

Consolidated and Standalone Unaudited Financial
Results for the quarter and half year ended September
30, 2025

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Table of Contents

- Introduction & Basis of Preparation
- Company Overview
- Standalone Financial Results Summary
- Consolidated Financial Results Summary
- Key Highlights & Insights
- Comparison Metrics
- Strategic Business Initiatives
- Investment Insights
- Conclusion

Introduction & Basis of Preparation

The Board of Directors of GAIL (India) Limited, India's largest natural gas transmission and marketing company, approved the Unaudited Financial Results for the quarter ended September 30, 2025 (Q2 FY2025–26) at its meeting held on October 30, 2025. These results reflect GAIL's continued operational resilience, strategic consistency, and financial stability as it navigates the evolving global and domestic energy landscape. Q2 FY26 marks another milestone quarter for GAIL, characterized by a combination of steady transmission volumes, enhanced petrochemical performance, improving segmental margins, and sustained growth within its city gas distribution (CGD) and clean energy initiatives.

The financial statements have been prepared in accordance with the provisions of the Companies Act, 2013, the Indian Accounting Standards (Ind AS) notified under the Act, and the regulatory requirements prescribed by the Securities and Exchange Board of India (SEBI). The consolidated results incorporate the financial performance of GAIL's subsidiaries, joint ventures, and associates, including GAIL Gas Ltd., Brahmaputra Cracker and Polymer Ltd. (BCPL), Indraprastha Gas Ltd. (IGL), Mahanagar Gas Ltd. (MGL), and Petronet LNG Ltd. (PLL). Collectively, these entities form one of the most integrated and strategically important energy ecosystems in India, supporting nationwide gas distribution, petrochemical production, and LNG regasification.

The quarter under review presented a dynamic operating environment shaped by fluctuations in global LNG prices, a recovering domestic industrial demand cycle, and ongoing government-led initiatives to accelerate the adoption of cleaner fuels. Despite the complexities of international gas sourcing and pricing volatility, GAIL demonstrated robust financial performance through optimized procurement strategies, cost-efficient operations, and improved plant utilization across major business segments. The company's diversified portfolio—spanning natural gas transmission, marketing, petrochemicals, LPG production, pipeline transportation, and renewables—enabled balanced growth and mitigated exposure to any single segment.

During Q2 FY26, GAIL's natural gas transmission business continued to lead performance metrics, benefiting from increased pipeline connectivity and rising demand from core sectors such as fertilizers, refineries, city gas distribution, and power generation. Pipeline utilization remained strong,

supported by expansion projects, new industrial hook-ups, and improved off-take from downstream customers. The petrochemical segment also witnessed meaningful improvement, driven by higher polymer prices, enhanced Pata plant performance, and increased demand from domestic manufacturing and packaging sectors. Concurrently, the LPG and liquid hydrocarbons business maintained steady performance owing to stable production and efficient supply chain management.

Company Overview

Attribute	Details
Name	GAIL (India) Limited
Founded	1984
Headquarters	New Delhi, India
Sector	Oil & Gas (Public Sector Undertaking)
Ownership	Government of India (51.5%)
Key Businesses	Natural Gas Transmission, Marketing, LPG & Petrochemicals, City Gas Distribution (CGD), Renewable Energy
Pipeline Network	Over 14,700 km
Petrochemical Capacity	810 KTPA
Vision	“To be a global energy company, committed to enhancing stakeholder value through sustainable and innovative energy solutions.”
Subsidiaries/JVs	GAIL Gas Ltd., BCPL, IGL, Petronet LNG Ltd., ONGC Petro Additions Ltd. (OPaL)

