



GAIL (India) Limited
India's **Youngest** Maharatna



Sustainability Glimpses

2018



Our Sustainability Reports (SR)

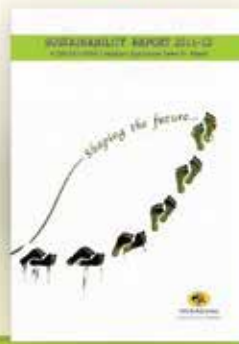
2011



SR FY 2010-2011

Value Beyond Business

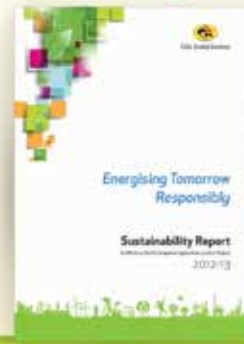
2012



SR FY 2011-2012

Shaping the Future

2013



SR FY 2012-2013

Energising Tomorrow Responsibly

2014



SR FY 2013-2014

Care Share Grow

2015



SR FY 2014-2015

Fostering Responsible Growth

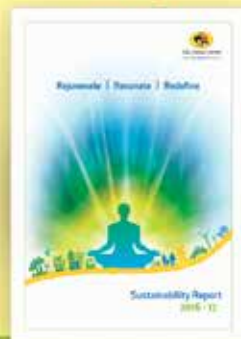
2016



SR FY 2015-2016

Nurturing Resilient Eco-system

2017



SR FY 2016-2017

Rejuvenate | Resonate | Redefine

2018



SR FY 2017-2018

Execution | Efficiency | Excellence



CMD's Message

As the pace for gas-based economy accelerates and forays in new markets and geographies through expanding national gas grid and city gas projects, at GAIL, our emphasis have been on expansion across gas value chain and achieve a deeper market penetration.



Being India's flagship natural gas company, GAIL promotes natural gas in all spheres of economic and social growth in the country. It has been our consistent endeavor to achieve our goals and objectives. We have made systematic investments in building new gas pipelines and undertaking City Gas Distribution projects to cater to the increasing energy needs of the country. Today, GAIL has a marked its presence in the entire gas value chain ranging from exploration, processing, transmission and marketing of Natural gas as well as processing of gas based value-added products such as LPG and its transmission, other Liquid Hydrocarbons and Petrochemicals.

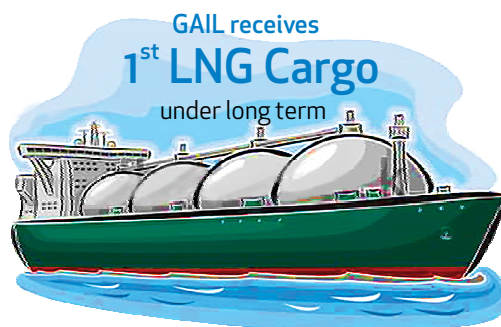
During FY 17-18, GAIL registered a gross sale of INR 53,825.49 crore and a highest ever Profit after Tax (PAT) of INR 4,618 crore. This rise in PAT has been achieved along with 5% growth in Natural Gas Marketing segment and Natural Gas Transmission volumes. Sales quantity in Petrochemicals, Liquid Hydrocarbons and LPG Transmission segment also went up by 17%, 15% and 11% respectively.

With gaining more visibility as a Global player, this year marked a turning point for GAIL as we foray into new business area of international trade of LNG. By virtue of its LNG Portfolio, GAIL today is among top 10 Global LNG players. As an industry pioneer, undertook innovative measures of destination and time swap of term contracts with global players to optimize value under long-term LNG contracted from USA. The LNG carrier- Meridian Spirit which has been charter hired at extremely competitive rates is pressed into service for voyaging scheduled cargoes from US east coast. This year, GAIL became the first Indian public-sector company to source LNG from Russia on a long-term. GAIL has contracted to import 2.5 MMTPA of LNG from Gazprom Marketing and Trading Singapore. In midst of geopolitical uncertainties, LNG imports from Russia will go a long way in mitigating these risks.

In addition to an existing pipeline network of over

11,400 km of Natural Gas pipeline and over 2,030 km of LPG pipeline in India, our company is now developing Natural Gas pipeline network of more than 4,000 km across the country to make access-to-energy for all a reality.

