used for big data analytics-based solutions to support better planning and optimization.

3.2 New Initiatives

➢ Natural Gas Marketing

Your Company is strengthening its existing customer base while simultaneously working on expanding gas consumption in emerging sectors. Your Company has tied-up more than 13 MMSCMD of gas supply in FY 2019-20 including customers along the new pipelines viz. JHBDPL and KKBMPL, reinforcing its position as a trusted supplier. For the first time in its history, your Company has imported 74 LNG cargoes to India amounting to approx. 4.8 MMT of LNG volumes to cater the growing need. In CGD, 39 new GA's have commenced off-take of gas from your Company during the year.

➢ Sourcing & Trading

Your Company has established itself as a major global LNG player and is now trading substantial amount of LNG in international markets. Your Company has concluded various deals to de-risk the existing portfolio including destination swap transactions, time swap transactions and third-party sales on FOB basis to ensure delivery of competitively priced LNG in the Indian market. Further, your Company has successfully handled the impacts of COVID-19 pandemic through cancellation/re-scheduling of cargoes under various long-term LNG contracts, ensuring uninterrupted LNG/RLNG supply to customers.

➢ LNG Shipping

In order to transport the LNG sourced from USA, your Company hired the LNG vessel **'Meridian Spirit'** from Total E&P NORGE AS, Norway for a period of 3 years extendable by one year at Charterer's option. With this vessel, your Company has been able to significantly increase its trading footprints not only in India but also in the European region.

During the last year, your Company sub-chartered the vessel **'Meridian Spirit'** to other counter parties for a short period and also concluded a unique vessel swap transaction. These transactions have not only optimized the vessel utilization but also generated revenue from shipping activities.

Your Company signed a Charter Party Agreement with a subsidiary of Mitsui OSK Lines (MOL) for hiring of a new build LNG vessel of latest technology for a period of 03-05 years from the year 2021 onwards.

Depending upon the LNG trading strategy for FY 2020-21, GAIL may charter hire additional LNG ship(s) on spot / term basis. Your Company has developed LNG shipping capabilities in a very short span of time and is now fully equipped to meet its spot / short / mid / long term shipping requirements.

➢ LNG Regasification Terminals

During the year, Konkan LNG Limited (KLL) has become a subsidiary of your Company and management and operational control over Dabhol LNG terminal has further enhanced. It shall provide greater operational flexibility to your Company in LNG business in terms of sourcing, regasification and trading of LNG.

Your Company has under taken the debt resolution process with the lenders to improve the financial viability of KLL. Your Company has provided the required financial support to KLL for debt resolution exercise and in lieu of providing financial support to KLL, lenders of KLL transferred their equity shareholding in KLL to your Company and also novated the residual loan in favor of your Company.

Your Company is the commercial operator of 5 MMTPA Dabhol terminal in Maharashtra under KLL. The terminal is currently operating only during non-monsoon months due to non-availability of breakwater facilities and thus utilizing only 1.9 MMTPA capacities. The construction work for breakwater has been started and is likely to be commissioned in mid-2022, after which the terminal shall be able to operate throughout the year, utilizing its full capacity. Further, your Company is making all the efforts for full utilization of regasification capacity of Dabhol terminal by selling surplus regasification slots to third party.

Your Company has booked additional 2.5 MMTPA long term regasification capacity in Petronet LNG Limited (PLL) Dahej terminal. PLL isusing its regasification capacity of Dahej and Kochi terminals for supply of around 5.0 MMTPA of RLNG to GAIL under various long-term Gas Supply Agreements (GSAs).

Your Company also signed Tolling Agreement with Dhamra LNG Terminal Pvt. Ltd. In 2018 for 1.5 MMTPA regasification capacity at Dhamra LNG Terminal, Odisha to market LNG in the Eastern Region.

➢ Natural Gas Transmission

Your Company is committed to increase the physical network infrastructure and completion of NGG. To offer seamless and transparent pipeline access to its customers, an online portal was launched by your Company in 2018 for displaying and online booking of the pipeline capacity. This platform is available 24x7 and can be accessed through mobile as well. Around 1800 Capacity Tranche (CT) requests have been processed through the portal during FY 2019-20 while the total CT requisitions processed till 31.03.2020 since the launch of online portal is around 3000.

Further, to ensure higher utilization of the commissioned trunk pipelines, 8 new Last Mile Connectivity and 5 Hook-ups were completed to supply/transport gas during FY 2019-20.

➢ Developing the National Gas Grid (NGG)

Your Company is a significant number of gas pipelines as part of National Gas Grid. Currently, your Company is executing around 7,500 km of gas pipelines across India and another 1,800 km pipelines through its two JVs.

1. Kochi-Koottanad-Bengaluru-Mangalore Pipeline (KKBMPL) Phase-II (879 km): Construction of Kochi to Mangalore pipeline (434 km) section is in full swing and is expected to be completed soon.
2. Vijaipur-Auraiya-Phulpur Pipeline: To de-bottleneck supply of JHBDPL project, a parallel pipeline from Vijaipur to Phulpur via Auraiya (672 km) is under execution in phases. Phase-1 from Auraiya to Phulpur (315 km) is already commissioned. Phase-2 of the pipeline i.e. Vijaipur to Auraiya (357 km) is under execution and 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. This pipeline network shall pass through the Eastern part of U.P., Bihar, Jharkhand, Odisha, West Bengal and Assam. The pipeline network shall have two gas sources, one at Phulpur (Allahabad, U.P.) and the other at Dhamra RLNG Terminal (Odisha). Recently, PNGRB has granted authorization for capacity expansion of JHBDPL network by laying Dhamra-Haldia pipeline and increasing size of Paradip spur line. With this expansion capacity of integrated JHBDPL network is now 23 MMSCMD from earlier 16 MMSCMD.

   Construction of these two pipelines is under progress in phases. JHBDPL pipeline network of total length of 730 km including Phase-I from Phulpur to Dobhi to Barauni (585 km) with spur-lines to Varanasi and Patna has been completed during the year. The work is in progress for the balance sections but may get delayed due to COVID-19. Construction activity of Barauni-Guwahati section had started in FY 2018-19.

4. For development of the regional gas pipeline grid in the North East India, a Joint Venture Company (JVC) – Indradhanush Gas Grid Ltd. has been formed among 5 Oil & Gas PSUs viz. IOC, ONGC, GAIL, OIL and NRL as equal equity partners. This 1,656 Km Gas grid with an estimated project cost of ₹ 9,265 crore is connecting eight North-Eastern States-Assam, Arunachal Pradesh, Meghalaya, Manipur, Mizoram, Nagaland, Tripura and Sikkim. Viability Gap Funding (VGF) of ₹ 5,559 crore (60%) for this project was approved by the cabinet on 8th Jan 2020.

5. Board's approval has been received for Srikakulam (AP)-Angul (Odisha) pipeline (690 km). Pipeline is currently under execution.

6. Your Company has received PNGRB's approval for capacity expansion of the JHBDPL Network by way of a new Pipeline from Dhamra to Haldia and resizing of the Dhamra-Paradip section of JHBDPL.

7. Your Company has received PNGRB's authorization for Mumbai-Nagpur-Jharsuguda Pipeline (MNJPL).

➢ City Gas Distribution (CGD)

Your Company's subsidiaries and CGD JVs have won 15 Geographical Areas (GAs) in the 9th round of CGD bidding and 8 GAs in the 10th round of CGD bidding.

In the 9th round of CGD bidding, GAIL Gas Limited received authorization for 05 Geographical Areas (viz. Dakshin Kannada Districts, Sundargarh & Jharsuguda Districts, Ganjam Nayagarh & Puri districts, Dehradun district and Giridh & Dhanbad Districts) apart from 02 Geographical Areas in Assam (viz. Kamrup & Cachar) through a consortium with Assam Gas Co. Ltd. & Oil India Limited. GAIL Gas formed a Joint Venture Company - Purba Bharti Gas Private Limited (PBGPL) to execute these two CGD projects in Assam.

In 10th round of CGD bidding, GAIL Gas Limited has been authorized 04 GAs (Saraikela-Kharaswan District, West Singhbhum District, Raisen-Shajapur-Sehore Districts and Mirzapur-Chandauli-Sonbhadra Districts). Project related activities have already commenced in GAs, authorized in the 9th and 10th bidding round.

Further, GAIL Gas has awarded 22 Letters of Intent (LoI) to entrepreneurs to promote compressed biogas (CBG) under SATAT. Agreement has been signed with one of the entrepreneurs for setting up Compressed Biogas plants.

➢ Petrochemicals

After creating history in 2019, by becoming the first ever producer of Metallocene grade polymer in India, your Company has successfully produced around 12,800 MT of Metallocene grade polymers during the year, without needing assistance of the process licensor (M/s Univation, USA), thereby successful in absorbing the technology. Apart from that, the Pata petrochemical complex has also established sustained production of Hexene-1 based polymer grades in its New LLDPE Swing Unit, after which it has become the first plant of the Univation technology, in India, having produced the slated Polymer grades using different catalysts in a single reactor.

6 new consignment stockiest (CS) are appointed by your Company to increase wide network & sales of petrochemical marketing. SAS is hired for developing Advanced analytical tool for optimizing & improving margin.

Your Company is looking to develop export capability and has been exploring new petrochemical market of other Asian countries. This year, your Company has exported 9 tonnes of polymer to various overseas markets.

Your Company envisages to enhance the production of Polypropylene grade petrochemicals and is in the process of setting up a 500 KTA Propane dehydrogenation and Polypropylene (PDH-PP) Plant at Usar, Maharashtra at an investment of around ₹ 8,800 crore This would be the first plant in India using Propane Dehydrogenation technology for production of Propylene. The technology Licensor selection for PDHPP unit is in Progress. Environment clearance for the Project site in Usar, is under consideration by the Ministry of Environment, Forest & Climate Change.

Your Company has also received Board's approval for setting up a 60 KTA Polypropylene (PP) plant at Pata at an estimated investment of ₹ 910 crore. Technology Licensor Selection for PP unit is in progress.

➢ Coal Gasification

Your Company is in the process of setting up a coal gasification-based Urea project through a JV- Talcher Fertilizers Limited (TFL), formed with Coal India Limited (CIL), Rashtriya Chemicals and Fertilizers Limited (RCF), each having 31.85% stake and Fertilizer Corporation of India Limited (FCIL) having 4.45% equity. The project, with an estimated cost of around ₹ 13,277 crore is envisaged for the production of 2,200 MTPD Ammonia and 3,850 MTPD Urea. The coal for the project shall be sourced from captive mine of North Arkhapal in Talcher region which has been allotted to TFL by Ministry of Coal. TFL has already signed the mine allotment agreement with the Coal Ministry. Petcoke, which is the second feedstock, shall be sourced from IOCL's Paradip refinery for which TFL has already executed an MoU with IOCL.

The project has received an investment approval from all the JV partners in August 2019 and project activities have already commenced with the award of 02 major LSTK tenders of coal gasification and ammonia/urea at a cumulative cost of approx. ₹ 8,000 crore to M/s Wuhuan Engg. Co. Ltd., China. Further, debt syndication of the project is under progress. Selection of other vendors is in progress along with other pre-project construction activities at site. Department of Fertilizers is in the process of preparing Urea Policy for coal gasification-based Urea Plant.

➢ Fertilizer

Your Company had taken 14.3% equity stake in Ramagundam Fertilizers and Chemicals Limited (RFCL) incorporated by NFL, EIL and FCIL for producing 2,200 MTPD Ammonia and 3,850 MTPD Urea. The unit is in the verge of completion and pre-commissioning activities have already been commenced. Supply of gas to RFCL has started.

➢ Start-up Initiative

Your Company has an on-going Start-up Initiative to make investments in Start-ups. To give a boost to this initiative, an additional corpus of ₹ 50 crore was provided during the year, thereby increasing the total corpus to ₹ 100 crore.

Focused investments were made in Start-Ups operating in Electric vehicles value chain to participate in this high growth area. Your Company has signed Investment Agreements with 9 Start-Ups during the year with a commitment of ₹ 22.42 crore. Till date, 24 Start-Ups are supported with a total commitment of ₹ 45.72 crore and ₹ 35 crore has been already disbursed. A new round of Solicitation for Investment Proposals from Start-Ups operating in the Area of 'Renewable and Alternate Energy' was carried out during the year. The main aim of this Round is to invest in Start-Ups in the Area of Compressed Bio Gas (CBG) to support the Sustainable Alternative Towards Affordable Transportation (SATAT) initiative of Government, and to promote CBG as an alternative green transport fuel for efficient management of Biogas and organic waste.

➢ Advocacy Initiatives

Your Company has been running Hawa Badlo *(Change the Air)* campaign with the primary aim to sensitize people on the harmful effects of air pollution. The Hawa Badlo campaign has digitally touched more than 100 million lives enabling people to make a direct link between their energy consumption patterns and the impact on their health and environment, and motivating them to voluntarily switch to the more economic and environmentally friendly 'natural gas'. Your Company also partnered with the UN patronised **"Interdependence"** - An eleven short film global campaign, for raising awareness on environment & climate change organized by Art for the World, an NGO associated with the United Nations Department of Public Information (UNDPI). The world premiere of the Interdependence campaign took place during Rome Film Festival on 22nd October, 2019. The idea behind the film was to create a dialogue for prompting some measurable actions to mitigate the problem of air pollution.

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 the consumers and the 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 2019-20, PNGRB has notified various Amendments to the Regulations in respect of Natural Gas Pipelines, CGD networks and Petroleum Product Pipelines and has also issued various authorizations, orders and decisions in relevant matters. The details of the said regulations, amendments, authorizations, orders, and decisions are available on the official website of PNGRB (www.pngrb.gov.in) and have varying implications on the business. 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 the 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 the regulations.

➢ Natural Gas Prices

Your Company currently market's natural gas purchased from domestic and international sources.

The Government of India, vide its order dated October 25, 2014, had notified the New Domestic Natural Gas Pricing Guidelines, 2014. As per the notification w.e.f. November 01, 2014, the gas price is determined bi-annually as per a specific formula, which, in essence, is a twelve-month average 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's Approval as per PSC, whereas the same 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 21, 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. As per the guidelines, the Government has decided to ensure freedom of pricing for gas produced in these fields up to a ceiling price level calculated by taking lower of twelve-month average of landed price of imported fuel oil, substitute fuels and LNG.

Your Company earns the marketing margin on the sale of domestic natural gas. Further, the Government of India, in its notification dated December 24, 2015, applicable from November 18, 2015, has put a ceiling on marketing margin for the supply of domestic gas to fertilizer (Urea) and LPG producers to ₹ 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 through carriers from various suppliers worldwide and gets it re-gasified either at PLL's regasification terminal at Dahej, Gujarat and Kochi, Kerala or at KLL regasification terminal at Dabhol, Maharashtra or at Hazira LNG Private Limited (HLPL) regasification terminal at Hazira, Gujarat. Such LNG import is either under a medium-term agreement ranging up to three years or under spot cargo purchases. Under medium-term imports, the selling price is largely based on the purchase price. However, under spot cargo imports, the selling price is dependent upon the demand and supply scenario and customer affordability. 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.

➢ LNG Portfolio

Your Company and its subsidiaries / joint ventures / affiliates till date have executed two long-term LNG contracts in the USA and one long-term LNG contract from Russia to meet the growing LNG demand and enhance capacity utilization of 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 for the commensurate gas quantities.

- LNG Sale and Purchase Agreement with Gazprom 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.

The aforesaid LNG contracts were entered by your Company with the primary objective of meeting the demand of a growing Indian economy and ensure energy security of the nation. During the finalization of the Sale Purchase Agreement(SPA) of above, power sector was envisaged as the key buyer. However, power produced from LNG doesn't come under the Merit Order Dispatch due to availability of cheaper alternative power including renewables.

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

In parallel, your Company has also optimized LNG sourced from the US through destination swap transactions to optimize cost of shipping HH LNG to the Indian ports resulting in efficient management of the portfolio.

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 the 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. Such mitigating measures of commodity hedging are underway based on the regular assessment of managing cash flows from trading transactions.

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

Present tariff methodology requires tariff to be levied separately for each pipeline resulting in additive tariffs for multiple pipelines. Such pipeline tariff is not viable for new customers located in far-flung regions. There is a constant demand for equitable tariffs to manage input costs for maintaining competitiveness of their end-products/service. Integration of 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 tariff structure across regions and can lead to an equitable gas based economic development. Unified/Pooled tariff removes the distortion in the tariffs applicable to the existing and new customers as the pipeline network expands.

To facilitate equitable market growth, while granting the capital grant for JHBDPL, the Cabinet Committee of Economic Affairs (CCEA) inter-alia directed MoP&NG to examine your Company's request for Unified/Pooled tariff for all its inter-connected cross-country pipelines for ensuring financial viability and sustainability of such infrastructure projects. 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 loss)*, future capital costs for last mile customer connectivity etc. to ensure 12% post-tax return on GAIL's investment. In this regard, draft regulations have been framed, public consultation is complete and the matter is under deliberation by PNGRB.

➢ Power including Renewables

India is increasing its renewable energy capacity at a brisk pace with an aim to reduce Carbon emissions. With an increase in the 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 as well as for selling to various downstream customers is being monitored as per the 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 fluctuations in the prices of imported natural gas.

➢ 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 will incur significant liabilities for the Company.

➢ Risk Management Framework

Your Company has an approved Risk Management Policy available at the website **https://gailonline.com/pdf/others/RiskManagementPolicy Rev 4.0. pdf** and 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 by the decision makers in compliance to prevailing statutory regulations so as to assure demonstrable achievement of objectives and improvement of financial stability of your Company.

The Risk Management committee consists of the Chief Risk Officer, Head of Treasury and all the functional directors except the Chairman & Managing Director. 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 corporate level key risks are as under:

1. Market Risk of LNG, linked with HH, in case of adverse movement of crude oil price, continuously suppressed spot LNG prices and expected increase in domestic gas volumes.

Swacchata Pakhwada pledge taking at GAIL

2. Risk emanating out of GAIL's Comfort letter to Bank for providing PBG (₹ 5,200 Crore) to GAIL Gas Ltd. {wholly owned subsidiary of GAIL (India) Limited for Bengaluru CGD Project}.
3. Risk of reduction in margin of Petrochemicals due to lower industry demand, lower sale price & high input cost.
4. Risk of delay in Project Execution due to delay in obtaining Right of Use (RoU)/Land.
5. Risk of Underutilization of pipeline due to sluggish growth in gas energy consumption.
6. Major LPG Leakage in RT / SV Stations / LPG Pipeline.
7. Risk of third-party damage & encroachment in pipelines.
8. Risk of statutory/regulatory non-compliance.
9. Risk of unfavorable regulatory changes.
10. Risk on further investment in RGPPL/ KLL.

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

5. INVESTOR RELATIONS AND ENGAGEMENT

Your Company believes in continuous interaction with investor community with transparent & symmetric information for creating value for all stakeholders. Your Company delivers on this front through continuous engagement with investor community, timely disclosures and unbiased access for various stakeholders. Values like long-term relationship, trust and fairness are the guiding principles for your Company's Investor Relations program. Along with the dedication to create value for stakeholders, your Company is also committed to promote transparency & excellence in Corporate Governance standards. The link to access the information related to Investors is - **https://gailonline.com/IZ-InvestorsZone.html and https://gailonline.com/IZ-InvestorInformation.html**

During FY 2019-20, your Company organized **"Annual Investors' & Analysts' Meet-2019"** at Mumbai, organized 3 conference calls to discuss quarterly results, participated in 12 domestic and 2 international investor conferences and conducted more than 50 one on one meetings for maintaining engagement with the investor community. All these meetings/calls/ conferences were attended by the Top Management/Senior Executives of the Company. The link of Analysts Presentation and their transcripts are provided at the following link of our website- **https://gailonline.com/IZ-GeneralInformation.html**

Your Company also take active role on ground in sensitizing its employees about handling of the Unpublished Price sensitive Information (UPSI). Last year your Company has conducted companywide workshops to spread awareness of Unpublished Price sensitive Information amongst its employees. Fairness, transparency and strong Corporate Governance standards of this company has led to appreciation and trust of Investor community time and again.

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

a) Code of Conduct to Regulate, Monitor and Report Trading by Insiders (Insider Trading Code) and the link to access the Insider trading code is- **https://gailonline.com/pdf/InvestorsZone/GAIL-Insider%20Trading%20Code%202018-10.04.2019.pdf**

b) Code of Fair Disclosure and Conduct- Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (Principles of fair Disclosure). The link to access the Code of Fair Disclosure and Conduct is **https://gailonline.com/pdf/InvestorsZone/GAIL-Principles-of-Fair-Disclosures.pdf**

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

6. CAPABILITY DEVELOPMENT

➢ Human Capital

As on 31st March 2020, your Company has 4682 (including Whole-time Directors and CVO) employees on its roll. Your Company is keen to develop its human capital through 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 ₹ 247.06 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 initiative, at various work centers.

➢ Leadership Development Program

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

The Development strategy comprise of two focused Talent Development Interventions: 360 Degree Feedback Exercise and 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. Customized Management Development Programs on Leadership have been conducted for E-5 and above Women executives. Additionally, a structured Management Development Program is also imparted to all newly promoted E7 and E8 Executives. From the next year, we also plan to include the newly promoted E6 Executives into this structured Management Development Program.

Your Company is grooming the senior level executives of GAIL at the level of Executive Director and Chief General Manager for the Board Position through capability building programs like Master Class for Directors and Board Room Effectiveness, wherein Directors of GAIL's Board also conducted sessions. In line with the global business environment and India's future growth trajectory, Capability building

programs on the emerging areas such as Renewable and Alternate energy (Solar and Wind Energy), Water Value Chain, Specialty Chemicals Segment and other upcoming areas such as Mobility Future, Industry 4.0 and Automation are being conducted regularly for meeting the objectives of GAIL's Strategy-2030.

➢ 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) under Pradhan Mantri Urja Ganga Pipeline and City Gas Distribution Projects. 280 students have already been trained in SDI Raebareli during FY 2019-20. Out of 280 trained students, 162 have been successfully placed. Under RPL, 2,166 beneficiaries have been covered till March, 2020.

➢ 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 your Company. Discussions with employee collectives are held through Monthly / Bi-Monthly / Quarterly Meetings, both at Work Centres 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 strategy 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 Health, Safety & Environment (HSE) Policy which is a statement of commitment of the management of your Company. Your Company endeavours to generate value through Sustainable Development by placing commitment to Occupational Health, Safety and Environment of Plants, Pipelines including CGDs and Personnel. Uniform well-designed HSE Management System is in place to support its commitment. Being a leader in Safety, your Company focusses on Occupational Health and Environment protection by adopting latest Technology and Digitalization. Employees and contract workers are encouraged to adopt safe working habits and behaviour to create positive HSE culture within the organization 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 key elements of HSE Management System. Your Company achieved an **"HSE Score"** of 95.98% in the FY 2019-20.

10th of every month is observed as **"Safety Day"** at each O&M site in your Company. On this day, the Officer In-Charge of all installations (OICs) review all the safety related aspects of their installations under their jurisdiction. The exceptions report on Monthly Safety Day Observations is reviewed at the level of Director.

➢ Safety Training & Awareness

Training and awareness is key to the safety of people to understand the hazards and risks associated with workplace and the appropriate mitigation measures to be taken which lead to loss control. Your Company having excellent training institutes at Noida and Jaipur, impart regular Operational and Safety Trainings to employees. Internal Safety System is also in place at O&M Installations where structured HSE trainings including Behaviour Based Safety etc. are being imparted to employees and contract workers to upgrade their skills, knowledge and competence, in order to perform their HSE functions effectively and develop an effective safety culture.

Your Company has also organized Regional HSE Meet at Kochi and Vadodara to strengthen the implementation of HSE Management in focused approach.

To further strengthen and reinforce positive behavior, your Company has launched **'Behaviour Based Safety (BBS) Advance'** focusing on Safety Leadership, at all O&M Installations. BBS Workshops have been organized and handholding is in progress.

➢ 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 PNGRB accredited Third Party Inspection Agencies and experienced In-house Team, in accordance with the applicable National Codes and Standards. Recommendations given during the various audits 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. All employees at various work centers undertake periodic medical examination 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. Periodic audits on Occupational Health are also being conducted at Installations to ensure effective implementation of Occupational Health Management.

➢ 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. 2nd Edition of HSE Oil & Gas Conclave on theme **'Driving HSE Culture for Building Resilient Organization'** organized by your Company on 11-12 December 2019 at India Habitat Centre, New Delhi. Around 400 Dignitaries, foreign delegates and experts from across the globe have participated in the conclave to discuss the Health, Safety and Environment measures in the Oil and Gas industry.
2. Centre for Chemical Process Safety (CCPS) Asia Pacific Regional Technical Steering Committee (TSC) Meeting held on 6th February, 2020 at Jubilee Tower, Noida to deliberate the emerging issues with Process Safety Management.
3. 4 Workshops and 33 Handholding Visits have been organized for successful implementation of **'BBS Advance'** respectively.
4. Disaster Risk Reduction (DRR) in accordance with the guidelines of **'Sendai DRR framework'** & NDM plan of India was formulated and released by Mr. G. V. V. Sarma, Member Secretary, NDMA during the 2nd Edition of HSE Oil & Gas Conclave.
5. Leveraging IT in recording and tracking Safety Activities like OISD Safety Audits, PNGRB Audits, Risk Assessments, Mock Drill, etc. Compliances through SAP in addition with existing processes of Incident Management System, Job Safety Analysis & Management of Change.
6. Emergency Response and Disaster Management Plan for City Gas Distribution Networks owned by GAIL was formulated in accordance

with PNGRB [Codes of Practices for Emergency Response and Disaster Management Plan (ERDMP)] Regulations, 2010.

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

As a benign fossil fuel, Natural gas has an important role to play in reducing India's emission intensity under Intended Nationally Determined Contribution (INDC) commitment to the United Nations Framework Convention on Climate Change (UNFCCC). In the coming days, this obligation would help ratchet up the natural gas share in the overall energy mix of the country. Apart from Policy regulations, Technology developments in the natural gas sector are going to play a vital role.

In this direction, your Company has increased its R&D efforts in scope and scale for comprehensive and integrated research works in the identified Thrust areas. Your Company allocates 1% of its PAT for carrying out various collaborative R&D projects and Developmental Projects.

Your Company implements various Developmental projects at its natural gas processing and petrochemical units to optimize process parameters, improve energy efficiency, and enhance safety and plant performance to meet emission regulations, minimize risk, extend equipment life and reduce costs, etc.

During the year, your Company has pursued various Technology upgradation projects. The firefighting systems and turbine control systems are being upgraded with eco-friendly firefighting system and advanced turbine control system for performance and efficiency improvement. In addition, under corrosion mitigation plan, new Materials of Construction are being tried out for pumping lean amine solution. A novel and environment friendly Scheme has been developed for Neutralization of acidic Waste water streams using CO_2 Carbonation Process, replacing Mineral acids for implementation at our petrochemical complex.

Under collaborative R&D initiatives, your Company has developed and set-up a Pilot plant for conversion of **'Waste plastic to Diesel'** of 1TPD capacity at Indian Institute of Petroleum (IIP), Dehradun. The Pilot plant was inaugurated on 27th Aug'19 by Dr. Harsh Vardhan, Hon'ble Minister of S&T, Earth Sciences and Health & Family Welfare in the presence of Sh. Trivendra Singh Rawat, Hon'ble Chief Minister of Uttarakhand. Currently, extensive operational data is being generated for validation of the Technology for commercialization.

Your Company has developed a prototype of **'Adoptive Intelligent Pipe Health Monitoring Robot for Fuel transporting systems'** with IIT-Kanpur under Uchhatar Avishkar Yojana (UAY) funded by MHRD and GAIL. The prototype was showcased in the Technology Exhibition (Tech Ex) on 4th Aug'19 at IIT-Delhi and further, extensive trials are under way. Your Company is also developing a **'Low Altitude Long Endurance (LALE) Unmanned Aerial System (UAS) for Surveillance, Reconnaissance and Asset Monitoring (SRAM)'** system for airborne monitoring of pipeline ROU.

Under the Natural gas to value addition initiative, a research project on direct conversion of Methane to Olefins is being pursued. Further, novel 3-D Covalent Organic Framework (COF) based adsorbents with high surface area with promising methane storage capacity were synthesized for Adsorbed Natural Gas (ANG) Technology. Further, collaborative research works on; Demonstrative up gradation of existing BS-IV CNG HCV Engine to meet BS-VI emissions; Development of Hollow fibre membranes and modules for separation of Acid gases from Natural Gas; and Methane Production from Marine Hydrates by CO_2 replacement are being pursued in collaboration with reputed R&D labs across the country.

Moreover, to perpetuate innovation culture, your Company has a Central Suggestion Scheme for identifying and promoting best ingenious idea for its implementation in our business operations. The selected individual or team are appreciated through the award of CMD trophy and monetary incentives.

Your Company has joined hands with other Oil & Gas PSUs to create a Centre of Excellence in Oil, Gas and Energy (CoE-OGE) at IIT-Bombay. The CoE-OGE aims to enhance industry-academia interaction and develop solutions for Oil & Gas industry. Your Company will contribute 10% towards the expenditure in setting-up and operating the Centre.

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 endeavors 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 2019-20 is 95 %.

10. SUSTAINABILITY INITIATIVES

This year marks the decade of publishing Sustainability Report of your Company. 10th Sustainability Report for FY 2019-20 shall be published, based on the Global Reporting Initiative (GRI) Standards. 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 your Company. The report shall be hosted on the website **www.gailonline.com**

In these testing times, it has become imperative to understand the long-term interests of our stakeholders and co-create a positive value for the society. Your Company is committed towards achievement of the **Sustainable Development Goals (SDGs).** We have been aligning our various initiatives across different segments and departments with the SDGs in our Sustainability Report.

This year also marked our foray into the **'CII GreenCo Rating System'**. GreenCo Rating is the **'first of its kind in the World'** holistic framework that evaluates companies on the environmental friendliness of their activities using life cycle approach. Implementation of GreenCo rating provides leadership and guidance to companies on how to make products, services and operations greener. United Nations Industrial Development Organization (UNIDO) has acknowledged GreenCo as one of the top 50 best practices in the World promoting green industry initiatives. Exclusive workshops have been conducted at the CII- Green Business Centre at Hyderabad for the senior executives of GAIL's sites to take forward the implementation. Several sites have already initiated the implementation of the same.

Further, several initiatives such as Carbon Neutral meetings, discarding use of Single-use plastics, awareness and sensitization of employees on Sustainability and biodiversity have been also taken up across sites.

This year, your Company also amended its Sustainability Policy. The main objective was to take into consideration of the national and international priorities such as UN Sustainable Development Goals (SDGs), Climate actions, India's Nationally Determined Commitments (INDCs) among others.

We are proud to announce that the **'FTSE4 Good Emerging Market Index'**, a market-leading tool for investors seeking to invest in companies that have strong management of ESG risk, has included your Company for the fourth year in a row. It facilitates your Company to get the investment and financing/loans at low interest rates. Commitment towards Sustainability related aspects is the key for inclusion of your Company in this coveted index.

The sites took up various other projects under the Annual Sustainability Work Plan. To monitor the progress made by the implementation of these projects a digital platform **'e-Pragati'** is established. In FY 2019-20, Projects under Annual Sustainability Work Plan were undertaken across sites on Energy, Renewables, water, GHG management among others. 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. Further, your Company has been expanding its renewable energy portfolio.

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).

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 2019-20 is contained in the separate section in the Annual Report FY 2019-20.

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

From its humble beginning as a gas transmission Company, your Company today has become the largest integrated Natural Gas Marketing & Transmission Company in the country. Being a flagship energy Company, your Company is committed to play a key role in building sustainable energy future for the country. As India's leading 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.

Your Company by virtue of its business in Natural Gas plays an instrumental role in transitioning towards a low-carbon economy. Operations of your company 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 supplied to customers.

With ISO 9001:2015, ISO 14001:2015 and BS OHSAS 18001:2007 certifications, your Company is committed towards producing quality products while creating, maintaining and ensuring a safe and clean environment. **Your Company's polymer products are environment-friendly and fully recyclable**. Your Company 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. Your Company'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 an 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 wastewater generated. 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 involves 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 the 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

Your Company as a socially responsible Corporate understands and acknowledges its responsibilities towards the communities, the environment all other stakeholders involved in the process. CSR function at your Company aims to promote social good and integrate economic, environmental and social objectives with the Company's operations and growth. In alignment with the vision of your Company, the CSR initiatives strive to enhance value creation in the society and the communities in which it operates, through its services, conduct & initiatives, so as to trigger poverty alleviation, promote sustained growth for the society, the community and those at the bottom of the pyramid, with the long term goal of contributing towards development of prosperous and inclusive India. In the year 2019-20, your Company has incurred an expenditure of 2.01% of the average net profit of the preceding three financial years on CSR activities.

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 the 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 amongst the first PSU to successfully implement the first digital worker named **"GAIL Manu"** in production system for review of Accounts under its Robotic process automation program.

14. ACCOLADES

➢ Corporate

- Dun & Bradstreet Award 2019 in the category **'Gas - Processing, Transmission & Marketing'.**
- FIPI Oil & Gas Awards 2019 under **'Project Management – Company of the Year'.**
- First position in 16th National Awards for Excellence in Cost Management by Pata Petrochemical Complex.
- Economic Times Brand Equity Kaleido 2019 Bronze Award for the Best Campaign under PSU/Government category for Hawa Badlo Campaign.
- First prize in Petrochemical Sector category in National Energy Conservation Award (NECA)- 2019 by Bureau of Energy Efficiency, Ministry of Power, GoI.
- Certificate of Appreciation for its Pata Unit by Chief Minister, UP and facilitation as **'Best Taxpayer'** by CGST & Excise, Lucknow.

➢ CSR

- Social Imprints CSR Awards on 14th June, 2019 by Hon'ble Sh. Murli Manohar Joshi, former Minister of HRD.
- The CSR Times Award on 18th September, 2019.
- Recognition by USAID for contribution on TB elimination project on 31st October, 2019, at Hyderabad, at the 50th world conference of The Union for TB & Lung disease.
- Golden Peacock Award for CSR on 04.03.2020 in Mumbai, Maharashtra.

➢ HSE

- **'International Safety Award 2020'** with Merit from British Safety Council, UK for GPU Vaghodia and GPU Gandhar.
- **'Safety Innovation Award 2019'** by The Institution of Engineers (India) for GPU & Petrochemical Vijaipur, GPU Vaghodia, GPU Gandhar, Visakhapatnam-Secunderabad LPG Pipeline and Chhainsa Compressor Station, Haryana for implementing innovative safety management systems.
- GOLD Award in **'6th Exceed Award 2019'** for GAIL Pata complex under OHS Category in Petrochemical Sector from Sustainable Development Foundation, New Delhi.
- Safety Awards 2019 from National Safety Council, India for various installations for displaying exemplary Occupational Safety & Health (OSH) performance, commitment to reduce workplace injuries, implementations of the best OSH practices and encourage continual improvements: -
- **SARVASHRESTHA SURAKSHA PURASHKAR (GOLDEN TROPHY)** for HVJ Compressor Station, Vijaipur under Category Group A (LPG CNG Bottling Plants, Oil/Gas Terminal Depots, Aviation Fuel Stations, Lubricating Oil Plants and Oil/Gas Pipelines).
- **SHRESTHA SURAKSHA PURASHKAR (SILVER TROPHY)** for GPU, Vijaipur under Category Group A (Petroleum Refineries, Gas Processing Units and Petro-Chemical Complexes).
- **SURAKSHA PURASKAR (BRONZE TROPHY)** for GPU, Vaghodia under Category Group A (Petroleum Refineries, Gas Processing Units and Petro-Chemical Complexes).
- **PRASHANSA PATRA** for GPU, Gandhar under Category Group A (Petroleum Refineries, Gas Processing Units and Petro-Chemical Complexes).

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", identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and may be 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. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events. The Company disclaims any obligation to update these forward-looking statements, except as may be required by law.

ANNEXURE - B

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At GAIL, Corporate Governance is about upholding the highest standards of integrity, transparency and accountability. We maximize shareholder value while safeguarding and promoting the interests of other stakeholders and maintaining a steadfast commitment to ethics and code of conduct. We believe that retaining and enhancing stakeholder trust is essential for sustained corporate growth.

In order to realize this management basic policy and increase corporate value over the mid-to long-term, the Company recognizes that enhancing corporate governance by establishing a management structure aiming at improving the soundness, transparency and efficiency of management, is an important management issue.

To realize its Vision to 'Be the leader in natural gas value-chain and beyond, with global presence, creating value for stakeholders with environmental responsibility', the Company aims at achieving sustained growth and establishing reliance as a Company that is highly evaluated by the customers, shareholders, clients and society in all aspects including products, service, technology, financial strength, and quality of employees. Our Code of Conduct, Ethics, Compliance, Sustainability Initiatives and CSR Activities help us to attain our Mission of 'Enhancing quality of life through clean energy and beyond'.

Over the years, GAIL has relentlessly strived to use best in class technology, focusing on all aspects of Natural Gas value chain while promoting highest level of safety in its operations. Foreseeing the immense potential in the Indian Gas Sector, GAIL has developed a well-conceived strategy with ambitious goals for its growth. We reaffirm our commitment along with sustainability for better value creation to all stakeholders.

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&NG), 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, 2020, there were 10 (ten) Directors on the Board comprising of 5 (five) Functional Directors including the Chairman & Managing Director, 5 (five) Non-Executive Directors [comprising of 2 (two) Government Nominee Directors and 3 (three) 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 w.e.f. 19.11.2019 and Government Nominee Directors during the period 17.02.2020-24.03.2020. The Company had been taking up with the Ministry of Petroleum and Natural Gas, Government of India for appointing requisite number of Independent directors and Government Nominee Directors on the Board of Company from time to time.

Further the details of attendance, number of other Directorship and Chairmanship/ Membership 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 (upto 31.07.2019)	5	N.A.	-	-	-	-
Dr. Ashutosh Karnatak Director (Projects) & Chairman and Managing Director (w.e.f. 01.08.2019 13.02.2020)	13	Yes	Public - 4 Private - 0	Mahanagar Gas Limited –Director/Non -Executive Chairman Petronet LNG Limited- Director	NIL	NIL
Shri P.K.Gupta Director (HR)	13	Yes	Public - 1 Private -0	NIL	NIL	NIL
Shri Gajendra Singh Director (Marketing)	14	Yes	Public - 3 Private - 1	Indraprastha Gas Limited Non-Executive Chairman	NIL	1
Shri Manoj Jain Chairman and Managing Director (w.e.f. 14.02.2020) and Director (Business Development)	12	Yes	Public - 4 Private - 0	NIL	NIL	NIL
Shri Anjani Kumar Tiwari – Director (Finance) & CFO	14	Yes	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	7	No	NIL	NIL	NIL	NIL
Ms. Indrani Kaushal (upto 27.05.2019)	3	No	--	--	--	--
Shri Ashutosh Jindal (w.e.f. 27.05.2019 - 04.11.2019)	2	No	--	--	--	--
Shri Rajiv Bansal (w.e.f. 08.01.2020 - 17.02.2020)	2	N.A.	--	--	--	--
Ms. Esha Srivastava (w.e.f. 24.03.2020)	N.A.	N.A.	Public-1 Private-0	NIL	1	0
III. Non-Executive Directors (Independent)						
Shri S.K. Srivastava (upto 18.11.2019)	10	No	--	--	--	--
Shri Anupam Kulshreshtha (upto 18.11.2019)	10	Yes	--	--	--	--
Shri Sanjay Tandon (upto 18.11.2019)	7	No	--	--	--	--
Shri Dinkar Prakash Srivastava (upto 30.01.2020)	12	No	--	--	--	--
Dr. Anup K Pujari (upto 30.01.2020)	9	No	--	--	--	--
Shri Jayanto Narayan Choudhury	12	Yes	NIL	NIL	NIL	NIL
Dr. Rahul Mukherjee	11	No	NIL	NIL	NIL	NIL
Ms. Banto Devi Kataria	13	Yes	NIL	NIL	NIL	NIL

Notes:

1. 35th Annual General Meeting (AGM) of the Company was held on 20.08.2019.
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 public companies in which he/she is a Director. Membership/Chairmanship is reckoned considering Audit Committee and Stakeholders Relationship Committee only.
   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 ended 31st March, 2020.
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 Director(s) 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) Regulations, 2015.
5. Video-conferencing facilities are also used to facilitate Directors at other locations to participate in Board/Committee meetings as per Secretarial Standards.
6. All Independent directors on the Board of the Company during the FY 2019-20 were registered on the Independent Director's Databank on the website of Indian Institute of Corporate Affairs (IICA) .

iii. Meeting Details

During the Financial Year 2019-2020, 14 (Fourteen) meetings of the Board were held - 12th April, 13th May, 17-18th May, 27th May, 12th June, 12th July, 9th August, 12th September, 8th November, 13th November, 20th December in the year 2019 & 16th January, 10th February and 03rd March in the year 2020.

iv. Independent Directors Meeting

A separate meeting of Independent Directors during the year 2019-20 was held on 10th February, 2020 without the attendance of non-independent directors and members of management as per requirement of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

v. Board induction and training/ Succession planning

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 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 **https://gailonline.com/pdf/InvestorsZone/Familiarization-Programme.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 Committees of the Board including 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 of the Company 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.

ii. Composition

As on 31st March, 2020, the Audit Committee comprised Shri Jayanto Narayan Choudhury as the Chairman, Dr. Rahul Mukherjee, Smt. Banto Devi Kataria and Shri Gajendra Singh 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 are 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 2019-2020, 14 (Fourteen) meetings of Audit Committee were held: 10th April, 8th May, 27th May, 12th June, 28th June, 9th July, 9th August, 12th September, 30th October, 8th November and 5th December in 2019 & 16th January, 10th February and 03rd March in 2020. 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 (Chairman upto 18.11.2019)	10	10
2.	Shri S.K. Srivastava (upto 18.11.2019)	10	10
3.	Shri Sanjay Tandon (upto 18.11.2019)	10	10
4.	Shri Jayanto Narayan Choudhary (Chairman w.e.f. 21.11.2019)	4	4
5.	Shri Dinkar Prakash Srivastava (21.11.2019 – 30.01.2020)	2	2
6.	Dr. Rahul Mukherjee (w.e.f. 21.11.2019)	4	2
7.	Smt. Banto Devi Kataria (w.e.f. 03.02.2020)	2	2
8.	Shri Gajendra Singh	14	12

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 **https://gailonline.com/pdf/others/Drfat_Policy2012.pdf**

The link of the Whistle blower policy can be accessed at the following link- **https://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- **https://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 FY 2019-20, One (01) complaint was received under Whistle Blower Policy. The verification report has been submitted to the "Competent Authority" by the "Investigators" nominated by "Screening Committee" for verification of the facts.

B. STAKEHOLDERS 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, 2020, the Stakeholders Relationship Committee comprised of Dr. Rahul Mukherjee as the Chairman, Smt. Banto Devi Kataria and Dr. Ashutosh Karnatak as the member(s). The Company Secretary acts as the Secretary of the Committee.

iii. Meeting & Other Details

During the Financial Year 2019-20, a meeting of the Committee was held on 23rd March, 2020. The attendance of the Members at the meeting was as under:

S. No.	Members	No. of Meetings	
		Held during the tenure	Attended
1.	Shri Dinkar Prakash Srivastava (Chairman upto 30.01.2020)	0	0
2.	Dr. Rahul Mukherjee (Chairperson w.e.f. 03.02.2020)	1	1
3.	Shri Anup K. Pujari (w.e.f. 21.11.2019 upto 30.01.2020)	0	0
4.	Smt. Banto Devi Kataria (w.e.f. 03.02.2020)	1	1
5.	Dr. Ashutosh Karnatak	1	0
6.	Shri P.K. Gupta (upto 03.02.2020)	0	0

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 2019-20, 13 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 13 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 the quarterly compliances including financial information, shareholding pattern, corporate governance reports; Annual Reports of the Company and its subsidiaries, Information related to Independent Directors, General Information including various Press Releases, Newspaper Publications, notices, etc., Policies, Investor's Information viz. dividend declaration, Investor Education & Protection Fund (IEPF) transfer, unpaid dividends, Dividend History etc.

C. NOMINATION AND REMUNERATION COMMITTEE

The Company is a Government Company, therefore, the remuneration of its Functional Directors is determined by the Government of India. The Government Nominee Directors do not receive any remuneration from the Company. However, 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/nominated 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 and similar exemption under the Listing Regulations is awaited.

iii. Composition

As on 31st March 2020, the Nomination and Remuneration Committee of the Company comprised of Dr. Rahul Mukherjee as the Chairman, Shri Jayanto Narayan Choudhury and Smt. Banto Devi Kataria 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 2019-20, a meeting of Nomination and Remuneration Committee was held on 04th September, 2019. 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 (upto 30.01.2020)	1	0
3.	Shri Jayanto Narayan Choudhary	1	1
4.	Smt. Banto Devi Kataria (w.e.f 03.02.2020)	0	0

v. Remuneration of Directors

The details of remuneration paid to Whole-time Directors of the Company for the Financial Year 2019-20 are as below: (₹ in lakh)

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 (upto – 31.07.2019)	63.97	2.80	5.46	34.80	107.03
2.	Dr. Ashutosh Kamatak Director (Projects) & CMD (w.e.f. 01.08.2019 upto 13.02.2020)	61.47	8.68	0.86	32.88	103.89
3.	Shri P.K. Gupta Director (HR)	51.29	8.43	0.79	31.94	92.45
4.	Shri Gajendra Singh Director (Marketing)	49.61	8.39	5.18	31.77	94.94
5.	Shri Manoj Jain CMD (w.e.f. 14.02.2020) and Director (Business Development)	43.08	7.95	10.72	29.42	91.17
6.	Shri A.K. Tiwari Director (Finance) & CFO	53.76	7.78	0.91	25.00	87.45

* Includes self-lease amount paid during the period.

The payment made to Functional 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 Functional 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. Independent Directors are usually appointed for three year period by the Government of India. Further, Government Nominee Directors 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 2019-20, the details of sitting fees paid to the Independent Directors, excluding Goods and Service Tax paid under reverse charge mechanism paid 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 lakh)
1.	Shri Sanjay Tandon (upto 18.11.2019)	7	15	7.3
2.	Shri S.K. Srivastava (upto 18.11.2019)	10	16	8.8
3.	Shri Anupam Kulshreshtha (upto 18.11.2019)	10	15	8.5
4.	Dr. Anup K. Pujari (upto 30.01.2020)	9	7	5.3
5.	Shri Dinkar Prakash Srivastava (upto 30.01.2020)	12	11	8.1
6.	Shri Jayanto Narayan Choudhury	12	10	7.8
7.	Dr. Rahul Mukherjee	11	6	6.2
8.	Smt Banto Devi Kataria	13	14	9.4

vi. Equity Shares held by the Director(s) as on 31.03.2020

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, 2020
1.	Shri P.K. Gupta	1,066
2.	Shri A.K. Tiwari	586
3.	Shri Manoj Jain	1,296

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, 2020 the CSR Committee of the Company comprised of Shri Manoj Jain as the Chairman, Shri P.K. Gupta, Shri Jayanto Narayan Choudhury and Smt. Banto Devi Kataria as the member(s).

iii. Meeting & Other Details

During the Financial Year 2019-20, 4 (Four) meetings of CSR Committee were held on 7th May, 9th August, 30th October, 13th December 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 Chairman (upto 31.07.2019)	1	1
2.	Dr. Ashutosh Karnatak - Chairman (w.e.f. 01.08.2019 - 13.02.2020)	3	2
3.	Shri Manoj Jain- Chairman (w.e.f. 14.02.2020)	0	0
4.	Shri Anupam Kulshreshtha (upto 18.11.2019)	3	3
5.	Shri Sanjay Tandon (upto 18.11.2019)	3	3
6.	Shri Jayanto Narayan Choudhary (w.e.f. 21.11.2019)	1	1
7.	Smt. Banto Devi Kataria (w.e.f. 03.02.2020)	0	0
8.	Shri P.K. Gupta	4	4

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 the 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 the last three AGMs are as follows:

Financial Year	2016-17	2017-18	2018-19
AGM	33rd	34th	35th
Date & Time	12.09.2017 at 10:30 am	11.09.2018 at 10:30 am	20.08.2019 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
Special Resolution passed	(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 ₹ 2,500/- 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.	(1) Amendment of the Articles of Association of the Company. (2) Re-Appointment of Shri Anupam Kulshreshtha (DIN- 07352288), Independent Director of the Company. (3) Re-Appointment of Shri Sanjay Tandon (DIN- 00484699), Independent Director of the Company. (4) Re-Appointment of Shri S.K. Srivastava (DIN- 02163658), Independent Director of the Company.
Details	(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 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.	(1) Approval of shareholders of the Company was sought for Amendment in the Articles of Association of the company for adopting a new set of Articles as several regulations of the old Articles of Association required alteration or deletions as they were based on the provisions of the Companies Act, 1956. (2) 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. (3) 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. (4) 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.

No Extraordinary General Meeting of the Members was held during the Financial Year 2019-20.

ii. Postal Ballot

Pursuant to Regulation 42(2) & (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company had fixed Wednesday, 10th July, 2019 as the record date for the purpose of ascertaining the eligibility of shareholders for Issuance of bonus shares in the ratio of 1:1 i.e., one new bonus equity share of ₹ 10/- each for every one existing equity share of ₹10/- each held subject to the approval of shareholders which was obtained through postal ballot process. The results of Postal Ballot/E-voting were announced on Tuesday, 2nd July, 2019.

During the FY 2019-20, the company had issued a total of 2,25,50,70,933 equity bonus shares.

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 the leading newspaper(s) like The 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.:** The Company annually organizes Investors' Meet to communicate with institutional investors and analysts 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, Audited Standalone 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 is also laid in Parliament. 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/Communique:** 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.
- **Letters to Investors:** 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.
- **Designated exclusive email-IDs:** The Company has designated the following email-ID exclusively for investor servicing: shareholders@gail.co.in.

6. GENERAL SHAREHOLDER INFORMATION

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

  36th Annual General Meeting of the Company is scheduled for **Tuesday,** the **22nd day of September, 2020 at 11.30 a.m. through Video Conference/ Other Audio Video Means.**

- **Dividend details:**

  During the Financial Year 2019-20, 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-10.02.2020	64% (₹ 6.40/- per share)	18.02.2020	20.02.2020

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 ₹ 19.80 lakh and ₹16.13 lakh in the IEPF for unclaimed/unpaid final dividend for FY 2011-12 and interim dividend for FY 2012-13 respectively. Till date ₹ 3.63 crore 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 has not been paid or claimed for seven consecutive years more are to be transferred to IEPF Authority Account. In this regard, during the year 2019-2020, 75,465 shares have been transferred to IEPF Authority account. Till date 1,25,942 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
2012-13	FINAL	56	24.10.2020	24.11.2020
2013-14	INTERIM	45	05.03.2021	05.04.2021

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 this 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 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).

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 10, Paternoster Square, London EC4M 7LS	GAID LIGAILYUS	GDR(s)

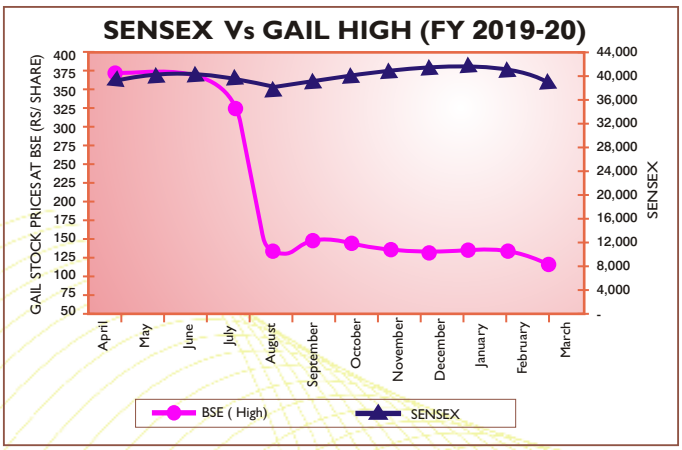
Further, the Non-Convertible Redeemable Bonds –Bond Series – I, 2015 (8.30%) of the Company are listed at the Wholesale Debt Market (WDM) segment of NSE. IDBI Trusteeship Services Limited, Asian Building, Ground Floor 17, R Kamani Marg, Mumbai – 400001 (Tel No.: 022-40807000) is the Bond Trustee for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

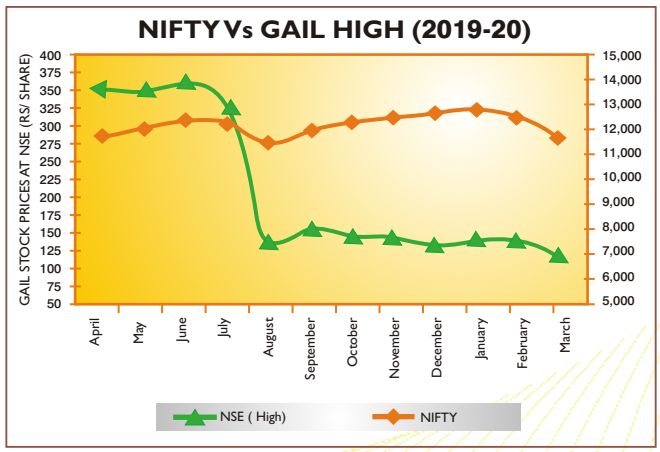
The Annual listing fees for the listed equity shares and Bonds of the Company, pertaining to the Financial Year 2019-20 has been paid to the concerned Stock Exchange(s) on demand. The Company has also made the payment of the Annual Custody Fees to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the FY 2019-20.

During Financial Year 2019-20, the securities of the Company were not suspended from trading.

- **Market Price Data (FY 2019-20)**

MONTHS	BSE			NSE			MARKET CAPITALISATION (₹ IN CRORE)		INDEX	MARKET
	HIGH (in ₹)	LOW (in ₹)	VOLUME (No. of Shares)	HIGH (in ₹)	LOW (in ₹)	VOLUME (No. of Shares)	BSE	NSE	SENSEX	NIFTY
April	364.5	332.05	1646101	364.85	355.95	4601141	80201.6	80269.25	39487.45	11856.15
May	363	326.65	3355677	363.1	361	4580735	81464.44	81408.06	40124.96	12041.15
June	365	303	9386328	365.4	311.95	3912327	70335.66	70346.94	40312.07	12103.05
July	314.65	128.4	6518298	314.75	128.85	6548162	58068.08	58113.18	40032.41	11981.75
August	133.55	119.65	5462910	133.6	129.8	12497894	58473.99	58541.64	37807.55	11181.45
September	148.1	123.6	9387013	148.75	134.5	6929153	60661.41	60661.41	39441.12	11694.85
October	139.6	122.4	5475446	139.6	137.35	19882917	61969.35	61946.8	40392.22	11945
November	139.7	119.6	7572302	139.75	126.05	9439278	56805.24	56850.34	41163.79	12158.8
December	127.95	110.55	6549659	127.85	121.05	13508891	54595.27	54595.27	41809.96	12293.9
January	133.3	119.4	7157554	133.35	120.45	15391445	54324.66	54324.66	42273.87	12430.5
February	132.5	102.05	7160221	132.5	104.4	26486046	47153.53	47085.88	41709.3	12246.7
March	111.05	65.7	16209893	111.25	76.55	25805161	34480.03	34525.14	39083.17	11433





- **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 the 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 the respects.

  SEBI has recently amended relevant provisions of LODR Regulations, 2015 to disallow the 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 the Company in physical form will not be able to lodge the shares with Company / its RTA 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 / RTAs. 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, 2020 is detailed below:

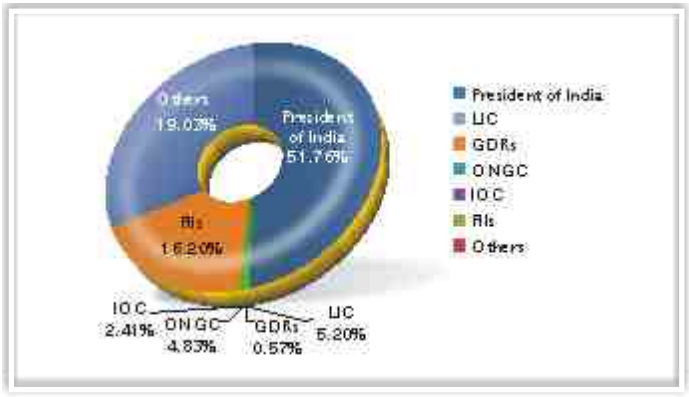
No. of shares held	No. of Shares	% to Total	No. of Shareholders	% to Total
1	6152	0.00	6152	1.77
2-10	233971	0.01	38760	11.18
11-50	2179266	0.05	69609	20.09
51-100	5404253	0.12	64564	18.63
101-200	9095024	0.20	55971	16.15
201-750	30535574	0.68	76013	21.94
751-5000	47932403	1.06	31691	9.15
5001-10000	12171837	0.27	1752	0.51
10001-15000	5452047	0.12	450	0.13
15001 and above	4397131339	97.49	1553	0.45
TOTAL	**4510141866**	**100.00**	**346515**	**100.00**

- **Top 10 Shareholders as on 31st March, 2020**

S.No.	Name of Shareholder(s)	Share(s)	%
1.	PRESIDENT OF INDIA	2334392299*	51.76
2.	LIFE INSURANCE CORPORATION OF INDIA	234398878	5.20
3.	OIL AND NATURAL GAS CORPORATION LIMITED	217810924	4.83
4.	INDIAN OIL CORPORATION LIMITED	108905460	2.41
5.	HDFC TRUSTEE COMPANY LIMITED - HDFC BALANCED ADVANTAGE FUND	53713718	1.19
6.	ICICI PRUDENTIAL VALUE DISCOVERY FUND	37322874	0.83
7.	GOVERNMENT PENSION FUND GLOBAL	33088749	0.73
8.	HDFC TRUSTEE COMPANY LIMITED-HDFC EQUITY FUND	33029353	0.73
9.	SBI-ETF NIFTY 50	27313140	0.61
10.	DEUTSCHE BANK TRUST COMPANY AMERICAS	25617744	0.57

**Out of the total shareholding of The President of India, 2122 shares related to offer for sale-2004 & Bonus shares thereon are pending for credit due to non-availability of shareholders correct details.*

- **Shareholding Profile as on 31.03.2020**



- **Dematerialization of Shares and Liquidity**

  As on 31st March, 2020, the Company had 3,46,515 shareholders, out of which 3,45,909 shareholders were holding equity shares in demat mode and 606 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 the total number of shares in physical form 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 2019-20 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 2019-20.

  Disclosure regarding risk management activities in GAIL during the Financial Year 2019-20 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: 14,268.60 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	₹14,268.60 crore	306.58 TBTU	NIL	NIL	31.22%	NIL	31.22%

Note

1) Exposure does not include the quantity sold on back to back basis.

2) Exposure pertains to financial year 2019-20.

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 2019-20 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, 2020, a total number of 2,56,17,744 GDRs representing 15,37,06,464 (0.57%) 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. The above Code have been amended in line with the amendments in the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018. The objective of this Code is to protect the interests 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/InvestorsZone/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 2020, 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 2020, together with the comparative period data as at and for the year ended 31st March 2019, as described in the summary of significant accounting policies.

During the Financial Year 2019-20, there have been no material significant related party transactions that may have potential conflict with the interests of the Company at large. The details of "Related Party Disclosures" have been disclosed at Note no. 44 (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 Board Member 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 ending on 31st March, 2020.

c. The Company has filed report on Corporate Governance in specified format(s) within the stipulated time to the Stock Exchange(s), MoP&NG/ 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. 2019-20, 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 3.08% and 0.17% respectively of total expenses for 2019-20 as against 3.80% and 0.20% in 2018-19.

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

i. During the Financial Year 2019-20, 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's Report.

k. No funds were raised through preferential allotment or qualified institutions placement during the Financial Year 2019-20.

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 2019-20, 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, M/s ASA Associates LLP, Chartered Accountants, New Delhi, M/s A R & Co. Chartered Accountants, New Delhi), and all entities in the network firm/ network entity of which the statutory auditor is a part, is ₹1.56 crore.

o. Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is given in Directors' Report 2019-20.

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 w.e.f. 19.11.2019 and Government Nominee Directors during the period 05.11.2019 to 07.01.2020 and 17.02.2020 to 24.03.2020. The 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 the 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 2019-20.
- 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 of 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/InvestorsZone/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 SEBI (LODR) 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

AUDITORS' 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, 2020, 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 account 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)(b) of Listing Regulations - 2015, with regard to composition of the Board of Directors comprising of at least 50% Independent directors during the period November 19, 2019 till March 31, 2020 in the financial year 2019-20.

b) As stated in Para No. 2(ii) of the Corporate Governance Report, the Company has not complied with requirements of regulation 17(1)(a) of Listing Regulations - 2015, with regard to composition of the Board of Directors comprising of at least 50% non-executive directors during the period February 17, 2020 till March 24, 2020 in the financial year 2019-20.

c) As stated in Para No. 3C(ii) of the Corporate Governance Report, in view of exemption provided to government companies for complying the provisions of Section 134(3)(p) vide notification dated June 5, 2015 issued by Ministry of Corporate Affairs, the Company has not complied with regulation 17 (10) of the Listing Regulations- 2015, which requires performance evaluation of independent directors by the entire board of directors and regulation 25 (4) of the Listing Regulations - 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 in 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 ASA & Associates LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

Sd/-
Praveen Kumar
Partner
Membership No. 088810
UDIN : 20088810AAAABQ3063

For A.R. & Co.
Chartered Accountants
Firm Registration No: 002744C

Sd/-
Pawan K Goel
Partner
Membership No. 072209
UDIN : 20072209AAAABT6826

Place : **New Delhi**
Dated : **July 14, 2020**

ANNEXURE - D

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

{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, 2020 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, 2020 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 thereunder 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 Securities 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(s):

Observation No. 1 Non-compliance of Regulation 17(1)(b) of securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 3.1.4 of the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, the company did not have requisite no. of Independent Directors on the Board of the Company w.e.f. 19.11.2019 to 31.03.2020.

Observation No. 2 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.

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 Requirements) Regulations ***except*** for the period from 17.02.2020 to 24.03.2020 due to absence of requisite number of non-executive directors and period from 19.11.2019 to 31.03.2020 due to absence of requisite number of Independent Directors on the Board of Company. 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,
ICSI Unique Code : S2003DE070700

Sd/-
CS Anuradha Jain
Partner
ACS No.: 36639
C.P No. : 14180

Date: **09.06.2020**
Place: **New Delhi**
UDIN : A036639B000327261

This report is to be read with our letter of even date which is annexed as "Annexure I" and forms an integral part of this report.

ANNEXURE - 1

To,
The Members,
GAIL (India) Limited

Our report of even date is to be read along with this letter.

(i) Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.

(ii) 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.

(iii) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our report is not covering observations/comments/weaknesses already pointed out by the other Auditors.

(iv) Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulation and happening of events etc.

(v) 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 and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.

(vi) 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,
ICSI Unique Code : S2003DE070700

Sd/-
CS Anuradha Jain
Partner
ACS No.: 36639
C.P No. : 14180

Date: **09.06.2020**
Place: **New Delhi**

ANNEXURE - E

SECRETARIAL COMPLIANCE REPORT OF GAIL (India) Limited

FOR THE YEAR ENDED 31st MARCH, 2020

We, Agarwal S. & Associates, Company Secretaries, have examined:

(a) All the documents and records made available to us and explanation provided by **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, 2020 ("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 there under; 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) Regulations, 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 (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999; ***Not applicable during the year under review.***

and circulars/guidelines issued thereunder;

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	Observations/Remarks of the Practicing Company Secretary
1*	Regulation 17 (1) (a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Listed entity shall have an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty percent of the board of directors shall comprise of non-executive directors.	The number of non- executive Directors on the Board is less than fifty percent of the total strength during the period from 17.02.2020 to 24.03.2020.	As the Company is a Listed entity, accordingly the number of non-executive Directors shall not be less than fifty percent of the total strength during the period from 17.02.2020 to 24.03.2020.
2*	Regulation 17 (1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, where the listed entity does not have a regular non-executive chairperson, at least half of the Board of Directors shall comprise of Independent Directors.	The number of Independent Directors on the Board is less than fifty percent of the total strength during the period from 19.11.2019 to 31.03.2020.	The Board of Directors of the Company is headed by an Executive Chairman. Accordingly, the number of Independent Directors should have been at least 50% of the total strength of Board Members during the period from 19.11.2019 to 31.03.2020.
3*	Regulation 17 (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of independent directors shall be done by the entire Board of Directors.	The performance evaluation of Independent Directors has not been carried out by the entire Board of Directors.	The entire Board of Directors shall carry out the performance evaluation of Independent Directors.
4*	Regulation 25(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors shall in their meeting: (a) review the performance of non-independent directors and the board of directors as a whole; (b) review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors.	The Independent Directors in their separate meeting has not: (a) reviewed the performance of non-independent directors and the board of directors as a whole; (b) reviewed the performance of the chairperson of the listed entity, taking into account the views of executive directors and non executive directors.	A separate meeting of Independent Directors was held on 10.02.2020 as per requirement of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. As informed by the Management, The list of items for discussions during the meeting as per the requirement of SEBI (LODR) Regulations 2015 was also provided to them.

*As informed by the Management, GAIL is a Government Company and appointment/nomination of all Directors on the Board of the Company is done by Government of India (GOI). Further, the terms & conditions of appointment as well as tenure of all Directors are also decided by GOI. Further GOI being the appointing authority carries out the performance evaluation of the Directors as per their procedures, therefore, there is a well laid down procedure for evaluation of Directors by the Administrative Ministry.

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far, 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 observations made in previous reports:

S. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the Secretarial Compliance Report for the year ended 31.03.2019	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The performance evaluation of Independent Directors has not been done by the entire Board of Directors.	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 of the Companies Act, 2013. Further, in this regard, SEBI has also been approached for similar exemption from the provisions of SEBI (LODR) Regulations, 2015, relating to Performance Evaluation of Board arid its directors in line with exemptions granted to Government Companies in the Companies Act, 2013, the same is awaited.	As informed by the Management, Government of India (GOI) being the appointing authority for all Directors carries out the performance evaluation of the Directors as per their procedures. Therefore, there is a well laid down procedure for evaluation of Directors by the Administrative Ministry.
2	Regulation 25 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The Independent Directors in their separate meeting has not evaluated the Board of Directors as per requirements.	A separate meeting of Independent Directors was held on 10.02.2020 as per requirement of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The list of items for discussion during the meeting as per the requirement of SEBI (LODR), Regulations 2015 was also provided to them. Further, GOI being the appointing authority for all Directors, carries out the performance evaluation of the Directors as per their procedures. Therefore, there is a well laid down procedure for evaluation of Directors by the Administrative Ministry.	As informed by the Management, Government of India (GOI) being the appointing authority for all Directors carries out the performance evaluation of the Directors as per their procedures. Therefore, there is a well laid down procedure for evaluation of Directors by the Administrative Ministry.

(e) As informed by the management, appointment of the listed entity's statutory auditor has been done by the office of the Comptroller and Auditor General of India (C&AG). Appointment letter also contains terms of appointment to the statutory auditors. Since, terms of appointment were fixed by the C&AG, compliance by listed

For Agarwal S. & Associates,
Company Secretaries,
ICSI Unique Code: S2003DE070700

Sd/-
CS Anuradha Jain
Partner
ACS No.: 36639
C.P No. : 14180

Date: **09.06.2020**
Place: New Delhi
UDIN : A036639B000327281

ANNEXURE - F

ANNUAL REPORT ON CSR ACTIVITIES 2019-20

1. BRIEF OUTLINE OF CSR POLICY PROJECTS AND PROPOSED PROGRAMMESTO BE UNDERTAKEN

कैसे आकाश में सूराख हो नहीं सकता
एक पत्थर तो तबीयत से उछालो यारो

How can the sky not be pierced?
Put your heart into it and throw a stone.

