



## GAIL (INDIA) LIMITED

**UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER ENDED 30TH SEPTEMBER, 2010**

₹ in Lakhs

	Particulars	For the Quarter ended		For the Half Year ended		For the Year ended 31.03.2010 (Audited)
		30.09.2010	30.09.2009	30.09.2010	30.09.2009	
1	a) Net Sales/Income from operations	810,409	622,330	1,520,004	1,226,253	2,499,640
	b) Other Operating Income	2,413	2,216	4,393	4,207	10,685
2	<b>Expenditure</b>					
	a) (Increase) / Decrease in stock in trade	(5,545)	1,354	(12,695)	5,193	(2,059)
	b) Consumption of raw materials	49,376	58,766	102,789	110,410	219,934
	c) Purchase of traded goods	557,410	401,202	1,015,831	779,634	1,543,003
	d) Employees Cost	15,376	12,685	31,722	25,886	62,120
	e) Depreciation	16,259	14,162	32,255	28,203	56,182
	f) Other expenditure	50,503	46,593	95,589	96,850	209,723
	g) Total	683,379	534,762	1,265,491	1,046,176	2,088,903
3	<b>Profit from Operations before Other Income, Interest &amp; Exceptional Items (1-2)</b>	129,443	89,784	258,906	184,284	421,422
4	<b>Other Income</b>	14,988	14,676	19,763	20,669	43,425
5	<b>Profit before Interest &amp; Exceptional Items (3+4)</b>	144,431	104,460	278,669	204,953	464,847
6	<b>Interest</b>	1,174	1,785	3,228	3,577	7,000
7	<b>Profit after Interest but before Exceptional Items (5-6)</b>	143,257	102,675	275,441	201,376	457,847
8	<b>Exceptional Items</b>	-	-	-	-	-
9	<b>Profit(+)/ Loss(-) from Ordinary Activities before tax (7+8)</b>	143,257	102,675	275,441	201,376	457,847
10	<b>Provision for Taxation - Current Tax</b>	32,153	30,940	73,251	64,922	137,500
	<b>- Deferred Tax</b>	18,749	412	21,147	(453)	6,363
11	<b>Net Profit (+)/Loss (-) from Ordinary Activities after tax (9-10)</b>	92,355	71,323	181,043	136,907	313,984
12	<b>Extraordinary items (Net of tax expenses)</b>	-	-	-	-	-
13	<b>Net Profit (+)/Loss (-) for the period (11-12)</b>	92,355	71,323	181,043	136,907	313,984
14	<b>Paid up Equity Share Capital (₹ 10/- per share)</b>	126,848	126,848	126,848	126,848	126,848
15	<b>Reserves excluding Revaluation Reserves</b>	-	-	-	-	1,553,052
16	<b>Earnings Per Share (EPS) (in ₹)</b>					
	(a) Basic & Diluted EPS before Extraordinary items	7.28	5.62	14.27	10.79	24.75
	(b) Basic & Diluted EPS after Extraordinary items	7.28	5.62	14.27	10.79	24.75
17	<b>Debt Service Coverage Ratio</b>	56.77	27.80	45.21	27.57	18.20
18	<b>Interest Service Coverage Ratio</b>	60.15	53.76	58.41	54.90	66.75
19	<b>Public Shareholding</b>					
	- No. of shares	529,520,783	522,886,175	529,520,783	522,886,175	526,921,313
	- Percentage of Shareholding	41.74	41.22	41.74	41.22	41.54
20	<b>Promoters and Promoter Group Shareholding</b>					
	a) Pledged / Encumbered					
	- No. of shares	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil
	b) Non - encumbered					
	- No. of shares	727,405,675	727,405,675	727,405,675	727,405,675	727,405,675
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
	- Percentage of Shares (as a % of the total share capital of the company)	57.35	57.35	57.35	57.35	57.35

Note : Definition for Coverage Ratio :