GAIL has been entrusted with responsibility of 'Pradhan Mantri Urja Ganga' (PMUG) project. This project would help achieve our government's aspiration of increasing the percentage contribution of natural gas in India's energy mix to ensure a sustainable economic and social



Energy cooperation contract with **Russia**





growth through clean fuels. PMUG was envisaged to bring eastern states of Uttar Pradesh, Bihar, Jharkhand, West Bengal, Odisha and Assam under National Gas Grid. This pipeline has been further extended by adding 727 kms from Barauni to Guwahati. Gas supply through pipeline and cascades has commenced in Varanasi, Bhubaneswar and Cuttack in the first quarter of FY 2018-19. Ground work for laying the CGD network in Patna, Ranchi and Jamshedpur has also started. Physical progress is in line with the envisaged schedule.

City Gas Distribution networks along the pipeline at Varanasi, Patna, Ranchi, Jamshedpur, Cuttack and Bhubaneswar are being concurrently developed. GAIL has also turned a new leaf in gas retail marketing along Jagdishpur-Haldia & Bokaro-Dhamra Natural Gas Pipeline (JHBDPL) pipeline by executing Joint Venture Agreement with Greater Calcutta Gas Supply Corporation Limited (GCGSCL), for operating City Gas Network in Kolkata extending over 1,500 km and have set an ambitious target of connecting over 1.4 million households.

GAIL, through its focussed measures, has also contributed to the National initiatives that includes Make in India, Smart Cities, Skill India, Ujjawala scheme among others. Further, in a bid to contribute to the Government's effort to combat air pollution, GAIL supports and promotes the 'Hawa Badlo' initiative which aims to bring change in air quality through environment friendly practices in day-to-day life.



Smart Cities, Skill India
and **Ujjawala Scheme,**
among others.

Health, Safety and Environment sustainability is of highest priority at GAIL. In keeping with this philosophy, various initiatives were undertaken such as Behavior Based Safety (BBS) and SAP training on Environment, Health & Safety Module (EHSM) to employees to upgrade their performance in their respective HSE functions. With these efforts, FY 17-18 has been an incidence free year with zero Fatalities and zero reportable injuries. In addition, GAIL achieved the HSE Score of 93.45% as against the MoU target of 90%, Zero fatalities and Zero reportable injuries.

We are proud to announce that the 'FTSE4Good Emerging Market Index', a market-leading tool for investors seeking to invest in companies that strong management of ESG risk, has included GAIL for second year in a row. GAIL as a responsible Corporate citizen is committed towards the Sustainable Development Goals (SDGs). We aim to align our business goals with national and global priorities.

In order to amplify its outreach efforts, GAIL contributed 2.63% of the average net profit of the preceding three years on CSR projects in FY 2017-18 amounting to INR 91.65 crore as against the stipulated 2% spend of INR 69.67 crores. GAIL's CSR philosophy of 'HRIDAY' emphasises on a multi-stakeholder approach. We have been effectively engaging and collaborating reputed institutions and NGOs to develop, assess, execute and monitor projects and effectively respond to community challenges. GAIL has supported 31 GPS enabled and geo-fenced Mobile Medical Units (MMU) under our flagship healthcare project 'Arogya'. The project includes Free Doctor's consultation, distribution of medicines, basic diagnostic tests and referral to other healthcare facilities. GAIL with its focus on long-term approach and consistent endeavor through our CSR projects, GAIL has been recognized and awarded for excellence in CSR practices under Hindustan PSU Award 2018.

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. At this exciting dawn of a new GAIL in the making, I, look forward to deepening engagement and trust of our stakeholders as we tread newer paths together and scale uncharted milestones. In the end, I would like to thank our stakeholders for their valuable support and continued belief in GAIL.

B. C. Tripathi
Chairman and Managing Director
GAIL (India) Limited



CMD Message of GAIL Sustainability Report FY 2018
is Reproduced in this Report



Business Portfolio



Natural Gas

- Over 11400 km of Natural Gas Pipeline and Sophisticated Gas Management System
- Total Sales Volume of 85 MMSCMD achieved during 2017-18
- 26 new Last Mile Connectivity rolled out during 2017-18



Petrochemicals

- Total Sales of 674 TMTs of polymers from Pata
- Total Production of 666 TMT and 205,56 TMT of Polymer from Pata and BCPL respectively
- Marketer of subsidiary BCPL's polymers
- Participation in OPAL



