



GAIL (India) Ltd.

Investors' & Analysts' Meet 2022

May 30, 2022, Mumbai



Safe Harbor Statement

This presentation has been prepared by GAIL (India) Ltd (Company or GAIL) solely for providing information about the Company.

The information contained in this presentation is only current as of its date. Certain statements made in this presentation may not be based on historical information or facts and may be "forward-looking statements", including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects, and future developments in its industry and its competitive and regulatory environment. Actual results may differ materially from these forward-looking statements due to a number of factors, including future changes or developments in the Company's business, its competitive environment, information technology and political, economic, legal and social conditions in India.

This communication is for general information purposes only, without regard to specific objectives, financial situations and needs of any particular person. Company do not accept any liability whatsoever, direct or indirect, that may arise from the use of the information herein.

The Company may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such revision or changes

Company Mission & Vision

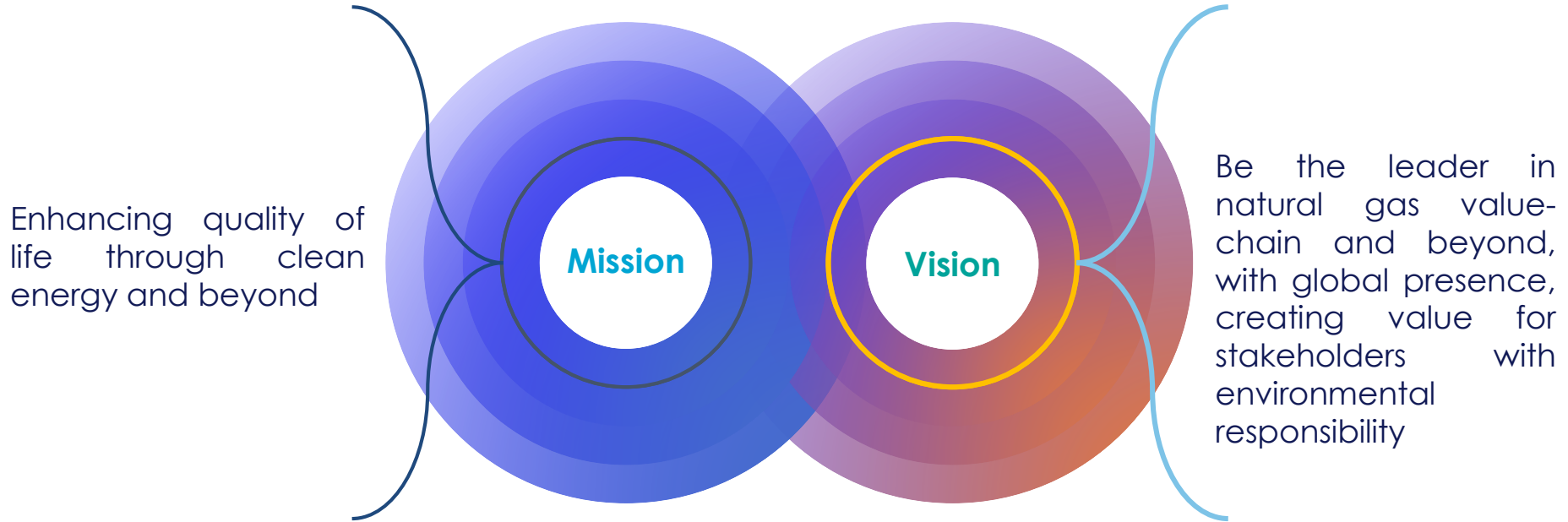
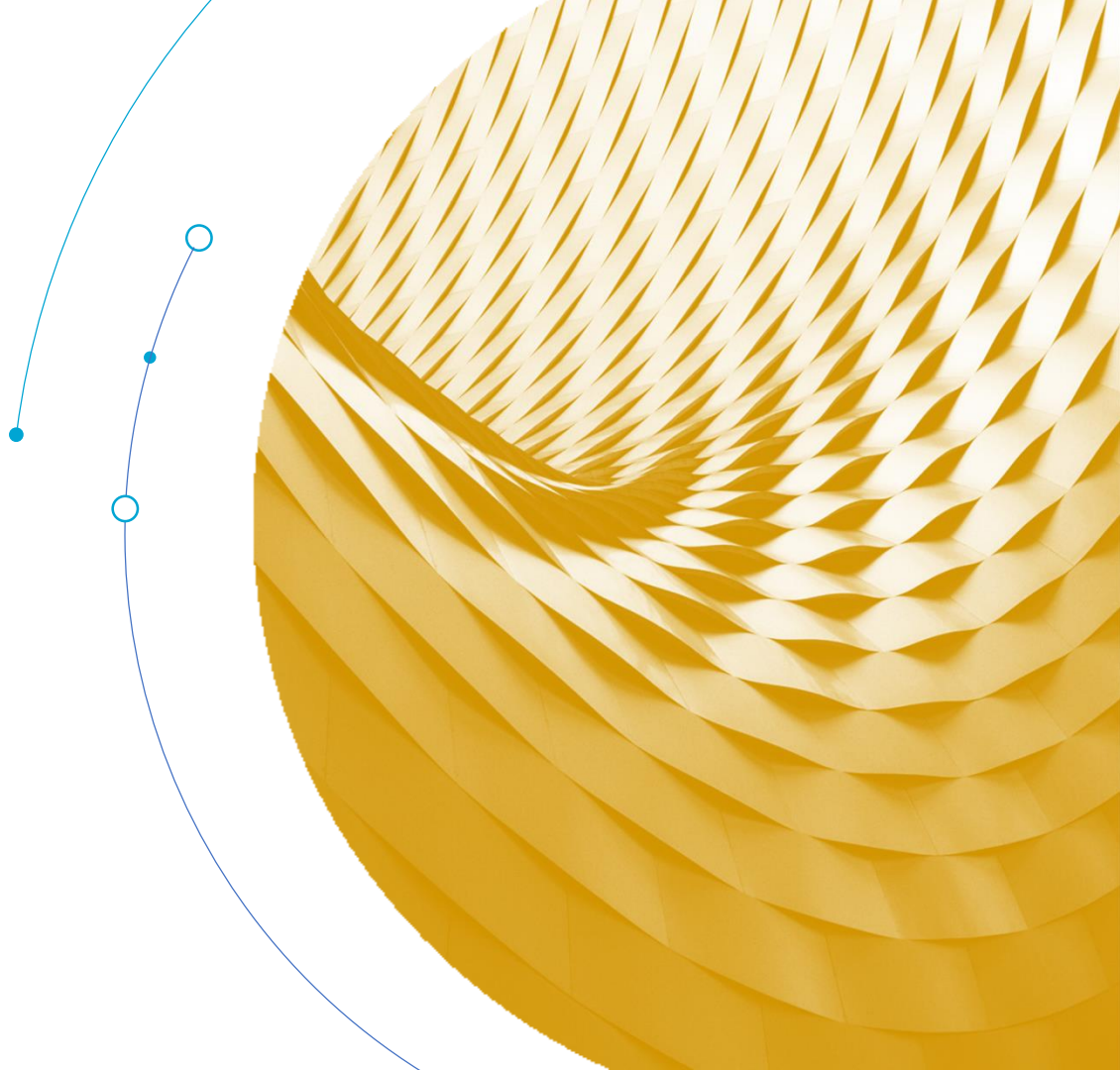


Table of Contents

- 1 Company Overview
- 2 Performance Highlights
- 3 Industry Outlook & Strategy



Company Overview



Major Business Portfolio

Gas Transmission & Marketing

- Over **14,385** KM of Gas Network
- Long Term Portfolio of ~**14** MMTPA



Petrochemicals

- ~**15%** domestic market share
- Capacity of **810** KTA at Pata & **280** KTA at BCPL



LPG & Liquid Hydrocarbons

- **5** Processing Plants
- **1.4** MMTPA of Capacity
- **4.55** MMTPA of LPG Trans. Capacity