-Dushyant Kumar (Renowned Indian Poet)

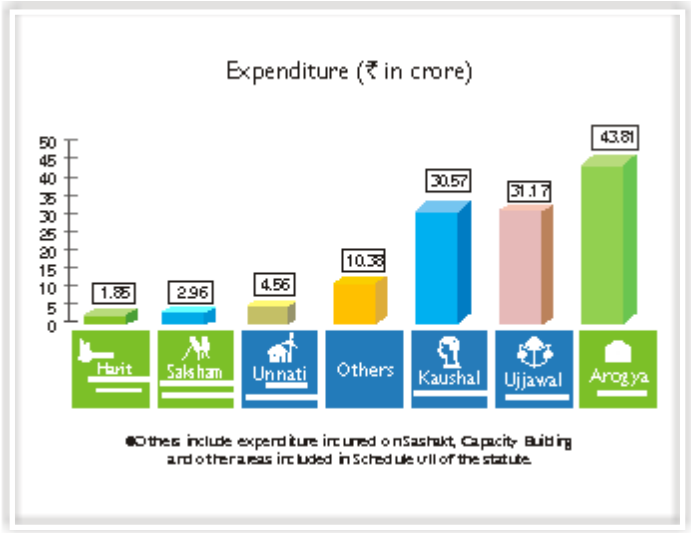
GAIL (India) Limited: Energising Possibilities… Igniting Social transformation

Your Company remains committed towards taking up CSR projects that benefit the communities in & around its work centres. This results in enhancing the quality of life & economic well-being of the local populace. CSR Policy of your Company is available on Company website at **https://gailonline.com/CSR_Ploicy.html** and the composition of the CSR Committee of the Board is hosted on Company's website **www.gailonline.com.** Your Company adopts a multi-stakeholder approach, collaborating with communities, governmental and non governmental 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.

While your Company has undertaken CSR projects and programmes on various subjects and areas as identified in Schedule VII of the statute, based on its experience of working with the communities surrounding our business areas, your Company has chosen seven fields as the **focus areas** for intervention from among those prescribed in Schedule. These seven focus areas remain at the heart of all our CSR interventions, and have been appositely termed GAIL ***Hriday.***

Focus Area wise CSR expenditure

Against the total expenditure incurred on CSR activities in FY 2019-20, the following expenses have been incurred on the identified focus areas under GAIL CSR Policy:



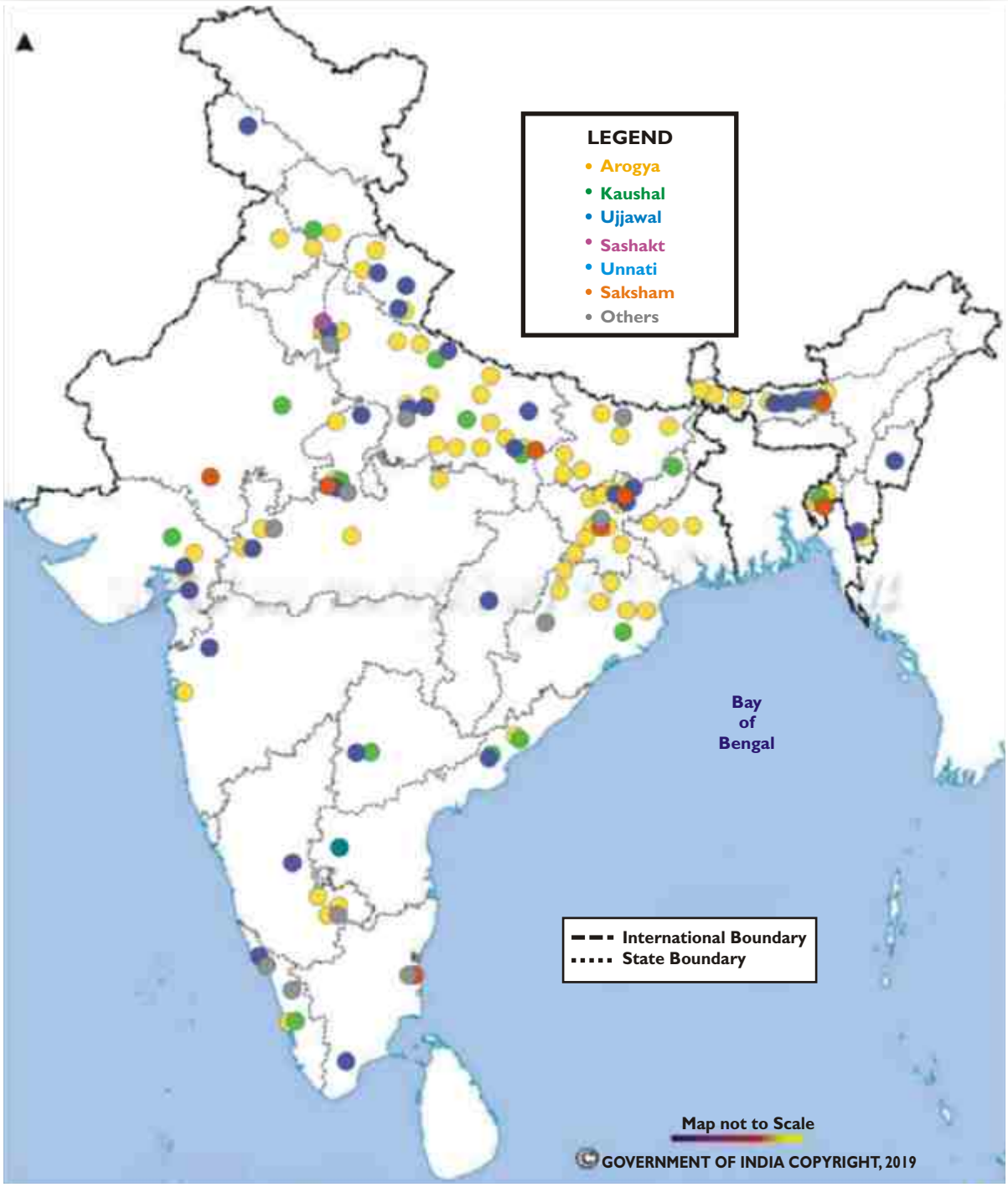
Your Company has been consistently achieving the target of mandated spends as per statute spending over 2% of the average net profit of the three immediately preceding FYs on CSR activities and programmes and year 2019-20 was no different.

Further, in compliance with DPE guidelines regarding spends on identified Thematic Ares, GAIL has incurred more than 68% of the mandated CSR spends on 'School Education, Healthcare and Nutrition'. Additionally, in alignment with the directives of MoPNG regarding Swachh Bharat activities, more than 27% of the mandated CSR expenditure has been made on projects and programmes under *Swachh Bharat Abhiyan* and *Swachhata Action Plan.*

Understanding its role in the development of the nation, especially in the most disadvantaged regions, your Company has gone beyond the 9 districts assigned to it by NITI Aayog, and has taken up social transformation projects in a total of 26 aspirational districts.

Expense Head	Expenditure incurred (₹ in crore)
Total CSR Expenditure in FY 2019-20	125.30 (2.01% of avg. net profit of preceding 3 years)
Thematic Area (School Education, Healthcare and Nutrition)	85.45 (68.48% of mandated CSR spends)
Swachhata Action Plan	34.43 (27% of mandated CSR spends)
Aspirational Districts	35.00 (27.93% of CSR expenditure)

In the year 2019-20, GAIL CSR initiatives have impacted more than 7.5 million people directly and indirectly. The social footprint of GAIL's major CSR initiatives across the country can be assessed from the map below:



Source: https://www.mapsofindia.com

Almost all CSR programmes taken up as a part of CSR Policy of the Company address issues pertaining to the Priority Areas of Government of India and United Nations Sustainable Development Framework for the years 2018-2022 and are also in alignment with the Sustainable Development Goals identified under United Nations 2030 Agenda for Sustainable Development.

Key Highlights

Arogya (Health)

He who has health has hope; and he who has hope has everything.

Arabian proverb

1. AROGYA

CSR initiatives under 'Arogya' focus on Healthcare, Nutrition, Sanitation and Drinking Water initiatives undertaken by GAIL.

- Healthcare facilities in the form of provision of medical equipment and infrastructure, diagnosis and cure of TB patients, support for Anganwadi Centres, eye and health check-up, counselling for cancer patients, HIV/AIDS and STI awareness, provision of nutritional kits, educational & Informative video creation, CPR trainings etc. have been extended to over 19 lakh people across the country.
- 67 Mobile Medical Units extended doorstep healthcare facilities to around15 lakh beneficiaries in 51 districts of 15 states.
- Drinking Water Facilities have been extended to over 1.4 lakh people in various villages across 20 districts of Uttar Pradesh, Assam, Telangana and Bihar through installation of over 1,400 hand-pumps and submersible water pumps along with 75 RO water plants.
- 12 Water ATMs have been set up at Health and wellness centre in Barpeta, Assam, an Aspirational District adopted by GAIL.
- Sanitation facilities have been extended to more than 31.6 lakh people through provision of over 4,200 Plastic and Stainless-Steel Dual/Standalone Dustbins at various locations in Assam, Maharashtra, Himachal Pradesh, Karnataka, Maharashtra and Uttar Pradesh.
- 1,500 Biomedical Waste Bins have been provided to Government Hospitals and Wellness Centres in Barpeta, Assam.
- OPD and ANC services have been provided to people residing in the riverine areas of Darrang district, Assam, by operation of a boat clinic in the region.
- Refurbishment of 20 Aanganwadi Centre (AWCs) and converting them into model AWCs, has been undertaken at Giridih, Jharkhand.
- Solar power plants have been installed at 11 Health facilities at Barpeta, Assam.
- Counselling sessions have been conducted for cancer patients in Bhopal (MP) and Guwahati (Assam).
- CPR Training kits have been provided for CPR trainings in Delhi/NCR.
- Eye care equipment has been provided to Sankar Eye Hospital in Vishakhapatnam to cater to glaucoma and cataract patients. The Hospital caters to over 1.38 lakh people annually.
- Project Avacayam - aims at enhancing the health and well-being indices by reducing pollution caused by floral disposal from temples in water bodies in and around Noida. For this purpose, flowers are collected directly from 14 temples in Noida and 85 people with disabilities have been trained to make products such as Agarbattis, Holi colours, jewellery, compost, toys, etc. out of waste flowers. Around 3,500 kg of flower waste was collected and converted to useful products in the year 2019-20.
- In order to develop an alternative to Manual scavenging, your Company is supporting IIT Madras for scientific research and to develop robotic solutions to manual sewer cleaning.
- Swachhata Pakhwada (Cleanliness Fortnight) was observed on two occasions across all work centres of GAIL from 01.07.2019 to 15.07.2019 and from 16.08.2019 to 31.08.2019, respectively.
- Active participation of all GAIL work centres in Swachhata Hi Seva Campaign 2019 from 11.09.2019 to 02.10.2019.

Kaushal (Skill Development)

2. KAUSHAL

CSR initiatives under 'Kaushal' focus on skill development, up-gradation of skill, income generation and livelihood initiatives undertaken by GAIL.

- Skill Development training has been extended to over 3,400 individuals, including over 300 women.
- Your Company is currently supporting operation of 6 Skill Development Institutes at Raebareli (UP), Bhubaneswar (Odisha), Kochi (Kerala), Vizag (Andhra Pradesh), Ahmedabad (Gujarat) and Guwahati (Assam) with a contribution to the tune of ₹ 23 crore. Your Company is the nodal PSU for Skill Development Institute, Raebareli.
- **432 candidates have been trained at GAIL Institute of Skills at Nagaram (Rajahmundry, AP) and Guna (MP) in** various skill trades related to Hydrocarbon sector, as per NSDC and Common Cost Norms.
- **221 candidates have been trained in Plastic Product Manufacturing** at 7 centres of Central Institute of Plastic Engineering & Technology (CIPET).
- **Recognition of Prior Learning (RPL) Programmes has been extended to 2,881 beneficiaries.** 2,166 persons were trained in Oil and Gas sector related trades. 715 sanitation workers were extended RPL training in health sector related skills.
- Skills training in Healthcare related trades such as Hospital Front Desk Coordinators and General Duty Assistants has been extended to 170 candidates in Guna (MP), Bokaro and Giridih (Jharkhand).
- Support has been provided for procuring 250 Machines and setting up a Readymade Garment Manufacturing Plant for beneficiaries, along with their training at Dumka, Jharkhand.
- Support has been provided towards Multi Skill Centre (MSC) at ITI Karaundi, Varanasi.
- Over ₹ 31 crore has been utilised on skill development and livelihood generation programmes.

Ujjawal (Education)

3. UJJAWAL

Focus area **'Ujjawal'** caters to projects, programme and activities undertaken to promote the cause of education in the country.

- Initiatives under Ujjawal has impacted nearly 16 lakh children.
- Free residential coaching has been extended to 200 students under Project 'Utkarsh' at the 3 centres in Kanpur (UP), and Srinagar (Uttarakhand) and Dwarahat (Almora, Uttarakhand) for IIT-JEE examinations. Since the inception of this project in 2009-10, 1,139 students have been trained through GAIL's support, of which 223 students are enrolled in IITs and 574 in NITs and other engineering colleges.
- 203 toilets have been constructed in Govt. schools of Kokrajhar, Kamrup, Barpeta (Assam), Lakhimpur Kheri (Uttar Pradesh), Koderma (Jharkhand) and a Tribal school in Jhabua, MP.
- 155 Smart Classes have been set up in Dharwad (Karnataka), Khunti and Giridih (Jharkhand), Rudraprayag (Uttarakhand) and various districts of Assam. 12 Digital Classrooms have also been set up in 6 schools of Siaha district, Mizoram.
- 214 RO plants have been installed in Education facilities across Assam, Giridih (Jharkhand), Rudraprayag (Uttarakhand), Bengaluru (Karnataka) and Dhalai (Tripura).
- Lives of around 6,000 Students of 75 Govt. schools and around 100 teachers have been impacted through Project Avant, which focuses on improving learning level in Maths and Science for children in upper primary classes.
- Project Bhavishya- Digital/Smart Class Solutions have been provided in 15 schools as a part of the project. 10 schools have been provided with Sanitary Napkin Vending Machines and Incinerators in hilly and remote areas of Rudraprayag district, Uttarakhand. The project will directly benefit around 5,000 children studying in these 15 schools, out of which over 2,600 are girl children.
- 10 Atal Tinkering Labs (ATLs) are being set up in Govt. schools in the aspirational districts of Guna (MP), Darrang and Barpeta (Assam). These labs will cater to over 6,000 students from Std VI and above.
- Support has been extended for provision of school equipment, Teaching Learning Material and construction of classrooms in Government schools across the country.
- Financial support has been provided to children who have been rendered destitute or orphaned due to any kind of Communal/ Caste/ Ethnic/ Terrorist Violence for their care, rehabilitation and education. Since 2013, your Company has supported a total of 1,680 children under this project.

Unnati (Rural Development)

4. UNNATI

'Unnati' covers rural development initiatives undertaken by GAIL largely focusing on making basic amenities accessible to the rural populace.

- Solar Street lights, high mast lights and solar power plants have been installed in remote villages of Uttar Pradesh, Bihar, Jharkhand and Gujarat.
- Infrastructure Development works such as road construction, desilting and construction of embankment have been taken up in specific villages of Gujarat and Uttar Pradesh.
- 3 Integrated Livestock Development Centres (ILDCs) have been set up at Guna (Madhya Pradesh), wherein each ILDC will serve 10 nearby villages.
- Project Neer Nidhi is an Integrated Watershed Management and Livelihood Promotion Programme which has been started in 17 villages of Raghogarh block of Dist.Guna, Madhya Pradesh. A total of 3,560 households are being covered as a part of the project and it is expected to benefit 21,000 people.

Saksham (Care for Elderly & Differently Abled)

5. SAKSHAM

CSR activities and programmes under 'Saksham' cater to Persons with Disabilities (PwDs) and elderly.

- More than 560 Persons with Disabilities (PwDs) have been provided with assistive aids and equipment through organization of distribution camps at Datia (MP) and Karaikal (Puducherry).
- 3,900 children with Clubfoot disability are been being assisted in its elimination.
- Cochlear Implants have been provided to 10 children with hearing disability in Andhra Pradesh to make them disability free.
- Your Company is supporting a holistic education program for 190 visually impaired children at the National Association for the Blind, Delhi with the primary objective of preparing children for quality education in mainstream schools and promote inclusion in the society by integrating the visually disabled children with the non-disabled ones from a young age.
- Blankets have been distributed in villages and old age homes in Auraiya (Uttar Pradesh)

Sashakt (Women Empowerment)

6. SASHAKT

'Sashakt' focus area of GAIL CSR policy aims to undertake projects that empower the women of the nation.

'A woman with a voice, is, by definition, a strong woman.'
- Melinda Gates, Bill & Melinda Gates Foundation

Aligning with this belief, your Company has undertaken numerous initiatives to empower women to make them socially, functionally and politically empowered and provide them with opportunities and platforms to be heard and seen.

- Your Company has organised specialized health & sensitization camps to identify and diagnose women and adolescent girls, who largely face the potential risk of getting infected from life threatening chronic diseases. Around 1,100 women and young adolescent girls from slums around Mehrauli, Delhi benefitted from the camps organised.
- Your Company has supported establishment of 'She-Bharosa Centre' for women and children affected by violence in Medchal (Malkagiri district), falling on the VSPL Pipeline route in Telangana. GAIL Bharosa Centre at Medchal will immensely help women & children in distress by providing round the clock integrated services at one place. It will also serve as the location for Child Help Line & Child Welfare Committee to address the needs of the victims.
- Project Adivasi Mahila Pragati has been undertaken to improve Health & Hygiene of Tribal Women through low cost sanitary Napkins manufacturing in West & East Godavari, Andhra Pradesh. About 25 Adivasi villages, 17 Anganwadi centres and 2 Girls Ashram schools are being covered under the project.
- 186 nos. of female beneficiaries are being trained in skills like stitching & tailoring, beauty therapy and basic knowledge of computers in Delhi/NCR.

STORIES OF CHANGE

From textile design to making masks

Your Company for the past many years has been supporting skill development and livelihood programme for women living in villages around its Vijaipur (Guna, MP) plant. GAIL's Vijaipur office requested this women's group which had been skilled in garment making and textile design, to make masks to prevent the spread of COVID-19 in the region. By following the norms of social distancing, a few beneficiaries were called to the centre while other beneficiaries started working from home. The trainer taught them how to make masks over a conference video call. They made masks on an order basis and they also worked extra to make masks for their neighbours, their families and relatives. They also taught other women virtually and this mask making skill has been passed on from one to another.

These masks were procured by GAIL, Vijaipur and then distributed to SDOP, Raghogarh, MP Reserve police of Guna, employees, contract workers, neighbouring village communities and others in need.

Harit (Environment Projects)

7. HARIT

Harit focus area of GAIL CSR policy aims to undertake Environment centric initiatives.

- Community Initiative for Checking Stubble Burning in Ludhiana, Punjab - This project aims at making 3,382 acres of farmland free from stubble burning. The project will also decrease the necessity of water irrigation by 10-15 % in the subsequent wheat crop cultivation due to mulching of straw in the field.
- Your Company for resource efficiency and renewable energy at Dehradun Zoo. The project aims at using solar energy to meet almost all energy requirements of the zoo. As a part of the project, skill training course on making LED lights and it's repairing has also been provided.

8. Other initiatives under ScheduleVII.

- **GAIL's response to COVID–19 disaster**

  Your Company has supported the District administrations of various districts in providing food packets and ration kits with essentials to migrant workers, destitute and the needy. Food and essentials ration kits have been distributed in Ujjain, Ranchi, Palakkad, Kannur, Karaikal, Madhubani and Delhi-NCR. Your Company has also supported in providing Personal Protective Equipment (PPE), including masks and sanitizers, in Ujjain, Ranchi, Palakkad, Kannur, Karaikal, Madhubani and Noida. Your Company has supported the District administrations of Guna (Madhya Pradesh) and Auraiya (Uttar Pradesh) by providing hospital necessities, medical equipment and ventilators.

  Assistance amounting to ₹ 2.55 crore has been provided towards COVID-19 relief efforts in March, 2020.

- **GAIL's response to natural disasters**

  Immediate relief in the form of materials such as solar lamps, tarpaulin sheets, mosquito nets, candle & matchbox, schools kits (comprising of school bag, long notebooks, pen & pencil), etc. was extended to approx. 6,000 cyclone affected families in Odisha.

  Contribution has also been made to Karnataka State Govt. to ensure better preparedness in disaster situations. Support has also been extended to mitigate the effects of flood in Bihar.

9. Other Initiatives of Corporate CSR Department

9.1 Initiatives under GAIL Charitable and Education Trust

GAIL Charitable and Education Trust has been set up to take up initiatives exclusively focused in the domain of Education. In the last Financial Year, your Company has supported in provisioning of Mobile libraries in 21 villages of Chhota Udepur district of Gujarat. Support was also extended to various needy infrastructural development initiatives such as providing Computers, Water purifiers, Desks, etc. in Government schools at Madhya Pradesh, Rajasthan, Tamil Nadu, Karaikal and Karnataka. More than 21 schools in several districts were impacted by these projects. Your Company also supports a vocational training centre for training young visually impaired people with multiple disabilities, in Delhi.

9.2 Employee Engagement Activities

- GAIL Asmita is an exhibition cum product sale by beneficiaries of GAIL's CSR initiatives. The 3-day event was organized at Jubilee Tower, Corporate Office and GAIL Vihar from 24-26 October, 2019, wherein GAIL employees participated in huge number and the participating implementing partners were able to sell products of value of over ₹1 lakh.

- On the occasion of Holi, 'ABEER'- an exhibition cum sale of products made by beneficiaries of the CSR project, Avacayam was conducted. Organic Holi colour, Agarbatti made from recycled flowers and Handicrafts were part of the products on display. The event saw an enthusiastic participation from the employees, with the footfall of over 100 people and the initiative generating an income of ₹ 36,000/- in a day for the divyangjan beneficiaries under the project.

9.3 Capacity Building in CSR

In order to build capacities of its own employees and help evolve their understanding of CSR as a function, employees were nominated for more than 15 CSR related Training programmes, workshops and seminars.

A 2-day residential workshop was organised for GAIL's CSR implementing partners at Indian Institute of Corporate Affairs, Manesar in January 2020. The workshop saw participation of 20 people from 15 partner organisations of GAIL.

10. Activities in Aspirational Districts

GAIL CSR has spent a total of ₹ 35 crore on various initiatives across 26 Aspirational districts in 8 states towards holistic development. Aspirational districts allotted by Niti Ayog to GAIL are Barpeta, Darrang (Assam), Bokaro, Chhatra, Giridih, Ranchi (Jharkhand), Guna (Madhya Pradesh), Dhenkenal (Odisha) and Udham Singh Nagar (Uttarakhand). In these districts your Company has spent a total of ₹ 23.91 crore across diverse CSR projects aiming at holistic development of the district.

GAIL CSR has also actively implemented a total of 26 projects in Left Wing Extremism affected districts. Out of the 90 districts named by the government, GAIL has worked in almost 18 districts covering 6 states with projects worth ₹ 11.75 crore, focussing on all areas of development.

11. Activities in Thematic Areas

In compliance to Department of Public Enterprises (DPE) guidelines for 'CSR expenditures of CPSEs in prescribed Thematic Areas, GAIL has incurred an expenditure of ₹ 85.45 crore in the domains of School Education, Healthcare and Nutrition, which translates to more than 68% of the mandated 2% CSR spends for FY 2019-20. CSR activities and projects undertaken in prescribed themes have been elaborated under GAIL's Focus areas 'Arogya' and 'Ujjawal'.

Awards & Accolades

Your Company's CSR initiatives were appreciated and rewarded at multiple forums. Some of the recognitions received are:

- Social Imprints CSR Awards (June, 2019)
- The CSR Times Award (September, 2019)
- Recognition by USAID for contribution on TB elimination project on 31st October, 2019 in Hyderabad at 50th world conference of The Union for TB & Lung disease.
- Golden Peacock Award for CSR (March, 2020)

2. COMPOSITION OF THE CSR COMMITTEE OF BOARD

Shri Manoj Jain
CMD, GAIL &
Chairman, CSRC

Shri P.K. Gupta
Director (HR), &
Member, CSRC

Shri Jayanto Narayan Choudhary
Independent Director &
Member, CSRC

Smt. Banto Devi Kataria
Independent Director &
Member, CSRC

In compliance with the provisions of Section 135(1) of the Companies Act, 2013, as on 31.03.2020, the CSR Committee of the Board comprises of

i. Shri Manoj Jain, Chairman of the Committee – C&MD
ii. Shri P K Gupta – Director (HR)
iii. Shri Jayanto Narayan Choudhary – Independent Director
iv. Smt. Banto Devi Kataria, Independent Director

3. AVERAGE NET PROFIT FOR LAST THREE FINANCIAL YEARS

Financial Year	Net profit (₹ in crore) *
2016-17	4,243.70
2017-18	6,284.40
2018-19	8,190.01
Total (A)	18,718.11
Average of 3 FY's (A)/3	**6,239.37**

*Net profit as per the 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 2019-20 as per provisions of Companies Act, 2013 is ₹124.79 crore.

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 ₹124.79 crore in FY 2019-20 (2% of avg. net profit of three immediately preceding F/Ys) on its CSR activities. Against this, GAIL has incurred a total expenditure of **₹125.30 crore.** This amounts to **2.01%** 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:

(Attached separately)

6. REASONS FOR LESS THAN STIPULATED EXPENDITURE

Requisite amount as per provisions of the Company's 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.

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 Lakh)	Amount Spent on the Projects or Programs Sub-heads:		Cumulative Expenditure upto the reporting period (₹ in Lakh)	Amount Spent: Directly or through Implementing Agency
					(1) Direct expenditure on projects or programs	(2) Over-heads		
	AROGYA (Drinking Water, Healthcare, Sanitation)							
1	Project Arogya-Health Care facilities through operation of 66 MMUs in various states	(i) Promoting healthcare including preventive healthcare	Local Area a. East Godavari (Andhra Pradesh b. Barpeta, Chirang, Darrang, Kokrajhar, Nalbari (Assam) c. Aurangabad, Begusarai, Gaya, Purnia, Rohtas, Sheohar (Bihar) d. Delhi NCRe. Bharuch, Vadodara (Gujarat) e. Bokaro, Chatra, Giridih, Gumla, Hazaribagh, Khunti, Saraikela Kharsawan, Simdega (Jharkhand) f. Ramanagara (Karnataka)g. Guna, Jhabua, Morena, Satna, Ujjain (Madhya Pradesh) h. Siaha (Mizoram)i. Angul, Dhenkenal, Jajpur&Bhadrak, Jharsuguda, Keonjhar, Sundrgarh (Odisha)j. Ludhiana (Punjab) k. Allahabad, Auraiya, Ballia, Varanasi (Uttar Pradesh i. Haridwar, Udham Singh Nagar (Uttarakhand) j. Bankura (West Bengal)	1,954.00	1,954.00	-	1,954.00	Through NGOs/Govt. Agencies/ Trusts/ Local and District Administration
2	Support for installation of Handpumps in various locations across the country	(i) Making available safe drinking water	Local Areaa. Auraiy a. Ballia, Allahabad, Sultanpur, Sant Kabir Nagar, Pilibhit, Lucknow, Chandauli, Kaushambi, Pratapgarh, Banda, Varanasi-Jaunpur, Pratapgarh (Uttar Pradesh) b. W.Champaran, Muzaffarpur (Bihar)	916.50	916.50	-	916.50	

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 Lakh)	Amount Spent on the Projects or Programs Sub-heads:		Cumulative Expenditure upto the reporting period (₹ in Lakh)	Amount Spent: Directly or through Implementing Agency
					(1) Direct expenditure on projects or programs	(2) Over-heads		
3	Support for providing necessary Hospital equipment and other infrastructural facilities at Government Hospitals in various locations	(i) Promoting healthcare including preventive healthcare	Local Area a. Guna (Madhya Pradesh b. Kanpur Dehat, Kanpur, Noida (Uttar Pradesh)c. Ernakulam (Kerala) d. Khunti (Jharkhand) e. Barpeta (Assam)f. Ramanagara (Karnataka)	295.02	295.02	-	295.02	Through NGOs/Govt. Agencies/ Trusts/ Local and District Administration
4	Support for procurement and installation of steel and plastic dustbins at various locations	(i) Sanitation	Local Area a. Varanasi (Uttar Pradesh) b. Bhopal, Ujjain (Madhya Pradesh) c. Guna (Madhya Pradesh) d. Barpeta, Darrang, Kamrup, Chirang (Assam) e. Shimla (Himachal Pradesh) f. Raigad (Maharashtra) g. Bangalore (Karnataka)	294.16	294.16	-	294.16	
5	Support for procurement of items like Dumpers, tricycle rickshaw trolley etc. to Local Municipal Bodies	(i) Sanitation	Local Area a. Chandigarh (Chandigarh) b. Kamrup (Assam)	200.53	200.53	-	200.53	
6	Support for installation of Safe drinking water facilities through Tap connections, RO plants, solar RO water pumps, Water ATMS etc. at various locations	(i) Making available safe drinking water	Local Area a. East Godavari (Andhra Pradesh) b. Darrang, Barpeta (Assam) c. Dhalai (Tripura) d. Chandauli (Uttar Pradesh) e. Warangal, W. Godavari, Guntur (Telangana)	207.77	207.77	-	207.77	
7	Contribution towards cleanliness and maintenance of SIP-Yamunotri	(i) Sanitation	Local Area Uttarkashi (Uttarakhand)	112.98	112.98	-	112.98	
8	Projects Less than ₹ 1 crore	(i) Making available safe drinking water/ (i) Promoting preventive healthcare/ (i) Sanitation	Local Area Various States /Districts	400.37	400.37	-	400.37	
	Sub-Total			**4,381.33**	**4,381.33**	**-**	**4,381.33**	

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 Lakh)	Amount Spent on the Projects or Programs Sub-heads:		Cumulative Expenditure upto the reporting period (₹ in Lakh)	Amount Spent: Directly or through Implementing Agency
					(1) Direct expenditure on projects or programs	(2) Over-heads		
	HARIT (Environment Projects)							
1	Projects Less than ₹ 1 crore	(iv) Environmental sustainability/ (iv) Conservation of natural resources/ (iv) Maintaining quality of air	Local Area Various States /Districts	185.00	185.00	-	185.00	Through NGOs/Govt. Agencies/ Trusts/ Local and District Administration
	Sub-Total			**185.00**	**185.00**	**-**	**185.00**	
	KAUSHAL (Skill Development)							
1	Support for CAPEX contribution for Skill Development Institute, Bhubaneshwar	(ii) Employment enhancing vocational skills	Local Area Bhubaneshwar (Odisha)	1800.00	1800.00	-	1800.00	Through NGOs/Govt. Agencies/ Societies
2	Support towards Skill Development Training Programmes for underprivileged / unemployed youths in Assam, Gujarat, Himachal Pradesh, Rajasthan, Telangana, Tripura, Uttar Pradesh	(ii) Employment enhancing vocational skills	Local Area a. Kamrup Metropolitan(Assam) b. Ahmedabad (Gujarat) c. Baddi (Himachal Pradesh) d. Jaipur (Rajasthan) e. Hyderabad (Telangana) f. Agartala (Tripura) g. Lucknow (Uttar Pradesh)	200.09	200.09	-	200.09	
3	Support for contribution for Skill Development at Rae Bareli, Uttar Pradesh	(ii) Employment enhancing vocational skills	Local Area Rae Bareli (Uttar Pradesh)	150.00	150.00	-	150.00	
4	Support for 250 Machine Readymade Garment Manufacturing Plant with Training in Dhumka, Jharkhand	(ii) Employment enhancing vocational skills	Local Area Dhumka (Jharkhand)	150.00	150.00	-	150.00	

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 Lakh)	Amount Spent on the Projects or Programs Sub-heads:		Cumulative Expenditure upto the reporting period (₹ in Lakh)	Amount Spent: Directly or through Implementing Agency
					(1) Direct expenditure on projects or programs	(2) Over-heads		
5	Support towards Setting up of Multi Skill Centre (MSC) at ITI Karaundi, Varanasi (Uttar Pradesh)	(ii) Employment enhancing vocational skills	Local Area Varanasi (Uttar Pradesh)	120.00	120.00	-	120.00	Through NGOs/Govt. Agencies/ Societies
6	Support for job linked skill training at GAIL Skill Schools Guna (Madhya Pradesh)	(ii) Employment enhancing vocational skills	Local Area Guna (Madhya Pradesh)	99.73	99.73	-	99.73	
7	Support for job linked skill training at GAIL Schools Nagaram (Andhra Pradesh)	(ii) Employment enhancing vocational skills	Local Area East Godavari (Andhra Pradesh)	90.44	90.44	-	90.44	
8	Contribution to Skill Development at Bhubaneshwar, Odisha	(ii) Employment enhancing vocational skills	Local Area Bhubaneshwar (Odisha)	75.00	75.00	-	75.00	
9	Contribution to Skill Development at Kochi, Kerala	(ii) Employment enhancing vocational skills	Local Area Ernakulam (Kerala)	75.00	75.00	-	75.00	
10	Support for contribution for Skill Development at Vizag, Andhra Pradesh	(ii) Employment enhancing vocational skills	Local Area Vishakhapatnam (Andhra Pradesh)	75.00	75.00	-	75.00	
11	Support for contribution for Skill Development Institute, Ahmedabad, Gujarat	(ii) Employment enhancing vocational skills	Local Area Ahmedabad (Gujarat)	75.00	75.00	-	75.00	
12	Support towards Skill Development for Contract Manpower working at Urja Ganga Gas P/L and other work centres of GAIL Recognition of Prior Larning Programme for Urja Ganga P/L	(ii) Employment enhancing vocational skills	Local Area Various (Various States)	60.00	60.00	-	60.00	

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 Lakh)	Amount Spent on the Projects or Programs Sub-heads: (1) Direct expenditure on projects or programs	Amount Spent on the Projects or Programs Sub-heads: (2) Over-heads	Cumulative Expenditure upto the reporting period (₹ in Lakh)	Amount Spent: Directly or through Implementing Agency
13	Support for contribution for Skill Development at Guwahati, Assam	(ii) Employment enhancing vocational skills	Local Area Kamrup Metropolitan (Assam)	50.00	50.00	-	50.00	
14	Projects Less than ₹ 1 crore	(ii) Employment enhancing vocational skills	Local Area Various States/Districts	36.85	36.85	-	36.85	
	Sub-Total			**3,057.11**	**3,057.11**	**-**	**3,057.11**	
	SAKSHAM (Care for Elderly and Differently abled)							
1	Support for Distribution of Aids & Assistive Devices to Divyangjans in Various States	(iii) Reducing inequalities faced by socially and economically backward groups	Local Area a. Giridih, Ranchi (Jharkhand) b. Guna (Madhya Pradesh) c. Karaikal (Pondicherry) d. Udaipur (Rajasthan) e. Guwahati (Assam) f. Varanasi (Uttar Pradesh) g. Agartala (Tripura)	189.79	189.79	-	189.79	Through NGOs/ Govt. Agencies/ Trusts/ Local and District Administration
2	Projects Less than ₹ 1 crore	(iii) Reducing inequalities faced by socially and economically backward groups (iii) Facilities for senior citizens	Local Area Various States/Districts	106.11	106.11	-	106.11	
	Sub-Total			**295.90**	**295.90**	**-**	**295.90**	
	SASHAKT (Women Empowerment)							
1	Projects Less than ₹ 1 crore	(iii) Reducing inequalities faced by socially and economically backward groups (iii) Facilities for senior citizens	Local Area Various States/Districts	90.25	90.25	-	90.25	Through NGOs/ Govt. Agencies/ Trusts/ Local and District Administration
	Sub-Total			**90.25**	**90.25**	**-**	**90.25**	
	UJJAWAL (Education)							
1	Support for construction of toilets in Government schools in various locations	(ii) Promoting education	Local Area a. Barpeta (Assam) b. Lakhimpur-Kheri (Uttar Pradesh) c. Chitradurga (Karnataka) d. East Godavari (Andhra Pradesh) e. Koderma (Jharkhand)	614.85	614.85	-	614.85	

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 Lakh)	Amount Spent on the Projects or Programs Sub-heads:		Cumulative Expenditure upto the reporting period (₹ in Lakh)	Amount Spent: Directly or through Implementing Agency
					(1) Direct expenditure on projects or programs	(2) Over-heads		
2	Support towards construction and renovation works in schools in various locations	(ii) Promoting education	Local Area a. Kannur (Kerala) b. Vikarabad (Telangana) c. Auriaya (Uttar Pradesh) d. Ranikhet (Uttarakhand) e. Bokaro, Giridih (Jharkhand) f. Tirunelveli (Tamil Nadu)	537.09	537.09	-	537.09	Through NGOs/ Govt. Agencies/ Trusts/ Local and District Administration
3	GAIL Utkarsh Super 100 - Support for specialised residential coaching for Engineering entrance at (i) Kanpur, Uttar Pradesh (ii) Dwarahat, Uttarakhand (iii) Srinagar, Uttarakhand	(ii) Promoting education	Local Area a. Kanpur Nagar, Almora (Uttar Pradesh) b. Pauri Garhwal (Uttarakhand)	500.03	500.03	-	500.03	
4	Support for provision of safe drinking water facilities/RO plants in schools in various locations	(ii) Promoting education	Local Area a. Barpeta (Assam) b. Udham Singh Nagar (Uttarakhand) c. Giridih (Jharkhand) d. Mehsana, Bharuch (Gujarat) e. Tripura (Dhalai)	467.66	467.66	-	467.66	
5	Support for provision of digital education through installation of smart classes in various locations	(ii) Promoting education	Local Area a. Barpeta, Darrang, NalbariKokrajhar, Kamrup (Assam) b. Dharwad(Karnataka) c. Khunti, Giridih (Jharkhand) d. Delhi (Delhi)	373.39	373.39	-	373.39	
6	Support for provision of infrastructural facilities like furniture, libraries, computers etc in schools in various locations	(ii) Promoting education	Local Area a. Rudraprayag, Almora (Uttarakhand) b. Siaha (Mizoram) c. Barpeta (Assam) d. Jhabua, Guna, Morena (Madhya Pradesh) e. Azamgarh, Varanasi (Uttar Pradesh) f. East Godavari (Andhra Pradesh) g. Bharuch (Gujarat) h. Delhi (Delhi)	211.09	211.09	-	211.09	

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 Lakh)	Amount Spent on the Projects or Programs Sub-heads:		Cumulative Expenditure upto the reporting period (₹ in Lakh)	Amount Spent: Directly or through Implementing Agency
					(1) Direct expenditure on projects or programs	(2) Over-heads		
7	Assistance for violence affected children in the states of Assam, Chhatisgarh, Jammu and Kashmir and Manipur	(ii) Promoting education	Local Area Various districts of Assam, Chhatisgarh, Jammu and Kashmir and Manipur	111.00	111.00	-	111.00	Through NGOs/ Govt. Agencies/ Trusts/ Local and District Administration
8	Support towards Project Avant - To improve the standard of Basic education in 75 new Govt. Upper Primary Schools (under Rastriya Avishkar abhiyan), in Disrict Auraiya, Uttar Pradesh	(ii) Promoting education	Local Area Auriaya (Uttar Pradesh)	110.49	110.49	-	110.49	
9	Support towards establishing Atal Tinkering Labs in Govt. Schools in Assam and Madhya Pradesh	(ii) Promoting education	Local Area a. Barpeta, Darrang (Asssam) b. Guna (Madhya Pradesh)	100.00	100.00	-	100.00	
10	Projects Less than ₹ 1 crore	(ii) Promoting education	Local Area Various States/Districts	91.86	91.86	-	91.86	
	Sub-Total			**3,117.46**	**3,117.46**	**-**	**3,117.46**	
	UNNATI (Rural Development)							Through NGOs/ Govt. Agencies/ Trusts/ Local and District Administration
1	Support for Construction of New Bridge in Goranthla Village, Hindupur, District Anantapur, Andhra Pradesh	(x) Rural Development	Local Area Anantapur (Andhra Pradesh)	129.20	129.20	-	129.20	
2	Projects Less than ₹ 1 crore	(x) Rural Development	Local Area Various States/Districts	326.48	326.48	-	326.48	
	Sub-Total			**455.68**	**455.68**	**-**	**455.68**	

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 Lakh)	Amount Spent on the Projects or Programs Sub-heads: (1) Direct expenditure on projects or programs	Amount Spent on the Projects or Programs Sub-heads: (2) Over-heads	Cumulative Expenditure upto the reporting period (₹ in Lakh)	Amount Spent: Directly or through Implementing Agency
	OTHERS - **Disaster Management, Promotion of Sports, Slum Area Development**							
1	Support for Covid-19 related relief activities in various locations	(xii) Disaster management	Local Area a. Guna, Ujjain (Madhya Pradesh) b. Auraiya, Gautam Buddha Nagar (Uttar Pradesh) c. Kannur, Palakkad (Kerala) d. Madhubani (Bihar) e. Ranchi (Jharkhand) f. Karaikal (Pondicherry) g. Delhi (Delhi)	245.00	245.00	-	245.00	Through NGOs/ Govt. Agencies/ Trusts/ Local and District Administration
2	Support towards Construction of Indoor Stadium at PR High School, Balangir, Odisha (Additional Budget)	(vii) Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports	Local Area Balangir (Odisha)	184.67	184.67	-	184.67	
3	Support towards Relief Activities in Cyclone Fani afftected regions of Odisha	(xii) Disaster management	Local Area Various (Odisha)	116.66	116.66	-	116.66	
4	Support towards flood relief and rehabilitation activities in flood affected regions of Bihar and Karnataka	(xii) Disaster management	Local Area Various (Jharkhand Karnataka)	149.60	149.60	-	149.60	
5	Projects Less than ₹ 1 crore	(x) Promotion of rural sports /nationally recognised sports, para-olympic sports and Olympic sports/ (xi) Slum Area Development	Local Area Various States/Districts	188.28	188.28	-	188.28	
	Sub-Total			**884.21**	**884.21**	**-**	**884.21**	
	TOTAL(A)			**12,466.93**	**12,466.93**	**-**	**12,466.93**	
	CAPACITY BUILDING (B) : **Training, Impact Assessment, Publications and Branding**			**62.68**	**62.68**	**-**	**62.68**	
	GRAND TOTAL (A+B)			**12,529.61**	**12,529.61**	**-**	**12,529.61**	

(P.K. Gupta)
Director (HR)
(DIN: 01237706)

(Manoj Jain)
Chairman, CSR Committee
(DIN: 07556033)

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

There is a direct synergy between energy and the environment. Therefore, your company has "Environmental Responsibility" as the Key Word in the company's vision statement. This reflects our commitment to the environment by way of promoting natural gas as a clean energy source and undertaking measures for conservation of energy to protect the environment. Our Operation and Maintenance policy puts great thrust on monitoring the energy efficiency of Major equipment and recommends all major installations/work centres to implement energy management standards such as ISO: 50001. Today, our major installations such as Vijaipur, Hazira, Gandhar, Dibiyapur, Jhabua, etc. are ISO 50001 certified. Under the umbrella of ISO: 50001 (Energy Management System) and as an environmentally responsible organization, GAIL continues to take significant initiatives for energy conservation at our installations, work centres and offices. Some of the initiatives taken at our sites are as follows:

a. **Replacement of Conventional Lights with LED Lights:** Phase wise replacement of conventional lights with LED lights is company-wide drive and is also promoted under sustainable development (SD) initiatives. During the year, conventional flood lightings and other lighting fixtures also have been replaced with LED lights at Pata, Dibiyapur, Agra, Khera, Chhainsa, Vijaipur, Vaghodia, Gandhar, Jamnagar, Samakhiali, Abu Road, Nasirabad, Mansamrampura, Jaipur, Loni, Vizag and some other locations.

Your company has implemented following major LED replacement projects at GAIL Vijaipur site:

- Replacement of 30 numbers of 400 W flame-proof lighting fixtures with 120 W LED lighting fixtures in HVJ GTG Shed with an estimated project cost of INR ~2 lakh
- Replacement of 126 numbers of 400 W HPMV fixtures in all High Mast lighting in HVJ compressor area with 68 numbers of 415W LED lighting fixtures with an estimated project cost of INR ~13 lakh
- Replacement of 380 numbers of 2x36 W CFL Lighting Fixtures with 1x42 W LED lighting fixtures in all office buildings with an estimated project cost of INR ~7 lakh

With the above energy saving initiatives, annual energy saving of 2.695 lac units is estimated which translates to a financial saving of about ₹ 18.90 lakh per year in addition to the environment benefits in terms of reduced GHG emissions through these projects.

At **GAIL's Pata site,** LED lights have been replaced at the plant and the township premises. Due to this savings in electrical energy have been noticed which has resulted in the reduction of GHG emissions. Installation of an advanced day lighting system on a pilot scale at the GAIL Pata mechanical store and C&P stores, process optimization & energy efficiency improvement initiatives have contributed in the reduction of specific energy consumption of 0.6682 TOE/MT as per BEE PAT scheme (Target 0.7125 TOE/MT).

b. **Installation of Sky Light at the Roof Top:** To make use of sunlight during day time, our HVJ Compressor Station at Dibiyapur has installed Sky Light at the roof of C&P Store which has not only improved the illumination level inside the C&P store but reduced the electrical lighting load. As a result, the accrued energy savings is estimated as 7,800 kWh per annum.

c. **Implementation of Rich–Lean gas corridor project at Jhabua:** Your company operates three cross country pipelines (HVJ, DVPL-I and DVPL-II) in parallel from Vaghodia to Vijaipur with gas turbine-driven compressors installed at Jhabua & Khera 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 a project for increasing operational flexibility, pipeline operations optimization, and better fuel & energy optimization. Under this project, the company has carried out modifications at Jhabua and Vijaipur compressor station for swapping of gas between these pipelines for operational flexibility and reduction of pressure drops to enable stoppage of few intermediate compressors which has led to saving of significant amount of fuel energy. The modification was commissioned in Jan-2019 and major benefits of the project have been realized in FY 2019-20 due to stoppage of gas turbine-driven compressors at intermediate compressor station at Khera.

After the implementation of this modification for gas swapping at the compressor station, GAIL has improved its pipeline transmission efficiency (ratio of energy delivered/energy received for transportation) from 98.7% to 98.8%. Your company is also implementing similar modifications for swapping of gas between the pipelines at Vaghodia compressor station so as to achieve stoppage of gas turbine driven compressors at Jhabua and Khera both leading to additional saving of fuel gas burned in gas turbines.

d. **Installation of VFD for Fire Water Jockey Pumps:** At our GPU Vijaipur, variable frequency drive (VFD) has been installed and commissioned in fire water Jockey Pump Motor-B during the year. This has reduced motor power consumption to approx. 55 KW instead of 110 KW. As a result, a saving of approx. ₹ 2.5 lakh per month is estimated by this initiative.

At our Kailaras Compressor Station also, VFD has been installed & commissioned for Jockey Pump.

e. **Reduction in Contract demand:** GAIL, Vijaipur is having an agreement with MPMKVVCL (Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited) for Electrical power supply through 132 KV feeder line. Through better and effective control mechanism, our Vijaipur unit has optimized maximum contract demand and accordingly, applied for contract demand reduction from 15,000 KVA to 13,500 KVA. From June-2019 onwards, the contract demand was reduced to 13,500 KVA by MPMKVVCL, this has resulted in reduction of power bills by approx. ₹ 7.3 lakh on an average per month which will accrue continually on sustained basis.

f. Replacement of old inefficient AC units with energy-efficient AC units in a phased manner: Your company is replacing old energy-inefficient AC with minimum BEE 3-Star rated energy-efficient air conditioner units. During the year, around 450 AC units of various capacities have been procured at our installations and offices with a cost of approx. ₹ 2.0 crore.

ii. The steps taken by the company for utilizing alternate sources of energy

Your company has taken various steps for utilizing alternate sources of energy and has commissioned solar PV plants of ~558 KWp combined capacity having a potential of ~ 6.55 lakh electricity unit generation across India as per the details mentioned in the table below:

Work Centre	Solar PV Plant Capacity (KW)	Annual Renewal Energy Potential (KWH)
Vaghodia	190	225,000
DBPL Installations	112	130,000
Kailaras	98	115,000
Kochi	50	59,000
Khera	30	35,000
Jhabua	30	35,000
Jhansi	30	35,000
Loni Region	7.5	8,850
Nasirabad	6.6	7,800
Abu Road	3.6	4,250

In our endeavour to harness solar power potential available at our installations and work centres, an initiative was also undertaken to identify the solar power potential across GAIL installations on Pan India basis. Based on this, your company has placed a work order to harness this potential of ~3.3 MW for which work execution will be taken up in the current year.

Your company is also executing 1.8 MW solar PV plant at Vijaipur, Guna (M.P.) at an estimated project cost of ₹ 8.36 crore and waste heat recovery HRSG project for generating high pressure steam of 2x17 TPH capacity at an investment of around ₹ 57 crore.

The LOA for design, engineering, procurement, supply, construction, erection, testing commissioning and comprehensive O&M for 10 Year for this 1.8 MW ground-mounted grid-tied solar PV plant at GAIL complex Vijaipur was awarded in March 2020.

Further, as a part of GAIL community development initiative, GAIL Pata is supporting the installation of Solar Home lights in and around Pata work centre in Auraiya, Uttar Pradesh. This is pursued in association with Uttar Pradesh Small Industries Corporation Ltd (UPSICL). The estimated project expenditure is ₹ 58.50 lakh.

Your Company's actual and expected renewable energy potential are provided below:

Particulars		2019-20 (Actual)
Installed Capacity of RE (MW)	Wind	118
	Solar	12.26
Renewable Energy (i.e. Solar or Wind, etc.) generated during the year (in Units) – KWH	Wind	16,88,43,477
	Solar	1,68,34,736

Your Company owns two wind energy farms in Kutch, Gujarat with total installed capacity of 19.2 MW. The renewable power generated in these wind farms is first utilized in GAIL's installations situated in the State of Gujarat i.e. Gandhar, Vaghodia, Hazira, Samakhiali & Kandla and remaining power is sold to grid. This not only results into significant cost savings but also reduce carbon footprint of energy consumption. At GPU Gandhar, around 70% of annual electricity consumption of approx. ~165 lakh units is met from wheeling of Wind Energy resulting in annual cost savings of around 115 lakh vis-a-vis electricity procurement from DGVCL.

iii. The capital investment on energy conservation equipment

Your company has invested approx. ~ 774 lakh towards procurement, installation and commissioning of energy efficiency equipment and solar power plants as detailed below:

Project	Capital Investment (₹ in Lakh)
Installation of LED Lighting	220
Auto loading-unloading system (E-hydrocom) for RGC-A at Vaghodia	182
Installation of star-rated ACs	200
Solar PV Plants	150
Installations of VFD Panels	20
Sky Light at C&P Store rooftop at Dibiyapur	1
Installation of energy-efficient geysers	1.3

B. TECHNOLOGY ABSORPTION

i. The efforts made towards technology absorption

Your company takes pride in adopting the latest and state of art technological solution for its operations. During this year, your company has taken steps to absorb the following technologies which are under various stages of implementation:

a) Installation and Commissioning of Remote Diagnostic System in Gas Turbines have been completed at compressor stations and C2C3 Plant Vijaipur

Benefits: This system helps in close remote monitoring & analysis of important machine parameters and ensures timely predictive maintenance.

b) Up-gradation of obsolete Control System of 2 nos. of EGT Compressor Machines along with integrated fuel system at Dibiyapur, for which Purchase order has been placed to M/s Siemens and materials also have been received at the site.

Benefits: Reliable control system with latest & user-friendly interface, availability of spares shall be ensured.

c) Upgradation of HMI Wonderware System has been completed in GTG & GTC Machines along with) Engineering Stations at Compressor stations

Benefits:

- Windows 10 Pro OS
- Quick Heal Seqrite Antivirus & Antimalware
- Latest Security Patches
- No access to Pendrive

d) Migration to E-Logsheet from Paper booklet logbooks for GPU and GREP Vaghodia for recording field and control room parameters and generation of daily reports. It provides paperless data entry, easy archive, transmission of daily reports through mail, etc. In the first phase, GPU and GREP were covered, and this year, HRSG plant was also covered.

e) UAV Drone Surveillance & Inspection of Pipeline and GPU Plant carried out on a need basis.

f) **Implementation of Pipeline Intrusion Detection System (PIDS)**: For real-time surveillance of pipelines and to protect the pipeline from third party damage, Pipeline Intrusion Detection System (PIDS) in two critical sections of JLPL viz. Loni Region (86 km) and Mansarampura Region (62 km). The system is already installed and running successfully in Piyala to Loni section of JLPL. The system works on Distributed Acoustic Sensing Technology using existing optical fibre cable (OFC) laid along the pipeline.

g) About 50 isolated pipeline sections of Cauvery, Auraiya, Rajahmundry and Mumbai regions have been commissioned through Radio on Opex model for SCADA, CCTV, Voice and Data connectivity for the safe operation of the pipeline business.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution

a. Your Company's Centralized SCADA system which enables safe and reliable operations of NG and LPG pipeline has been declared critical information infrastructure (CII) by NCIIPC, Government of India. Your Company has taken up measures to enhance its security posture and has successfully upgraded the Cyber security system - Anti-virus and Anti-Spam Solution of C-SCADA system across GAIL.

b. One of the prime focus areas of your Company has been to leverage technology for continual enhancement of its business processes. With a vision to be a digitally empowered organization for operational excellence and stakeholder value creation, Your Company has formulated a Digital Strategy and Roadmap under the "Digital Yatra 2.0" initiative. Your Company has also revised its IT Policy to make it up to date with the current technological and business environment as well as to align it with global best-practice frameworks.

c. Your 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 the latest solutions for improved cyber security posture. No cyber security breach has been observed in FY 2019-20.

d. Your Company has taken various digital initiatives like e-Measurement Book & e-Billing Portal "ANJANI" for processing of Vendor Bills, paperless processing of Medical & Travel reimbursements, Self-Booking Tool (SBT) for booking of Air tickets, implementation of Digital Boardroom solution and Energy Trading & Risk Management (ETRM) solution.

e. Your Company has implemented Digital Dashboards for effective monitoring of petrochemical sales activities and progress of various projects. Your Company has also implemented mobile apps and portal for PNG customers & CGD business.

f. Your Company has implemented AI-based RPA initiatives for the automation of finance processes and advanced data analytics & optimization solution for optimization of production planning & petrochemical profit, prediction of polymer prices and ChatBot for employees.

g. Your Company has implemented Centralized Payments & TDS solution for seamless transfer of vendor payments, B2B integration with banks for faster reconciliation, and automatic generation of E-Way Bill numbers through integration with NIC portal. 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.

h. In order to share knowledge and experience about cutting edge digital technologies among India's premier Oil & Gas companies and experts from the IT industry, Your Company organised an 'Industry Meet on Digital Transformation' in New Delhi in January 2020. A Cyber Security Industry Meet was also organized by your Company at Noida in November 2019 to share the experience and knowledge on various challenges and developments in the field of cyber security with invitees from Oil & Gas sector, Government statutory bodies, consultants and prominent organizations in the IT security field.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year), following information may be furnished:

iv. Expenditure on R&D

GAIL consistently allocates and spends 1% of PAT for R&D to carry out various collaborative and developmental projects. **Total R&D expenditure for the financial year 2019-20 is INR 66.41 crore** that surpassed the mandate of INR 60.26 crore (being 1% of PAT of the previous year). This includes **INR 54.38 crore on the developmental projects; INR 12.03 crore on collaborative R&D works** with various research institutes.

For the financial year 2019-20 is ₹ 73.12 crore that surpassed the mandate of ₹ 60.26 crore (being 1% of PAT of the previous year). This includes ₹ 53.85 crore on the developmental projects; ₹ 11.67 crore on collaborative R&D works with various research institutes and ₹ 7.6 crore on E&P activities.

The developmental projects include various technology up-gradation and modernization work carried out at various process plants and pipeline O&M facilities. Few of the collaborative R&D Projects:

a) A pilot plant on the conversion of "Waste plastic to Diesel" of 1 TPD capacity has been set-up in the premises of the Indian Institute of Petroleum (IIP), Dehradun along with GAIL. Currently, trial operations are being carried out in the Pilot plant to generate data for validation of the technology for commercialization.

b) GAIL along with IIT-Kanpur under the Uchhatar Avishkar Yojana (UAY) initiative, jointly funded by MHRD developed a prototype of "Adoptive Intelligent Pipe Health Monitoring Robot" for fuel transporting systems. Currently, extensive trials are being carried out with the prototype. We are also developing a "Low Altitude Long Endurance (LALE) Unmanned Aerial System (UAS) for Surveillance, Reconnaissance and Asset Monitoring (SRAM)" in association with IIT-Kanpur for aerial monitoring of pipeline ROU. A test run of 15 km has been completed at IIT Kanpur. A pilot surveillance test over 20 km of Auraiya to Jagdishpur Pipeline Section is now planned to validate the performance.

c) To directly convert methane to olefins, a research project on the "Development of heterogeneous catalyst for Oxidative Coupling of Methane to Ethylene" is being pursued with IIP, Dehradun. Moreover, the development of Adsorbed Natural Gas (ANG) Technology through the synthesis of a novel 3-D Covalent Organic Framework (COF) based high surface area adsorbent with remarkable methane storage capacity is being executed in association with IISER, Kolkata. Besides, for natural gas resource augmentation and better utilization, methane production from a marine hydrate by CO_2 replacement and development of hollow fiber membranes and modules for separation of acid gases from natural gas are accomplished with IIT-Madras and NCL, Pune respectively.

d) Work is under progress to demonstrate natural gas as a benign fuel to meet the target of stringent emission norms under BS-VI. A research project to carry out the up-gradation of existing BS-IV CNG HCV engine to meet BS-VI emissions is being pursued in collaboration with ARAI, Pune.

C. FOREIGN EXCHANGE EARNINGS AND CURRENCY OUTGO

During FY 2019-20, Foreign exchange inflow was ₹13,078 crore and foreign currency outgo was ₹ 26,485 crore.

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 2019-20.

2. Details of material contracts or arrangements or transactions at arm's length basis -

a. Name(s) of the related party and nature of the 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 2019-20 were ₹ 20,926.92 crore (inclusive of Taxes).

e. Date(s) of approval by the Board, if any - Not applicable, since the contract was entered into in the ordinary course of business and on arm's length basis.

f. Amount paid as advances, if any– NIL

For and on behalf of the Board

Manoj Jain
Chairman & Managing Director
(DIN: 07556033)

Place: New Delhi

Date: 14.08.2020

ANNEXURE - I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the Financial Year ended 31.03.2020

[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, I[st] Floor, 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**	**83**

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 and Polymer Limited	1st Floor, House No. 6, Bhuban Road, Uzanbazar, Guwahati, Kamrup AS - 781001 IN	U11101AS2007GOI008290	Subsidiary	70	2(87)
6.	Konkan LNG Limited	16, Bhikaiji Cama Place, R. K. Puram, New Delhi -110066	U11100DL2015PLC288147	Subsidiary	69.06	2(6)
7	Tripura Natural Gas Co Ltd	Shilpa Nigam Bhawan, Khejur Bagan, Kunjaban, Agartala, West Tripura TR - 799006 IN	U23201TR1990SGC003451	Subsidiary	48.98	2(6)
8	Aavantika Gas Limited	202-B, 2nd floor, NRK Business Park Vijay Nagar Square, A.B. Road, Indore, MP - 452010 IN	U40107MP2006PLC018684	Joint Venture/ Associate	49.99	2(6)
9	Bhagyanagar Gas Limited	Parishram Bhawan , Basheerbagh, Hyderabad, Telangana - 500004	U40200TG2003PLC041566	Joint Venture/ Associate	48.73	2(6)
10.	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)
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.	Indradhanush Gas Grid Limited	5th Floor, Central Mall Christian Basti, G.S. Road, Guwahati, Kamrup AS - 781005 IN	U40300AS2018GOI018660	Joint Venture/ Associate	20	2(6)
14	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)
15	Mahanagar Gas Limited	MGL House, Block No G-33, Bandra Kurla Complex, Bandra (E), Mumbai, Maharashtra - 400051 IN	L40200MH1995PLC088133	Joint Venture/ Associate	32.50	2(6)
16.	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)
17.	ONGC Petro Additions Limited	4th Floor, 35, Nutan Bharat Co-operative Housing Society Ltd., R C Dutt Road, Alkapuri, Vadodara, Gujarat - 390007 IN	U23209GJ2006PLC060282	Joint Venture/ Associate	49.21	2(6)
18.	Petronet LNG Limited	First Floor, World Trade Centre, Babar Road, New Delhi - 110001 IN	L74899DL1998PLC093073	Joint Venture/ Associate	12.50	2(6)
19.	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	14.46	2(6)
20	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)
21.	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)
22	Talcher Fertilizers Limited	Plot 2/H, Kalpana Area, BJB Nagar, Khurda Bhubneswar, Khordha, Odisha - 751014 IN	U24120OR2015PLC019575	Joint Venture/ Associate	33.33	2(6)
23.	TAPI Pipeline Company Limited	C/o Cains Fiduciaries Limited, Fort Anne Douglas, Isle of Man IM1 5PD	NA	Joint Venture/ Associate	5	2(6)
24.	Vadodara Gas Limited	Shri Muni Commi Gas Office, Gas Office Building Dandia Bazaar Vadodara Gujarat - 390001 IN	U40106GJ2013PLC076828	Joint Venture/ Associate	32.93	2(6)
25	Fayum Gas	15, Gamal Abdel Naser, St. Mesala Square, Fayoum, Egypt	NA	Joint Venture/ Associate	19	2(6)
26	China Gas Holdings Ltd.	AXA Centre, 151 Gloucester Roa, 16th Floor, Wan Chai, Hong Kong (SAR)	NA	Joint Venture/ Associate	2.87	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, 2019)				No. of shares held at the end of the year (As on 31st March, 2020)				% 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					
b) Central Government	1177029046	0	1177029046	52.19	2334449987	0	2334449987	51.76	0.43

Category of shareholders	No. of shares held at the beginning of the Year (As on 1st April, 2019)				No. of shares held at the end of the year (As on 31st March, 2020)				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
c) State Government(s)	0	0	0	0.00	0	0	0	0	0
d) Bodies Corporate	0	0	0	0.00	0	0	0	0	0
e) Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0	0
f) Any Other (specify)	0	0	0	0.00	0	0	0	0	0
TRUST	0	0	0	0.00	0	0	0	0	0
SOCIETY	0	0	0	0.00	0	0	0	0	0
EDUCATIONAL INSTITUTE	0	0	0	0.00	0	0	0	0	0
Total Shareholding of Promoter(A)	**1177029046**	**0**	**1177029046**	**52.19**	**2334449987**	**0**	**2334449987**	**51.76**	**0.43**
B. Public shareholding									
1. Institutions									
a) Mutual Funds/ UTI	186172562	18848	186191410	8.26	508719414	354	508719768	11.28	3.02
b) Financial Institutions/ Banks	14377801	266	14378067	0.64	34352405	532	34352937	0.76	0.12
c) Central Government	0	0	0	0.00	0	0	0	0	0
d) State Govt.(s)	0	0	0	0.00	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0	0
f) Insurance Companies	126950607	0	126950607	5.63	277003677	0	277003677	6.14	0.51
g) Foreign Portfolio Investors	466319757	1154	466320911	20.68	730815500	2308	730817808	16.20	-4.48
h) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0	0
i) Any Other (Alternate Investment Funds)	0	0	0	0.00	1297961	0	1297961	0.03	0.03
Sub-Total (B)(1)	**793820727**	**20268**	**793840995**	**35.21**	**1552188957**	**3194**	**1552192151**	**34.41**	**-0.80**
2. Central Govt/State Govt/POI	**181868478**	**0**	**181868478**	**8.06**	**372843536**	**0**	**372843536**	**8.27**	**0.21**
Sub-Total (B)(2)	**181868478**	**0**	**181868478**	**8.06**	**372843536**	**0**	**372843536**	**8.27**	**0.21**
3. Non-institutions									
a) Bodies Corporate- Indian	32481833	266	32482099	1.44	61375769	620	61376389	1.36	-0.08
b) Individuals -									
i) Individual shareholders holding nominal share capital up to ₹ 2 lakh.	30408219	115500	30523719	1.35	106969675	227902	107197577	2.38	1.03
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh.	4827470	0	4827470	0.21	16750787	0	16750787	0.37	0.16
c) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0	0
d) NBFCs Registered with RBI	4725	0	4725	0.00	349696	0	349696	0.01	0.01
e) Any Other									
(i) Trust & Foundations	13800555	0	13800555	0.61	33268742	0	33268742	0.74	0.13
(ii) Cooperative Societies	0	0	0	0.00	0	0	0	0	0
(iii) Educational Institutions	0	0	0	0.00	0	0	0	0	0
(iv) Non Resident Individual	1417852	9711	1427563	0.06	6075835	19422	6095257	0.13	0.07
(v) Foreign Companies	0	0	0	0.00	0	0	0	0	0
(vi) OCBs	0	0	0	0.00	0	0	0	0	0
Sub-Total (B)(3)	**82940654**	**125477**	**83066131**	**3.68**	**225038448**	**247944**	**224790504**	**4.98**	**1.30**
Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	**1058629859**	**145745**	**1058775604**	**46.95**	**2149822997**	**251138**	**2150074135**	**47.67**	**0.72**
TOTAL (A)+(B)	**2235658905**	**145745**	**2235804650**	**99.14**	**4484272984**	**251138**	**4484524122**	**99.43**	**0.28**
(C) Shares held by Custodians and against which Depository Receipts have been issued	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0**	**0**
1) Promoter and Promoter Group	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0**	**0**
2) Public	**19266283**	**0**	**19266283**	**0.85**	**25617744**	**0**	**25617744**	**0.57**	**-0.28**
GRAND TOTAL (A)+(B)+(C)	**2254925188**	**145745**	**2255070933**	**100.00**	**4509890728**	**251138**	**4510141866**	**100.00**	**-**

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year [As on 1st April 2019]			No. of Shares held at the end of the year [As on 31st March 2020]			% 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	1177029046	52.19	0	2334449987*	51.76	0	-0.43
	Total	**1177029046**	**52.19**	**0**	**2334449987**	**51.76**	**0**	**-0.43**

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 (01.04.19 to 31.03.20)	
	No. of Shares at the Beginning (01.04.19) /end of the Year (31.03.20)	% of total shares of the Company				Shares	% of total shares of the Company
PRESIDENT OF INDIA	1177029046	52.19	31.03.2019				
			26.07.2019	1177029046	BONUS	2354058092	52.19
			18.10.2020	19610227	Government of India Disinvested shares through CPSE ETF units	2334449987*	51.76
	2334449987*	51.76	31.03.2020				

*(Out of Total Shareholding of Government of India, 2122 shares related to Offer for Sale- 2004 and Bonus shares thereon are Pending for Credit due to non-availability of shareholders' correct details)

(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 01-04-19 & 31-03-20 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, 2019 to 31st March, 20)	
		No. of Shares at the Beginning (1st April, 19) /end of the year (31st March, 2020)	% of total shares of the Company				Shares	% of total shares of the Company
1	LIFE INSURANCE CORPORATION OF INDIA	106341691	4.72	31.03.2019				
				21.06.2019	1435622	Purchase	107777313	4.78
				28.06.2019	3664092	Purchase	111441405	4.94
				05.07.2019	4284001	Purchase	115725406	5.13
				12.07.2019	1474033	Purchase	117199439	5.20
				26.07.2019	117199439	BONUS	234398878	5.20
		234398878	5.20	31.03.2020				
2	OIL AND NATURAL GAS CORPORATION LIMITED	108905462	4.83	31.03.2019				
				26.07.2019	108905462	BONUS	217810924	4.83
		217810924	4.83	31.03.2020				
3	INDIAN OIL CORPORATION LIMITED	54452730	2.41	31.03.2019				
				26.07.2019	54452730	BONUS	108905460	2.41
		108905460	2.41	31.03.2020				
4	HDFC TRUSTEE COMPANY LTD. A/C HDFC BALANCED ADVANTAGE FUND	24105657	1.06	31.03.2019				
				07.06.2019	-1411000	Sale	22694657	1.01
				28.06.2019	-1050798	Sale	21643859	0.96

S. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (1st April, 2019 to 31st March, 20)	
		No. of Shares at the Beginning (1st April, 19) /end of the year (31st March, 2020)	% of total shares of the Company				Shares	% of total shares of the Company
				05.07.2019	-1061000	Sale	20582859	0.91
				26.07.2019	20582859	BONUS	41165718	0.93
				22.11.2019	1000000	Purchase	42165718	0.93
				29.11.2019	900000	Purchase	43065718	0.95
				13.12.2019	1000000	Purchase	44065718	0.98
				27.12.2019	2600000	Purchase	46665718	1.03
				03.01.2020	700000	Purchase	47365718	1.05
				10.01.2020	2348000	Purchase	49713718	1.10
				07.02.2020	2000000	Purchase	51713718	1.15
				14.02.2020	2000000	Purchase	53713718	1.19
		53713718	1.19	31.03.2020				
5	ICICI PRUDENTIAL VALUE DISCOVERY FUND	0	0.00	31.03.2019				
				21.02.2020	2500000	Purchase	2500000	0.06
				28.02.2020	6500805	Purchase	9000805	0.20
				06.03.2020	6063178	Purchase	15063983	0.33
				13.03.2020	6000000	Purchase	21063983	0.47
				20.03.2020	13602040	Purchase	34666023	0.77
				27.03.2020	2656851	Purchase	37322874	0.83
		37322874	0.83	31.03.2020				
6	GOVERNMENT PENSION FUND GLOBAL	14947204	0.66	31.03.2019				
				19.04.2019	420283	Purchase	15367487	0.68
				26.04.2019	256050	Purchase	15623537	0.69
				10.05.2019	265235	Purchase	15888772	0.70
				17.05.2019	148510	Purchase	16037282	0.71
				24.05.2019	64439	Purchase	16101721	0.71
				07.06.2019	38610	Purchase	16140331	0.72
				14.06.2019	186498	Purchase	16326829	0.72
				21.06.2019	160993	Purchase	16487822	0.72
				26.07.2019	17067392	BONUS	33555214	0.74
				23.08.2019	1143720	Purchase	34698934	0.77
				25.10.2019	-1095675	Sale	33603259	0.75
				08.11.2019	-514510	Sale	33088749	0.73
		33088749	0.73	31.03.2020				
7	HDFC TRUSTEE COMPANY LIMITED HDFC EQUITY FUND	11975278	0.27	31.03.2019				
				26.04.2019	2176000	Purchase	14151278	0.63
				03.05.2019	870000	Purchase	15021278	0.67
				17.05.2019	1066000	Purchase	16087278	0.71
				07.06.2019	-942000	Sale	15145278	0.67
				21.06.2019	-700000	Sale	14445278	0.64
				28.06.2019	-4405421	Sale	10039857	0.45
				26.07.2019	10039857	BONUS	20079714	0.45
				15.11.2019	3206639	Purchase	23286353	0.52
				22.11.2019	387000	Purchase	23673353	0.52
				29.11.2019	1727000	Purchase	25400353	0.56

S. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (1st April, 2019 to 31st March, 20)	
		No. of Shares at the Beginning (1st April, 19) /end of the year (31st March, 2020)	% of total shares of the Company				Shares	% of total shares of the Company
				06.12.2019	3000000	Purchase	28400353	0.63
				13.12.2019	1600000	Purchase	30000353	0.67
				10.01.2020	1250000	Purchase	31250353	0.69
				13.03.2020	1779000	Purchase	33029353	0.73
		33029353	0.73	31.03.2020				
8.	SBI-ETF NIFTY 50	9906465	0.22	31.03.2019				
				05.04.2019	76277	Purchase	9982742	0.44
				12.04.2019	-2128	Sale	9980614	0.44
				19.04.2019	-224	Sale	9980390	0.44
				26.04.2019	6343	Purchase	9986733	0.44
				03.05.2019	28224	Purchase	10014957	0.44
				10.05.2019	75600	Purchase	10090557	0.45
				17.05.2019	133056	Purchase	10223613	0.45
				24.05.2019	44016	Purchase	10267629	0.46
				31.05.2019	40432	Purchase	10308061	0.46
				07.06.2019	32032	Purchase	10340093	0.46
				14.06.2019	44464	Purchase	10384557	0.46
				21.06.2019	51744	Purchase	10436301	0.46
				28.06.2019	92916	Purchase	10529217	0.46
				05.07.2019	240393	Purchase	10769610	0.48
				12.07.2019	180178	Purchase	10949788	0.48
				19.07.2019	320918	Purchase	11270706	0.49
				26.07.2019	11027157	BONUS	22297863	0.49
				02.08.2019	179103	Purchase	22476966	0.50
				09.08.2019	224276	Purchase	22701242	0.50
				16.08.2019	125496	Purchase	22826738	0.51
				23.08.2019	60609	Purchase	22887347	0.51
				30.08.2019	75364	Purchase	22962711	0.51
				06.09.2019	67766	Purchase	23030477	0.51
				13.09.2019	61744	Purchase	23092221	0.51
				20.09.2019	83990	Purchase	23176211	0.51
				27.09.2019	-78846	Sale	23097365	0.51
				30.09.2019	26105	Purchase	23123470	0.51
				04.10.2019	58950	Purchase	23182420	0.51
				11.10.2019	35063	Purchase	23217483	0.51
				18.10.2019	168000	Purchase	23385483	0.52
				25.10.2019	78176	Purchase	23463659	0.52
				01.11.2019	178604	Purchase	23642263	0.52
				08.11.2019	154855	Purchase	23797118	0.53
				15.11.2019	140896	Purchase	23938014	0.53
				22.11.2019	110880	Purchase	24048894	0.53
				29.11.2019	92064	Purchase	24140958	0.54
				06.12.2019	89600	Purchase	24230558	0.54
				13.12.2019	96992	Purchase	24327550	0.54
				20.12.2019	75264	Purchase	24402814	0.54
				27.12.2019	9062	Purchase	24411876	0.54
				31.12.2019	44726	Purchase	24456602	0.54

S. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (1st April, 2019 to 31st March, 20)	
		No. of Shares at the Beginning (1st April, 19) /end of the year (31st March, 2020)	% of total shares of the Company				Shares	% of total shares of the Company
				03.01.2020	60032	Purchase	24516634	0.54
				10.01.2020	53984	Purchase	24570618	0.54
				17.01.2020	45472	Purchase	24616090	0.55
				24.01.2020	66304	Purchase	24682394	0.55
				31.01.2020	40123	Purchase	24722517	0.55
				07.02.2020	79968	Purchase	24802485	0.55
				14.02.2020	59136	Purchase	24861621	0.55
				21.02.2020	44576	Purchase	24906197	0.55
				28.02.2020	437472	Purchase	25343669	0.56
				06.03.2020	542736	Purchase	25886405	0.57
				13.03.2020	272396	Purchase	26158801	0.58
				20.03.2020	-8760	Purchase	26150041	0.58
				27.03.2020	748089	Purchase	26898130	0.60
		27313140	0.61	31.03.2020	415010	Purchase		
9	DEUTSCHE BANK TRUST COMPANY AMERICAS	19266283	0.85	31.03.2019				
				05.04.2019	160020	Purchase	19426303	0.86
				12.04.2019	371826	Purchase	19798129	0.88
				19.04.2019	83916	Purchase	19882045	0.88
				26.04.2019	397224	Purchase	20279269	0.90
				03.05.2019	332970	Purchase	20612239	0.91
				10.05.2019	342582	Purchase	20954821	0.93
				17.05.2019	58494	Purchase	21013315	0.93
				24.05.2019	14010	Purchase	21027325	0.93
				07.06.2019	12564	Purchase	21039889	0.93
				14.06.2019	412800	Purchase	21452689	0.95
				21.06.2019	5682	Purchase	21458371	0.95
				28.06.2019	-526806	Sale	20931565	0.95
				26.07.2019	20931565	BONUS	41863130	0.93
				30.08.2019	-338904	Sale	41524226	0.92
				20.09.2019	-821742	Sale	40702484	0.90
				27.09.2019	-484632	Sale	40217852	0.89
				30.09.2019	-160020	Sale	40057832	0.89
				04.10.2019	-1836450	Sale	38221382	0.85
				06.12.2019	-115914	Sale	38105468	0.84
				13.12.2019	-675300	Sale	37430168	0.83
				20.12.2019	-4053672	Sale	33376496	0.74
				31.12.2019	-1015476	Sale	32361020	0.72
				03.01.2020	-1852266	Sale	30508754	0.68
				10.01.2020	-1187132	Sale	29321622	0.65
				24.01.2020	-426150	Sale	28895472	0.64
				31.01.2020	-1319580	Sale	27575892	0.61
				14.02.2020	-600000	Sale	26975892	0.60
				28.02.2020	-32208	Sale	26943684	0.60
				13.03.2020	-1166412	Sale	25777272	0.57
				27.03.2020	271638	Purchase	26048910	0.58
		25617744	0.57	31.03.2020	-431166	Sale		

S. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (1st April, 2019 to 31st March, 20)	
		No. of Shares at the Beginning (1st April, 19) /end of the year (31st March, 2020)	% of total shares of the Company				Shares	% of total shares of the Company
10	KOTAK STANDARD MULTICAP FUND	12533336	0.56	31.03.2019				
				26.07.2019	12533336	BONUS	25066672	0.56
				06.03.2020	-112014	Sale	24954658	0.55
				27.03.2020	112014	Purchase	25066672	0.56
		25066672	0.56	31.03.2020				

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,19 to 31st March, 20)	
		No. of Shares at the Beginning (1st April,19) /end of the year (31st March, 20)	% of total shares of the company				No. of Shares	% of total shares of the company
1.	Shri P. K. Gupta, Director (HR)	533	0.00	31-Mar-2019				
				26-July-2019	533	BONUS	1066	0.00
		1066	0.00	31-Mar-2020			1066	0.00
2.	Shri Anjani Kumar Tiwari, Director (Finance) and CFO	293	0.00	31-Mar-2019			0	0.00
				26-July-2019	293	BONUS	586	0.00
		586	0.00	31-Mar-2020			586	0.00
3.	Shri Manoj Jain, CMD (w.e.f. 14.02.2020)	648	0.00	31-Mar-2019			0	0.00
				26-July-2019	648	BONUS	1296	0.00
		1296	0.00	31-Mar-2020			1296	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in crore)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	499.57	500.60	-	1,000.17
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**	**-**	**1,007.87**
Change in Indebtedness during the financial year				
Addition*	2,850.08	1,803.57	-	4,653.65
Reduction*	-	(127.74)	-	(127.74)
Exchange Rate Fluctuation	-	30.71	-	30.71
Net Change	**2,850.08**	**1,706.54**	**-**	**4,556.62**
Indebtedness at the end of the financial year				
i) Principal Amount	3,349.65	2,207.14	-	5,556.79
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2.47	9.63	-	12.10
Total (i +ii + iii)	**3,352.12**	**2,216.77**	**-**	**5,568.89**

*Includes INR equivalent of USD used in refinancing

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Director (WTD) and/or Manager

(₹ in lac)

S. No.	Particulars of Remuneration	Shri B.C Tripathi (CMD upto 31.07.19)	Shri P.K. Gupta (WTD)	Shri Gajendra Singh (WTD)	Dr. Ashutosh Karnatak (WTD & CMD from 01.08.2019 to 13.02.2020)	Shri Manoj Jain (WTD & CMD from 14.02.2020)	Shri A.K.Tiwari (WTD & CFO)	Total Amount
1.	**Gross salary**							
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	63.97	51.29	49.61	61.47	43.08	53.76	323.18
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	43.06	41.16	45.33	42.42	48.09	33.69	253.75
	(c) Profits in lieu of salary under section 17(3) of the Income- Tax Act, 1961	-	-	-	-	-	-	-
2.	**Stock Option**	-	-	-	-	-	-	-
3.	**Sweat Equity**	-	-	-	-	-	-	-
4.	**Commission**							
	- as % of profit							
	- others, specify…	-	-	-	-	-	-	-
5.	**Others**	-	-	-	-	-	-	-
	Total (A)	**107.03**	**92.45**	**94.94**	**103.89**	**91.17**	**87.45**	**576.93**
	Ceiling as per the Act	**Not Applicable**						

B. Remuneration to other Directors

(₹ in Lac)

S.No.	Particulars of Remuneration	Name of Directors								Total Amount
	Independent Directors	Shri S.K. Srivastava (till 18.11.2019)	Shri Anupam Kulshreshtha (till 18.11.2019)	Shri Sanjay Tandon (till 18.11.2019)	Shri Dinkar P. Srivastava (till 30.01.2020)	Dr. Anup K. Pujari (till 30.01.2020)	Shri Jayanto Narayan Choudhury	Dr. Rahul Mukherjee	Smt. Banto Devi Kataria	
1.	Fee for attending Board and Committee meetings	8.8	8.5	7.3	8.1	5.3	7.8	6.2	9.4	61.4
	Commission	-	-	-	-	-	-			-
	Others, please specify	-	-	-	-	-	-			-
	Total Managerial Remuneration (1)	**8.8**	**8.5**	**7.3**	**8.1**	**5.3**	**7.8**	**6.2**	**9.4**	**61.4**
	Overall 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

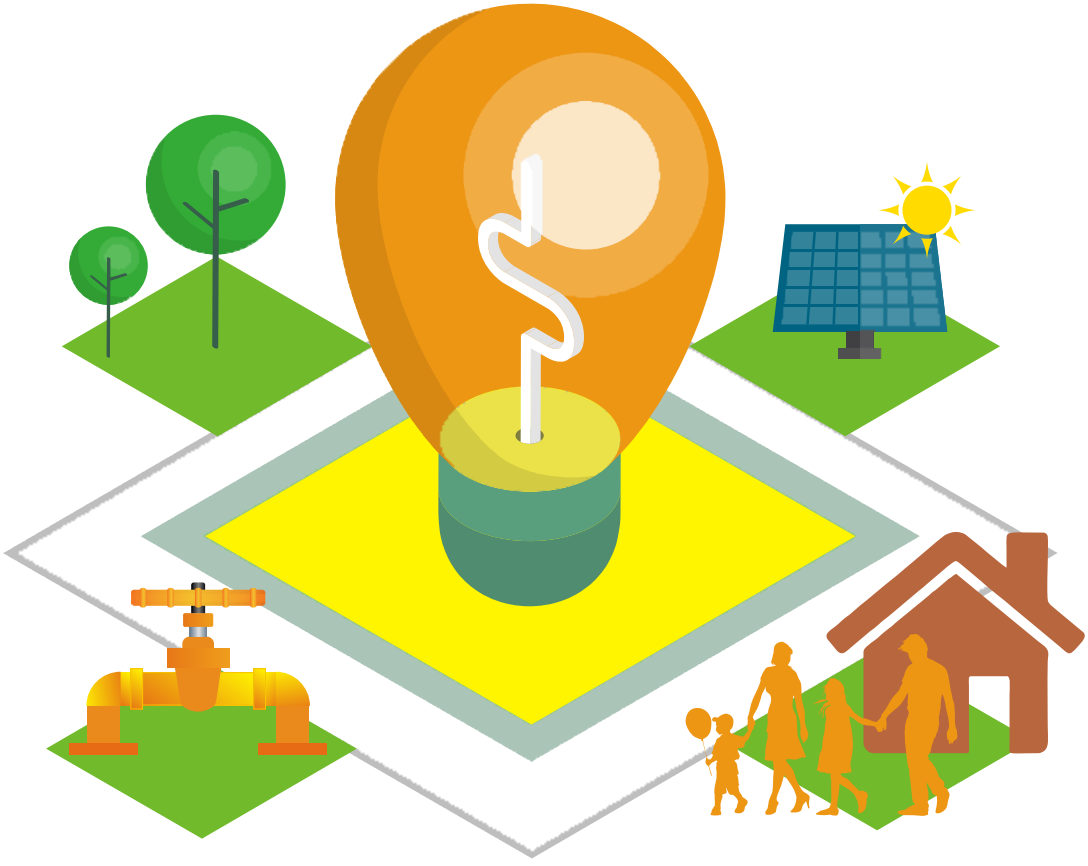
(₹ in Lac)

S. No.	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary Shri A. K. Jha	Total
1.	**Gross salary**		
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	34.99	34.99
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	18.72	18.72
	(c) Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	-	-
2.	**Stock Option**	-	-
3.	**Sweat Equity**	-	-
4.	**Commission**		
	as % of profit	-	-
	Others, specify	-	-
5.	**Others, please specify**	-	-
	Total	**53.71**	**53.71**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act, 2013	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 INDEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Business Responsibility Report



Business Responsibility Report (BRR)
FY 2019-20 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
4	Website	http://www.gailonline.com
5	E-mail id	shareholders@gail.co.in
6	Financial Year reported	2019-20
	Products/Services	
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) (as in balance sheet) 3. Other Liquid Hydrocarbons Production- (LPG, Propane, Pentane, Naphtha etc.)
	Operations	
9	Total number of locations where business activity is undertaken by the Company	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
10	Total number of National locations where business activity is undertaken by the Company	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), Lona (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)
11	Markets served by the Company – Local/State/National/International/	National

Section B: Financial Details of the Company

1	Paid up Capital (₹)	4,510.14 crore
2	Total Turnover (₹)	71,729.57 crore
3	Total Profit after Taxes (₹)	6,620.63 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 ₹ 124.79 crore in FY 2019-20 i.e. 2% of average net profit of the preceding three financial years on its CSR activities. Against the said commitment, GAIL has incurred a total expenditure of ₹ 125.30 crore, in FY 2019-20 which amounts to 2.01% of the average net Profit of the preceding three financial years. Further, CSR expenditure of ₹ 125.30 crore amounts to 1.89% of Profit After Tax (%) of FY 2019-20.
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 (Total) – (Health, Drinking Water, Sanitation): ₹ 43.81 crore b) UJJAWAL - Education- ₹ 31.17 crore c) KAUSHAL - Skill Development and Livelihood Generation Initiatives: ₹ 30.57 crore d) Others - Expenses incurred on Capacity Building, focus area 'Sashakt' and other areas as included under Schedule VII: ₹ 10.38 crore e) UNNATI - Rural Development Initiative: ₹ 4.56 crore f) SAKSHAM- Care of Elderly & Disabled: ₹ 2.96 crore g) Harit-Environment projects: ₹ 1.85 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 2020 was 7. Out of 7 subsidiaries, 3 Subsidiaries are operating out of India and 4 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, All Subsidiaries of GAIL 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 a 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

The philosophy and vision behind GAIL's business is to grow in a manner that is sustainable for the economy, stakeholders, community and environment. We ensure that we are not merely a profit driven business, but one that keeps us committed to our environmental and social concerns.

To ensure that we adhere to our philosophy, In FY 2019-20 we had a 4-member Board level Sustainable Development committee in place. As on 31.03.2020 the committee comprises of GAIL's Chairman & Managing Director (CMD) as its head along with Director (Projects), Director (Business Development) as its members for deliberation on organization's sustainability agenda. The Committee also reviews the emergency response plan and the HSE performance of the company.

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	03267102
	Name	Shri Manoj Jain (w.e.f 14.02.2020)
	Designation	CMD & Director (Business Development)
(ii)	DIN Number	03267102
	Name	Dr. Ashutosh Karnatak
	Designation	Director (Projects)
(iii)	DIN Number	02556335
	Name	Dr. Anup K Pujari (upto 30.01.2020)
	Designation	Part-time Non-official (Independent) Director
(iv)	DIN Number	08194036
	Name	Smt. Banto Devi Kataria (upto 21.11.2019)
	Designation	Part-time Non-official (Independent) Director
	b. Details of the BR head	
1	DIN Number	03267102
2	Name	Shri Manoj Jain (w.e.f 14.02.2020)
3	Designation	CMD & Director (Business Development)
4	Telephone Number	011-41753240
5	Email-ID	manojjain@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?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	If yes, has it been signed by MD/owner/CEO/ appropriate Board Director ?	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

	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 19-20, 3 no. of meetings were held by the Sustainable development Committee. Further GAIL has various related sub-committees of the Board which meets from time to time.

S.No.	Committees of the Board	Number of Meetings Held in FY 19-20
1	Corporate Social Responsibility Committee	04
2	Audit Committee	14
3	HR Committee	03
4	Business Development & Marketing Committee	09
5	Finance Committee	03
6	Nomination and Remuneration Committee	01

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?	It is published yearly.

Section E: Principle Wise Disclosures

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 2019-20, total number of complaints received from all the stakeholders was 351. Out of these 95.16% 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

At GAIL, our commitment to incorporate social and/or environmental concerns, risks and/or opportunities is not limited to these 3 products only. All the projects are undertaken and executed 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?

GAIL has gained many customers, which have switched from solid, liquid & other inferior fuels to Natural Gas. This has 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 e-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 reduce the size / volume of a tender document and reduction in the use of paper, a standard document GCC is already available on GAIL s tender website, as a part of Digital initiative and ease of doing business. GCC is no longer being made part of tender documents. GAIL has introduced the Document Transmittal System for signing and countersigning of the bulky contract documents in Projects. In which the bulky documents are signed by the GAIL official via digital means without taking out the printout of the documents. This digitally signed contract document is transmitted online to the contractor, who in-turn countersigned the document and send it back to GAIL. 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.

- Buy back of batteries by approved suppliers only As decided by Sustainable Development Steering Committee (SDSC) action in under progress for 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, PPLC policy and initiated Make in India campaign in GAIL to develop local vendors and ensure a sustainable future.

(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 4% 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, Preference under PP-LC policy of MoPNG 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) which extends various benefits like waiver from tender fee and EMD, Purchase Preference etc. to MSEs. The policy targets 25% of procurement from MSEs with a sub target of 4% from MSEs owned by the Scheduled Caste or the Scheduled Tribe 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. 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 E) Startup Policy F) Policy To Provide Purchase Preference To Domestically Manufactured Products Of Petroleum And Natural Gas Sector Government of India has launched Make in India campaign on 25th September 2015 to encourage multinational as well as domestic companies to manufacture their products in India. INDEG Groups at Apex level and Site level have been constituted in GAIL. Meetings of Apex level and Site level committee are being held regularly. Quite a few indigenous sources have been developed in GAIL i.e. 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. Further, policy guidelines to encourage development of Indigenous sources on continuous basis has been implemented to boost Make in India in GAIL.

(i) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

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 introduced the Public Procurement Policy for Micro and Small Enterprises which extends various benefits like waiver from tender fee and EMD, Purchase Preference etc. to MSEs. This reduces the transaction cost of the suppliers or vendors involved in the tendering process. The target procurement has been increased from 20% to 25%, thereby providing them with greater opportunities.

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

e) Policy to Provide Purchase Preference to Domestically Manufactured Products of Petroleum and Natural Gas Sector

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 started a unique initiative of vendor coaching wherein the bidders are given coaching on the process of participation in GAIL s tender. Further, all the relevant terms and conditions (both pre-award and post award are informed to the bidders).

GAIL has also introduced a comprehensive policy to promote procurement from Government e Marketplace (GeM) and is actively procuring also, 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-Marketplace (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.

Government 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 Government 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. GAIL is also conducting an Entrepreneurship Development Program exclusively for developing SC / ST youth as entrepreneurs and vendors for GAIL at GTI Jaipur.

5. Does the company have a mechanism to recycle products and waste?

(i) 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 the 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.

4,682 (as on 31.03.2020 including Board of Whole-Time Directors and CMD, including CVO)

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

14,106

3. Please indicate the Number of permanent women employees.

303

4. Please indicate the Number of permanent employees with disabilities.

98

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.

There are two unions that have been recognized by the management namely-

1 GAIL Employees Association (GEA), representative body of non-executives posted at various field offices/plants/installations across India except the corporate office and

2 GAIL Karamchari Sangh (GKS), representing the interests of their respective workmen/ staff. They represent 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 20.35%.

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	1	1
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: 94.4
B	**Permanent Women Employees**	Total: 92.23
C	**Casual/Temporary/Contractual Employees**	Total: 60.6
D	**Employees with Disabilities**	Total: 90.5

Note – 94.5 % 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 mapped its internal and external stakeholders. The internal stakeholders comprise of all the employees whereas the key external stakeholders comprise of Government/Regulators, customers, investors, suppliers, implementing agencies, service providers, local communities, civil society, media, consumers, and advocacy groups.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes, identification of the disadvantaged, vulnerable and marginalized stakeholders is done according to the Corporate Social Responsibility (CSR) Policy of the company. The policy is in accordance with 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. The stakeholders at risk 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. We endeavour to provide holistic development for the vulnerable stakeholders and the community at large.

Further all the CSR projects undertaken at GAIL cater to improving the quality of life of the disadvantaged, vulnerable and marginalized stakeholders.

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 is applicable to all Joint Ventures, Subsidiaries, Contractors of GAIL and covers all requirements pertaining to Human Rights. GAIL's policies fully conform to human right principles, the Constitution of India and all applicable labour laws.

GAIL has a dedicated grievance redressal system is in place to register and address issues raised by all stakeholders. GAIL has also introduced gender mainstreaming, inclusiveness and affirmative programs and does not discriminate on the basis of gender in terms of compensation, progression and benefits.

The organization has constituted a 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.

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. GAIL also does not practice forced or compulsory labour in any form.

Several initiatives are undertaken by GAIL to uphold its commitment towards human rights and labour practices. Some of the key initiatives are:

- 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?

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, our policies related to principle 6 extend to all the other stakeholders excluding Joint Ventures.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming,etc.? If yes, please give hyperlink for web page etc.

Yes, GAIL's Sustainability Report 2019-20 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. All our assets come under our Enterprise Risk Management Policy which enables risks to be reviewed by the Chief Risk Officer and the Site Level Risk Steering Committee (SLRSC) based on the high, medium and low categories. According to the policy, the Corporate Level Risks Steering Committee (CLRSC) is required to review the status of Corporate Level Key Risks on a quarterly basis. The status of these risks is deliberated in GAIL's Risk Management Committee (RMC) on a bi-annual basis. The status report is presented to the board annually.

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.

a. Renewable Energy: GAIL has a total installed capacity of 130.26 MW of alternative energy; out of which 118 MW is wind and 12.26 MWp is solar energy.

b. In FY 2019-20, GAIL has embarked upon journey of adoption of GreenCo Rating. This rating helps in making products, services and operations greener.

c. 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.

d.. Hawa Badlo: In a bid to contribute to the government's effort to combat air pollution, GAIL supports and promotes the 'Hawa Badlo' 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/

e. 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, the emissions and waste generated are reported to the Central and State Pollution Control Boards.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year?

NIL

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 an active member of the following major associations/chambers:

1. Institute of Internal Auditors (IIA), USA
2. Indian Wind Power Association (IWPA)
3. Chemical & Petrochemicals Manufacturers Association (CPMA)
4. International Group of Liquefied Natural Gas Importers (GIIGNL)
5. International Gas Union (IGU)
6. Confederation of Indian Industry (CII)
7. British Safety Council
8. National Fire Protection Association (NFPA)
9. Transparency International India
10. Center for Chemical Process Safety (CCPS)
11. Standing Conference of Public Enterprises (SCOPE)
12. Federation of Indian Chambers of Commerce and Industry (FICCI)
13. TERI Council For Business Sustainability & CSO Forum
14. Federation of Indian Petroleum Industry (FIPI)
15. Quality Circle Forum of India
16. US India Strategic Partnership Forum

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 involved in advocacy and lobbying through various industry bodies and associations which provide a platform to discuss industry issues. GAIL regularly interacts with the regulatory body Petroleum & Natural Gas Regulatory Board, (PNGRB) on issues relevant to the organization and the industry as a whole. The major organizations where GAIL is associated in different capacities are:

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 in a collective way to make better inclusive policies and bring reforms. This forms a significant basis for advancement of public good. GAIL also regularly interacts with PNGRB, the regulatory body to update them on current status and industry viewpoint. In FY 2019-20, GAIL was part of following associations –

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 represents India as „Charter Member" at IGU. GAIL along with IGU promotes the "Asia Gas Partnership Summit", aimed at discussing industry issues and developing gas market in Asia.

GAIL is one of the three full time member 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 is a member of the Federation of Indian Petroleum Industry (FIPI) and part of the Governing Council. FIPI has many specific executive committees of GAIL's interest having member representations from GAIL. 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. SCOPE has representations in various high level Committees/Boards and helps its member PSUs to reach their voice in various platforms.

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. Established in 1993, the Association offers its members a podium to collectively present their ideas, voice concerns, and offer suggestions on relevant issues. It provides a linkage between the industry, the Government, and the society. It interacts with the policy authorities and industry associations to develop and maintain harmonious and conducive business conditions.

GAIL is a member of TERI- Business Council for Sustainable Development (TERI-BCSD) which is an industry led consortium of sustainability practitioners. GAIL along with TERI has developed a document which outlines the Indian corporate vision on various aspects of tackling climate change and aligning the vision with Government schemes in this direction.

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 its 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. GAIL has made social investment in 7 identified focus areas, each of which is titled considering the objective it seeks to achieve. The overview of the focus areas are listed below:

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

2. Are the programmes/ projects undertaken through in-house team/own foundation/ external NGO/ government structures/ any other organization?

Yes, the CSR programmes/ projects undertaken are generally related to business and support inclusive growth and equitable development. The CSR projects undertaken are implemented through NGOs, not for profit companies/institutions under Sec 8 of the Companies Act, 2013 or government organization/ departments. GAIL CSR Team is actively engaged in the monitoring & evaluation.

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.

3. Have you done any impact assessment of your initiative?

GAIL CSR Dept conducts Impact Assessment of CSR projects and programmes of its major CSR projects on a periodic basis. GAIL CSR has been engaging reputed agencies and academic institutes to undertake Impact Assessment studies of its CSR projects.

The Third-Party Assessor provides comprehensive feedback pertaining to the strengths of the programme, opportunities of improvement/augmentation of the programme as also scope for improvement and modifications required (if any). Feedback in the form of case studies, success stories and analysis for programmes is provided by the Third-Party Assessor for understanding the impact of the project; feedback on sustainability of the programmes or any further suggestions to make it sustainable/improve upon it are also provided.

Impact Assessment study of Skill training program at CIPET has revealed that 82% of candidates were placed post completion of the course and the average salary achieved by them was ₹ 9,193. Impact Assessment study of Project Arogya reveals that beneficiaries in every location appreciate the quality of services and medicines received from MMUs, beneficiaries were most satisfied with the MMUs adherence to timelines and schedules. 84.8% of the respondents mentioned that they are likely to recommend the MMU to their known ones due to easy accessibility and affordability. These findings are a testament to GAIL CSR's support for inclusive growth and equitable development as mentioned under Principle 8 of Business Responsibility Reporting.

4. What is your company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

All GAIL CSR projects are focused on betterment and upliftment of the underprivileged segments of the population and, therefore, cater to community development by planning projects that cater to both the community in general as also the most disadvantaged target groups, specifically.

The details of CSR expenditure incurred on activities under identified focus areas, is as under:-

a) AROGYA (Total) – (Health, Drinking Water, Sanitation): ₹ 43.81 crore

b) UJJAWAL - Education- ₹ 31.17 crore

c) KAUSHAL - Skill Development and Livelihood Generation Initiatives: ₹ 30.57 crore

d) UNNATI - Rural Development Initiative: ₹ 4.56 crore

e) SAKSHAM- Care of Elderly & Disabled: ₹ 2.96 crore

f) Harit-Environment projects: ₹ 1.85 crore

g) Others - Expenses incurred on Capacity Building, focus area 'Sashakt' and other areas as included under Schedule VII: ₹ 10.38 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 focusing on the dimension of community involvement/interaction, awareness generation, engagement, stakeholder interaction and capacity building. The initiatives are taken up post a stakeholder engagement with the communities and prospective beneficiaries, local institutions and government bodies.

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
	75	72	3

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 there of, in about 50 words or so.

We submit the status of the following cases which were settled/pending with regard to unfair trade practices, anti-competitive behavior, 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) 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.

iv) 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 ₹ 10 lakh against GAIL and directed GAIL to cease RTP and pay cost of ₹ 2 lakh each to each of the party. Further directed to return the BG and SD to the parties. GAIL has filed appeal before APTEL which is pending.

v) GSPCL filed a complaint against GAIL before PNGRB alleging restrictive practice while booking of pipeline capacity on RE Basis. PNGRB while disposing of the complaint filed by GSPCL for booking of capacity on RE Basis held that practice adopted by GAIL while booking common carrier capacity is discriminatory and amounts to restrictive trade practice in as much as it offers bundled services to its customers without requiring them to execute standard GTA on Ship or Pay basis and puts such restriction on other gas suppliers. PNGRB directed GAIL to cease RTP and has also imposed civil penalty of ₹ 1 lakh on GAIL. GAIL challenged the said order before APTEL. APTEL vide order dated 28.11.2014 dismissed the appeal of GAIL. GAIL then preferred an appeal before Supreme Court. Supreme Court vide order dated 31.01.2016 set aside the order of PNGRB and remanded back to PNGRB for fresh determination taking into account the affiliate code of conduct. However, the PNGRB once again held RTP against GAIL. GAIL challenged the said order before APTEL wherein vide order dated 28.02.2019, matter referred back to PNGRB for redetermination as per PNGRB Act. However, GSPCL filed appeal in Supreme Court against APTEL order wherein notice has been issued and Status quo to be maintained. Matter is pending.

vi) 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.

vii) 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.

viii) Rathi Special Steel, Rathi Bars & Rathi Dakshin Steel & Ors. have filed complaints before CCI alleging anti trade practices under Competition Act. However, same was rejected vide order dated 08.11.2018. Aggrieved by CCI's judgment, Rathi Special Steel, Rathi Bars & Rathi Dakshin Steel & Ors. have appealed before NCLAT. The matter is pending in NCLAT.

Disposal of cases during 2019-2020

NIL

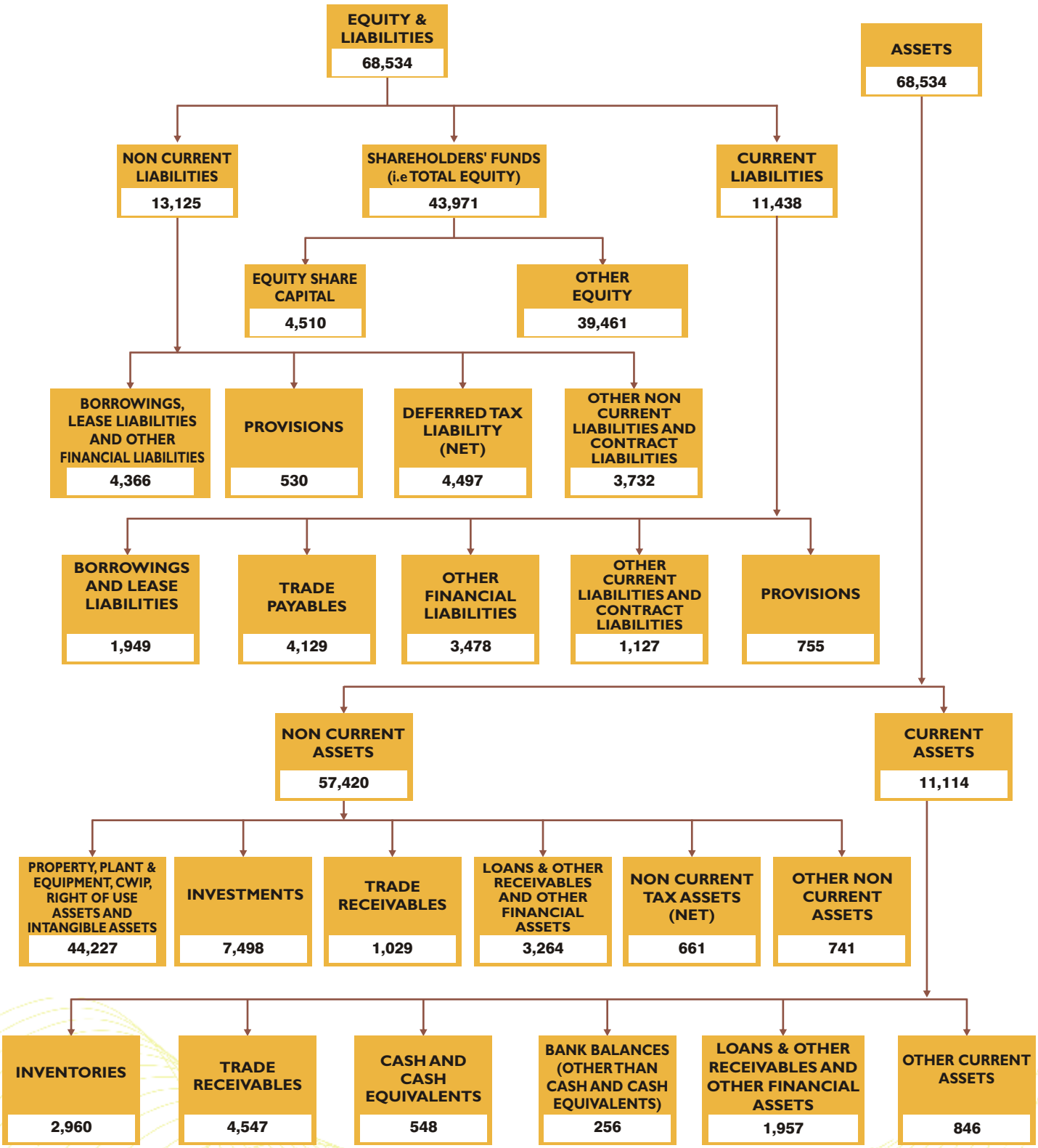
4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes. GAIL has an online SAP based platform for obtaining customer feedback on its products/services which conducts its survey on a half yearly basis. The tool called Stakeholder Satisfaction Index (SSI). SSI, as a tool, obtains customer's perspectives and helps GAIL address any concerns swiftly. 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. The weighted average of customer satisfaction scores for 2019-20 is 93.15.

Five Year Profile

STATEMENT OF STANDALONE ASSETS AND LIABILITIES AS AT 31ST MARCH 2020

(₹ in crore)



Five Year Profile (Standalone)

Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
(A) PHYSICAL PERFORMANCE					
1. Natural Gas Marketing (in MMSCMD)	73.67	81.21	85.01	96.93	96.26
2. Natural Gas Transmission (in MMSCMD)	92.09	100.38	105.23	107.43	108.37
Installed Capacity (in MMSCMD)	206.03	206.03	206.03	206.03	206.10
Capacity Utilization %	44.70	48.72	51.08	52.14	52.58
3. LPG Transmission (in TMT)	2,819	3,362	3,721	3,975	3,909
Installed Capacity (in TMT)	3,780	3,780	3,780	3,780	3,830
Capacity Utilization %	74.57	88.93	98.44	105.16	102.06
4. LPG Production (in TMT)	855	862	989	945	914
Installed Capacity (in TMT)	1,112	1,040	1,068	1,068	986
Capacity Utilization %	76.84	82.83	92.62	88.50	92.71
5. SBP Solvent/Naphtha Production (in TMT)	83	82	94	97	87
Installed Capacity (in TMT)	128	98	124	124	124
Capacity Utilization %	65.16	83.93	76.30	78.27	70.37
6. Pentane Production (in TMT)	23	24	30	36	31
Installed Capacity (in TMT)	74	74	58	58	58
Capacity Utilization %	30.89	32.17	51.33	62.46	53.10
7. Propane Production (in TMT)	128	144	165	247	234
Installed Capacity (in TMT)	201	306	257	257	257
Capacity Utilization %	63.68	46.99	64.18	96.20	90.97
8. Polymer - HDPE & LLDPE (in TMT)	344	604	671	751	788
Installed Capacity (in TMT)	810	810	810	810	810
Capacity Utilization %	42.49	74.58	82.84	92.75	97.32
(B) INCOME STATEMENT					(₹ in crore)
Gross Sales	**52,003.40**	**48,788.75**	**53,690.03**	**74,807.98**	**71,729.57**
Excise Duty	474.71	734.14	163.91	0.46	5.39
Net Sales	**51,528.69**	**48,054.61**	**53,526.12**	**74,807.52**	**71,724.18**
Gross Margin (EBIDTA)	**5,171.62**	**7,286.96**	**8,648.62**	**10,773.58**	**9,887.85**
Depreciation & Amortisation	1,309.79	1,396.78	1,415.14	1,550.22	1,835.99
Finance Cost	799.86	479.36	275.11	138.54	108.50
Profit/(Loss) Before Tax	**3,061.97**	**5,410.82**	**6,958.37**	**9,084.82**	**7,943.36**
Profit/(Loss) After Tax	**2,226.43**	**3,502.91**	**4,618.41**	**6,025.67**	**6,620.63**
Dividend Including Interim Dividend	697.66	1,458.78	1,750.50	1,734.14	3,285.64
Corporate Dividend Tax	142.03	295.35	352.53	356.46	656.87

Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
(C) EQUITY, LIABILITIES AND ASSETS					(₹ in crore)
EQUITY					
Equity Share Capital	1,268.48	1,691.30	2,255.07	2,255.07	4,510.14
Other Equity	33,826.07	36,458.07	38,073.05	41,837.87	39,460.96
Shareholders' Fund	**35,094.55**	**38,149.37**	**40,328.12**	**44,092.94**	**43,971.10**
LIABILITIES					
Secured Loans	2,893.91	1,749.13	499.49	499.57	3,349.65
Unsecured Loans	5,165.34	3,313.01	1,580.12	500.61	2,207.15
Deferred Tax Liabilities (Net)	4,071.38	3,722.88	4,630.93	5,947.71	4,497.19
Other Non-Current Liabilities	1,728.52	2,086.28	2,246.31	4,133.80	5,015.65
Current Liabilities (Excluding Short term borrowing and Current Maturities of Long Term Debt)	6,843.70	6,316.29	8,797.21	9,203.98	9,492.89
Total Equity and Liabilities	**55,797.40**	**55,336.96**	**58,082.18**	**64,378.61**	**68,533.63**
ASSETS					
Property, Plant & Equipment (Including Intangible Assets and Right of Use Assets)	28,466.95	28,506.19	28,789.77	31,086.09	33,644.98
Capital Work-In-Progress (Including Intangible Assets Under Development)	3,420.20	3,803.39	5,514.02	9,202.46	10,581.88
Investments	8,572.38	9,377.08	9,571.60	9,528.17	7,498.47
Other Non-Current Assets	5,929.42	4,519.08	4,098.16	4,254.28	5,694.35
Current Assets	9,408.45	9,131.22	10,108.63	10,307.61	11,113.95
Total Assets	**55,797.40**	**55,336.96**	**58,082.18**	**64,378.61**	**68,533.63**
Net Worth	**30,699**	**32,350**	**35,142**	**39,202**	**41,854**
Capital Employed	**47,226**	**46,934**	**47,039**	**51,041**	**52,431**
Contribution To National Exchequer	**4,929**	**5,909**	**6,782**	**8,070**	**9,460**
Market Capitalisation-BSE	**45,209**	**63,669**	**74,102**	**78,319**	**34,480**
No. of Employees	**4,321**	**4,355**	**4,486**	**4,529**	**4,682**
Value Added	**7,129**	**9,510**	**10,725**	**13,058**	**11,567**
Value Added Per Employee	**1.65**	**2.18**	**2.39**	**2.88**	**2.47**
Capex during the Year	**1,880**	**2,264**	**4,080**	**8,349**	**6,114**
(D) CASH FLOW					(₹ in crore)
NET CASH PROVIDED BY / (USED IN)					
Operating Activities	4,070.62	5,760.94	8,662.60	7,876.34	6,888.10
Investing Activities	(670.88)	(380.07)	(2,567.95)	(5,436.60)	(6,828.94)
Financing Activities	(3,318.03)	(5,238.31)	(5,470.45)	(3,365.04)	338.39

Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
(E) KEY FINANCIAL INDICATORS					
Net Worth Per Rupee of Paid-Up Capital **(₹)**	24.20	19.13	15.58	17.38	9.28
Debt to Equity Ratio	0.26	0.16	0.06	0.03	0.09
EBIDTA/Gross Turnover (%)	9.94	14.94	16.11	14.40	13.78
Return On Capital Employed (%)	8.18	12.55	15.38	18.07	15.36
Return on Net Worth (%)	7.25	10.83	13.14	15.37	15.82
Gross Sales To Capital Employed (%)	110.12	103.95	114.14	146.57	136.81
Dividend Payout Ratio (%) (Including Dividend Tax)	37.71	50.08	45.54	34.69	59.55
Earning Per Share **(₹)**	17.55	20.71	20.48	13.36	14.68
Dividend Per Share **(₹)**	5.50	8.63	7.76	7.69	7.29

Notes

Borrowing	Both Secured and Unsecured Loans are inclusive of Current Maturities of Long Term Debt & Short term borrowing
Capital Employed	Equity Share Capital+Other Equity+Long Term Borrowing+Deferred Tax Liability (Net)+Current Maturities of Long Term Debt+Lease Liabilities
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	2015-16	2016-17	2017-18	2018-19	2019-20
(A) INCOME STATEMENT					
Gross Sales	**7,773.30**	**7,456.63**	**8,180.71**	**10,722.08**	**9,430.66**
Excise Duty	70.96	112.20	24.97	0.07	0.71
Net Sales	**7,702.35**	**7,344.43**	**8,155.74**	**10,722.02**	**9,429.95**
Gross Margin (EBIDTA)	**773.04**	**1,113.70**	**1,317.78**	**1,544.16**	**1,300.01**
Depreciation & Amortisation	195.78	213.48	215.62	222.19	241.39
Finance Cost	119.56	73.26	41.92	19.86	14.27
Profit/(Loss) Before Tax	**457.69**	**826.96**	**1,060.24**	**1,302.11**	**1,044.35**
Profit/(Loss) After Tax	**332.80**	**535.37**	**703.70**	**863.65**	**870.45**
Dividend Including Interim Dividend	104.28	222.95	266.72	248.55	431.98
Corporate Dividend Tax	21.23	45.14	53.71	51.09	86.36
(B) EQUITY, LIABILITIES AND ASSETS					
EQUITY					
Equity Share Capital	189.61	258.49	343.60	323.21	592.97
Other Equity	5,056.21	5,572.07	5,801.17	5,996.54	5,188.14
Shareholder's Fund	5,245.82	5,830.56	6,144.77	6,319.76	5,781.11
LIABILITIES					
Secured Loans	432.57	267.33	76.11	71.60	440.40
Unsecured Loans	772.10	506.34	240.76	71.75	290.19
Deferred Tax Liabilities (Net)	608.58	568.99	705.61	852.47	591.27
Other Non Current Liabilities	258.37	318.86	342.27	592.49	659.43
Current Liabilities (Excluding Short term borrowing and Current Maturities of Long Term Debt)	1,022.97	965.35	1,340.43	1,319.19	1,248.08
Total Equity And Liabilities	8,340.42	8,457.43	8,849.94	9,227.26	9,010.47
ASSETS					
Property, Plant & Equipment (Including Intangible Assets and Right of Use Assets)	4,255.15	4,356.75	4,386.68	4,455.51	4,423.48
Capital Work-In-Progress (Including Intangible Assets under Development)	511.24	581.29	840.17	1,318.97	1,391.25
Investments	1,281.37	1,433.15	1,458.42	1,365.65	985.86
Other Non Current Assets	886.31	690.67	624.43	609.76	748.67
Current Assets	1,406.35	1,395.57	1,540.25	1,477.37	1,461.21
Total Assets	**8,340.42**	**8,457.43**	**8,849.94**	**9,227.26**	**9,010.47**
Net Worth	**4,588.85**	**4,944.18**	**5,354.62**	**5,618.76**	**5,502.76**
Capital Employed	**7,059.20**	**7,173.22**	**7,167.25**	**7,315.58**	**6,893.37**
Contribution To National Exchequer	**736.77**	**903.10**	**1,033.32**	**1,146.62**	**1,243.75**
Market Capitalisation-BSE	**6,757.70**	**9,730.86**	**11,290.87**	**11,225.25**	**4,533.27**
No. of Employees	**4,321**	**4,355**	**4,486**	**4,529**	**4,682**
Value Added	**1,065.62**	**1,453.46**	**1,634.13**	**1,871.58**	**1,520.77**
Value Added Per Employee	**0.25**	**0.33**	**0.36**	**0.41**	**0.32**
Capex during the Year	**281.02**	**346.02**	**621.67**	**1,196.65**	**803.84**
(C) CASH FLOW					
NET CASH PROVIDED BY / (USED IN)					
Operating Activities	608.46	880.47	1,319.91	1,128.90	905.61
Investing Activities	(100.28)	(58.09)	(391.28)	(779.22)	(897.84)
Financing Activities	(495.97)	(800.60)	(833.53)	(482.30)	44.49
# INR Converted in US$ at the exchange rate prevalent on 31st March of respective financial year	66.90	65.43	65.63	69.77	76.06

Five Year Profile (Consolidated)

Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
(A) INCOME STATEMENT					(₹ in crore)
Gross Sales	**52,355.08**	**49,236.70**	**54,556.09**	**75,912.02**	**72,414.28**
Excise Duty	499.80	761.80	197.96	44.28	59.28
Net Sales	**51,855.28**	**48,474.90**	**54,358.13**	**75,867.74**	**72,355.00**
Gross Margin (EBIDTA)	**5,283.16**	**7,237.28**	**8,757.56**	**11,657.02**	**12,818.04**
Depreciation & Amortisation	1,495.60	1,543.01	1,526.89	1,666.64	2,080.16
Finance Cost	821.83	510.99	294.91	159.20	308.94
Profit/(Loss) Before Tax	**2,965.73**	**5,183.28**	**6,935.76**	**9,831.18**	**10,428.94**
Profit/(Loss) After Tax (Excluding Minority Interest)	**1,869.22**	**3,368.16**	**4,799.07**	**6,545.74**	**9,422.05**
Dividend Including Interim Dividend	697.66	1,458.75	1,750.50	1,734.15	3,285.64
Corporate Dividend Tax	142.03	295.33	356.36	356.46	675.37
(B) EQUITY, LIABILITIES AND ASSETS					(₹ in crore)
EQUITY					
Equity Share Capital	1,268.48	1,691.30	2,255.07	2,255.07	4,510.14
Other Equity	35,134.93	37,613.59	39,423.50	43,749.02	44,758.11
Shareholders' Fund	**36,403.41**	**39,304.89**	**41,678.57**	**46,004.09**	**49,268.25**
Non Controlling Interest	**27.24**	**33.00**	**38.92**	**45.95**	**87.04**
LIABILITY					
Secured Loans	2,893.91	1,914.22	653.17	499.57	3,510.93
Unsecured Loans	6,156.86	4,096.28	2,565.72	1,700.76	3,141.99
Deferred Tax Liability (Net)	4,824.81	5,293.07	5,039.11	6,509.88	4,039.19
Other Non Current Liabilities including Provisions	1,751.04	2,112.24	2,273.45	4,160.49	5,270.15
Current Liabilities including Provisions (Excluding Current Maturities of Long Term Debt & Short Term Borrowings)	6,980.31	6,465.37	9,085.20	9,486.66	9,596.63
Total Equity and Liability	**59,037.59**	**59,219.07**	**61,334.14**	**68,407.40**	**74,914.18**
ASSETS :					
Property, Plant & Equipment (Including Intangible Assets and Right of Use Assets)	29,946.45	30,091.84	30,480.29	32,700.28	38,229.62
Capital Work-In-Progress	3,406.14	3,956.08	5,938.39	9,737.50	11,666.31
Investments	9,844.40	10,268.13	10,559.43	10,735.80	9,892.95
Other Non Current Assets (Including Goodwill on Consolidation)	6,228.24	5,524.29	3,467.61	4,185.19	3,130.87
Current Assets	9,612.36	9,378.73	10,888.42	11,048.63	11,994.43
TOTAL ASSETS	**59,037.59**	**59,219.07**	**61,334.14**	**68,407.40**	**74,914.18**
NET WORTH	**31,989**	**33,492**	**36,463**	**40,897**	**46,251**
CAPITAL EMPLOYED	**50,307**	**49,913**	**49,687**	**54,044**	**57,742**
(C) CASH FLOW					(₹ in crore)
NET CASH PROVIDED BY / (USED IN)					
Operating Activities	3,960.36	6,078.90	8,768.71	7,984.20	8,345.36
Investing Activities	(903.73)	(833.73)	(2,631.60)	(5,706.58)	(7,444.64)
Financing Activities	(3,027.60)	(4,830.34)	(5,251.62)	(3,364.29)	281.22
(D) KEY FINANCIAL INDICATORS					
Net Worth Per Rupee of Paid-Up Capital (₹)	25.22	19.80	16.17	18.14	10.25
EBIDTA/Gross Turnover (%)	10.09	14.70	16.05	15.36	17.70
Return on Capital Employed (%)	7.53	11.41	14.55	18.49	18.60
Return on Net Worth (%)	5.84	10.06	13.16	16.01	20.57
Gross Sales to Capital Employed (%)	104.07	98.65	109.80	140.46	125.41
Dividend Payout Ratio (%) (Including Dividend Tax)	44.92	52.08	43.90	31.94	41.63
Earning Per Share (₹)	14.74	19.91	21.28	29.03	21.10
Dividend Per Share (₹)	5.50	8.63	7.76	7.69	7.29

Please refer five year profile (standalone) for formulas of various ratios

Five Year Profile (Consolidated)

(In US$# Millions)

Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
(A) INCOME STATEMENT					
Gross Sales	**7,825.87**	**7,525.10**	**8,312.68**	**10,880.32**	**9,520.68**
Excise Duty	74.71	116.43	30.16	6.35	7.79
Net Sales	**7,751.16**	**7,408.67**	**8,282.51**	**10,873.98**	**9,512.88**
Gross Margin (EBIDTA)	**789.71**	**1,106.11**	**1,334.38**	**1,670.78**	**1,685.25**
Depreciation & Amortisation	223.56	235.83	232.65	238.88	273.49
Finance Cost	122.84	78.10	44.94	22.82	40.62
Profit/(Loss) Before Tax	**443.31**	**792.19**	**1,056.80**	**1,409.08**	**1,371.14**
Profit/(Loss) After Tax (Excluding Minority Interest)	**279.40**	**514.77**	**731.23**	**938.19**	**1,238.76**
Dividend Including Interim Dividend	104.28	222.95	266.72	248.55	431.98
Corporate Dividend Tax	21.23	45.14	54.30	51.09	88.79
(B) EQUITY, LIABILITIES AND ASSETS					
Equity Share Capital	**189.61**	**258.49**	**343.60**	**323.21**	**592.97**
Other Equity	5,251.86	5,748.68	6,006.93	6,270.46	5,884.58
Shareholder's Fund	**5,441.47**	**6,007.17**	**6,350.54**	**6,593.68**	**6,477.55**
Non Controlling Interest	**4.07**	**5.04**	**5.93**	**6.59**	**11.44**
LIABILITY					
Secured Loans	432.57	292.56	99.52	71.60	461.60
Unsecured Loans	920.31	626.06	390.94	243.77	413.09
Deferred Tax Liability (Net)	721.20	808.97	767.81	933.05	531.05
Other Non Current Liabilities including Provisions	261.74	322.82	346.40	596.32	692.89
Current Liabilities including Provisions (Excluding Current Maturities of Long Term Debt & Short Term Borrowings)	1,043.39	988.14	1,384.31	1,359.70	1,261.72
Total Equity and Liabilities	**8,824.75**	**9,050.75**	**9,345.44**	**9,804.70**	**9,849.35**
ASSETS :					
Property, Plant & Equipment (Including Intangible Assets and Right of Use Assets)	4,476.30	4,599.09	4,644.26	4,686.87	5,026.25
Capital Work-In-Progress	509.14	604.63	904.83	1,395.66	1,533.83
Investments	1,471.51	1,569.33	1,608.93	1,538.74	1,300.68
Other Non Current Assets (Including Goodwill on Consolidation)	930.98	844.31	528.36	599.86	411.63
Current Assets	1,436.83	1,433.40	1,659.06	1,583.58	1,576.97
TOTAL ASSETS	**8,824.75**	**9,050.75**	**9,345.44**	**9,804.70**	**9,849.35**
NET WORTH	**4,781.62**	**5,118.78**	**5,555.87**	**5,861.70**	**6,080.81**
CAPITAL EMPLOYED	**7,519.75**	**7,628.46**	**7,570.76**	**7,746.01**	**7,591.61**
(C) CASH FLOW					
NET CASH PROVIDED BY / (USED IN)					
Operating Activities	591.98	929.07	1,336.08	1,144.36	1,097.21
Investing Activities	(135.09)	(127.42)	(400.98)	(817.91)	(978.79)
Financing Activities	(452.56)	(738.25)	(800.19)	(482.20)	36.97
# INR Converted in US$ at the exchange rate prevalent on 31st March of respective financial year	66.90	65.43	65.63	69.77	76.06

Standalone Financial Statements

INDEPENDENT AUDITORS' REPORT

To the Members of GAIL (India) Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of GAIL (India) Limited (hereinafter referred to as "the company"), which comprise of the standalone balance sheet as at March 31, 2020, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity, the standalone cash flow statement for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, 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 of the standalone 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 Standalone 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 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

1. We draw attention to Note No. 33 (c) to the standalone financial statements regarding, various final transportation tariff orders issued by Petroleum and Natural Gas Regulatory Board (PNGRB), which 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. We draw attention to Note No. 29 (I) (a) (iii) to the standalone financial statements 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 ₹ 3,014.32 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.
3. We draw attention to Note No. 29 (I) (a) (v) to the standalone financial statements regarding demand raised in provisional assessment orders by Department of Telecommunications (DoT) towards Annual License fees including interest and penalty on Adjusted Gross Revenue (AGR). Subsequent to the proceedings held on June 11, 2020 and June 18, 2020, Hon'ble Supreme Court has considered the affidavit filed by DoT to withdraw the demand raised on PSUs.
4. We draw attention to Note No. 30 to the standalone financial statements regarding the impact of COVID -19 pandemic on the Company. The impact of pandemic in future period cannot be ascertained as on date. However, the Management is of view that there will be no significant impact on the continuity of operations of the business on long term basis/on useful life of the assets/on financial position, etc.
5. We draw attention to Note No. 47 and 49 (ii) to the standalone financial statements regarding the composite tripartite framework agreement with Konkan LNG Limited (KLL) and its lenders for settlement of KLL's Loan as per Debt Resolution Plan, the accounting treatment done by the Company and reversal of impairment of ₹ 137.57 crore on its investment in KLL.

Our opinion is not modified in respect of matters mentioned in above paragraphs.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1	**Recognition and measurement of revenues in view of adoption of Ind AS 115 "Revenue from Contracts with Customers"** We identified above as Key Audit Matter as the application of the 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, 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 1.10, 21 and 38 to the standalone financial statements.	**Principal Audit Procedures** We assessed the Company's process to identify the impact of adoption of the revenue accounting standard and checked the appropriateness of accounting policy. Our audit approach consisted testing of design and operating effectiveness of the internal controls as follows: **1. Evaluated the design of internal controls relating to implementation of the 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 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.

Sr. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
2	**Evaluation of uncertain tax positions and contingent liabilities** The company operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities and other regulatory authorities such as PNGRB on a range of matters during the normal course of business including indirect tax matters. We have identified above as Key Audit Matter as these involve significant judgment to determine the possible outcome of material uncertain tax positions and contingent liabilities including matters under dispute, consequently having an impact on related accounting and disclosures. Refer note 29 (I) to the standalone financial statements.	**We have applied the following audit procedures in this regard:** 1. Obtained an understanding of key tax matters and other contingent liabilities. 2. Read and analyzed the key correspondences, external legal opinions/ consultations obtained by the company 3. Evaluated and challenged key assumptions made by the company in estimating the current and deferred tax balances 4. Assessed and challenged the company's estimate of the possible outcome of the disputed cases by considering legal precedence and other judicial rulings 5. Assessed and tested the presentation and disclosures relating to uncertain tax positions and contingent liabilities
3	**Derivative transaction and accounting of hedge transactions** We have identified above as Key Audit Matter as 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 other comprehensive income. Refer note 59 to the standalone financial statements.	**We have applied the following audit procedures in this regard:** 1. Obtained an understanding of management's controls over recording of derivative transactions and application of hedge accounting. 2. Tested the accuracy and completeness of derivative transactions. 3. We have relied on the valuation report evaluating the appropriateness of the valuation methodologies applied and tested on sample basis the valuation of the derivative financial instruments. 4. Validated that the derivative financial instruments qualifies 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.** We have identified above as Key Audit Matter because 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 of validating quantity of Natural Gas sold and stock in pipeline as at March 31, 2020. Refer notes 1.9, 1.10, 10 and 21 to the standalone financial statements.	**We have applied the following audit procedures in this regard:** 1. We have 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 management representation that the IT system applies a standard methodology to capture the quantity of Natural Gas for the purpose of Revenue and inventory measurement. 3. We have verified valuation of closing Inventories by applying various aspects made available to us by the management such as conversion factors, meter reading etc.
5	**Adoption of IndAS 116 Leases** As described in Note 1.24 to the standalone financial statements, Company has adopted Ind AS 116 Leases (Ind AS 116) in the current year. The application and transition to this accounting standard is complex and is an area of focus in our audit since company has a large number of leases with different contractual terms. Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognize a right-of-use (ROU) asset and a lease liability arising from a lease on the standalone balance sheet. The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/ arrangement. Adoption of the standard involves significant judgments and estimates including, determination of the discount rates and the lease term. Additionally, the standard mandates detailed disclosures in respect of transition. Refer notes 1.24 and 39 to the standalone financial statements.	**We have applied the following audit procedures in this regard:** 1. Assessed and tested new processes and controls in respect of the lease accounting standard (Ind AS 116) 2. Assessed the company's evaluation on the contractual agreements and our knowledge of the business. 3. Evaluated the reasonableness of the discount rates applied in determining the lease liabilities. 4. Upon transition as at 1st April 2019: ▸ Evaluated the method of transition and related adjustments ▸ Tested completeness of the lease data by reconciling the company's operating lease commitments to data used in computing ROU asset and the lease liabilities. 5. On a statistical sample, we performed the following procedures: ▸ Assessed the key terms and conditions of each lease with the underlying lease contracts; and ▸ Evaluated computation of lease liabilities and challenged the key estimates such as discount rates and the lease term. ▸ Assessed and tested the presentation and disclosures relating to Ind AS 116 including, disclosures relating to transition. ▸ Tested the implementation of Ind AS 116 at various units and offices of company during the course of our audit

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Board of Directors are responsible for the preparation of other information. The other information includes the Director's Report, Corporate Governance Report, Business Responsibility Report and Management Discussion and Analysis of Annual Report, but does not include the Standalone Financial Statements and our report thereon. The Director's 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 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 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 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 Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors are 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.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 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 standalone 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 and Board of Directors 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 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 financial statements, including the disclosures, and whether the standalone 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 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

1. We draw attention to the Note no. 45(B)(iii) to the standalone financial statements regarding inclusion of proportionate share in Jointly Controlled Operations in the standalone financial statements of the Company. The total proportionate share includes Assets of ₹ 1,072.31 crore, Liabilities of ₹160.78 crore, Expenditure of ₹ 428.84 crore, Income of ₹ 970.47 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 matter.

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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including the Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone 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 Act 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 financial statements – Refer Note 29(I)(a) to the standalone 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 ASA & Associates LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

Parveen Kumar
Partner
Membership No.: 088810
UDIN : 20088810AAAABH3080

For A.R. & Co.
Chartered Accountants
Firm Registration No: 002744C

Pawan K Goel
Partner
Membership No.: 072209
UDIN:20072209AAAAB13593

Place : New Delhi
Date : June 24, 2020

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 Financial Statements for the year ended March 31, 2020.

(i) (a) As informed to us, the Company has 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 the 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 31.03.2020 (₹ in Cr.)	Net block as on 31.03.2020 (₹ in Cr.)
Land				
- Freehold	12	4.38	8.95	8.95
- Leasehold	13	39.16	8.28	8.28
- Leasehold– stated at carrying value (classified as prepayment under	1	0.05	3.22	3.21

(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 secured and unsecured loans to companies covered in the register maintained under section189 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:

(₹ in crore)

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	22.03	-	22.03
			1999-00 to 2009-10	Commercial Tax Tribunal, UP	247.73	6.41	241.32
			2008-09	Additional Commissioner (Appeals) Noida, Commercial Taxes	0.57	-	0.57
			2015-16	Additional Commissioner (Appeals) Gwalior, Commercial Taxes	22.90	1.77	21.13
			2002-03 to 2005-06	Dy. Commissioner (Appeals), Commercial Tax, Ajmer	7.69	-	7.69
	SUB-TOTAL				**300.92**	**8.18**	**292.74**
2	Central Sales Tax Act, 1956 and respective State Sales Tax / VAT Act	CST / Sales Tax / VAT/ Penalty/ Interest	2011-12	Hon. Supreme Court	10.87	4.44	6.43
			2003-2004	Hon. High Court, Mumbai	0.63	0.03	0.60
			2003-2004	Hon. High Court, Guwahati	0.29	0.14	0.15
			2007-08	Sales Tax Tribunal Mumbai	23.81	3.79	20.02
			2014-15	Sales Tax Tribunal, Ernakulam	0.46	0.07	0.39
			Oct 2011 to Dec 2011	Joint Commissioner of Commercial Taxes, Trichy	0.94	-	0.94

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
			2011-12 to 2014-15	Joint Commissioner (Appeals), Sales Tax, Mumbai	75.15	1.67	73.48
			2014-15	Joint Commissioner (Appeals), Sonepat	5.38	-	5.38
			2003-04, 2007-08, 2012-13	Joint Commissioner (Appeals), Commercial Tax, Vadodara	52.63	49.20	3.43
	SUB-TOTAL				**170.16**	**59.34**	**110.82**
3.	Central Excise Act 1944	Central Excise Duty / Interest / Penalty	Mar 2000 to Feb 2002 & Jan 2008 to March 2012	Hon. Supreme Court	3022.42	20.00	3002.42
			Sep 2006 to Feb 2014	Customs, Excise and Service Tax Appellate Tribunal, Delhi	10.75	-	10.75
			April 2010 to March 2011	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad	11.43	-	11.43
			April 2008 to March 2010 & July 2010 to Nov 2010	Customs, Excise and Service Tax Appellate Tribunal, Kolkata	8.78	0.66	8.12
	SUB-TOTAL				**3053.38**	**20.66**	**3032.72**
4	Finance Act1994 (Service Tax)	Service Tax / Interest/Penalty	Apr 2009 to Mar 2014	Customs, Excise and Service Tax Appellate Tribunal, Delhi	**6.60**	**0.42**	**6.18**
			Oct. 2014 to Mar 2015	Commissioner (Appeals), Chennai	**1.54**	**0.05**	**1.49**
	SUB-TOTAL				**8.14**	**0.47**	**7.67**
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)	1.05	-	1.05
	SUB-TOTAL				**1.05**	**-**	**1.05**
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	6.50	-	6.50
	SUB-TOTAL				**6.50**	**-**	**6.50**
	TOTAL				**3548.46**	**96.89**	**3451.57**

(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). In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised.

(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, paragraph 3 (xi) of the Order is not applicable to the Company.

(xii) The Company is not a nidhi Company and therefore paragraph 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 Standalone 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. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(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 ASA & Associates LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

Parveen Kumar
Partner
Membership No.: 088810
UDIN : 20088810AAAABH3080

For A.R. & Co.
Chartered Accountants
Firm Registration No: 002744C

Pawan K Goel
Partner
Membership No.: 072209
UDIN:20072209AAAAB13593

Place : New Delhi
Date : June 24, 2020

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 standalone financial statements for the year ended March 31, 2020.

Sl. No.	Directions / Sub Directions	Action taken	Impact on standalone 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 financial implications, if any, may be stated?	The Company maintains its books of account on IT system, SAP, which is an ERP system. All accounting transactions are processed in accounts maintained on SAP. Based on the audit procedures carried out and as per the information and explanations given to us, no accounting transactions have been processed or carried outside the IT system of the Company. Accordingly, in our opinion, there are no implications on the integrity of the accounts.	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?	In accordance with the audit procedures carried out and as per the information and explanations given to us by the Company, there was no restructuring of existing loans or cases of waiver/write off of debts/ loans/interest made by a lender to the Company due to the Company's inability to repay the loan.	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 55 of the standalone financial statements 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 utilized as per its terms and conditions. We did not encounter any deviation.	Nil

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

Parveen Kumar
Partner
Membership No.: 088810
UDIN : 20088810AAAABH3080

Place: New Delhi
Dated: 24th June, 2020

For A.R. & Co.
Chartered Accountants
Firm Registration No.: 002744C

Pawan K. Goel
Partner
Membership No.: 072209
UDIN : 20072209AAAAB13593

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 financial statements for the year ended March 31, 2020.