Liquid Hydrocarbon

- 6 Gas Processing Plants Producing LPG, Propane, Pentane, Naphtha etc.
- Total Production Capacity of 1.3 MT
- Total Production of 1.28 MT during 2017-18, of which 80% is LPG and propane



LPG Transmission

- First company in India to own and operate pipelines for LPG transmission
- Share of about 8% of Indian LPG market in LPG production and 4 % in LPG sales
- 2038 km LPG pipeline network
- Supplies to PSU Oil Marketing Companies namely IOCL, BPCL and HPCL ex-GPUs at Import Parity Price



City Gas Distribution

- CGD networks along the pipelines at Varanasi, Patna Ranchi, Jamshedpur, Cuttack and Bhubaneshwar being developed
- Set up Rich-Lean Gas Corridor and the Waste Heat Recovery Projects at Hazira & Vijaipur, respectively



E & P

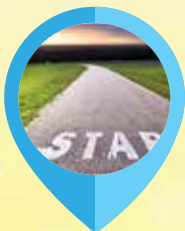
- A part of vertical integration Participation in 10 blocks (operator-1 on-land block)
- Discovery of hydrocarbons and crude oil from these blocks
- Revenue of INR 631 crore from these blocks during 2017-18
- Presence in Myanmar & USA



Power & Renewables

- 118 MW Wind Power Plant and 10 MW Solar Power Plant
- Participation in RGPPL (Capacity 500 MW)

