गेल (इंडिया) लिमिटेड
(भारत सरकार का उपक्रम-
महारत्न कम्पनी)
GAIL (India) Limited
(A Government of India Undertaking-
A Maharatna Company)

ND/GAIL/SECTT/2014

September 15, 2014

Listing Department
Bombay Stock Exchange Limited
Floor 1, P.J. Towers, Dalal Street,
Mumbai – 400 001

Dear Sir,

Please find enclosed a copy of Press Releases regarding **"GAIL makes available Alternate Gas to Industrial Consumers in Gujarat in lieu of APM gas diverted to PNG & CNG Sectors".**

The above is for your information and record please.

Thanking you,

Yours faithfully,

(N.K. Nagpal)
Company Secretary
e-mail: nknagpal@gail.co.in

Encl.: As above

Copy to:

1. Listing Department,
   National Stock Exchange of India Limited
   Exchange Plaza, 5th Floor,
   Plot No C/1, G Block, Bandra-Kurla Complex,
   Bandra (East),
   MUMBAI – 400051

2. Deutsche Bank
   Kodak House, 1st Floor,
   222 Dr. D N Road,
   Mumbai - 400001

CIN: L40200DL1984GOI018976

Website: www.gailonline.com

Press Release

GAIL (India) Limited

GAIL makes available Alternate Gas to Industrial Consumers in Gujarat in lieu of APM gas diverted to PNG & CNG Sectors

14th September, 2014; New Delhi: In pursuance to the directives issued by the Ministry of Petroleum and Natural Gas, GAIL has informed industries in South Gujarat about the restriction in supply of natural gas to non-Core sector in lieu of the supply of Administered Pricing Mechanism (APM) Gas to CGD sector for use of natural gas in domestic households (PNG) and transport sector (CNG) in the larger interest of the people. Considering the requirement of Gas to other industries, GAIL has offered to supply equivalent amount of alternate gas so that the production of such industries do not suffer. Some of the affected parties have already availed GAIL's offer to utilize alternative gas in view of the reduced quantity of APM gas. The additional gas being supplied to domestic and transport sector will enable the Government to reduce subsidy burden on account of LPG and will result in substantial saving in outgo of foreign exchange for import of LPG as well as crude oil.

Based on the ministry directive, supplies of APM Gas to non-priority sector customers across the country are being curtailed. The cut envisaged to non priority sector customers is around 3 to 4 MMSCMD of natural gas, while the cut to South Gujarat customers would be to the tune of 0.3 to 0.4 MMSCMD. The reallocation of this natural gas to CGD entities will enable cooking gas supply to more than 6.0 lakh households. Presently, more than 8 MMSCMD of natural gas is being supplied to CNG & PNG sector which includes more than 2.0 MMSCMD supplies to CGD entities in Gujarat.

Pursuant to ministry directives, GAIL has informed all the affected customers regarding cut in supplies of the APM gas from the non-core sector which shall be effective from 16th September 2014. Due to this, advance information to the non-priority sector customers was provided and they have been advised to take alternate measures for sourcing natural gas. GAIL has offered to supply alternate gas to each of the customer to compensate the shortfall which may be availed for continuous operation by these industries. There are about 30 customers in South Gujarat, getting the APM gas. None of the customers will suffer due to non-availability of Natural Gas.

This measure is taken in view of the Ministry Guideline issued on 20th August 2014 to meet the requirement of the CGD entities in different geographical areas within the country pursuant to the Supreme Court Order.

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MMSCMD – Million Metric Standard Cubic Metres a Day