E&P

- Participation in **12** Blocks
- Presence in US & Myanmar



Renewables

- **118** MW of Wind Power Capacity
- **13.8** MW of Solar Power Capacity

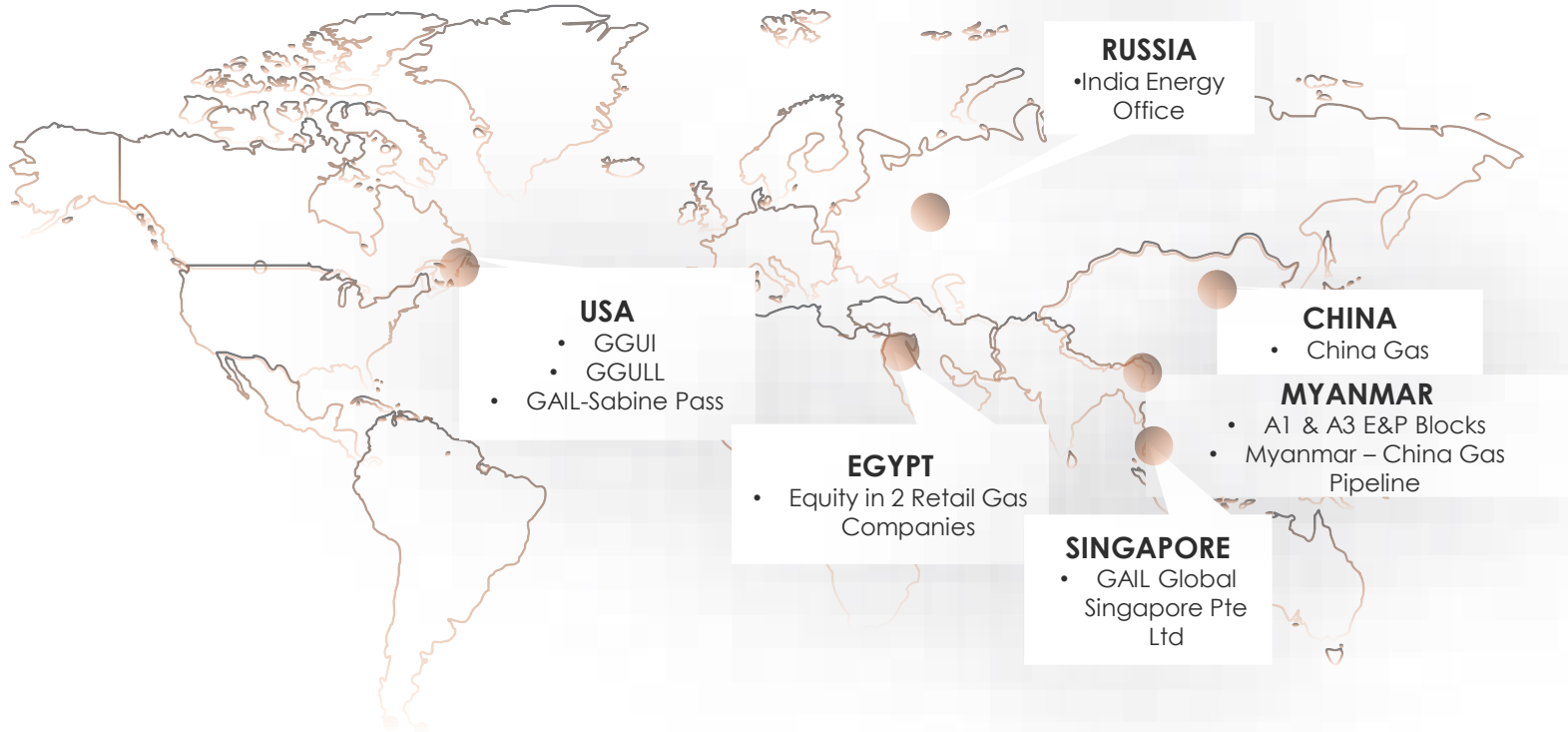


City Gas

- **67** cities/GAs out of total 295 GAs
- Subsidiary – GAIL Gas Ltd., Bengal Gas & TNGCL + 8 CGD JVs



Global Presence

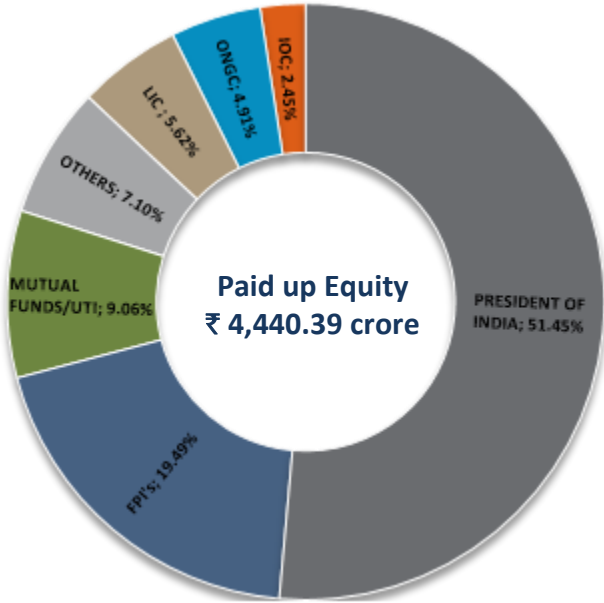


Sustainable Development

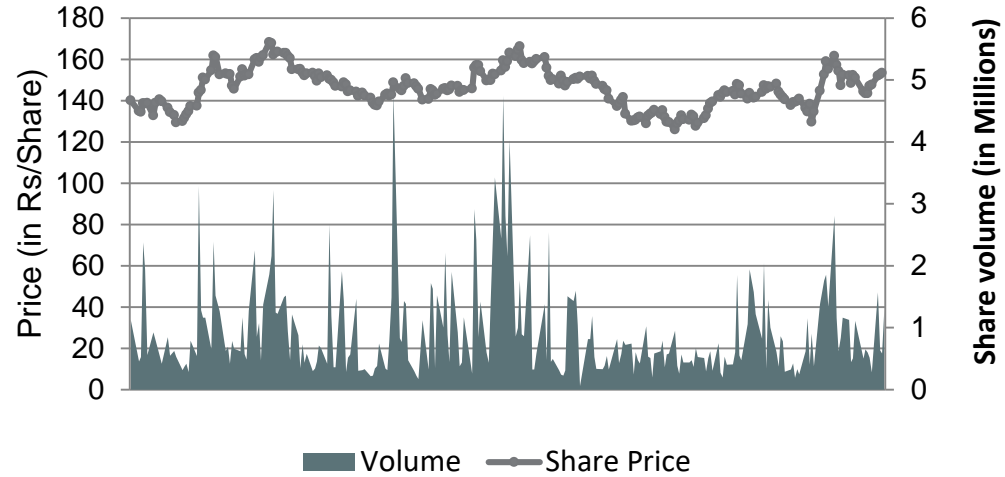
- ❑ GAIL embarked upon the journey of adoption of GreenCo Rating . In last two years, five GAIL sites have achieved GreenCo Rating; GAIL Vijaipur, Gandhar, Vaghodia and VSPL Pipeline have attained the GreenCo silver rating
- ❑ GAIL Pata has been rated GOLD category under GreenCo rating system and an additional rooftop solar PV plant of 2.64 MWP capacity is underway at GAIL Pata Plant
- ❑ GAIL has commissioned a Heat Recovery Steam Generator (HRSG) plant at GAIL Vijaipur for waste heat recovery
- ❑ GAIL is included in FTSE4Good Index Series for the 5th time in a row, affirming the Company's strong commitment towards Environmental, Social and Governance (ESG) practices in the Oil & Gas Sector
- ❑ GAIL is currently in process of building India's largest green hydrogen plant and has undertaken a pilot project to analyze the feasibility of H-CNG (Hydrogen blended CNG)



Shareholding Pattern



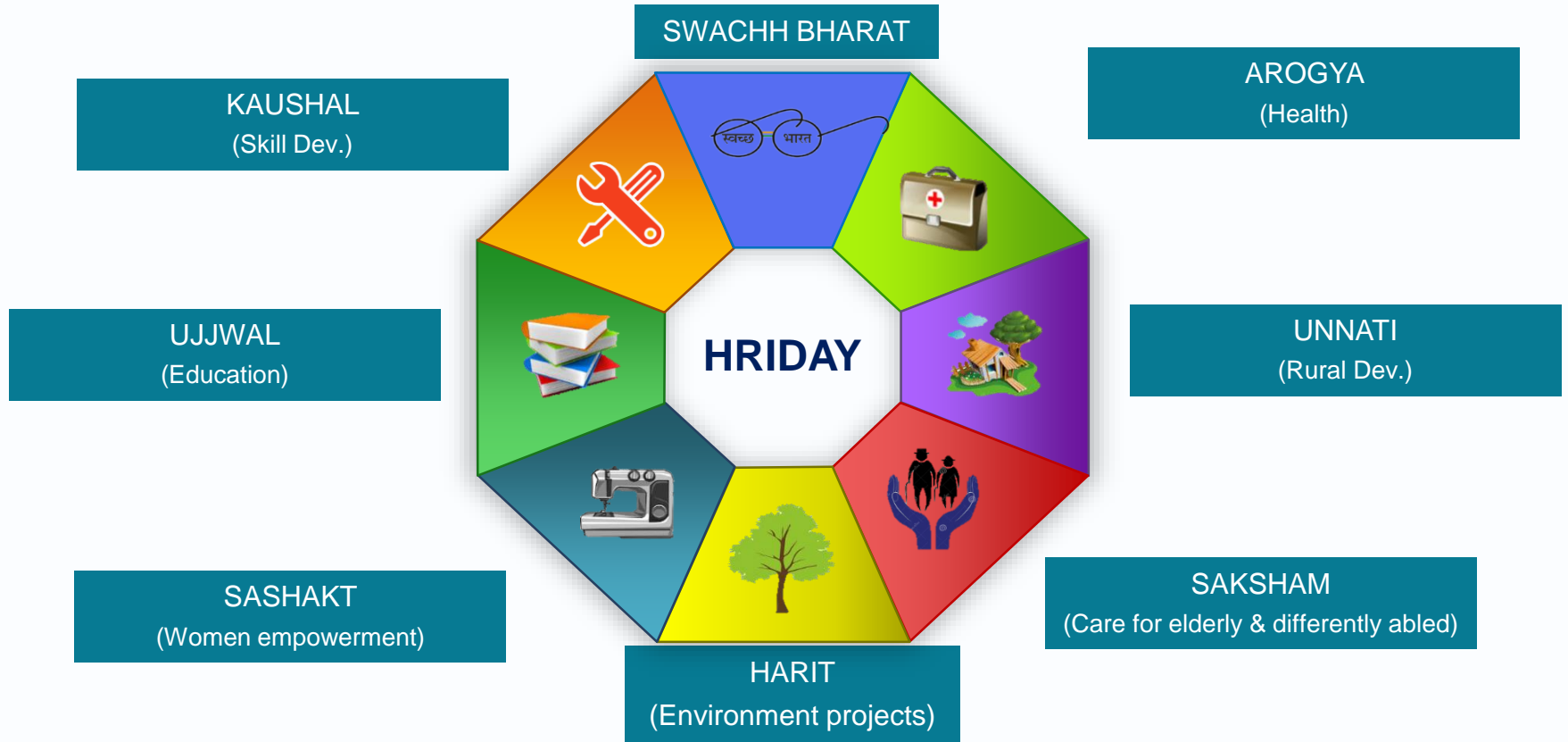
Market Capitalization as on 31st Mar'22 : ₹ 69,137 crore