GAIL Timeline



Formation of GAIL

1984



HVJ Pipeline

1988



Entry into LPG

1990



Entry into CGD

1994



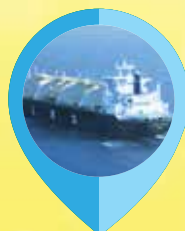
Navratna Status

1997



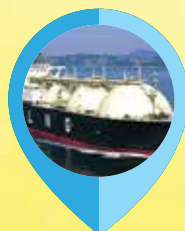
Entry into Petrochemicals

1999



First LNG Import

2004



First SPOT LNG at Dahej

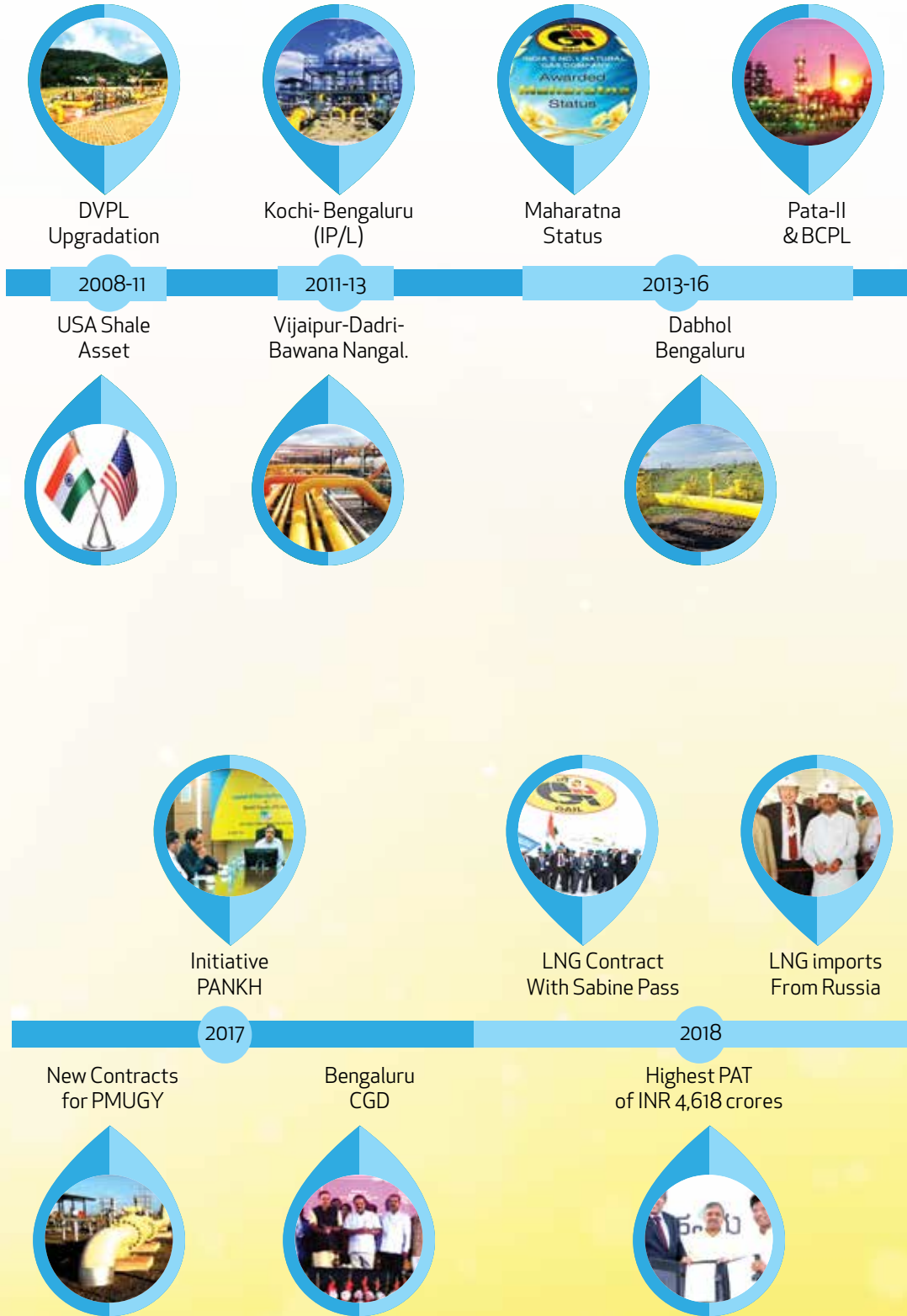
2006



GAIL Gas Formed

2008







Our Footprints



GAIL Highlights for 2017-18

Clean, affordable and sustainable supply of energy



1st Liquefied Natural Gas (LNG) cargo under long-term contract with Russia that arrived at Dahej was received by Shri Dharmendra Pradhan, Minister for Petroleum & Natural Gas and Skill Development & Entrepreneurship.