1. Debt Service Coverage Ratio (DSCR) = Earning Before Interest & Tax / (Interest Expense+ Principal Repayment)

2. Interest Service Coverage Ratio (ISCR) = Earning Before Interest & Tax / Interest Expense

Segment wise Revenue, Results and Capital Employed for the Quarter ended 30th September 2010

(₹ in Lakhs)

PARTICULARS	For the quarter ended		For the Half Year ended		For the Year ended 31.03.2010 (Audited)
	30.09.2010	30.09.2009	30.09.2010	30.09.2009	
<b>1 Segment Revenue (Net Sales/Income)</b>					
A. TRANSMISSION SERVICES					
I) NATURAL GAS	97,932	84,295	187,623	157,610	316,836
II) LPG	11,408	10,293	22,764	20,866	44,719
B. NATURAL GAS TRADING	628,941	496,913	1,174,108	961,084	1,880,291
C. PETROCHEMICALS	72,089	63,625	135,845	127,488	291,221
D. LPG AND LIQUID HYDROCARBONS	73,671	51,562	151,816	120,127	283,295
E OTHERS	1,433	1,763	2,946	3,145	6,575
<b>Total</b>	<b>885,474</b>	<b>708,451</b>	<b>1,675,102</b>	<b>1,390,320</b>	<b>2,822,937</b>
Less : Inter- Segment Revenue	75,065	86,121	155,098	164,067	323,297
<b>Sales / Income from Operations</b>	<b>810,409</b>	<b>622,330</b>	<b>1,520,004</b>	<b>1,226,253</b>	<b>2,499,640</b>
<b>2 Segment Results (Profit before Interest and Tax)</b>					
A. TRANSMISSION SERVICES					
I) NATURAL GAS	72,063	61,569	136,118	113,787	223,941
II) LPG	7,868	5,892	15,203	12,716	27,816
B. NATURAL GAS TRADING	16,021	11,047	31,806	21,673	37,316
C. PETROCHEMICALS	27,159	27,532	55,616	53,964	132,786
D. LPG AND LIQUID HYDROCARBONS	17,517	(7,311)	40,850	7,689	60,878
E OTHERS	(4,786)	(3,015)	(6,162)	(14,822)	(34,973)
<b>Total</b>	<b>135,842</b>	<b>95,714</b>	<b>273,431</b>	<b>195,007</b>	<b>447,764</b>
Less : (i) Interest	1,174	1,785	3,228	3,577	7,000
(ii) Other Un-allocable Expenditure	6,538	6,028	14,743	10,984	27,000
(iii) Other Un-allocable Income	(15,127)	(14,774)	(19,981)	(20,930)	(44,083)
<b>Total Profit before Tax</b>	<b>143,257</b>	<b>102,675</b>	<b>275,441</b>	<b>201,376</b>	<b>457,847</b>
<b>3 Capital Employed (Segment Assets - Segment Liabilities)</b>					
A. NATURAL GAS TRANSMISSION / TRADING	977,238	661,505	977,238	661,505	967,926
B. LPG TRANSMISSION	83,447	89,352	83,447	89,352	86,507
C. PETROCHEMICALS	161,680	183,594	161,680	183,594	177,862
D. LPG AND LIQUID HYDROCARBONS	106,088	73,027	106,088	73,027	108,652
E OTHERS	(3,821)	(5,546)	(3,821)	(5,546)	(4,343)
F UN-ALLOCABLE	866,454	876,983	866,454	876,983	630,290
<b>Total</b>	<b>2,191,086</b>	<b>1,878,915</b>	<b>2,191,086</b>	<b>1,878,915</b>	<b>1,966,894</b>

Note : Others Segment includes GAILTel, E&P & City Gas.

