



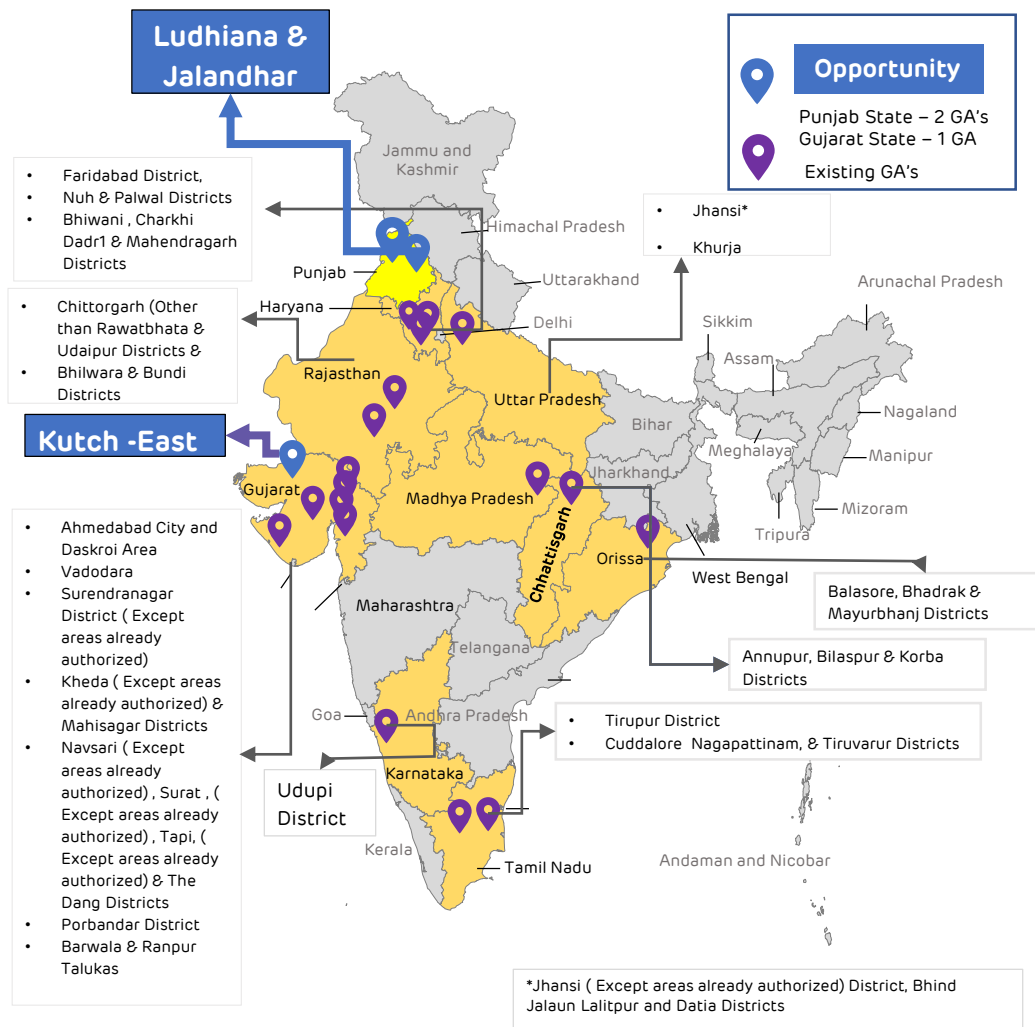
Media Release Annexure -  
03 November 2020

The transformation of AGL into a smart, digital  
and agile company delivering customer delight.

- Adani Gas Ltd. ["AGL"], has signed a Definitive Agreement for acquisition of 3 Geographical Areas namely Ludhiana, Jalandhar and Kutch (East).
- All 3 GAs has high volume potential in terms of demand of over 6.5 MMSCMD over a period 10 Years. These GA's are under Phase 1 of Bharat Mala Pariyojana by NHAI which will further boost the development and volume growth.
- Ludhiana and Jalandhar are twin cities of Punjab and are major Industrial and Commercial hubs with very high-volume potential of CNG and PNG homes. Both Cities are in the vicinity of the pipeline connectivity.
- Kutch (East) in Gujarat is poised to take centre stage in new Industrial Development of Gujarat and AGL has its strong presence in Gujarat. Kutch (East) is well connected with pipeline and R-LNG terminal infrastructure.
- All the 3 GAs shall offer early monetization opportunity.
- With the addition of these 3 GAs licenses, AGL shall now have a presence in 22 GAs as a standalone entity and additional 19 GAs with JV partner with IOCL, ensuring AGL's leadership in CGD Business in India.
- *The transaction is subject to necessary regulatory and other customary approvals*