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, 2020 in conjunction with our audit of the standalone 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 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 authorizations of management and directors of the Company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2020, 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 ASA & Associates LLP
Chartered Accountants
Firm Registration No.: 009571N/N500006

Parveen Kumar
Partner
Membership No.: 088810
UDIN : 20088810AAAABH3080

For A.R. & Co.
Chartered Accountants
Firm Registration No.: 002744C

Pawan K. Goel
Partner
Membership No.: 072209
UDIN : 20072209AAAAB13593

Place: New Delhi
Dated: 24th June, 2020

GAIL (India) Limited, New Delhi
Standalone Balance Sheet as at 31st March 2020

(₹ in crore)

Sr. No	Particulars	Note No	As at 31st March 2020	As at 31st March 2019
1.	**ASSETS**			
	Non Current Assets			
	a) Property, Plant and Equipment	2	31,393.29	29,682.92
	b) Capital Work-In-Progress	3	10,581.88	9,202.46
	c) Intangible Assets	4	1,872.94	1,403.17
	d) Right of Use Assets	2A	378.75	-
	e) Financial Assets			
	-Investments	5	7,498.47	9,623.95
	-Trade Receivables	6	1,029.09	1,014.14
	-Loans & Other Receivables	7	3,101.88	651.91
	-Other Financial Assets	8	161.81	71.40
	f) Non Current Tax Assets (Net)	9	660.52	1,480.11
	g) Other Non Current Assets	12	741.05	940.94
	Total Non Current Assets (1)		**57,419.68**	**54,071.00**
2.	**Current Assets**			
	a) Inventories	10	2,960.08	2,321.91
	b) Financial Assets			
	-Trade Receivables	6A	4,546.84	4,060.19
	-Cash and Cash Equivalents	11	548.33	150.78
	-Bank Balances Other than Cash and Cash Equivalents	11A	255.58	1,063.91
	-Loans & Other Receivables	7A	1,074.88	754.73
	-Other Financial Assets	8A	882.54	372.29
	c) Other Current Assets	12A	845.70	1,583.80
	Total Current Assets (2)		**11,113.95**	**10,307.61**
	Total Assets (1+2)		**68,533.63**	**64,378.61**
	EQUITY AND LIABILITIES			
1.	**EQUITY**			
	a) Equity Share Capital	13	4,510.14	2,255.07
	b) Other Equity	14	39,460.96	41,837.87
	Total Equity (1)		**43,971.10**	**44,092.94**
	LIABILITIES			
2.	**Non Current Liabilities**			
	a) Financial Liabilities			
	-Borrowings	15	3,612.12	870.58
	-Lease Liabilities		56.47	-
	-Other Financial Liabilities	16	697.64	745.14
	b) Provisions	17	529.67	694.55
	c) Contract Liabilites		210.49	129.72
	d) Deferred Tax Liabilities (Net)	20	4,497.19	5,947.71
	e) Other Non Current Liabilities	19	3,521.38	2,563.52
	Total Non Current Liabilities (2)		**13,124.96**	**10,951.22**
3.	**Current Liabilities**			
	a) Financial Liabilities			
	-Borrowings	15A	1,799.70	-
	-Lease Liabilities		149.13	-
	-Trade Payables			
	Dues of Micro and Small Enterprises	18	262.21	202.19
	Dues of Other than Micro and Small Enterprises	18	3,866.22	3,758.99
	-Other Financial Liabilities	16A	3,478.23	3,497.06
	b) Other Current Liabilities	19A	552.01	524.14
	c) Contract Liabilities		575.03	621.28
	d) Provisions	17A	755.04	730.79
	Total Current Liabilities (3)		**11,437.57**	**9,334.45**
	Total Equity and Liabilities (1+2+3)		**68,533.63**	**64,378.61**

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	P.K. Gupta	Manoj Jain
Company Secretary	Director (Finance)	Director (Human Resources)	Chairman & Managing Director
(ACS No. 18644)	(DIN: 07654612)	(DIN: 01237706)	(DIN : 07556033)

Place : New Delhi
Date : 24th June 2020

As per our separate report of even date

For ASA & Associates LLP	For A.R. & Co.
Chartered Accountants	Chartered Accountants
Firm No.: 009571N/N500006	Firm Registration No.: 002744C
Parveen Kumar	**Pawan K. Goel**
Partner	Partner
Membership No.: 088810	Membership No.: 072209

GAIL (India) Limited, New Delhi

Standalone Statement of Profit and Loss for the Financial Year ended 31st March 2020

(₹ in crore)

Sr. No	Particulars	Note No	Year Ended 31st March 2020	Year Ended 31st March 2019
I.	**INCOME**			
	Revenue from Operations	21	71,876.35	75,126.76
	Other Income	22	1,416.84	1,544.81
	Total Income (I)		**73,293.19**	**76,671.57**
II.	**EXPENSES**			
	Cost of Materials Consumed		4,411.97	4,584.26
	Purchase of Stock in Trade		53,547.19	54,662.34
	Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress	23	(598.62)	(382.45)
	Employee Benefit Expenses	24	1,519.25	1,778.37
	Finance Cost	25	108.50	138.54
	Depreciation and Amortization Expenses	26	1,835.99	1,550.22
	Excise Duty		5.39	0.46
	Other Expenses	27	4,621.79	4,928.68
	Total Expenses (II)		**65,451.46**	**67,260.42**
III.	**Profit before exceptional items and tax (I-II)**		**7,841.73**	**9,411.15**
IV	**Exceptional Items**			
	Impairment of Investment (Refer Note No. 49)		(101.63)	326.33
V	**Profit before tax (III+IV)**		**7,943.36**	**9,084.82**
VI	**Tax Expense :**			
	Current tax			
	Current year		2,077.23	2,464.26
	Earlier years		900.31	(25.62)
	Deferred tax		(1,654.81)	620.51
	Total Tax Expense		**1,322.73**	**3,059.15**
VII	**Profit for the year (V-VI)**		**6,620.63**	**6,025.67**
VIII	**Other Comprehensive Income (OCI)**			
	Item to be reclassified to profit or loss			
	Net movement on cash flow hedge gain/ (loss)		22.34	531.19
	Income tax effect thereon		(5.62)	(185.62)
	Net OCI to be reclassified to profit or loss		**16.72**	**345.57**
IX	**Items not to be reclassified to profit or loss**			
	(i) Net gain / (loss) on FVTOCI equity shares		(2,805.46)	(556.28)
	Income tax effect thereon		-	-
			(2,805.46)	(556.28)
	(ii) Re measurement gain/(loss) on defined benefit plans		(14.99)	62.20
	Income tax effect thereon		3.77	(21.74)
			(11.22)	40.46
	Net OCI not to be reclassified to profit or loss		**(2,816.68)**	**(515.82)**
X	**Other Comprehensive Income for the year, net of tax**		**(2,799.96)**	**(170.25)**
XI	**Total Comprehensive Income for the year (Comprising Profit / (Loss) and Other Comprehensive Income) (VII+X)**		**3,820.67**	**5,855.42**
XII	**Earnings Per Share in (₹) (Face Value of ₹ 10 each)**	**A**		
	a) Basic		14.68	13.36
	a) Diluted		14.68	13.36

For and on behalf of the Board of Directors

The significant accounting policies and accompanying notes form an integral part of Standalone Financial Statements.

A. K. Jha	A. K. Tiwari	P.K. Gupta	Manoj Jain
Company Secretary	Director (Finance)	Director (Human Resources)	Chairman & Managing Director
(ACS No. 18644)	(DIN: 07654612)	(DIN: 01237706)	(DIN : 07556033)

Place : New Delhi
Date : 24th June 2020

As per our separate report of even date

For ASA & Associates LLP	For A.R. & Co.
Chartered Accountants	Chartered Accountants
Firm No.: 009571N/N500006	Firm Registration No.: 002744C
Parveen Kumar	**Pawan K. Goel**
Partner	Partner
Membership No.: 088810	Membership No.: 072209

Note - A

Notes to Financial Statements for the year ended 31st March 2020

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	2019-20	2018-19
Profit for the year as per Statement of Profit & Loss	6,620.63	6,025.67
Profit attributable to equity holders of the Company for basic earnings	**6,620.63**	**6,025.67**
	No. crore	**No. crore**
Weighted average number of equity shares in calculating basic EPS	451.01	451.01
Weighted average number of equity shares in calculating diluted EPS	**451.01**	**451.01**
Earnings per equity share (in ₹)		
Basic	14.68	13.36
Diluted	14.68	13.36
Face Value of each equity share (in ₹)	**10**	**10**

*Previous year figures are recomputed upon issue of bonus shares in the current year as per Ind AS 33

Standalone Statement of Changes in Equity for the Financial Year Ended 31st March 2020

A. Equity Share Capital

For The Financial year Ended 31st March 2020

Equity Share Capital Issued, Subscribed and Paid up Equity share of ₹ 10 each

Particulars	Note. No.	Amount (₹ in crore)
As at 1st April 2019	13	2,255.07
Bonus shares issued during the year*		2,255.07
As at 31st March 2020		**4,510.14**

For The Financial 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**

* During the year the Company has issued 2,25,50,70,933 bonus share in the ratio of one equity share of ₹ 10 each for every one equity share held by equity shareholders.

B. Other Equity (Refer Note No.14)

For The Financial year Ended 31st March 2020

(₹ in crore)

Particulars	Reserve and Surplus					Other Comprehensive Income		Total
	Retained Earnings	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	
Balance as at 1st April 2019	32,092.94	0.27	74.84	4,853.78	6,084.44	(1,463.07)	194.67	41,837.87
Profit for the Year	6,620.63							6,620.63
Re-measurement gains on defined benefit plans (net of tax)	(11.22)							(11.22)
Transfer to Reserve during the year	(677.03)		14.97	662.06				-
Issue of Bonus Shares				(2,255.07)				(2,255.07)
Final Dividends	(399.15)							(399.15)
Interim Dividend	(2,886.48)							(2,886.48)
Corporate Dividend Tax	(656.87)							(656.87)
Other Comprehensive Income/(loss) for the Year								-
-Net gain/ (loss) on FVTOCI equity Securities						(2,805.46)		(2,805.46)
-Net movement on cash flow hedges gain/ (loss)							16.72	16.72
Balance as at 31st March 2020	**34,082.81**	**0.27**	**89.81**	**3,260.77**	**6,084.44**	**(4,268.53)**	**211.39**	**39,460.96**

For The Financial Year Ended 31st March 2019

(₹ in crore)

Particulars	Reserve and Surplus					Other Comprehensive Income		Total
	Retained Earnings	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	
Balance as at 1st April 2018	28,734.95	0.27	59.87	4,251.21	6,084.44	(906.79)	(150.90)	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	(617.54)		14.97	602.57				-
Interim Dividends	(1,409.41)							(1,409.41)
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 Securities	-					(556.28)		(556.28)
-Net movement on cash flow hedges gain/ (loss)	-						345.57	345.57
Balance as at 31st March 2019	**32,092.94**	**0.27**	**74.84**	**4,853.78**	**6,084.44**	**(1,463.07)**	**194.67**	**41,837.87**

For and on behalf of the Board of Directors

A. K. Jha	A. K. Tiwari	P.K. Gupta	Manoj Jain
Company Secretary	Director (Finance)	Director (Human Resources)	Chairman & Managing Director
(ACS No. 18644)	(DIN: 07654612)	(DIN: 01237706)	(DIN : 07556033)

Place : New Delhi
Date : 24th June 2020

As per our separate report of even date

For ASA & Associates LLP	For A.R. & Co.
Chartered Accountants	Chartered Accountants
Firm No.: 009571N/N500006	Firm Registration No.: 002744C
Parveen Kumar	**Pawan K. Goel**
Partner	Partner
Membership No.: 088810	Membership No.: 072209

GAIL (India) Limited, New Delhi
Standalone Statement of Cash Flows for the Financial Year Ended 31st March 2020

(₹ in crore)

	Particulars	For the Financial Year Ended 31st March 2020	For the Financial Year Ended 31st March 2019
A)	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	1 Profit Before Tax	**7,943.36**	**9,084.82**
	2 Adjustments for :		
	Depreciation and amortisation expenses	1,835.99	1,550.22
	Exchange Rate Variation on Foreign Currency Loan/Advance	37.01	55.42
	Finance Cost	108.51	138.54
	Dividend Income on Investments	(217.26)	(247.49)
	Dividend Income from Related Party	(449.17)	(339.64)
	Interest Income	(311.21)	(445.10)
	(Profit) / Loss on Sale of Investment	(28.52)	(31.06)
	MTM (gain)/loss on Mutual fund Investment		0.47
	Re measurement gain/loss on defined benefit plans	(14.99)	62.20
	Provision for Employees Benefits	(138.16)	(33.06)
	Provision for Probable Obligations	(2.85)	29.97
	Provision for Doubtful Debts	52.40	42.05
	Other Provisions	8.61	6.09
	Amortization of Govt. Grant	(40.66)	(8.23)
	Amortization of financial guarantee obligation	(3.76)	
	(Profit) / Loss on Sale of Assets (Net)	(0.10)	11.01
	Provision for Impairment Loss/ CWIP	57.73	11.58
	MTM loss on Commodity Derivative (Net)	(198.94)	44.99
	Dry Well Expenses written off		21.88
	Exceptional item-Provision/(Reversal) for Impairment (Net)	(101.63)	326.33
	Subtotal (2)	**593.00**	**1,196.17**
	3 Operating Profit Before Working Capital Changes (1+2)	**8,536.36**	**10,280.99**
	4 Changes in Working Capital (Excluding Cash and Cash Equivalents)		
	Trade and Other Receivables	649.95	(534.54)
	Inventories	(638.80)	(402.81)
	Trade and Other Payable	296.11	609.13
	Changes in Working Capital (Excluding Cash and Cash Equivalents)	**307.26**	**(328.22)**
	5 Cash Generated from Operations (3+4)	**8,843.62**	**9,952.77**
	6 Direct Taxes Paid	(1,955.52)	(2,076.43)
	Net Cash flows from Operating Activities (5+6)	**6,888.10**	**7,876.34**
B)	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets/ CWIP	(5,462.04)	(7,239.16)
	Sale of Fixed Assets	27.53	36.93
	Receipt of Government Grants (Capital Grant)	1,010.51	1,208.04
	Investment in Mutual Funds	(19,591.99)	(30,935.00)
	Sale of Mutual Fund	19,620.51	31,347.06
	Investment in Other Companies	(650.75)	(681.20)
	Loans & Advances - Related Parties	(2,677.06)	(213.13)
	Interest Received	317.92	452.73
	Dividend Received on Investment	217.26	247.49
	Dividend Received from Related Party	359.17	339.64
	Net Cash flows from Investing Activities	**(6,828.94)**	**(5,436.60)**

(₹ in crore)

	Particulars	For the Financial Year Ended 31st March 2020	For the Financial Year Ended 31st March 2019
C)	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Repayment of Long term Borrowings	(130.10)	(1,134.83)
	Borrowings during the Year	4,649.70	-
	Lease Liabilities Paid	(125.96)	-
	Dividend & Dividend Tax Paid	(3,942.06)	(2,088.56)
	Finance Cost Paid	(113.19)	(141.65)
	Net Cash Flows from Financing Activities	**338.39**	**(3,365.04)**
	Net Increase in Cash and Cash Equivalents (A+B+C)	**397.55**	**(925.30)**
	Cash and Cash equivalent at the opening of the year	150.78	1,076.08
	Cash and Cash equivalent at the closing of the year	548.33	150.78

Note:

1. Statement of Cash Flows 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 figures have been regrouped whereever necessary to correspond with current year classification/disclosure

For and on behalf of the Board of Directors

A. K. Jha	A. K. Tiwari	P.K. Gupta	Manoj Jain
Company Secretary	Director (Finance)	Director (Human Resources)	Chairman & Managing Director
(ACS No. 18644)	(DIN: 07654612)	(DIN: 01237706)	(DIN : 07556033)

Place : New Delhi
Date : 24th June 2020

As per our separate report of even date

For ASA & Associates LLP	For A.R. & Co.
Chartered Accountants	Chartered Accountants
Firm No.: 009571N/N500006	Firm Registration No.: 002744C
Parveen Kumar	**Pawan K. Goel**
Partner	Partner
Membership No.: 088810	Membership No.: 072209

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. Global Depository Receipts (GDRs) of the Company are listed at London Stock Exchange. The Government of India holds 51.76% in the paid-up equity share capital of the Company as on 31st March 2020. 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 2020 were authorized for issue in accordance with a resolution of the Board of Directors on 24.06.2020

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 (₹) and the values are rounded to the nearest crore (up to two decimals) except when otherwise indicated.

1. Accounting Policies

1.1 Property, Plant and Equipment (PPE)

a) The Costs of an item of PPE is recognized as an asset if, and only if:

i. It is probable that the future economic benefits flow to the entity; and

ii. The cost of an item can measured reliably

b) 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.

c) 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.

d) Technical know-how/license fee incurred at the time of procurement of PPE are capitalized as part of the underlying asset.

e) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its PPE recognized as at 01.04.2015 measured as per previous GAAP and use that carrying value as deemed cost of the PPE.

1.2 Intangible Assets

a) 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.

b) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at 01.04.2015 measured as per previous GAAP and use that carrying value as deemed cost of the intangible assets.

1.3 Capital Work in Progress

a) 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.

b) The capital work in progress includes Construction Stores including Material in Transit/ Equipment / Services, etc. received at site for use in the projects.

c) 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.

1.4 Exploration and Development Costs

a) The Company follows Successful Efforts Method for accounting of Oil & Gas exploration and production activities carried out through incorporate or unincorporated Joint Ventures in the nature of Production Sharing Contracts (PSC) and Revenue Sharing Contracts (RSC) with respective host government and various body corporates for exploration, development and production activities, which includes exploration and evaluation costs as follows:

(i) Geological and Geophysical (G&G) costs including seismic surveys, surface lease rentals etc. for exploration and appraisal proposes are recognized as revenue expenditure in the year in which these are incurred.

(ii) Cost of exploratory/ appraisal wells are carried as Capital Work in Progress - 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

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.

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) and Revenue Sharing Contracts, 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.

1.5 Foreign Currency Transaction

a) Functional Currency of the Company is Indian Rupee (INR).

b) Transactions in foreign currency are initially accounted at the exchange rate prevailing on the transaction date.

c) 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.

d) 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).

e) Any gains or loss arising on account of exchange difference either on settlement or on translation is adjusted in the Statement of Profit & Loss.

f) 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.

1.6 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.

1.7 Government 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 recognized as income in the Statement of Profit and Loss over the useful life of the asset. Government Grants related to non-depreciable assets may also require the fulfillment of certain obligations and would then be recognised in profit or loss over the periods that bear the cost of meeting the obligations.

1.8 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.

1.9 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.

1.10 Revenue Recognition

The Company has applied the modified retrospective approach on transition to Ind AS 115.

a) 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.

b) 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.

c) 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.

d) 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.

e) Insurance claims are accounted for on the basis of claims admitted by the insurers.

f) Claims (including interest on delayed realization from customers) are accounted for, when there is significant certainty that the claims are realizable.

g) 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.

h) Minimum charges relating to transportation of LPG are accounted for on receipt basis.

i) 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.

1.11 Depreciation /Amortisation

A) Property Plant and Equipment (PPE)

i. Depreciation on 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

ii. Cost of the leasehold land is amortised over the lease period except perpetual leases.

iii. Depreciation due to price adjustment in the original cost of fixed assets is charged prospectively.

B) Intangible Assets

i. 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. Intangible assets comprising software and licences, etc. are amortised on Straight Line Method (SLM) over the useful life from the date of capitalization which is considered not exceeding five years.

iii. 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.

1.12 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 and Post-Retirement Medical Scheme PRMS) as per actuarial valuation is funded with a separate trust.

1.13 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.

1.14 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 lakh 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 lakh.

1.15 Taxes on Income

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. 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.

1.16 Research & Development 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.

1.17 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.

1.18 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.

1.19 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.

1.20 Liquidated Damages/ Price Reduction Schedule

Amount recovered towards Liquidated Damages/PriceReduction Schedule are adjusted/appropriated as and when the matter is settled.

1.21 Statement of Cash Flow

Statement of cash flow is prepared in accordance with the indirect method prescribed in Ind AS 7,'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

a) 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.

b) 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.

c) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

i. **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.

ii. **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.

iii. **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.

d) 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.

e) Investment in subsidiaries, joint ventures and associates

i. 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.

ii. When the company issues financial guarantees on behalf of subsidiaries, joint ventures and associates initially it measures the financial guarantee at their fair values and subsequently measures at higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 and
- The amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115 'Revenue from Contracts with Customers'

iii. The Company recognize the initial fair value of financial guarantee as deemed investment with a corresponding liability recorded as financial guarantee obligation. Such deemed investment is added to the carrying value amount of the investment in subsidiaries, joint venture and associates. Financial guarantee obligation is recognized as other income in Statement of Profit and Loss over the remaining period of financial guarantee.

f) 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

a) 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.

b) 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.

c) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

i. **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.

ii. **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.

d) De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

(C) Embedded Derivatives

a) If the hybrid contract contains a host that is an asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract.

b) If the hybrid contract contains a host that is not an asset within the scope of Ind AS 109, the Company separate embedded derivatives from the host and measures at fair value with changes in fair value recognized in statement of profit or loss if, and only if:

(i) The economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host.

(ii) A separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and

(iii) The hybrid contract is not measured at fair value with changes in fair value recognized in profit or loss

(D) 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

(E) 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.

a) Derivatives Contracts not designated as hedging instruments

i. 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.

ii. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

b) Derivatives Contracts designated as hedging instruments

i. 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.

ii. 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.

iii. 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.

iv. 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 Leases

The Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective and has not restated the comparative figures.

As a lessee

a) Identifying a lease

At the inception of the contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The company assesses whether:

i. The contract involves the use of an identified asset, specified explicitly or implicitly.

ii. The Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use, and

iii. The Company has right to direct the use of the asset.

Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

b) Initial recognition of Right of use asset (ROU)

The Company recognizes a ROU asset at the lease commencement date (i.e., the date the underlying asset is available for use). ROU assets are initially measured at cost less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, adjusted for any lease payments made on or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

c) Subsequent measurement of Right of use asset (ROU)

ROU assets are subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of ROU asset or the end of the lease term. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurement of the lease liability. Refer to the accounting policies in section 1.13 Impairment of non-financial assets.

d) Initial recognition of lease liability

Lease liabilities are initially measured at the present value of the lease payments to be paid over the lease term. Lease payments included in the measurement of the lease liabilities comprise of the following:

i. Fixed payments, including in-substance fixed payments

ii. Variable lease payments that depend on an index or a rate

iii. Amounts expected to be payable under a residual value guarantee; and

iv. The exercise price under a purchase option, extension option and penalties for early termination only if the Company is reasonably certain to exercise those options.

e) Subsequent measurement of lease liability

Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. . In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

f) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption. Lease payments on short-term leases and leases of low-value assets are recognized as expense in Statement of Profit and Loss.

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 lease term.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables and finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Estimates and assumptions

Determination of discount rate as a lessee

Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. Company estimates its incremental borrowing rate, which is the rate of interest that the Company would have to pay to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment using observable available inputs (such as market interest rates).

1.25 Recent accounting pronouncements - Standards issued but not yet effective:

The Ministry of Corporate Affairs (MCA) notifies new Indian Accounting Standards or amendments to the existing Indian Accounting Standards. There is no such notification by MCA in this regard which would have been applicable from April 01, 2020.

NOTE-1 B: Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Company's standalone financial statements requires management to make judgments, 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 judgments, 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 judgments 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 Estimation uncertainties relating to global health pandemic from COVID-19:

On March 11, 2020 the World Health Organization (WHO) declared the outbreak of new corona virus ("COVID-19") as a global pandemic. This outbreak is causing significant disturbances and slowdown of economic activity. The Company's operations were slightly impacted in the last week of March 2020, resulting in slight reduction of sales volumes due to nationwide lockdown advised by the Government of India in view of COVID-19.

In assessing the recoverability of carrying amounts of Company's assets such as property, plant and equipment, trade receivables, loans/ advance, intangible assets, investments and other assets etc., the Company has considered various internal and external information up to the date of approval of these financial statements and concluded that they are recoverable based on the cash flow projections.

The Company has assessed the potential impact of COVID-19 based on the current circumstances and expects no significant impact on the continuity of operations of the business on long term basis/ on useful life of the assets/on financial position etc.

2.2 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.

2.3 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.

2.4 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.

2.5 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.

Note : 2 - Property, Plant and Equipment for the year ended 31st March 2020

(₹ in crore)

Particulars	Gross Block						Accumulated Depreciation					Impairment Loss**			Net Block
	As at 1st April 2019	Transferred to Right of Use Assets	Additions during the year	Acquisition from AUC	Sales/ Disposals during the year	As at 31st March 2020	As at 1st April 2019	Transferred to Right of Use Assets	For the Year	Sales/ Disposals during the year	As at 31st March 2020	As at 1st April 2019	For the Year	As at 31st March 2020	As at 31st March 2020
Land : Freehold	435.70		12.01	29.93	(2.07)	475.57	-		-	-	-	-		-	475.57
Land : Leasehold	116.88	(116.88)	-	-	-	-	4.58	(4.58)	-	-	-	-		-	-
Building : Office/Others	838.87		12.90	83.85	(0.26)	935.36	142.08		38.18	(0.07)	180.19	-		-	755.17
Building : Residential	310.93		2.47	10.72	(0.65)	323.47	43.80		12.43	(0.06)	56.17	-		-	267.30
Bunk Houses	2.38		0.05	0.03	-	2.46	1.33		0.49	-	1.82	-		-	0.64
Plant and Machinery	31,899.94		255.10	3,007.63	(35.41)	35,127.26	4,881.32		1,427.72	(6.20)	6,302.84	34.91	(0.29)	34.62	28,789.80
Railway Lines & Sidings	0.27		-	-	-	0.27	-		-	-	-	-		-	0.27
Electrical Equipments	371.32		35.03	0.97	(5.33)	401.99	155.45		45.52	(4.18)	196.79	-		-	205.20
Fumiture & Fixtures	142.72		11.47	4.50	(3.77)	154.92	46.51		15.33	(3.00)	58.84	-		-	96.08
Office Equipments	219.39		8.64	13.40	(5.64)	235.79	124.57		29.64	(4.49)	149.72	-		-	86.07
Other Equipments	176.97		29.35	14.13	(11.25)	209.20	77.62		27.79	(10.11)	95.30	-		-	113.90
Transport Equipments	8.57		0.88	-	(0.01)	9.44	3.14		0.92	-	4.06	-		-	5.38
E&P Assets															
Producing Property	973.05		5.93	1.12	-	980.10	302.13		83.21	-	385.34	-		-	594.76
Support Equipment & Facilities	4.72		0.13	-	(0.01)	4.84	1.35		0.34	-	1.69	-		-	3.15
Total	**35,501.71**	**(116.88)**	**373.96**	**3,166.28**	**(64.40)**	**38,860.67**	**5,783.88**	**(4.58)**	**1,681.57**	**(28.11)**	**7,432.76**	**34.91**	**(0.29)**	**34.62**	**31,393.29**

Notes: During the financial year 2019-20, an amount of ₹ 1.88 crore has been capitalised towards Research & Development

** Refer Note No. 48 For impairment of assets

Note : 2 - Property, Plant and Equipment for the Year ended 31st March 2019

(₹ in crore)

Particulars	Gross Block					Accumulated Depreciation				Impairment Loss**			Net Block
	As at 1st April 2018	Additions during the year	Acquisition from AUC	Sales/ Disposals during the year	As at 31st March 2019	As at 1st April 2018	For the Year	Sales/ Disposals 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	**31,790.57** -	**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**

Notes: 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. 48 For impairment of assets

Note : 2A - Right of Used Assets for the year ended 31st March 2020

(₹ in crore)

Particulars	Gross Block						Accumulated Depreciation				Net Block
	As at 1st April 2019	Transferred from PPE	Additions during the year	Acquisition from AUC	Sales/ Disposals during the year	As at 31st March 2020	As at 1st April 2019	Transferred from PPE	For the Year	As at 31st March 2020	As at 31st March 2020
Land : Leasehold	-	116.88	103.94	12.31	(0.03)	233.10	-	4.58	6.19	10.77	222.33
Building : Leasehold	-	-	61.98	0.09	-	62.07	-		19.88	19.88	42.19
Plant & Machinery: Leasehold	-	-	220.99	-	-	220.99	-		115.35	115.35	105.64
Vehicle : Leasehold	-	-	10.16	-	-	10.16	-		1.57	1.57	8.59
Total	**-**	**116.88**	**397.07**	**12.40**	**(0.03)**	**526.32**	**-**	**4.58**	**142.99**	**147.57**	**378.75**

Note 3- Capital Work in Progress for the year ended 31st March 2020

(₹ in crore)

Particulars	Gross Block					Provision and Impairment			Net Block
	As at 1st April 2019	Additions during the year	Capitalization during the year	Retirement/ Transfer	As at 31st March 2020	As at 1st April 2019	For the year	As at 31st March 2020	As at 31st March 2020
A. Tangible									
Plant & Machinery									
Linepipe Construction and related facilities	4,068.25	4,623.56	(3,367.06)	939.61	6,264.36	110.77	(4.50)	106.27	6,158.09
Despatch/Receiving Terminals	15.56	20.11	(0.54)	-	35.13	-	-	-	35.13
Compressor Stations	10.00	33.16	(18.44)	-	24.72	-	-	-	24.72
Telecom/Telesupervisory System	2.97	1.00	(1.10)	-	2.87	-	-	-	2.87
Others	234.60	189.87	(195.81)	-	228.66	-	-	-	228.66
Petrochemicals	15.65	34.25	(0.85)	-	49.05	-	-	-	49.05
Exploratory Well in Progress	208.34	52.40	(0.96)	-	259.78	116.37	53.08	169.45	90.33
Development well in Progress	60.00	79.35	(0.16)	-	139.19	9.95	3.32	13.27	125.92
Railway Sidings	-	-	-	-	-	-	0.02	-	-
Buildings	40.32	43.56	(46.91)	-	36.97	5.28	-	5.28	31.69
Linespipes, Capital Items in Stock/Transit	4,795.99	0.19	(1.98)	(943.47)	3,850.73	9.90	5.83	15.73	3,835.00
B. Intangible	3.04	14.56	(17.18)	-	0.42	-	-	-	0.42
Total	**9,454.72**	**5,092.01**	**(3,650.99)**	**(3.86)**	**10,891.88**	**252.27**	**57.75**	**310.00**	**10,581.88**

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									
Pipeline 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
Pipelines, 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 4 - Intangible Assets for the year ended 31st March 2020

(₹ in crore)

Particulars	Gross Block					Amortisation				Net Block
	As at 1st April 2019	Additions during the year	Acquisition from AUC	Sales/Disposals during the year	As at 31st March 2020	As at 1st April 2019	For the year	Sales/Disposals during the year	As at 31st March 2020	As at 31st March 2020
Right of Use	1,340.91	0.54	455.22	-	1,796.66	0.22	-	-	0.22	1,796.44
Softwares / Licences	117.53	16.62	17.09	(1.82)	149.42	55.05	20.02	(2.14)	72.92	76.50
Total	**1,458.44**	**17.16**	**472.31**	**(1.82)**	**1,946.08**	**55.27**	**20.02**	**(2.14)**	**73.14**	**1,872.94**

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	Sales/Disposals during the year	As at 31st March 2019	As at 1st April 2018	For the year	Sales/Disposals 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	1.64	117.53	33.89	19.53	1.63	55.05	62.48
Total	**1,085.09**	**4.23**	**367.34**	**1.79**	**1,458.44**	**33.96**	**19.53**	**1.78**	**55.27**	**1,403.17**

Note 5 - Investments Non-Current

(₹ in crore)

Sr. No.	Particulars	As at 31st March, 2020		As at 31st March, 2019	
		Number of Shares	Amount	Number of Shares	Amount
(a)	**Investment in Subsidiary companies** **In equity shares** **Unquoted 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 Limited (Includes deemed investment of ₹ 10.91 crore (previous year: nil) denotes the fair value of guarantee fees towards financial guarantee given without any consideration)	1,27,50,00,000 (₹ 10 each)	1,285.91	1,12,70,00,000 (₹ 10 each)	1,127.00
3	GAIL Global USA Inc. Provision for Impairment Loss (Refer Note No. 49 (iv))	3,60,00,000 (USD 1 each)	179.17 (168.56)	3,60,00,000 (USD 1 each)	179.17 (173.62)
4	Tripura Natural Gas Company Limited	14,69,388 (₹ 100 each)	14.69	1,92,000 (₹ 100 each)	1.92
5	Bengal Gas Company Limited	2,50,00,000 (₹ 10 each)	25.00	-	-
6	Konkan LNG Limited* (13,97,52,264 equity shares of ₹ 10 each and fully paid up and 19,44,11,603 equity shares of ₹10 each and fully paid up are acquired at ₹ 8.01 and 26,00,16,509 equity shares of ₹ 10 each and ₹ 5.50 partly paid) Provision for Impairment Loss (Refer Note No. 49 (ii))	59,41,80,376 (₹ 10 each)	438.43	39,97,68,773 (₹ 10 each) -	282.76 (137.57)
	In Preference Shares **Unquoted at Cost**				
1	Konkan LNG Limited* (10% Cumulative Compulsorily Convertible Preference Shares)	25,20,03,718 (₹ 10 each)	252.00	25,20,03,718 (₹ 10 each)	252.00
	Sub total (a)		**2,068.58**		**1,573.60**

* On 18th February 2020, Konkan LNG Private Limited was converted from Private Limited company to Public Limited Company as Konkan LNG Limited

(₹ in Crore)

Sr. No.	Particulars	As at 31st March, 2020		As at 31st March, 2019	
		Number of Shares	Amount	Number of Shares	Amount
(b)	**In Joint Venture Companies:** **In equity shares** **Unquoted at Cost**				
1	Ratnagiri Gas and Power Private Limited Provision for Impairment Loss (Refer Note No. 49 (iii))	83,45,56,046 (₹ 10 each)	834.56 (816.49)	83,45,56,046 (₹ 10 each)	834.56 (775.03)
2	Central UP Gas Limited	1,50,00,000 (₹ 10 each)	15.00	1,50,00,000 (₹ 10 each)	15.00
3	Green Gas Limited	2,30,42,250 (₹ 10 each)	23.04	2,30,42,250 (₹ 10 each)	23.04
4	Maharashtra Natural Gas Limited	2,25,00,000 (₹ 10 each)	22.50	2,25,00,000 (₹ 10 each)	22.50
5	Aavantika Gas Limited. (includes 70,57,038 equity shares allotted at a premium of ₹ 29/- per share)	2,95,57,038 (₹ 10 each)	50.02	2,95,57,038 (₹ 10 each)	50.02
6	Bhagyanagar Gas Limited. (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

(₹ in crore)

Sr. No.	Particulars	As at 31st March, 2020		As at 31st March, 2019	
		Number of Shares	Amount	Number of Shares	Amount
7	Vadodara Gas Limited	7,91,37,831 (₹ 10 each)	79.14	7,91,37,831 (₹ 10 each)	79.14
8	Talcher Fertilizers Limited	15,95,04,806 (₹ 10 each)	159.50	1,63,44,568 (₹ 10 each)	16.34
9	Tapi Pipeline Company Limited	8,25,025 (USD 10 each)	55.38	5,60,025 (USD 10 each)	37.16
10	Indradhanush Gas Grid Limited	1,20,00,000 (₹ 10 each)	12.00	50,00,000 (₹ 10 each)	5.00
	Sub Total (b)		**562.90**		**435.98**

(₹ in crore)

Sr. No.	Particulars	As at 31st March, 2020		As at 31st March, 2019	
		Number of Shares	Amount	Number of Shares	Amount
c)	**In Associate companies:** **In equity shares** **Quoted at Cost**				
1	China Gas Holdings Limited (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 Limited. (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 Limited	3,21,02,750 (₹ 10 each)	32.10	3,21,02,750 (₹ 10 each)	32.10
4	Indraprastha Gas Limited (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, at Cost				
1	Brahmaputra Cracker & Polymer Limited	99,23,69,000 (₹ 10 each)	992.37	99,23,69,000 (₹ 10 each)	992.37
2	Fayoum Gas Company (acquired at a premium of LE 478.95 per share)	19,000 (LE 100 each)	8.10	19,000 (LE 100 each)	8.10
	Provision for Impairment Loss (Refer Note No. 49 (i))			-	(0.46)
3	ONGC Petro additions Limited	99,49,45,000 (₹ 10 each)	994.95	99,49,45,000 (₹ 10 each)	994.95
4	Ramagundam Fertilizers & Chemicals Limited	18,78,40,510 (₹ 10 each)	187.84	15,05,29,500 (₹ 10 each)	150.53
	Sub Total (c)		**2,442.98**		**2,405.21**
(d)	**Other Investments**				
	Quoted equity shares (Fair Value) through OCI				
1	Gujarat Industries Power Co. Limited (includes 1,90,200 Equity Shares acquired at a premium of ₹ 15/- per share)	5,70,600 (₹ 10 each)	2.85	5,70,600 (₹ 10 each)	4.06
2	Oil and Natural Gas Corporation Limited (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)	30,84,01,602 (₹ 5 each)	2,106.38	30,84,01,602 (₹ 5 each)	4,920.55
	Unquoted equity shares (Fair Value) through OCI				
1	South East Asia Gas Pipeline Company Ltd.	8,347 (USD 1 each)	281.61	8,347 (USD 1 each)	271.61
2	Gujarat State Energy Generation Limited	2,07,60,000	3.00	2,07,60,000	3.07

(₹ in crore)

Sr. No.	Particulars	As at 31st March 2020		As at 31st March 2019	
		Number of Shares	Amount	Number of Shares	Amount
	- Unquoted Equity Shares at Cost- Start-up Companies				
1	JV Foodworks Private Limited (180 equity shares acquired at a premium of ₹ 5,524.49 per share and 2,909 equity shares acquired at a premium of ₹ 4,459.27 per share)	3,089 (₹ 10 each)	1.40	3,089 (₹ 10 each)	1.40
2	Bhagwandas Retail Private Limited (aquired at a premium of ₹ 8,976 per Share)	467 (₹ 10 each)	0.42	467 (₹ 10 each)	0.42
3	Attentive AI Solutions Private Limited (acquired at a premium of ₹ 10,790 per share)	1,111 (₹ 10 each)	1.20	1,111 (₹ 10 each)	1.20
4	Tache Technologies Private Limited (acquired at a premium of ₹ 890.98 per share)	1,307 (₹ 10 each)	0.12	1,307 (₹ 10 each)	0.12
5	Addverb Technologies Private Limited (acquired at a premium of ₹ 2,574.06 per share)	2,902 (₹ 10 each)	0.75	2,902 (₹ 10 each)	0.75
6	Kshumat Energy Private Limited (acquired at a premium of ₹ 5,990 per share)	2,499 (₹ 10 each)	1.50	2,499 (₹ 10 each)	1.50
7	Sarvodaya Infotech Private Limited (acquired at a premium of ₹ 2,240.23 per share)	5,555 (₹ 10 each)	1.25	2,666 (₹ 10 each)	0.60
8	Persapien Innovations Private Limited (acquired at a premium of ₹ 3,79,994.18 per share)	52 (₹ 10 each)	1.98	52 (₹ 10 each)	1.98
9	Tycheejuno Speciality Tyres Private Limited (acquired at a premium of ₹ 13,418.57 per share)	1,488 (₹ 10 each)	2.00	372 (₹ 10 each)	0.50
10	VDT Pipeline Solutions Private Limited (acquired at a premium of ₹ 22,490 per share)	777 (₹ 10 each)	1.75	222 (₹ 10 each)	0.50
11	Featherdyne Private Limited (acquired at a premium of ₹ 8,490 per share)	1,411(₹ 10 each)	1.20	882 (₹ 10 each)	0.75
12	RD Grow Green India Private Limited (acquired at a premium of ₹ 752.72 per share)	10,095 (₹ 10 each)	0.77	1,966 (₹ 10 each)	0.15
13	Zunik Energies Private Limited (acquired at a premium of ₹ 8,387.14 per share)	595 (₹ 10 each)	0.50	-	-
14	Vasitars Private Limited (acquired at a premium of ₹ 3,250 per share)	2,453 (₹ 10 each)	0.80	-	-
15	Geo Climate Risk Solutions Private Limited (acquired at a premium of ₹ 17,990 per share)	666 (₹ 10 each)	1.20	-	-
16	IROV Technology Private Limited (acquired at a premium of ₹ 15,740 per share)	1,111 (₹ 10 each)	1.75	-	-
17	Arcturus Business Solutions Private Limited (acquired at a premium of ₹ 1,037.14 per share)	9,549 (₹ 10 each)	1.00	-	-
18	Kriya Labs Private Limited (acquired at a premium of ₹ 1,000 per share)	5,940 (₹ 10 each)	0.60	-	-
19	Quanteon Powertrain Private Limited (acquired at a premium of ₹ 1,249.26 per share)	15,882 (₹ 10 each)	2.00	-	-
20	Prayogik Technology Private Limited (acquired at a premium of ₹ 286.30 per share)	10,124 (₹ 10 each)	0.30	-	-
21	Yali Mobility Private Limited (acquired at a premium of ₹ 11,728.21 per share)	315 (₹ 10 each)	0.37	-	-
22	Celectric Automotive Drives Private Limited (acquired at a premium of ₹ 13,322.34 per share)	982 (₹ 10 each)	1.31	-	-
23	Orxa Energies Private Limited (acquired at a premium of ₹ 3,631.33 per share)	10,985 (₹ 10 each)	4.00	-	-
24	PI Beam Labs Private Limited (acquired at a premium of ₹ 14,319.45 per share)	1,395 (₹ 10 each)	2.00	-	-

(₹ in crore)

Sr. No.	Particulars	As at 31st March, 2020		As at 31st March, 2019	
		Number of Shares	Amount	Number of Shares	Amount
	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.,	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 Housing Society Ltd, Mumbai	50 (₹ 5 each)	-	50(₹ 5 each)	-
6	Suraj Heights A Co-Op Housing Society Ltd, Mumbai	50 (₹ 30 each)	-	50(₹ 30 each)	-
7	Sheel Jeet Co-Operative Housing Society Ltd., Mumbai	10 (₹ 5 each)	-	10(₹ 5 each)	-
	Sub Total (d)		**2,424.01**		**5,209.16**
	Gross Total (a+b+c+d)		**7,498.47**		**9,623.95**
	Opening		**9,623.95**		**9,667.39**
	Allotment during the year		567.44		839.17
	Disposal during the year		-		-
	Deemded investment during the year		10.91		
	Changes in Fair Value during the year		(2,805.46)		(556.28)
	Impairment Gain/(Loss) (Net of Reversal) during the year		101.63		(326.33)
	Closing		**7,498.47**		**9,623.95**

Notes:-

Aggregate amount of quoted investments		
- Book Value (at carrying value)	2,368.95	5,184.33
- Market Value	18,479.00	21,380.00
Aggregate amount of unquoted investments (Gross of Impairment provision)	5,946.01	5,256.90

a) Out of aforesaid investments in Subsidiary/ JV/ Associate, few shares are held in the name of GAIL officials jointly with GAIL

b) Investments are valued in accordance with Accounting Policy No. 1.23 given in Note No. 1

c) Aggregate amount of impairment in value of investments is ₹ 985.05 crore upto end of the year (previous year ₹ 1,086.68 crore)

d) Investment in other than subsidiaries, associates 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 6 - Trade receivables- Non Current

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
From related Parties		412.03		284.47
From Others		1,318.38		1,390.79
		1,730.41		1,675.26
Less: Provision for Doubtful Debts		701.32		661.12
Total		**1,029.09**		**1,014.14**

Note 6A - Trade receivables- Current

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
From related parties		421.44		684.25
From others		4,189.03		3,427.37
		4,610.47		4,111.62
Less: Provision for expected credit loss		63.63		51.43
Total		**4,546.84**		**4,060.19**

Breakup of Trade Receivables

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Non Current (Unsecured)				
Considered good	1,029.09		1,014.14	
Considered doubtful	701.32		661.12	
	1,730.41		1,675.26	
Less: Provision for Doubtful Debts	701.32	1,029.09	661.12	1,014.14
Current (Unsecured)				
Considered good	4,610.47		4,111.62	
Less: Provision for expected credit loss	63.63	4,546.84	51.43	4,060.19
Total		**5,575.93**		**5,074.33**

Note 7-Non Current- Loans and Other Receivables (Unsecured considered good unless specified otherwise)

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Loans				
To Related Parties:				
Secured, considered good				
- Loan to subsidiaries		2,547.34		-
Unsecured, considered good				
- Loan to associates		150.00		200.00
To Employees				
- Secured, considered good	183.99		259.42	
(Including dues from Directors and Officers ₹ 0.68 crore (previous year ₹ 0.81 crore)				
- Unsecured, considered good	76.94	260.93	7.21	266.63
To Others				
- Unsecured, considered good		90.98		133.40
Security Deposits:				
- Unsecured, considered good	52.63		51.88	
- Unsecured, considered doubtful	6.31		6.31	
	58.94		58.19	
Less : Provision for Doubtful Deposits	6.31	52.63	6.31	51.88
Total		**3,101.88**		**651.91**

Note 7A- Current- Loans and Other Receivables (Unsecured considered good unless specified otherwise)

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Loans				
To Related Parties:				
- Subsidiaries		5.44		6.88
- Associates		50.00		-
To Employees				
Secured, considered good	63.32		49.22	
(Including dues from Directors and Officers ₹ 0.12 crore (previous year ₹ 0.15 crore)				
Unsecured, considered good	5.00	68.32	15.20	64.42
To Others				
Unsecured, considered good		54.59		50.03
Security Deposits				
Unsecured, considered good		896.53		633.40

Note 8-Other Financial Assets -Non Current

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Receivables for Derivative Contracts (Hedged/ Non Hedged)		63.41		54.25
Equity Investments Pending Allotment		84.61		1.30
(Includes ₹ 80.70 crore (previous year ₹ Nil) related to subsidiary)				
Finance lease receivables		13.79		15.85
Total		**161.81**		**71.40**

Note 8A-Other Financial Assets -Current

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Receivables for Derivative Contracts (Hedged/ Non Hedged)		687.47		296.35
Other Receivable :				
From related parties				
- Subsidiaries	144.19		39.03	
- Associates	5.01		6.52	
-Joint ventures	31.82	181.02	18.07	63.62
From Others		2.57		2.28
Finance lease receivables		2.06		2.03
Interest accrued but not due		9.42		8.01
Total		**882.54**		**372.29**

Note 9 - Non Current Tax Assets (Net)

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Advance income tax against pending demand				
- Unsecured, considered good	357.02		1,166.48	
- Unsecured, considered doubtful	1,120.73		218.48	
	1,477.75		1,384.96	
Less : Provision for doubtful advance income tax against pending demand	1,120.73	357.02	218.48	1,166.48
Advance tax	2,170.93		2,305.29	
Less : Provision for tax (Net of MAT credit entitlement)	1,867.43	303.50	1,991.66	313.63
Total		**660.52**		**1,480.11**

Note 10 - Inventories

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Raw materials:				
Stock of gas (after adjustment of calorific value)				
Work in progress:				
Stock in process		17.49		14.97
Finished goods:				
Polymers / LPG and Other Products		744.42		446.38
Stock in Trade:				
Stock of gas including Liquefied Natural Gas*		1,141.60		843.54
(After adjustment of calorific value)				
Stores and spares:				
Stores and spares	1,050.98		999.66	
Less: Provision for Obsolescence/loss	19.60	1,031.38	18.97	980.69
In Transit				
Stores and spares		25.19		36.33
Total		**2,960.08**		**2,321.91**

*Includes ₹ 269.48 crore (Previous Year: NIL) in transit

Valuation of Inventories are done in accordance with Accounting Policy No. 1.9

Note 11 - Cash & Cash Equivalents

(₹ in crore)

Particulars	As at 31st March 2020	As at 31st March 2019
Balances with banks:		
- Current accounts	8.97	60.80
- Deposits with original maturity less than three months	537.76	89.30
Cash on hand	0.86	0.68
Cheque/Demand Draft in hand	0.74	-
Total	**548.33**	**150.78**

Note 11A - Bank Balance Other than Cash & Cash Equivalents

(₹ in crore)

Particulars	As at 31st March 2020	As at 31st March 2019
Other Bank Balance (FD with original maturity more than three months)	1.79	301.70
Earmarked accounts:		
- Current Account - Dividend Payable	5.52	5.06
- Short Term Deposits - Gas Pool Money	222.59	327.22
(Including interest accrued but not due ₹ 4.45 crore (Previous Year ₹ 5.54 crore)) (Refer Note No. 36 (a))		
- Short Term Deposits - Imbalance & Overrun	-	124.15
(Including interest accrued but not due ₹ nil (Previous Year ₹ 4.91 crore)) (Refer Note No. 36 (a))		
- Short Term Deposits -JV Consortium	25.68	24.09
(Including interest accrued but not due ₹ 0.22 crore (Previous Year ₹ 0.27 crore)) (Refer Note No. 36 (a))		
- Short Term Deposits -Post Retirement Medical Scheme	-	281.69
Total	**255.58**	**1,063.91**

Note 12 - Other Non Current Assets

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Balance with Government Authorities				
Unsecured, considered good:				
VAT Credit Receivable		120.03		201.47
Claims recoverable:				
- Unsecured, considered good	10.55		10.55	
- Unsecured, considered doubtful	-		-	
	10.55		10.55	
Less : Provision for doubtful claims	-	10.55	-	10.55
Other advances		401.03		438.29
(Including advance to an associate ₹ 401.03 crore (Previous year: ₹ 437.64 crore))				
Capital advances:				
- Unsecured, considered good	63.28		79.08	
- Unsecured, considered doubtful	0.35		0.35	
	63.63		79.43	
Less: Provision for doubtful advances	0.35	63.28	0.35	79.08
Prepayments				
Prepaid expenses		3.74		0.14
Prepaid rent		-		73.13
Prepaid employee expenses		142.42		138.28
Total		**741.05**		**940.94**

Note 12A - Other Current Assets

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Balances with Government Authorities				
Unsecured, considered good:				
CENVAT credit receivable	0.15		0.15	
GST receivable	104.45		87.72	
VAT credit receivable	54.13	158.73	220.72	308.59
Claims recoverable:				
- Unsecured, considered good	38.15		14.37	
- Unsecured, considered doubtful	21.14		21.26	
	59.29		35.63	
Less : Provision for doubtful claims	21.14	38.15	21.26	14.37
Other advances		429.34		1,134.13
(Including advance to an associate ₹ 38.20 crore. (Previous year: ₹ 38.20 crore))				
Advances to suppliers/contractors:				
- Unsecured, considered good	38.17		27.97	
- Unsecured, considered doubtful	16.47		8.76	
	54.64		36.73	
Less : Provision for doubtful advances	16.47	38.17	8.76	27.97
Gold coins in hand		0.10		0.09
Prepayments				
Prepaid expenses		159.70		75.63
Prepaid rent		-		4.05
Prepaid employee expenses		21.51		18.97
Total		**845.70**		**1,583.80**

Note 13 - Equity Share Capital

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Share Capital				
Authorized				
500,00,00,000 Equity Shares of ₹ 10 each (Previous year 5,00,00,00,000 Equity shares of ₹ 10 each)		5,000.00		5,000.00
Issued, subscribed and fully paid up				
4,51,01,41,866 Equity shares of ₹ 10 each (Previous year 2,25,50,70,933 Equity shares of ₹ 10 each)		4,510.14		2,255.07
Total		**4,510.14**		**2,255.07**

Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March 2020		As at 31st March 2019	
	Numbers	₹ in Crore	Numbers	₹ in crore
At the Beginning of the Year	2,25,50,70,933	2,255.07	2,25,50,70,933	2,255.07
Bonus Shares Issued during the Year	2,25,50,70,933	2,255.07	-	-
Outstanding at the end of the year	**4,51,01,41,866**	**4,510.14**	**2,255,070,933**	**2,255.07**

Related Information:-

a) Details of Shareholders holding more than 5% shares

Name of Shareholder	As at 31st March 2020		As at 31st March 2019	
	Numbers	Percentage of Holding	Numbers	Percentage of Holding
i) The President of India (Promoter)	2,33,44,49,987	51.76	1,17,70,29,046	52.19

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 proportioned to their shareholding at the shareholders meetings.

c) 2,56,17,744 shares (Previous Year : 1,92,66,283) 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 2,25,50,70,933 Bonus shares issued during current FY 2019-20, 56,37,67,733 Bonus Shares during FY 2017-18 and 42,28,25,800 Bonus Shares during FY 2016-17.

Note 14 - Other equity

(₹ in crore)

Sr. No.	Particulars		As at 31st March 2020		As at 31st March 2019
a)	**Security premium**		0.27		0.27
	Sub Total (a)		0.27		0.27
b)	**Retained earnings**				
	Opening balance		32,092.94		28,734.95
	Add: Profit for the year		6,620.63		6,025.67
	Add: Re-measurement gain/(loss) on defined benefit plans (net of tax)		(11.22)		40.46
	Less: Appropriations				
	-Transfer to Bond Redemption Reserve	14.97		14.97	
	-Transfer to General Reserve	662.06		602.57	
	-Final Dividend	399.15		324.73	
	-Interim Dividend	2,886.49		1,409.41	
	-Corporate Dividend Tax	656.87	4,619.54	356.46	2,708.14
	Sub Total (b)		**34,082.81**		**32,092.94**
c)	**Other reserves:**				
	Bond redemption reserves				
	Opening Balance	74.84		59.87	
	Add: Appropriation from Retained Earnings	14.97	89.81	14.97	74.84
	General Reserves				
	Opening Balance	4,853.78		4,251.21	
	Add: Transfer from the statement of Profit & Loss during the year	662.06		602.57	
	Less: Issue of Bonus Shares	2,255.07	3,260.77	-	4,853.78
	Other Comprehensive Income				
	Opening Balance	(1,268.40)		(1,057.69)	
	Add: OCI for the year	(2,788.74)	(4,057.14)	(210.71)	(1,268.40)
	Ind AS Transition Reserve		6,084.44		6,084.44
	Sub Total (c)		**5,377.88**		**9,744.66**
	Gross Total (a+b+c)		**39,460.96**		**41,837.87**

During the year, the Company has paid Interim dividend of ₹ 6.40 per share (Previous Year ₹ 6.25 per share) and final dividend of ₹.0.89 per share for FY 2018-19

Note 15 Borrowings-Non Current

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Secured Loans:				
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		499.65		499.57
Term Loans				
Oil Industry Development Board (OIDB) (Repayable in 8 equal annual instalments after expiry of moratorium of two years from the date of disbursement i.e 15th January, 2020. Loan carries a fixed interest rate.) First Hypothecation charge in favor of OIDB on all the movable fixed assets (Both present and future) of the Jagdishpur Haldia Bokaro Dhamra Pipeline (excluding compressor stations) purchased from the proceeds of this borrowing)		850.00		-
From Banks				
State Bank of India (Repayable in 48 equal quarterly instalments after expiry of moratorium and repayment of installment begins from 30th June 2021. The loan carries a floating interest rate.) (Secured by way of first pari-passu hypothecation charge on movable assets and movable fixed assets, solely in relation to Dahej – Vijaipur Pipeline Phase II (DVPL-II) (excluding the compressor station at Jhabua and Vijaipur))		2,000.00		
Unsecured Loans:				
Term Loans From Banks/ Financial Institutions				
- KFW Germany (Coperion Facility) (Repayment in 14 half yearly equal Instalments starting from November 2014) Loan carries a fixed rate of interest)		7.59		20.64
- 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).		84.63		128.21
- Japan Bank for International Cooperation (JBIC) (Repayable in 20 half yearly equal instalments from June '2013) Loan carries a fixed rate of interest)		73.32		98.19
- KFW Germany (Siemens Facility) (Repayable in 20 half yearly equal instalments from March 2014) Loan carries a fixed rate of interest)		96.93		123.10
Others				
Finance lease obligations			-	0.87
Total		**3,612.12**		**870.58**

Note 15A Borrowings Current

(₹ in Crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Unsecured Loans:				
Loans Repayable on Demand				
From Banks				
Working Capital Demand Loan		299.70		-
Term Loans				
From Banks				
Short term loan from HDFC Bank (The loan is repayable in full (bullet) payment in the month of July 2020 and carries a floating rate of interest)		1,500.00		-
Total		**1,799.70**		**-**

Note 16 - Other financial liabilities - Non Current

(₹ in crore)

Particulars	As at 31st March 2020	As at 31st March 2019
Payables for Derivative Contracts (Hedged/ Non Hedged)	6.49	10.35
Deposits/Retention Money from customers/contractors/others	39.02	15.18
Gas pool money provisional (Refer Note No. 36 (b))	581.90	652.45
Financial guarantee obligations	3.07	-
Other Liabilities	67.16	67.16
Total	**697.64**	**745.14**

Note 16A - Other financial liabilities - Current

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Payables for derivative contracts (Hedged/ Non Hedged)		179.96		26.42
Current maturities of finance lease obligations:				
Obligations under finance leases		-		0.07
Current maturity of long term loans:				
Unsecured Term loans:				
- KFW Germany (Coperion Facility)	15.00		13.48	
- Societe Generale	55.69		50.37	
- Japan Bank for International Cooperation (JBIC)	36.49		32.54	
- KFW Germany (Siemens Facility)	37.80	144.98	34.08	130.47
Deposits/Retention Money from customers/contractors/others		918.33		1,086.63
Financial guarantee obligations		4.08		-
Other payables				
Interest accrued but not due	15.21		10.96	
Unpaid/unclaimed dividend	5.52		5.06	
Gas pool money	232.87		203.26	
Imbalance and overrun charges	0.98		123.22	
Payable for capital expenditure	1,344.74		1,294.55	
Adjustment in pipeline tariff	32.29		31.33	
E&P expenditure payable	48.44		60.47	
Employee benefits payable	281.15		386.70	
Other payables	269.68	2,230.88	137.92	2,253.47
Total		**3,478.23**		**3,497.06**

Note 17 - Provisions- Non Current

(₹ in crore)

Particulars	As at 31st March 2020	As at 31st March 2019
Provision for employee benefits	528.19	693.53
Provision for abandonment costs	1.41	1.02
Provision for probable obligations	0.07	-
Total	**529.67**	**694.55**

Disclosure of movement in provision as required in Ind AS 37 is given in Note No. 50

Note 17A - Provisions- Current

(₹ in crore)

Particulars	As at 31st March 2020	As at 31st March 2019
Provision for employee benefits	71.94	44.77
Provision for probable obligations	683.10	686.02
Total	**755.04**	**730.79**

Disclosure of movement in provision as required in Ind AS 37 is given in Note No. 50

Note 18 - Trade Payables

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Trade Payables to Micro and Small Enterprises*		262.21		202.19
Trade payables to related parties		1,489.13		1,332.54
Trade Payables others		2,377.09		2,426.45
Total		**4,128.43**		**3,961.18**

*Disclosure with respect to Micro, Small and Medium Enterprises Development Act, 2006 is given in Note No. 54

Note 19 - Other non financial liabilities -Non-Current

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Government Grant - Capital subsidy on JHBD pipeline project (Refer Note No. 55)		3,521.38		2,563.52
Total		**3,521.38**		**2,563.52**

Note 19A - Other non financial liabilities -Current

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Advance against Capital assets		-		1.62
Statutory payables		422.60		405.12
Other liabilities		87.62		87.62
Government Grant - Capital subsidy on JHBD pipeline project (Refer Note No. 55)		41.79		29.78
Total		**552.01**		**524.14**

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 2020		As at 31st March 2019
(I) Profit or Loss section				
Current Income Tax:				
Current Income Tax Charge		2,077.23		2,464.26
Adjustment in respect of current income tax of previous Year		900.31		(25.62)
Deferred Tax:				
Relating to origination and reversal of temporary differences		(1,654.81)		620.51
MAT Credit entitlement for the year		-		
Income tax expenses reported in the statement of profit or loss		**1,322.73**		**3,059.15**
(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(-)		(5.62)		(185.62)
For OCI not to be reclassified to P&L				
Net (Gain)/ Loss on remeasurement of defined benefit plans		3.77		(21.74)
Net (Gain)/ Loss on FVTOCI Equity securities*		-		-
Income tax Charged to OCI		**(1.85)**		**(207.36)**

*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 ₹ 422.01 crore (PY: ₹ 139.88 crore) 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 2020	As at 31st March 2019
Accounting profit before income tax	7,943.36	9,084.82
At India's statutory income tax rate of 25.168% (31st March 2019 : 34.944%)	1,999.19	3,174.60
Adjustments in respect of previous years	900.31	(25.62)
Expenses not allowed as deduction	44.90	162.82
MAT Credit provision under new tax regime	240.89	-
Deferred tax Assets earlier unrecognised now recognised		(48.07)
Exempt income	(141.98)	(204.58)
Impact of change in effective tax rate in B/F tax liability	(1,720.58)	-
Effective rate of income tax - 16.65% (31st March 2019 : 33.69%)	1,322.73	3,059.15
Income tax expense reported in the statement of profit and loss	1,322.73	3,059.15
	1,322.73	**3,059.15**

Deferred Tax

Deferred tax relates to the following:

(₹ in crore)

Particulars	Balance Sheet		Profit or Loss Statement	
	As at 31st March 2020	As at 31st March 2019	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Accelerated depreciation for tax purposes	5,803.51	7,838.90	(2,035.39)	1,368.52
Other Liabilities	2.18	12.97	(10.79)	4.59
Ind AS adjustments	180.90	171.82	9.08	118.39
Provision for doubtful debts, deposits ,probable obligation etc.	(454.72)	(592.23)	137.51	(38.01)
Provision for employee benefits	(151.04)	(257.99)	106.95	41.32
Government Grant	(805.07)	(817.44)	12.37	(609.75)
Others adjustments	(78.57)	(121.45)	42.88	41.78
Reclassification of Current and Deferred Tax based on ITR	-	-	84.43	(98.97)
Net Deferred Tax Liabilities	**4,497.19**	**6,234.58**	**(1,652.96)**	**827.87**

Reflected in the balance sheet as follows:

(₹ in crore)

Particulars	As at 31st March 2020	As at 31st March 2019
Deferred tax assets	(1,489.40)	(1,789.11)
Deferred tax liabilities	5,986.59	8,023.69
Deferred tax liabilities (Net)	**4,497.19**	**6,234.58**

Reconciliation of deferred tax liabilities (net):

(₹ in crore)

Particulars	As at 31st March 2020	As at 31st March 2019
Opening balance as at 1st April	6,234.58	5,307.74
Tax (income)/expense during the period recognised in profit or loss	(1,654.81)	620.51
Tax (income)/expense during the period recognised in OCI	1.85	207.36
Tax (income)/expense of earlier year period recognised in profit or loss	-	-
Reclassification of Current and Deferred Tax based on ITR	(84.43)	98.97
Deferred taxes acquired in business combinations		
Deferred Tax Liabilities	**4,497.19**	**6,234.58**

B. Balance Sheet

(₹ in crore)

Particulars	As at 31st March 2020	As at 31st March 2019
Deferred tax liabilities		
Net Deferred Tax Liabilities due to taxable temporary Differences	4,497.19	6,234.58
Less:- Mat Credit Entitlement	-	(286.87)
	4,497.19	**5,947.71**

Note 21 - Revenue from Operations

(₹ in crore)

Sr. No.	Particulars		For the Year Ended 31st March 2020		For the Year Ended 31st March 2019
	a) Sale of Products				
	Gas		60,143.69		61,501.94
	Polymers		5,370.65		6,630.63
	LPG		3,272.94		3,750.39
	Propane/Pentane/SBPS/Naphtha		595.62		882.19
	Crude Oil		24.39		35.64
	CNG		50.92		12.47
	Power		48.25		57.10
	b) Sale of Service				
	LPG Transmission / RLNG Shippers Charges		2,219.09		1,935.20
	c) Income from Telecom services		4.02		2.42
	Total		**71,729.57**		**74,807.98**
	Add: Other Operating Income		146.78		318.78
	TOTAL		**71,876.35**		**75,126.76**

Note 22 - Other Income

(₹ in crore)

Particulars		For the Year Ended 31st March 2020		For the Year Ended 31st March 2019
Interest on :				
- Deposits with Banks	93.06		168.44	
- Income Tax / VAT refund	97.64		122.67	
- Delayed payment from customers	39.31		83.65	
- Loan to Joint Ventures, Subsidiaries, and Associates etc.	42.73		24.07	
- Loan to Employees	23.73		24.36	
- Others	22.86		24.07	
Transferred to Expenditure during construction period (refer note no - 28)	(8.12)	311.21	(2.16)	445.10
Dividend from Investments		217.26		247.49
Dividend from Related parties		449.17		339.64
Gain on Sale of Investments (Mutual Funds)		28.52		31.06
Amortization of Government Grant		40.64		8.23
Net Gain on Foreign Currency Transaction and Translation		239.15		232.70
Excess Provision Written Back		62.52		39.72
Amortization of financial guarantee obligation		3.76		-
Miscellaneous Income	68.45		201.23	
Transferred to Expenditure during construction period (refer note no - 28)	(3.84)	64.61	(0.36)	200.87
TOTAL		**1,416.84**		**1,544.81**

Note 23 - (Increase) / Decrease in Inventories of Stock in Trade, Finished Goods & Work-in-Progress.