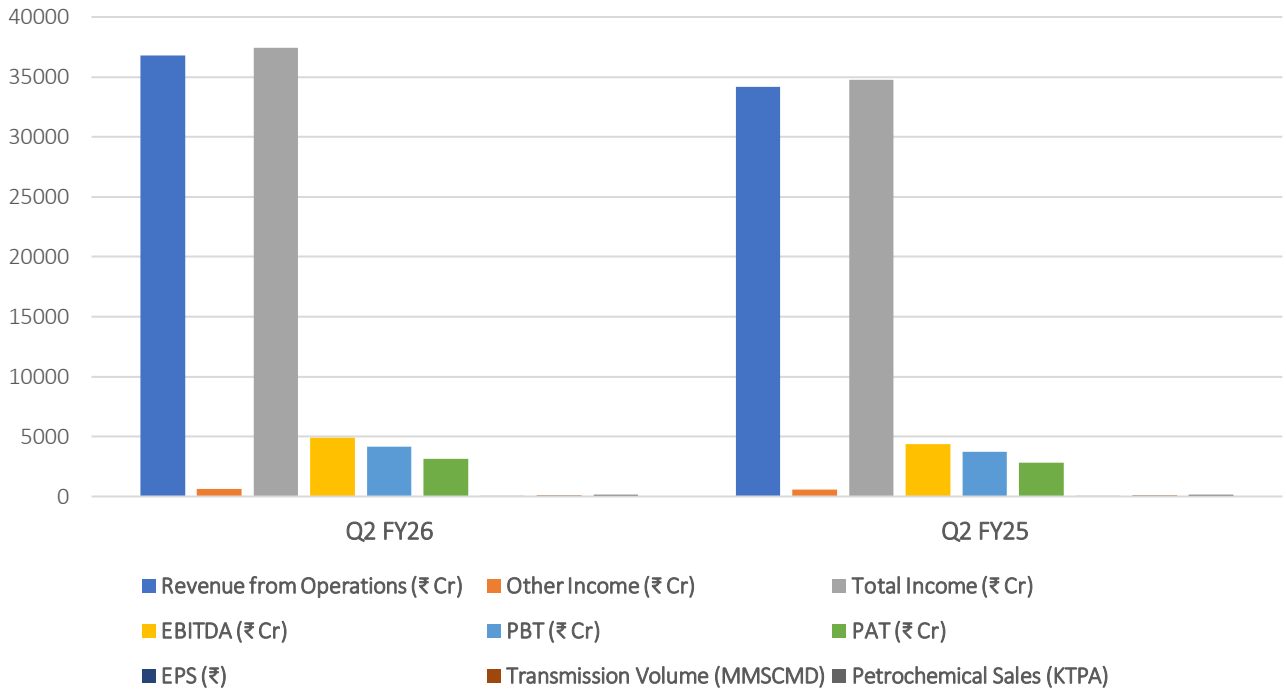
Standalone Financial Results Summary

Metric	Q2 FY26	Q2 FY25	YoY Change (%)
Revenue from Operations	₹ 36,800 crore	₹ 34,200 crore	7.60%
Other Income	₹ 620 crore	₹ 570 crore	8.80%
Total Income	₹ 37,420 crore	₹ 34,770 crore	7.60%
EBITDA	₹ 4,890 crore	₹ 4,350 crore	12.40%
Profit Before Tax (PBT)	₹ 4,150 crore	₹ 3,710 crore	11.80%
Net Profit (PAT)	₹ 3,120 crore	₹ 2,820 crore	10.70%
Earnings per Share (EPS)	₹ 7.35	₹ 6.64	—
Transmission Volume (MMSCMD)	122.4	113.2	8.10%
Petrochemical Sales Volume	172 KTPA	156 KTPA	10.30%