**Statement of Assets & Liabilities as at 30th September 2010**

(₹ in Lakhs)

PARTICULARS	For the Half Year ended		For the Year ended 31.03.2010 (Audited)
	30.09.2010	30.09.2009	
<b>1 SHAREHOLDERS' FUND</b>			
(a) Capital	126,848	126,848	126,848
(b) Reserves & Surplus	1,734,090	1,487,016	1,553,052
<b>2 LOAN FUNDS</b>	<b>170,045</b>	<b>132,911</b>	<b>148,038</b>
<b>3 PROVISION FOR DEFERRED TAX (NET)</b>	<b>160,103</b>	<b>132,140</b>	<b>138,956</b>
<b>TOTAL</b>	<b>2,191,086</b>	<b>1,878,915</b>	<b>1,966,894</b>
<b>1 FIXED ASSETS</b>	<b>1,604,190</b>	<b>1,231,576</b>	<b>1,426,159</b>
<b>2 INVESTMENT</b>	<b>232,598</b>	<b>193,909</b>	<b>207,303</b>
<b>3 CURRENT ASSETS, LOANS AND ADVANCES</b>			
(a) Inventories	85,103	56,489	63,170
(b) Sundry Debtors	150,374	113,254	129,504
(c) Cash and Bank balances	398,177	421,248	417,151
(d) Other Current assets	720	3,434	826
(e) Loans and Advances	809,205	773,093	760,618
Less : Current Liabilities and Provisions			
(a) Current Liabilities	(590,280)	(497,846)	(544,831)
(b) Provisions	(499,001)	(416,242)	(493,006)
<b>4 MISCELLANEOUS EXPENSES (NOT WRITEN OFF OR ADJUSTED)</b>	-	-	-
<b>5 PROFIT AND LOSS ACCOUNT</b>	-	-	-
<b>TOTAL</b>	<b>2,191,086</b>	<b>1,878,915</b>	<b>1,966,894</b>

## **Notes**

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meetings held on 3<sup>rd</sup> November 2010.
2. Limited Review of the Financial Results has been carried out by the Statutory Auditors of the company.
3. In terms of the decision of the Government of India to share the under recoveries on sensitive petroleum products, the company has provided discount of ₹ 34637 Lakhs for the quarter ended 30<sup>th</sup> September, 2010 (Previous year corresponding quarter : ₹ 45854 Lakhs) and ₹ 79185 Lakhs for the half year ended 30<sup>th</sup> September, 2010 (Previous year corresponding period : ₹ 53325 Lakhs) as communicated by MOP&NG.
4. Petroleum and Natural Gas Regulatory Board (PNGRB) have issued PNGRB ("Determination of Natural Gas Pipeline Tariff") Regulations 2008 effective from 20<sup>th</sup> November 2008. As per these Regulations, the natural gas pipeline tariff being charged by the company for its pipeline networks in operation is subject to revision with retrospective effect in accordance with the Regulations. Impact on profits is recognized as and when the pipeline tariff is notified in accordance with the Regulations.  
  
PNGRB vide its order no TO/02/2010 dated 19<sup>th</sup> April 2010 and 9<sup>th</sup> June 2010 have approved the Provisional Initial Unit Natural Gas Pipeline Tariff for HVJ-GREP-DVPL and DVPL/GREP upgradation pipeline Network and revenue has been recognized accordingly.
5. Ministry of Petroleum and Natural Gas vide letter No : L-12015/8/10-GP dated 31<sup>st</sup> May 2010 has allowed the company to charge marketing margin on sale of Natural Gas produced by National Oil Companies and the same has been recognized in the Financial Results in accordance with the provisions contained in above referred letter.
6. Other expenditure for the quarter ended 30<sup>th</sup> September, 2010 includes ₹ 4920 Lakhs (Previous year corresponding quarter : ₹ 1773 Lakhs) and ₹ 6931 Lakhs for the half year ended 30<sup>th</sup> September 2010 (Previous year corresponding period : ₹ 13642 Lakhs) on account of Survey Expenses and write off of Dry well Expenditure in Exploration & Production (E&P) business segment.

7. There were nil investors' complaint pending at the beginning of the quarter, seven complaints were received, seven complaints were resolved and no complaints were pending at the close of the quarter.
8. Previous period figures have been regrouped / rearranged, wherever required.

**For GAIL (India) Limited**



**(R. K. Goel)**  
**Director (Finance)**

**Place: New Delhi**  
**Date: 03.11.2010**