International Energy Forum at New Delhi

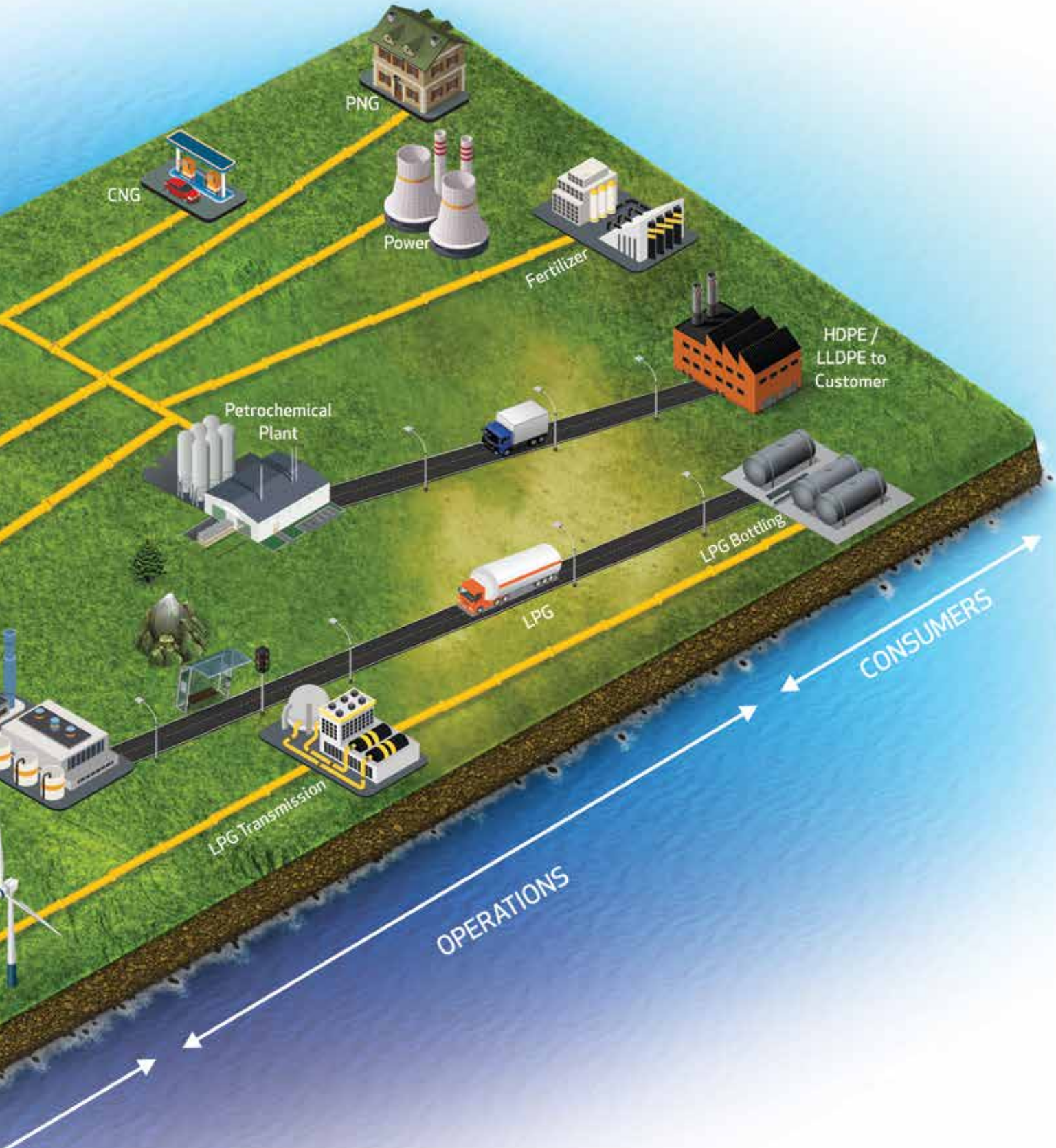


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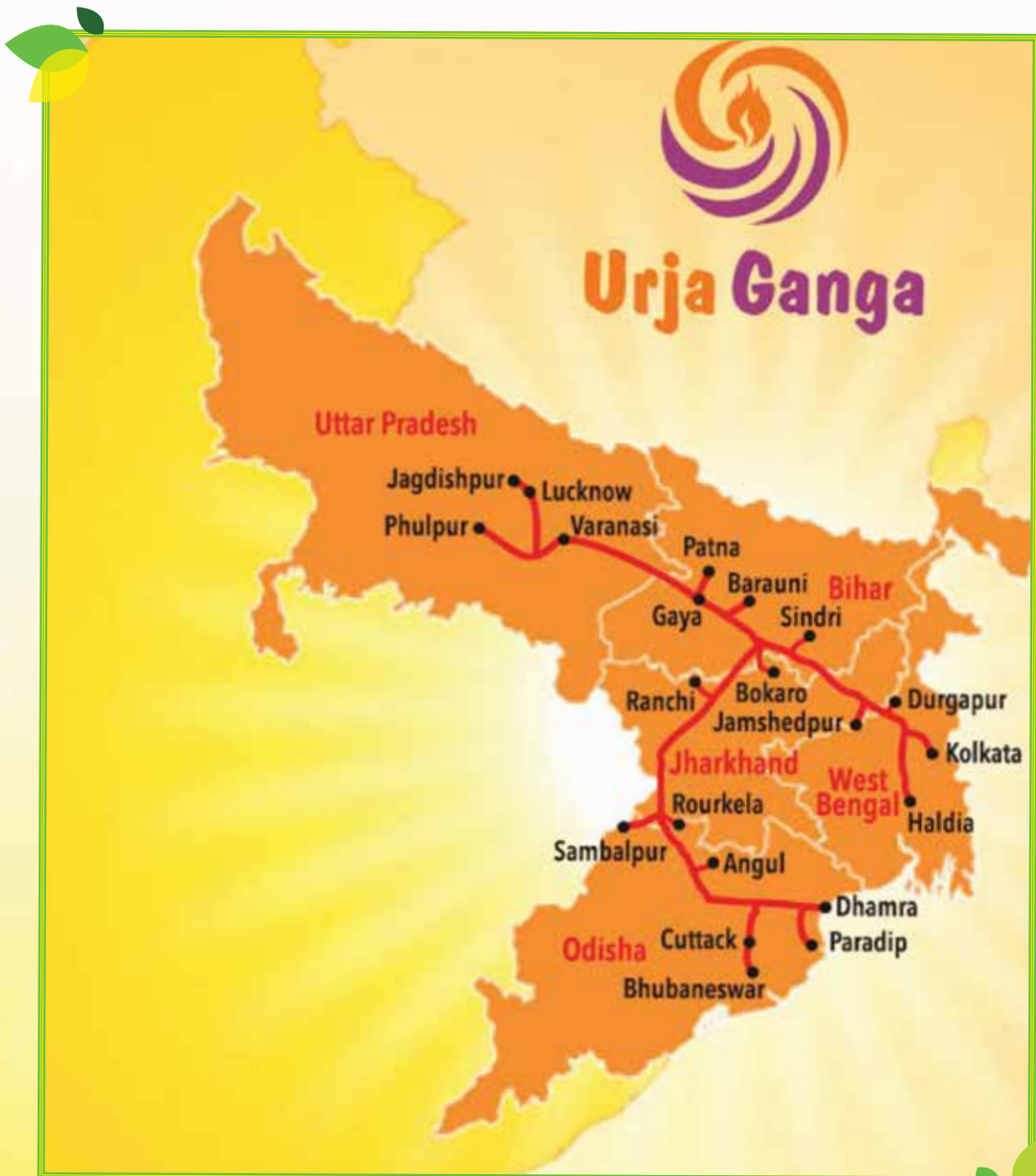
GAIL's Supply Chain