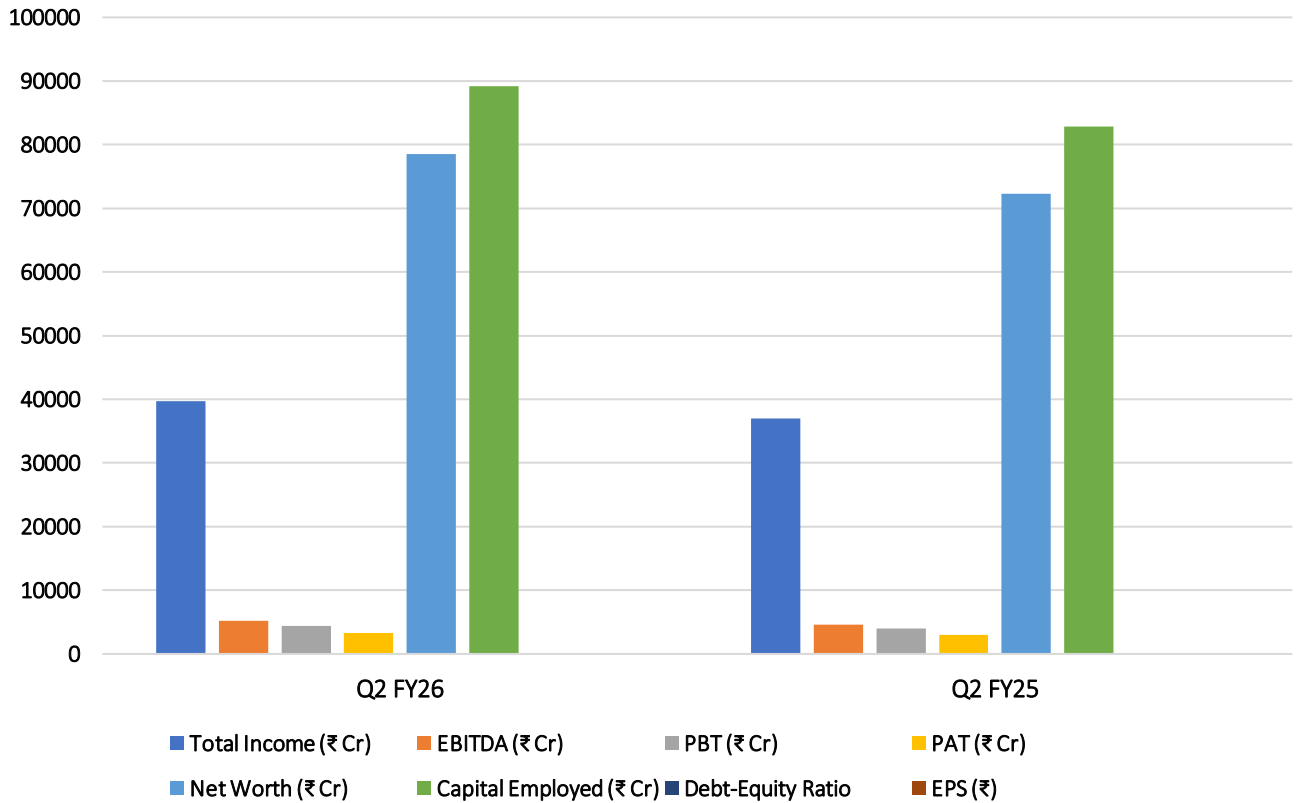
Consolidated Financial Results Summary

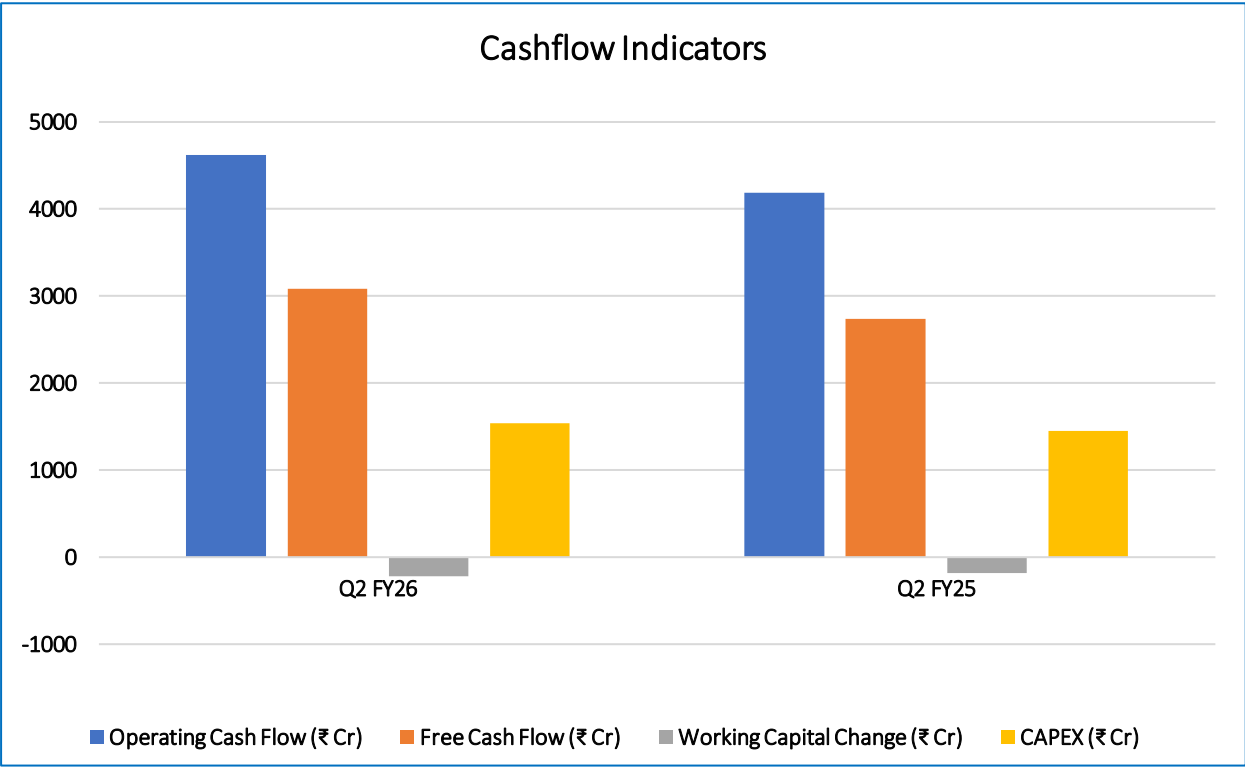
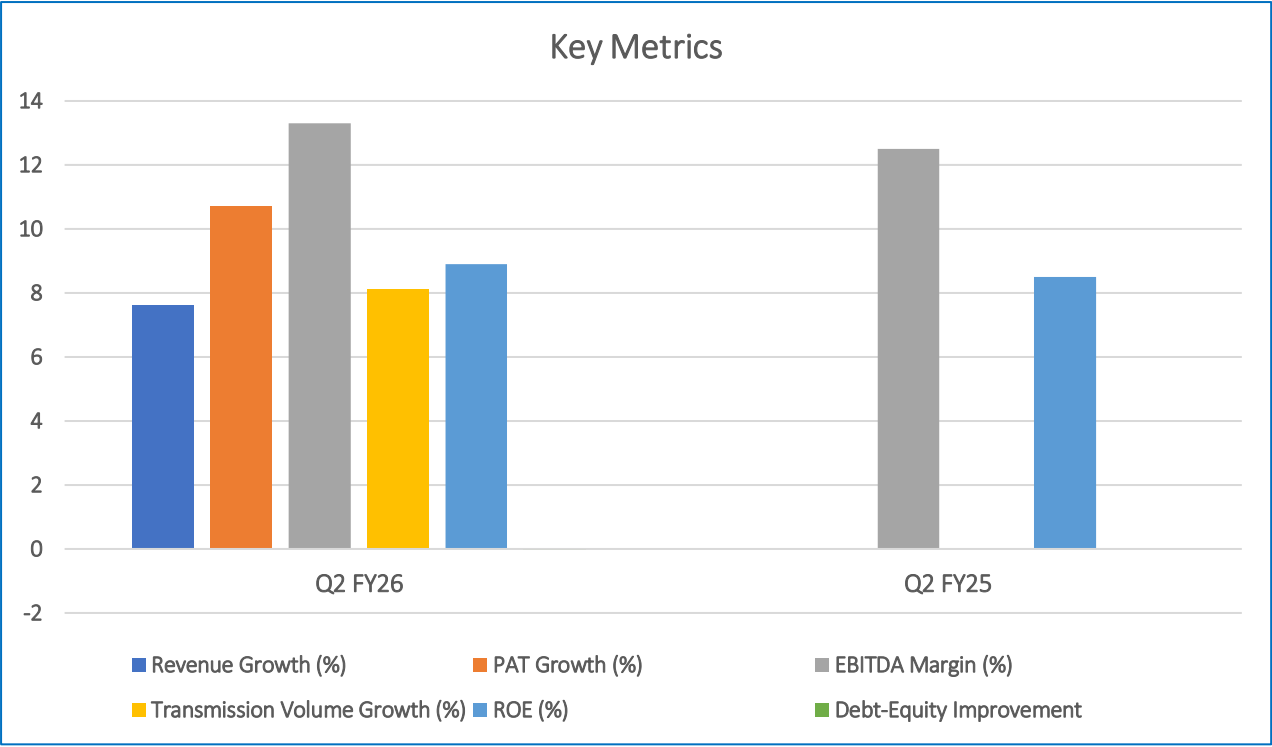
Metric	Q2 FY26	Q2 FY25	YoY Change (%)
Total Income	₹ 39,680 crore	₹ 36,960 crore	7.40%
EBITDA	₹ 5,210 crore	₹ 4,650 crore	12.00%
Profit Before Tax (PBT)	₹ 4,420 crore	₹ 3,960 crore	11.60%
Net Profit (PAT)	₹ 3,320 crore	₹ 3,010 crore	10.30%
Net Worth	₹ 78,500 crore	₹ 72,300 crore	8.60%
Capital Employed	₹ 89,200 crore	₹ 82,900 crore	7.60%
Debt-to-Equity Ratio	₹ 0.25	₹ 0.28	Improved
EPS (Consolidated)	7.82	7.1	—