# Business Potential

<i>No of Domestic Households</i>	<i>&gt; 10 Lacs</i>	<i>No of Commercial Customers</i>	<i>&gt; 4600</i>
<i>No of Industrial Customers</i>	<i>&gt;3600</i>	<i>No of Vehicles for CNG</i>	<i>&gt; 7 lacs</i>
<i>Total Potential Volume</i>	<i>&gt; 6.5 MMSCMD</i>		
<i>Pipeline Status and Other Development</i>	<i>All GAs are well Connected to Pipeline. Ludhiana and Jalandhar are twin cities of Punjab &amp; has rich Industrial Base and Kutch ( East) is poised to take center stage for new Industrial Development</i>		



## Key Highlights of the Opportunity

### Regulatory Standpoint

**GAs were a part of 3<sup>rd</sup> Round Bidding & are authorized to a consortium**

### Strategic Importance

#### Inorganic Growth Opportunity

**2 GA's present in State of Punjab, Ludhiana & Jalandhar are high volume potential and prosperous twin cities**

**Ludhiana and Jalandhar GAs has the rich industrial base of MSME**

**Kutch- East is in the stronghold state of Adani Gas**

**All the GA's have Pipeline connectivity**

**Ludhiana and Jalandhar have partial development of pipeline and CNG infrastructure which enables AGL to reap early monetization benefits**

## General

- All GA's part of **same bid round - 3**
- Benefit of **handling the regulatory requirements** remains same for all the GA's.
- Jalandhar and Ludhiana are in proximity to each other within the same state which shall provide **operational ease** and **optimized Opex**.
- Jalandhar and Ludhiana GA's are **urban areas ,Tier 2 cities** .
- Kutch ( East) GA is located in **Gujarat state** where AGL has strong presence – 7 GA's .

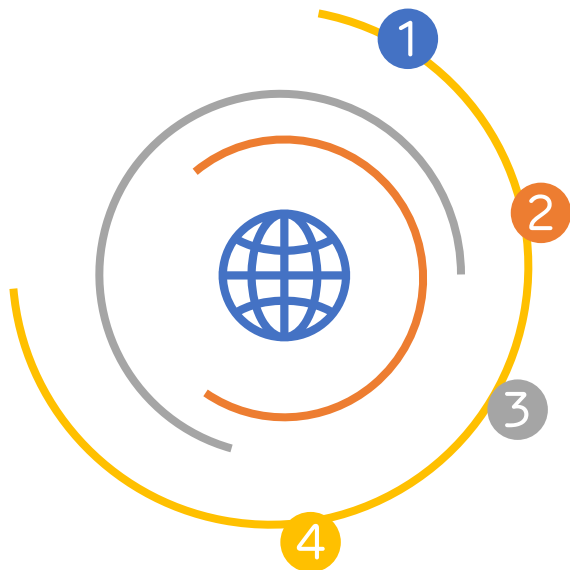
## Economic Environment

- Punjab State **per capita income greater than All India Average** .Punjab – 154996 , All India – 126521.
- As per the District domestic product report (DDP) - Punjab , **Ludhiana (1<sup>st</sup> ) & Jalandhar ( 2<sup>nd</sup> ) rank in the states total NSDP** out of 22 districts in the state of Punjab.
- All India average state wise **per capita Consumption of Petroleum products** stands at **149.6** kgs , **Punjab - 245** kgs & **Gujarat 317**Kgs which is higher than the national average.
- All 3 GAs are covered under **Bharat Mala Pariyojana**

## Strategic Synergy & Legacy

- **To Synergize for setting up high throughput retail outlets** in state of Punjab and Kutch (east).
- Nearness of the GA's and more concentration of GA's in a single state also paves way for AGL to have effective synergy
- **LNG** Rollout in Kutch East

*Gujarat and Punjab States are **100% fully authorized to develop CGD network***



*On **3<sup>rd</sup> April 2018** , Punjab Government **has issued notification on the policy guidelines** for governing grant of permission , levy of restoration charges and determination of compensation for Right of Use of Way for laying of City Gas Distribution Network (CGDN) to licensed entities.*

*Notification was issued on 16<sup>th</sup> April 2018 declaring **SINGLE WINDOW MECHANISM** at district level comprising of members of district with Deputy Commissioner as Chairman*

*For encouraging industries to shift to eco-friendly gas, the Punjab Government in Sep 2019 cut down VAT on Natural Gas, in Gaseous State, **from 14.3% to 3.3%**. The move aimed to help cut down on industrial pollution in the state.*

## **About Adani Gas**

Adani Gas Limited is one of India's leading private players in developing City Gas Distribution (CGD) networks to supply Piped Natural Gas (PNG) to Industrial, Commercial, Domestic (residential) customers and Compressed Natural Gas (CNG) to the transport sector. Given its gas distribution mandate catering to 38 Geographical Areas (GAs) which accounts for 8% of India's population, AGL plays a significant role in the nation's efforts in enhancing the share of natural gas in its energy mix. Of these 38 GAs, 19 are managed by AGL and the rest are managed by Indian Oil-Adani Gas Private Limited (IOAGPL) – a 50:50 joint venture between Adani Gas Limited and Indian Oil Corporation Limited.

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Thank You

