

## **GAIL Gas Limited**

**GAIL Gas Limited, a wholly owned subsidiary of GAIL (India) Limited, was incorporated on 27<sup>th</sup> May 2008 as a limited company under the Companies Act, 1956 for implementation of City Gas Distribution (CGD) projects across the country.**

GAIL, the pioneer of city gas distribution in India, took many initiatives to provide eco-friendly fuel natural gas as an alternative fuel to various categories of customers, mainly the transport sector, to address rising pollution levels. Pilot projects were launched in early 1990s in two metropolitan cities, Delhi and Mumbai, through joint venture companies. Based on the success of Indraprastha Gas Limited and Mahanagar Gas Limited, GAIL has set up six more JVCs for CGD projects in various cities. This has induced other entities to come into CGD projects and thus a competitive era in this field has evolved.

In the competitive environment, a planned and dedicated approach, energy and focus have been taken to maintain GAIL's leading position in CGD projects. This necessitated the formation of a new establishment of GAIL dedicated to CGD projects.

GAIL Gas Limited has been authorized by Petroleum and Natural Gas Regulatory Board (PNGRB) for implementing City Gas Distribution projects in Dewas (Madhya Pradesh), Kota (Rajasthan), Sonapat (Haryana) and Meerut (Uttar Pradesh). As per the business plan, GAIL Gas will expand its CGD business in a dedicated and aggressive manner by bidding for other cities notified by PNGRB. The company will facilitate re-investing returns from operational CGD projects into new projects thus reducing the need for fresh equity infusions by GAIL. It is envisaged that the company would be listed in future to provide further upside as well as liquidity to GAIL.

### **Objectives**

- Implementation of City Gas Distribution projects in authorized cities
- Distribution and Marketing of CNG as fuel for intercity as well as intra city vehicles
- Creating infrastructure and distribution and marketing of Piped Natural Gas for domestic/ commercial/ industrial purposes
- Auto LPG as fuel for transport vehicles
- Allied retail businesses at CNG refueling stations
- Forming joint ventures with Gas Producers/Strategic Partners for implementation of the City Gas Projects
- Promoter of all existing JVCs for City Gas Distribution

### **Major Business Segments of GAIL Gas Limited**

#### **Compressed Natural Gas (CNG)**

##### *Clean Energy to Vehicles*

The use of natural gas in the transport sector has contributed to a great extent in containing the pollution due to vehicular exhaust emissions. Apart from this, natural gas as CNG has been able to replace high priced hydrocarbon commodities like petrol and diesel.

GAIL Gas has commenced its CNG stations at Dewas and Sonapat and will be coming up with many more to supply CNG to vehicles in the authorized cities.

GAIL Gas is also implementing the Green Corridor Project to facilitate the availability of CNG beyond city limits so that the clean fuel can be used for long distance journeys. CNG stations under this project have already been commissioned at Panvel (Maharashtra) and Vijaipur (Madhya Pradesh). The following Green Corridors are being implemented:

- Delhi – Agra – Kanpur – Lucknow NH2 with stations at Mathura, Firozabad and Auraiya
- Vishakhapatnam – Vijaywada NH5 with station at Kovvur
- Delhi – Lucknow NH24 with station at Shahjahanpur

## **Piped Natural Gas (PNG)**

*Clean Energy to Households, Commercial Sector and Industries*

- **Domestic**

The household use of gas has picked up in India, especially when multiple use of natural gas in houses was demonstrated. The gas can be used for cooking, water heating, space heating, air conditioning, refrigeration and power generation. The concept of a single switch solution in the household sector is picking up momentum. This concept provides that a household could be a self-contained gas user to meet all its energy needs in one go. This means once the gas supply is switched on, all these services can be secured which are gas based, of course selectively or need based.

Registration for PNG connections has started and GAIL Gas has also initiated the process of providing PNG connectivity to the kitchens in new/upcoming housing complexes, towers, etc. as value additions in order to equip kitchens of these houses with the eco-friendly fuel.

- **Commercial and Industrial**

In the commercial sector, natural gas has been found to be very useful in applications like cooking, air conditioning and power generation. In fact, a concept of Combined Heat & Power (CHP) is becoming popular in India. This system has much higher thermal efficiency as compared to other conventional services.

GAIL Gas has started industrial supply of natural gas in Dewas and Sonapat and will commence soon start supply in Kota and Meerut.

## **Human Resources - Our Assets**

GAIL Gas has competent professionals, average age being 39 years, from diverse educational backgrounds. Being a 100% subsidiary of GAIL (India) Ltd., a Navratna Company of Government of India, majority of the employees have been placed from the parent Company to use their expertise in laying strong foundation for GAIL Gas Ltd.

The company also recruits outstanding professionals from the best Technical Institutes and Business Schools of India, facilitates induction programmes, imparts proper training before

assigning them with quality work and offers them with opportunities to grow both professionally and individually. Team GAIL Gas comprises of professionals, mostly Engineers, Chartered Accountants, Cost Accountants, IT Professionals, MBAs in Marketing, Human Resources, Communications, etc. delivering their skills for building the organization and growing with confidence.