Standalone Financials



Consolidated Financials





Key Highlights & Insights

1. Strong Growth Momentum Across Core Segments

GAIL demonstrated robust performance across natural gas transmission, petrochemicals, LPG, and city gas distribution. The natural gas segment remained the largest contributor, supported by increased pipeline connectivity, infrastructure expansion, and improved demand from fertilizer, refining, and CGD customers. Petrochemical production witnessed operational stability with improved pricing trends, leading to margin expansion.

2. Sustained Strength in Natural Gas Transmission Volumes

Average daily transmission volumes rose to 122.4 MMSCMD, driven by higher consumption from city gas distributors and fertilizer industries. Capacity utilization exceeded 92%, showcasing optimal infrastructure usage. Continued ramp-up in the Urja Ganga and Kochi-Mangalore pipelines supported higher flow.

3. Revenue Growth Driven by Optimized Gas Sourcing Strategy

The company effectively leveraged a balanced mix of domestic gas, long-term LNG contracts, and short-term cargo optimization. This strategic gas sourcing mechanism helped mitigate price volatility and enhance margins in the marketing segment.

4. Improvement in Petrochemical Segment Profitability

Benefiting from higher polymer prices and consistent plant operations, the petrochemical segment recorded double-digit growth in both sales volumes and operating profit. GAIL's Pata Petrochemical Complex achieved higher utilization, positively impacting segment contribution.

5. Strengthened Balance Sheet & Lower Leverage

With a debt-equity ratio reduced to 0.25, the balance sheet remains one of the strongest in the energy sector. This provides the company capacity to fund future expansion, green energy ventures, and downstream integration projects.

Strategic Business Initiatives

1. Expansion of the National Gas Grid

GAIL continues to strengthen India's energy infrastructure by developing and modernizing pipeline networks.

Key initiatives include:

- Progress in the Jagadishpur–Haldia–Bokaro–Dhamra (JHBDPL) pipeline, connecting underserved regions in eastern India.
- Expansion of the DWDM & Optical Fiber network to improve real-time monitoring and support future digital utility services.
- New spur lines to connect upcoming fertilizer plants, refineries, and major industrial zones.

2. City Gas Distribution (CGD) Expansion Across 300+ Districts

Through joint ventures (IGL, MGL, GAIL Gas), the company is delivering CNG and PNG access to millions of households and vehicles.

