



गेल (इंडिया) लिमिटेड

(भारत सरकार का उपक्रम-
एक नवरात्र कम्पनी)

GAIL (India) Limited

(A Government of India Undertaking-
A Navratna Company)

ND/GAIL/SECTT/2011

December 7, 2011

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 ties up US \$ 100 million loan from Bank of Tokyo Tie-up first in the series of three planned for US \$ 300 million ECB”. The above is for your information and record please.

Thanking you,

Yours faithfully,

(N.K. Nagpal)
Company Secretary

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

GAIL (India) Limited

Press Release

GAIL ties up US \$ 100 million loan from Bank of Tokyo

Tie-up first in the series of three planned for US \$ 300 million ECB

New Delhi, December 6, 2011. GAIL (India) Limited has tied up a term loan of US \$ 100 million from Bank of Tokyo - Mitsubishi UFJ. The loan agreement was signed here between Mr. P K Jain, Director (Finance), GAIL (India) Limited and Mr. Naoki Isetani, General Manager, Bank of Tokyo yesterday.

The term of the loan is 5 years. This term loan agreement comes close on the heels of an earlier term loan of US \$ 150 million taken by GAIL from Bank of Tokyo in June 2011. The loan agreement signed now is first in the series of three tie-ups that GAIL plans to enter into for a total ECB of US \$ 300 million.

The loan funds would be utilised to partly fund the ongoing expansion/new projects of GAIL of around US \$ 9 billion. GAIL is presently implementing projects to lay 5,500 km at an estimated cost of Rs. 25,000 crore (approx. USD 5 Billion). When completed, the capacity of GAIL pipelines would increase to over 300 MMSMD from the present 175 MMSCMD. GAIL is also doubling the petrochemical capacity of its plant at Pata from 446,000 TPA at present to 900,000 TPA by 2014.

GAIL is one of the leading public enterprises with a consistently excellent financial track record. Turnover and Profit After Tax during the last ten years have shown a compounded annual growth rate of 14 per cent and 12 per cent respectively. The Company recorded a Turnover of Rs. 32,459 crore (US \$6.5 billion approx.) and Profit After Tax of Rs. 3,561 crore (US \$ 710 million approx.) in the year 2010-11. The Debt-Equity ratio of the Company is 0.17 and the Debt Service Coverage Ratio (DSCR) of 9 times as on 30-Sep-2011.

About GAIL (India) Limited

GAIL (India) Limited is India's flagship Gas Transmission and Marketing Company under the Ministry of Petroleum and Natural Gas, Government of India. Over the years, GAIL has transformed into an integrated energy company with global footprints by means of integrating along the Natural Gas value chain. After having started as a gas transmission company during the late eighties, it grew organically over the years by building large network of Natural Gas trunk Pipelines covering a length of around 8700 km. GAIL has leveraged its core competence by way of setting-up two LPG Pipelines in the country covering a total length of over 2000 KM, including world's longest exclusive Liquefied Petroleum Gas (LPG) Transmission Pipeline (Jamnagar-Loni pipeline).

In the last two decades, GAIL has created a sizeable natural gas market in the country and presently has a capacity to transport 175 MMSCMD of Natural Gas through its Transmission Network. Currently, GAIL's has 3/4th market share in gas transmission in the country with plans to double up the existing transportation capacity in the next two to three years.

Global presence

GAIL has recently acquired its first shale gas assets in the USA through its wholly owned US subsidiary GAIL Global (USA) Inc. The subsidiary company has executed definitive agreements with Carrizo Oil & Gas Inc. based in Houston, Texas, to enter into an unincorporated joint venture, under which GAIL Global (USA) Inc. to acquire 20% interest in Carrizo's Eagle Ford Shale acreage position. The Joint Venture will have 20,200 gross acres, out of which GAIL subsidiary would have 4,040 net acres spread over four counties in Texas.

GAIL has also set up a wholly-owned subsidiary company viz. GAIL Global (Singapore) Pte. Ltd. in Singapore for sourcing LNG, LNG and petrochemicals trading and overseas investments GAIL has formed a Joint Venture with China Gas Global Energy Holdings Limited. GAIL and China Gas are equal partners in this JV which has been registered in Bermuda. This is the first Joint Venture Company of GAIL abroad. In order to have a long term association with China Gas and also to expand business in the fast downstream Chinese gas sector, the Joint Venture (JV) will pursue opportunities in CNG, City Gas, Pipeline, CBM, LNG and E&P projects. GAIL is pursuing business opportunities in regions such as South / South-East Asia, West Asia, Russia and Central Asian Republics and African continent in the areas of exploration and production, gas transmission, CNG and city gas distribution, LNG and petrochemicals.

Photo Caption

Shri P K Jain, Director (Finance), GAIL (India) Limited and Mr. Naoki Isetani, General Manager, Bank of Tokyo exchanging documents after signing the term loan agreement in New Delhi yesterday.