

GAIL diversifying product portfolio: CMD

ARUNIMA BHARADWAJ
New Delhi, August 28

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Addressing a gathering at the company's 40th annual general meeting, Gupta said it is establishing a diverse range of petroleum product offerings.

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Sandeep Kumar Gupta,
Chairman & MD of GAIL

Project at Usar will diversify and expand GAIL's existing petrochemical portfolio and provide robust growth in the years to come," he said.

The company has also signed two 10-year LNG supply agreements starting 2026 — one million tonne per annum from Vitol Asia Pte Ltd, Singapore and 0.5 MMTPA from ADNOC Gas, the UAE.

Additionally, GAIL's volume of 4.5 MMTPA is now renewed under LNG sale and purchase agreement signed between Qatar Energy LNG and PLL, with supplies commencing in 2028 for a period of 20 years.

"GAIL has also successfully onboarded and chartered the long-term LNG vessel, GAIL Urja, and has entered into a 14-year Time Charter Party agreement for a newly built LNG carrier," Gupta said. The time

charter for this LNG carrier will begin in early 2025. "GAIL's fleet of five LNG carriers will enable the company to meet the requirement of transporting contracted LNG volumes to India," he said.

GAIL has also commissioned India's first two small-scale LNG skids at Vijapur in Madhya Pradesh.

GAIL group of companies are authorised in 72 geographical areas across the nation out of the total 307. In FY24, GAIL along with its group companies added 11.06 lakh PNG connections and 422 CNG stations, summing up to approximately 83.4 lakh PNG customers and 2,770 CNG stations across the country.



GAIL to import LNG from 2026, adds one more ship

New Delhi: State-owned gas utility GAIL (India) Ltd will start importing LNG under two new contracts from 2026 and has added one more ship to transport the fuel, its Chairman Sandeep Kumar Gupta said on Wednesday. The company had in January this year signed back-to-back deals to import liquefied natural gas (LNG). PTI

40TH ANNUAL GENERAL MEETING

‘GAIL to begin LNG imports under new pacts from ‘26, adds 1 new ship’

NEW DELHI: State-owned gas utility GAIL (India) Ltd will start importing LNG under two new contracts from 2026 and has added one more ship to transport the fuel, its Chairman Sandeep Kumar Gupta said on Wednesday.

The company had in January this year signed back-to-back deals to import liquefied natural gas (LNG). It first signed deal to import 1 million tonnes of LNG from Dutch energy trader Vitol for 10 years and then another agreement to buy 0.5 million tonne per annum of LNG from UAE's ADNOC-Gas.

GAIL conducted its 40th Annual General Meeting (AGM) for the fiscal year 2023-24 today, with shareholders and stakeholders participating through a virtual platform for the fifth consecutive year. The meeting, presided over by the Chairman, highlighted GAIL's robust financial performance, significant operational achievements, and its unwavering commitment to sustainable energy practices. The Chairman announced that GAIL had achieved outstanding financial results during FY 2023-24. The company reported a Profit Before Tax (PBT) of Rs 11,555 crore, reflecting a 75 per cent increase from Rs 6,584 crore in FY 2022-23. The Profit After Tax (PAT) surged by 67 per cent to Rs 8,836 crore, compared to Rs 5,302 crore in the previous fiscal year. Although the Revenue from Operations saw a



slight decrease to Rs 1,30,638 crore from Rs 1,44,302 crore, the company achieved its highest-ever capital expenditure (capex) of Rs 11,426 crore.

The market capitalization of GAIL reached an impressive Rs 1,61,944 crore, with a per-share price of Rs 246.30 on the NSE as of July 31, 2024. These achievements were realized despite the uncertain business environment across all verticals, underscoring GAIL's resilience and strategic foresight.

On the operational front, GAIL has maintained its leadership in natural gas transmission and infrastructure development. With an existing network of 16,271 km of natural gas pipelines, the company is actively working on expanding this network by approximately 3,400 km. The completion of

the National Gas Grid (NGG) remains a top priority for GAIL, crucial for India's energy security and the transition to a gas-based economy.