- ❑ GAIL Board approved buyback of ~ 5.70 crore share at price of Rs. 190/share aggregating to ~ Rs. 1,083 crores on 31st March 2022
- ❑ During FY 2021-22, GAIL paid interim dividend @ 90% of paid up capital (Rs. 3,996 crore, Gol Share Rs. 2,056 crore)
- ❑ GAIL board declared Final dividend @ Rs. 1 per equity share in its Board Meeting held on 27-05-2022 subject to approval of Shareholders

Year	FY17	FY18	FY19	FY20	FY21	FY22
Dividend Pay-out Ratio (%)	43.82	35.05	30.01	43.60	45.76	42.84

GAIL Hriday – CSR Initiative of GAIL



GAIL has achieved spends of Rs. 203.74 crores. (~3%), against mandated 2%

Major Highlights - Corporate Social Responsibility (CSR)

1. GAIL UJJAWAL (Education Centric Initiatives):

- ❑ 260 meritorious & marginalized students received residential coaching at GAIL Utkarsh centres-Kanpur, Varanasi, Haldwani & Srinagar for admission into IITs/NITs and other Engineering colleges as well as coaching for Medical Entrance exam at Varanasi centre

2. GAIL KAUSHAL (Skill Initiatives):

- ❑ 385 candidates trained at GAIL Institute of Skills at Nagaram (Rajahmundry) and Guna (MP) in skill trades related to Hydro Carbon, Automotive, telecom, etc.
- ❑ 115 candidates trained in Plastic Product Manufacturing at 04 centres of CIPET- Jaipur, Lucknow, Dehradun & Imphal.
- ❑ Provided support towards collaborative project with MoP&NG and PSEs on contribution to Skill Development Institutes (SDIs) at Rae Bareilly, Bhubaneswar, Vishakhapatnam, Kochi, Guwahati & Ahmedabad.

3. GAIL AROGYA (Health & Sanitation Initiatives):

- ❑ 60 Mobile Medical Units (MMUs) operated across 37 districts in 12 States of India, in from remote rural pockets of the country.
- ❑ Distribution of assistive aids and devices to 543 Divyangjans through camps at Auraiya (UP), Kota & Bundi (Rajasthan)








4. OTHER FOCUS AREAS:

- ❑ COVID relief related activities: Financial support of Rs. 87.24 crores towards alleviation of COVID-19 pandemic through various initiatives, viz. contribution to PM CARES Fund, PSA Plants, Oxygen Concentrators, Regulators, PPE kits/sanitizers/masks, etc.






Performance Highlights



Major Highlights for FY 2021-22

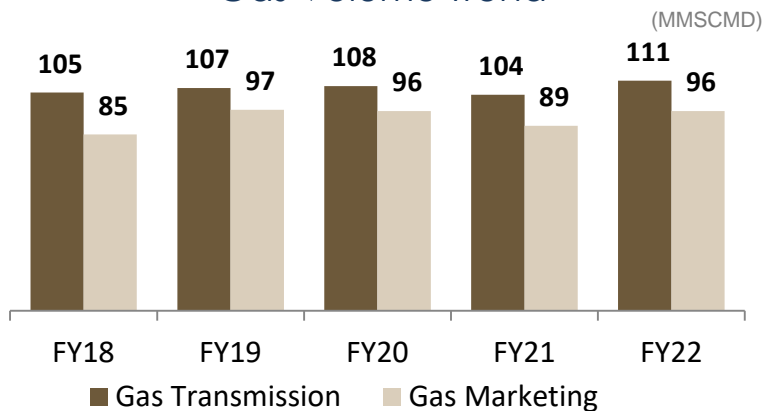
-  GAIL's Annual Report and financial statement for Year 2020-21 has won 'Gold Shield' in **ICAI Awards for Excellence in Financial Reporting** for FY2020-21
-  Received NIL Comments from CAG for the Accounts of FY 2020-21 (12th year in a row)
-  Credit Rating – Domestic 'AAA', International 'Baa3' with Stable outlook (Moody's) , BBB- with negative outlook (Fitch)- Equivalent to sovereign rating of India
-  During FY 2021-22, GAIL paid interim dividend @ 90% of paid up capital (Rs. 3,996 crore, Gol Share Rs. 2,056 crore) . Further , GAIL board declared Final divided @ Rs. 1 per equity share in its Board Meeting held on 27-05-2022 subject to approval of Shareholders
-  GAIL retired high cost loan by exercising call option on Bond Series 2015 which was issued at 8.30% p.a. and an amount of Rs. 500 crore was prepaid
-  Tax Refunds of Rs. 200 crores pertaining to Vivad se Vishwas Scheme received by GAIL with 18 AYs out of total 21 AYs reached final settlement under the scheme
-  GAIL Board approved buyback of ~ 5.70 crore share at price of Rs. 190/share aggregating to ~ Rs. 1,083 crores in FY 2021-22

Major Highlights for FY 2021-22

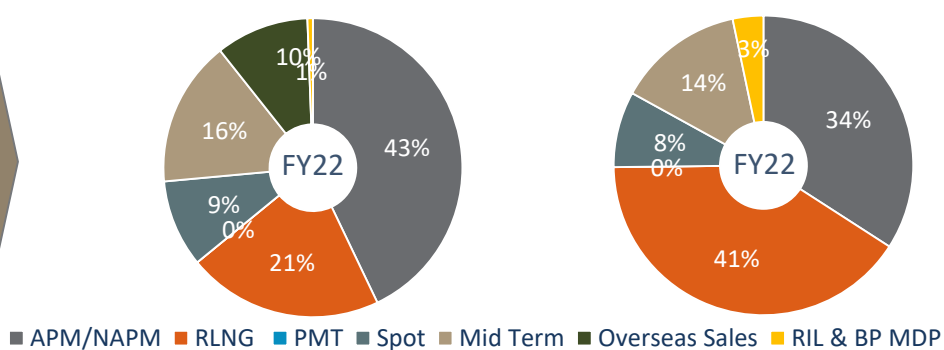
-  GAIL has successfully commissioned India's First Project for blending of Hydrogen in City Gas Station (Avantika Gas Ltd.), Indore on 31st January, 2022
-  GAIL's Board accorded approval for setting up 10 MW electrolyser for producing Green hydrogen at a project cost of 231 Cr. Order for 4.3 TPD PEM electrolyser for Green hydrogen project has been placed on M/s Tecnimont Pvt Ltd. on 11.05.2022
-  GAIL charter hired LNG vessel Grace Emilia. Vessel delivered to GAIL on 14th March 2022 for initial period of 5 years at competitive charter rate
-  Successfully obtained approval from Competition Commission of India (CCI) for acquiring IL&FS Group's 26% equity in ONGC Tripura Power Company (OTPC) and completed acquisition of IL&FS Group's 26% equity in OTPC on 04.01.2022
-  GeM Procurement of Rs 2593 Crores against the MoU Target of Rs 1335 Crore