Energizing our Cities with Cleaner Fuel



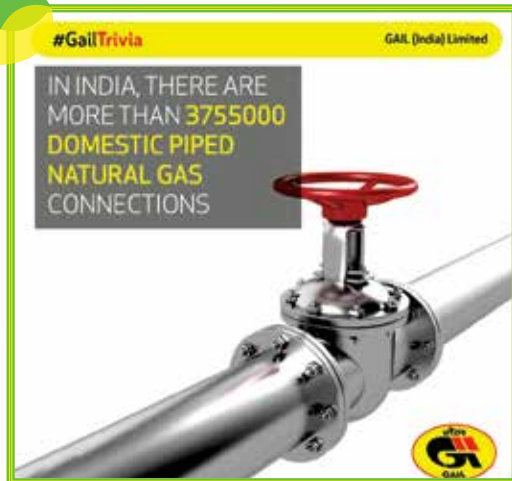
#PradhanMantriUrjaGanga
Poorvanchal Ka Vikas

The Urja Ganga project is a 2,655 km long project, also known as Jagdishpur-Haldia & Bokaro-Dhamra (JHBDPL) Pipeline project.

This pipeline has been further extended by adding 727 kms from Barauni to Guwahati. The current capacity of Regasified Liquefied Natural Gas (RLNG) terminals in India is 30 Million Metric Tonne Per Annum (MMTPA).



Energizing our Cities with Cleaner Fuel – Continuation



A Proud Moment to share



GAIL turns a new leaf in gas retail marketing with Jagdishpur-Haldia & Bokaro-Dhamra Pipeline (JHBDPL) by executing Joint Venture Agreement (JVA) with GCGSCL (a Govt. of West Bengal entity) for operating city gas network in Kolkata Geographical area extending over 1500 sq.kms

This historic agreement paves the way for GAIL to steer the Joint Venture Company with 76% equity stake. The new subsidiary Bengal Gas Company Limited has set an ambitious target of connecting over 1.4 million households and setting-up 70 plus CNG stations at an investment of over ₹ 500 crore within the next five years. The addition of Kolkata into GAIL's CGD portfolio provides us with a unique distinction of emerging as a major operator of City Gas Distribution across metropolitan cities in India.

Kolkata JVA was signed in the presence of CMD, GAIL and Chief Secretary, Govt. of West Bengal today at the State Secretariat, Kolkata.



Customer Centricity, Safety and Mobility



GAIL signs Rupee term Loan Agreement with SBI



Partnership agreement between Uber and GAIL signed at Hardware Technology Park, Bengaluru

