



गेल (इंडिया) लिमिटेड

(भारत सरकार का उपक्रम – महारत्न कंपनी)

GAIL (India) Limited

(A Government of India Undertaking - A Maharatna Company)

गेल भवन,  
16 भीकाएजी कामा प्लेस  
नई दिल्ली-110066, इंडिया  
GAIL BHAWAN,  
16 BHAIKAIJI CAMA PLACE  
NEW DELHI-110066, INDIA  
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फैक्स/FAX : +91 11 26185941  
ई-मेल/E-mail : info@gail.co.in

ND/GAIL/SECTT/2020

09.06.2020

Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G Block,  
Bandra-Kurla Complex, Bandra (East)  
Mumbai – 400051

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

**Sub.: Annual Secretarial Compliance Report**

Dear Sir/Madam,

This is with reference to SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 08.02.2019.

Please find enclosed herewith Annual Secretarial Compliance Report for the financial year ended on 31<sup>st</sup> March, 2020 issued by M/s Agarwal S. & Associate, Practicing Company Secretaries, New Delhi.

The above is for your information and records.

Thanking you,  
Yours faithfully,

(A.K. Jha)  
Company Secretary

सीआईएन/CIN

L40200DL1984G01018976

www.gailonline.com



**SECRETARIAL COMPLIANCE REPORT OF  
GAIL (India) Limited  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2020**

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

- (a) all the documents and records made available to us and explanation provided **GAIL (India) Limited** ("the listed entity"),
- (b) the filings/ submissions 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 31<sup>st</sup> 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 thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not applicable during the year under review.**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not applicable during the year under review.**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not applicable during the year under review.**

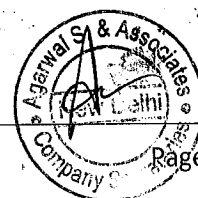


- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable during the year under review.**
- (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013; **Not Applicable during the year under review.**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (j) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) 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:-

Sr. 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 item for discussions during the meeting as per the requirement of SEBI LODR (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:

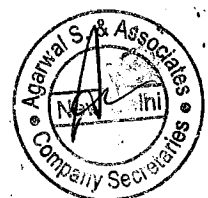


Sr. No	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
Nil	Nil	Nil	Nil	Nil

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. 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 5 <sup>th</sup> June, 2015 & 5 <sup>th</sup> July, 2017 has exempted Government Companies from applicability of the following provisions: <ul style="list-style-type: none"> <li>➤ Section 134 (3)(p) and 178 (2) of the Companies Act, 2013 &amp;</li> <li>➤ 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)</li> </ul>	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.

				<p>respectively of the Companies Act, 2013.</p> <p>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 and its directors in line with exemptions granted to Government Companies in the Companies Act, 2013, the same is awaited.</p>	
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.	<p>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 item for discussions during the meeting as per the requirement of SEBI LODR (2015) was also provided to them.</p> <p>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.</p>	As informed by the Management, Government of India (GOI) 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.



- (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 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 entity with 6(A) and 6(B) of SEBI circular number CIR/CFD/CMD1/114/2019 dated October 18, 2019 is not applicable. Accordingly, we can't certify said compliance.

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



*Anuradha*

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

Date: 09.06.2020  
Place: New Delhi  
UDIN: A036639B000327281