Physical Performance

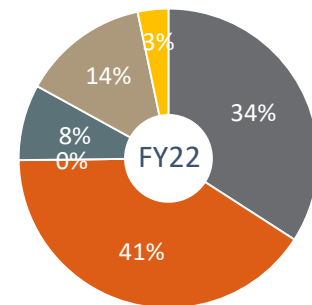
Gas Volume Trend



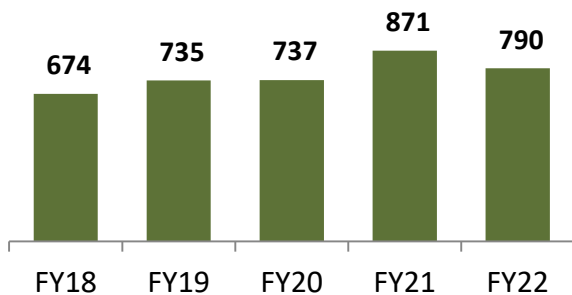
Gas Marketing Mix



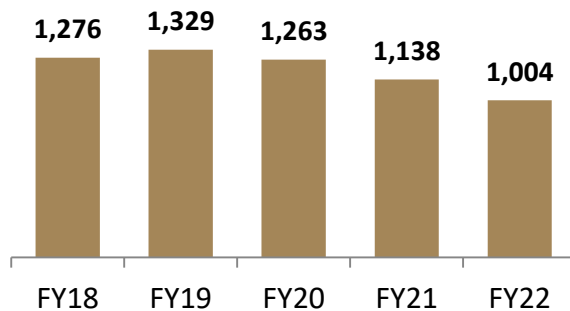
Gas Transmission Mix



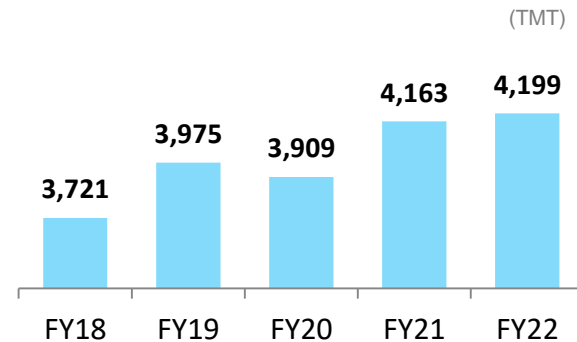
Petrochemicals Sales



Liquid Hydrocarbons Sales



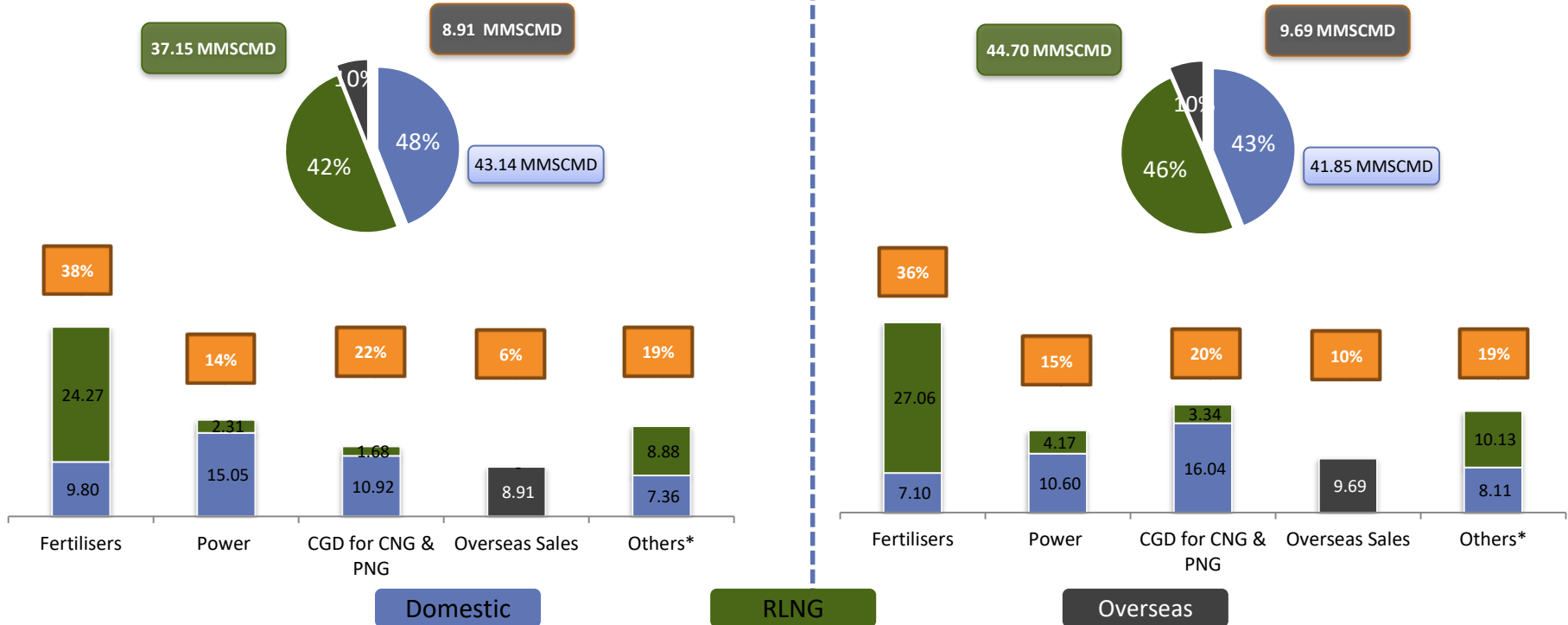
LPG Transmission



Natural Gas Sector Wise Supply – FY21 Vs. FY22

(Total 89.20 MMSCMD, % share)

(Total 96.24 MMSCMD, % share)

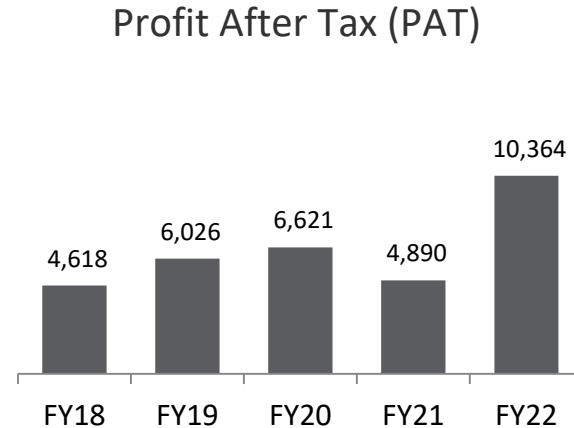
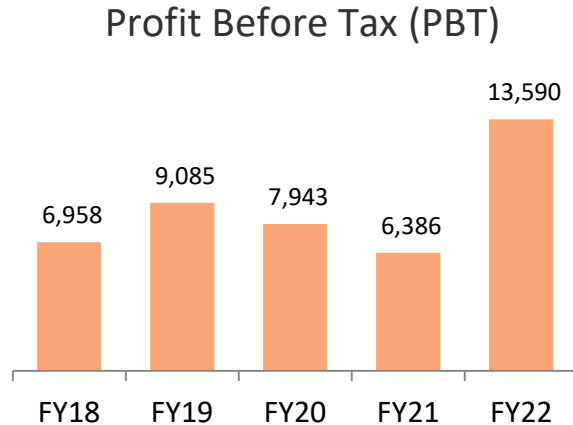
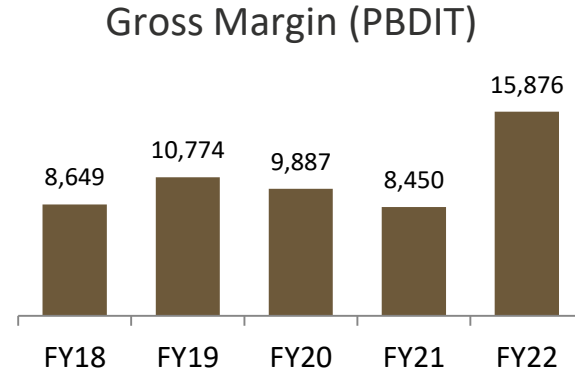
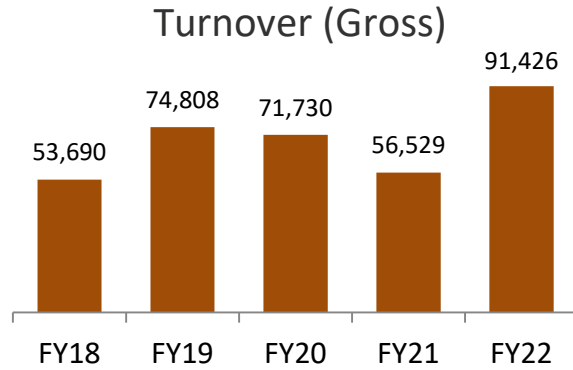


- Imported Gas primarily consists of Long Term RLNG and Spot
- Major sources for domestic gas are ONGC (APM & MDP), Ravva, Ravva satellite, CBM etc.
- Highest demand of Natural Gas from Fertilizer, Power & CGD companies

* Others include Steel, Refineries, Sponge Iron, Petrochemicals, GAIL Internal consumption etc.

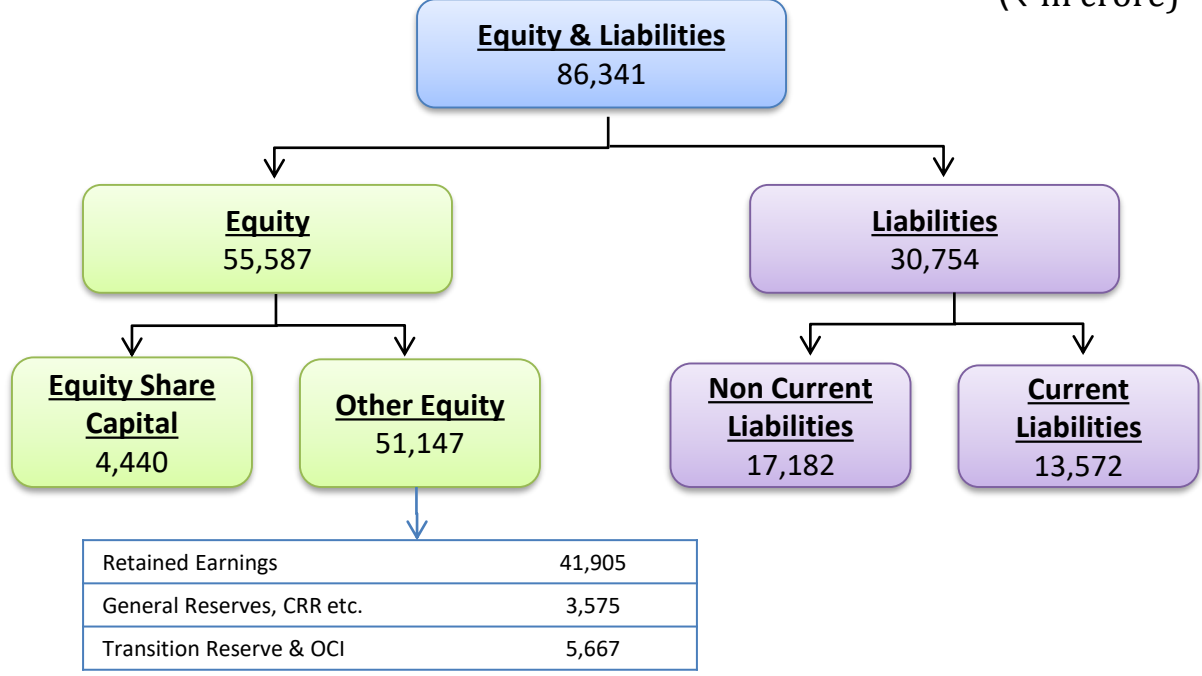
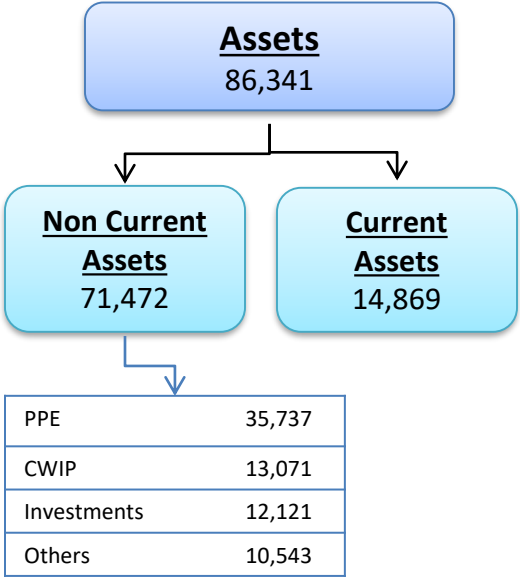
Financial Performance (Standalone)