We Are Equipped To Provide Uninterrupted And Safe Services To Our Customers

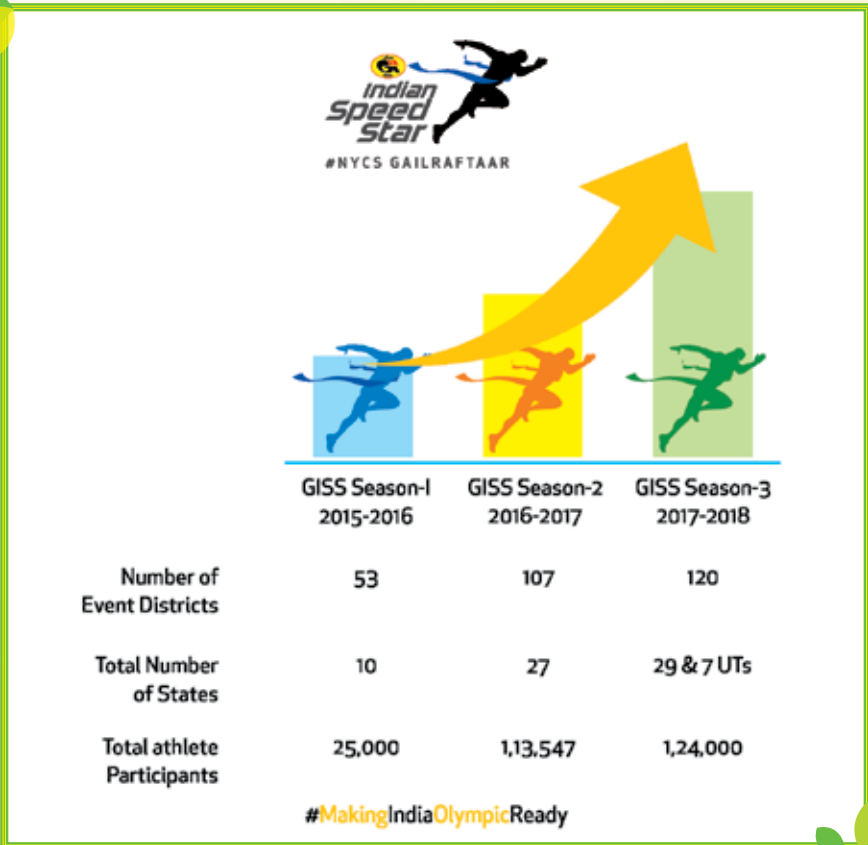
- 24x7 customer care
- Efficient, accurate and convenient device for capturing the consumption of data
- 24x7 gas supply monitoring
- Horizontal Directional Drilling method of laying pipeline for the convenience of public

Bringing Clean Fuel to Your Doorstep

GAIL (India) Limited



Creating Value beyond Business





Community Connect



Mobile medical units (MMU) for providing health checkups to nearby villages of GAIL installations under GAIL's flagship healthcare project "Aarogya".



Glimpse of GAIL Speedstar athletes during the felicitation event




Free Health checkup camp organized by GAIL on 04.05.2018 under GAIL CSR Project "Aarogya". Respectable Sh. Ram Naik, Governor, Uttar Pradesh was present as Chief Guest of the event




Mini-marathon organized for women at GAIL, Noida





Committed to Nation's Development

 GAIL (India) Limited

 #startupindia


GIVE WINGS TO YOUR ENTERPRISING IDEA WITH GAIL'S INVESTMENT



 **गैल पंख**
GAIL PANKH
A GAIL Start-up Initiative

GAIL Pankh, an initiative to identify, invest and nurture Start-ups in our Core Business areas that can become successful ventures and contribute to the creation of a Start-up Nation

Hurry !! Submit your Proposal by June 20, 2018
Portal opens on June 1, 2018

To know more about the eligibility and evaluation process, visit: www.gailonline.com Follow us 



Swachh Bharat Pakhwada



Global Recognition



GAIL (India) Limited has been included in the

**FTSE4
Good Emerging Index"** for second year in a row.



Global Recognition - 2nd Year in a Row

FTSE
Russell

CERTIFICATE OF MEMBERSHIP

This is to certify that

Gail India

is a constituent company in the FTSE4Good Index Series



FTSE4Good

June 2018

The FTSE4Good Index Series is designed to identify companies that demonstrate strong environmental, social and governance practices measured against globally recognised standards.

Mark Makepeace
Group Director, Information Services Division &
CEO, FTSE Russell
London Stock Exchange Group

Sir Mark Moody-Stuart
Chairman, FTSE Russell ESG Advisory Committee

Share your Feedback / Queries

Our stakeholders can share their constructive feedbacks or queries about the report at Shri R K Choubey, CGM (SD) at choubeyrk@gail.co.in, Shri Arvind Kumar Namdeo, GM (SD) at arvind.namdeo@gail.co.in and also reach us at sustainability@gail.co.in in order to consistently improve GAIL's reporting performance.





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