



GAIL (INDIA) LIMITED

AUDITED FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2008

Rs. in Crores

	Particulars	For the Quarter ended		For the Year ended 31.03.2008 (Audited)	For the Year ended 31.03.2007 (Audited)	Consolidated Results for the year ended	
		31.03.2008	31.03.2007			31.03.2008 (Audited)	31.03.2007 (Audited)
1	Net Sales/Income from operations	4,935.29	3,883.41	18,008.20	16,047.18	18,837.31	16,542.31
2	Other Income	99.66	112.89	556.35	544.95	574.05	559.10
3	Total Income (1+2)	5,034.95	3,996.30	18,564.55	16,592.13	19,411.36	17,101.41
4	Expenditure						
	a) (Increase) / Decrease in stock in trade	(82.13)	(28.38)	(29.88)	(75.26)	(29.28)	(74.47)
	b) Consumption of raw materials	360.70	338.08	1,714.84	1,785.12	1,714.84	1,785.12
	c) Purchase	2,889.02	2,451.39	10,200.66	9,429.00	10,320.36	9,590.34
	d) Employees Cost	220.32	91.45	470.01	302.46	501.99	317.29
	e) Depreciation	142.47	147.13	571.02	575.38	662.71	621.60
	f) Other expenditure	387.42	428.45	1,703.33	1,608.57	1,989.09	1,670.94
	g) Total	3,917.80	3,428.12	14,629.98	13,625.27	15,159.71	13,910.82
5	Interest	19.53	22.11	79.57	107.08	149.33	121.71
6	Exceptional Items	-	-	-	-	-	-
7	Profit(+)/ Loss(-) from Ordinary Activities before tax (3)-(4+5+6)	1,097.62	546.07	3,855.00	2,859.78	4,102.32	3,068.88
8	Provision for Taxation - Current Tax - Deferred Tax - Fringe Benefit Tax Excess provision of tax written back	430.93 (57.60) 1.91 -	176.24 27.37 1.65 (339.92)	1,244.98 1.02 7.54 -	788.30 18.97 5.76 (339.92)	1,328.69 4.74 7.73 -	839.11 38.53 5.81 (339.92)
9	Net Profit (+)/Loss(-) from Ordinary Activities after tax (7-8)	722.38	680.73	2,601.46	2,386.67	2,761.16	2,525.35
10	Extraordinary items (net of tax expense)	-	-	-	-	-	-
11	Net Profit (+)/Loss(-) for the period (9+10)	722.38	680.73	2,601.46	2,386.67	2,761.16	2,525.35
12	Share of Profit / (Loss) in Associates	-	-	-	-	21.74	19.97
13	Profit for the Group (11.+12)	-	-	-	-	2,782.90	2,545.32
14	Paid up Equity Share Capital (Rs.10/- per share)	845.65	845.65	845.65	845.65	845.65	845.65
15	Reserves excluding Revaluation Reserves	-	-	12,159.23	10,547.26	12,706.90	10,977.35
16	Earnings Per Share (EPS) (in Rs.) (a) Basic & Diluted EPS before Extraordinary items (a) Basic & Diluted EPS after Extraordinary items	8.54 8.54	8.05 8.05	30.76 30.76	28.22 28.22	32.91 32.91	30.10 30.10
17	Aggregate of Public Shareholding - No. of shares - Percentage of Shareholding	330,475,037 39.08	313,334,121 37.05	330,475,037 39.08	313,334,121 37.05	330,475,037 39.08	313,334,121 37.05

Segment wise Revenue, Results and Capital Employed for the Financial Year ended 31st March 2008

(Rs in Crores)

PARTICULARS	For the quarter ended		For the Year ended 31.03.2008 (Audited)	For the Year ended 31.03.2007 (Audited)	Consolidated Results for the year ended	
	31.03.2008	31.03.2007			31.03.2008 (Audited)	31.03.2007 (Audited)
1 Segment Revenue (Net Sales/Income)						
A. TRANSMISSION SERVICES						
I) NATURAL GAS	576.15	476.18	2,286.49	2,214.44	2,286.49	2,214.44
II) LPG	107.91	91.50	389.31	343.96	389.31	343.96
B. NATURAL GAS TRADING	3,380.16	2,970.08	12,657.73	12,020.84	12,979.27	12,281.69
C. PETROCHEMICALS	746.70	637.57	2,591.15	2,204.04	2,591.15	2,204.04
D. LPG AND LIQUID HYDROCARBONS	789.78	400.54	2,661.39	1,990.64	2,661.39	1,990.64
E. GAILTEL	7.17	6.94	28.55	25.36	28.55	25.36
F. CITY GAS DISTRIBUTION	-	-	-	-	500.66	246.70
G. UNALLOCATED	105.46	97.92	506.35	508.37	807.71	510.10
Total	5,713.33	4,680.73	21,120.97	19,307.65	22,244.53	19,816.93
Less : Inter-Segment Revenue	678.38	684.43	2,556.42	2,715.52	2,833.17	2,715.52
Sales / Income from Operations	5,034.95	3,996.30	18,564.55	16,592.13	19,411.36	17,101.41
2 Segment Results (Profit before Interest and Tax)						
A. TRANSMISSION SERVICES						
I) NATURAL GAS	375.52	276.74	1,553.48	1,515.36	1,553.48	1,515.36
II) LPG	68.77	48.66	231.84	190.63	231.84	190.63
B. NATURAL GAS TRADING	69.15	49.24	204.40	194.27	293.80	249.71
C. PETROCHEMICALS	362.83	300.76	1,254.23	954.51	1,252.82	954.51
D. LPG AND LIQUID HYDROCARBONS	353.30	(73.19)	900.43	102.15	900.43	102.15
E. GAILTEL	0.40	0.54	3.11	0.97	3.11	0.97
F. CITY GAS DISTRIBUTION	(112.82)	(34.57)	(212.92)	8.97	175.18	148.14
G. UNALLOCATED					(159.01)	29.12
Total	1,117.15	568.18	3,934.57	2,966.86	4,251.65	3,190.59
Less : Interest	19.53	22.11	79.57	107.08	149.33	121.71
Less : Other Unallocable expenditure net off Unallocable Income	-	-	-	-	-	-
Total Profit before Tax	1,097.62	546.07	3,855.00	2,859.78	4,102.32	3,068.88
3 Capital Employed (Segment Assets - Segment Liabilities)						
A. NATURAL GAS TRANSMISSION / TRADING	5,416.15	3,701.13	5,416.15	3,701.13	5,648.23	3,980.18
B. LPG TRANSMISSION	988.31	1,050.95	988.31	1,050.95	988.31	1,050.95
C. PETROCHEMICALS	2,002.07	1,912.84	2,002.07	1,912.84	2,070.63	1,912.84
D. LPG AND LIQUID HYDROCARBONS	1,035.72	897.00	1,035.72	897.00	1,035.72	897.00
E. GAILTEL	37.32	47.45	37.32	47.45	37.32	47.45
F. CITY GAS DISTRIBUTION	3,803.83	3,039.28	3,803.83	3,039.28	380.73	347.56
G. UNALLOCATED					5,328.99	2,979.86
Total	13,282.90	10,648.65	13,282.90	10,648.65	15,489.43	11,215.84