(in Rs. crore)



Balance Sheet as on 31st March 2022

(₹ in crore)



Capital Employed
₹ 67,610 crore

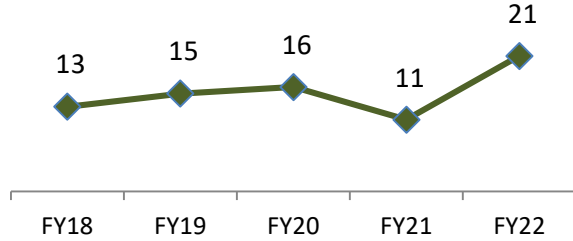
Net Worth*
₹ 49,920 crore

Loan Outstanding\$
₹ 5,953 crore

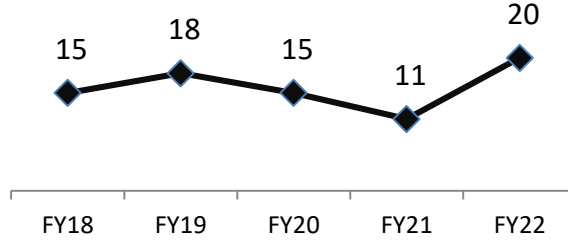
* as per companies' Act, \$ - excluding Lease Liability

Key Financial Ratios

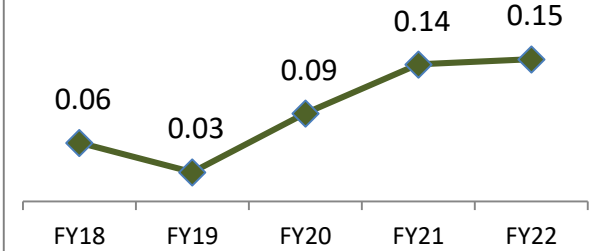
PAT to Net Worth (in %)



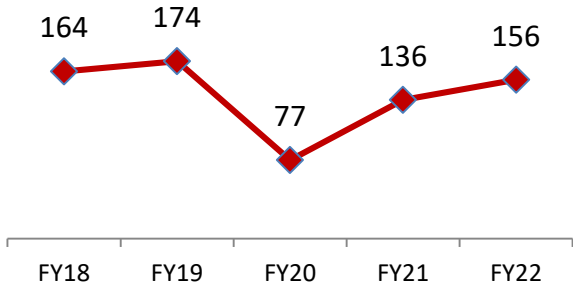
Return on Capital Employed (in %)



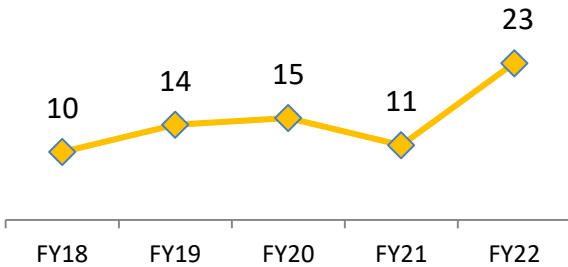
Debt to Equity Ratio



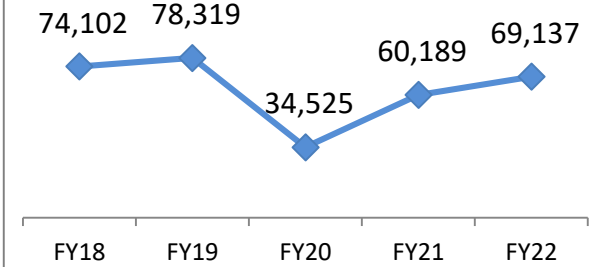
Share Price (in Rs./Share)



Earning Per Share (in Rs./Share)



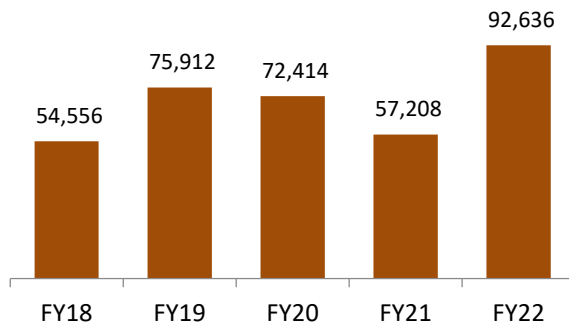
Market Capitalization (in Rs./crore)



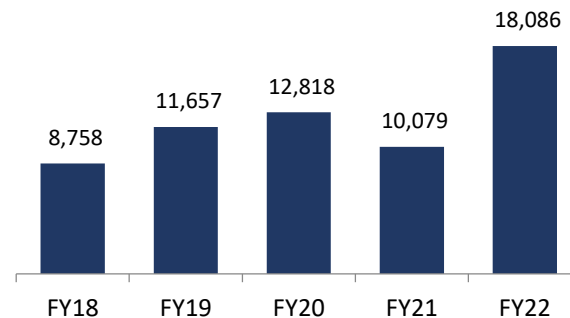
Financial Performance (Consolidated Basis)

(in ₹ crore)

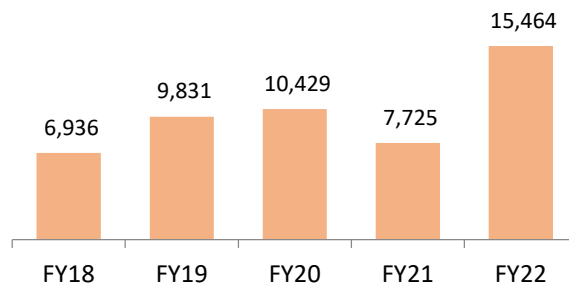
Turnover (Gross)



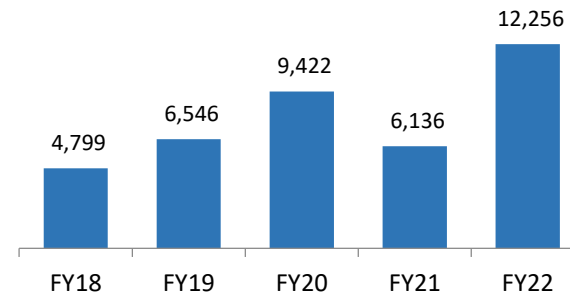
Gross Margin (PBDIT)



Profit Before Tax



Profit after Tax



Revenue Reconciliation on Consolidated Basis - FY22

(in ₹ crore)

Entity	Revenue (Gross)	Elimination	Consolidated Revenue
GAIL	91,646	-9,583	82,063
GG SPL	4,177	-478	3,699
GGUI	7,561	-7,473	88
TNGCL	169	-	169
GAIL GAS	6,853	-	6,853
BGCL	1	-	1
KLL	869	-869	-
Consolidated Revenue	1,11,276	-18,402	92,874

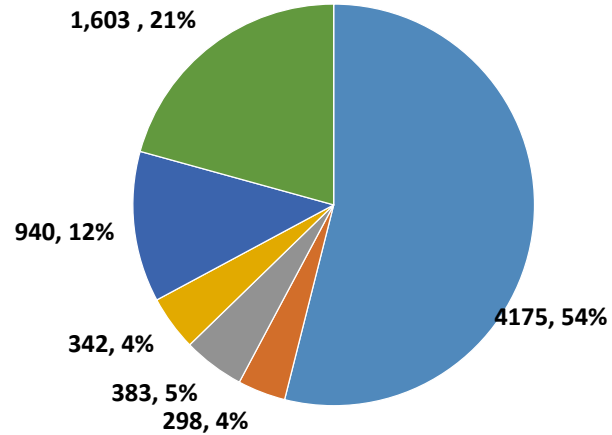
PAT Reconciliation on Consolidated Basis - FY22

(in ₹ crore)