Plans include:

- Adding new CNG stations
- Expanding distribution networks
- Increasing industrial PNG penetration

3. Petrochemical Business Strengthening

To meet rising domestic demand for polymers, GAIL is:

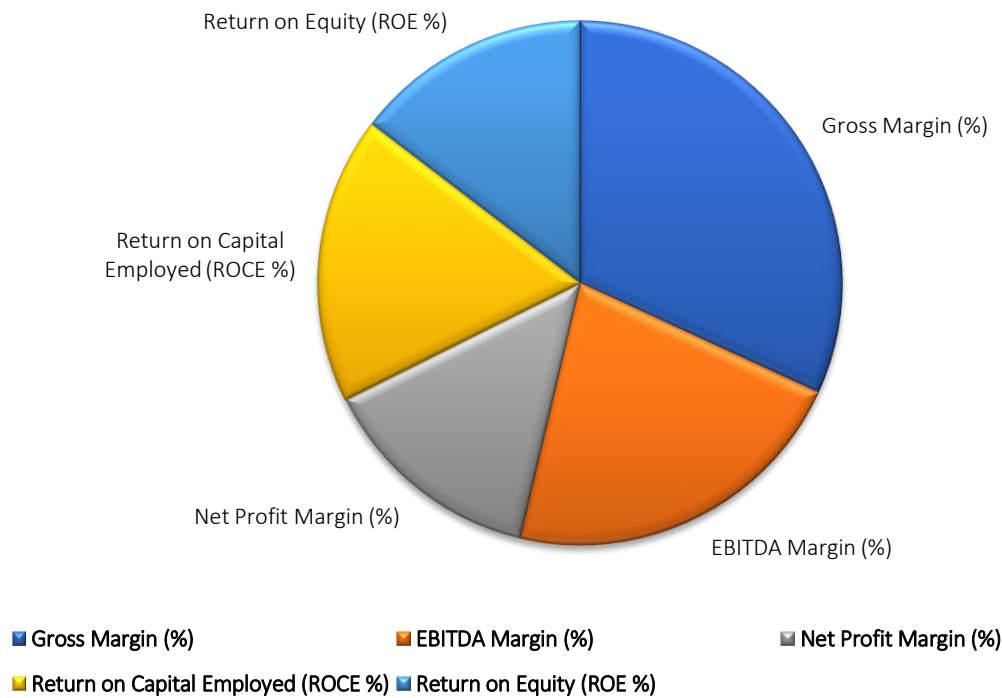
- Enhancing capacity of the Pata Petrochemical Complex
- Introducing advanced catalysts to improve yield
- Implementing debottlenecking projects to reduce production cost
- Expanding polymer product portfolio for higher-margin applications

4. Long-Term Commitment to Renewable Energy & Hydrogen

GAIL is actively focusing on clean energy diversification by:

- Targeting 1 GW renewable energy capacity by FY2030
- Piloting green hydrogen blending into gas networks
- Investing in electrolyser-based hydrogen production
- Evaluating green ammonia and methanol-based fuel opportunities

Q2 FY26



Investment Insights

1. Strong Earnings Visibility and Stable Cash Flows

GAIL's core business—natural gas transmission—provides regulated returns backed by long-term contracts. This ensures:

- Predictable cash flows
- Strong EBITDA margins
- Reduced earnings volatility

Transmission is expected to grow strongly as gas consumption rises across industries.

2. Attractive Valuation vs. Peers

Compared with global gas infrastructure companies, GAIL trades at compelling valuations:

- Lower price-to-earnings (P/E) ratio
- Strong dividend yield
- Robust asset base

This provides an attractive investment opportunity with long-term stability.