(₹ in crore)

Particulars		For the Year Ended 31st March 2020		For the Year Ended 31st March 2019
Inventories at the end of the year:-				
Work-in-Progress		17.49		14.97
Finished Goods		744.42		446.38
Stock in Trade		1,141.60		843.54
Total		**1,903.51**		**1,304.89**
Inventories at the beginning 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**
Changes in Inventories of Stock in trade, Finished Goods & WIP		**(598.62)**		**(382.45)**

Note 24 - Employees' Benefits Expense

(₹ in crore)

Particulars		For the Year Ended 31st March 2020		For the Year Ended 31st March 2019
Salaries, Wages and Allowances	1,327.48		1,363.59	
Contribution to Provident and Other Funds (Refer Note No. 41)	231.73		419.00	
Staff Welfare Expenses	181.19	1,740.40	192.53	1,975.12
-Employees Benefit Expenses transferred to Capital Work-in-Progress (Ref Note No. 28)	(124.35)		(119.84)	
-Reimbursements for employees on deputation	(96.80)	(221.15)	(76.91)	(196.75)
TOTAL		**1,519.25**		**1,778.37**

Note 25 - Finance Cost

(₹ in crore)

Particulars		For the Year Ended 31st March 2020		For the Year Ended 31st March 2019
Interest on:				
- Term Loans	64.00		100.48	
- Bonds	41.60		41.50	
- Lease Liability	19.11		-	
- Others	12.26		5.05	
Interest and Finance Charges transferred to Capital Work-in-Progress (Ref Note No. 28)	(28.04)	108.93	(1.06)	145.97
Gain)/Loss on changes in fair value of Derivatives		(31.14)		(113.76)
Net (Gain) / loss on foreign currency transactions on Borrowings		30.71		106.33
TOTAL		**108.50**		**138.54**

Note 26 - Depreciation and Amortization Expenses

(₹ in crore)

Particulars		For the Year Ended 31st March 2020		For the Year Ended 31st March 2019
Depreciation and Amortization Expenses		1,844.58		1,532.19
Impairment Loss (Refer Note No. 2-3)		(0.30)		19.37
Depreciation and Amortization transferred to Capital-work-in-progress (Refer Note No. 28)		(8.29)		(1.34)
TOTAL		**1,835.99**		**1,550.22**

Note 27 - Other Expenses

(₹ in crore)

Particulars		For the Year Ended 31st March 2020		For the Year Ended 31st March 2019
Gas Pool Expenses		1.03		10.41
Stores and Spares consumed		456.30		441.64
Power, Fuel and Water Charges				
- Power Charges	367.92		356.34	
- Gas used as Fuel	2,107.63		2,283.19	
- Water Charges	19.68	2,495.23	14.80	2,654.33
Rent		19.58		35.29
Repairs and Maintenance				
- Plant and Machinery	320.59		314.61	
- Buildings	49.35		46.02	
- Others	70.92	440.86	95.91	456.54
Insurance		54.16		45.19
Rates and Taxes		7.88		0.99
Miscellaneous Expenditure :				
- Travelling Expenses		76.71		84.41
- Advertisement and Publicity		42.97		76.30
- Vehicle Hire and Running Expenses		46.94		54.64
- Survey Expenses		13.66		9.97
- Dry Well Expenses written off		-		21.88
- Oil & Gas Producing Expenses		50.57		56.08
- Royalty on Crude Oil (including share of Govt in Profit Petroleum)		236.10		155.00
- Consultancy Charges		34.87		37.33
- Donation		5.00		5.00
- Research and Development Expenses		12.03		10.94
- Provision for Impairment Loss		3.37		20.05
- Loss on sale / written off of assets (net)		(0.10)		11.01
- Bad Debts/Claims/Advances/Stores written off		0.48		2.86
- Provision for Doubtful Debts, Advances, Claims, Deposits and		132.52		78.14
- Provision for Probable Obligations / Contingencies		39.19		50.21
- Expenses on Enabling Facilities		0.07		0.59
- Selling & Distribution Expenses		77.49		46.74
- Commission on Sales		28.18		23.03
- Security Expenses		205.36		194.60
- Corporate Social Responsibility Expenses		125.30		119.29
- MTM loss on Commodity Derivative (Net)		(198.94)		44.99
- Other Expenses		231.75		196.36
Payment to Auditors				
- Audit Fees	0.73		0.60	
- Tax Audit fees	0.10		0.10	
- Other Services (for issuing certificates, etc.)	0.30		0.25	
- Travelling & Out of Pocket Expenses	0.66	1.79	0.34	1.29
Incidental Expenditure during construction transferred to Capital Work-in-Progress (Ref Note No. 28)		(18.56)		(16.42)
TOTAL		**4,621.79**		**4,928.68**

Note 28 - Expenditure during Construction Period

(₹ in crore)

Particulars		For the Year Ended 31st March 2020		For the Year Ended 31st March 2019
Employees Remuneration and Benefits				
- Salaries, Wages and Allowances	101.00		84.97	
- Contribution to Provident and Other Funds	12.68		23.07	
- Welfare Expenses	10.67	124.35	11.80	119.84
Interest and Finance Charges		28.04		1.06
Depreciation		8.29		1.34
Power, Fuel and Water Charges				
- Power Charges		0.13		0.80
Insurance		0.04		0.03
Rent		0.95		0.06
Repairs and Maintenance				
- Plant and Machinery	0.05		0.02	
- Others	2.65	2.70	2.10	2.12
Rates and Taxes		0.08		0.01
Miscellaneous Expenditure :				
- Travelling Expenses	9.22		11.40	
- Advertisement and Publicity	0.18		0.07	
- Vehicle Hire and Running Expenses	0.07		0.05	
- Consultancy Charges	0.12		0.13	
- Other Expenses	5.07	14.66	1.75	13.40
Less :				
- Interest Income	8.12		2.16	
- Miscellaneous Income	3.84	11.96	0.36	2.52
Net Expenditure		**167.28**		**136.14**
Less :Allocated to Capital Work-in-progress				
a) Employees Benefits Expenses		124.35		119.84
b) Interest & finance Charges		28.04		1.06
c) Depreciation		8.29		1.34
d) Other Expenses		18.56		16.42
		179.24		138.66
Less:				
e) Other Income		11.96		2.52
Sub Total		**167.28**		**136.14**
Total		**-**		**-**

Notes to Standalone Financial Statements for the year ended 31st March 2020

29. Contingent Liabilities and Commitments:

I. Contingent Liabilities:

(a) Claims against the Company not acknowledged as debts:

(i) Legal cases for claim of ₹1,492.36 crore (Previous Year: ₹1,812.88 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 & appeals cases of ₹ 1.05 crore (Previous year : ₹1,892.77 crore net of provisions of ₹ 265.59 crore). The Company has deposited and amount of ₹ 1,274.30 crore with Income Tax Department against the disputed cases. The Income Tax demand has reduced during the year due to adoption of amnesty scheme for settlement of pending cases of direct taxes under "Direct Tax Vivad Se Vishwas Scheme" (DTVSVS) introduced by Government of India, during latest Union Budget. The provision of ₹ 917.56 crore has been created in the books of accounts against the disputed cases opted for settlement and the remaining amount of ₹ 1.05 crore is shown as contingent liability.

(iii) Disputed Indirect tax demands are as under:

(₹ in crore)

Sl. No.	Particulars	As at 31st March 2020	As at 31st March 2019
1	Custom Duty	542.67	8.17
2	Excise Duty*	3,351.02	3,442.89
3	Sales Tax / VAT	116.82	158.06
4	Entry Tax	31.16	28.55
5	Service Tax	154.29	158.32
6	GST	104.45	94.35
	Total	**4,300.41**	**3,890.34**

*It includes ₹ 3,014.32 crore (Previous Year: ₹ 2,888.72 crore) towards demand (including interest and penalty) of Central Excise Duty confirmed by CESTAT, Delhi in the matter pertaining to classification of 'Naphtha' manufactured by the Company. The Company has filed an appeal before the Hon'ble Supreme Court against the order which was admitted and stay has been granted by the Hon'ble Supreme Court on compliance of the conditions of depositing a sum of ₹ 20 crore and furnishing security to the extent of ₹ 132 crore.

Further, opinion from legal experts has been obtained by the Company and according to them, the Company has a good case on merits as well as on limitation. The matter is pending before the Court.

(iv) Miscellaneous claims of ₹ 246.19 crore (Previous Year: ₹ 268.47crore) includes mainly arbitration cases filed by vendors for delayed payments and losses incurred by them etc.

The movement of contingent liabilities under various categories from (i) to (iv) is tabulated below:

(₹ in crore)

Categories	Opening Bal.	Additions	Deletions	Closing Bal.
Central Govt.	5,591.91	690.05	2,147.33	4,134.63
State Govt.	278.68	30.91	46.24	263.35
CPSEs	2.15	-	-	2.15
Others	1,991.72	360.70	712.54	1,639.88
Total	**7,864.46**	**1,081.66**	**2,906.11**	**6,040.01**

(v) The Company uses optical fibre based captive communication system primarily for internal supervising control, data acquisition & ERP System. The Company has taken Infrastructure Provider Category II (IP-II) License from Department of Telecommunication (DoT) for which the Company has been paying license fees as per license agreement. The Company had received provisional assessment orders from DoT towards payment of Annual License Fees in respect of IP-II License for several financial years. DoT had allegedly claimed an outstanding amount of ₹ 1,83,076 crore including interest and penalty computed on the basis of Adjusted Gross Revenue (AGR) of the Company. The Company has disputed the claim.

Subsequently, Hon'ble Supreme Court vide its Order dated 11th June 2020 has directed DoT to review the demand raised on the basis of clarification regarding definition of Adjusted Gross Revenue provided in the said order. In pursuance to this, DoT filed affidavit regarding its decision to withdraw their Demands raised on PSUs. The said affidavit has been considered by Hon'ble Supreme Court vide its Order dated 18.06.2020 for withdrawal of demand

(vi) Some of the customers have submitted counter claims amounting to ₹8,486 crore (PY: ₹17,733 crore) against Ship or Pay charges / consequential losses for not supplying gas. During FY 2019-20 counter claims of ₹10,542 crore were settled out of previous year amount of ₹ 17,733 crore.

(b) Corporate Guarantees

The Company has issued Corporate Guarantees for ₹ 3,972 crore (Previous Year: ₹ 2,449 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 ₹ 1,155 crore (Previous Year: ₹ 1,201 crore).

II. Commitments:

(a) Capital Commitment:

Estimated amount of contracts (Net of advances) remaining to be executed on capital account as at 31st March 2020 is ₹ 5,735.06 crore (Previous Year: ₹ 7,300.66 crore).

(b) Lease commitments:

The company has various lease contracts that have not yet commenced as at March 31 2020. The future lease payments for these non-cancellable lease contracts are as follows:

(₹ in crore)

Particulars	Year ended March 31,2020
Within one year	8.85
After one year but not more than five years	591.44
Total	**600.29**

(c) Other Commitments:

(i) The Company has commitment of ₹ 2,424.53 crore (Previous Year: ₹ 1,394.42 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 45 (B) (iv).

30 Impact of COVID 19:

On 11th March 2020, the World Health Organization (WHO) declared the outbreak of new corona virus (COVID-19) as a global pandemic. Government of India had issued orders/ notifications for lockdown in the country from 23rd March 2020 for 21 days, which was subsequently extended. Due to lockdown, the industries were closed which impacted the demand of supply and services as well as prices thereof.

The Company has assessed the potential impact of COVID-19 in FY 2020-21 based on the current circumstances and expects no significant impact on the continuity of operations of the business on long term basis, on useful life of the assets, on financial position etc.

31 Disclosure relating to Corporate Social Responsibility (CSR):

The disclosure in respect of CSR expenditure for the FY 2019-20 is as under:

(₹ in crore)

Particulars	2019-20	2018-19
(a) Gross amount required to be spent by the company during the year.		
Annual CSR Allocation	155.4	118.01
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)	124.79	87.21

(b) Amount spent during the year on:

(₹ in crore)

Particulars	2019-20			2018-19		
	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)	43.11	0.70	43.81	38.45	6.39	44.84
KAUSHAL (Skill Development and Livelihood Initiatives)	30.57	0.00	30.57	40.67	0.80	41.47
UJJWAL (Education Centric Initiatives)	29.45	1.73	31.18	11.16	3.05	14.21
UNNATI (Rural Development Projects)	4.42	0.14	4.56	12.30	1.30	13.60
SASHAKT (Women Empowerment)	0.90	0.00	0.90	0.54	0.00	0.54
SAKSHAM (Care of Elderly and Disabled)	2.96	0.00	2.96	1.05	0.03	1.08
HARIT (Green Initiatives)	1.85	0.00	1.85	0.00	0.00	0.00
Other - Promotion of Sports, National Heritage, Slum Area Development, etc.,	8.84	0.00	8.84	1.56	1.33	2.89
Total Expenses (ii)	122.10	2.57	124.67	105.72	12.90	118.62
Capacity Building	0.63	0.00	0.63	0.43	0.24	0.67
Grand Total (i) and (ii)	**122.73**	**2.57**	**125.30**	**106.15**	**13.14**	**119.29**

** Provisions made for liabilities incurred

32 Claims by the Company not acknowledged as Income

(i) 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 ₹ 1,658.02 crore (Previous Year ₹ 1,561.97 crore) as at the end of the year. Income in respect of the same shall be recognized on final disposal of the matter.

(ii) 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 ₹ 3,136.93 crore (PY: ₹ 3,091.94 crore) on the basis of information provided by Fertilizer Industry Coordination Committee (FICC). The proceeds, if received, will be transferred to Gas Pool.

33 Pricing and Tariff

(a) With effect from 1st April 2002, Liquefied Petroleum Gas (LPG) prices have been de-regulated and is now decided 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 Ministry of Petroleum and Natural Gas (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) The Company has filed appeal(s) before Appellate Tribunal (APTEL), against various moderations done by PNGRB in respect of Final Tariff Order(s) issued by PNGRB for Dadri-Bawana-Nangal Natural Gas Pipeline (DBNPL), Chainsa-Jhajjar-Hissar Natural Gas Pipeline (CJHPL), Cauvery Basin, Kochi –Koottanad –Mangaluru-Bengaluru Pipeline (KKMBPL), Krishna Godavari Basin (KG Basin) and Dabhol-Bangalore Pipeline (DBPL) Networks.

(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 and certain customers have challenged these orders of PNGRB in Court of Law. Hon'ble High Court of Gujarat, vide its Order dated 17th June 2019 has allowed the company to charge as per new tariff rates from 17th June 2019. The company has filed an appeal before Hon'ble High Court of Gujarat for differential amount for the period from 01st April 2018 to 16th June 2019 which is pending for disposal.

(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 to fix transmission tariff for natural gas marketed to consumers. 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 which has been admitted by the Hon'ble Court and is pending for final adjudication.

(e) PNGRB vide Gazette Notification No. F. No. PNGRB/M(C)/62/2020 dated 27th March 2020, has extended the existing LPG Pipeline tariff till 30th June 2020.

34

On 19th February 2014, PNGRB notified the Amended Affiliate Code of Conduct Regulations by insertion of Regulation 5A mandating that an entity engaged in both marketing and transportation of natural gas shall create a separate legal entity on or before 31st March 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, be available to the affiliate of such separate legal entity. The Company has challenged the said PNGRB Regulation before Hon'ble Delhi High Court by way of a Writ Petition and the same is pending for final adjudication.

35 Land& Building

(a) Freehold and Leasehold Land amounting to ₹ 11.41 crore and ₹ 3.66 crore (Previous Year: ₹ 22.21crore and ₹ 7.17crore) respectively are capitalized on provisional basis.

(b) Title deeds for freehold (4.38 hectares) and leasehold (39.21 hectares) land amounting to ₹ 8.95 crore and ₹ 11.50 crore (Previous Year: ₹ 10.93 crore and ₹ 15.05 crore) respectively are pending for execution in the name of the Company. This includes ₹ 3.21 crore (Previous year: ₹ 4.59 crore) amount of leasehold land shown under 'Prepayments' in Note no 12 (Other Non-Financial Assets- Non-Current) / under 'Advances' in Note no 12A (Other Non-Financial Assets- Current).

(c) Net Block for "Building" includes NIL (Previous Year: ₹ 1.32crore) earmarked for disposal but in use.

(d) In the year 1990, Gujarat Industrial Development Corporation (GIDC) allotted land to the Company for 99 years measuring 70.8734 Hectares for setting up of LPG Recovery in Vaghodia, Gujarat for an amount of ₹ 3.61 crore. The Lease Deed was executed for approx. 66.3038 Hectares of Land and execution for the balance land of 4.5696 Hectares has been delayed till the time the land is transferred to GIDC by Government of Gujarat.

In the meantime, Government of Gujarat enquired with the Company whether it was ready to pay an amount of ₹ 17.53 crore for the balance land to which the Company responded stating that no further amount is payable. It is pertinent to mention that there is no demand from GIDC. The Company is of the opinion that since the amount for allotted land has already been paid and no additional demand has been received from GIDC, hence no liability/contingent liability exists on the Company.

(e) Details of Land & Buildings booked under CSR activities and not included under Property, Plant & Equipment (PPE) are as under:

(₹ in crore)

S. No.	Description	As at 31st March 2020	As at 31st March 2019
1	Freehold Land (3.28 acre) in Uttar Pradesh	0.31	0.31
2	Building constructed on Freehold Land mentioned at Sl No. 1 (Date of Completion : 27th January, 2017)	4.44	4.44
3	Leasehold Land (2 hectares) in Madhya Pradesh	0.80	0.80
4	Building constructed on Leasehold Land mentioned at Sl No. 3 (Date of Completion 13th February, 2015)	6.51	6.51

(f) Company has entered into a perpetual lease with Delhi Development Authority (DDA) for land of GAIL, Corporate Office at Bhikaiji Cama Place, New Delhi. The rent is payable on a yearly basis, which is under revision w.e.f. 1st January 2018. DDA has not informed revised Lease Rent, accordingly the Company has been paying existing rent till July 2020. The Company has also submitted request for conversion of title deed of the said land from Leasehold to Freehold for which confirmation from DDA is awaited.

36. Earmarked Balances:

(a) Liabilities in respect of the following short term deposits in banks are kept as Earmarked Balances:

(₹ in crore)

Particulars	Earmarked Balance in short term deposit in banks (Refer Note 11A)		Interest accrued but not due*	
	As on 31.03.2020	As on 31.03.2019	As on 31.03.2020	As on 31.03.2019
Retention from Panna Mukta Tapti JV consortium	25.68	24.09	0.22	0.27
Liability on account of Gas Pool Account (kept as custodian as per the directions of MOPNG)	222.59	327.22	4.45	5.54
Liability on account of Pipeline Overrun and Imbalance Charges (kept as custodian as per the directions of MOPNG)	-	124.15	-	4.91

* The earmarked balance, which includes interest accrued on short term deposit in banks, does not belong to the Company and has not been accounted for as income.

(b) Gas Pool Money (Provisional) shown under "Other Long Term Liabilities" amounting to ₹ 581.90 crore (Previous Year: ₹ 652.45 crore) with a corresponding debit thereof under Trade Receivable will be invested/paid as and when said amount is received from the customers.

37. (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 ₹ 673.58 crore (Previous Year: ₹ 266.83 crore) is payable to and correspondingly receivable from Urea Plants, as on 31st March 2020. Hence, there is no impact on profitability of the Company.

(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 2020 which is payable to the above said power plants and / or to the Government of India.

38. Ind AS 115 - Revenue 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.

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 2020

(₹ 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 2020
1	**Revenue**								
	Revenue from Operations	6,034.43	636.41	59,954.62	5,432.13	4,233.71	1,106.16	9.39	77,406.85
Less:	Inter Segment Sales	611.00	5.98	4,528.04	2.23	363.91	19.21	0.13	5,530.50
	Total Revenue	**5,423.43**	**630.43**	**55,426.58**	**5,429.90**	**3,869.80**	**1,086.95**	**9.26**	**71,876.35**
2	**Primary geographical markets**								
	Domestic Sales	5,423.43	630.43	48,994.99	5,367.02	3,869.80	1,062.56	9.26	65,357.49
Add:	International Sales	-	-	6,431.59	62.88	-	24.39	-	6,518.86
	Total Revenue	**5,423.43**	**630.43**	**55,426.58**	**5,429.90**	**3,869.80**	**1,086.95**	**9.26**	**71,876.35**
3	**Timing of revenue recognition**								
	At the Point	-	-	6,431.59	5,429.90	3,869.80	-	-	15,731.29
Add:	Over the time	5,423.43	630.43	48,994.99	-	-	1,086.95	9.26	56,145.06
	Total Revenue	**5,423.43**	**630.43**	**55,426.58**	**5,429.90**	**3,869.80**	**1,086.95**	**9.26**	**71,876.35**

For the Year Ending 31st March 2019

(₹ 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	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**

Note: : No single customer represents 10% or more of the total Company's revenue during the year ended 31st March 2020 & 31st March 2019.

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 2020	As at 31st March 2019
Trade Receivable (Net)	4,546.85	4,060.19
Contract Assets		
Unbilled Receivables	-	0.23
Contract Liabilities		
- Advance from Customers	**785.52**	**751.00**

Trade receivables are non-interest bearing and are generally on credit terms ranging from 0 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 2020	As at 31st March 2019
Balance at the beginning of the year	0.23	-
Revenue recognised during the year	-	0.23
Invoices raised during the year	0.23	-
Balance at the end of the year-	-	0.23

(₹ in crore)

Changes in Contract Liabilities	As at 31st March 2020	As at 31st March 2019
Balance at the beginning of the year	751.00	790.84
Revenue recognized that was included in Advances balance at the beginning of the year	2,305.54	2,331.75
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	2,340.06	2,291.91
Balance at the end of the year	**785.52**	**751.00**

Management expects that 73% of the transaction price allocated to unsatisfied contract as on 31st March 2020 for ₹ 575.03 crore will be recognized as revenue during FY 2020-21. 6% of the transaction price allocated to unsatisfied contract as on 31st March 2020 amounting to ₹ 46.50 crore will be recognized during FY 2021-22 to FY 2022-23. The balance 21% amounting to ₹ 163.99 crore will be realized from 2023-24 onwards.

39. IndAS 116 – Leases

Transition:

The Company has adopted the new standard, Ind AS 116 Leases with effect from 1st April, 2019 using the modified retrospective method and consequently no adjustment has been made to retained earnings on the date of initial application.

The Company has lease contracts for Land, Building, Plant & Machinery and Vehicles. Before adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases and leases of low value assets. Refer to Note 1.24 for the accounting policy on Ind AS 116. The standard provides specific transition requirements and practical expedients, which have been applied by the company.

Leases previously classified as operating leases

The company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low value assets. The lessee recognizes a lease liability measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application and correspondingly measured the right-of-use asset at an amount equal to the lease liability, adjusted for previously recognized prepaid or accrued lease payments. Accordingly, right of use assets of ₹ 381.02 crore has been recognized and lease liabilities of ₹ 299.54 crore has been recognised, as at 1st April 2019. There is no impact to opening retained earnings due to application of Ind AS 116.

Leases previously classified as finance leases

The company did not change the initial carrying amounts of recognised leasehold assets and finance lease obligations as at 1st April 2019 for leases previously classified as finance leases (i.e., the right-of-use assets equal to the leasehold assets recognised under Ind AS 17). Accordingly, leasehold assets (net of accumulated depreciation) of ₹ 112.30 crore has been reclassified and added to right of use asset (ROU) and finance lease obligation of ₹ 0.94 crore has been reclassified and added to lease liabilities, as at 1st April 2019.

The company also applied the following practical expedients during transition wherein it:

- used a single discount rate to a portfolio of leases with reasonably similar characteristics
- applied the short-term leases exemptions to leases with remaining lease term is not more than 12 months as at 1st April 2019
- excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

Company as lessee:

A) Lease Liabilities:

Reconciliation of Lease Liabilities:

(₹ in crore)

Particulars	Year ended March 31,2020
Balance at April 1, 2019*	0.94
Adjustments for:	
Additions during the year	318.59
Deletions during the year	(0.02)
Accredition of interest	19.11
Foreign exchange loss on restatement of lease liabilities	12.06
Lease Liabilities paid during the year	(145.08)
Balance at March 31, 2020	205.60
Current	149.13
Non-current	56.47

* Finance Lease obligations as on 1st April 2019 reclassified as Lease Liabilities

Maturity analysis of Lease Liabilities:

(₹ in crore)

Particulars	Less than 3 months	3 to 12 months	> 1 to 5 years	> 5 years	Total
Lease Liabilities (Current)	39.30	109.83	-	-	149.13
Lease Liabilities (Non-Current)	-	-	25.77	30.70	56.47
Total	**39.30**	**109.83**	**25.77**	**30.70**	**205.59**

Amounts recognised in Statement of Profit and Loss:

(₹ in crore)

Particulars	Year ended March 31, 2020
Depreciation on right-of-use assets	142.99
Interest expense on lease liabilities	19.11
Expense relating to short-term leases	10.55
Expense relating to low value asset leases	0.03
Variable lease payments	-
Total	**172.65**

B) Right of Use Assets:

(₹ in crore)

Particulars	Year ended March 31,2020
Balance at April 1, 2019*	112.30
Add: Additions during the year	409.47
Less: Deletions during the year	0.03
Less: Depreciation for the year	142.99
Balance at March 31, 2020	378.75

* Leasehold assets as on 1st April, 2019 have been reclassified as 'Right of Use' assets.

Company as lessor:

A) Operating Lease:

(₹ in crore)

Particulars	Year ended March 31, 2020
Rental income from operating lease	2.61

Minimum lease payments receivable on operating leases are as follows:

(₹ in crore)

Particulars	Year ended March 31,2020
Within 1 year	1.12
After one year but not more than five years	1.09
Later than 5 years	9.18
Total	**11.39**

B) Finance Lease:

Future Minimum Lease Payments (MLP) under finance leases together with the present value of the net MLP are as follows:

(₹ in crore)

Particulars	Year ended March 31, 2020
Minimum Lease Payments Receivables:	
Within 1 year	2.23
After one year but not more than five years	8.93
Later than 5 years	5.39
Total	**16.55**
Less: Unearned finance income	0.70
Net investment in lease	**15.85**
Present Value of Minimum Lease Payments Receivables:	
Within 1 year	2.06
After one year but not more than five years	8.47
Later than 5 years	5.32
Total	**15.85**
Unearned Finance Income:	
Within 1 year	0.17
After one year but not more than five years	0.46
Later than 5 years	0.07
Total	**0.70**

40 Pay revision of Non-Executives of the Company is due w.e.f. 1st Jan 2017. Pending finalization of pay revision, a provision of ₹ 8.72 crore (PY: ₹ 42.70 crore) has been made during FY 2019-20 on estimated basis. Accordingly, cumulative balance towards pay revision, pending settlement is ₹ 97.65 crore (PY: ₹ 88.93 crore) as on 31st March 2020.

41 Disclosure under the IndAS 19 on Employee Benefits is given as below:

I. Superannuation Benefit Fund (Defined Contribution Fund)

The Company has paid for an amount of ₹ 59.33 crore (Previous Year: ₹ 115.35 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 ₹ 70.93 crore (Previous Year ₹ 63.90 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 1972, 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 provided ₹ 54.85 crore (Previous Year: ₹ 49.38 crore) towards the PRMS. The Company has opened PRMS Fund during the year and transferred the earmarked fund of ₹ 357.19 crore in GAIL PRMS Trust.

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 Travelling Allowance from their last place of 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)

As per approved policy of the Company, 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.

The following table summarizes the components of net benefit expenses recognized in the statement of profit and loss based on actuarial valuation.

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	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
A. Expenses recognized in the Statement of Profit & Loss												
Current Service Cost	43.45	37.38	11.62	28.47	56.06	52.98	1.17	1.34	11.82	10.34	1.25	1.34
Past service cost	0.00	(53.87)	21.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest on Benefit Obligation	21.53	9.97	22.03	20.90	10.71	7.99	1.06	0.80	13.17	12.84	1.49	1.49
Expected Return on Plan Assets	(25.63)	(8.86)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net actuarial (Gain)/Loss recognized in the year	(9.90)	(26.94)	24.91	(11.72)	33.45	7.04	1.63	2.23	20.67	7.88	1.80	0.49
Impact of Gratuity Limit enhancement to ₹ 20 lakh reversed	0.00	173.12	-	-	-	-	-	-	-	-	-	-
Interest on under Funding transferred to Emp. Rec. account	0.00	15.98	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income	9.90	35.81	(24.91)	11.72	-	-	-	-	-	-	-	-
Expenses recognized in Statement of P&L	39.35	182.58	54.86	49.37	100.22	68.01	3.86	4.37	45.66	31.06	4.54	3.32
B Reconciliation of fair value of plan assets and Present value of defined benefit obligation												
Present value of Obligation as at year end	370.06	328.52	408.46	328.08	252.62	171.07	18.90	16.72	239.58	199.20	25.85	23.21
Fair value of Plan Assets as at year end	389.43	379.68	336.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Difference	19.37	51.16	(72.16)	(328.08)	(252.62)	(171.07)	(18.90)	(16.72)	(239.58)	(199.20)	(25.85)	(23.21)
Net Asset / (Liability) recognized in the Balance Sheet	19.37	51.16	(72.16)	(328.08)	(252.62)	(171.07)	(18.90)	(16.72)	(239.58)	(199.20)	(25.85)	(23.21)

	Gratuity Funded		PRMS Non Funded		EL Non Funded		Terminal Benefits Non Funded		HPL Non Funded		LSA Non Funded	
	2019-20	2018-19	2019-20	2019-20	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
C. Reconciliation of the changes in the Present Value of the Defined Benefit Obligations:												
Present value of Obligations as at beginning 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
Interest Cost	21.53	22.90	22.03	22.26	10.71	7.99	1.06	0.97	13.17	12.84	1.49	1.60
Current Service Cost	46.02	39.57	15.64	30.14	62.16	56.80	1.41	1.42	14.60	12.16	1.53	1.42
Past service cost	0.00	(57.03)	21.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Benefit Paid	(19.26)	(16.63)	(3.41)	(2.77)	(24.77)	(11.67)	(1.92)	(1.45)	(8.06)	(5.33)	(2.18)	(2.72)
Net Actuarial (Gain) / Los on Obligation	(6.75)	(26.94)	24.91	(11.72)	33.45	7.04	1.63	2.23	20.67	7.88	1.80	0.49
Present Value of the Defined Benefit Obligation as at end of the year	370.06	328.52	408.46	328.08	252.62	171.07	18.90	16.72	239.58	199.20	25.85	23.21
D. Reconciliation of the changes in the Fair Value of Plan Assets												
Fair Value of Plan Assets as at beginning of the year	379.68	162.49	-	-	-	-	-	-	-	-	-	-
Expected return on Plan Assets	25.63	8.86	-	-	-	-	-	-	-	-	-	-
Contributions by Employer	0.23	224.96	339.71	-	-	-	-	-	-	-	-	-
Benefit Paid	(19.26)	(16.63)	(3.41)	-	-	-	-	-	-	-	-	-
Actuarial Gain / (Loss)	3.15	-	-	-	-	-	-	-	-	-	-	-
Fair Value of Plan Assets as at end of the year	389.43	379.68	336.30	-	-	-	-	-	-	-	-	-
E. Principal actuarial assumption at the Balance Sheet Date												
Discount rate	6.75%	7.60%	6.75%	7.60%	6.75%	7.60%	6.75%	7.60%	6.75%	7.60%	6.75%	7.60%
Expected return on plan assets	6.75%	7.60%	6.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-
Annual increase in costs	-	-	10.00%	10.00%	0.00%	0.00%	10.00%	10.00%	0.00%	0.00%	10.00%	10.00%
Annual increase in salary	10.00%	10.00%	0.00%	0.00%	10.00%	10.00%	0.00%	0.00%	10.00%	10.00%	-	-

F. Other Disclosure

(i) Net Asset / (Liability) recognized in the Balance Sheet (including experience adjustment impact)

Gratuity	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016
Present Value of Defined Benefit Obligation as at end of the year	370.06	328.52	366.65	316.17	150.93
Fair Value of Plan Asset as at end of the year	389.43	379.68	162.49	153.08	145.54
Status [Surplus / (Deficit)]	19.37	51.16	(204.16)	(163.09)	(5.39)
Experience Adjustment of Plan Assets [Gain / (Loss)]	3.15	8.86	9.17	(3.65)	4.02
Experience Adjustment of Obligation [(Gain) / Loss]	(6.75)	(26.94)	(55.26)	(22.97)	(34.90)

PRMS	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016
Present Value of Defined Benefit Obligation as at end of the year	408.46	328.08	290.17	254.74	226.13
Fair Value of Plan Asset as at end of the year	336.30	0.00			
Status [Surplus / (Deficit)]	(72.16)	0.00			
Experience Adjustment of Plan Assets [Gain/(Loss)]	0.00	0.00			
Experience Adjustment of Obligation [(Gain) / Loss]	24.91	(11.71)	(20.76)	(22.18)	(5.45)

Earned Leave	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016
Present Value of Defined Benefit Obligation as at end of the year	252.62	171.07	110.91	257.66	225.44
Experience Adjustment of Obligation [(Gain) / Loss]	33.45	7.03	(18.69)	(3.10)	12.64

Terminal Benefits	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016
Present Value of Defined Benefit Obligation as at end of the year	18.90	16.72	13.55	11.79	11.61
Experience Adjustment of Obligation [(Gain) / Loss]	1.63	2.23	0.79	(0.88)	0.70

HPL	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016
Present Value of Defined Benefit Obligation as at end of the year	239.58	199.20	171.65	176.42	167.03
Experience Adjustment of Obligation [(Gain) / Loss]	20.67	7.87	(23.71)	18.12	(4.39)

Long Service Award	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016
Present Value of Defined Benefit Obligation as at end of the year	25.85	23.21	22.42	21.70	21.36
Experience Adjustment of Obligation [(Gain) / Loss]	1.80	0.49	0.15	1.87	(0.17)

(ii) The effect of increase/decrease of cost

Sensitivity Analysis	GRATUITY				PRMS			
	Funded				Non - Funded			
	2019-20		2018-19		2019-20		2018-19	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	354.84	386.49	315.26	342.8	368.88	454.04	296.72	364.04
% Change Compared to base due to sensitivity	-4.11%	4.44%	-4.04%	4.35%	-9.69%	11.16%	-9.56%	10.96%
Salary Growth (-/+ 0.5%)	372.25	367.87	330.4	326.62	N/A	N/A	N/A	N/A
% Change Compared to base due to sensitivity	0.59%	-0.59%	0.57%	-0.58%	N/A	N/A	N/A	N/A
Attrition Rate (-/+ 0.5%)	370.36	369.76	328.86	328.18	407.91	409.56	328.26	327.92
% Change Compared to base due to sensitivity	0.08%	-0.08%	0.10%	-0.10%	-0.13%	0.27%	0.05%	-0.05%
Mortality Rate (-/+ 10%)	370.62	369.5	329.11	327.93	396.37	421.13	318.11	338.29
% Change Compared to base due to sensitivity	0.15%	-0.15%	0.18%	-0.18%	-2.96%	3.10%	-3.04%	3.11%

Sensitivity Analysis	EARNED LEAVE				HALF PAY LEAVE			
	Non - Funded				Non - Funded			
	2019-20		2018-19		2019-20		2018-19	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	237.29	269.52	161.25	181.87	228.32	251.72	189.93	209.18
% Change Compared to base due to sensitivity	-6.07%	6.69%	-5.74%	6.31%	-4.70%	5.07%	-4.65%	5.01%
Salary Growth (-/+ 0.5%)	268.85	237.72	181.52	161.46	251.24	228.64	208.86	190.13
% Change Compared to base due to sensitivity	6.43%	-5.90%	6.11%	-5.62%	4.87%	-4.56%	4.85%	-4.55%
Attrition Rate (-/+ 0.5%)	252.25	252.99	170.89	171.26	239.37	239.78	199.06	199.33
% Change Compared to base due to sensitivity	-0.15%	0.15%	-0.11%	0.11%	-0.09%	0.09%	-0.07%	0.07%
Mortality Rate (-/+ 10%)	252.26	252.99	170.89	171.13	239.3	239.85	199.01	199.38
% Change Compared to base due to sensitivity	-0.14%	0.14%	-0.11%	0.11%	0.12%	0.12%	-0.09%	0.10%

Sensitivity Analysis	TERMINAL BENEFITS				LONG SERVICE AWARD			
	Non - Funded				Non - Funded			
	2019-20		2018-19		2019-20		2018-19	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	18.05	19.82	15.99	17.51	24.87	26.92	22.35	24.12
% Change Compared to base due to sensitivity	-4.48%	4.87%	-4.36%	4.72%	-3.82%	4.13%	-3.67%	3.95%
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%)	18.84	18.95	16.67	16.76	25.76	25.95	23.29	23.12
% Change Compared to base due to sensitivity	-0.28%	0.28%	-0.27%	0.27%	-0.37%	0.37%	0.36%	-0.35%
Mortality Rate (-/+ 10%)	18.77	19.02	16.61	16.83	25.72	25.99	23.33	23.09
% Change Compared to base due to sensitivity	-0.64%	0.65%	-0.64%	0.65%	-0.51%	0.51%	0.51%	-0.51%

(iii) Details of the investment pattern of Plan Assets of Gratuity Trust

Particulars	(% age of investment)	
	31.03.2020	31.03.2019
Central Govt. Securities	3.18	2.65
State Govt. Securities	1.62	1.35
PSU Bonds	-	-
Private Bonds	-	-
Insurance Investment	95.20	96.00
Total	**100.00**	**100.00**

Mortality table referred		IALM 2006-2008 ULTIMATE	IALM 2006-2008 ULTIMATE
	AGE	Withdrawal Rate % (2019-20)	Withdrawal Rate % (2018-19)
Withdrawal	UPTO 30 YEARS	3%	3%
Rate/Employee Turnover Rate	UPTO 44 YEARS	2%	2%
	ABOVE 44 YEARS	1%	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 ₹ 28.04 crore (Previous Year: ₹ 1.06 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 (includes GAILTEL, E&P, Power Generation and City Gas Distribution)

There are no geographical segments in the Company.

The disclosure 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 31.03.2020	Proportion of ownership as on 31.03.2019
1	GAIL Gas Limited	Subsidiary	100.00%	100.00%
2	GAIL Global (USA) Inc.	Subsidiary	100.00%	100.00%
3	GAIL Global Singapore Pte. Limited	Subsidiary	100.00%	100.00%
4	Tripura Natural Gas Company Limited	Subsidiary	48.98%	48.98%
5	Bengal Gas Company Limited*	Subsidiary	50.00%	0.00%
6	Konkan LNG Limited**	Subsidiary	69.06%	40.92%
7	Aavantika Gas Limited	Joint Venture	49.99%	49.99%
8	Bhagyanagar Gas Limited	Joint Venture	48.73%	49.97%
9	Maharashtra Natural Gas Limited	Joint Venture	22.50%	22.50%
10	Central UP Gas Limited	Joint Venture	25.00%	25.00%
11	Green Gas Limited	Joint Venture	49.97%	49.97%
12	Ratnagiri Gas and Power Pvt. Limited	Joint Venture	25.51%	25.51%
13	Indradhanush Gas Grid Limited	Joint Venture	20.00%	20.00%
14	Talcher Fertilizers Limited	Joint Venture	33.33%	33.33%
15	Vadodara Gas Limited***	Joint Venture	50.00%	50.00%
16	Tapi Pipeline Company Limited	Joint Venture	5.00%	5.00%
17	GAIL China Gas Global Energy Holdings Limited****	Joint Venture	Nil	50.00%
18	Mahanagar Gas Limited	Associate	32.50%	32.50%
19	Indraprastha Gas Limited	Associate	22.50%	22.50%
20	Petronet LNG Limited	Associate	12.50%	12.50%
21	Brahmaputra Cracker and Polymer Limited	Associate	70.00%	70.00%
22	ONGC Petro additions Limited *****	Associate	49.21%	49.21%
23	Ramagundam Fertilizers and Chemicals Limited	Associate	14.46%	14.77%
24	Fayum Gas Company	Associate	19.00%	19.00%
25	China Gas Holdings Limited	Associate	2.87%	2.87%

* Previous year i.e. as at 31st March 2019 Issued Capital was Nil.

**Calculated on the basis of voting rights in proportion to amount paid in respect of partly paid-up equity share. Due to increase in Company's equity shareholding in Konkan LNG Limited from 40.92% to 69.06%, it has become a Subsidiary of the Company in current FY which was a Joint Venture of the Company during previous FY.

*** Including 17.07% holding of GAIL Gas Limited

****GAIL China Gas Global Energy Holdings Ltd, was struck off on 16th August 2019

*****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.No.	Particulars	2019-20	2018-19
A.	**Summary of Balance Sheet**		
1	**Assets**		
	Non-Current Assets	33,725.70	29,687.29
	Current Assets	8,387.94	6,476.32
	Total	**42,113.64**	**36,163.60**
2	**Liabilities & Provisions**		
	Non-Current Liabilities	20,853.85	20,846.83
	Current Liabilities & Provisions	9,822.43	9,351.05
	Total	**30,676.28**	**30,197.88**
B.	**Summary of Profit and Loss A/c**		
1	Income	34,178.85	31,487.44
2	Expenditure	32,436.62	31,556.45
C.	**Contingent Liability (*)**	10,064.60	8,673.18

(*) 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) / Hydrocarbon Exploration Licensing Policy (HELP) in 9 Blocks (Previous Year: 9 Blocks) for which the Company has entered into Production Sharing Contract(s) (PSCs) / Revenue Sharing Contract (RSC), for NELP and HELP respectively, 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 a Non-operating Partner in remaining 7 blocks. The expenditure, income, assets and liabilities are shared by the Company based upon its Participating Interest(s) in PSC(s)/RSC of respective blocks.

Details of blocks as on 31st March, **2020** is as under:

S. No.	Name of the E&P Block	Participating Interest	Remarks
1,2	CB-ONN-2000/1 & its Ring Fenced Contract	50%	Non-Operator
3	AA-ONN-2002/1	80%	Non-Operator
4	CB-ONN-2003/2	20%	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/HELP 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 jointly operated blocks has been incorporated in the Company's financial statements based upon unaudited financial statement submitted by the operator(s) and are as given below (Final adjustments are effected during the year in which audited financial statements are received):

(₹ In crore)

Particulars	2019-20	2018-19
Income (Sale)	970.47	649.91
Expenditure (including Depreciation)	428.84	385.69
Fixed Assets (Gross block)	193.72	192.90
Producing Property (Gross block)	980.10	973.05
Other Assets	518.67	401.96
Liabilities	160.78	290.31

The above includes following amounts pertaining to 32 E&P blocks relinquished till 31st March 2020 (including 32 E&P blocks relinquished till 31st March 2019) where company was non-operator.

(₹ In crore)

Particulars	2019-20	2018-19
Income (Sale)	0.00	(0.01)
Expenditure	(11.09)	15.08
Fixed Assets (Gross block)	0.00	0.00
Other Assets	13.62	11.65
Liabilities	41.26	50.41

iv) Share of Minimum Work Programme committed under various Production Sharing Contracts / Revenue Sharing Contract in respect of E&P joint ventures is ₹ 63.35 crore (Previous Year ₹ 73.04 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 2020:

i) Crude Oil Blocks 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 31/03/20	554.33	0.93	8,703.08	-	8,721.12	24.39	536.28	0.66
Year ended 31/03/19	552.83	0.90	11,307.99	-	11,306.49	35.64	554.33	0.93

ii) Natural Gas Blocks A-1 and A-3 (Myanmar)

Particulars	Opening stock		Production		Sales + Internal Consumption		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 31/03/20	0.52	0.33	527.84	-	527.83	818.96	0.53	0.35
Year ended 31/03/19	0.47	0.29	348.45	-	348.40	524.10	0.52	0.33

b) Net Quantities of the Company's interest in proved reserves and proved developed reserves:

Particulars	Proved Reserves		Proved Developed Reserves	
	2019-20	2018-19	2019-20	2018-19
Crude Oil (in '000 MT)				
Beginning of the year	99.16	91.50	78.66	90.50
Additions	4.79	19.50	4.79	-
Deletion		-		-
Production	9.12	11.84	9.12	11.84
Closing Balance	94.83	99.16	74.33	78.66
Natural Gas (in Million M3)				
a) Myanmar				
Beginning of the year	4,823.32	4,507.37	4,085.95	4,109.42
Additions	-	664.40	-	324.98
Deletion	-	-	1.65	-
Production	527.84	348.45	527.84	348.45
Closing Balance	4,295.48	4,823.32	3,556.46	4,085.95
b) India				
Beginning of the year	1,812.28	1,812.28	-	-
Additions	-	-	-	-
Deletion	-	-	-	-
Production	-	-	-	-
Closing Balance	1,812.28	1,812.28	-	-
Closing Balance Total (a+b)	6,107.76	6,635.60	3,556.46	4,085.95

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 estimated 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. E&P blocks are assessed individually for impairment.

c) The Company's share of balance cost recovery is ₹ 247.96 crore (Previous Year ₹ 499.20 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 2020 is ₹ 95.78 crore (Previous Year: ₹ 95.78 crore) equivalent to USD 20,288,217. The Board of Directors and shareholders of SEAGP has 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 During the financial year the Company has entered into composite tripartite framework agreement with Konkan LNG Limited (KLL) (previously known as Konkan LNG Private Limited) and its lenders for settlement of KLL's Loan as per Debt Resolution Plan. As per the plan, the Company infused funds of ₹ 2,700 crore in KLL, which was used by KLL for settlement of Loan of ₹ 3,813.07 crore. As per this settlement, the Company will receive ₹ 3,813.07 crore (Debt) from KLL and received Equity Shares of ₹ 194.41 crore of KLL Face Value. Accordingly, the Company has recognized initially debt at ₹ 2,544.33 crore and investment in equity shares of KLL at ₹ 155.67 crore. Consequent upon the debt resolution plan of KLL on 27.03.2020, the Company's equity shareholding in KLL has increased from 40.92% to 69.06%. and it has become subsidiary of the Company w.e.f. 27th March 2020.

There has been a significant improvement in the performance of KLL during the year 2019-20 vis a vis 2018-19 resulting in positive networth for the year 2019-20. KLL has also awarded contract for the breakwater construction to M/s L&T at ₹ 610 crore against estimate of ₹ 847 crore with completion period of 3 years, after completion of which, KLL's LNG terminal shall become all weather terminal and can re-gasify 80 cargos per year, as against the present regasification capacity of only 30 Cargos per year. Taking into consideration the above positive factors and the independent valuation report obtained by the Company there has been a reversal of impairment provision amounting ₹ 137.57 crore

48 In compliance of Ind AS 36 on Impairment of Assets, the Company has carried impairment assessment as on 31.03.2020 in respect of its following assets :

i) The Company has made a reversal of impairment of ₹ 0.05 crore in respect of its GAIL Tel assets.

ii) The Company has made a reversal of impairment of ₹ 0.24 crore in respect of assets of LPG plant at Usar.

iii) During the year based on Project Evaluation of E&P Blocks, the following impairment provision has been made:

iv) (₹ in crore)

E&P Block	Provision for Impairment	
	FY 19-20	FY 18-19
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	0.05	7.90
Block AA-ONN-2002/1 (Operator M/s JOGPL) in Well Kathalchari	3.32	-
Total	**3.37**	**20.05**

49 In compliance of Ind AS 109 on Impairment of Financial Assets, the Company has carried out an impairment assessment in respect of its following investments as on 31st March 2020:

i) Based upon the fair valuation of investment in Fayum Gas Company S.A.E., Egypt, the Company has made a reversal of impairment of ₹ 0.46 crore (Previous Year: ₹ 3.03 crore). The Carrying Value of Company's investment in Fayum Gas Company as on 31st March 2020 stands at ₹ 8.10 crore. (Previous year: ₹ 7.64 crore).

ii) The Company has made a reversal of impairment of ₹ 137.57 (Previous Year: ₹ 2.18 crore) of its investment in KLL. The Carrying Value of Company's investment in KLL as on 31.03.2020 stands at ₹ 690.43 crore. (Previous year: ₹397.19 crore)

iii) Based upon the fair valuation of Company's investment in Ratnagiri Gas and Power Private Limited (RGPPL), the Company has provided for loss on impairment of ₹ 41.46 crore (Previous year: ₹ 157.92 crore). The Carrying Value of Company's investment in RGPPL as on 31.03.2020 stands at ₹18.07 crore (Previous year: ₹ 59.53 crore).

iv) During the year, based on fair valuation of Company's investment in GAIL Global USA Inc. (GGUI), the Company has made a reversal of impairment of ₹ 5.06 crore against impairment provision of ₹ 173.62 crore in Previous Year. The Carrying Value of Company's investment in GGUI as on 31.03.2020 stands at ₹10.61 crore (Previous year: ₹ 5.55 crore).

50 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 (incl OCI)	Closing Balance
Direct Tax	1,991.66	1,836.34	1,960.57	1,867.43
Deferred Tax	6,234.58	65.77	1,803.16*	4,497.19
Indirect Tax	333.42	24.48	37.86**	320.04
Employee Benefit	738.30	254.59	392.75	600.14
Legal & Arbitration Cases	352.60	17.97	7.72	363.06

*In pursuance to Section 115BAA of the Income Tax Act, 1961 introduced through Taxation Laws (Amendment) Act, 2019, the Company has an irrevocable option of shifting to a lower tax rate along with consequent reduction in certain tax incentives including lapse of the accumulated MAT credit. The company decided to adopt lower tax rate from FY 2019-20. Accordingly, deferred tax liability has been reduced mainly due to re-measurement at lower tax rate @ 25.168% and MAT credit entitlement has been reversed by ₹ 240.89 crore during FY 2019-20.

**Union Budget 2019 introduced a dispute resolution-cum-amnesty scheme 'Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019' (SVLDRS-2019) for resolution and settlement of past disputes / appeals of Central Excise and Service Tax, providing relief from payment of tax dues to the extent of 70%/50% as applicable and full interest and penalty. The Company has settled 30 long pending Excise Duty and Service Tax cases including a case related to LPG valuation under the scheme involving implication of ₹ 152 crore, disclosed as contingent liability earlier, on payment of ₹ 17.67 crore out of which ₹ 16 crore is recoverable from OMCs. More over, the Company has also settled Maharashtra VAT demand on Domestic LPG for FY 2008-09 to FY 2011-12 under Maharashtra VAT Amnesty Scheme on payment of ₹ 23.30 crore which has been recovered from OMCs and provision of ₹ 38 crore has been reversed on this account.

During the recent budget in February 2020, Government of India introduced "Direct Tax Vivad se Vishwas Scheme" (DTVSVS) for settlement of outstanding Income Tax disputes with 100% waiver of interest and penalty for all the appeals on payment of 50% of tax payable against the appeals filed by Income Tax Department and 100% of tax payable against the appeals filed by the company. Considering the benefit of waiver of interest & penalty and uncertainties of the final outcome of cases, the Company has decided to go for amnesty scheme for all its eligible pending cases of Direct Taxes. Accordingly, an estimated amount of ₹ 1183.15 crore is payable under the scheme out of which ₹ 917.56 crore has been provided for during the current year and ₹ 265.59 crore was provided during previous years.

51 Unhedged Foreign Currency Exposure

Particulars	Currencies	Amount (₹ In crore)	
		31.03.2020	31.03.2019
Borrowings, including interest accrued but not due*	USD	39.73	37.52
Trade payables /deposits and retention monies	USD	1,268.56	932.80
	EURO	4.18	2.72
	Others	32.66	20.87
Trade/Other receivables and bank balances	USD	77.00	212.02
	Others	0.36	0.41
Unexecuted amount of contracts remaining to be executed	USD	111.93	850.49
	EURO	40.86	18.31
	Others	28.39	17.83

*excludes amount which is naturally hedged against foreign currency inflows.

52. 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. (i) Corporate Guarantee given by the Company to banks for issuance of Performance Bank Guarantee to the below mentioned subsidiary of the Company with regard to implementation of various City Gas Projects is as under:

(₹ in crore)

Sl. No.	Name of the Company	As at 31st March 2020	As at 31st March 2019
1	GAIL Gas Limited	6,084.99	6,084.99

(ii) 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 2020	As at 31st March 2019
1	GAIL Gas Limited	1500.00	-
2	GAIL Global (USA) Inc.	1,100.55	948.87
3	Brahmaputra Cracker and Polymer Ltd	802.34	802.34
4	GAIL Global Singapore Pte Ltd.	569.25	697.70
	Total	**3,972.14**	**2,448.91**

(iii) Corporate Guarantees given by the Company in respect of TSA and PPA, Performance Guarantee for GSPA and availing SBLC Facility 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 2020	As at 31st March 2019
1	GAIL Global Singapore Pte Ltd.	910.14	845.28
2	GAIL Global (USA) LNG LLC	6940.29	6,445.70
	Total	**7,850.43**	**7,290.98**

c. There is no security provided by the Company.

53 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 ₹ 36.61 crore during the year (Previous Year: ₹ 38.20 crore). Balance amount of ₹ 439.24 crore (Previous Year: ₹ 475.84 crore) has been accounted as advance in Note No 12 and 12A.

54 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 2019-20	FY 2018-19
Amount due and Payable at the year end		
- Principal*	262.21	202.19
- 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	-	-

* Includes Liabilities and Provisions etc.

55 Cabinet Committee on Economic Affairs (CCEA), Government of India in its meeting held on 21st September 2016 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 ₹ 3,608.71 crore (Previous Year: ₹ 2,056.60 crore) towards Capital Grant till 31.03.2020. During the year, the Company has amortised the capital grant amounting ₹ 40.41 crore (Previous year ₹ 8.00 crore) based on the useful life of the asset capitalized.

56 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 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 31.03.2020, after considering the impact of swap contracts.

Particulars	31.03.2020			31.03.2019		
	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 crore)	-0.07	0.07		-0.09	0.09	

*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 Term Deposit Scheme (CLTD) outstanding as on 31.03.2020 which are linked with Mumbai Interbank Offer Rate (MIBOR):-

Particulars	31.03.2020			31.03.2019		
	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 crore)	**4.49**	**-4.49**		**0.87**	**-0.87**	

(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	31-03-2020				31-03-2019			
	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 crore)	-13.43	+13.43	-1.06	+1.06	-16.09	+16.09	-0.59	+0.59

(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 ₹ 314.78 crore (Previous Year: ₹ 284.55 crore).

At the reporting date, the exposure to listed equity investments at fair value was ₹ 2,109.22 crore (Previous Year: ₹ 4,924.61 crore). A variation of (+/-) 10% in share price of equity investments listed on the stock exchange could have an impact of approximately (+/-) ₹ 211 crore (Previous Year: ₹ 492 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 risk 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 requirements such as overdraft facility and long term borrowing through domestic and international market.

Liquidity risk - Maturity profile as on 31.03.2020

(₹ in crore)

Particulars	On demand	Less than 3 months	3 to 12 months	>1 to 5 years	> 5 years	Total
Borrowings (Non-current) #	-	-	-	1,720.69	1,864.98	3,585.67
Borrowings (current) #	-	1,849.53	82.88	-	-	1,932.41
Interest on Borrowings##	-	81.12	225.72	853.60	520.23	1,680.67
Trade Payables	-	4,128.43		-	-	4,128.43
Other Financial Liabilities (Current)	-	3,478.25		-	-	3,478.25
Other Financial Liabilities (Non-Current)	-	-	-	697.64	-	697.64
Total	**-**	**9,537.33**	**308.60**	**3,271.93**	**2,385.21**	**15,503.07**

Borrowings include impact of derivative contracts.
includes interest accrued but not due as on 31.03.2020 as well as interest to be paid till maturity.

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	263.38
Trade Payables	-	3,961.18	-	-	-	3,961.18
Other Financial Liabilities (Current)	-	3,497.06	-	-	-	3,497.06
Other Financial Liabilities (Non-Current)	-	-	-	745.14	-	745.14
Total	**-**	**7,517.30**	**143.59**	**1,666.42**	**135.38**	**9,462.69**

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.

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.

(i) The company has issued Corporate Guarantee to banks for ₹ 6,084.99 crore (PY: ₹ 6,084.99 crore) for issuance of Performance Bank Guarantee to one of its subsidiaries in regard to implementation of various City Gas Projects.

(ii) The Company has issued Corporate Guarantees for ₹ 7,850.43 crore (Previous Year: ₹ 7,290.98 crore) on behalf of its related parties towards Payment Security under TSA and PPA, Performance Guarantee for GSPA and availing SBLC Facility.

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 31st March 2020	3,183.44	653.08	226.94	136.15	1,376.32	5,575.93
As on 31st March 2019	3,749.86	115.36	84.96	-	1,123.92	5,074.10

Expected Credit Loss

The following table summarizes the changes in the allowances for doubtful accounts for trade receivables :

(₹ in crore)

Particulars	31st March 2020	31st March 2019
Start of the year	712.55	670.50
Provision for Impairment	52.40	42.06
Receivables written off during the year as uncollectible		
Unused amounts reversed		
End of year	764.95	712.55

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 of 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.

57. Based on the opinion of Expert Advisory Committee (EAC) of ICAI, the Company has accounted for Embedded Derivatives in respect of unexecuted Purchase Order/Work orders placed on Indian Bidders with payment term other than in INR. Accordingly, gain of ₹ 1.39 crore has been recognized in the Statement of Profit and Loss during current financial year.

58. 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 **31st March 2020,** 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 2020	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Non-current				
Loans	260.93	-	-	260.93
Current				
Loans	68.32	-	-	68.32
Financial assets at fair value through profit and loss account:				
Non-current				
Derivative Instruments – Borrowing	30.00	-	30.00	-
Derivative instruments – Commodity	-	-	-	-
Derivative Instruments – Contracts	0.57		0.57	
Investments				
Current				
Derivative Instruments – Borrowing	-	-	-	-
Derivative instruments – Commodity	203.31		203.31	-
Derivative Instruments – Contracts	2.70		2.70	
Investments -				
Financial assets at fair value through other comprehensive income:				
Non-Current				
Derivative Instruments – Borrowing	6.30		6.30	
Derivative Instruments – Commodity	26.53		26.53	
Derivative Instruments – Contracts	-	-	-	-
Investments	2,424.01	2,109.23	-	314.78
Current				
Derivative Instruments – Borrowing	3.21		3.21	
Derivative Instruments – Commodity	478.25		478.25	
Derivative Instruments – Contracts	-	-	-	-
Investments	-	-	-	-
Financial liabilities at amortised cost:				
Non-current				
Interest-bearing loans and borrowings:				
Fixed	1,527.49			1,453.52
Floating	2,084.63			2,084.63

(₹ in crore)

Particulars	Carrying Amount	Fair value		
	31st March 2020	Level 1	Level 2	Level 3
Current				
Interest-bearing loans and borrowings:				
Fixed	89.28			197.15
Floating	1,855.39			1,855.39
Financial liabilities at fair value through Profit and loss account:				
Non-current				
Derivative Instruments – Borrowing	0.38		0.38	
Derivative Instruments – Commodity	-	-	-	-
Derivative Instruments – Contracts	0.84		0.84	
Current				
Derivative Instruments – Borrowing	-	-	-	-
Derivative Instruments – Commodity	-	-	-	-
Derivative Instruments – Contracts	1.03		1.03	
Financial liabilities at fair value through Other Comprehensive Income:				
Non-Current				
Derivative Instruments – Borrowing	-	-	-	-
Derivative Instruments – Commodity	5.26		5.26	
Derivative Instruments – Contracts	-	-	-	-
Current				
Derivative Instruments – Borrowing				
Derivative Instruments – Commodity	178.93		178.93	
Derivative Instruments – Contracts	-	-	-	-

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 **31st 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 Instrument – Borrowing	12.21	-	12.21	-
Derivative instruments – Commodity	-	-	-	-
Investments				
Current				
Derivative Instrument – Borrowing	-		-	-
Derivative instruments – Commodity	10.18		10.18	-
Investments	-			
Financial assets at fair value through other comprehensive income:				
Non-Current				
Derivative Instruments – Borrowing	0.99		0.99	
Derivative Instruments – Commodity	41.05		41.05	
Investments	5209.16	4924.60	-	284.56
Current				
Derivative Instruments – Borrowing	0.04		0.04	
Derivative Instruments – Receivable	9.65		9.65	
Derivative Instruments – Commodity	276.48		276.48	
Investments				
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				
Derivative Instrument – Borrowing	8.46		8.46	
Derivatives instruments – Commodity	-		-	
Current				
Derivative Instrument – Borrowing	0.18		0.18	
Derivatives instruments – Commodity	1.13		1.13	
Financial liabilities at fair value through Other Comprehensive Income:				
Non-Current				
Derivative Instruments – Commodity	1.88		1.88	
Current				
Derivative Instruments – Commodity	25.11		25.11	

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 2020	As at 31st March 2019
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	FY 2019-20	FY 2018-19
Balance as at the beginning of the year	**284.56**	**268.68**
Add: Additional investment during the year	20.30	7.85
Add: Fair Value gain recognized in Other Comprehensive Income	9.99	8.09
Less: Fair Value loss recognized in Other Comprehensive Income	0.07	0.06
Balance as at the end of the year	**314.78**	**284.56**

59. 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 USD and existing borrowings e.g. USD/ 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 swap 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 2020:

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 1,85,83,051.76	0.98	-	1.93	Assets- Non Current Assets- Other Financial Assets- Current
Forward contracts - Purchases of capital goods	-	-	-		Liabilities- Non Current liabilities- Other Financial Liabilities- Current - Note 16A
Commodity price risk					
Commodity swap Forecasted purchase & sale of natural gas	MMBTU 44574204 & Barrel 2047417	504.78	184.19	-30.05	Liabilities- Non Current & Current liabilities - & - Other Financial Liabilities- Current & Non Current- Note 16 & 16A

Details relating to hedged item for March 2020

Dr (+) / Cr (-) for OCI
(₹ 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	11.11	-0.98	0	-0.98
Firm commitment for capital goods purchase	-	-	-	-
Commodity price risk				
Highly probable forecasted sale and purchase of natural gas	-30.05	-320.59	0	-320.59

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 (₹ in crore)	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 & sale 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:

Dr (+) / Cr (-) for OCI
(₹ 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				
Highly probable forecasted sale and purchase of natural gas	-521.80	-290.54	0	-290.54

Reconciliation of cash flow hedge reserve for year ended 31st March 2020 is given in **Annexure-C**

60. Confirmation of Assets & Liabilities:

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.

61. Value of Raw Materials, Stores / spares and Components consumed during the year.

Sr. No.	Particulars	2019-20			2018-19		
		Qty.	₹ in crore	%	Qty.	₹ in crore	%
i)	**Raw Material consumed Gas (MMSCM):**						
	- Indigenous	1,042.94	2,623.25	59	1,282.51	3,363.26	73
	- Imported	541.82	1,788.72	41	300.58	1,221.00	27
Sub Total (A)		**1,584.76**	**4,411.97**	**100**	**1,583.08**	**4,584.26**	**100**
ii)	**Stores, spares component consumed:**						
	- Indigenous		269.88	59		289.33	65
	- Imported		186.42	41		158.99	35
Sub Total (B)			**456.30**	**100**		**448.32**	**100**
Total		**1,584.76**	**4,868.27**		**1,583.08**	**5,032.58**	

62. 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.**

63. 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)

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

Manoj Jain
Chairman & Managing Director,
(DIN : 07556033)

As per our separate Report of even date

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

Parveen Kumar
(Partner)
Membership No.088810

For **AR & Co.**
Chartered Accountants
Firm No.002744C

Pawan K Goel
(Partner)
Membership No.072209

Place : New Delhi
Dated : 24th June, 2020

Information about Business Segments for the financial year ended March 31, 2020

(ANNEXURE - A)

(₹ in core)

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	5,423.43	630.43	55,426.58	5,429.90	3,869.80	1,086.95	9.26	71,876.35	-	71,876.35
	Intersegment sales	611.00	5.98	4,528.04	2.23	363.91	19.21	0.13	5,530.50	5,530.50	-
	Total revenue	**6,034.43**	**636.41**	**59,954.62**	**5,432.13**	**4,233.71**	**1,106.16**	**9.39**	**77,406.85**	**5,530.50**	**71,876.35**
2	**Segment Results**										
	Segment Result(Profit before Interest &Tax)	3,539.77	330.91	2,156.24	(245.50)	1,580.62	536.99	-	7,899.03	-	7,899.03
	Unallocated expenses (Net)	-	-	-	-	-	-	824.81	824.81	-	824.81
	Operating Profit	**3,539.77**	**330.91**	**2,156.24**	**(245.50)**	**1,580.62**	**536.99**	**(824.81)**	**7,074.22**	**-**	**7,074.22**
	Interest Expenses	-	-	-	-	-	-	108.50	108.50	-	108.50
	Interest/ Dividend Income	12.59	3.18	39.23	14.68	2.88	(6.91)	911.99	977.64	-	977.64
	Provision for Taxation	-	-	-	-	-	-	1,322.73	1,322.73	-	1,322.73
	Profit/(Loss) from Ordinary Activities	3,552.36	334.09	2,195.47	(230.82)	1,583.50	530.08	(1,344.05)	6,620.63	-	6,620.63
	Extra Ordinary Items	-	-	-	-	-	-	-	-	-	-
	Net Profit/(Loss)	**3,552.36**	**334.09**	**2,195.47**	**(230.82)**	**1,583.50**	**530.08**	**(1,344.05)**	**6,620.63**	**-**	**6,620.63**
3	**Other Information**										
	Segment Assets	41,416.20	1,086.26	-	10,001.13	963.46	2,216.96	12,849.62	68,533.63	-	68,533.63
	Segment Liabilities	11,448.32	123.96	-	466.16	162.04	331.42	12,030.63	24,562.53	-	24,562.53
	Cost to acquire fixed assets	5,026.11	88.27	-	260.46	69.97	352.83	82.56	5,880.20	-	5,880.20
	Depreciation and Amortization Expenses	933.18	59.99	113.16	449.75	91.96	125.85	62.10	1,835.99	-	1,835.99
	Non Cash expenses other than Depreciation and Amortization Expenses	12.47	(1.28)	(119.40)	2.44	11.01	62.44	(92.79)	(125.11)	-	(125.11)

Segment Revenue includes other operating income
* Other Segment includes GAIL TEL, E&P, City Gas Distribution & Power Generation
** Assets & Liabilities of Natural Gas Marketing included in Natural Gas Transmission Segment

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

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

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

** Assets & Liabilities of Natural Gas Marketing included in Natural Gas Transmission Segment

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 Company Limited
5) GAIL Global USA LNG LLC (100% subsidiary of GAIL Global (USA) Inc.)
6) Bengal Gas Company Limited
7) Konkan LNG Limited

Details of Joint Venture Companies

8) Ratnagiri Gas & Power Pvt. Ltd.
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) Andhra Pradesh Gas Distribution Corporation Limited*
18) Kerala GAIL Gas Limited*
19) Rajasthan State Gas Limited*
20) Haridwar Natural Gas Private Limited*
21) Goa Natural Gas Private Limited*
22) Indradhanush Gas Grid Ltd
23) Purba Bharti Gas Pvt. 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) Fayum Gas Company
30) ONGC Petro additions Ltd (OPAL)
31) Ramagundam Fertilizers and Chemicals 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
36) GAIL Charitable & Education Trust

* Joint Ventures of GAIL Gas Ltd.

B) Key Management Personnel

i) Whole time Directors:

1) Shri Manoj Jain, Chairman and Managing Director w.e.f. 14th February 2020 & Director (Business Development) upto 13th February 2020
2) Shri P.K. Gupta, Director (Human Resources)
3) Shri Gajendra Singh, Director (Marketing)
4) Shri A.K. Tiwari, Director (Finance) and CFO
5) Dr. Ashutosh Karnatak, Chairman and Managing Director from 1st August 2019 to 13th February 2020 & Director (Projects) till 21st May 2020
6) Shri B.C. Tripathi, Chairman and Managing Director till 31st July 2019

ii) Independent Directors:

1) Shri Jayanto Narayan Choudhury
2) Dr. Rahul Mukherjee
3) Smt Banto Devi Kataria
4) Shri Dinkar Prakash Srivastava till 30th January 2020
5) Dr. Anup K. Pujari till 30th January 2020
6) Shri S.K. Srivastava till 18th November 2019
7) Shri Anupam Kulshreshtha till 18th November 2019
8) Shri Sanjay Tandon till 18th November 2019

iii) Company Secretary

1) Shri Anil Kumar Jha

C) Unincorporated Joint ventures 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%)

A) (i) Details relating to parties referred to in item no. I (A) above:

(₹ in crore)

		FY 2019-20	FY 2018-19
1)	**Sales**		
	Indraprastha Gas Limited	3,158.36	2,836.64
	Mahanagar Gas Limited	1,428.12	1,133.31
	Maharashtra Natural Gas Limited	569.02	430.58
	Green Gas Limited	192.11	165.19
	Central UP Gas Limited	149.87	147.80
	Aavantika Gas Ltd.	141.41	116.38
	Vadodara Gas Limited	125.22	97.02
	Bhagyanagar Gas Limited	105.31	82.06
	Rajasthan State Gas Limited	32.40	33.76
	Haridwar Natural Gas Pvt Ltd	1.74	0.03
	Ramagundam Fertilizers and Chemicals Ltd.	6.11	-
	Goa Natural Gas Private Limited	0.00	0.02
2)	**Amount receivable as at Balance Sheet Date for (1) above**	**FY 2019-20**	**FY 2018-19**
	Indraprastha Gas Limited	34.49	123.62
	Mahanagar Gas Limited	274.13	237.17
	Maharashtra Natural Gas Limited	8.89	19.82
	Green Gas Limited	11.27	5.74
	Central UP Gas Limited	5.21	6.08
	Aavantika Gas Ltd.	2.92	5.09
	Vadodara Gas Limited	5.37	6.34
	Bhagyanagar Gas Limited	2.96	3.99
	Rajasthan State Gas Limited	0.69	1.39
	Haridwar Natural Gas Pvt Ltd	0.10	-
	Ramagundam Fertilizers and Chemicals Ltd.	2.13	-
	Goa Natural Gas Private Limited	0.00	-
3)	**Purchases**		
	Petronet LNG Limited	20,925.87	21,823.16
	Ramagundam Fertilizers and Chemicals Ltd.	12.67	
	Indraprastha Gas Limited	2.63	3.22
	Bhagyanagar Gas Limited	2.49	
	Others	0.00	-
4)	**Amount payable as at Balance Sheet Date for (3) above**		
	Petronet LNG Limited	723.62	833.22
	Ramagundam Fertilizers and Chemicals Ltd.	-	-
	Indraprastha Gas Limited	0.03	0.07
	Bhagyanagar Gas Limited	0.04	-
5)	**Reimbursement for other expenditure received/receivable**	11.00	9.28
6)	**Amount receivable as at Balance Sheet Date for (5) above**	1.28	-
7)	**Dividend Income**		
	Mahanagar Gas Limited	64.21	65.81
	Indraprastha Gas Limited	37.80	31.50
	Petronet LNG Limited	187.50	187.50
	China Gas Holdings Ltd.	62.23	46.26
	Maharashtra Natural Gas Limited	5.94	-
	Others	1.50	8.57
8)	**Other Income**		
	Goa Natural Gas Private Limited	0.60	-
	China Gas Holdings Ltd.	0.58	0.29
	Others	1.17	0.36
9)	**Amount receivable as at Balance Sheet Date for (8) above**	-	-
	China Gas Holdings Ltd.	0.08	-
	Others	0.05	-
10)	**Provision Created against Debtors**	**2.42**	**2.42**
11)	**Provision Created against Debtors written back**	**0.22**	**-**
12)	**Investment as at Balance Sheet date**	**828.99**	**773.46**
13)	**Advances for allotment of Equity as at Balance Sheet date**	**-**	**-**
14)	**Advances / Loan given as at Balance Sheet date**	**439.24**	**477.94**

Apart from transactions reported above, the company has transactions with the below Government related entities (Subsidiaries, Joint Ventures & Associates), which includes but not limited to the following:

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.