During FY 2023-24, GAIL achieved an all-time high in gas transmission, with an average of 120.46 million standard cubic meters per day, a 12 per cent increase from the previous year. Revenue from this segment grew by 54.5 per cent to Rs 10,292 crore, driven by increased transmission volumes and revised tariffs. Additionally, the natural gas marketing volume increased by 4 per cent to 98.45 million standard cubic meters per day. In line with its commitment to ensuring supply security, GAIL has signed two 10-year LNG supply agreements, securing 1 MMTPA from Vitol Asia Pte Ltd, Singapore,

Highlights

- » During FY 2023-24, GAIL achieved an all-time high in gas transmission, with an average of 120.46 million standard cubic meters per day
- » GAIL and its group companies added 11.06 lakh PNG connections and 422 CNG stations, bringing the total to 83.4 lakh PNG customers and 2,770 CNG stations

and 0.5 MMTPA from ADNOC Gas, UAE, starting in 2026. The company has also renewed its volume of 4.5 MMTPA under the LNG SPA with Qatar Energy LNG, with supplies commencing in 2028 for a 20-year period. The acquisition of a long-term LNG vessel, GAIL Urja, will further bolster the company's LNG transportation capabilities.

GAIL's focus on the city gas distribution (CGD) business continues to grow, with significant expansions in the northeastern regions and other parts of India. The company now operates in 72 geographical areas across the country, making it the largest CGD operator in India. In FY 2023-24, GAIL and its group companies added 11.06 lakh PNG connections and 422 CNG stations, bringing the total to 83.4 lakh PNG cus-

tomers and 2,770 CNG stations.

GAIL is taking bold steps towards sustainability and decarbonization, advancing its Net Zero target by five years to 2035. The company has already made significant strides, including the installation of India's first MW-scale Green Hydrogen electrolyser in Vijaipur, Madhya Pradesh, capable of producing 4.3 TPD of hydrogen using renewable power.

In addition, GAIL is exploring the feasibility of setting up a greenfield ethane cracker and is involved in the Talcher Fertiliser Project and another coal gasification project in partnership with Coal India Ltd. These initiatives reflect the company's dedication to reducing its carbon footprint and advancing India's energy transition.

GAIL remains committed to upholding the highest standards of corporate governance, ethics, and integrity. The company has made significant progress in its digital transformation journey, including migrating to the latest SAP S/4 HANA platform to enhance operational efficiency.

The company's Corporate Social Responsibility (CSR) initiatives continue to make a positive impact, with projects touching over 13 lakh lives in the past year. The Utkarsh project, aimed at economically disadvantaged students, achieved a remarkable success rate, with 97 per cent of students qualifying for the JEE Mains and 100 per cent for the NEET examination.

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Centre appoints interim chairmen for Indian Oil, Hindustan Petroleum

NEW DELHI: The government on Wednesday named interim chairmen for top oil firms, Indian Oil Corporation (IOC) and Hindustan Petroleum Corporation Ltd (HPCL), as appointment of full-time heads is work in progress.

Satish Kumar Vaduguri, Director (Marketing), IOC has been appointed interim chairman of the company for three months starting September 1, an oil ministry order said.

He replaces Shrikant Madhav Vaidya who completes his extended term at month-end.

In a separate order, the ministry appointed Rajneesh Narang, Director (Finance), HPCL as the chairman and managing director of the company for three-month period starting September 1.

He would replace Pushp Kumar Joshi who superannuates on completion of 60 years of age on August 31.

With government headhunter PESB not finding anyone suitable, three-member search-cum-selection committees are looking for heads at both IOC and HPCL.

On August 11, the panel interviewed nearly a dozen candidates and is learnt to have zeroed in on Sandeep Gupta,

who previously was Director (Finance) at IOC and is now Chairman and Managing Director of GAIL.

His name is now being vetted by the Appointments Committee of the Cabinet.

Vaidya, who took over as the chairman of India's biggest oil company on July 1, 2020, was to retire on August 31, 2023, when he attained the superannuation age of 60 years. But he was, in a rare move, "re-employment on a contract basis" for one year "beyond the date of his superannuation i.e with effect from September 1, 2023, till August 31, 2024," according to an official order dated August 4, 2023.

Thereafter, a three-member search-cum-selection committee was constituted to find who will head IOC after August 31, 2024. The panel is headed by the government headhunter Public Enterprises Selection Board (PESB) chairperson and includes the oil secretary and former HPCL chairman M K Surana as members.

Prior to Vaidya, no chairman of a Maharatna PSU was given an extension beyond 60 years in recent years.

In case of HPCL, the panel has just invited applications for the post.

AGENCIES



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GAIL says LNG under new pacts to flow from 2026, gets one more ship

PTI ■ NEW DELHI

State-owned gas utility GAIL (India) Ltd will start importing LNG under two new contracts from 2026 and has added one more ship to transport the fuel, its Chairman Sandeep Kumar Gupta said on Wednesday. The company had in January this year signed back-to-back deals to import liquefied natural gas (LNG). It first signed deal to import 1 million tonnes of LNG from Dutch energy trader Vitol for 10 years and then another agreement to buy 0.5 million tonne per annum of LNG from UAE's ADNOC-Gas.