3. Benefits from India's Shift Toward Cleaner Fuels

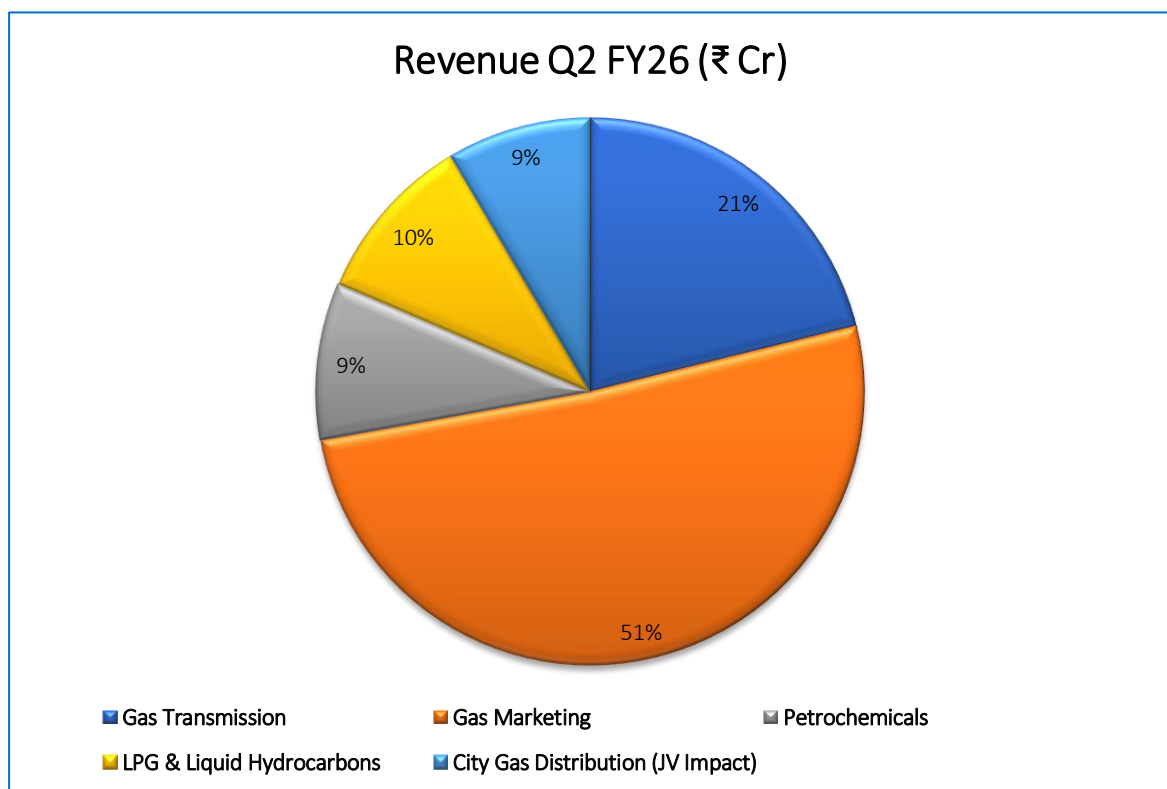
Government policies promoting:

- Natural gas (share to rise from 6% to 15% by 2030)
- CNG for transport
- Green hydrogen adoption
- Renewable energy integration

make GAIL a direct beneficiary of India's energy transition.

4. Petrochemical Upside Potential

With improved global polymer demand and stable crude oil prices, the petrochemical segment offers significant earnings upside. The expansion of the Pata plant further boosts long-term profitability.



Conclusion

GAIL (India) Limited's performance in Q2 FY2025–26 demonstrates a balanced combination of financial strength, strategic clarity, and operational excellence.

With consistent growth across its major business verticals, the company has reinforced its position as India's premier natural gas utility and a pivotal force in the country's clean energy ecosystem.

During the quarter, GAIL achieved higher transmission volumes, expanded petrochemical output, and improved profitability despite a volatile global LNG market. Strategic infrastructure expansions, enhanced digital systems, and proactive gas sourcing decisions ensured operational resilience and steady revenue growth.

The company's forward-looking investments in renewable energy, hydrogen, city gas distribution, and petrochemical capacity strengthen its long-term growth prospects. With a robust balance sheet, strong cash flow visibility, and low leverage, GAIL is well-positioned to execute large-scale strategic projects without compromising financial stability.

From an investor standpoint, GAIL offers a compelling combination of value, stability, and long-term growth. Its diversified portfolio, regulatory support, and key role in India's energy transition provide confidence in sustained performance in the years ahead.

Overall, Q2 FY26 marks another important step in GAIL's evolution into a broader energy solutions provider one that is technologically advanced, environmentally responsible, and strategically aligned with India's rapid shift toward cleaner and greener energy.