Nature of Transactions:

(₹ in crore)

1)	Sale of Products and Services	FY 2019-20	FY 2018-19
	GAIL Gas Ltd. (Subsidiary)	4,705.26	4,512.21
	Ratnagiri Gas & Power Pvt. Ltd. (Joint Venture)	1,564.95	1,621.13
	GAIL Global (Singapore) Pte. Ltd. (Subsidiary)	4,853.79	4,094.07
	Brahmaputra Cracker and Polymer Limited (Associate)	14.40	64.44
	ONGC Petro additions Ltd (OPaL) (Associate)	144.95	177.97
	Tripura Natural Gas Corporation Limited (Subsidiary)	38.87	26.98

2)	**Amount receivable as at Balance Sheet Date for (1) above**		
	GAIL Gas Ltd. (Subsidiary)	204.55	167.50
	Ratnagiri Gas & Power Pvt. Ltd. (Joint Venture)	211.31	209.86
	GAIL Global (Singapore) Pte. Ltd. (Subsidiary)	-	-
	Brahmaputra Cracker and Polymer Limited (Associate)	-	0.55
	ONGC Petro additions Ltd (OPaL) (Associate)	12.54	0.72
	Tripura Natural Gas Corporation Limited (Subsidiary)	1.11	2.53
3)	**Purchase of Products**		
	GAIL Global USA LNG LLC (Subsidiary)	5,276.55	5,082.16
	Konkan LNG Limited (Subsidiary)	504.30	430.89
	GAIL Global (Singapore) Pte. Ltd. (Subsidiary)	372.96	1,467.54
	Ratnagiri Gas & Power Pvt. Ltd. (Joint Venture)	-	-
	GAIL Global (USA) Inc. (Subsidiary)	-	-
	GAIL Gas Ltd. (Subsidiary)	-	-
4)	**Amount payable as at Balance Sheet Date for (3) above**		
	GAIL Global USA LNG LLC (Subsidiary)	688.20	492.20
	Konkan LNG Limited (Subsidiary)	77.14	-
	GAIL Global (Singapore) Pte. Ltd. (Subsidiary)	-	
	Ratnagiri Gas & Power Pvt. Ltd. (Joint Venture)	-	
	GAIL Gas Ltd. (Subsidiary)	-	

A) (ii) Transactions with other government-controlled entities:

The Company is a Government related entity engaged in the business of Transmission & Marketing of Natural Gas, Petrochemicals, LPG & LHC Products etc. The Company also deals on regular basis with entities directly or indirectly controlled by the Central / State Governments through government authorities, agencies, affiliations and other organizations (collectively referred as "Government related entities").

Apart from transactions with the Company's group companies, the Company has transactions with other Government related entities, including but not limited to the following:

- Sale and Purchase of Products
- Rendering and Receiving Services
- Lease of Assets
- Depositing and Borrowing Money
- Use of Public Utilities

These transactions are conducted in the ordinary course of the business on terms comparable to those with other entities that are not Government related.

(₹ in crore)

B) Details relating to parties referred to in item no.- 1 (B) above	Key Management Personnel (KMP)		Relatives of KMP	
	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19
1) Remuneration*			1.19	1.54
Shri Manoj Jain	0.91	0.65		
Shri P.K. Gupta	0.92	0.88		
Shri Gajendra Singh	0.95	0.90		
Shri A.K. Tiwari	0.87	0.26		
Dr. Ashutosh Karnatak, Chairman and Managing Director from 1st August 2019 to 13th February 2020 & Director (Projects) till 21st May 2020	1.04	1.02		
Shri B.C. Tripathi ,Chairman and Managing Director till 31st July 2019	1.07	1.34		
Shri Subir Purkayastha, Director (Finance) & CFO till 30th November 2018	-	1.21		
Shri Anil Kumar Jha	0.54	0.49		
2) Interest bearing outstanding loans receivable	0.13	0.20	0.27	0.29
3) Interest accrued on loans given	0.22	0.22	0.19	0.16
4) Self lease	-	0.04	-	-
5) Sitting Fees				
Shri Jayanto Narayan Choudhury	0.08	0.07		
Dr. Rahul Mukherjee	0.06	0.05		
Smt Banto Devi Kataria	0.09	0.05		
Shri Dinkar P Srivastava	0.08	0.09		
Dr. Anup K. Pujari	0.05	0.07		
Shri S.K. Srivastava	0.09	0.12		
Shri Anupam Kulshreshtha	0.09	0.11		
Shri Sanjay Tandon	0.07	0.11		

*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 ceiling of 1000 Kms per month on payment in accordance with the Bureau of Enterprises Circular

(₹ in crore)

C) Details relating to parties referred to in item no. I (C) above:	FY 2019-20	FY 2018-19
1) Minimum work program commitment	. 73.04	-
2) Survey, Production, Royality and other expenses	279.00	181.30
3) CWIP & Other assets	1,304.00	(55.07)
4) Amount outstanding on Balance Sheet date(net of advance)	36.00	(40.21)
5) Amount written Off- Dry well expenditure	-	-
6) Sales/Income from operation	944.00	606.78
7) Amount outstanding on Balance Sheet date(against sales)	65.06	62.82

Reconciliation of cash flow hedge reserve for year ended 31st March 2020

ANNEXURE - C

Particulars	Opening balance as at April 01, 2019 (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, 2020 (Dr Bal.{+} Cr. Bal {-})
Foreign currency risk	(₹ in crore)	(₹ in crore)	(₹ in crore)		(₹ in crore)		(₹ in crore)		(₹ in crore)		(₹ in crore)
Forward contracts - Borrowings	0.95	-8.48	-4.56	Finance Cost under Expenses Note 25	-		11.11	Finance Cost under Expenses Note 25	-		-0.98
Forward contracts - Purchase of capital goods	-	-	-		-		-		-	Assest- Non Current Asset- Capital Work in Progress	-
Commodity price risk											
Commodity swap - Forecasted purchase & sale of natural gas	-290.54	-97.30	-			Other Expenses under Expenses Note 27	67.25	Revenue from Operation (Gross) Note 21 & Purchase of Stock in trade	-		-320.59
Total	**-289.59**	**-105.78**	**-4.56**		**-**		**78.36**		**-**		**-321.57**

Reconciliation of cash flow hedge reserve for year ended 31st March 2019

ANNEXURE - C

Particulars	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 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 25	-		8.32	Finance Cost under Expenses Note 25	-		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 27	-113.41	Revenue from Operation (Gross) Note 21 & Purchase of Stock in trade	-		-290.54
Total	**231.95**	**-382.28**	**-5.34**		**-44.99**		**-105.09**		**16.16**		**-289.59**

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.	GAIL Global (USA) Inc.	GAIL Gas Limited	Tripura Natural Gas Company Ltd.	Konkan LNG Ltd.	Bengal Gas Company Ltd.
		(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)
1	The financial year of the subsidiary Company ended on	31st March 2020	31st March 2020	31st March 2020	31st March 2020	31st March 2020	31st March 2020
2	(a) Reporting Currency	USD	USD	INR	INR	INR	INR
	(b) Exchange rate as on last date of the relevant Financial Year	75.05	75.05	NA	NA	NA	NA
3	Share Capital	41.94	179.17	1,275.00	30.00	690.99	50.00
4	Reserves & Surplus	13.80	(206.17)	334.41	104.69	(711.00)	(1.09)
5	Total Assets	65.16	1,251.40	2,853.13	194.95	3,660.13	63.31
6	Total Liabilities	9.41	1,278.40	1,243.72	60.25	3,680.14	14.40
7	Investments	37.53	-	304.90	-	-	-
8	Turnover	5,364.83	5,407.65	5,143.86	118.31	484.86	-
9	Profit before Taxation	5.75	(18.24)	204.47	25.03	293.30	(1.09)
10	Provision for Taxation	0.64	(2.55)	47.26	6.41	23.03	-
11	Profit after Taxation	5.11	(15.69)	157.21	18.62	270.27	(1.09)
12	% of shareholding	100.00%	100.00%	100.00%	48.98%	69.06%	50.00%

Note :

1 Name of the subsidiaries which are yet to commence operations : Not Applicable

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**	**P.K. Gupta**	**Manoj Jain**
Company Secretary	Director (Finance)	Director (Human Resources)	Chairman & Managing Director
(ACS No. 18644)	(DIN: 07654612)	(DIN: 01237706)	(DIN: 07556033)

FORM NO. AOC I

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

(₹ in crore)

	Particulars	Maha nagar Gas Limited	Indrap-rastha Gas Limited	Central UP Gas Ltd.	Green Gas Ltd.	Maha rashtra Natural Gas Limited	Avantika Gas Limited	Bhagya-nagar Gas Limited	China Gas Holdings Ltd.	Fayum Gas	Petronet LNG Ltd.	Talcher Fertilizers Limited	Brahmputra Crackers and Polymers Ltd.	Tapi Pipelines Company Ltd.	ONGC Petro Additions Ltd.	Ratnagiri Gas and Power Pvt. Ltd.	Indradhanush Gas Grid Ltd.	Ramagundam Fertilizers and Chemicals Limited	Vadodra Gas Limited
1	Latest audited Balance Sheet Date	31st March 2020	31st March 2020	31st March 2020	31st March 2020	31st March 2020	31st March 2020	31st March 2020	31st March 2019	31st Dec. 2019	31st March 2019	31st March 2020	31st March 2020	31st Dec. 2019	31st March 2019	31st March 2019	31st March 2020	31st March 2020	31st March 2019
2	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$. 0.01 each)	19,000 (LE 100 each)	18,75,00,000 (₹ 10 each)	1,63,44,568 (₹ 10 each)	99,23,69,000 (₹ 10 each)	5,60,025 (USD 10 each)	99,49,45,000 (₹ 10 each)	83,45,56,046 (₹ 10 each)	50,00,000 (₹ 10 each)	15,05,29,500 (₹ 10 each)	12,01,46,774 (₹ 10 each)
3	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	159.50	992.37	55.38	994.95	834.56	12.00	187.84	79.14
4	Extent of Holding %	32.50%	22.50%	25.00%	49.97%	22.50%	49.99%	48.73%	2.87%	19.00%	12.50%	33.33%	70.00%	5.00%	49.21%	25.51%	20.00%	14.46%	32.93%
5	Joint Control / Significant influence	Associate	Associate	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Represen-tation on the board of directors or corres-ponding govering body of the investee	Associate	Associate	Joint Venture	Associatae	Joint Venture	Associatae	Joint Venture	Joint Venture	Associatae	Joint Venture
6	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
7	Networth attributable to Shareholding as per latest audited Balance Sheet	959.62	1,205.54	88.92	205.04	160.31	116.94	170.23	1,051.38	10.10	1,397.66	152.25	1,451.14	30.16	2,348.19	12.02	8.51	178.04	89.55
8	Profit / Loss for the year*																		
	(i) Considered in Consolidation	791.96	1,247.49	73.66	73.41	223.34	41.89	19.11	6,991.61	15.45	2,760.83	(3.02)	1,506.10	(1.28)	(2,091.72)	(174.10)	(5.31)	(38.18)	3.12
	(ii) Not Considered in Consolidation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-
		-	-	-	-	-		-		0	-		-						

* 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) 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**	**P K Gupta**	**Manoj Jain**
Company Secretary	Director (Finance)	Director (Human Resources)	Chairman & Managing Director
(ACS No. 18644)	(DIN : 07654612)	(DIN: 01237706)	(DIN: 07556033)

Licensed Capacity, Installed Capacity and Actual Production

	CURRENT YEAR -2019-20				PREVIOUS YEAR - 2018-19			
	Licensed Capacity	Installed Capacity	Gas Through-put	Production	Licensed Capacity	Installed Capacity	Gas Through-put	Production
i) Natural Gas (MMSCMD)	206.03	206.03	108.37		206.03	206.03	107.43	
ii) LPG (MT)*	952,685	986,276		914,356	952,685	986,276		944,987
iii) Propane (MT)	257,100	257,100		233,880	257,100	257,100		247,327
iv) Ethylene (MT)**	850,000	896,000		814,691	850,000	896,000		772,818
v) HDPE/LLDPE (MT)***	810,000	810,000		793,237	810,000	810,000		756,799
vi) Pentane (MT)	55,182	57,545		30,554	55,182	57,545		35,944
vii) Naptha (MT)	120,574	123,773		87,102	120,574	123,773		96,878
viii) Crude Oil (MT)								
ix) CNG & PNG ('000 KG)****	74,530	74,530		9,128	23,794	23,794		1,616
x) C2/C3 (MT)**	-	1,242,594		1,023,221	-	1,242,594		966,718
xi) Butene-1 (MT)**	30,000	30,000		25,853	30,000	30,000		23,264

Notes :

* Excluding Capacities of Usar Plant

** 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

(₹ 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 31.03.2020	**331.07**	**843.44**	**35,462.89**	**60,045.83**	**32,266.68**	**60,143.69**	**2,963.48**	**6,519.60**	**326.82**	**1,141.40**
	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
2	LPG (MT)										
	Year Ended 31.03.2020	**6,132.72**	**11.03**			**9,13,406.47**	**3,272.94**	**85.42**	**-**	**5,548.02**	**10.65**
	Year Ended 31.03.2019	8,166.99	12.35			9,45,745.80	3,750.39	-	-	6,132.72	11.03
3	Pentane (MT)										
	Year Ended 31.03.2020	**302.48**	**0.54**			**25,588.35**	**130.74**	**3,543.69**	**-**	**1,708.29**	**3.28**
	Year Ended 31.03.2019	267.00	0.52			31,687.80	161.12	4,199.99	-	302.48	0.54
4	Propane (MT)										
	Year Ended 31.03.2020	**761.70**	**1.34**			**46,684.55**	**184.40**	**188,112.67**	**-**	**571.83**	**1.07**
	Year Ended 31.03.2019	2,516.15	4.70			83,026.34	354.80	167,628.63	-	761.70	1.34
5	Naptha (MT)										
	Year Ended 31.03.2020	**927.40**	**1.79**			**86,141.51**	**280.36**	**-**	**-**	**1,909.78**	**1.97**
	Year Ended 31.03.2019	396.53	0.71			96,484.08	366.27	-	-	927.40	1.79
6	Polymers (MT)										
	Year Ended 31.03.2020	**50,107.12**	**373.33**			**7,38,033.91**	**5,129.22**	**4,590.90**	**-**	**1,00,716.65**	**649.79**
	Year Ended 31.03.2019	42,532.80	327.50			7,35,051.32	6,297.82	5,130.47	-	50,107.12	373.33
7	C2/C3 (MT)*										
	Year Ended 31.03.2020	**1,864.84**	**6.79**			**-**	**-**	**10,18,494.89**	**-**	**7,133.48**	**21.88**
	Year Ended 31.03.2019	3,309.98	10.46			-	-	9,70,893.75	-	1,864.84	6.79
8	Ethylene (MT)*										
	Year Ended 31.03.2020	**2,292.93**	**13.68**			**-**	**-**	**8,10,452.46**	**-**	**6,531.31**	**32.78**
	Year Ended 31.03.2019	1,002.46	5.23			-	-	7,76,986.79	-	2,292.93	13.68
9	Butene-I (MT)*										
	Year Ended 31.03.2020	**1,289.03**	**11.22**			**195.69**	**2.27**	**25,737.09**	**-**	**1,209.41**	**8.70**
	Year Ended 31.03.2019	624.25	4.83			3,417.76	32.89	19,896.84	-	1,289.03	11.22
10	Crude Oil (MT)										
	Year Ended 31.03.2020	**554.33**	**0.93**			**8,721.12**	**24.39**			**536.28**	**0.66**
	Year Ended 31.03.2019	552.83	0.90			11,306.49	35.64			554.33	0.93
11	CNG and PNG ('000KG)										
	Year Ended 31.03.2020	**18.47**	**0.10**	**1,313.21**	**20.96**	**10,359.82**	**50.92**	**-**	**-**	**41.06**	**0.20**
	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
12	Power (KWH)										
	Year Ended 31.03.2020	**-**	**-**			**14,89,10,370**	**48.25**	**2,80,88,920**			
	Year Ended 31.03.2019					16,63,64,151	57.10	2,90,96,209			
13	Other Products (MT)										
	Year Ended 31.03.2020	**5,080.96**	**25.43**			**60,720.53**	**239.27**	**20471.77**		**5,376.40**	**13.34**
	Year Ended 31.03.2019	5,223.81	28.42			65,996.04	299.92	11,511.45		5,080.96	25.43

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 I and 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 (I) LIMITED FOR THE YEAR ENDED 31 MARCH 2020

The preparation of financial statements of GAIL (I) Limited for the year ended 31 March 2020 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 24 June 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of GAIL (I) Limited for the year ended 31 March 2020 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 supplementary 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

(D. K. Sekar)
Director General of Audit (Energy),
Delhi

Place : **New Delhi**
Date : **19 August, 2020**

Schedule of Fixed Assets (Township)

2019-20

(₹ in lakh)

DESCRIPTION	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at 01.04.2019	Additions/ Adjustments during the Year	Sales/ Adjustments during the Year*	As at 31.03.2020	As at 01.04.2019	For The Year	Adjustments during the Year*	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
LAND : FREEHOLD	2,016.46	234.24	-	2,250.70	-	-	-	-	2,250.70	2,016.46
LAND : LEASEHOLD#	1,537.19	5,624.79	(77.33)	7,084.65	329.87	120.34	(97.16)	353.05	6,731.60	1,207.32
BUILDING, ROADS ETC.	38,711.73	2,022.32	(9,175.91)	31,558.14	14,444.28	1,326.57	(8,560.93)	7,209.92	24,348.22	24,267.45
DRAINAGE, SEWAGE & WATER SUPPLY SYSTEM ETC.	2,143.60	154.55	(621.18)	1,676.97	989.01	72.59	(624.53)	437.07	1,239.90	1,154.59
FURNITURE, FIXTURES & OTHER EQP.	2,860.38	206.13	(804.79)	2,261.72	1,743.18	184.68	(827.25)	1,100.61	1,161.11	1,117.20
TRANSPORT EQUIPMENTS	23.40	0.20	-	23.60	22.25	-	0.03	22.28	1.32	1.15
TOTAL	**47,292.76**	**8,242.23**	**(10,679.21)**	**44,855.78**	**17,528.59**	**1,704.18**	**(10,109.84)**	**9,122.93**	**35,732.85**	**29,764.17**

* Adjustments are w.r.t to deemed cost accounting as per Ind AS implementation guidence (disclosure aligned during the year as per standalone financials)

New standard for lease assets Ind AS 116 implemented during the year, some assets/amounts are transferred from other assets/Expenses to leasehold assets.

Income and Expenditure Account

Income and Expenditure Account for the year ended 31st March, 2020 on provisions of township, Education, Medical and other facilities.

(₹ in lakh)

S. No.	PARTICULARS	YEAR ENDED 31st MARCH, 2020	YEAR ENDED 31st MARCH, 2019
	INCOME		
1	RECOVERY OF HOUSE RENT	202.22	176.95
2	RECOVERY OF UTILITIES	357.09	339.37
3	OTHER RECOVERIES	29.53	31.65
4	EXCESS OF EXPENDITURE OVER INCOME	9,668.81	10,295.99
	TOTAL	**10,257.64**	**10,843.96**
	EXPENDITURE		
1	SALARIES, WAGES & PF CONTRIBUTION	1,412.26	1,529.37
2	CONSUMABLES, STORES & MEDICINES	51.17	48.52
3	SUBSIDIES FOR SOCIAL & CULTURAL ACTIVITIES	212.76	191.28
4	REPAIRS & MAINTENANCE	2,011.12	2,730.00
5	DEPRECIATION	1,704.18	1,452.83
6	UTILITIES: POWER, GAS & WATER	2,017.81	1,682.92
7	LAND RENT	168.43	703.51
8	WELFARE - SCHOOL	1,498.98	1,219.34
9	BUS HIRE CHARGES	105.51	167.29
10	CLUB & RECREATION	168.84	156.13
11	MISC EXPENSES - TAXES, LICENSE FEES, INS ETC.	334.33	274.72
12	HORTICULTURE EXPENSES	572.24	688.07
	TOTAL	**10,257.64**	**10,843.96**

Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT

To the members of GAIL (India) Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of GAIL (India) Limited (hereinafter referred to as "the Holding company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), its associates and jointly controlled entities, which comprise of the Consolidated Balance Sheet as at March 31, 2020 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and accounting principles generally accepted in India, of their consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2020, their consolidated profits (financial performance including other comprehensive income), its consolidated changes in equity, and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the consolidated 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 Financial Statements section of our report. We are independent of the Group, its associates and jointly controlled entities 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 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

(i) We draw attention to note No. 32(c) to the consolidated financial statements regarding, various final transportation tariff orders issued by Petroleum and Natural Gas Regulatory Board (PNGRB), which 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.

(ii) We draw attention to note No. 30(I) (a) (iii) to the consolidated financial statements 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 Holding Company, of ₹ 3,014.32 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 Holding company does not foresee any probable outflow in the matter and accordingly has considered the same as contingent liability.

(iii) We draw attention to Note No. 30 (I) (a) (v) to the consolidated financial statements regarding demand raised in provisional assessment orders by Department of Telecommunications (DoT) towards Annual License fees including interest and penalty on Adjusted Gross Revenue (AGR). Subsequent to the proceedings held on June 11, 2020 and June 18, 2020, Hon'ble Supreme Court has considered the affidavit filed by DoT to withdraw the demand raised on PSUs.

(iv) We draw attention to Note no 31 to the consolidated financial statements regarding the impact of COVID-19 pandemic on the Holding Company. The impact of pandemic in future period cannot be ascertained as on date. However the Management is of view that there will be no significant impact on the continuity of operations of the business on long term basis/ on useful life of the assets/on financial position.

(v) We draw attention to Note No. 41 and 42 (ii) to the consolidated financial statements regarding the composite tripartite framework agreement with Konkan LNG Limited (KLL) and its lenders for settlement of KLL's Loan as per Debt Resolution Plan, the accounting treatment done by the Holding Company and reversal of impairment provision of ₹137.57 crore of its investment in KLL.

Our opinion is not modified in respect of matters mentioned in above paragraphs.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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	How our audit addressed the Key Audit Matter
1	**Recognition and measurement of revenues in view of adoption of Ind AS 115 "Revenue from Contracts with Customers"** We identified above as Key Audit Matter as the application of the revenue accounting standard involves certain key judgments 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, revenue accounting standard contains disclosures which involve 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 1.10 and 37 to the Consolidated financial statements.	**Principal Audit Procedures** We assessed the Holding Company's process to identify the impact of adoption of the revenue accounting standard and checked the appropriateness of accounting policy. Our audit approach consisted testing of design and operating effectiveness of the internal controls as follows: 1. Evaluated the design of internal controls relating to implementation of the 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 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 Holding 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 Holding company operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities and other regulatory authorities such as PNGRB on a range of matters during the normal course of business including indirect tax matters. We have identified above as Key Audit Matter as these involve significant judgment to determine the possible outcome of material uncertain tax positions and contingent liabilities including matters under dispute, consequently having an impact on related accounting and disclosures. Refer note 30 (I) to the consolidated financial statements.	**We have applied the following audit procedures in this regard:** 1. Obtained an understanding of key tax matters and other contingent liabilities 2. Read and analyzed the key correspondences, external legal opinions/ consultations obtained by the holding company 3. Evaluated and challenged key assumptions made by the holding company in estimating the current and deferred tax balances 4. Assessed and challenged the holding company's estimate of the possible outcome of the disputed cases by considering legal precedence and other judicial rulings 5. Assessed and tested the presentation and disclosures relating to uncertain tax positions and contingent liabilities
3	**Derivative transaction and accounting of hedge transactions** We have identified above as Key Audit Matter as 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 other comprehensive income. Refer note 52 to the consolidated financial statements.	**We have applied the following audit procedures in this regard:** 1. Obtained an understanding of management's controls over recording of derivative transactions and application of hedge accounting. 2. Tested the accuracy and completeness of derivative transactions. 3. We have relied on the valuation report evaluating the appropriateness of the valuation methodologies applied and tested on sample basis the valuation of the derivative financial instruments. 4. Validated that the derivative financial instruments qualifies 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.** We have identified above as Key Audit Matter because 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 of validating quantity of Natural Gas sold and stock in pipeline as at March 31, 2020. Refer notes 1.9, 1.10 to the consolidated financial statements.	**We have applied the following audit procedures in this regard:** 1. We have 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 management representation that the IT system applies a standard methodology to capture the quantity of Natural Gas for the purpose of Revenue and inventory measurement. 3. We have verified valuation of closing Inventories by applying various aspects made available to us by the management such as conversion factors, meter reading etc.
5	**Adoption of Ind AS 116 Leases** As described in Note 1.24 to the consolidated financial statements, Holding Company has adopted Ind AS 116 Leases (Ind AS 116) in the current year. The application and transition to this accounting standard is complex and is an area of focus in our audit since Holding company has a large number of leases with different contractual terms. Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognize a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet. The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/ arrangement. Adoption of the standard involves significant judgments and estimates including, determination of the discount rates and the lease term. Additionally, the standard mandates detailed disclosures in respect of transition. Refer notes 1.24 and 39 to the consolidated financial statements.	**We have applied the following audit procedures in this regard:** 1. Assessed and tested new processes and controls in respect of the lease accounting standard (Ind AS 116) 2. Assessed the Holding company's evaluation on the contractual agreements and our knowledge of the business. 3. Evaluate the reasonableness of the discount rates applied in determining the lease liabilities. 4. Upon transition as at 1st April 2019: • Evaluated the method of transition and related adjustments • Tested completeness of the lease data by reconciling the Holding company's operating lease commitments to data used in computing ROU asset and the lease liabilities. 5. On a statistical sample, we performed the following procedures: • Assessed the key terms and conditions of each lease with the underlying lease contracts; and • Evaluated computation of lease liabilities and challenged the key estimates such as discount rates and the lease term. • Assessed and tested the presentation and disclosures relating to Ind AS 116 including, disclosures relating to transition. • Tested the implementation of Ind AS 116 at various units and offices of Holding company during the course of our audit

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors are responsible for the other information. The other information includes the Director's Report, Corporate Governance Report, Business Responsibility Report and Management Discussion and Analysis of Annual Report, but does not include the consolidated financial statements and our report thereon. The Director's Report, Corporate Governance Report, Business Responsibility Report and Management Discussion and Analysis of Annual Report are expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated 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 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 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 Financial Statements

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 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 Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associates and jointly controlled entities 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities 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, its associates and jointly controlled entities 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 and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 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 Holding Company, its subsidiaries, its associates and jointly controlled entities incorporated in India have 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 and Board of Director'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 ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 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 financial statements:

1. We did not audit the financial statements/financial information of 6 (Six) subsidiaries included in consolidated financial statements, whose financial statements reflects the details given below of total assets as at 31st March 2020, total revenues and net cash flows for the year then ended on that date, as considered in the consolidated financial statements.

(₹ in crore)

S.No.	Name of the Subsidiary	Total Assets	Total Revenue	Net Cash Inflows/ (Outflows)
i.	GAIL Global Singapore Pte. Ltd.	65.16	5,364.83	1.78
ii.	GAIL Global (USA) Inc.	1,251.40	5,407.65	(0.25)
iii.	Tripura Natural Gas Limited	194.95	118.31	6.07
iv.	GAIL Gas Limited	2,853.13	5,143.86	(123.43)
v.	Bengal Gas Company Limited	63.31	-	27.69
vi.	Konkan LNG Limited	3,660.13	484.86	10.65
	Total	**8,088.08**	**16,519.51**	**(77.49)**

The consolidated financial statements also include the Group's share of net profit/loss and other comprehensive income using equity method for the year ended 31st March 2020, as considered in consolidated financial statements, in respect of 5 (five) associates and 7 (seven) joint ventures, whose financial statement / financial information have not been audited by us.

(₹ in crore)

S.No.	Name of the Associate/Joint Venture	Classification	Group's share net profit/(loss) including other comprehensive income using equity method
i.	Brahmaputra Crackers and Polymers Ltd.	Associate	1,054.28
ii.	Indraprastha Gas Limited	Associate	272.91
iii.	Mahanagar Gas Limited	Associate	244.19
iv.	Fayoum Gas	Associate	1.77
v.	Ramagundam Fertilizers and Chemicals Limited	Associate	(5.52)
vi.	Central UP Gas Ltd.	Joint Venture	18.42
vii.	Green Gas Ltd.	Joint Venture	36.69
viii.	Maharashtra Natural Gas Limited	Joint Venture	48.97
ix.	Aavantika Gas Limited	Joint Venture	20.67
x.	Bhagyanagar Gas Limited	Joint Venture	9.31
xi.	Talchar Fertilizers Limited	Joint Venture	(1.01)
xii.	Indradhanush Gas Grid Ltd	Joint Venture	(1.06)
		Total	**1699.62**

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 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 financial statements also include the Group's share of net profit/ (loss) (including other comprehensive income) using equity method for the year ended March 31, 2020, as considered in consolidated financial statements, in respect of 3 (three) associates and 3 (three) joint ventures, whose financial statement / financial information are unaudited and have been furnished to us by the Holding Company's Management.

(₹ in crore)

S.No.	Name of the Associate/Joint Venture	Classification	Group's share net profit/(loss) including other comprehensive income using equity method
i.	ONGC Petro additions Ltd.	Associate	Nil
ii.	Petronet LNG Ltd.	Associate	306.56
iii.	China Gas Holdings Ltd.	Associate	178.75
iv.	Ratnagiri Gas and Power Pvt. Ltd.	Joint Venture	Nil
v.	Tapi Pipelines Company Ltd	Joint Venture	(0.10)
vi.	Vadodara Gas Limited	Joint Venture	2.00
		Total	**487.21**

These financial statements / financial information have been furnished to us by the Holding Company's Management and our opinion on the consolidated 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. The consolidation of financial statement of GAIL Global (USA) Inc. are done on the basis of review done by their auditor as on 31st March 2020, reflecting total asset of ₹ 1,251.4 crore as at 31st March 2020, total revenue of ₹ 5,407.65 crore and net cash outflow of ₹ 0.25 crore for the year ended on that date. These financial statements were last audited upto 31st December 2019.

4. Regarding inclusion of proportionate share in Jointly Controlled Operations in the consolidated financial statements of the Holding company. The total proportionate share includes Assets of ₹ 1,072.31 crore, Liabilities of ₹160.78 crore, Expenditure of ₹ 428.84 crore, Income of ₹ 970.47 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 Holding company's consolidated financial statements.

The status of Audited Financial Statements and unaudited management accounts as mentioned above are based on information furnished to us till 19th June 2020. 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 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 and the financial statements/information certified by the Management.

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, based on our audit and on the consideration of report of the other auditor on separate financial statements of subsidiary companies, associate companies and jointly controlled companies as was audited by other auditor, as noted in the 'Other Matters' paragraph 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 financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated 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 financial statements.

(d) In our opinion, the aforesaid consolidated 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 Act, 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 Act, 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 financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities– Refer Note 30 (I) to the consolidated financial statements.

ii. The Group its associate companies and jointly controlled companies have 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 Group including its associate companies and jointly controlled companies incorporated in India.

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

Parveen Kumar
(Partner)
Membership No.: 088810
UDIN: 20088810AAAABI8326

For A.R. & Co.
Chartered Accountants
Firm Registration No.: 002744C

Pawan K Goel
(Partner)
Membership No.:072209
UDIN: 20072209AAAABK2098

Place: **New Delhi**
Dated: **June 24, 2020**

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 financial statements for the year ended March 31, 2020.

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 financial statements of the company as of and for the year ended March 31, 2020, 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 (the Holding Company and its subsidiaries together referred to as "the Group"), 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 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 Holding 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 Holding Company, its subsidiary companies, its associate companies and jointly controlled 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 authorizations of management and directors of the Company;

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2020, 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

1. 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 4 (four) 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.

2. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements in so far as it relates to 4 (four) associates / joint ventures incorporated in India, whose financial statements / financial information are unaudited and our opinion on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Group , its associates and jointly controlled entities is not affected as the Group's, its associates and jointly controlled entities share of net profit/loss (including Other Comprehensive Income) and disclosures included in respect of these associates/joint ventures in these Consolidated Financial Statements are not material to the Group.

Our report is not modified in respect of the above matters.

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

Parveen Kumar
(Partner)
Membership No.: 088810
UDIN: 20088810AAAABI8326

For A.R. & Co.
Chartered Accountants
Firm Registration No.: 002744C

Pawan K Goel
(Partner)
Membership No.: 072209
UDIN: 20072209AAAABK2098

Place: **New Delhi**
Dated: **June 24, 2020**

GAIL (India) Limited, New Delhi
Consolidated Balance Sheet as at 31st March 2020

(₹ in crore)

S.No.	Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
	ASSETS			
1	**Non Current Assets**			
	a) Property, Plant and Equipment	2	35,896.60	31,168.63
	b) Capital work-in-progress	3	11,666.31	9,737.50
	c) Intangible Assets	4	1,880.36	1,412.51
	d) Right of Use Assets	2A	452.66	119.14
	e) Financial Assets			
	- Investments	5	9,892.95	10,721.50
	- Trade Receivables	6	1,029.99	1,011.88
	- Loans & Other Receivables	7	556.12	653.44
	- Others Financial Assets	8	113.97	85.34
	f) Non Current Tax Assets (Net)	9	676.47	1,484.82
	g) Other Non Current Assets	12	754.32	964.01
	Total Non Current Assets (1)		**62,919.75**	**57,358.77**
2	**Current Assets**			
	a) Inventories	10	3,183.01	2,502.64
	b) Financial Assets			
	- Trade Receivables	6A	4,818.31	4,363.39
	- Cash and Cash Equivalents	11	624.13	296.63
	- Bank Balances other than cash and cash equivalents	11A	626.04	1,128.47
	- Loans & Other Receivables	7A	1,069.98	747.88
	- Others Financial Assets	8A	766.26	374.75
	c) Other Current Assets	12A	906.70	1,634.87
	Total Current Assets (2)		**11,994.43**	**11,048.63**
	Total Assets (1+2)		**74,914.18**	**68,407.40**
	EQUITY AND LIABILITIES			
1	**EQUITY**			
	a) Equity Share Capital	13	4,510.14	2,255.07
	b) Other Equity	14	44,758.11	43,749.03
	c) Non - Controlling Interests		87.04	45.95
	Total Equity (1)		**49,355.29**	**46,050.05**
2	**LIABILITIES**			
	Non Current Liabilities			
	a) Financial Liabilities			
	- Borrowings	15	3,773.40	1,026.96
	- Lease liabilities		92.49	0.87
	- Other Financial Liabilities	16	871.12	745.14
	b) Provisions	17	538.51	702.04
	c) Contract Liabilities		245.81	147.99
	d) Deferred Tax Liabilities (net)	20	4,039.19	6,509.88
	e) Other Non Current Liabilities	19	3,522.22	2,564.45
	Total Non Current Liabilities (2)		**13,082.74**	**11,697.33**
3	**Current Liabilities**			
	a) Financial Liabilities			
	- Borrowings	15A	2,564.20	1,042.90
	- Lease Liabilities		166.10	0.07
	- Trade Payables			
	Dues of Micro and Small Enterprises	18	271.82	220.40
	Dues of Other than Micro and Small Enterprises	18	3,650.36	3,655.67
	- Other Financial Liabilities	16A	3,866.71	3,789.37
	b) Other Current Liabilities	19A	604.69	573.03
	c) Contract Liabilities		577.11	623.53
	d) Provisions	17A	775.16	755.05
	Total Current Liabilities (3)		**12,476.15**	**10,660.02**
	Total Equity and Liabilities (1+2+3)		**74,914.18**	**68,407.40**

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
Company Secretary
(M.No. 18644)

A. K. Tiwari
Director (Finance)
(DIN: 07654612)

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

Manoj Jain
Chairman &
Managing Director
(DIN: 07556033)

As per our separate Report of even date

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

Parveen Kumar
(Partner)
Membership No. 088810

For A.R. & Co.
Chartered Accountants
Firm No. 002744C

Pawan K Goel
(Partner)
Membership No. 072209

Place : **New Delhi**
Date: **24th June, 2020**

GAIL (India) Limited, New Delhi
Consolidated Statement of Profit and Loss for the Financial Year ended 31st March 2020

(₹ in crore)

S.No.	Particulars	Note	Year Ended 31st March, 2020	Year Ended 31st March, 2019
1	**Income**			
	Revenue from Operations	21	72,567.70	76,234.17
	Other Income	22	1,546.43	1,214.27
	Total Income (1)		**74,114.13**	**77,448.44**
2	**Expenses**			
	Cost of Materials Consumed		4,411.97	5,079.83
	Purchase of Stock in trade		52,878.13	54,807.98
	Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress	23	(427.99)	(547.61)
	Employee Benefits Expense	24	1,633.74	1,863.20
	Finance costs	25	308.94	159.20
	Depreciation and Amortization Expense	26	2,080.16	1,666.64
	Excise Duty		59.28	44.28
	Other Expenses	27	4,987.56	5,318.93
	Total Expenses (2)		**65,931.79**	**68,392.45**
3	**Profit/ (Loss) before share of profit/(loss) of associate and Joint Ventures, and tax (1-2)**		**8,182.34**	**9,055.99**
4	Share of Profit / (Loss) in JV's/Associates for the year (4)		2,246.60	775.20
5	**Profit/(loss) before tax (3+4)**		**10,428.94**	**9,831.19**
6	**Tax expense:**			
	Current Tax			
	Current Year		2,116.20	2,493.09
	Earlier Year		900.17	(24.79)
	Deferred tax		(2,102.07)	810.12
	Total Tax Expenses		**914.30**	**3,278.42**
7	**Profit for the year (5-6)**		**9,514.64**	**6,552.77**
8	**Other Comprehensive Income (OCI)**			
	Items to be reclassified to profit or loss:			
	Exchange differences on translation of foreign operations		126.82	105.29
	Income tax effect thereon		-	-
			126.82	**105.29**
	Net movement on cash flow hedges Profit (+)/ Loss(-)		22.34	443.02
	Income Tax effect thereon		(5.62)	(154.81)
			16.72	**288.21**
	Net OCI to be reclassified to profit or loss		**143.54**	**393.50**
	Items not to be reclassified to profit or loss:			
	Re-measurement gains (losses) on defined benefit plans		(14.96)	62.22
	Income Tax effect thereon		3.76	(21.75)
			(11.20)	**40.47**
	Net (loss)/gain on FVTOCI equity Securities		(2,805.46)	(556.28)
	Income Tax effect thereon		-	-
			(2,805.46)	**(556.28)**
	Share of Other Comprehensive Income in Associates/JVs for the year Income Tax effect thereon		(59.77)	(0.35)
			-	-
			(59.77)	**(0.35)**
	Net OCI not to be reclassified to profit or loss:		**(2,876.43)**	**(516.16)**
	Other Comprehensive Income for the year, net of tax (8)		**(2,732.89)**	**(122.66)**

Cont.

(₹ in crore)

S.No.	Particulars	Note	Year Ended 31st March, 2020	Year Ended 31st March, 2019
9	**Total Comprehensive Income for the period (Comprising Profit/(Loss) and OCI) (7+8):**		**6,781.75**	**6,430.11**
	Profit for the year		**9,514.64**	**6,552.77**
	Attributable to:			
	Equity holders of the parent		9,422.05	6,545.74
	Non-controlling interests		92.59	7.03
	Total Other comprehensive income for the year		**(2,732.89)**	**(122.66)**
	Attributable to:			
	Equity holders of the parent		(2,732.90)	(122.67)
	Non-controlling interests		0.01	0.01
	Total comprehensive income for the year		**6,781.75**	**6,430.11**
	Attributable to:			
	Equity holders of the parent		6,689.15	6,423.07
	Non-controlling interests		92.60	7.04
10	**Earnings per share for continuing operations (in ₹)**	**48**		
	Basic, attributable to equity holders of the parent		20.89	14.51
	Diluted, attributable to equity holders of the parent		20.89	14.51

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**	**P. K. Gupta**	**Manoj Jain**
Company Secretary	Director (Finance)	Director	Chairman &
(M.No. 18644)	(DIN: 07654612)	(Human Resources)	Managing Director
		(DIN: 01237706)	(DIN: 07556033)

As per our separate Report of even date

For ASA & Associates LLP	**For A.R. & Co.**
Chartered Accountants	Chartered Accountants
Firm No. 009571N/N500006	Firm No. 002744C
Parveen Kumar	**Pawan K Goel**
(Partner)	(Partner)
Membership No. 088810	Membership No. 072209

Place : **New Delhi**
Date: **24th June, 2020**

Consolidated Statement of Changes in Equity for the Year Ended 31st March 2020

A. Equity Share Capital

For the Year Ended 31st March 2020
Equity Share Capital for Issued, Subscribed and Paid up Equity share of ₹ 10 each attributable to owners of the parent

Particulars	Note No.	₹ in Crore
As at 1st April 2019	13	2,255.07
Changes in equity share capital during the year*		2,255.07
As at 31st March 2020		**4,510.14**

* During the year the Company has issued 2,25,50,70,933 bonus share in the ratio of one equity share of ₹ 10 each for every one equity share held by equity shareholders.

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 Crore
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**

B. Other Equity (Refer Note No.14)

For The Year Ended 31st March 2020

(₹ in crore)

Particulars	Reserve and Surplus						Other Comprehensive Income			Total	Non Controlling Interest
	Retained earnings	Security premium Account	Bond redemption reserves	Capital Reserve*	General Reserves	Transition Reserve	Net (loss) /gain on FVTOCI equity Securities	Net movement on cash flow hedges (loss)/gain	Foreign Currency Translation Reserve		
Balance as at 1st April 2019	**33,941.86**	**0.27**	**74.84**	**-**	**4,853.78**	**6,084.44**	**(1,463.07)**	**194.67**	**62.24**	**43,749.03**	**45.95**
Adjustment in Opening Balance/ Changes in NCI	2.90						(96.75)			(93.85)	(51.51)
Profit for the Year	9,422.05									9,422.05	92.59
Re-measurement gains (losses) on defined benefit plans	(70.98)									(70.98)	0.01
Transfer to Reserve during the Period	(677.03)		14.97		662.06					-	
Transfer from Reserve during the Period	(178.32)			808.18						629.86	
Issue of Bonus Shares					(2,255.07)					(2,255.07)	
Interim Dividend	(2,886.49)									(2,886.49)	
Final Dividends	(399.15)									(399.15)	
Corporate Dividend Tax	(675.37)									(675.37)	
Other Comprehensive Income/(loss) for the Year											
-Net (loss)/gain on FVTOCI equity Securities							(2,805.46)			(2,805.46)	
-Net movement on cash flow hedges (loss)/gain								16.72		16.72	
-Exchange Difference on Translation of Foreign Operation									126.82	126.82	
Balance as at 31st March 2020	**38,479.47**	**0.27**	**89.81**	**808.18**	**3,260.77**	**6,084.44**	**(4,365.28)**	**211.39**	**189.06**	**44,758.11**	**87.04**

For the Year Ended 31st March 2019

(₹ in crore)

Particulars	Reserve and Surplus						Other Comprehensive Income			Total	Non Controlling Interest
	Retained earnings	Security premium Account	Bond redemption reserves	Capital Reserve*	General reserves	Transition Reserve	Net (loss) /gain on FVTOCI equity Securities	Net movement on cash flow hedges (loss)/gain	Foreign Currency Translation Reserve		
Balance as at 1st April 2018	**30,071.09**	**0.27**	**59.87**	**-**	**4,251.21**	**6,084.44**	**(906.79)**	**(93.54)**	**(43.05)**	**39,423.50**	**38.92**
Adjustment in Opening Balance	(6.94)									(6.94)	-
Profit /(Loss) for the Year	6,545.74									6,545.74	7.03
Re-measurement gains (losses) on defined benefit plans	40.12									40.12	0.01
Transfer to Reserve during the Period	(617.54)		14.97		602.57					-	
Transfer from Reserve during the Year	-		-							-	
Issue of Bonus Shares					-					-	
Interim Dividends	(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 Securities							(556.28)			(556.28)	
-Net movement on cash flow hedges (loss)/gain								288.21	-	288.21	
-Exchange Difference on Translation of Foreign Operation									105.29	105.29	
Balance as at 31st March 2019	**33,941.86**	**0.27**	**74.84**	**-**	**4,853.78**	**6,084.44**	**(1,463.07)**	**194.67**	**62.24**	**43,749.03**	**45.95**

For and on behalf of the Board of Directors

A.K. Jha
Company Secretary
(M.No. 18644)

A. K. Tiwari
Director (Finance)
(DIN: 07654612)

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

Manoj Jain
Chairman &
Managing Director
(DIN: 07556033)

As per our separate Report of even date

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

Parveen Kumar
(Partner)
Membership No. 088810

For A.R. & Co.
Chartered Accountants
Firm No. 002744C

Pawan K Goel
(Partner)
Membership No. 072209

Place : **New Delhi**
Date: **24th June, 2020**

GAIL (India) Limited, New Delhi
Consolidated Statement of Cash Flows For the Financial Year Ended 31st March 2020

(₹ in crore)

	Particulars	For the Financial Year Ended 31st March, 2020 Audited	For the Financial Year Ended 31st March, 2019 Audited
A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	1 Profit Before Tax	10,428.94	9,831.19
	2 Adjustments for :		
	Depreciation and amortisation expenses	2,080.16	1,666.64
	Exchange Rate Variation on Foreign Currency Loan/Advance	37.01	55.40
	Finance Cost	308.94	159.20
	Dividend Income on Investments	(219.39)	(249.17)
	Interest Income	(334.43)	(459.93)
	(Profit) / Loss on Sale of Investment	(28.52)	(31.06)
	MTM (gain)/loss on Mutual fund Investment		0.47
	Re measurement gain/loss on defined benefit plans	(74.73)	61.88
	Provision for Employees Benefits	(141.46)	(12.33)
	Provision for Probable Obligations	(3.04)	31.65
	Provision for Doubtful Debts	56.00	42.05
	Other Provisions	15.60	6.09
	Amortization of Govt. Grant	(42.88)	(8.23)
	(Profit) / Loss on Sale of Assets (Net)	(0.09)	249.72
	Provision for Impairment Loss/ CWIP	113.01	11.58
	MTM loss on Commodity Derivative (Net)	(198.94)	(12.37)
	Dry Well Expenses written off		21.88
	Share of Profit/Loss of joint ventures	(2,246.60)	(775.20)
	Subtotal (2)	**(679.36)**	**758.27**
	3 Operating Profit Before Working Capital Changes (1+2)	**9,749.58**	**10,589.46**
	4 Changes in Working Capital (Excluding Cash and Cash Equivalents)		
	Trade and Other Receivables	264.38	(1,589.49)
	Inventories	(681.00)	(570.43)
	Trade and Other Payable	1,590.15	1,666.81
	Changes in Working Capital (Excluding Cash and Cash Equivalents)	1,173.53	(493.11)
	5 Cash Generated from Operations (3+4)	**10,923.11**	**10,096.35**
	6 Direct Taxes Paid	**(2,577.75)**	**(2,112.15)**
	Net Cash flow from Operating Activities (5+6)	**8,345.36**	**7,984.20**
B)	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets/ CWIP	(9,262.94)	(7,795.81)
	Sale of Fixed Assets	27.53	254.42
	Receipt of Government Grants (Capital Grant)	1,012.65	1,208.04
	Investment in Mutual Funds	(19,591.99)	(30,935.00)
	Sale of Mutual Fund	19,620.51	31,347.06
	Investment in Other Companies	217.39	(288.88)
	Loans & Advances - Related Parties	(25.96)	(213.13)
	Interest Received	338.78	467.49
	Dividend Received on Investment	219.39	249.22
	Net Cash flow from Investing Activities	**(7,444.64)**	**(5,706.59)**
C)	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of Long term Borrowings	(279.09)	(1,171.64)
	Borrowings during the Year	4,672.20	36.66
	Changes in Non Controlling Interest	252.12	-
	Lease Liabilities Paid	(77.62)	-
	Dividend & Dividend Tax Paid	(3,960.56)	(2,088.56)
	Finance Cost Paid	(325.83)	(140.74)
	Net Cash Flow from Financing Activities	**281.22**	**(3,364.28)**

Cont...

(₹ in crore)

	Particulars	For the Financial Year Ended 31st March, 2020 Audited	For the Financial Year Ended 31st March, 2019 Audited
	Net Increase in Cash and Cash Equivalents (A+B+C)	**1,181.94**	**(1,086.67)**
	Cash and Cash equivalent at the opening of the period	**296.63**	**1,377.24**
	Effects of exchange rate changes on the balance of Cash and Cash Equivalents	**(854.44)**	**6.06**
	Cash and Cash equivalent at the closing of the period	**624.13**	**296.63**

For and on behalf of the Board of Directors

A.K. Jha
Company Secretary
(M.No. 18644)

A. K. Tiwari
Director (Finance)
(DIN: 07654612)

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

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As per our separate Report of even date

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Parveen Kumar
(Partner)
Membership No. 088810

For A.R. & Co.
Chartered Accountants
Firm No. 002744C

Pawan K Goel
(Partner)
Membership No. 072209

Place : **New Delhi**
Date: **24th June, 2020**

Note 1A: Corporate Information and Significant Accounting Policies

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 at London Stock Exchange. The Government of India holds 51.76% in the paid-up equity capital of the company as on 31st March 2020. 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 financial statements of the company for the year ended 31st March 2020 were authorized for issue in accordance with a resolution of the Board of Directors on 24th June 2020.

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. The Group 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 (₹) which is functional currency of the company and the values are rounded to the nearest Crore (upto 2 decimals), 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 31st March 2020. 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 to the group financials.

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 31st March 2020, except as stated in Note 29 (B).

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, same is followed when opening financials are revised by the Joint venture/associates after date of consolidation in previous years. 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 29. 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)

(i) The Costs of an item of PPE is recognized as an asset if, and only if:

i. It is probable that the future economic benefits flow to the entity; and

ii. The cost of an item can measured reliably

(ii) 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.

(iii) 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.

(iv) Technical know-how/license fee incurred at the time of procurement of PPE are capitalized as part of the underlying asset.

(v) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its PPE recognized as at 01.04.2015 measured as per previous GAAP and use that carrying value as deemed cost of the PPE.

1.2 Intangible Assets

a) 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.

b) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at 01.04.2015 measured as per previous GAAP and use that carrying value as deemed cost of the intangible assets.

1.3 Capital Work in Progress

a) 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.

b) The capital work in progress includes Construction Stores including Material in Transit/ Equipment / Services, etc. received at site for use in the projects.

c) 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.

1.4 Exploration and Development Costs

a) The Company follows Successful Efforts Method for accounting of Oil & Gas exploration and production activities carried out through incorporate or unincorporated Joint Ventures in the nature of Production Sharing Contracts (PSC) and Revenue Sharing Contracts (RSC) with respective host government and various body corporates for exploration, development and production activities, which includes exploration and evaluation costs as follows:

(i) Geological and Geophysical (G&G) costs including seismic surveys, surface lease rentals etc. for exploration and appraisal proposes are recognized as revenue expenditure in the year in which these are incurred.

(ii) Cost of exploratory/ appraisal wells are carried as Capital Work in Progress - 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**

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.

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) and Revenue Sharing Contracts, 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.

1.5 Foreign Currency Transaction

a) Functional Currency of the Company is Indian Rupee (INR).

b) Transactions in foreign currency are initially accounted at the exchange rate prevailing on the transaction date.

c) 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.

d) 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).

e) Any gains or loss arising on account of exchange difference either on settlement or on translation is adjusted in the Statement of Profit & Loss.

f) 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.

1.6 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.

1.7 Government 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 recognized as income in the Statement of Profit and Loss over the useful life of the asset. Government Grants related to non-depreciable assets may also require the fulfillment of certain obligations and would then be recognised in profit or loss over the periods that bear the cost of meeting the obligations.

1.8 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 amortized.

1.9 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.

1.10 Revenue recognition

The Company has applied the modified retrospective approach on transition to Ind AS 115.

a) 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.

b) 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.

c) 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.

d) 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.

e) Insurance claims are accounted for on the basis of claims admitted by the insurers.

f) Claims (including interest on delayed realization from customers) are accounted for, when there is significant certainty that the claims are realizable.

g) 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.

h) Minimum charges relating to transportation of LPG are accounted for on receipt basis.

i) 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.

1.11 Depreciation /Amortisation

A. Property Plant and Equipment (PPE)

Depreciation on 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

Cost of the leasehold land is amortised over the lease period except perpetual leases.

Depreciation due to price adjustment in the original cost of fixed assets is charged prospectively.

B. Intangible Assets

i. 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. Intangible assets comprising software and licences, etc. are amortised on Straight Line Method (SLM) over the useful life from the date of capitalization which is considered not exceeding five years.

iii. 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.

1.12 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 and Post-Retirement Medical Scheme (PRMS) as per actuarial valuation is funded with a separate trust.

1.13 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.

1.14 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 lakh 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 lakh.

1.15 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.

1.16 Research & Development 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.

1.17 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.

1.18 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.

1.19 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.

1.20 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 Statement of Cash Flow

Statement of cash flow is prepared in accordance with the indirect method prescribed in Ind AS 7, '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:

i. 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.

ii. 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.

iii. 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

i. 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.

ii. When the company issues financial guarantees on behalf of subsidiaries, joint ventures and associates initially it measures the financial guarantee at their fair values and subsequently measures at higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 and
- The amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115 'Revenue from Contracts with Customers'

iii. The Company recognize the initial fair value of financial guarantee as deemed investment with a corresponding liability recorded as financial guarantee obligation. Such deemed investment is added to the carrying value amount of the investment in subsidiaries. Financial guarantee obligation is recognized as other income in Statement of Profit and Loss over the remaining period of financial guarantee.

(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:

i. 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.

ii. 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) De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

(C) Embedded Derivatives

If the hybrid contract contains a host that is an asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract.

If the hybrid contract contains a host that is not an asset within the scope of Ind AS 109, the Company separate embedded derivatives from the host and measures at fair value with changes in fair value recognized in statement of profit or loss if, and only if:

a. The economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host.

b. A separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and

c. The hybrid contract is not measured at fair value with changes in fair value recognized in profit or loss

(D) 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

(E) 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

i. 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.

ii. 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 Leases

The Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective and has not restated the comparative figures.

As a lessee

1. Identifying a lease

At the inception of the contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The company assesses whether:

i. The contract involves the use of an identified asset, specified explicitly or implicitly.

ii. The Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use, and

iii. The Company has right to direct the use of the asset.

Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2. Initial recognition of Right of use asset (ROU)

The Company recognizes a ROU asset at the lease commencement date (i.e., the date the underlying asset is available for use). ROU assets are initially measured at cost less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, adjusted for any lease payments made on or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

3. Subsequent measurement of Right of use asset (ROU)

ROU assets are subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of ROU asset or the end of the lease term. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise

of a purchase option, depreciation is calculated using the estimated useful life of the asset. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurement of the lease liability. Refer to the accounting policies in section 1.13 Impairment of non-financial assets.

4. Initial recognition of lease liability

Lease liabilities are initially measured at the present value of the lease payments to be paid over the lease term. Lease payments included in the measurement of the lease liabilities comprise of the following:

i. Fixed payments, including in-substance fixed payments
ii. Variable lease payments that depend on an index or a rate
iii. Amounts expected to be payable under a residual value guarantee; and
iv. The exercise price under a purchase option, extension option and penalties for early termination only if the Company is reasonably certain to exercise those options.

5. Subsequent measurement of lease liability

Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. . In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

6. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption. Lease payments on short-term leases and leases of low-value assets are recognized as expense in Statement of Profit and Loss.

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 lease term.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables and finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Estimates and assumptions

Determination of discount rate as a lessee

Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. Company estimates its incremental borrowing rate, which is the rate of interest that the Company would have to pay to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment using observable available inputs (such as market interest rates).

Recent accounting pronouncements - Standards issued but not yet effective: The Ministry of Corporate Affairs (MCA) notifies new Indian Accounting Standards or amendments to the existing Indian Accounting Standards. There is no such notification by MCA in this regard which would have been applicable from April 01, 2020.

Note 1B: Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Company's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures, 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 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. Judgments

In the process of applying the Company's accounting policies, management has made the judgments, which have the most significant effect on the amounts recognized in the consolidated 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 judgments 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 Estimation uncertainties relating to global health pandemic from COVID-19:

On March 11, 2020 the World Health Organization (WHO) declared the outbreak of new coronavirus ("COVID-19") as a global pandemic. This outbreak is causing significant disturbances and slowdown of economic activity. The Company's operations were slightly impacted in the last week of March 2020, resulting in slight reduction of sales volumes due to nationwide lockdown advised by the Government of India in view of COVID-19.

In assessing the recoverability of carrying amounts of Company's assets such as property, plant and equipment, trade receivables, loans/ advance, intangible assets, investments and other assets etc., the Company has considered various internal and external information up to the date of approval of these financial statements and concluded that they are recoverable based on the cash flow projections.

The Company has assessed the potential impact of COVID-19 based on the current circumstances and expects no significant impact on the continuity of operations of the business on long term basis/ on useful life of the assets/on financial position etc.

2.2 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.

2.3 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.

2.4 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.

2.5 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.