Particulars	% Share holding as on 31 st Mar 22	Investment (Net) on 31 st Mar 22	FY22
GAIL			10,364
Subsidiaries		2,898	641
GAIL GAS	100%	1,648	290
GGSP	100%	42	6
GGUI	100%	186	(14)
Bengal Gas Company Limited	77%	200	(4)
Konkan LNG Limited	91%	807	385
TNGCL	49%	15	26
Less: Minority Interest	-	-	48
Associates		2,845	1,541
MGL	33%	32	194
PLL	13%	99	419
BCPL	70%	992	483
IGL	23%	32	338
Opal	49%	995	0
China Gas	3%	97	215
Fayum Gas	19%	8	4
Ramagundam Fertilizer	15%	270	(112)
ONGC Tripura Power Company Ltd	26%	319	20
LLC Bharat Energy Office	20%	1	0
Joint Ventures (JVs)	-	1,264	194
CGD JVs & Others (BGL, CUGL, GGL, MNGL, AGL, VGL, TAPI, IGGL)	-	1,264	194
Adjustments			
Add: Elimination of Dividend	-	-	(590)
Add: Elimination Profit/Loss recognized from investments	-	-	-
Less: Others	-	-	(85)
Consolidated	-	-	12,256

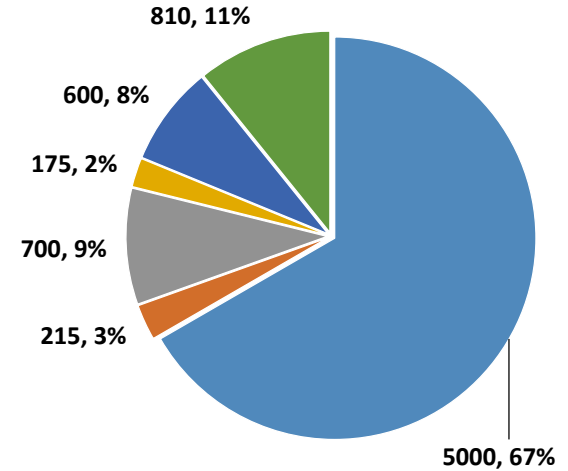
Capital Expenditure Profile

FY 2021-22
~7,700 Cr.



FY 2022-23E
~ 7,500 Cr.

(in ₹ crore)



■ Pipeline ■ City Gas Distribution (Equity) ■ Petrochemical ■ E&P ■ Equity Investments ■ Operational Capex & Others

* capital expenditure include plan, non-plan and operational capex

Actual Capex & Capital Commitment in Major Projects

Name of Projects	Lengths of Pipelines (Km)	Commissioned length (Km)	Expected Completion Date	Approved Cost	Capital commitment	Actual Capex up to 31.03.2022
Dhamra-Angul P/L	400	-	31 st December 2022	1,933	1,930	1,653
Dobhi-Durgapur P/L	500	359	30 th June 2022	2,433	2,377	2,223
Bokaro-Angul P/L	670	474	30 th June 2022	3,048	2,670	2,395
Durgapur-Haldia P/L*	335	-	30 th June 2023	1,740	1,448	989
Barauni Guwahati P/L*	729	-	30 th June 2023	3,060	3,458	2,679
Dhamra-Haldia P/L*	253	-	30 th June 2023	1,031	785	356
KKBMPL – II P/L*	891	579	28 th Feb 2025	5,909	4,089	3,566
Srikakulam-Angul P/L	744	-	31 st July 2023	2,658	1,517	627
Mumbai-Nagpur-Jharsuguda P/L	1,755	-	14 th May 2023	7,844	3,800	2,283
<u>Major PC Projects:</u>						
Propane Dehydrogenation & Polypropylene Project (PDH-PP), Usar	500 KTA	NA	7 th April 2025	8,255	5,683	248
Polypropylene Project (PP), PATA	60 KTA	NA	31 st January 2024	911	931	202

*Subject to availability of hindrance free RoU

Industry Outlook

Natural Gas Segment



Changing Global Energy Scenarios

- Government ambitions globally have grown markedly pointing to new, increased momentum in tackling climate change.
- The structure of energy demand is changing, with the importance of fossil fuels gradually declining, replaced by a growing share of renewable energy.
- Natural gas will continue to play a critical role for decades, but in lower volumes as society reduces its reliance on fossil fuels

Use of natural gas is expected to be supported by increasing demand in fast growing emerging economies - as they continue to industrialize and reduce their reliance on coal.

Challenges in Energy Transition

- Race to Net Zero, high oil & gas prices coupled with the recent geopolitical developments has lead to a clear call to solve the dual challenges of **energy security and energy transition**
- Experts trying to understand if this energy shock is a one-off event

Or

- is it the first of what will be several crises resulting from straining too hard to bring 2050 carbon-reduction goals rapidly forward
- Are we potentially prematurely choking off investment in hydrocarbons, thus triggering future shocks?
- **Gas playing an important role in the energy transition by providing the reliable energy** needed to fuel growth and improved living conditions for all, producing this energy with decreasing emissions to support a net-zero world.

Global Energy Consumption - Comparison

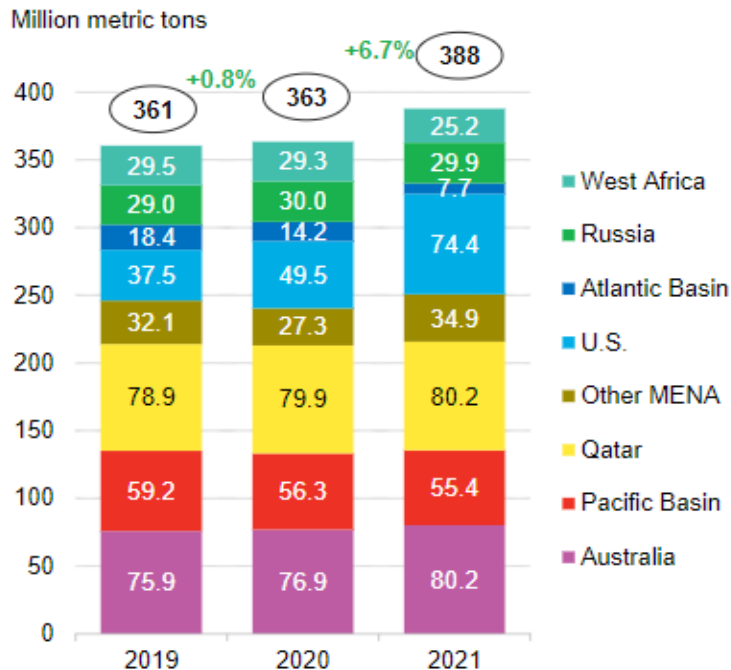
Figures rounded off

Region	Oil	Natural Gas	Coal	Nuclear Energy	Hydro electric	Renewables
World	31.27%	24.70%	27.18%	4.30%	6.85%	5.69%
Asia Pacific	26.47%	12.23%	47.68%	2.29%	6.47%	4.87%
China	19.59%	8.18%	56.56%	2.23%	8.07%	5.36%
India	28.20%	6.72%	54.83%	1.25%	4.53%	4.47%

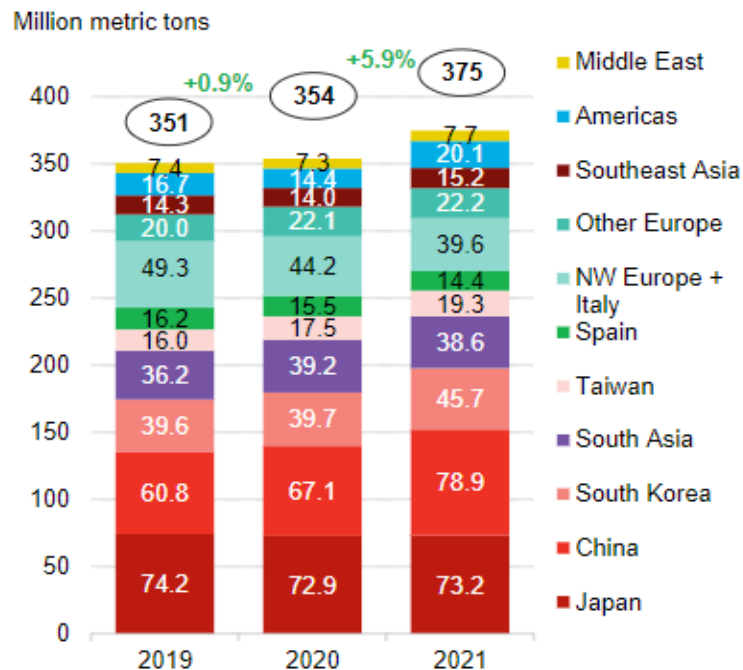
India & China are in the process of diversifying the primary energy mix and increasing share of cleaner natural gas & renewables

Global LNG Trade (2021)