Note : - Unallocated Segment includes Corporate Office, Zonal Offices, GTI, E&P, Power & City Gas in standalone. However, in consolidated results, city gas is a separate segment.

Notes

1. The audited financial results were reviewed by the Audit Committee and approved by the Board of Directors at its respective meetings held on 13th May 2008.
2. In terms of the decision of the Government of India, the Company has shared Rs.387.24 Crores for the quarter ended 31st March 2008 (Previous year quarter : Rs. 502 Crores) which is on provisional basis in terms of letter no-P-20012/28/97-99 Vol.II (Part-II) Dated 28th March 2008 and Rs.1314 Crores for the year ended 31st March 2008 (Previous period : Rs.1488 Crores), on account of under recoveries of Oil Marketing Companies by allowing discount in the prices of domestic LPG based on the rates of discount communicated by Petroleum Planning and Analysis Cell.
3. Final Dividend @ Rs. 6/- per Equity Share of Rs.10/- each amounting to Rs.507.39 Crores (excluding dividend Tax) during 2007-08 has been recommended subject to approval of members in the AGM, in addition to the Interim Dividend @ Rs. 4/- per Equity Share already paid. The total dividend paid and proposed for the year @ Rs.10/- per Equity share works out to Rs.845.65 crores excluding dividend tax.
4. The Pay Revision of the employees of the company is due w.e.f.1st January 2007. Pending pay revision by the Government of India, a sum of Rs. 105 crores (Previous period : Nil) has been provided during the quarter ended 31.03.2008 and Rs.130.71 Crores including Rs.25.71 Crores adhoc payment (Previous year : Nil) for the year ended 31st March 2008 under employees cost on estimated basis for the period from 1st Jan 2007 to 31st March 2008.
5. Pursuant to the adoption of accounting standards as prescribed by Companies (Accounting Standards) rules, 2006 issued by Ministry of Corporate Affairs vide notification no. GSR 739 (e) dated 7th December 2006 as required by AS - 11 on "The effect of changes in foreign exchange rates", the company has recognized net gain arising on account of foreign exchange difference amounting to Rs. 8.05 crores for the quarter ended 31st March 2008 and Rs.11.53 Crores for the year 2007-08 in the profit and loss account relating to acquisition of fixed assets. Had there been no change, the same would have been adjusted against the carrying amount of fixed assets. Consequently, net profit is higher to that extent.

6. The company has adopted Accounting Standard 15 (Revised 2005) - 'Employees Benefits' with effect from current financial year. The transitional liability as on 1st April 2007 arising due to the adoption of AS 15 (Revised 2005) amounting to Rs.20.47 Crores has been charged to Profit & Loss Account.
7. Other expenditure includes Rs.13.59 crores for the quarter ended 31st March 2008 (Previous year quarter : Rs.60.88 Crores) and Rs.284.59 Crores for the year 2007-08 (Previous year : Rs.241.88 Crores) on account of Dry well Expenditure in Exploration & Production (E&P) business.
8. Consequent upon deletion of accounting policy related to yearly reconciliation of natural gas within a limit of + /(-) 1%, value of excess liability amounting to Rs.16.49 Crores pertaining to previous years has been considered as Miscellaneous Income during the year.
9. There were one investors' complaint pending at the beginning of the quarter, fourteen complaints were received, fifteen complaints were resolved and no complaints were pending at the close of the quarter.
10. Previous period figures have been regrouped / rearranged, wherever required.
11. The Audited results for the year ended 31st March 2008 are subject to review by the Comptroller and Auditor General of India u/s 619 (4) of the Companies Act,1956.

For GAIL (India) Limited



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

**Place: New Delhi
Date: 13.05.2008**