Note : 2 - Property, Plant and Equipment for the year ended 31st March 2020

(₹ in crore)

Particulars	Gross Block						Accumulated Depreciation					Impairment Loss			Net Block
	As at 1st April 2019	Transferred to Right of Use Assets	Additions during the year	Acquisition from AUC	Sales/ Disposals during the year	As at 31st March 2020	As at 1st April 2019	Transferred to Right of Use Assets	For the Year	Sales/ Disposals during the year	As at 31st March 2020	As at 1st April 2019	For the Year	As at 31st March 2020	As at 31st March 2020
Land : Freehold	455.95		21.82	29.93	(2.07)	505.63	-		-	-	-	-		-	505.63
Land : Leasehold	124.12	(124.12)	-	-	-	-	4.98	(4.98)	-	-	-	-		-	-
Building : Office/Others	904.65		24.05	83.85	(0.57)	1,011.98	149.27		40.47	(0.30)	189.44	-		-	822.54
Building : Residential	310.93		2.47	10.72	(0.65)	323.47	43.80		12.43	(0.06)	56.17	-		-	267.30
Bunk Houses	2.38		0.05	0.03	-	2.46	1.33		0.49	-	1.82	-		-	0.64
Plant and Machinery	32,941.12		4,425.46	3,007.63	(26.55)	40,347.66	4,968.04		1,570.41	690.59	7,229.04	34.91	416.99	451.90	32,666.72
Railway Lines & Sidings	0.27		0.07	-	-	0.34	-		-	0.07	0.07	-		-	0.27
Electrical Equipments	371.37		36.93	0.97	(5.66)	403.61	155.50		45.83	(3.84)	197.49	-		0.03	206.09
Furniture & Fixtures	144.23		12.12	4.50	(3.58)	157.27	47.06		15.53	(2.93)	59.66	-		-	97.61
Office Equipments	234.04		14.20	13.40	(5.49)	256.15	130.24		31.90	(4.27)	157.87	-		0.01	98.27
Other Equipments	177.24		29.84	14.13	(11.23)	209.98	77.67		27.91	(10.09)	95.49	-		0.02	114.47
Transport Equipments	8.57		0.88	-	-	9.45	3.14		0.92	-	4.06	-		-	5.39
E&P Assets															
Producing Property	1,881.23		98.42	1.12	-	1,980.77	655.77		184.53	31.95	872.25	-		-	1,108.52
Support Equipment & Facilities	4.72		0.13	-	(0.01)	4.84	1.35		0.34	-	1.69	-		-	3.15
Total	**37,560.82**	**(124.12)**	**4,666.44**	**3,166.28**	**(55.81)**	**45,213.61**	**6,238.15**	**(4.98)**	**1,930.76**	**701.12**	**8,865.05**	**34.91**	**416.99**	**451.96**	**35,896.60**

Note : 2 - Property, Plant and Equipment for the year ended 31st March 2019

(₹ in crore)

Particulars	Gross Block					Accumulated Depreciation				Impairment Loss			Net Block
	As at 1st April 2018	Additions during the year	Acquisition from AUC	Sales/ Disposals during the year	As at 31st March 2019	As at 1st April 2018	For the Year	Sales/ Disposals 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	353.79	19.44	82.74	(0.02)	455.95	-	-	-	-	-		-	455.95
Building : Office/Others	830.28	10.45	63.71	0.21	904.65	104.45	40.08	4.74	149.27	-		-	755.38
Building : Residential	277.67	12.49	21.29	(0.52)	310.93	32.27	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	29,242.67	308.10	3,211.92	178.43	32,941.12	3,412.10	1,330.79	225.14	4,968.03	15.55	19.36	34.91	27,938.18
Railway Lines & Sidings	0.27	-	-	-	0.27	-	-	-	-	-		-	0.27
Electrical Equipments	348.60	14.75	8.24	(0.22)	371.37	111.80	42.72	0.98	155.50	-		-	215.87
Furniture & Fixtures	130.97	9.45	6.15	(2.34)	144.23	33.26	15.16	(1.36)	47.06	-		-	97.17
Office Equipments	201.74	10.60	11.07	10.63	234.04	89.85	29.35	11.04	130.24	-		-	103.80
Other Equipments	150.22	29.23	5.24	(7.45)	177.24	58.96	25.07	(6.36)	77.67	-		-	99.57
Transport Equipments	6.43	2.15	-	(0.01)	8.57	2.26	0.89	(0.01)	3.14	-		-	5.43
E&P Assets													
Producing Property	2,629.13	149.37	-	(897.27)	1,881.23	1,008.84	127.78	(480.85)	655.77	-		-	1,225.46
Support Equipment & Facilities	4.72	-	-	-	4.72	1.01	0.34	-	1.35	-		-	3.37
Total	**34,177.49**	**566.23**	**3,411.47**	**(718.49)**	**37,436.70**	**4,855.57**	**1,624.29**	**(246.70)**	**6,233.16**	**15.55**	**19.36**	**34.91**	**31,168.63**

Note : 2A - Right of Use Assets for the year ended 31st March 2020

(₹ in crore)

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at 1st April 2019	Transferred from PPE	Additions during the year	As at 31st March 2020	As at 1st April 2019	Transferred from PPE	For the year	As at 31st March 2020	As at 31st March 2020
Land : Leasehold	-	124.12	150.63	287.03	-	4.98	12.75	17.75	269.28
Building : Leasehold	-	-	61.98	78.04	-		22.89	22.89	55.15
Plant & Machinery: Leasehold	-	-	220.99	221.11	-		115.39	115.40	105.71
Vehicle : Leasehold	-	-	10.16	28.94	-		6.42	6.42	22.52
Total	**-**	**124.12**	**443.76**	**615.12**	**-**	**4.98**	**157.45**	**162.46**	**452.66**

Note : 3 - Capital Work in Progress for the period ended 31st March 2020

(₹ in crore)

Particulars	Gross Block					Provision and Impairment			Net Block
	As at 01st April 2019	Additions during the year	Capitalization during the year	Retirement/ Transfer	As at 31st March 2020	As at 01st April 2019	For the year	As at 31st March 2020	As at 31st March 2020
A. Tangible									
Plant & Machinery	-	-	-	-	-	(252.26)	(57.73)	(309.99)	309.99
Linepipe Construction and related facilities	4,602.39	6,162.43	(4,349.27)	972.95	7,388.50	110.77	(4.50)	106.27	7,282.23
Despatch/Receiving Terminals	15.56	20.11	(0.54)	-	35.13	-	-	-	35.13
Compressor Stations	10.00	33.16	(18.44)	-	24.72	-	-	-	24.72
Telecom/Telesupervisory System	2.97	1.00	(1.10)	-	2.87	-	-	-	2.87
Others	234.60	201.46	(195.81)	-	240.25	-	-	-	240.25
Petrochemicals	15.65	34.25	(0.85)	-	49.05	-	-	-	49.05
Exploratory Well in Progress	208.34	52.40	(0.96)	-	259.78	116.37	53.08	169.45	90.33
Development well in Progress	60.00	79.35	(0.16)	-	139.19	9.95	3.32	13.27	125.92
Railway Sidings	-	-	-	-	-	-	-	-	-
Buildings	40.32	43.56	(46.91)	-	36.97	5.28	-	5.28	31.69
Linepipes, Capital Items in Stock/Transit	4,796.89	-	(1.98)	(995.48)	3,799.43	9.90	5.83	15.73	3,783.70
B. Intangible	3.04	14.56	(17.18)	-	0.42	-	-	-	0.42
Total	**9,989.76**	**6,642.28**	**(4,633.20)**	**(22.53)**	**11,976.31**	**252.27**	**57.73**	**310.00**	**11,666.31**

Note : 3 - Capital Work in Progress for the Year ended 31st March 2019

(₹ in crore)

Particulars	Gross Block					Provision and Impairment Loss			Net Block
	As at 01st April 2018	Additions during the year	Capitalization during the year	Retirement/ Transfer	As at 31st March 2019	As at 01st April 2018	For the year	As at 31st March 2019	As at 31st March 2019
A. Tangible									
Plant & Machinery									
Linepipe Construction and related facilities	4,137.15	3,933.61	(3,461.03)	(7.34)	4,602.39	138.13	(27.36)	110.77	4,491.62
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	255.35	(30.56)	-	(16.45)	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	3,281.76	(2.26)	(5.17)	4,799.94	11.30	(1.40)	9.90	4,790.04
B. Intangible	10.38	7.59	(14.93)	-	3.04	10.38	-	3.04	-
Total	**6,179.06**	**7,626.29**	**(3,781.41)**	**(31.13)**	**9,992.81**	**251.06**	**11.59**	**255.31**	**9,737.50**

Note : 4 - Intangible Assets for the year ended 31st March 2020

(₹ in crore)

Particulars	Gross Block					Accumulated Depreciation and Impairment				Net Block
	As at 1st April 2019	Additions during the year	Acquisition from AUC	Sales/Dispo-sals during the year	As at 31st March 2020	As at 1st April 2019	For the year	Sales/Dispo-sals/during the year	As at 31st March 2020	As at 31st March 2020
Right of Use	1,341.26	0.54	455.22	-	1,797.01	0.22	-	-	0.22	1,796.79
Softwares / Licences	136.40	17.81	17.09	(1.82)	169.48	64.93	23.10	(2.14)	85.91	83.57
Total	**1,477.66**	**18.35**	**472.31**	**(1.82)**	**1,966.49**	**65.15**	**23.10**	**(2.14)**	**86.13**	**1,880.36**

Note : 4 - Intangible Assets for the year ended 31st March 2019

(₹ in crore)

Particulars	Gross Block					Accumulated Depreciation and Impairment				Net Block
	As at 1st April 2018	Additions during the year	Acquisition from AUC	Sales/Dispo-sals during the year	As at 31st March 2019	As at 1st April 2018	For the year	Sales/Dispo-sals during the year	As at 31st March 2019	As at 31st March 2019
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	1.20	136.40	41.23	22.36	1.35	64.93	71.47
Total	**1,104.75**	**4.23**	**367.34**	**1.35**	**1,477.66**	**41.30**	**22.36**	**1.50**	**65.15**	**1,412.51**

Note 5 - Investments - Non Current

(₹ in crore)

Sr. No.	Particulars	As at 31st March 2020		As at 31st March 2019	
		Number of Shares	Amount	Number of Shares	Amount
(a)	**Investment in Equity Shares In Joint Venture Companies: Unquoted Investment (Equity Method)**				
1	- Central UP Gas Ltd.	1,50,00,000 (₹ 10 each)	88.92	1,50,00,000 (₹ 10 each)	70.50
2	- Green Gas Ltd.	2,30,42,250 (₹ 10 each)	205.04	2,30,42,250 (₹ 10 each)	168.35
3	- Ratnagiri Gas and Power Pvt. Ltd	83,45,56,046 (₹ 10 each)	-	83,45,56,046 (₹ 10 each)	-
5	- Maharashtra Natural Gas Ltd.	2,25,00,000 (₹ 10 each)	160.31	2,25,00,000 (₹ 10 each)	117.28
6	- Aavantika Gas Ltd. (includes 70,57,038 equity shares allotted at a premium of ₹ 29/- per share)	2,95,57,038 (₹ 10 each)	116.94	2,95,57,038 (₹ 10 each)	97.45
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)	170.23	4,36,50,000 (₹ 10 each)	165.02
8	-Vadodara Gas Limited	12,01,46,774 (₹ 10 each)	135.96	12,01,46,774 (₹ 10 each)	134.05
9	-Talchar Fertilizers Ltd.	15,95,04,806 (₹ 10 each)	152.25	1,63,44,568 (₹ 10 each)	11.28
10	-Tapi Pipeline Company Ltd.	8,25,025 (USD 10 each)	30.16	5,60,025 (USD 10 each)	13.65
11	- Indradhanush Gas Grid Ltd	1,20,00,000 (₹ 10 each)	8.51	50,00,000 (₹ 10 each)	2.58
	Through GAIL Gas Ltd				
12	- Andhra Pradesh Gas Distribution Corporation Limited	3,83,70,849 (₹ 10 each)	33.23	325,00,000 (₹ 10 each)	27.99
13	- Kerala GAIL Gas Ltd	5,000 (₹ 10 each)	2.12	5,000 (₹ 10 each)	2.08
14	- Rajasthan State Gas Limited	650,00,000 (₹ 10 each)	62.82	650,00,000 (₹ 10 each)	56.51
15	- Haridwar Gas Private Limited	2,22,00,000 (₹ 10 each)	19.83	1,25,00,000 (₹ 10 each)	11.11
16	- Goa Natural Gas Private Limited	1,75,00,000 (₹10 each)	15.05	95,00,000 (₹ 10 each)	9.07
17	- Purba Bharati Gas Private Limited	2,60,00,000 (₹ 10 each)	25.44	NIL	-
	Total (a)		**1,226.81**		**886.92**
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)	902.52	15,00,00,000 (HK$. 0.01 each)	660.79
2	- Indraprastha Gas Ltd. (Share split in the ratio 5:1 on 11th November 2017)	15,75,00,000 (₹ 2 each)	1,205.54	15,75,00,000 (₹ 2 each)	971.03
3	- Petronet LNG Ltd.(PLL)(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)	1,397.66	18,75,00,000 (₹ 10 each)	1,278.82
4	- Mahanagar Gas Ltd.	3,21,02,750 (₹ 10 each)	959.62	3,21,02,750 (₹ 10 each)	779.63
	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)	10.10	19,000 (LE 100 each)	7.44
3	- Brahmaputra Cracker & Polymer Ltd.	99,23,69,000 (₹ 10 each)	1,451.14	99,23,69,000 (₹ 10 each)	396.86
4	- Ramagundam Fertilizers & Chemical Ltd.	18,78,40,510 (₹ 10 each)	178.04	15,05,29,500 (₹ 10 each)	147.71
	Total (b)		**6,104.62**		**4,242.28**

(₹ in crore)

S.N.	Particulars	As at 31st March 2020		As at 31st March 2019	
		Number of Shares	Amount	Number of Shares	Amount
(c)	**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)	2.85	5,70,600 (₹ 10 each)	4.06
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 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)	30,84,01,602 (₹ 5 each)	2,106.38	30,84,01,602 (₹ 5 each)	4,920.55
	Unquoted equity shares (Fair Value through OCI)				
1	- South East Asia Gas Pipeline Ltd.	8,347 (USD 1 each)	281.61	8,347 (USD 1 each)	271.61
2	- Gujarat State Energy Generation Ltd.	2,07,60,000 (₹ 10 each)	3.00	2,07,60,000 (₹ 10 each)	3.07
3	- National Gas Company "Nat Gas"	30,00,000 (LE 100 each)	37.51	30,00,000 (LE 100 each)	131.14
	Unquoted Preference Shares at cost				
1	-Andhra Pradesh Gas Distribution Corporation Limited (APGDCL) 9% Cumulative Compulsory Convertible Preference share of ₹ 10 each fully paid up	10,00,00,000 (₹ 10 each)	100.00	NIL	-
	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 2,909 equity shares acquired at a premium of ₹ 4,459.27 per share)	3,089 (₹ 10 each)	1.40	3,089 (₹ 10 each)	1.40
2	-Bhagwandas Retail Pvt. Ltd.' (aquired at a premium of ₹ 8,976 per Share)	467 (₹ 10 each)	0.42	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	1,111 (₹ 10 each)	1.20
4	Tache Technologies Pvt. Ltd. (acquired at a premium of ₹ 890.98 per share)	1,307 (₹ 10 each)	0.12	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	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	2,499 (₹ 10 each)	1.50
7	Sarvodaya Infotech Pvt. Ltd. (acquired at a premium of ₹ 2,240.23 per share)	5,555 (₹ 10 each)	1.25	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	52 (₹ 10 each)	1.98
9	Tycheejuno Speciality Tyres Pvt. Ltd. (acquired at a premium of ₹ 13,418.57 per share)	1,488 (₹ 10 each)	2.00	372 (₹ 10 each)	0.50
10	VDT Pipeline Solutions Pvt. Ltd. (acquired at a premium of ₹ 22,490 per share)	777 (₹ 10 each)	1.75	222 (₹ 10 each)	0.50
11	Featherdyne Private Limited (acquired at a premium of ₹ 8,490 per share)	1,411 (₹ 10 each)	1.20	882 (₹ 10 each)	0.75
12	RD Grow Green India Pvt. Ltd (acquired at a premium of ₹ 752.72 per share)	10,095 (₹ 10 each)	0.77	1966 (₹ 10 each)	0.15
13	Zunik Energies Pvt. Ltd (acquired at a premium of ₹ 8,387.14 per share)	595 (₹ 10 each)	0.50		-
14	Vasitars Pvt. Ltd (acquired at a premium of ₹ 3,250 per share)	2,453 (₹ 10 each)	0.80		-
15	Geo Climate Risk Solutions Pvt. Ltd (acquired at a premium of ₹ 17,990 per share)	666 (₹ 10 each)	1.20		-
16	IROV Technology Pvt. Ltd (acquired at a premium of ₹ 15,740 per share)	1,111 (₹ 10 each)	1.75		-
17	Arcturus Business Solutions Pvt. ltd(acquired at a premium of ₹ 1,037.14 per share)	9,549 (₹ 10 each)	1.00		-
18	Kriya Labs Pvt. Ltd (acquired at a premium of ₹ 1,000 per share)	5,940 (₹ 10 each)	0.60		-
19	Quanteon Powertrain Pvt. Ltd (acquired at a premium of ₹ 1,249.26 per share)	15,882 (₹ 10 each)	2.00		-
20	Prayogik Technology Pvt. Ltd (acquired at a premium of ₹ 286.30 per share)	10,124 (₹ 10 each)	0.30		-
21	Yali Mobility Pvt. Ltd (acquired at a premium of ₹ 11,728.21 per share)	315 (₹ 10 each)	0.37		-
22	Celectric Automotive Drives Pvt. Ltd (acquired at a premium of ₹ 13,322.34 per share)	982 (₹ 10 each)	1.31		-
23	Orxa Energies Pvt. Ltd (acquired at a premium of ₹ 3,631.33 per share)	10,985 (₹ 10 each)	4.00		-
24	PI Beam Labs Pvt. Ltd (acquired at a premium of ₹ 14,319.45 per share)	1,395 (₹ 10 each)	2.00		-
	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 Housing Society Ltd, Mumbai	50 (₹ 5 each)	-	50 (₹ 5 each)	-
6	- Suraj Heights A Co-Op Housing Society Ltd, Mumbai	50 (₹ 30 each)	-	50 (₹ 30 each)	-
7	- Sheel Jeet Co-Operative Housing Society Ltd., Mumbai	10 (₹ 5 each)	-	10 (₹ 5 each)	-
	Total (c)		**2,561.52**		**5,592.30**
	Total Non current Investments		**9,892.95**		**10,721.50**

Notes:-

Aggregate amount of quoted investments		
-Book Value (At Carrying Value)	6,574.57	8,614.88
-Market Value	18,479.00	21,380.00
Aggregate amount of unquoted investment (At Carrying Value)	3,318.38	2,106.62

a) Out of aforesaid investments in Subsidiaries/JVs/Associates, few shares are held in the name of GAIL officials jointly with GAIL
b) Investment are valued in accordance with Accounting Policy No. 1.23 given in Note No. 1
c) Aggregate amount of impairment in value of investments is ₹ 985.05 crore upto end of the year (previous year ₹ 1,086.68 crore) in standalone financial statement
d) Investment in other than subsidiaries, associates 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 6 - Trade receivables - Non Current

(₹ in crore)

	Particulars	As at 31st March 2020	As at 31st March 2019
	From Related Parties	412.07	281.98
	From Others	1,323.54	1,392.59
		1,735.61	1,674.57
	Less: Provision for Doubtful Debts	705.62	662.69
	Total	**1,029.99**	**1,011.88**

Note 6A - Trade receivables - Current

(₹ in crore)

	Particulars	As at 31st March 2020	As at 31st March 2019
	From Related Parties	196.69	518.73
	From Others	4,686.12	3,896.09
		4,882.81	4,414.82
	Less: Provision for expected credit loss	64.50	51.43
	Total	**4,818.31**	**4,363.39**

(₹ in crore)

	Particulars		As at 31st March 2020		As at 31st March 2019
	Non Current (Unsecured)				
	Considered good	1,029.99		1,011.88	
	Considered doubtful	705.62		662.69	
		1,735.61		**1,674.57**	
	Less: Provision for Doubtful Debts	705.62	**1,029.99**	662.69	**1,011.88**
	Current (Unsecured)				
	Considered good	4,818.31		4,363.39	
	Considered doubtful	64.50		51.43	
		4,882.81		**4,414.82**	
	Less: Provision for Expected credit Loss	64.50	**4,818.31**	51.43	**4,363.39**
	Total		**5,848.30**		**5,375.27**

Note 7-Financial Assets Non Current- Loans and Other Receivables (Unsecured considered good unless specified otherwise)

(₹ in crore)

	Particulars		As at 31st March 2020		As at 31st March 2019
	Loans;				
	To Related Parties				
	Unsecured, considered good				
	- Loan to associates		150.00		200.00
	To Employees				
	- Secured, considered good	184.03		259.42	
	- Unsecured, considered good	76.95	260.98	7.21	266.63
	To Others				
	- Unsecured, considered good		90.98		133.40
	Security Deposits paid:				
	- Unsecured, Considered Good	54.16		53.41	
	- Unsecured, Considered Doubtful	6.31		9.85	
		60.47		63.26	
	Less : Provision for Doubtful Deposits	6.31	54.16	9.85	53.41
	Total		**556.12**		**653.44**

Note 7A-Financial Assets - Current - Loans and Other Receivables (Unsecured considered good unless specified otherwise)

(₹ in crore)

	Particulars		As at 31st March 2020		As at 31st March 2019
	Loans:				
	To Related Parties				
	- Associates		50.00		-
	To Employees				
	- Secured	63.33		49.23	
	- Unsecured	5.02	68.35	15.22	64.45
	To Others				
	Unsecured, considered good		54.59		50.03
	Security Deposits paid				
	- Secured	897.04		633.40	
	- Unsecured	-		-	
		897.04		633.40	
	Less : Provision for Doubtful Deposits	-	897.04	-	633.40
	Total		**1,069.98**		**747.88**

Note 8-Other Financial Assets -Non Current (Unsecured considered good unless specified otherwise)

(₹ in crore)

	Particulars		As at 31st March 2020		As at 31st March 2019
	Receivables for Derivative Contracts (Hedged/ Non Hedged)		63.41		54.25
	Equity Investments Pending Allotment		13.04		14.30
	Finance lease receivables		13.79		15.85
	Balances with Bank-deposits exceeding twelve months		21.03		0.94
	Others		2.70		-
	Total		**113.97**		**85.34**

Note 8A-Other Financial Assets -Current

(₹ in crore)

	Particulars		As at 31st March 2020		As at 31st March 2019
	Receivables for Derivative Contracts (Hedged/ Non Hedged)		687.47		296.35
	Other Receivables :				
	From Related Parties				
	- Subsidiaries*	-		2.07	
	- Associates	5.01		6.52	
	- Joint Ventures	55.02		39.23	
			60.03		47.82
	From Others		2.56		2.28
	Finance lease receivables		2.06		2.03
	Interest accrued but not due		14.02		10.24
	Other Receivables		0.12		16.03
	Total		**766.26**		**374.75**

* Pertaining to subsidiary Bengal Gas Company Limited which were yet to start its operation as at 31st March 2019.

Note 9 - Non Current Tax Assets (Net)

(₹ in crore)

	Particulars		As at 31st March 2020		As at 31st March 2019
	Advance Income Tax against pending demand				
	- Unsecured considered good	357.02		1,167.22	
	- Unsecured considered doubtful	1,120.73		217.74	
		1,477.75		1,384.96	
	Less : Provision for doubtful advance income tax against pending demand	1,120.73	357.02	218.48	1,166.48
	Advance tax	2,289.51		2,378.79	
	Less : Provision for tax (Net of MAT credit entitlement)	1,970.06	319.45	2,060.45	318.34
	Total		**676.47**		**1,484.82**

Note 10 - Inventories

(₹ in crore)

	Particulars		As at 31st March 2020		As at 31st March 2019
	Raw materials:				
	Stock of gas (after adjustment of calorific value)		-		-
	Work in progress:				
	Stock in process		17.49		14.97
	Finished goods:				
	Polymers / LPG and Other Products		744.42		446.38
	Stock in Trade:				
	Stock of gas including Liquefied Natural Gas* (After adjustment of calorific value) (Including Renewable Energy Certificate)		1,325.17		1,009.57
	Stores and spares:				
	Stores and spares	1,090.17		1,013.06	
	Less: Provision Construction Surplus - Capital / Stores	19.60	1,070.57	18.97	994.09
	In Transit				
	Stores and spares		25.36		37.63
	Total		**3,183.01**		**2,502.64**

*Includes ₹ 269.48 crore (Previous Year: NIL) in transit

Valuation of Inventories are done in accordance with Accounting Policy No. 1.9

Note 11 - Cash and Cash Equivalents

(₹ in crore)

	Particulars		As at 31st March 2020		As at 31st March 2019
	Balances with banks:				
	- Current accounts		53.82		82.64
	- Deposits with original maturity less than three months		567.30		210.16
	Cash on hand		2.23		3.83
	Cheque/Demand Draft in hand		0.78		-
	Total		**624.13**		**296.63**

Note 11A - Bank Balances other than Cash and Cash Equivalents

(₹ in crore)

	Particulars		As at 31st March 2020		As at 31st March 2019
	Other Bank Balance (FD with original maturity more than three months)		337.74		332.77
	Earmarked accounts:				
	- Current Account - Dividend Payable		5.52		5.06
	- Short Term Deposits - Gas Pool Money		222.59		327.22
	- Short Term Deposits - Imbalance & Overrun		-		124.15
	- Short Term Deposits - JV Consortium		25.68		24.09
	- Short Term Deposits - Post Retirement Medical Scheme		-		281.69
	- Others (by Group Companies)		34.51		33.49
	Total		**626.04**		**1,128.47**

Note 12 - Other Non Financial Assets - Non-current

(₹ in crore)

	Particulars		As at 31st March 2020		As at 31st March 2019
	Balance with Government Authorities				
	Unsecured, Considered Good:				
	VAT Credit Receivable	120.03		201.47	
	Sales Tax / Court Cases	1.08	121.11	0.74	202.21
	Claims recoverable:				
	- Unsecured considered good	10.55		10.55	
	- Unsecured considered doubtful	-		-	
		10.55		10.55	
	Less : Provision for doubtful claims	-	10.55	-	10.55
	Other advances		409.48		438.29
	(Including advance to an associate ₹ 401.03 crore (Previous year: ₹ 437.64 crore))				
	Capital advances:				
	- Unsecured considered good	63.28		98.73	
	- Unsecured considered doubtful	0.35		0.35	
		63.63		99.08	
	Less: Provision for doubtful advances	0.35	63.28	0.35	98.73
	Prepayments				
	Prepaid expenses		7.48		2.75
	Prepaid rent		-		73.20
	Prepaid employee expenses (loans to employees)		142.42		138.28
	Total		**754.32**		**964.01**

Note 12A - Other Non Financial Assets - Current

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Balance with Government Authorities				
Unsecured, Considered Good:				
CENVAT Credit Receivable	0.15		0.15	
GST Receivable	117.54		87.72	
VAT Credit Receivable	54.15	171.84	220.98	308.85
Claims recoverable:				
- Unsecured, considered good	62.30		57.76	
- Unsecured, considered doubtful	21.14		21.26	
	83.44		79.02	
Less : Provision for doubtful claims	21.14	62.30	21.26	57.76
Other advances		438.53		1,141.05
(Including advance to an associate ₹ 38.20 crore. (Previous year: ₹ 38.20 crore))				
Advances to suppliers/contractors:				
- Unsecured, considered good	38.92		28.00	
- Unsecured, considered doubtful	19.23		8.76	
	58.15		36.76	
Less : Provision for doubtful advances	19.23	38.92	8.76	28.00
Gold coins in hand		0.10		0.09
Prepayments				
Prepaid expenses		173.30		76.10
Prepaid rent		-		4.05
Prepaid employee benefits		21.51		18.97
Total		**906.70**		**1,634.87**

Note 13 - Equity Share Capital

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Share Capital				
Authorized				
5,00,00,00,000 Equity Shares of ₹ 10 each (Previous year 5,00,00,00,000 Equity shares of ₹ 10 each)		5,000.00		5,000.00
Issued, subscribed and fully paid up				
4,51,01,41,866 Equity shares of ₹ 10 each (Previous year 2,25,50,70,933 Equity shares of ₹ 10 each)		4,510.14		2,255.07
Total		**4,510.14**		**2,255.07**

Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March 2020		As at 31st March 2019	
	Numbers	₹ in Crore	Numbers	₹ in Crore
At the beginning of the year	2,25,50,70,933	2,255.07	2,25,50,70,933	2,255.07
Bonus Shares issued during the year	2,25,50,70,933	2,255.07	-	-
Outstanding at the end of the year	**4,51,01,41,866**	**4,510.14**	**2,25,50,70,933**	**2,255.07**

Related Information:-

a) Details of Shareholders holding more than 5% shares in the parent company

	Particulars	As at 31st March 2020		As at 31st March 2019	
		Numbers	% of Holding	Numbers	% of Holding
i)	President of India (Promoter)	2,33,44,49,987	51.76	1,17,70,29,046	52.19

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 shareholding at the shareholders meetings.

c) 2,56,17,744 shares (Previous Year : 1,92,66,283) 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 2,25,50,70,933 Bonus Shares issued during current FY 2019-20, 56,37,67,733 Bonus Shares during FY 2017-18 and 42,28,25,800 Bonus Shares during FY 2016-17.

Note 14 - Other Equity

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
a) Security Premium			0.27		0.27
Total (a)			**0.27**		**0.27**
b) Retained earnings opening balance	**33,941.86**		**30,071.09**	
Add: Profit for the year	9,422.05		6,545.74	
Add: Re-measurment gain/ (loss) on Defined Benefit Plans	(70.97)	43,292.94	40.12	36,656.95
Add: Adjustment retained earnings associates/JVs and other		2.89		(6.94)
Less: Appropriations				
-Transfer to Bond Redemption Reserve	14.97		14.97	
-Transfer to General Reserve	662.06		602.57	
-Transfer to Capital Reserve (Pre-acquisition profit KLL)	178.32			
-Final Dividend	399.15		324.73	
-Interim Dividend	2,886.49		1,409.42	
-Corporate Dividend Tax	675.37	4,816.36	356.46	2,708.15
Total (b)		**38,479.47**		**33,941.86**
c) Other reserves				
Capital reserves				
- Opening Balance	-		-	
- Transfer during the year	808.18	808.18	-	-
Bond redemption reserves				
- Opening Balance	74.84		59.87	
- Transfer to Retained Earning	14.97		14.97	
- Appropriation from Retained Earnings	-	89.81	-	74.84
Foreign Currency Translation Reserve				
- Opening Balance	62.24		(43.05)	
- FCTR during the year	126.82	189.06	105.29	62.24
General Reserves				
- Opening Balance	4,853.78		4,251.21	
- Transfer during the year from statement of P&L	662.06		602.57	
- Changes During the Year (Issue of Bonus Shares)	(2,255.07)	3,260.77	-	4,853.78
Other Comprehensive Income				
- Opening Balance	(1,268.40)		(1,000.33)	
Add: OCI for the year (Other than FCTR) inc. opening adj (if any)	(2,885.49)	(4,153.89)	(268.07)	(1,268.40)
-Ind AS Transition Reserve		6,084.44		6,084.44
Total (c)		**6,278.42**		**9,806.90**
Grand Total (a+b+c)		**44,758.11**		**43,749.03**

During the year, the Company has paid Interim dividend of ₹ 6.40 per share (Previous Year ₹ 6.25 per share) and final dividend of ₹ 0.89 per share for FY 2018-19

Note 15 Borrowings-Non Current

(₹ in crore)

Particulars	As at 31st March 2020	As at 31st March 2019
Secured Loans		
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	499.65	499.57
Term Loans :		
Oil Industry Development Board (OIDB) (Repayable in 8 equal annual instalments after expiry of moratorium of two years from the date of disbursement. Loan was disbursed on 15th January, 2020. Loan carries a fixed interest rate.) (First Hypothecation charge in favor of OIDB on all the movable fixed assets (Both present and future) of the Jagdishpur Haldia Bokaro Dhamra Pipeline (Excluding compressor stations) purchased from the proceeds of this borrowing)	850.00	-
From Banks		
State Bank of India (Repayable in 48 equal quarterly instalments after expiry of moratorium and repayment installment begin from the first quarter of the FY 2021-22 The loan carries a floating interest rate.) (Secured by way of first pari-passu hypothecation charge on movable assets and movable fixed assets, solely in relation to Dahej – Vijaipur Pipeline Phase II (DVPL-II) (excluding the compressor station at Jhabua and Vijaipur))	2,000.00	-
Other Borrowings by Group Companies	161.28	157.25
Unsecured Loans		
Term Loans from banks/financial institutions		
- KFW Germany (Coperion Facility) (Repayment in 14 half yearly equal instalments starting from November 2014 and Loan carries fixed rate of interest)	7.59	20.64
- Societe Generale (Repayment in 20 half yearly equal instalments starting from 22nd October 2012 and Loan carries floating rate of interest linked to 6 Months LIBOR plus spread).	84.63	128.21
- Japan Bank for International Cooperation (JBIC) (Repayable in 20 half yearly equal instalments starting from June 2013 and Loan carries fixed rate of interest)	73.32	98.19
- KFW Germany (Siemens Facility) (Repayment in 20 half yearly equal instalments starting from March 2014 and Loan carries fixed rate of interest)	96.93	123.10
Total	**3,773.40**	**1,026.96**

Note 15A Borrowings - Current

(₹ in crore)

Particulars	As at 31st March 2020	As at 31st March 2019
Unsecured Loans		
Loans Repayable on Demand		
From Banks		
Working Capital Demand Loan	299.70	-
Term Loans		
From Banks		
Short term loan from HDFC Bank	1,500.00	-
Other Short term Borrowings by Group Companies	764.50	1,042.90
Total	**2,564.20**	**1,042.90**

Note 16 - Other Financial Liabilities - Non-current

(₹ in crore)

Particulars	As at 31st March 2020	As at 31st March 2019
Payables for Derivative Contracts (Hedged/ Non Hedged)	6.49	10.35
Deposits/Retention Money from customers/contractors/others	39.02	15.18
Gas Pool Money provisional	581.90	652.45
Financial Guarantee Obligation	2.89	-
Other Liabilities	240.82	67.16
Total	**871.12**	**745.14**

Note 16A - Other Financial Liabilities - Current

(₹ in crore)

Particulars		As at 31st March 2020		As at 31st March 2019
Payables for Derivative Contracts (Hedged/ Non Hedged)		179.96		26.42
Current maturity of long term loans:				
- KFW Germany (Coperion Facility)	15.00		13.48	
- Societe Generale	55.69		50.37	
- Japan Bank for International Cooperation (JBIC)	36.49		32.54	
- KFW Germany (Siemens Facility)	37.80	144.98	34.08	130.47
Current maturities of group companies borrowings		170.34		22.46
Deposits/Retention Money from customers/contractors/others		1,128.95		1,243.24
Other payables				
- Interest accrued but not due	15.21		12.05	
- Unpaid/unclaimed dividend	5.52		5.06	
- Gas Pool Money	232.87		203.26	
- Imbalance and overrun charges	0.98		123.22	
- Payable for capital expenditure	1,348.42		1,295.59	
- Adjustment in pipeline tariff	32.29		31.33	
- E&P expenditure payable	48.44		60.47	
- Employee benefits payable	281.15		386.70	
- Other payables (Including metering charges, Misc. Payments etc.)	277.60	2,242.48	249.10	2,366.78
Total		**3,866.71**		**3,789.37**

Note 17 - Provisions- Non-current

(₹ in crore)

	Particulars		As at 31st March 2020		As at 31st March 2019
	Provisions for employee benefits		531.33		696.01
	Provisions for abandonment costs		7.11		6.03
	Provision for probable obligations		0.07		-
	Total		**538.51**		**702.04**

Note 17A - Provisions- Current

(₹ in crore)

	Particulars		As at 31st March 2020		As at 31st March 2019
	Provisions for employee benefits		88.70		65.48
	Provision for probable obligations		686.46		689.57
	Total		**775.16**		**755.05**

Note 18 - Trade Payables

(₹ in crore)

	Particulars		As at 31st March 2020		As at 31st March 2019
	Trade Payables to micro and small enterprises		271.82		220.40
	Trade Payables to related parties		746.03		537.93
	Trade Payables to others		2,904.33		3,117.74
	Total		**3,922.18**		**3,876.07**

Note 19 - Other Non Financial Liabilities - Non-current

(₹ in crore)

	Particulars		As at 31st March 2020		As at 31st March 2019
	Government Grant		3,522.22		2,564.45
	Total		**3,522.22**		**2,564.45**

Note 19A - Other Non Financial Liabilities -Current

(₹ in crore)

	Particulars		As at 31st March 2020		As at 31st March 2019
	Advance against Capital assets		-		1.62
	Statutory payables		475.20		453.92
	Other liabilities		87.62		87.62
	Government Grant		41.87		29.87
	Total		**604.69**		**573.03**

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)

			As at 31st March 2020		As at 31st March 2019
	(I) Profit or Loss section				
	Current Income Tax:				
	Current Income Tax charge		2,116.20		2,493.09
	Adjustment in respect of current income tax of previous year		900.17		(24.79)
	Deferred Tax:				
	Relating to origination and reversal of temporary differences		(2,102.07)		810.12
	Income tax expenses reported in the statement of profit or loss		914.30		3,278.42
	(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(-)		(5.62)		(154.81)
	For OCI not to be reclassified to P&L				
	Net loss (Gain) on re-measurement of defined benefit plans		3.76		(21.75)
	Income tax charged to OCI		**(1.86)**		**(176.56)**

***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 ₹ 422.01 crore (PY: ₹ 139.88 crore) 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. Balance Sheet

(₹ in crore)

	Particulars		As at 31st March 2020		As at 31st March 2019
	Deferred Tax Liabilities				
	Net Deferred Tax Liability due to taxable temporary differences		4,497.19		6,234.58
	Others (Share of Associates and JVs and other group companies)		(458.00)		578.54
	Less:- Mat Credit Entitlement		-		303.24
	Total		**4,039.19**		**6,509.88**

Note 21 - Revenue from Operations

(₹ in crore)

	Particulars		Year Ended 31st March 2020		Year Ended 31st March 2019
	a) Sale of Products				
	Gas		55,500.33		57,007.84
	Polymers		5,370.65		6,630.63
	LPG		3,272.94		3,750.39
	Propane/Pentane/SBPS/Naphtha		595.62		882.19
	Crude Oil		137.62		205.79
	City Gas		5,182.26		5,359.11
	Power		48.25		57.10
	b) Sale of Services				
	LPG Transmission / RLNG Shippers Charges		2,302.59		2,016.55
	c) Income from Telecom services		4.02		2.42
	Total		**72,414.28**		**75,912.02**
	Add: Other Operating Income		153.42		322.15
	TOTAL		**72,567.70**		**76,234.17**

Note 22 - Other Income

(₹ in crore)

	Particulars		Year Ended 31st March 2020		Year Ended 31st March 2019
	Interest on :				
	- Deposits with Banks	112.03		170.81	
	- Income Tax / VAT Refund	97.64		122.67	
	- Delayed payment from customers	39.31		83.65	
	- Loan to Joint Ventures and Associates etc.	34.61		23.80	
	- Loan to Employees	23.73		24.36	
	- Others	35.24		36.80	
	Less : Transferred to Expenditure during construction period (refer note no - 28)	8.12	334.44	2.16	459.93
	Dividend from Investments		219.39		249.17
	Gain on Sale of Investments (Mutual Funds)		28.52		31.06
	Amortization of Government Grant		42.88		10.32
	Net Gain on Foreign Currency Transaction and Translation		239.26		232.70
	Excess Provision Written Back		343.22		39.72
	Re-measurement gain on Investments		282.76		-
	Miscellaneous Income	59.80		191.73	
	Less : Transferred to Expenditure during construction period (refer note no - 28)	3.84	55.96	0.36	191.37
	Total		**1,546.43**		**1,214.27**

Note 23 - (Increase) / Decrease in Inventories of Stock in Trade Finished Goods, Work in Progress

(₹ in crore)

Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
Inventories at the end of the period:-		
Work-in-Progress	17.49	14.97
Finished Goods	744.42	446.38
Stock in Trade	1,137.00	1,009.57
Total	**1,898.91**	**1,470.92**
Inventories at the beginning 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**
TOTAL	**(427.99)**	**(547.61)**

Note 24 - Employee Benefits Expense

(₹ in crore)

Particulars		Year Ended 31st March 2020		Year Ended 31st March 2019
Salaries, Wages and Allowances	1,446.44		1,435.52	
Contribution to Provident and Other Funds	239.79		423.93	
Staff Welfare Expenses	203.74	1,889.97	219.39	2,078.84
Less :				
Employees Benefits Expense transferred to Capital Work-in-Progress (Ref Note No. 28)	159.43		138.73	
Reimbursements for employees on deputation	96.80	256.23	76.91	215.64
Total		**1,633.74**		**1,863.20**

Note 25 - Finance Cost

(₹ in crore)

Particulars		Year Ended 31st March 2020		Year Ended 31st March 2019
Interest on:				
- Term Loans	77.16		111.62	
- Bonds	41.60		41.50	
- Lease Liabilities	22.64		-	
- Others	210.26		28.86	
- Interest and Finance Charges transferred to Capital Work-in-Progress (Ref Note No. 28)	(42.68)	308.98	(15.36)	166.62
(Gain)/Loss on changes in fair value of derivatives		(30.75)		(113.75)
Net (Gain) / loss on foreign currency transactions on borrowings		30.71		106.33
Total		**308.94**		**159.20**

Note 26 - Depreciation and Amortization Expenses

(₹ in crore)

Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
Depreciation and Amortization Expenses	2,088.75	1,648.61
Impairment Loss (Refer Note No. 2-3)	(0.30)	19.37
Less : Depreciation and Amortization Expenses transferred to Capital Work-in-Progress (Ref Note No. 28)	8.29	1.34
Total	**2,080.16**	**1,666.64**

Note 27 - Other Expenses

(₹ in crore)

	Particulars		Year Ended 31st March 2020		Year Ended 31st March 2019
	Gas Pool Expenses		1.03		10.41
	Stores and Spares consumed		462.99		444.24
	Power, Fuel and Water Charges				
	- Power Charges	408.46		358.35	
	- Gas used as Fuel	2,107.63		2,288.52	
	- Water Charges	19.71	2,535.80	14.83	2,661.70
	Rent		79.74		73.75
	Repairs and Maintenance				
	- Plant and Machinery	432.81		348.81	
	- Buildings	49.84		46.17	
	- Others	74.48	557.13	99.01	493.99
	Insurance		65.58		45.73
	Rates and Taxes		18.84		16.98
	Miscellaneous Expenditure :				
	- Travelling Expenses		83.06		88.61
	- Advertisement and Publicity		44.58		80.47
	- Vehicle Hire and Running Expenses		52.25		60.07
	- Survey Expenses		13.66		9.97
	- Dry Well Expenses written off		-		21.88
	- Oil & Gas Producing Expenses		50.57		56.08
	- Royalty on Crude Oil (including share of Govt in Profit Petroleum)		236.10		155.00
	- Consultancy Charges		41.50		40.87
	- Donation		5.00		5.00
	- Research and Development Expenses		12.03		10.94
	- Provision for Impairment Loss CWIP/ Investments		3.37		20.05
	- Loss on sale / write off of assets (net)		(0.09)		272.54
	- Bad Debts/Claims/Advances/Stores written off		0.48		2.86
	- Provision for Doubtful Debts, Advances, Claims, Deposits and		136.12		78.14
	obsolescence of Stores and Capital Items		-		-
	- Provision for Probable Obligations / Contingencies		39.82		51.89
	- Expenses on Enabling Facilities		0.07		0.59
	- Selling & Distribution Expenses		90.37		59.97
	- Commission on Sales		37.70		32.33
	- Security Expenses		220.58		200.06
	- Corporate Social Responsibility Expenses		127.48		121.57
	- MTM loss (Gain) on Commodity Derivative (Net)		(198.94)		(43.18)
	- Other Expenses		290.61		263.57
	Reclassification of cumulative exchange difference relating to foreign operation		0.18		-
	Payment to Auditors				
	- Audit Fees	0.99		0.77	
	- Tax Audit fees	0.12		0.11	
	- Other Services (for issuing certificates, etc.)	0.32		0.25	
	- Travelling & Out of Pocket Expenses	0.71	2.14	0.34	1.47
	Less : Incidental Expenditure during construction transferred to Capital Work-in-Progress (Ref Note No. 28)		22.19		18.62
	Total		**4,987.56**		**5,318.93**

Note 28 - Expenditure during Construction Period

(₹ in crore)

	Particulars		Year Ended 31st March 2020		Year Ended 31st March 2019
	Employees Remuneration and Benefits				
	- Salaries, Wages and Allowances	136.08		103.86	
	- Contribution to Provident and Other Funds	12.68		23.07	
	- Welfare Expenses	10.67	159.43	11.80	138.73
	Interest and Finance Charges		42.68		15.36
	Depreciation		8.29		1.34
	Power, Fuel and Water Charges				
	Power Charges	0.13		0.80	
	Insurance		0.04		0.03
	Rent		0.95		0.06
	Repairs and Maintenance				
	- Plant and Machinery	0.05		0.02	
	- Others	2.65	2.70	2.10	2.12
	Rates and Taxes		0.08		0.01
	Miscellaneous Expenditure :				
	- Travelling Expenses	9.22		11.40	
	- Advertisement and Publicity	0.18		0.07	
	- Vehicle Hire and Running Expenses	0.07		0.05	
	- Consultancy Charges	0.12		0.13	
	- Other Expenses	8.70	18.29	3.95	15.60
	Less : - Interest Income	8.12		2.16	
	- Misc. Income	3.84	11.96	0.36	2.52
	Net Expenditure		**220.63**		**171.53**
	Less :Transferred to Capital Work-in-progress				
	a) Employees Benefits Expenses		159.43		138.73
	b) Interest & finance Charges		42.68		15.36
	c) Depreciation		8.29		1.34
	d) Other Expenses		22.19		18.62
	Less:				
	e) Other Income		11.96		2.52
	Sub Total		**220.63**		**171.53**
	Total		**-**		

Notes Accompanying Consolidated Financial Statements for the Year ended 31st March 2020

29. 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	Proportion of ownership as on 31st March, 2020	Proportion of ownership as on 31st March, 2019
1	GAIL Gas Limited (Refer*1)	India	City Gas	Subsidiary	100.00%	100.00%
2	GAIL Global (USA) Inc. (Refer*2)	USA	E&P	Subsidiary	100.00%	100.00%
3	GAIL Global Singapore Pte. Ltd.	Singapore	LNG Trading	Subsidiary	100.00%	100.00%
4	Tripura Natural Gas Limited	India	City Gas	Subsidiary	48.98%	48.98%
5	Bengal Gas Company Limited (Refer*3)	India	City Gas	Subsidiary	50.00%	0.00%
6	Konkan LNG Limited (Refer*4)	India	LNG terminal	Subsidiary	69.06%	40.92%
7	Avantika Gas Limited	India	City Gas	Joint Venture	49.99%	49.99%
8	Bhagyanagar Gas Limited	India	City Gas	Joint Venture	48.73%	49.97%
9	Maharashtra Natural Gas Limited	India	City Gas	Joint Venture	22.50%	22.50%
10	Central UP Gas Ltd.	India	City Gas	Joint Venture	25.00%	25.00%
11	Green Gas Ltd.	India	City Gas	Joint Venture	49.97%	49.97%
12	Ratnagiri Gas and Power Pvt. Ltd.	India	Power	Joint Venture	25.51%	25.51%
13	Indradhanush Gas Grid Ltd	India	Gas Transmission	Joint Venture	20.00%	20.00%
14	Talchar Fertilizers Limited	India	Fertilizers	Joint Venture	33.33%	33.33%
15	Vadodra Gas Limited (Refer*5)	India	City Gas	Joint Venture	50.00%	50.00%
16	Tapi Pipelines Company Ltd	Isle of Man	Gas Pipeline	Joint Venture	5.00%	5.00%
17	GAIL China Gas Global Energy Holdings Limited#	Bermuda	City Gas	Joint Venture	NIL	50%
18	Mahanagar Gas Limited	India	City Gas	Associate	32.50%	32.50%
19	Indraprastha Gas Limited	India	City Gas	Associate	22.50%	22.50%
20	Petronet LNG Ltd.	India	LNG Terminal	Associate	12.50%	12.50%
21	Brahmputra Crackers and Polymers Ltd.	India	Petrochemical	Associate	70.00%	70.00%
22	ONGC Petro Additions Ltd. (Refer*6)	India	Petrochemical	Associate	49.21%	49.21%
23	Ramagundam Fertilizers and Chemicals Limited	India	Fertilizers	Associate	14.46%	14.77%
24	Fayum Gas	Egypt	City Gas	Associate	19.00%	19.00%
25	China Gas Holdings Ltd.	Bermuda	City Gas	Associate	2.87%	2.87%

*1: Consolidated financial statement of GAIL Gas Ltd includes its 50%, 17.07%, 50%, 50%, 50% , 50% & 26% 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., Goa Natural Gas Pvt. Ltd and PurbaBharati Gas Pvt. Ltd. Respectively engaged in the business of City gas Distribution.

*2: Consolidated financial statement of GAIL Global (USA) Inc. includes its 100% subsidiary, Gail Global (USA) LNG LLC having primary business of LNG trading. The accounting period of the subsidiary has been aligned with parent during the period and resulting adjustment has been made in opening retained earnings amounting to ₹ 10.70/- crore

*3: Bengal Gas Company Limited is incorporated on 4th January 2019; first financial year of the entity has ended on 31st March 2020, same has been considered in consolidation for FY 2019-20.

*4: Calculated on the basis of voting rights in proportion to amount paid in respect of partly paid-up equity share. Konkan LNG Limited is acquired on 27.03.2020 and consolidated as subsidiary for the first time.

*5: GAIL is a holding 32.93% equity of VGL and 17.07% is held through GAIL Gas Ltd.

*6: Holding 8.05% on a fully diluted basis.

No investments were made till FY 2018-19, company had been wound up.

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, 2020), except for TAPI Pipeline Company Ltd., and Fayoum Gas Company (for whom the accounts are drawn up as at 31st December, 2019, due to local reporting requirements in respective countries) and for China Gas Holding Limited having its reporting period ending 31st March 2020 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, 2019 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 19th June, 2020 has been taken in to account in preparing consolidated financial statements in respect of Joint ventures/associates namely Ratnagiri Gas and Power Pvt. Ltd., Vadodara Gas Limited, Petronet LNG Ltd., ONGC Petro Additions Ltd., 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 ONGC Petro additions Ltd. amounting to ₹176.51 and ₹ 969.41 crore respectively as at 31st March 2020 as per their Unaudited financial statements for the year ended 31st March 2020. Same has not been recognized in consolidated financial statements, as Group's share of losses exceeds Group's interest in the joint ventures.

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 holds 70% 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) The Group holds 50% equity shares of Bengal Gas Company Limited (BGCL), but Based on a control assessment carried out under Ind AS 110 'Consolidated Financial Statements', BGCL is considered to be a subsidiary of the Company because the Company has a sufficiently dominant voting interest to direct the relevant activities of BGCL.

d) 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.

30) 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 ₹ 1,492.36 crore (Previous Year: ₹ 1,812.88 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 & appeals cases of ₹ 1.05 crore (Previous year ₹ 1,892.77 crore net of provisions of ₹ 265.59 crore). The Company has deposited and amount of ₹ 1,274.30 crore with Income Tax Department against the disputed cases. The Income Tax demand has reduced during the year due to adoption of amnesty scheme for settlement of pending cases of direct taxes under "Direct Tax Vivad Se Viswas Scheme" (DTVSVS) introduced by Government of India, during latest Union Budget. The provision of ₹ 917.56 crore has been created in the books of accounts against the disputed cases opted for settlement and the remaining amount of ₹ 1.05 crore is shown as contingent liability.

(iii) Disputed Indirect tax demands are as under:

(₹ in crore)

Sl. No	Particulars	As at 31st March 2020	As at 31st March 2019
1	Custom Duty	542.67	8.17
2	Excise Duty*	3,351.02	3,442.89
3	Sales Tax / VAT	116.82	158.06
4	Entry Tax	31.16	28.55
5	Service Tax	154.29	158.32
6	GST	104.45	94.35
	Total	**4,300.41**	**3,890.34**

*It includes ₹ 3,014.32 crore (Previous Year: ₹ 2,888.72 crore) towards demand (including interest and penalty) of Central Excise duty confirmed by CESTAT, Delhi in the matter pertaining to classification of 'Naphtha' manufactured by the Company. The Company has filed an appeal before the Hon'ble Supreme Court against the order which was admitted and stay has been granted by the Hon'ble Supreme Court on compliance of the conditions of depositing a sum of ₹ 20 crore and furnishing security to the extent of ₹ 132 crore.

Further, opinion from legal experts has been obtained by the Company and according to them, the Company has a good case on merits as well as on limitation. The matter is pending before the Court.

(iv) Miscellaneous claims of ₹ 246.19 crore (Previous Year: ₹ 268.47 crore) includes mainly arbitration cases filed by vendors for delayed payments and losses incurred by them etc.

The movement of contingent liabilities under various categories from (i) to (iv) is tabulated below:

(₹ in crore)

Categories	Opening Bal.	Additions	Deletions	Closing Bal.
Central Govt.	5,544.73	150.50	2,147.31	3,547.92
State Govt.	325.86	35.95	46.24	315.57
CPSEs	2.15	-	-	2.15
Others	1,991.72	360.70	712.54	1,639.88
Total	**7,864.46**	**547.15**	**2,906.09**	**5,505.52**

(v) The Company uses optical fibre based captive communication system primarily for internal supervising control, data acquisition & ERP System. The Company has taken Infrastructure Provider Category II (IP-II) License from Department of Telecommunication (DoT) for which the Company has been paying license fees as per license agreement. The Company had received provisional assessment orders from DoT towards payment of Annual License Fees in respect of IP-II License for several financial year DoT had allegedly claimed an outstanding amount of ₹ 1,83,076 crore including interest and penalty computed on the basis of Adjusted Gross Revenue (AGR) of the Company. The Company has disputed the claim.

Subsequently, Hon'ble Supreme Court vide its Order dated 11th June 2020 has directed DoT to review the demand raised on the basis of clarification regarding definition of Adjusted Gross Revenue provided in the said order. In pursuance to this, DoT filed affidavit regarding its decision to withdraw their Demands raised on PSUs. The said affidavit has been considered by Hon'ble Supreme Court vide its Order dated 18.06.2020 for withdrawal of demand.

(vi) Some of the customers have submitted counter claims amounting to ₹ 8,486 crore (PY: ₹ 17,733 crore) against Ship or Pay charges / consequential losses for not supplying gas after settlement of ₹ 10,542 crore during FY 2019-20.

b) Corporate Guarantees

The Company has issued Corporate Guarantees for ₹ 3,972 crore (Previous Year: ₹ 2,449 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 ₹ 1,155 crore (Previous Year: ₹ 1,201 crore).

c) Share in Contingent Liabilities of Group Companies based on their audited / unaudited financial statement are as follows:-

(₹ in crore)

Particulars	2019-20	2018-19
a) Subsidiaries	7,324.20	7,258.47
b) Joint Ventures	146.52	620.97
c) Associates	2593.88	793.74

II. Capital Commitments:-

(a) Estimated amount of contracts (Net of advances) remaining to be executed on capital account as at 31st March 2020 is ₹ 5,735.06 crore (Previous Year: ₹ 7,300.66 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	2019-20	2018-19
a) Subsidiaries	1,862.69	801.80
b) Joint Ventures	2,989.22	237.11
c) Associates	1,305.49	2543.77

c) Other commitments:-

i. The Company has commitment of ₹ 2,424.53 crore (Previous Year: ₹ 1,394.42 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 45 (B) (iv) to the standalone financial statements.

31) Impact of Covid 19:-

On 11th March 2020, the World Health Organization (WHO) declared the outbreak of new coronavirus (COVID-19) as a global pandemic. Government of India had issued orders/ notifications for lockdown in the country from 23rd March 2020 for 21 days, which was subsequently extended. Due to lockdown, the industries were closed which impacted the demand of supply and services as well as prices thereof.

The Company has assessed the potential impact of COVID-19 in FY 2020-21 based on the current circumstances and expect no significant impact on the continuity of operations of the business on long term basis/ on useful life of the assets/on financial position etc.

32) Claims by the Company not acknowledged as Income:-

i. 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 ₹ 1,658.02 crore (Previous Year ₹ 1,561.97 crore) as at the end of the year. Income in respect of the same shall be recognized on final disposal of the matter.

ii. 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 ₹ 3,136.93 crore (PY: ₹ 3,091.94 crore) on the basis of information provided by Fertilizer Industry Coordination Committee (FICC). The proceeds, if received, will be transferred to Gas Pool

33) Pricing and Tariff:-

(a) With effect from 1st April 2002, Liquefied Petroleum Gas (LPG) prices have been deregulated and is now decided 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 Ministry of Petroleum and Natural Gas (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) The Company has filed appeal(s) before Appellate Tribunal (APTEL), against various moderations done by PNGRB in respect of Final Tariff Order(s) issued by PNGRB for Dadri-Bawana-Nangal Natural Gas Pipeline (DBNPL), Chainsa-Jhajjar-Hissar Natural Gas Pipeline (CJHPL), Cauvery Basin, Kochi–Koottanad–Mangaluru-Bengaluru Pipeline (KKMBPL), Krishna Godavari Basin (KG Basin) and Dabhol-Bangalore Pipeline (DBPL) Networks

(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 and certain customers have challenged these orders of PNGRB in Court of Law. Hon'ble High Court of Gujarat, vide its Order dated 17th June 2019 has allowed the company to charge as per new tariff rates from 17th June 2019. The company has filed an appeal before Hon'ble High Court of Gujarat for differential amount for the period from 1st April' 2018 to 16th June 2019 which is pending for disposal.

(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 to fix transmission tariff for natural gas marketed to consumer. 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 which has been admitted by the Hon'ble Court and is pending for final adjudication

(e) PNGRB vide Gazette Notification No. F. No. PNGRB/M(C)/62/ 2020 dated 27th March 2020, has extended the existing LPG Pipeline tariff till 30th June 2020.

34) On 19th February 2014, PNGRB notified the Amended Affiliate Code of Conduct Regulations by insertion of Regulation 5A mandating that an entity engaged in both marketing and transportation of natural gas shall create a separate legal entity on or before 31st March 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, be available to the affiliate of

such separate legal entity. The Company has challenged the said PNGRB Regulation before Hon'ble Delhi High Court by way of a Writ Petition and the same is pending for final adjudication.

35) Land & Building

i. Freehold and Leasehold Land amounting to ₹ 11.41 crore and ₹ 3.66 crore (Previous Year: ₹ 22.21 crore and ₹ 7.17 crore) respectively are capitalized on provisional basis.

ii. Title deeds for freehold (3.96 hectares) and leasehold (39.21 hectares) land amounting to ₹ 8.95 crore and ₹ 11.50 crore (Previous Year: ₹ 10.93 crore and ₹ 15.05 crore) respectively are pending for execution in the name of the Company. This includes ₹ 3.21 crore (Previous year ₹ 4.59 crore) amount of leasehold Land shown under 'Prepayments' in Note no 12 (Other Non-Current Assets - Non financial)

iii. Net Block for "Building" includes NIL (Previous Year ₹ 1.32 crore) earmarked for disposal but in use.

iv. In the year 1990, Gujarat Industrial Development Corporation (GIDC) allotted land to the Company for 99 years measuring 70.8734 Hectares for setting up of LPG Recovery in Vaghodia, Gujarat for an amount of ₹ 3.61 crore. The Lease Deed was executed for approx. 66.3038 Hectares of Land and execution for the balance land of 4.5696 Hectares has been delayed till the time the land is transferred to GIDC by Government of Gujarat.

v. In the meantime, Government of Gujarat enquired the Company whether it was ready to pay an amount of ₹ 17.53 crore for the balance land. However, there is no demand from GIDC. The Company is of the opinion that since the amount for allotted land has already been paid and no additional demand has been received from GIDC and hence no liability/contingent liability exists on the Company.

vi. Details of Land & Buildings booked under CSR activities and not included under Property, Plant & Equipment (PPE) are as under:

(₹ in crore)

S.No.	Description	As at 31st March 2020	As at 31st March 2019
1	Freehold Land (3.28 acre) in Uttar Pradesh	0.31	0.31
2	Building constructed on Freehold Land mentioned at Sl No. 1	4.44	4.44
3	Leasehold Land (2 hectares) in Madhya Pradesh	0.80	0.80
4	Building constructed on Leasehold Land mentioned at Sl No. 3	6.51	6.51

vii. Company has entered into a perpetual lease with Delhi Development Authority (DDA) for land of GAIL, Corporate Office at Bhikaiji Cama Place, New Delhi. The rent is payable on a yearly basis, which is under revision w.e.f. 1st January 2018. DDA has not informed revised Lease Rent, accordingly the Company has been paying existing rent till July 2020. The Company has also submitted request for conversion of title deed of the said land from Leasehold to Freehold for which confirmation from DDA is awaited.

36) 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 31.03.2020	As on 31.03.2019	As on 31.03.2020	As on 31.03.2019
Retention from Panna Mukta Tapti JV consortium	25.68	24.09	0.22	0.27
Liability on account of Gas Pool Account (kept as custodian as per the directions of MOPNG)	222.59	327.22	4.45	5.54
Liability on account of Pipeline Overrun and Imbalance Charges (kept as custodian as per the directions of MOPNG)	-	124.15	-	4.91
Other Earmarked balances of Group Companies	34.51	0.93	33.49	9.72

The earmarked balance, which includes interest accrued on short term deposit in banks, do not belong to the Company and has not been accounted for as income.

(b) Gas Pool Money amounting to ₹ 581.90 crore (Previous Year: ₹ 652.45 crore) with a corresponding debit thereof under Trade Receivable will be invested /paid as and when said amount is received from the customers

37)

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 ₹ 673.58 crore (Previous Year ₹ 266.83 crore) is payable to and correspondingly receivable from Urea Plants, as on 31st March 2020. Hence, there is no impact on profitability of the Company.

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 2020 which is payable to the above said power plants and / or to the Government of India.

38) Ind AS 115 - Revenue 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.

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 2020

(₹ 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 2020
1	**Revenue**									
	Revenue from Operations	6,034.43	636.41	71,211.96	5,432.13	4,233.71	5,316.72	1,051.62	9.38	93,926.36
	Inter Segment Sales	611.00	5.98	15,644.76	2.23	363.90	4,711.44	19.22	0.13	21,358.66
	Total Revenue	**5,423.43**	**630.43**	**55,567.20**	**5,429.90**	**3,869.81**	**605.28**	**1,032.40**	**9.25**	**72,567.70**
2	**Primary geographical markets**									
	Domestic Sales	-	-	6,423.76	62.88	-	24.39	-	-	-
	International Sales	5,423.43	630.43	49,143.44	5,367.02	3,869.81	580.89	1,032.40	9.25	72,567.70
	Total Revenue	**5,423.43**	**630.43**	**55,567.20**	**5,429.90**	**3,869.81**	**605.28**	**1,032.40**	**9.25**	**72,567.70**
3	**Timing of revenue recognition**									
	At the Point	-	-	6,423.76	62.88	-	24.39	-	-	-
	Over the time	5,423.43	630.43	49,143.44	5,367.02	3,869.81	580.89	1,032.40	9.25	72,567.70
	Total Revenue	**5,423.43**	**630.43**	**55,567.20**	**5,429.90**	**3,869.81**	**605.28**	**1,032.40**	**9.25**	**72,567.70**

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
	Inter Segment Sales	540.41	9.66	9,543.35	1.88	449.20	4,539.26	3,360.17	1.73	18,445.66
	Total Revenue	**5,238.21**	**614.44**	**57,217.39**	**6,702.06**	**4,633.94**	**936.88**	**883.63**	**7.62**	**76,234.17**
2	**Primary geographical markets**									
	Domestic Sales	5,238.21	614.44	49,812.69	5,826.66	4,633.94	936.88	847.99	7.62	67,918.43
	International Sales	-	-	7,404.70	875.40	-	-	35.64	-	8,315.74
	Total Revenue	**5,238.21**	**614.44**	**57,217.39**	**6,702.06**	**4,633.94**	**936.88**	**883.63**	**7.62**	**76,234.17**
3	**Timing of revenue recognition**									
	At the Point	-	-	7404.70	6,702.06	-	-	-	-	6,702.06
	Over the time	5,238.21	614.44	49,812.69	-	4,633.94	936.88	883.63	7.62	69,532.11
	Total Revenue	**5,238.21**	**614.44**	**57,217.39**	**6,702.06**	**4,633.94**	**936.88**	**883.63**	**7.62**	**76,234.17**

Note: No single customer represents 10% or more of the total Company's revenue during the year ended 31st March 2020 & 31st March 2019.

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 31.03.2020	As on 31.03.2019
Trade Receivable (Net)	4,818.31	4,363.16
Contract Assets		
Unbilled Receivables	-	0.23
Contract Liabilities		
- Advance from Customers	822.92	771.52

Trade receivables are non-interest bearing and are generally on credit terms ranging from 0 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 2020	31st March 2019
Balance at the beginning of the year	0.23	-
Revenue recognised during the year	-	0.23
Invoices raised during the year	0.23	-
Balance at the end of the year	-	0.23

(₹ in crore)

Changes in Contract Liabilities	31st March 2020	31st March 2019
Balance at the beginning of the year	771.52	810.11
Revenue recognized that was included in Advances balance at the beginning of the year	2,307.68	2,331.75
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	2,360.15	2,370.34
Balance at the end of the year	822.92	771.52

39) Disclosure as per IndAS 23 on 'Borrowing Costs':

Borrowing costs capitalized in assets including amount allocated towards Capital Work in Progress during the year was ₹ 68.02 crore (Previous Year: ₹ 33.59 crore).

40) IndAS 116 – Leases

Transition:

The Company has adopted the new standard, Ind AS 116 Leases with effect from 1st April, 2019 using the modified retrospective approach and the Company has not restated the comparative information.

The Company has lease contracts for Land, Building, Plant & Machinery and Vehicles before the adoption of Ind AS 116, the company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Upon adoption of Ind AS 116, the company applied a single recognition and measurement approach for all leases except for short-term leases. Refer to Note 1.23 for the accounting policy on Ind AS 116. The standard provides specific transition requirements and practical expedients, which have been applied by the company.

Leases previously classified as operating leases:

The company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases. The lessee recognizes a lease liability measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application and correspondingly measured the right-of-use asset at an amount equal to the lease liability, adjusted for previously recognized prepaid or accrued lease payments. Accordingly, right of use assets of ₹ 382.02 crore has been recognized and lease liabilities of ₹ 299.54 crore has been recognised, as at 1st April 2019. There is no impact to opening retained earnings due to application of Ind AS 116.

The company also applied the following practical expedients during transition wherein it:

- used a single discount rate to a portfolio of leases with reasonably similar characteristics
- applied the short-term leases exemptions to leases with remaining lease term is not more than 12 months as at 1st April 2019
- excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

Leases previously classified as finance leases:

The company did not change the initial carrying amounts of recognised leasehold assets and finance lease obligations as at 1st April 2019 for leases previously classified as finance leases (i.e., the right-of-use assets equal to the leasehold assets recognised under Ind AS 17). Accordingly, leasehold assets has been reclassified and added to right of use asset (ROU) and finance lease obligation has been reclassified and added to lease liabilities, as at 1st April 2019.

Schedules showing reconciliation form part of the standalone financial statements (Note 39).

41) Pay revision of Non-Executives of the Company is due w.e.f. 1st Jan 2017. Pending finalization of pay revision, a provision of ₹ 8.72 crore (PY: ₹ 42.70 crore) has been made during FY 2019-20 on estimated basis. Accordingly, cumulative balance towards pay revision, pending settlement is ₹ 97.65 crore (PY: ₹ 88.93 crore) as on 31st March 2020.

42) During the financial year the Company has entered into composite tripartite framework agreement with Konkan LNG Limited (KLL) (previously known as Konkan LNG Private Limited) and its lenders for settlement of KLL's Loan as per Debt Resolution Plan. As per the plan, the Company infused funds of ₹ 2,700 crore in KLL, which was used by KLL for settlement of Loan of ₹ 3,813.07 crore. As per this settlement, the Company will receive ₹ 3,813.07 crore (Debt) from KLL and received Equity Shares of ₹ 194.41 crore of KLL Face Value. Accordingly, the Company in its standalone financial statements, has recognized initially debt at ₹ 2,544.33 crore and investment in equity shares of KLL at ₹ 155.67 crore and has not recognized any upfront gain due to this transaction. Consequent upon the debt resolution plan of KLL on 27.03.2020, the Company's equity shareholding in KLL has increased from 40.92% to 69.06%. and it has become subsidiary of the Company w.e.f. 27th March 2020, the above transactions are eliminated at consolidated financial statements with recognition of Capital Reserve amounting to ₹1268.74 crore.

43) In compliance of Ind AS 36 on Impairment of Assets, the Company has carried impairment assessment as on 31.03.2020 in respect of its following investments in standalone financial statements:

i) Based upon the fair valuation of investment in Fayum Gas Company S.A.E., Egypt, the Company has made a reversal of impairment of ₹ 0.46 crore (Previous Year: ₹ 3.03 crore). The Carrying Value of Company's investment in Fayum Gas Company as on 31st March 2020 stands at ₹ 8.10 crore. (Previous year: ₹ 7.64 crore).

ii) The Company has made a reversal of impairment of ₹ 137.57 (Previous Year: ₹ 2.18 crore) of its investment in KLL. The Carrying Value of Company's investment in KLL as on 31.03.2020 stands at ₹ 690.43 crore. (Previous year: ₹ 397.19 crore)

iii) Based upon the fair valuation of Company's investment in Ratnagiri Gas and Power Private Limited (RGPPL), the Company has provided for loss on impairment of ₹ 41.46 crore (Previous year: ₹ 157.92 crore). The Carrying Value of Company's investment in RGPPL as on 31.03.2020 stands at ₹ 18.07 crore (Previous year: ₹ 59.53 crore).

iv) During the year, based on fair valuation of Company's investment in GAIL Global USA Inc. (GGUI), the Company has made a reversal of impairment of ₹ 5.06 crore against impairment provision of ₹ 173.62 crore in Previous Year. The Carrying Value of Company's investment in GGUI as on 31.03.2020 stands at ₹ 10.61 crore (Previous year: ₹ 5.55 crore).

44) In respect of Subsidiary and Joint Ventures/Associate Companies, the following salient notes to accounts are disclosed.

I) GAIL Gas Limited

a) A Joint Venture Company, Kerala GAIL Gas Ltd. (KGGL) is in the process of voluntary winding up. No diminution in value of the balance equity investment of ₹ 0.01 crore has been considered as the investment has been valued at cost since the assets of KGGL mainly consists of current assets in the form of deposited with Schedule Commercial Banks and there is no diminution in the value of such deposits on the reporting date.

b) During the year, the board of directors of the company and its meeting held on 04.04.2019 has approved the capital projects of estimated total cost of ₹ 6121.28 crore over the period of 25 years and investment of ₹ 5584.65 crore over the period of 8 years of the minimum work program (MWP) in respect of 5 numbers of Geographical Areas (GAs) namely Giridh-Dhanbad Districts, Dakshina-Kannada Districts, Sundergarh-Jharsuguda Districts, Ganjam-Nayagarh-Puri Districts and Dehradun Districts awarded to the company during 9th round of CGD bidding by Petroleum and Natural Gas Regulatory Board (PNGRB) for carrying on the development of City Gas Distribution Network in these GAs subject to approval of the parent company. Subsequently, the parent company has also approved the investment in these 5 numbers of GAs of the company and the construction work of these capital projects is under progress to meet the MWP.

c) During the year, the board of directors of the company and its meeting held on 09.12.2019 has approved the capital projects of estimated total cost of ₹ 3699.92 crore over the period of 25 years and investment of ₹ 3284.20 crore over the period of 8 years of the minimum work program (MWP) in respect of 4 numbers of Geographical Areas (GAs) namely Seraikela-Kharsawan Districts, Mirzapur, Chandauli and Sonbhadra Districts, West Singhbhum Districts and Raisen, Shajapur and Sehore Districts awarded to the company during 10th round of CGD bidding by Petroleum and Natural Gas Regulatory Board (PNGRB) for carrying on the development of City Gas Distribution Network in these GAs subject to approval of the parent company. Subsequently, the parent company has also approved the investment in these 4 numbers of GAs of the company and the construction work of these capital projects is under progress to meet the MWP.

II) GAIL Global (USA) Inc.

a) During 2018, DECP claimed certain force majeure events resulted in export in-service delays and service interruptions in DECP's Cove Point Terminal, which were not accepted by GGULL. DECP did not make payment of export in-service delay damages to GGULL in the amount of $4.47 million because DECP claimed the delays were due to force majeure. GGULL disputed and deducted an aggregate amount of $14.06 million out of the total amounts invoiced by DECP during the year ended December 31, 2018 because of certain service failure credits, additional service failure credits and remarketing losses, which DECP claimed as service failures arising due to force majeure. As of March 31, 2020 and 2019, the amounts in dispute have not been recorded and the ultimate outcome in these matters is not determinable. GGULL and DECP are holding discussions to resolve these matters and to the extent any amounts owed that result from such discussions will be recorded at that time with a corresponding amount recorded as a receivable from Parent.

b) Although the Company cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, if the pandemic and a low oil price environment continues, it may have a material adverse effect on the Company's operating cash flows, liquidity and future development plans.

c) In February 2016, the Financial Accounting Standards Board ("FASB") issued an ASU update for leases. The ASU introduces a lessee model that brings most leases on the balance sheet. The new standard also aligns many of the underlying principles of the new lessor model with those in the current accounting guidance as well as the FASB's new revenue recognition standard. However, the ASU eliminates the use of bright-line tests in determining lease classification as required in the current guidance. The ASU also requires additional qualitative disclosures along with specific quantitative disclosures to better enable users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. In May 2020, the FASB extended the effective date of this standard

therefore this ASU is effective for annual reporting periods beginning after December 15, 2021, including interim periods within that reporting period, using a modified retrospective approach. Early adoption is permitted. The Company is still evaluating the impact that the ASU will have on its consolidated financial statements and related disclosures.

III) GAIL Global Singapore Pte Ltd.

a) The company objectives when managing capital are to safeguard the company's ability to continue as a going concern and to maintain an optimal structure so as to maximize shareholder value. In order to maintain or achieve an optimal structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

b) On 9th April 2020, NATGAS declared and approved dividends to be paid to shareholders out of its profits earned in the financial year ended 31st December, 2019. The company's share of dividend, net of tax, is amounting to EGP 4.5 million (or equivalent USD 284,940).

After the balance sheet date, we have seen macro-economic uncertainty with regards to prices and demand for liquefied natural gas (LNG) products as a result of COVID-19 outbreak. Furthermore, the oversupply of LNG in the first quarter of 2020 have caused further abnormally large volatility in commodity markets. The scale and duration of these developments remain uncertain and evolving.

IV) Mahanagar Gas Limited

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.

V) ONGC Petro additions Limited

a) In Extraordinary General Meeting the board has approved the extension of the terms of Compulsory Convertible Debentures ("CCD") of face value ₹ 56,150 Million with the end date of 02.07.2019 and revised it to 02.01.2021. The revised agreement was executed dated 03.07.2019 with the existing investor This transaction is accounted as extinguishment of existing liability by the company because the terms are substantially different and the difference between the carrying amount of the existing financial liability and the new finance liability of 6,264.47 Million is recognized in profit or losses as exceptional loss on extinguishment of CCD. The fair value of the new liability portion of a CCD is determined by using market interest rate for an equivalent non-convertible bond. On account of extension of CCD the equity component increased by 6,211.47 Million and corresponding impact is given in retained earnings.

b) The company has set up Petrochemical complex in Special Economic Zone, Dahej (SEZ). Due to change in market scenario, sale of its products in domestic market has become inevitable. However, the same is not viable due to the duty structure. As assessed by company after exit from SEZ, there shall be a significant improvement in margins based on direct saving on Basic Custom Duty over the entire life of the complex. Further, Petrochemical analysts have held the view that net backs to company in domestic markets are better than exports. Therefore, Board of Directors has accorded exploratory approval to exit from SEZ. Initially SEZ exit liability was worked out to ₹ 16,816 Million. In current scenario amount of liability initially worked out may reduce which cannot be estimated at this juncture. Application for SEZ exit is under consideration with competent authorities. A final decision on exit or not to exit can be taken based on the terms and conditions stipulated for exit. Accordingly, no financial impact has been taken in books of account.