Global LNG exports



Global LNG net imports

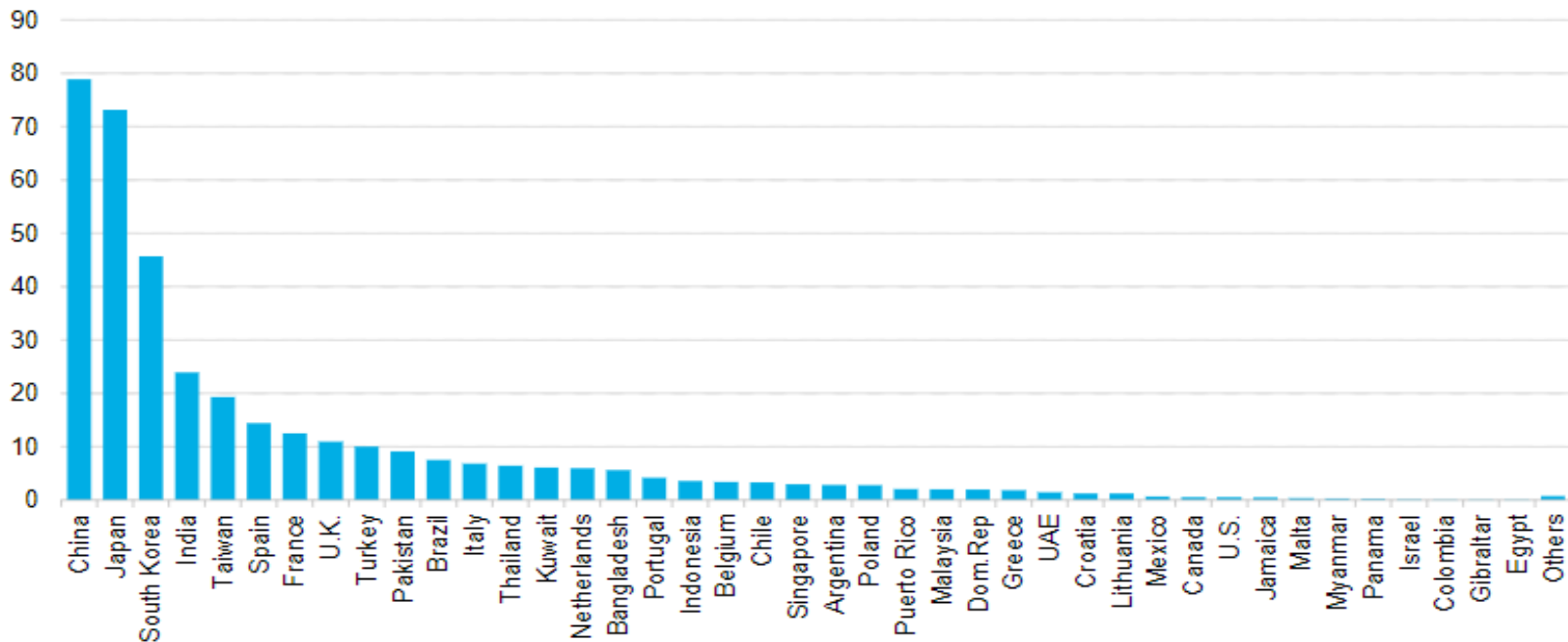


Net Imports grew by 5.9%, driven by big supply growth from US.

Global LNG Imports (2021)

Total 2021 LNG imports by country

Million metric tons



China Surpasses Japan as World's Top LNG Importer.

India is among the top 13 gas consuming countries globally

1 BCM = 2.74 MMSCMD

Top 15 Gas consuming countries globally in 2020		Gas Consumption (in BCM)	Share of gas in Primary Energy 2020 (%)
		2020	
1	US	832	34.82%
2	Russian Federation	411.4	52.31%
3	China	330.6	8.18%
4	Iran	233.1	69.74%
5	Canada	112.6	29.71%
6	Saudi Arabia	112.1	38.26%
7	Japan	104.4	22.08%
8	Germany	86.5	25.76%
9	Mexico	86.3	47.99%
10	United Kingdom	72.5	37.88%
11	United Arab Emirates	69.6	59.90%
12	Italy	67.7	41.64%
13	India	59.6	6.72%
14	Egypt	57.8	56.99%
15	South Korea	56.6	17.30%

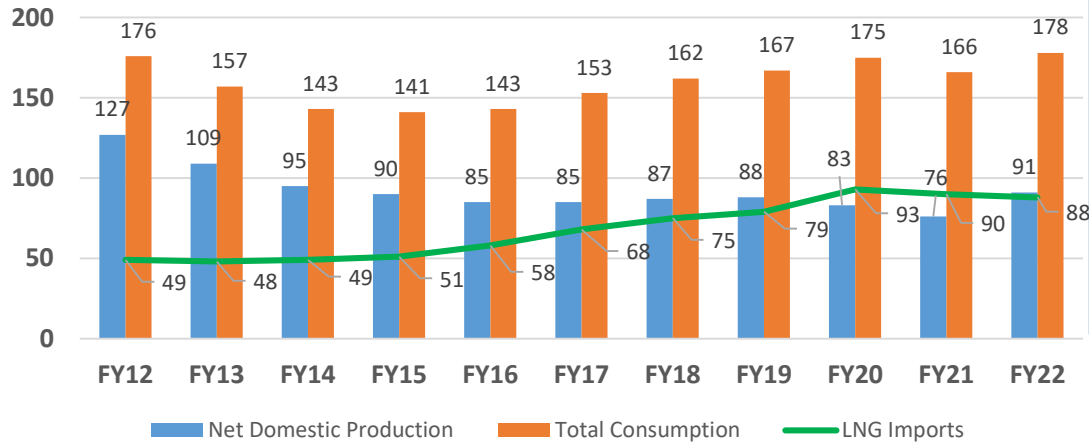
Source: BP Statistical Review 2021

Global Energy Demand Growth From Emerging Economies

- Currently, China biggest driver of global energy consumption (26%) followed by US (16%), Europe (14%), Middle East (6.5%), India (5.7%) & Russia (5.1%)
- Going Forward :-
 - India's primary energy consumption is expected to be more than double by 2050.
 - Energy Intensive industrial activities may get relocated from the developed world & China to India or other emerging economies in Asia Pacific.
- The role of natural gas will be crucial as a source of (near) zero-carbon energy with possibility to produce blue and green hydrogen

Natural gas consumption – History & Outlook

Natural Gas Consumption in India (MMSCMD)

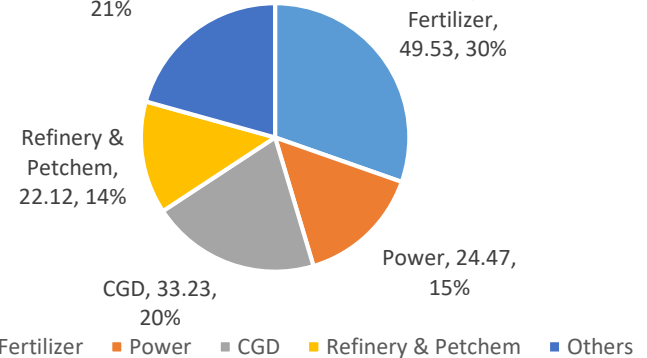


- GoI target to increase Gas share to 15% in Primary Energy mix by 2030
- Gas along with Renewables has an important role in achieving Net Zero by 2070, a pledge for carbon emission reduction under COP 26
- Gas can play the role of bridge fuel and grid balancing to balance upcoming renewable capacity additions
- India's Import Dependency in Natural Gas is about 50%

Source: PPAC (NG consumption includes IC of upstream producers aggregated in Others)

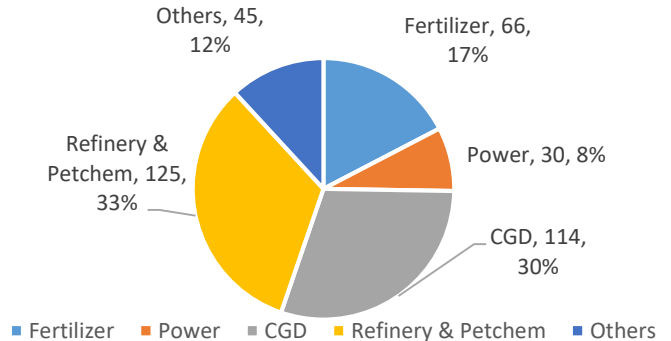
Sectoral Break Up FY 2021-22 (in MMSCMD)

(163 MMSCMD)

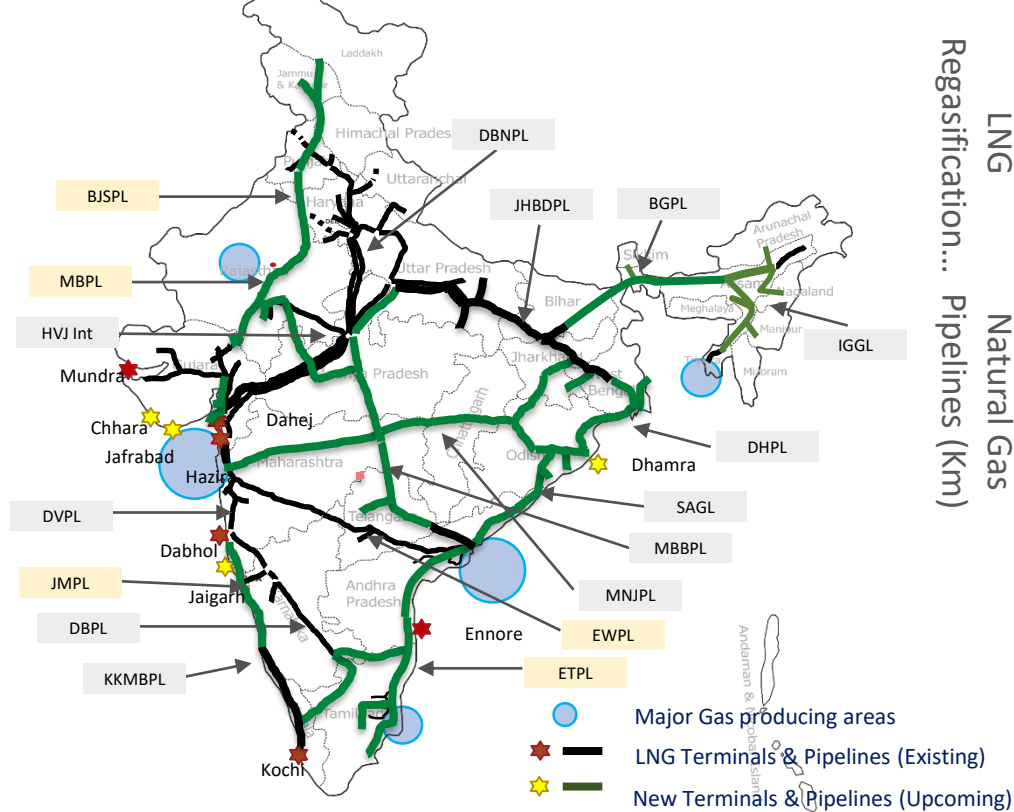


(BAU Basis) Projected Sectoral Break Up FY 2029-30 (in MMSCMD)