"As a leading natural gas player, your company

recognises the importance of ensuring supply security. In this direction, we have signed two 10-year LNG supply agreements, starting in 2026: 1 million tonnes from Vitol Asia Pte Ltd, Singapore and 0.5 million tonnes from ADNOC Gas, UAE," he said at the company's annual general meeting.

LNG is natural gas, extracted from below the surface, that has been cooled down to liquid form for ease and safety of non-pressurised storage or transport.

GAIL will import LNG in cryogenic ships and turn it back into its gaseous state before piping it to users that may include power plants for generating electricity,

fertiliser units for producing crop nutrients or city gas operators for selling to automobiles as CNG or piping to household kitchens for cooking. India imports roughly half of its gas needs as local production is insufficient to meet demand. GAIL operates a 5 million tonnes a year LNG import facility at Dabhol in Maharashtra and has leased space at terminals in Gujarat and Odisha. It is scouting for a 26 per cent stake in a US-based LNG plant to source 1 million tonnes-a-year of LNG for 15 years.

"Additionally, GAIL's volume of 4.5 million tonnes per annum is now renewed under LNG SPA signed between Qatar Energy LNG

and Petronet LNG Ltd, with supplies commencing in 2028 for a period of 20 years," he said.

GAIL has hired the long-term LNG vessel, GAIL Urja, and has entered into a 14-year time charter party agreement for a newly built LNG carrier.

"The time charter for this LNG carrier will begin in early 2025," he said, adding that GAIL's fleet of five LNG carriers will enable the company to meet the requirement of transporting contracted LNG volumes to India.

Gupta said GAIL, which is India's largest gas transportation and marketing firm, is also solidifying its position as a

key player in the Indian petrochemical industry by establishing a diverse range of product offerings.

"GAIL's 500,000 tonnes PDHPP project at Usar (in Maharashtra), 60,000 polypropylene plant at Pata (Uttar Pradesh), 1.25 million tonnes PTA plant at GMPL, Mangaluru and 50,000 tonnes Isopropyl Alcohol (IPA) Project at Usar will diversify and expand GAIL's existing petrochemical portfolio and provide robust growth in years to come," he said.

"GAIL is also exploring the feasibility of setting up a world scale greenfield ethane cracker."

It is also working on feasibility of coal gasification

project in a joint venture with Coal India Ltd to produce synthetic natural gas. Stating that GAIL was well-positioned to become a leader in the energy transition, he said the company board has approved the advancement of the net zero carbon emission target by five years from the earlier 2040 to 2035.

"Advancing its endeavours to reduce its carbon footprint, GAIL has installed the country's first MW scale green hydrogen electrolyser in Vijaipur, Madhya Pradesh," he said, adding that the firm was also working on setting up of 500 kilo litres per day 1G ethanol plant.

नए समझौतों के तहत एलएनजी 2026 से मिलनी शुरू होगी : गैल

नई दिल्ली, (भाषा)। सार्वजनिक क्षेत्र की कंपनी गैल (इंडिया) लिमिटेड वर्ष 2026 से दो नए अनुबंधों के तहत तरलीकृत प्राकृतिक गैस (एलएनजी) का आयात शुरू करेगी। कंपनी ने ईंधन के परिवहन के लिए एक और जहाज जोड़ा है। कंपनी के चेयरमैन संदीप कुमार गुप्ता ने बुधवार को यह जानकारी दी। कंपनी ने इस साल जनवरी में एलएनजी आयात करने के लिए एक-के-बाद-एक सौदों पर हस्ताक्षर किए थे। इसने सबसे पहले नीदरलैंड के ऊर्जा कारोबारी विटोल से 10 साल के लिए 10 लाख टन एलएनजी आयात करने का सौदा किया और फिर संयुक्त अरब अमीरात (यूएई) की एडनॉक-गैस से प्रतिवर्ष पांच लाख टन एलएनजी खरीदने का एक और समझौता किया। कंपनी की वार्षिक आम बैठक में उन्होंने कहा, एक अग्रणी प्राकृतिक गैस कारोबारी के रूप में आपकी कंपनी आपूर्ति सुरक्षा सुनिश्चित करने के महत्व को पहचानती है। इस दिशा में, हमने वर्ष 2026 से शुरू होने वाले दो 10-वर्षीय एलएनजी आपूर्ति समझौतों पर हस्ताक्षर किए हैं।



एलएनजी 2026 से मिलनी शुरू होगी : गेल

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