VI) Brahmaputra Cracker and Polymer Ltd.

a) Based on the proposal submitted earlier by the company in line with initial condition for implementation of Assam Gas Cracker Project and recommendation of an Inter-Ministerial Committee, the Government of India has approved the feedstock subsidy for BPCL for 15 years of plant operation in current financial year. As per approved methodology for computation of feed stock subsidy, BCPL has carried out the revised study of the project to ascertain the IRR considering the current scenario w.r.t polymer, naptha and gas prices, actual capital cost, other costs etc. Accordingly, claim of ₹ 1705.35 crore for the period from 02.01.2016 to 31.03.2019 based on the audited financial statements has been submitted to the administrative Ministry and considered as "Exceptional Items in Statement of Profit and Loss, whereas, feedstock subsidy of ₹ 645.79 crore for the current financial year has been accounted for as other operational income on accrual basis based on the projection/estimate as per the methodology.

b) In accordance with JV agreement signed among the promoters of the Company, Government of Assam (GoA) has considered the proposal of BCPL to extend exemption/reimbursement of VAT on natural gas (input) for a period of 15 years from the date of commissioning of the plant. Accordingly, the State Government (Government of Assam) has approved the exemption of VAT on natural gas to BCPL, however, the same is yet to be notified by the State Government and based on the conditions/procedures to be prescribed in the notification, the company will submit its claim for re-imbursement of estimated amount of ₹ 278.30 crore VAT amount paid on consumption of natural gas for the period from date of commissioning of plant till 31st March, 2020 and account the same in the year of claim.

c) Based on the proposal submitted earlier by the company in line with initial condition for implementation of Assam Gas Cracker Project and recommendation of an Inter Ministerial Committee, the Government of India has approved the feedstock subsidy for BCPL for 15 years of plant operation in current financial year. As per approved methodology for computation of feed stock subsidy, BCPL has carried out the revised study of the project to ascertain the IRR considering the current scenario w.r.t polymer, naptha & gas prices, actual capital cost, other costs etc. Accordingly, claim of ₹1705.35 crore for the period from 02.01.2016 to 31.03.2019 based on the audited financial statements has been submitted to the administrative Ministry and considered as "Exceptional Items" in Statement of Profit & Loss, whereas, feedstock subsidy of ₹ 645.79 crore for the current financial year has been accounted for as other operational income on accrual basis based on the projection/estimate as per the methodology.

VII) Green Gas Limited

The Company has awarded 3 contracts for remaining work of laying steel pipelines at Agra to contractor M/s Taurant Projects Limited. Contractor even after receiving almost all the payments through running bills had subsequently raised a claim of ₹ 531.85 lakh towards miscellaneous charges related to the said project through Arbitration. Wherein further the company had launched a counter claim of ₹ 1030.82 lakh on the contractor for delay in project and loss of profit to the company. The case was under arbitration, Arbitration Claims lodged by M/s Tauras Projects Limited as well as in all three clunter claims filed by M/s Green Gas Limited, final award has been passed by the learned sole arbitrator on 12.05.2018. According to the said award almost all the claims of contractor found baseless thus were rejected and also the counter claims of GGL have been allowed upto approximately ₹ 42.9 lakh along with entire cost of proceeding which was to be paid by M/s TPL to M/s GGL. Being aggrieved b the awards dt. 12.05.2018 M/s TPL has filed appeals against all three awards before the Commercial Court Lucknow duly registered as Misc. Case No. 15,16 and 17 of 2018 wherein our objection is already filed. Last hearing of aforesaid cases was on 20.03.2020 which got adjourned for next hearing.

VIII) Bhagyanagar Gas Ltd.

a) The company is required to complete minimum residential connections for piped gas under the terms of contract awarded by PNGRB. Failing to complete the minimum number of connections would make the company liable for penal consequences, against which the company has submitted bank guarantee to PNGRB. The company has received notices for delays in minimum installations The charges for not completing minimum number of connections cannot be measured at this stage and also the company has represented the matter to the concerned authorities as a delay is on account of various factors most of them being beyond the control of the company.

b) In respect of City Gas Distribution activities in Kakinada, PNGRB in May, 2013, invoked the PBG and claimed ₹ 1.34 crore for non-achievement of milestones as set out in the authorization. Challenging this, Writ petition was filed immediately in the High Court of Andhra Pradesh, which has granted stay. The matter is sub judice. BGL has suomoto filed writ petitions is in November 2015 before the Hon'ble High Court of A.P. and Telangana against PNGRB to stay any invocation of PBGs amounting to ₹ 10 crore and ₹ 4 crore issued to them for the GAs of Hyderabad and Vijayawada respectively, on the grounds of force majeure conditions for non-performance. Interim stay has been granted and the matter is sub judice.

IX) Fayum Gas

The new Egyptian Accounting Standard No. (48) – "Revenue from Contracts with Customers" shall supersede the following standards and accordingly such standards shall be deemed null and void. For Revenue recognition, Control Model is used instead of Risk and Rewards Model. This standard is not in alignment with Ind AS 115.

X) Ramagundam Fertilizers and Chemicals Ltd.

a) During supplementary audit of accounts for FY 2017-18, Govt. Audit team suggested that project Insurance expenses and Depreciation/Amortization, which were being capitalized should be considered as a revenue expenses. It was decided that a reference in the matter shall be made to Export Advisory Committee (EAC) of ICAI. Accordingly reference was made to EAC. During the year, EAC opined that the project insurance expenses cannot be considered as directly attributable costs to property plant & equipment (PPE) and should be charged to the statement of profit and loss. However, with reference to depreciation/amortization, it suggested that it can be capitalized. To ensure compliance of EAC opinion, the company has restated its opening balance sheet as at April 1, 2018 and the financial statements for the FY 2018-19. Accordingly, project insurance expenses amounting to ₹ 6.38 crore incurred till March 31, 2018 has been adjusted in the balance of retained earnings as on April 1, 2018 with corresponding adjustment in capital work in progress. Similarly, insurance expenses amounting to ₹ 4.12 crore for the financial year 2018-19 is now charged in the Restated statement of profit and loss for the year ended March 31, 2019 with corresponding adjustment in the capital work in progress.

b) The company entered into Concession Agreement with FCIL on 23rd March, 2016 towards award of rights and concession to the Company in regard to Facility area (Lease hold land admeasuring approximately 1284 acre) for financing, designing, engineering, procurement, construction, development, operation and maintenance of the project. During the year, RFCL Board has approved the revised project cost to ₹ 6,120.55 crore, to be funded through equity of ₹ 1,721.63 crore. As per terms of shareholders agreement, additional equity of ₹ 44.89 crore to be issued to FCIL. Thus, total equity issuance to FCIL based on this revised project cost will be ₹ 189.38 crore.

c) Company has requested to State government of Telangana (SGOT) to provide water and power connectivity at its battery limits and SGOT has estimated cost of ₹ 108.8 crore. SGOT agreed to initially incur the cost and to recover it from fiscal incentives for which the company shall be eligible post commercial production. The above facilities have been provided by the SGOT during the year and are being used by the company. These have been capitalized as part of the plant and machinery as future economic benefits associated with the item will flow to the company, although these assets are lying outside the plant boundaries and the company does not have ownership of these assets. As per original approval, the fiscal incentive were to be released by the SGOT over a period of 7 years from the start of commercial production. However, the company has requested SGOT for changes in fiscal incentives which is under revision with the SGOT. The company is hopeful that the changes requested by it shall be accepted by the SGOT. State government is yet to finalize and inform cost of these assets to RFCL, therefore cost of these assets have been internally estimated at ₹ 76.96 crore for water facilities and ₹ 28.76 crore for power facilities, totaling to ₹ 105.72 crore, pending intimation of actual cost. As the cost of these assets shall be adjusted against the fiscal incentives to be released by the SGOT in future period without any interest, the amount payable as on date of SGOT towards these facilities has been considered as an interest free deferred payment obligation which shall be settled in instalments against the receipt of fiscal incentives in future. Accordingly, the company has determined the fair value of this liability at ₹79.27 crore as on the date of capitalization by discounting the expected cash outflows and over the expected settlement period.

XI) Konkan LNG Ltd.

(i) The company has carried out the impairment study of its assets during the previous years through an independent expert. Based on the impairment study, the company provided Impairment loss of ₹ 509.85 crore in FY 2017-18 and ₹ 243.80 crore in FY 2016-17 in the books of the accounts of the Company. Based on the analysis, the company has reversed an impairment loss in respect of plant and equipment amounting to ₹ 280.7 crore in the statement of profit and loss.

(ii) Maharashtra Maritime Board (MMB) raised the demand for lease rent for berthing and unloading of LNG Ships at company's LNG Terminal, at the rate of ₹ 2.21 crore per annum, payable with effect from October 06, 2005 to March 31, 2012. However, company has paid lease rent from April 01, 2012 to March 31, 2015 along with interest and requested MMB for waiver of lease rent from October 06, 2005 to March 31, 2012 amounting to ₹ 14.35 crore and interest thereon. Based on companys' request, MMB has declined the waiver of demand during the FY 2018-19. Thus, company has provided the lease rent payable of ₹ 14.35 crore during FY 2017-18 only and paid the same in 8 instalments during FY 2018-19 and FY 2019-20 and requested MMB for waiver of interest. It has been informed orally by MMB officials that the board has accepted company's request for waiver of interest and MMB has forwarded the same to the Maharashtra State Government for acceptance of Board's decision of waiver of interest. Since, MMB has not informed the amount of interest, it is not possible to quantify the same.

(iii) Irrigation Department, Ratnagiri, Maharashtra has given notice to Maharashtra Industrial Development Corporation for payment of royalty of ₹ 98.60 crore towards the sweet water supply from river for the period from April 1997 to December 2015. It is pertinent to mention that RGPPL had taken over the assets of the erstwhile Dabhol Power Company in October 2005 free from any past liabilities and encumbrances from the court receiver. Further, Maharashtra State Electricity Distribution Company Limited (MSEDCL) is supposed to supply 14 MLD of water to RGPPL free of cost. If RGPPL has to incur any expenditure to MIDC towords supply of water to watch this claim, RGPPL may raise proportionate claim to KLL for the water supplied to LNG Terminal. The amount pertaining to KLL is not ascertainable at this stage.

(iv) RGPPL has taken over the assets of the erstwhile Dabhol Power Company (DBC) in October 2005 free from any past liabilities and encumbrances as per order of Hon'ble Mumbai High Court from the court receiver. DPC has terminated certain workmen while vacating the site. RGPPL has engaged the services of these employees through a third party on compassionate grounds. These employees had filed a suit for absorption as a regular employees of RGPPL. The local court's order which was against RGPPL has been challenged in Mumbai High Court and High Court wide its order dated 11.12.2017 has granted stay till further orders and matter is subjudice. KLPL was made a respondent in the court case at Mumbai High Court in November 2018 and had filed reply on 26.03.2019. The matter will be heard again on 17.06.2019. Now company is party to this dispute in respect of 17 ex-DPC employees related to LNG block and amount is not ascertainable currently. Company has engaged services of the 17 ex-DPC employees through third party on compassionate grounds. KLL filed its reply to the Hon'ble High Court, Mumbai on 26.03.2019. Next hearing date is 16.12.2020.

(v) Pending ascertainment of exact amount, provision of ₹ 80 crore was made as on 31st March, 2014 by RGPPL before demerger. Permission by Department of Revenue, Government of India, for bringing commercial cargos at LNG Terminal have been perceived by Department of Revenue leading to cessation of exemption of custom duty on equipments imported for LNG Terminal completion. Pending CCEA approval for the continuance of exemption with commercial use of LNG Terminal, Bank guarantee of ₹ 80 crore has been furnished to Custom Department as security by RGPPL on behalf of company.

45) Unhedged Foreign Currency exposure

(₹ in crore)

Particulars	Currencies	Amount	
		31.03.2020	31.03.2019
Borrowings, including interest accrued but not due*	USD	39.73	37.52
Trade payables /deposits and retention monies	USD EURO Others	1,268.56 4.18 32.66	932.80 2.72 20.87
Trade/Other receivables and bank balances	USD Others	77.00 0.36	212.02 0.41
Unexecuted amount of contracts remaining to be executed	USD EURO Others	111.93 40.86 28.39	850.49 18.31 17.83

*excludes amount which is naturally hedged against foreign currency inflows.

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 Guarantee given by the Company to banks for issuance of Performance Bank Guarantee to the below mentioned subsidiary of the Company with regard to implementation of various City Gas Projects is as under:

(₹ in crore)

Sl. No.	Name of the Company	As at 31st March 2020	As at 31st March 2019
1	GAIL Gas Limited	6,084.99	6,084.99

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 2020	As at 31st March 2019
1	GAIL Gas Limited	1,500.00	-
2	GAIL Global (USA) Inc.	1,100.55	948.87
3	Brahmaputra Cracker and Polymer Ltd	802.34	802.34
4	GAIL Global Singapore Pte Ltd.	569.25	697.70
	Total	**3,972.14**	**2,448.91**

Corporate Guarantees given by the Company in respect of TSA and PPA, Performance Guarantee for GSPA and availing SBLC Facility 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 2020	As at 31st March 2019
1	GAIL Global Singapore Pte Ltd.	910.14	845.28
2	GAIL Global (USA) LNG LLC	6,940.29	6,445.70
	Total	**7,850.43**	**7,290.98**

There is no security provided by the Company.

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 ₹ 36.61 crore during the year (Previous Year: ₹ 38.20 crore). Balance amount of ₹ 439.24 crore (Previous year ₹ 475.84 crore) has been accounted as advance in Note No 12 and 12A.

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 2019-20	FY 2018-19
Amount due and Payable at the year end		
- Principal*	262.21	202.19
- 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	-	-

* Includes Liabilities and Provisions etc.

46) In compliance of Ind – AS 108 on "Operating Segments" as notified under section 133 of the Companies Act 2013, the required information is given as per **Annexure-C** to this schedule. **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.

47) 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.**

48) 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:

Particulars	2019-20	2018-19*
Net Profit after tax from continuing operation - (₹ crore)	9,422.05	6,545.74
Net Profit /(Loss) after tax from discontinued operation – (₹ crore)	-	-
Weighted average numbers of equity shares used as denominator	4,51,01,41,866.00	4,51,01,41,866.00
Face value of each equity share	10	10
Earnings per share from continuing operation(Basic and Diluted) – (₹)	20.89	14.51
Earnings per share from continuing and Discontinued operation (Basic and Diluted) – (₹)	20.89	14.51

* Previous year figures are recomputed upon issue of bonus shares in the current year as per Ind AS 33.

49) Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries / Associates / Joint Ventures is given as per **Annexure – E.**

50) Cabinet Committee on Economic Affairs (CCEA), Government of India in its meeting held on 21st September 2016 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 ₹ 3,608.71 crore (Previous year ₹ 2056.60 crore) towards Capital Grant till 31.03.2020. During the year, the Company has amortised the capital grant amounting ₹ 40.41 crore (Previous year ₹ 8.00 crore) based on the useful life of the asset capitalized.

51) **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.

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 31.03.2020, after considering the impact of swap contracts.

For GAIL :-

Particulars	31/03/2020			31/03/2019		
	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)	**-0.07**	**0.07**		**-0.09**	0.09	

For GGSPL: -

Particulars	31/03/2020			31/03/2019		
	US Dollar (LIBOR)		Others	US Dollar (LIBOR)		Others
Increase/decrease **(in Basis Points)**	**+ 100**	**-100**	Nil	**100**	-100	Nil
Effect on profit before Tax (₹ in Cr)	**-0.03**	**0.03**		**-.04**	.04	

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 31.03.2020 which are linked with MIBOR:-

Particulars	31/03/2020			31/03/2019		
	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)	**4.49**	**-4.49**		**0.87**	-0.87	

*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	31/03/2020		31/03/2019	
	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	31/03/2020		31/03/2019	
	Increase Decrease in IR basis point			
Increase/decrease (in Basis Points)	+100	-100	+100	-100
Effect on profit before Tax (₹ in Cr)	NIL	NIL	0.05	(0.05)

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:-

Particulars	31/03/2020				31/03/2019			
	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)	-13.43	+13.43	-1.06	+1.06	-16.09	+16.09	-0.59	+0.59

For GGSPL:-

Particulars	31/03/2020				31/03/2019			
	EGP		SGD		EGP		SGD	
Increase/decrease in Exchange Rate (%)	9%	-9%	5%	-5%	2%	-2%	3%	-3%
Effect on profit before Tax (₹ in Crs)	0.00	(0.00)	0.03	(0.03)	0.00	(0.00)	0.00	(0.00)

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 ₹ 314.78 crore (Previous Year ₹ 284.56 crore).

At the reporting date, the exposure to listed equity investments at fair value was ₹ 2,109.22 crore (Previous Year ₹ 4,924.60 crore). A variation of (+/-) 10% in share price of equity investments listed on the stock exchange could have an impact of approximately (+/-)₹ 211 crore (Previous Year ₹ 492 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 31.03.2020

(₹ in crore)

Particulars	On demand	Less than 3 months	3 to 12 months	>1 to 5 years	>5 years	Total
Borrowings (Non-current) #	-	-	-	1,720.69	1,864.98	3,585.67
Borrowings (current) #	-	1,849.53	82.88	-	-	1,932.41
Interest on Borrowings##	-	81.12	225.72	853.60	520.23	1,680.67
Trade Payables	-	4,173.11		-	-	4,173.11
Other Financial Liabilities (Current)	-	3,624.46		-	-	3,624.46
Other Financial Liabilities (Non-Current)	-	-	-	753.59	-	753.59
Total	**-**	**9,728.22**	**308.60**	**3,327.88**	**2,385.21**	**15,749.91**

Borrowings include impact of derivative contracts.

includes interest accrued but not due as on 31.03.2020 as well as interest to be paid till maturity.

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 31.03.2020 as well as interest to be paid till maturity.

For GAIL Gas:-

Liquidity risk - Maturity profile as on 31.03.2020

(₹ 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	-	148.91	21.43	102.33	53.50	326.17
Trade and other payables	-	277.57	-	-	-	277.57
Other financial liabilities	105.21	90.96	81.41	-30	-	277.58
Lease Liabilities	**-**	**4.22**	**12.26**	**22.87**	**15.70**	**55.05**

Liquidity risk - Maturity profile as on 31.03.2019

(₹ 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	-	3.09	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**

For GGSPL:-

Liquidity risk - Maturity profile

(₹ in crore)

Liquidity risk - Maturity profile Particulars	Less than 1 Year	Between 1 and 5 years	Total
For FY 2019-20			
Trade and other payable	2.65	-	2.65
Lease Liabilities	0.98	0.34	1.32
Borrowings	-	6.10	6.10
Total undiscounted financial liabilities	**3.63**	**6.44**	**10.07**
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 TNGCL:-

Liquidity risk - Maturity profile as on 31.03.2020

(₹ 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	-	-	-	-	-	-
Interest-bearing loans and borrowings-Principal Payable	-	-	-	-	-	-
Trade and other payables	-	4.57	-	-	-	4.57
Expenses Payable	-	0.93	-	-	-	0.93
Liability For Capital Expenditure	-	2.40	-	-	-	2.40
Security Deposit (From Major Industrial Consumers)	0.30	-	-	-	-	0.30
Security Deposit Collected from the Consumers	11.79	-	-	-	-	11.79
Security Deposit Collected from Contractors	-	4.14	3.48	-	-	7.62
Earnest Money Deposit (EMD)	-	-	0.65	-	-	0.65
Security Deposit (Galileo)	0.35	-	-	-	-	0.35
Security Deposit/ Retention Money (Suppliers)	-	0.34	0.67	-	-	1.01
Total	**12.44**	**12.38**	**4.81**	**-**	**-**	**29.63**

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**

III) Credit risk

Credit risk is the risk that a customer or counter party 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.

(i) The company has issued Corporate Guarantee to banks for ₹ 6,084.99 crore (PY: ₹ 6,084.99 crore) for issuance of Performance Bank Guarantee to one of its subsidiaries with regard to implementation of various City Gas Projects.

(ii) The Company has issued Corporate Guarantees for ₹ 7,850 crore (Previous Year: ₹ 7,291 crore) on behalf of its related parties towards Payment Security under TSA and PPA, Performance Guarantee for GSPA and availing SBLC Facility.

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 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 31st March 2020	3,247.18	653.08	227.09	136.15	1,318.05	5,581.55
As on 31st March 2019	3,749.86	115.36	84.96	-	1,123.92	5,074.10

Expected Credit Loss

The following table summarizes the changes in the allowances for doubtful accounts for trade receivable:-

(₹ in crore)

Particulars	31st March 2020	31st March 2019
Start of the year	712.55	670.50
Provision for Impairment	47.04	42.06
Receivables written off during the year as uncollectible		
Unused amounts reversed		
End of year	759.59	712.55

For GAIL Gas:-
Aging Analysis

(₹ in crore)

Trade receivables	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	
31.03.2020	473.86	5.99	1.49	0.76	3.45	485.55
31.03.2019	267.42	6.99	2.47	0.68	5.22	282.79

Expected Credit Loss

(₹ in crore)

Particulars	31st March 2020	31st March 2019
Start of the year	1.57	1.57
Expected Credit Loss	3.60	
Receivables written off during the year as uncollectible	-	-
Unused amounts reversed	-	-
End of year	5.17	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 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.

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.

52) Based on the opinion of Expert Advisory Committee (EAC) of ICAI, the Company has accounted for Embedded Derivatives in respect of unexecuted Purchase Order/Work orders placed on Indian Bidders with payment term other than in INR, accordingly, gain of ₹ 1.39 crore has been recognized in the Statement of Profit and Loss during current financial year.

53) 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 **31st March 2020,** 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 2020	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Non-current				
Loans	260.93	-	-	260.93
Current				
Loans	68.30	-	-	68.30
Financial assets at fair value through profit and loss account:				
Non-current				
Derivative instruments	30.00	-	30.00	-
Investments				
Current				
Derivative instruments – Commodity	203.31		203.31	-
Investments	-			
Financial assets at fair value through other comprehensive income:				
Non-Current				
Derivative Instruments – Commodity	26.53		26.53	
Investments	2,424.00	2,109.22	-	314.78
Current				
Derivative Instruments – Commodity	478.25		478.25	
Investments				
Financial liabilities at amortised cost:				
Non-current				
Interest-bearing loans and borrowings:				
Fixed	1,527.49			1,453.52
Floating	2,084.63			2,084.63
Current				
Interest-bearing loans and borrowings:				
Fixed	89.28			197.15
Floating	1,855.39			1,855.39
Financial liabilities at fair value through Profit and loss account:				
Non-current				
Derivatives instruments	0.38		0.38	
Financial liabilities at fair value through Other Comprehensive Income:				
Non-Current				
Derivative Instruments – Commodity	5.26		5.26	
Current				
Derivative Instruments – Commodity	178.93		178.93	

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 **31st 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	9.69		9.69	-
Derivative instruments – Commodity	10.18		10.18	-
Investments	-			
Financial assets at fair value through other comprehensive income:				
Non-Current				
Derivative Instruments – Commodity	41.05		41.05	
Investments	5,209.16	4,924.60	-	284.56
Current				
Derivative Instruments – Commodity	276.48		276.48	
Investments				
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	8.46		8.46	
Derivatives instruments – Commodity	-		-	
Current				
Derivatives instruments	0.18		0.18	
Derivatives instruments – Commodity	1.13		1.13	
Financial liabilities at fair value through Other Comprehensive Income:				
Non-Current				
Derivative Instruments – Commodity	1.88		1.88	
Current				
Derivative Instruments – Commodity	25.11		25.11	

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 **31st March 2020,** 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		
	31st March 2019	31st 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	10.65	10.65			
Cash and cash equivalents	9.70	9.70			
Other bank balances	77.19	77.19			
Loans	2.26	2.26			
Other Financial Assets					
Total	**100.68**	**100.68**			
Financial liabilities at amortised cost:					
Non-current					
Borrowings					
Other Financial Liabilities					
Current					
Trade Payables					
(i) total outstanding dues of micro and small enterprises	1.42	1.42			
(ii) total outstanding dues other than (i) above	3.15	3.15			
Other Financial Liabilities	23.78	23.78			
Total	**28.35**	**28.35**			

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 **31st 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		
	31st March 2019	31st 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.

For GAIL Gas:-

As at **31st March 2020** 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	27.42	-	-	-
Trade Receivables	485.55	-	-	-
Cash and Cash Equivalents	1.81	-	-	-
At Fair value through profit and loss	-	-	-	-
At Fair value through OCI	-	-	-	-
Total Financial Assets	**514.78**	**-**	**-**	**-**
Financial Liabilities at amortized cost				
Borrowings	326.17	-	-	-
Trade Payables	277.57	-	-	-
Other Financial Liabilities	227.58	-	-	-
At Fair value through profit and loss	-	-	-	-
Total Financial Liabilities	**881.32**	**-**	**-**	**-**

As at **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**	**-**	**-**	**-**

Description for significant unobservable inputs to valuation:

The following table shows the valuation techniques and inputs used for financial instruments:

Particulars	As at 31st March 2020	As at 31st March 2019
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	FY 2019-20	FY 2018-19
Balance as at the beginning of the year	**284.56**	**268.68**
Add: Additional investment during the year	20.30	7.85
Add: Fair Value gain recognized in Other Comprehensive Income	9.99	8.09
Less: Fair Value loss recognized in Other Comprehensive Income	0.07	0.06
Balance as at the end of the year	**314.78**	**284.56**

54) 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.

Dr (+) / Cr (-) for OCI

Details relating to hedging instrument for March 2020:

(₹ in crore)

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 18,583,051=76	0.98		1.93	Assets- Non Current Assets- Other Financial Assets- Current - Note 16A
Forward contracts - Purchases of capital goods	-	-	-	-	Liabilities- Non Current liabilities- Other Financial Liabilities- Current - Note 16A
Commodity price risk					
Commodity swap - Forecasted purchase & sell of natural gas	MMBTU 44574204 & Barrel 2047417	504.78	184.19	-30.05	Liabilities- Non Current & Current liabilities & - Other Financial Liabilities- Current & Non Current- Note 16 & 16A

Dr (+) / Cr (-) for OCI

Details relating to hedged item for March 2020:

(₹ 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	11.11	-0.98	0	-0.98
Firm commitment for capital goods purchase	-	-	-	-
Commodity price risk				
Highly probable forecasted sale and purchase of natural gas	-30.05	-320.59	0	-320.59

Details relating to hedging instrument for March 2019:

(₹ in crore)

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

Dr (+) / Cr (-) for OCI

Details relating to hedged item for March 2019:

(₹ 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	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

Reconciliation of cash flow hedge reserve for year ended 31st March 2019 is given in **Annexure-F**

55) 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**	**P K Gupta**	**Manoj Jain**
Company Secretary	Director (Finance)	Director (Human Resources)	Chairman & Managing Director
(M.No. 18644)	(DIN: 07654612)	(DIN: 01237706)	(DIN: 07556033)

As per our separate Report of even date

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

Parveen Kumar
(Partner)
Membership No. 088810

For A R & Co.
Chartered Accountants
Firm No. 002744C

Pawan K Goel
(Partner)
Membership No. 072209

Place : **New Delhi**
Date : **24th June, 2020**

ANNEXURE - A

A) Information About Partially owned Subsidiaries having material non controlling interest:-

The following table summerises the informations relating to subsidiaries that has material Non controlling interest before any intra group elimination for the Financial year ending 31st March 2020:-

(₹ in crore)

Particulars	Tripura Natural Gas Limited	Bengal Gas Company Limited	Konkan LNG Limited
A.) Proportion of equity Interest held by non controlling Interest	**51.02%**	**50.00%**	**30.94%**
B) Summarised financial Information of partly owned subsidiary			
Balance Sheet			
Non-Current Assets	88.01	11.93	3,142.45
Current Assets (Other than cash and cash equivalent)	97.23	23.69	499.58
Cash and Cash Equivalent	9.70	27.69	18.10
Non-Current Liabilities	28.44	-	3,616.30
Current Liabilities	31.82	14.40	63.84
Equity	134.69	48.91	(20.01)
Attributable to non controlling interest	68.72	24.46	(6.19)
Profit and Loss			
Revenue	118.31	-	484.86
Expenses	93.28	1.09	191.56
Pre-tax Profit / (Loss)	25.03	(1.09)	293.30
Income Tax expenses	6.41	-	23.03
Post-tax Profit / (Loss)	18.62	(1.09)	270.27
Other Comprehensive Income	0.03	-	(0.01)
Total comprehensive profit / (loss)	18.65	(1.09)	270.26
Attributable to non controlling interest	9.52	(0.55)	83.63
Dividend paid to Non controlling interest	-	-	-
Summarised Cash Flow Information			
Operating Activities	55.78	10.31	190.59
Investing Activities	(46.51)	(32.63)	9.35
Financing Activities	(3.20)	50.00	(189.29)
Net increase/ (decrease) in cash and cash Equivalents	6.07	27.69	10.65

A) Information About Partially owned Subsidiaries having material non controlling interest:-

The following table summerises 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	Tripura Natural Gas Limited
A.) Proportion of equity Interest held by non controlling Interest	**51.02%**
B) Summarised financial Information of partly owned subsidiary	
Balance Sheet	
Non-Current Assets	77.38
Current Assets (Other than cash and cash equivalent)	64.55
Cash and Cash Equivalent	3.63
Non-Current Liabilities	26.17
Current Liabilities	29.32
Equity	90.07
Attributable to non controlling interest	45.95
Profit and Loss	
Revenue	95.59
Expenses	(4.56)
Pre-tax Profit / (Loss)	21.25
Income Tax expenses	-
Post-tax Profit / (Loss)	13.77
Other Comprehensive Income	-
Total comprehensive profit / (loss)	13.79
Attributable to non controlling interest	7.04
Dividend paid to Non controlling interest	-
Summarised Cash Flow Information	
Operating Activities	20.73
Investing Activities	(26.59)
Financing Activities	(2.40)
Net increase/ (decrease) in cash and cash Equivalents	(8.26)

A) Summarised financial information of Associates as on 31st March 2020

(ANNEXURE - B)

(₹ in crore)

Particulars	Total	China Gas Holdings Ltd.	Mahanagar Gas Limited	Indraprastha Gas Limited	Petronet LNG Ltd.	Fayum Gas	ONGC Petro Additions Ltd.	Brahmputra Crackers and Polymers Ltd.	Ramagundam Fertilizers and Chemicals Limited
Status of Accounts		**Unaudited**	**Audited**	**Audited**	**Unaudited**	**Audited**	**Unaudited**	**Audited**	**Audited**
Assets									
Non-Current Assets	**125,149.37**	**63,765.00**	**2,622.83**	**5,046.71**	**11,773.95**	**2.47**	**29,009.65**	**8,148.14**	**4,780.62**
Current Assets									
Cash and cash Equivalents	10,081.55	8,167.85	15.38	667.71	976.02	49.55	16.83	42.92	145.29
Other Current Assets (Excluding cash and cash equivalents)	43,250.95	28,824.71	1,490.29	1,829.93	6,171.16	78.89	2,349.23	2,429.73	77.01
Total current assets	**53,332.50**	**36,992.56**	**1,505.67**	**2,497.64**	**7,147.18**	**128.44**	**2,366.06**	**2,472.65**	**222.30**
Liabilities									
Non-Current Liabilities									
Non Current Financial Liabilities (Other than trade and other payables and provisions)	-	-	-	-	-	-	-	-	-
Other Non Current Liabilities	56,127.41	20,807.37	228.63	390.89	5,383.80	7.36	19,151.84	6,708.40	3,449.12
Total non current liabilites	**56,127.41**	**20,807.37**	**228.63**	**390.89**	**5,383.80**	**7.36**	**19,151.84**	**6,708.40**	**3,449.12**
Current Liabilities									
Current Financial Liabilities (Other than trade and other payables and provisions)	-	-	-	-	-	-	-	-	-
Other Current Liabilities	58,150.92	43,367.77	947.20	1,795.49	2,356.09	70.40	7,452.09	1,839.34	322.54
Total Current Liabilities	58,150.92	43,367.77	947.20	1,795.49	2,356.09	70.40	7,452.09	1,839.34	322.54
Equity	64,203.54	36,582.42	2,952.67	5,357.97	11,181.24	53.16	4,771.78	2,073.05	1,231.25
Percentage of Group's ownership interest		2.87%	32.50%	22.50%	12.50%	19.00%	49.21%	70.00%	14.46%
Interest in joint venture/associate	8,601.66	1,051.38	959.62	1,205.54	1,397.66	10.10	2,348.19	1,451.14	178.04
Carrying amount of interest in Joint Venture	**8,601.66**	**1,051.38**	**959.62**	**1,205.54**	**1,397.66**	**10.10**	**2,348.19**	**1,451.14**	**178.04**
Revenue	112,205.72	53,239.11	3,264.49	7,165.49	35,562.00	60.38	10,182.87	2,731.38	-
Interest Income	-	-	-	-	-	-	-	-	-
Depreciation	2,826.38	-	161.73	252.25	776.13	-	1,245.38	390.85	0.04
Finance Cost	4,100.54	1,366.45	6.53	8.12	403.19	-	2,057.54	252.43	6.28
Income tax expenses	2,618.03	2,308.48	190.03	307.51	432.95	5.26	(965.99)	339.79	-
Other Expenses (Net)	(6,920.60)	(1,366.45)	(168.26)	(260.37)	(1,179.32)	-	(3,302.92)	(643.28)	
Profit for the year	**12,423.33**	**8,230.86**	**793.51**	**1,248.99**	**2,760.91**	**9.33**	**(2,089.68)**	**1,507.59**	**(38.18)**
Other Comprehensive Income	(2,017.62)	(2,010.96)	(1.55)	(1.50)	(0.08)	-	(2.04)	(1.49)	-
Group's share in joint venture's/associates profit for the year	2,172.14	236.55	257.89	281.02	345.11	1.77	-	1,055.32	(5.52)
Group's share in joint venture's/associates OCI for the Year	(59.69)	(57.80)	(0.50)	(0.34)	(0.01)	-	-	(1.04)	-
Consolidation adjustments	124.10	125.20	-	(0.61)	(0.23)	1.20	-	-	(1.46)
Group's share in joint venture's/associates profit recognised	2,236.55	303.95	257.39	280.07	344.87	2.97	-	1,054.28	(6.98)
Dividends received from associate	352.05	62.23	64.21	37.80	187.50	0.31	-	-	-

A) Summarised financial information of Associates as on 31st March 2019

(ANNEXURE - B)

(₹ in crore)

Particulars	Total	China Gas Holdings Ltd.	Mahanagar Gas Limited	Indraprastha Gas Limited	Petronet LNG Ltd.	Fayum Gas	ONGC Petro Additions Ltd.	Brahmputra Crackers and Polymers Ltd.	Ramagundam Fertilizers and Chemicals Limited
Status of Accounts		**Unaudited**	**Audited**	**Audited**	**Audited**	**Audited**	**Unaudited**	**Unaudited**	**Unaudited**
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	-	-	-	-	-	-	-	-	-
Other Expenses (Net)	(7,094.17)	(1,617.87)	(203.96)	(331.57)	(955.95)	(0.72)	(3,086.37)	(892.65)	(5.08)
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	-	-	-	-	-	-	-	-	-
Group's share in joint venture's/associates profit for the year	848.64	153.29	177.58	189.47	278.82	2.78	-	48.56	(1.86)
Group's share in joint venture's/associates OCI for the Year	(0.33)	-	0.41	(0.21)	(0.25)	-	-	(0.28)	-
Consolidation adjustments	31.19	35.00	-	-	-	0.85	-	(3.70)	(0.96)
Group's share in joint venture's/associates profit recognised	879.50	188.29	177.99	189.26	278.57	3.63	-	44.58	(2.82)
Dividends received from associate	331.45	46.26	65.81	31.50	187.50	0.38	-	-	-

A) Summarised financial information of Joint Ventures as on 31st March 2020

(ANNEXURE - 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.*	Talchar Fertilizers Limited	Tapi Pipelines Company Ltd.	Vadodra Gas Limited	Indradhanush Gas Grid Ltd
Status of Accounts		**Audited**	**Audited**	**Audited**	**Audited**	**Audited**	**Unaudited**	**Audited**	**Unaudited**	**Unaudited**	**Audited**
Assets											
Non-Current Assets	**5,537.04**	**351.19**	**497.14**	**1,085.09**	**415.15**	**688.31**	**1,263.27**	**301.15**	**602.87**	**313.45**	**19.42**
Current Assets											
Cash and cash Equivalents	437.62	4.41	4.60	13.10	6.24	15.60	117.43	233.72	20.07	8.79	13.66
Other Current Assets (Excluding cash and cash equivalents)	1,086.21	91.57	30.58	123.21	32.59	19.48	648.98	17.49	46.19	55.67	20.45
Total current assets	**1,523.83**	**95.98**	**35.18**	**136.31**	**38.83**	**35.08**	**766.41**	**251.21**	**66.26**	**64.46**	**34.11**
Liabilities											
Non-Current Liabilities											
Non Current Financial Liabilities (Other than trade and other payables and provisions)	-	-	-	-	-	-	-	-	-	-	-
Other Non Current Liabilities	2,213.58	18.92	63.68	258.59	155.78	298.16	1,380.04	-	-	37.19	1.22
Total non current liabilites	**2,213.58**	**18.92**	**63.68**	**258.59**	**155.78**	**298.16**	**1,380.04**	**-**	**-**	**37.19**	**1.22**
Current Liabilities											
Current Financial Liabilities (Other than trade and other payables and provisions)	-	-	-	-	-	-	-	-	-	-	-
Other Current Liabilities	592.02	72.58	29.01	33.72	10.87	10.57	286.58	0.18	30.65	14.69	14.69
Total Current Liabilities	1,363.91	72.58	58.32	250.33	64.27	75.90	602.54	95.57	65.88	68.78	9.74
Equity	3,159.03	355.67	410.32	712.48	233.93	349.34	47.10	456.79	603.25	271.95	42.57
Percentage of Group's ownership interest		25.00%	49.97%	22.50%	49.99%	48.73%	25.51%	33.33%	5.00%	50.00%	20.00%
Interest in joint venture/associate	947.62	88.92	205.04	160.31	116.94	170.23	12.02	152.25	30.16	135.98	8.51
Carrying amount of interest in Joint Venture	**947.62**	**88.92**	**205.04**	**160.31**	**116.94**	**170.23**	**12.02**	**152.25**	**30.16**	**135.98**	**8.51**
-											
Revenue	**4,553.50**	**345.33**	**416.67**	**1,074.45**	**261.57**	**221.13**	**2,041.61**	**-**	**-**	**192.74**	**-**
Interest Income	-	-	-	-	-	-	-	-	-	-	-
Depreciation	529.35	19.81	18.32	50.99	15.38	15.39	400.58	0.15	-	8.15	0.58
Finance Cost	185.39	0.52	0.63	24.47	8.93	4.39	141.71	-	-	4.58	0.16
Income tax expenses	126.69	17.58	25.08	58.65	18.02	8.05	-	(0.02)	-	1.20	(1.87)
Other Expenses (Net)	(714.74)	(20.33)	(18.95)	(75.46)	(24.31)	(19.78)	(542.29)	(0.15)	-	(12.73)	(0.74)
Profit for the year	**250.25**	**73.64**	**73.44**	**223.34**	**42.05**	**19.10**	**(174.10)**	**(3.02)**	**(2.07)**	**3.12**	**(5.31)**
Other Comprehensive Income	(0.16)	0.02	(0.03)	-	(0.16)	0.01	-	-	-	-	-
Group's share in joint venture's/associates profit for the year	134.55	18.41	36.70	50.25	21.02	9.31	-	(1.01)	(0.10)	1.03	(1.06)
Group's share in joint venture's/associates OCI for the Year	(0.08)	0.01	(0.01)	-	(0.08)	-	-	-	-	-	-
Consolidation adjustments	276.13	-	-	-	-	(4.09)	-	(1.18)	(1.60)	0.24	-
Group's share in joint venture's/associates profit recognised	410.60	18.42	36.69	50.25	20.94	5.22	-	(2.19)	(1.70)	1.27	(1.06)
Dividends received from associate	7.12	-	-	5.94	1.18	-	-	-	-	-	-

A) Summarised financial information of Joint Ventures as on 31st March 2019

(ANNEXURE - B)

(₹ in crore)

Particulars	Total	Central UP Gas Ltd.	Green Gas Ltd.	Maharashtra Natural Gas Limited	Avantika Gas Limited	Bhagya-nagar Gas Limited	Ratnagiri Gas and Power Pvt. Ltd.*	Konkan LNG Private Limited	Talchar Fertilizers Limited	Tapi Pipelines Company Ltd	Vadodra Gas Limited	Indradha-nush Gas Grid Ltd.
Status of Accounts		**Audited**	**Audited**	**Unaudited**	**Audited**	**Audited**	**Unaudited**	**Unaudited**	**Unaudited**	**Unaudited**	**Unaudited**	
Assets												
Non-Current Assets	**7,870.63**	**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	458.85	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)	1,513.50	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	**1,972.35**	**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	-
Other Non Current Liabilities	173.93	18.21	25.02	64.76	36.89	15.32	9.58	0.11	-	-	4.04	-
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**	**-**
Current Liabilities												
Current Financial Liabilities (Other than trade and other payables and provisions)	4,626.96	46.22	4.70	181.83	53.17	42.20	4,046.71	188.86	9.93	-	44.88	8.46
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	-
Total Current Liabilities	**5,253.45**	**60.01**	**35.38**	**326.99**	**64.04**	**52.77**	**4,303.15**	**292.85**	**14.77**	**35.46**	**59.57**	**8.46**
Equity	(1,293.13)	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	(135.64)	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	**(135.64)**	**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	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses (Net)	(1,249.64)	(19.95)	(13.41)	(57.60)	(20.30)	(16.25)	(699.06)	(412.50)	(1.00)	-	(8.99)	(0.58)
Profit for the year	**(1,010.06)**	**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	-	-	-	-	-	-	-	-	-	-	-	-
Group's share in joint venture's/associates profit for the year	(73.83)	13.03	23.04	32.10	12.97	9.61	-	(143.01)	(5.08)	(15.65)	1.58	(2.42)
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	(72.56)	13.03	23.03	30.08	12.95	9.58	-	(143.01)	(5.08)	(12.41)	1.69	(2.42)
Dividends received from associate	8.19	2.25	-	5.94	-	-	-	-	-	-	-	-

Information about business segments for the Financial Year Ended 31st March 2020

(ANNEXURE - C)

(₹ in crore)

SL NO	SEGMENTS	TRANSMISSION SERVICES *		NATURAL GAS MARKETING* Note 1	PETRO-CHEMICALS	LPG & LIQUID HYDROCARBONS	CITY GAS Note 2	OTHER SEGMENT**	UN-ALLOCABLE	TOTAL	ELIMINATION	CONSO-LIDATED TOTAL
		NATURAL GAS	LPG									
1	**REVENUE#**											
	External Sales/Other Income	5,423.43	630.43	55,567.20	5,429.90	3,869.81	605.28	1,032.40	9.25	72,567.70	-	72,567.70
	Intersegment sales	611.00	5.98	15,644.76	2.23	363.90	4,711.44	19.22	0.13	21,358.66	21,358.66	-
	Total revenue	**6,034.43**	**636.41**	**71,211.96**	**5,432.13**	**4,233.71**	**5,316.72**	**1,051.62**	**9.38**	**93,926.36**	**21,358.66**	**72,567.70**
2	**RESULTS**											
	Segment Result(Profit before Interest &Tax)	3,539.77	330.91	2,638.47	(245.50)	1,580.62	221.43	561.93	-	8,627.63	-	8,627.63
	Unallocated expenses (Net)	-	-	-	-	-		-	(1,556.43)	(1,556.43)	-	(1,556.43)
	Operating Profit	**3,539.77**	**330.91**	**2,638.47**	**(245.50)**	**1,580.62**	**221.43**	**561.93**	**1,556.43**	**10,184.06**	**-**	**10,184.06**
	Interest Expenses	-	-	-	-	-	-	-	308.94	308.94	-	308.94
	Interest/ Dividend Income	-	-	-	-	-	-	-	553.82	553.82	-	553.82
	Provision for Taxation	-	-	-	-	-	-	-	914.30	914.30	-	914.30
	Profit/(Loss) from Ordinary Activities	**2,920.53**	**272.61**	**1,171.79**	**266.68**	**2,304.25**	**140.30**	**233.20**	**887.01**	**9,514.64**	**-**	**9,514.64**
	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**	**887.01**	**9,514.64**	**-**	**9,514.64**
3	**OTHER INFORMATION**											
	Segment Assets *	45,694.95	1,086.26	-	10,001.13	963.46	3,449.86	1,637.10	-	62,832.76	-	62,832.76
	Unallocated Assets	-	-	-	-	-		-	12,081.42	12,081.42	-	12,081.42
	Total Assets	**45,694.95**	**1,086.26**	**-**	**10,001.13**	**963.46**	**3,449.86**	**1,637.10**	**12,081.42**	**74,914.18**	**-**	**74,914.18**
	Segment Liabilities*	10,805.37	123.96	-	466.16	162.04	688.81	192.93	-	12,439.27	-	12,439.27
	Unallocated Liabilities	-	-	-	-	-	-	-	13,119.62	13,119.62	-	13,119.62
	Total Liabilities	**10,805.37**	**123.96**	**-**	**466.16**	**162.04**	**688.81**	**192.93**	**13,119.62**	**25,558.89**	**-**	**25,558.89**
	Cost to acquire fixed assets	4,806.02	88.27	277.35	260.46	69.97	655.50	143.11	82.56	6,383.24	-	6,383.24
	Depreciation	933.18	59.99	295.07	449.75	91.96	67.46	120.66	62.09	2,080.16	-	2,080.16
	Non Cash expenses other than Depreciation	12.47	(1.28)	(119.40)	2.44	11.01	4.34	62.34	8.84	(19.24)	-	(19.24)

Note: Consequent upon implementation of Goods and Services Tax (GS) Act w.e.f. 1st July 2017, total income excludes GST

Segment Revenue includes Other Operating Income

* Assets & Liability 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., GAIL Global (USA) Inc., and Konkan LNG Ltd.
2. Includes Subsidiaries GAIL Gas Ltd. and Tripura Natural Gas Company Ltd.
3. Includes Subsidiary GAIL Global (USA) Inc.

(ANNEXURE - C)

INFORMATION ABOUT BUSINESS SEGMENTS FOR FINANCIAL YEAR ENDED 31st MARCH 2019

(₹ in crore)

SL NO	SEGMENTS	TRANSMISSION SERVICES *		NATURAL GAS MARKETING* Note 1	PETRO-CHEMICALS	LPG & LIQUID HYDROCARBONS	CITY GAS Note 2	OTHER SEGMENT**	UN-ALLOCABLE	TOTAL	ELIMINATION	CONSO-LIDATED TOTAL
		NATURAL GAS	LPG									
1	**REVENUE#**											
	External Sales/Other Income	5,238.21	614.44	57,387.54	6,702.06	4,633.94	936.88	713.48	7.62	76,234.17	-	76,234.17
	Intersegment sales	540.41	9.66	12,883.20	1.88	449.20	4,539.26	20.32	1.73	18,445.66	18,445.66	-
	Total revenue	**5,778.62**	**624.10**	**70,270.74**	**6,703.94**	**5,083.14**	**5,476.14**	**733.80**	**9.35**	**94,679.83**	**18,445.66**	**76,234.17**
2	RESULTS											
	Segment Result(Profit before Interest &Tax)	3,253.90	301.38	2,714.89	384.90	2,546.52	138.33	309.59	-	9,649.51	-	9,649.51
	Unallocated expenses (Net)	-	-	-	-	-		-	368.22	368.22	-	368.22
	Operating Profit	**3,253.90**	**301.38**	**2,714.89**	**384.90**	**2,546.52**	**138.33**	**309.59**	**(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	**3,253.90**	**301.38**	**2,714.89**	**384.90**	**2,546.52**	**138.33**	**309.59**	**(3,096.74)**	**6,552.77**	**-**	**6,552.77**
	Extra Ordinary Items	-	-	-	-	-		-	-	-	-	-
	Discontinuing Operation						-			-		-
	Net Profit/(Loss)	**3,253.90**	**301.38**	**2,714.89**	**384.90**	**2,546.52**	**138.33**	**309.59**	**(3,096.74)**	**6,552.77**	**-**	**6,552.77**
3	**OTHER INFORMATION**											
	Segment Assets *	37,906.36	1,045.40	-	9,958.51	978.30	2,691.37	1,687.89	-	54,267.83	-	54,267.83
	Unallocated Assets	-	-	-	-	-		-	14,139.57	14,139.57	-	14,139.57
	Total Assets	**37,906.36**	**1,045.40**	**-**	**9,958.51**	**978.30**	**2,691.37**	**1,687.89**	**14,139.57**	**68,407.40**	**-**	**68,407.40**
	Segment Liabilities*	9,538.65	124.22	-	581.71	190.00	590.14	318.48	-	11,343.20	-	11,343.20
	Unallocated Liabilities	-	-	-	-	-	-	-	11,014.15	11,014.15	-	11,014.15
	Total Liabilities	**7,754.37**	**131.49**	**-**	**670.78**	**229.60**	**408.61**	**353.93**	**10,067.87**	**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	75.86	429.88	83.99	42.84	89.30	52.11	1,666.64	-	1,666.64
	Non Cash expenses other than Depreciation	35.58	0.63	277.24	8.53	4.54	1.18	61.21	15.28	404.19	-	404.19

Note: Consequent upon implementation of Goods and Services Tax (GS) Act w.e.f. 1st July 2017, total income excludes GST

Segment Revenue includes Other Operating Income

* Assets & Liability 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., GAIL Global (USA) Inc.
2. Includes Subsidiaries GAIL Gas Ltd. and Tripura Natural Gas Company Ltd.

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
7) Konkan LNG Limited

Details of Joint Venture Companies

8) Ratnagiri Gas & Power Pvt. Ltd.
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) Andhra Pradesh Gas Distribution Corporation Limited
18) Kerala GAIL Gas Limited
19) Rajasthan State Gas Limited
20) Haridwar Natural Gas Private Limited
21) GOA Natural Gas Private Limited
22) Indradhnush Gas Grid Ltd
23) Purba Bharti Gas Pvt. 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) Fayum Gas Company Limited
30) ONGC Petro Additions Ltd (OPAL)
31) Ramgundam Fertilizers and Chemicals 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
36) GAIL Charitable & Education Trust

B) Key Management Personnel

i) Whole time Directors:

1) Shri Manoj Jain, Chairman and Managing Director & Director (Business Development)
2) Shri P.K. Gupta, Director (Human Resources)
3) Shri Gajendra Singh, Director (Marketing)
4) Shri A.K. Tiwari, Director (Finance) and CFO
5) Dr. Ashutosh Karnatak, Chairman and Managing Director from 1st August 2019 to 13th February 2020 & Director (Projects) till 21st May 2020
6) Shri B.C. Tripathi ,Chairman and Managing Director till 31st July 2019

ii) Independent Directors:

1) Shri Jayanto Narayan Choudhury
2) Dr. Rahul Mukherjee
3) Smt Banto Devi Kataria
4) Shri Dinkar Prakash Srivastava upto 30th January 2020
5) Dr. Anup K Pujari upto 30th January 2020
6) Shri S.K. Srivastava upto 18th November 2019
7) Shri Anupam Kulshreshtha upto 18th November 2019
8) Shri Sanjay Tandon upto 18th November 2019

iii) Executive on the Board of Group Companies:

1) Shri E. S. Ranganathan
2) Shri Sanjib Datta
3) Shri Partha Jana
4) Shri Satyabrata Bairagi
5) Shri Sanzeev Medhi
6) Shri Rajeev Garg
7) Shri Biswabrata Sinha
8) Shri Deben Buragohain
9) Shri Deepak Sawant
10) Shri Harish Kumar Srivastava
11) Shri Pankaj Patel
12) Shri Ranjan Dwivedi
13) Smt Supriya Halder
14) Shri Banani Debbarman

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)

	FY 2019-20	FY 2018-19
1) Sales		
Indraprastha Gas Limited	3,158.36	2,836.64
Mahanagar Gas Limited	1,428.12	1,133.31
Maharashtra Natural Gas Limited	569.02	430.58
Green Gas Limited	192.11	165.19
Central UP Gas Limited	149.87	147.80
Aavantika Gas Ltd.	141.41	116.38
Vadodara Gas Limited	125.22	97.02
Bhagyanagar Gas Limited	2.96	82.06
Rajasthan State Gas Limited	32.40	33.76
Haridwar Natural Gas Pvt Ltd	1.74	0.03
Ramgundam Chemical & Fertilizers Ltd.	6.11	-
GOA Natural Gas Private Limited	0.00	0.02
2) Amount receivable as at Balance Sheet Date for (1) above		
Indraprastha Gas Limited	34.49	123.62
Mahanagar Gas Limited	274.13	237.17
Maharashtra Natural Gas Limited	8.89	19.82
Green Gas Limited	11.27	5.74
Central UP Gas Limited	5.21	6.08
Aavantika Gas Ltd.	2.92	5.09
Vadodara Gas Limited	5.37	6.34
Bhagyanagar Gas Limited	2.96	3.99
Rajasthan State Gas Limited	0.69	1.39
Haridwar Natural Gas Pvt Ltd	0.10	-
Ramgundam Chemical & Fertilizers Ltd.	2.13	-
GOA Natural Gas Private Limited	0.00	-
3) Purchases		
Petronet LNG Limited	20,925.87	21,823.16
Indraprastha Gas Limited	2.63	3.22
Bhagyanagar Gas Limited		-
Others	12.67	-
4) Amount payable as at Balance Sheet Date for (3) above		
Petronet LNG Limited	723.62	833.22
Indraprastha Gas Limited	0.03	0.07
Bhagyanagar Gas Limited	-	-
5) Reimbursement for other expenditure received/receivable	**8.11**	**9.28**
6) Amount receivable as at Balance Sheet Date for (5) above	**1.72**	**-**

(₹ in crore)

	FY 2019-20	FY 2018-19
7) Dividend Income		
Mahanagar Gas Limited	-	65.81
Indraprastha Gas Limited	-	31.50
Petronet LNG Limited	-	187.50
China Gas Holdings Ltd.	62.23	46.26
Maharashtra Natural Gas Limited	-	-
Others	0.31	8.57
8) Other Income		
Green Gas Ltd.	0.01	-
China Gas Holdings Ltd.	0.58	0.29
Petronet LNG Ltd.	1.07	-
Goa Natural Gas Private Limited	0.60	-
Indraprastha Gas Limited	0.01	-
Central UP Gas Limited	0.00	-
Haridwar Natural Gas Private Limited	0.00	-
Others	0.06	0.36
9) Amount receivable as at Balance Sheet Date for (8) above		
Green Gas Ltd.	0.01	-
China Gas Holdings Ltd.	0.08	
Petronet LNG Ltd.	0.02	-
Others	0.02	-
10) Provision Created against Debtors	**2.42**	**2.42**
11) Provision Created against Debtors written back	**0.22**	
12) Investment as at Balance Sheet date	**809.75**	**693.86**
13) Advances for allotment of Equity as at Balance Sheet date	**-**	
14) Advances / Loan given as at Balance Sheet date	**448.79**	**477.94**

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:	FY 2019-20	FY 2018-19
1) Sale of Products and Services		
GAIL Gas Ltd. (Subsidiary of Central PSU)	4,705.11	4,512.21
Ratnagiri Gas & Power Pvt. Ltd. (Joint Venture of Central PSU)	1,564.95	1,621.13
GAIL Global (Singapore) Pte. Ltd.(Subsidiary of Central PSU)	4,853.79	4,094.07
Brahmaputra Cracker and Polymer Limited (Associate of Central PSU)	14.40	64.44
ONGC Petro Additions Ltd (OPAL) (Associate of Central PSU)	144.95	177.97
Tripura Natural Gas Corporation Limited (Subsidiary of Central PSU)	38.87	26.98
2) Amount receivable as at Balance Sheet Date for (1) above		
GAIL Gas Ltd. (Subsidiary of Central PSU)	204.55	167.50
Ratnagiri Gas & Power Pvt. Ltd. (Joint Venture of Central PSU)	211.31	209.86
GAIL Global (Singapore) Pte. Ltd.(Subsidiary of Central PSU)	-	-
Brahmaputra Cracker and Polymer Limited (Associate of Central PSU)	-	0.55
ONGC Petro Additions Ltd (OPAL) (Associate of Central PSU)	12.54	0.72
Tripura Natural Gas Corporation Limited (Subsidiary of Central PSU)	1.11	2.53
3) Purchase of Products		
GAIL Global USA LNG LLC	5,276.55	5,082.16
Konkan LNG Limited (Subsidiary of Central PSU)	504.30	430.89
GAIL Global (Singapore) Pte. Ltd.(Subsidiary of Central PSU)	372.96	1,467.54
Ratnagiri Gas & Power Pvt. Ltd. (Joint Venture of Central PSU)	-	
GAIL Global (USA) Inc. (Subsidiary of Central PSU)	-	
GAIL Gas Ltd. (Subsidiary of Central PSU)	-	
4) Amount payable as at Balance Sheet Date for (3) above		
GAIL Global USA LNG LLC	688.20	492.20
Konkan LNG Limited (Subsidiary of Central PSU)	77.14	
GAIL Global (Singapore) Pte. Ltd.	-	
Ratnagiri Gas & Power Pvt. Ltd.	-	
GAIL Gas Ltd. (Subsidiary of Central PSU)	-	

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	
		FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19
1)	**Remuneration**	**17.74**	**16.01**	**1.19**	**1.54**
	Shri Manoj Jain	0.91	0.65		
	Shri P.K. Gupta	0.92	0.88		
	Shri Gajendra Singh	0.95	0.90		
	Shri A.K. Tiwari	0.87	0.26		
	Dr. Ashutosh Karnatak, Chairman and Managing Director from 1st Aug' 19 to 13th Feb' 20 & Director (Projects) till 21st May' 20	1.04	1.02		
	Shri B.C. Tripathi ,Chairman and Managing Director till 31st Jul' 19	1.07	1.34		
	Shri Subir Purkayastha, Director (Finance) & CFO till 30th Nov'18	-	1.21		
	Shri Anil Kumar Jha	0.54	0.49		
	Group Companies	11.44	9.26		
2)	**Interest bearing outstanding loans receivable** Group Companies	**0.22**	**0.20**	**-**	**0.29**
3)	**Interest accrued on loans given** Group Companies	**0.21**	**0.22**	**-**	**0.16**
4)	**Self lease** Group Companies	**-**	**0.04**	**-**	**-**
5)	**Sitting Fees**	**0.61**	**0.67**		
	Shri Jayanto Narayan Choudhury	0.08	0.07		
	Dr. Rahul Mukherjee	0.06	0.05		
	Smt Banto Devi Kataria	0.09	0.05		
	Shri Dinkar P Srivastava	0.08	0.09		
	Dr. Anup K Pujari	0.05	0.07		
	Shri S.K. Srivastava	0.09	0.12		
	Shri Anupam Kulshreshtha	0.09	0.11		
	Shri Sanjay Tandon	0.07	0.11		

* 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 ceiling of 1000 km per month on payment in accordance with the Bureau of Enterprises Circular

C) Details relating to parties referred to in item no. I (C) above:

(₹ in crore)

Particulars	FY 2019-20	FY 2018-19
1) Minimum work program commitment	73.04	-
2) Survey, Production, Royalty and other expenses	279.00	181.30
3) CWIP & Other assets	1,304.00	(55.07)
4) Amount outstanding on Balance Sheet date(net of advance)	36.00	(40.21)
5) Amount written Off- Dry well expenditure	-	-
6) Sales/Income from operation	944.00	606.78
7) Amount outstanding on Balance Sheet date (against sales)	65.06	62.82

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 2020	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	Amount (₹ in crore)	As % of Consolidated Profit or Loss	Amount (₹ in crore)	As % of Consolidated OCI	Amount (₹ in crore)	As % of Total Comprehensive Income	Amount (₹ in crore)
1	**GAIL Standalone**		**58.70%**	**43,971.10**	**70.27%**	**6,620.62**	**97.91%**	**(2,799.96)**	**57.12%**	**3,820.66**
2	**Subsidiaries**									
A)	**Indian**									
i)	GAIL Gas Limited	100.00%	2.15%	1,609.41	1.67%	157.21	0.00%	-	2.35%	157.21
ii)	Tripura Natural Gas Limited	48.98%	0.18%	134.69	0.20%	18.62	0.00%	0.03	0.28%	18.65
iii)	Bengal Gas Company Limited	50.00%	0.07%	48.91	-0.01%	(1.09)	0.00%	-	-0.02%	(1.09)
iv)	Konkan LNG Limited	69.06%	-0.03%	(20.01)	2.87%	270.27	0.00%	(0.01)	4.04%	270.26
B)	**Foreign**									
i)	GAIL Global Singapore Pte. Ltd.	100.00%	0.07%	55.74	0.05%	5.11	0.00%	-	0.08%	5.11
ii)	GAIL Global (USA) Inc.	100.00%	-0.04%	(27.00)	-0.17%	(15.69)	0.00%	-	-0.23%	(15.69)
3	**Minority Interests in All subsidiaries**		**0.12%**	**87.04**	**0.98%**	**92.59**	**0.00%**	**-**	**1.38%**	**92.59**
4	**Associates (Investment as per the Equity Method)**									
A)	**Indian**									
i)	Mahanagar Gas Ltd.	32.50%	Equity Method	Equity Method	2.74%	257.89	0.02%	(0.50)	3.85%	257.39
ii)	Petronet LNG Ltd.	12.50%	Equity Method	Equity Method	3.66%	345.11	0.00%	(0.01)	5.16%	345.10
iii)	Brahmaputra Cracker & Polymer Ltd.	70.00%	Equity Method	Equity Method	11.20%	1,055.32	0.04%	(1.04)	15.76%	1,054.28
iv)	Indraprastha Gas Limited	22.50%	Equity Method	Equity Method	2.98%	281.02	0.01%	(0.34)	4.20%	280.68
v)	ONGC Petro Additions Ltd.	49.21%	Equity Method	Equity Method	0.00%	-	0.00%	-	0.00%	-
vi)	Ramagundam Fertilizers and Chemicals Limited	14.46%	Equity Method	Equity Method	-0.06%	(5.52)	0.00%	-	-0.08%	(5.52)
B)	**Foreign**									
i)	Fayum Gas	19.00%	Equity Method	Equity Method	0.02%	1.77	0.00%	-	0.03%	1.77
ii)	China Gas Holding Limited	2.87%	Equity Method	Equity Method	2.51%	236.55	2.02%	(57.80)	2.67%	178.75
5	**Joint Ventures**									
A)	**Indian**									
i)	Bhagyanagar Gas Limited	48.73%	Equity Method	Equity Method	0.10%	9.31	0.00%	-	0.14%	9.31
ii)	Central UP Gas Limited	25.00%	Equity Method	Equity Method	0.20%	18.41	0.00%	0.01	0.28%	18.42
iii)	Green Gas Limited	49.97%	Equity Method	Equity Method	0.39%	36.70	0.00%	(0.01)	0.55%	36.69
iv)	Maharashtra Natural Gas Limited (MNGL)	22.50%	Equity Method	Equity Method	0.53%	50.25	0.00%	-	0.75%	50.25
v)	Aavantika Gas Limited	49.99%	Equity Method	Equity Method	0.22%	21.02	0.00%	(0.08)	0.31%	20.94
vi)	Talcher Fertilizers Limited	33.33%	Equity Method	Equity Method	-0.01%	(1.01)	0.00%	-	-0.02%	(1.01)
vii)	Vadodara Gas Limited	50.00%	Equity Method	Equity Method	0.01%	1.03	0.00%	-	0.02%	1.03
viii)	Ratnagiri Gas Power Pvt. Ltd	25.51%	Equity Method	Equity Method	0.00%	-	0.00%	-	0.00%	-
ix)	Indradhanush Gas Grid Limited	20.00%	Equity Method	Equity Method	-0.01%	(1.06)	0.00%	-	-0.02%	(1.06)
B)	**Foreign**									
i)	TAPI Pipeline Company Limited	5.00%	Equity Method	Equity Method	0.00%	(0.10)	0.00%	-	0.00%	(0.10)
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

Reconciliation of cash flow hedge reserve for year ended 31st March 2020

(ANNEXURE - F)

Particulars	Opening balance as at April 01, 2019 (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, 2020 (Dr Bal.{+} Cr. Bal.{-})
Foreign currency risk	(₹ in crore)	(₹ in crore)	(₹ in crore)		(₹ in crore)		(₹ in crore)		(₹ in crore)		(₹ in crore)
Forward contracts - Borrowings				Finance Cost under Expenses Note 24				Finance Cost under Expenses Note 24			
Forward contracts - Purchases of capital goods										Assest- Non Current Asset- Capital Work in Progress	
Commodity price risk											
Commodity swap - Forecasted purchase & sale of natural gas	-290.54	-97.30	-			Other Expenses under Expenses Note 26	67.25	Revenue from Operation (Gross) Note 20 & Purchase of Stock in trade	-		-320.59
Total	**-290.54**	**-97.30**	**-**		**-**		**67.25**		**-**		**-320.59**

Reconciliation of cash flow hedge reserve for year ended 31st March 2019

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 (I) LIMITED FOR THE YEAR ENDED 31 MARCH 2020

The preparation of consolidated financial statements of GAIL (I) Limited for the year ended 31 March 2020 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 24 June 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of GAIL (I) Limited for the year ended 31 March 2020 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of GAIL (I) Limited and subsidiaries, associate companies and jointly controlled entities mentioned in Annexure I, but did not conduct supplementary audit of the financial statements of subsidiaries, associate companies and jointly controlled entities listed in Annexure II for the year ended on that date. 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 supplementary 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

(D. K. Sekar)
Director General of Audit (Energy),
Delhi

Place: **New Delhi**
Date: **19 August 2020**

(ANNEXURE - I)

LIST OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINTLY CONTROLLED ENTITIES WHOSE FINANCIAL STATEMENTS WERE AUDITED BY THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

SUBSIDIARIES

1. GAIL Gas Limited
2. Konkan LNG Limited
3. Tripura Natural Gas Company Limited

ASSOCIATES

4. Indraprastha Gas Limited
5. Brahmaputra Cracker & Polymer Limited
6. Ramagundam Fertilizer and Chemical Limited

JOINT VENTURES

7. Talcher Fertilizers Limited
8. Bhagyanagar Gas Limited
9. Maharashtra Natural Gas Limited
10. Ratnagiri Gas & Power (private) Limited

(ANNEXURE - II)

LIST OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINTLY CONTROLLED ENTITIES WHOSE FINANCIAL STATEMENTS WERE NOT AUDITED BY THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

SUBSIDIARIES

1. Bengal Gas Company Limited

ASSOCIATES

2. ONGC Petro additions Limited

JOINT VENTURES

3. Indradhanush Gas Grid Limited
4. Aavantika Gas Limited
5. Green Gas Limited
6. Central UP Gas Limited

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 Rehabilitation & 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

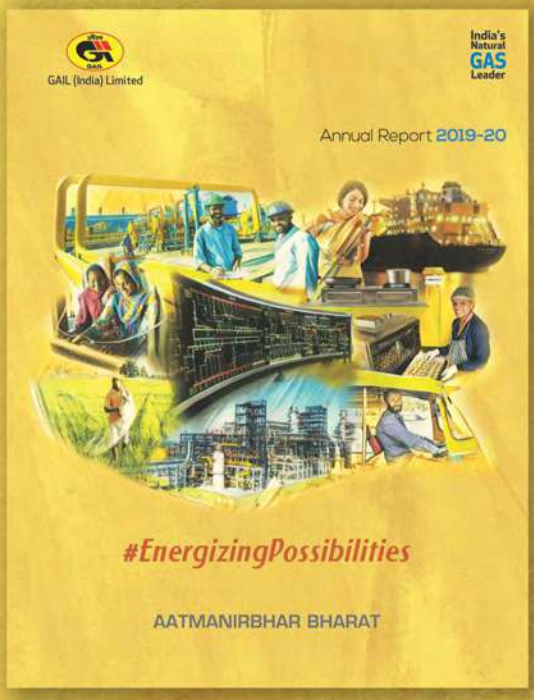
BD	Business Development
BIS	Business Information System
CSR	Corporate Social Responsibility
ERP	Enterprise Resource Planning
HR	Human Resource
HSE	Health Safety and Environment
HRD	Human Resource Development
JVCs	Joint Venture Companies
MW	Mega-Watt
PSU	Public Sector Unit
QC	Quality Circle
SCADA	Supervisor 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

GAIL (India) Limited

GAIL's Geographical Presence



#EnergizingPossibilities

AATMANIRBHAR BHARAT

There are infinite possibilities for energy to bring a change in the lives of people. It could be the ease of getting economical and uninterrupted fuel or even the potential of a cleaner and greener environment for the future. We, at GAIL, are striving for just that.

Echoing the clarion call of the Hon'ble Prime Minister of India, GAIL is committed to ***Energizing Possibilities*** for an Aatmanirbhar Bharat - a self-reliant India.

GAIL (India) Limited

Regd. Off. : 16, Bhikaiji Cama Place, R.K. Puram, New Delhi-110066
Website : www.gailonline.com
Corporate Identification No.: L40200DL1984GOI018976