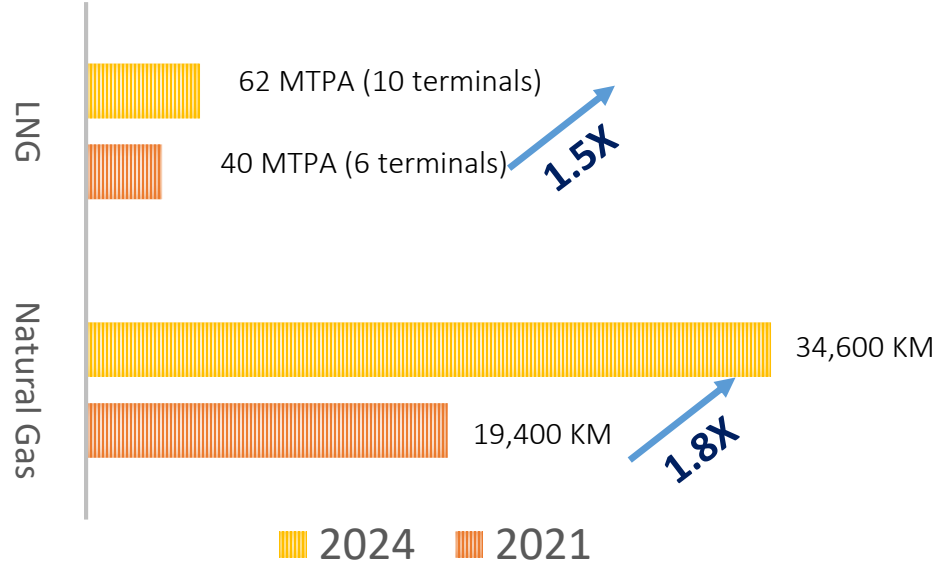
(380 MMSCMD)



Gas infrastructure in India - "One Nation-One Grid"

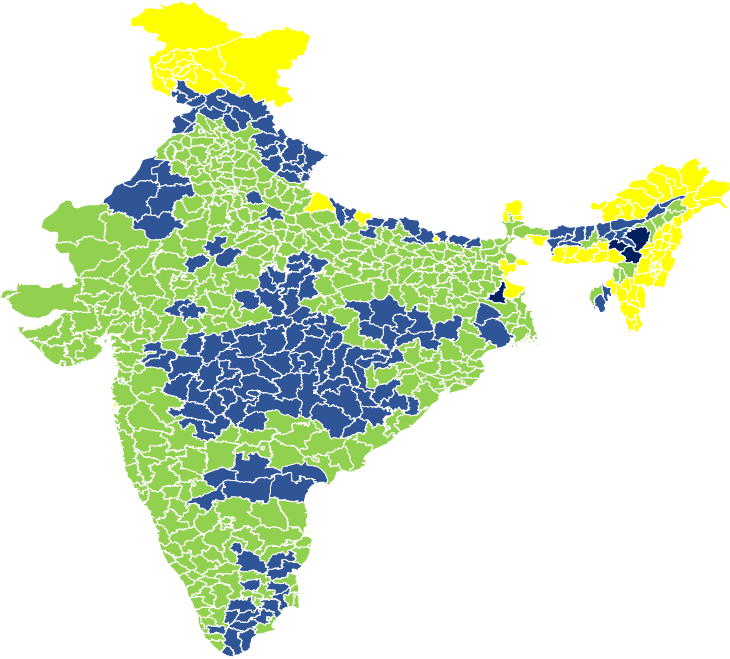


Regasification... Pipelines (Km)

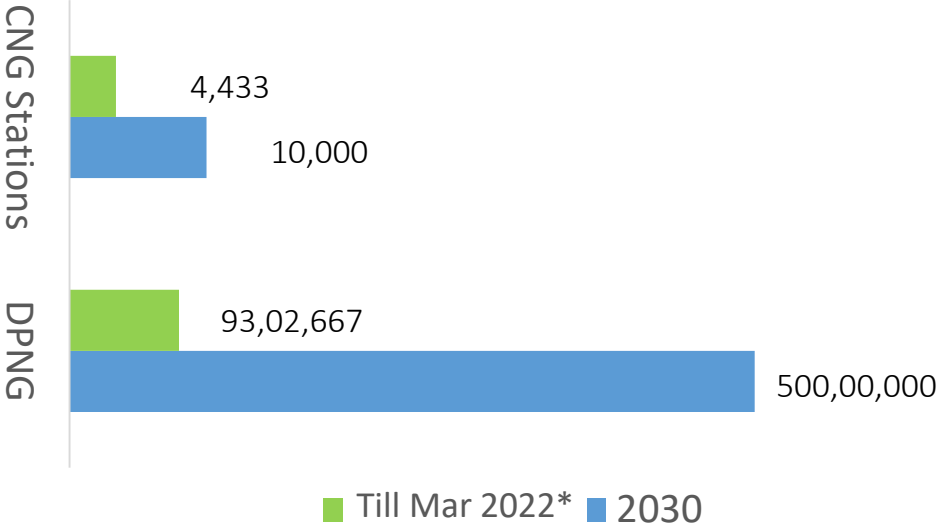


- Operational Pipelines : **19,400 Km** ; GAIL : **14,385 Km**
- Under Construction Pipelines : **~14,200 Km** ; GAIL : **~5000 Km**
- Upcoming LNG terminals in Dhamra, Chhara, Jaigarh, Jafrabad

City Gas Distribution – Making gas accessible to public



■ CGD up to 10th round (228 GAs)
■ CGD 11th and 11thA round (67 GAs additional)



CGD Coverage :

- Potential to cover ~ 88% of country's area , ~98% of country's population, more than 600+ districts countrywide

Petrochemical Business Outlook

- ❑ India's per capita consumption of plastics is just 11 kg vs. China per capita consumption of 45 kg.
- ❑ World average per capita consumption of Plastics is ~30 Kg with US consuming as high as 109 Kg per capita

India's per capita consumption is one of the lowest in Asia

Future Polymer demand growth is estimated ~7-7.5% p.a: Upside for Plastics in general and GAIL in particular

Major Highlights of GAIL's Petrochemical Business in FY 2021-22

- ❑ Sold 1065 TMT of polymers (791 TMT - GAIL & 275 TMT - BCPL)
- ❑ Exports of polymers - 11,095 MTs during the year. (GAIL- 9,725 MTs & BCPL – 1,370 MTs)
- ❑ PC capacity enhancement under progress; 500 TMT PDH-PP plant at Usar & 60 TMT PP plant at Pata
- ❑ SAS based Advanced Analytics System implemented to Optimize Margin and automate demand driven Production Planning.

Future demand drivers

- ✓ Packaging Industry
- ✓ Ecommerce driving packaging
- ✓ Automobile /Construction Industry
- ✓ Agriculture Industry

G-Lex

Growth drivers coupled with capacity addition will result in growth in Top line as well as Bottom line for GAIL

G-Lene

New Initiatives

HYDROGEN

- Pilot study for blending of green hydrogen for PNG/CNG/Industrial customers in **Indore (MP)**
- Study on technical feasibility of H2 blending in NG/ CGD network
- **India's largest 10 MW/ 4.3 TPD electrolyser** for production of green Hydrogen in **Vijaipur (MP)** with investment of Rs.230 crore
- **MoU with PIL and IPICOL (Odissa)** for collaboration in hydrogen sector

CBG

- MoP&NG has mandated GAIL for operationalization of CBG CGD Synchronization for usage in CNG(T) and PNG(D) purposes
- **24 TPAs** executed with CGD entities & CBG producers under this scheme – gas supply commenced to **6 GAs**
- GAIL to support **400 CBG plants - 255 LOIs for CBG plants** issued till date.
- GAIL's pilot **5 TPD CBG plant in Ranchi** is under construction - Target completion **Nov'22**

ETHANOL

- **GAIL's Target: 50 Crore Litres per annum capacity (1,500 KLPD) 1G grain-based Ethanol Plants by 2024-25**
- Expected project cost ~ **Rs.2,500 crore**

RE

- **GAIL's Target: 1 GW Renewables Power with total investments of Rs.5,000 crore by 2024-25**
- Ongoing 2.64 MW rooftop solar at Pata and 1.8 MW ground mounted solar plant at Vijaipur
- Opportunity explored for manufacturing of solar cells/Modules
- **MoU with BHEL** for development of solar power projects
- Collaborated with International Solar Alliance (ISA) as a corporate partner

Our Touch Points

For Institutional Investors & Analysts



Shri Sashi Menon,
Executive Director (Finance & Accounts)
E-mail ID: sashimenon@gail.co.in

For Retail Investors



Shri A K Jha,
Company Secretary
E-mail ID: ak.jha2@gail.co.in



GAIL (India) Ltd.

16, Bhikaiji Cama Place, R.K. Puram, New Delhi-110066
www.gailonline.com