



INDRAPRASTHA GAS LIMITED

An Overview

28.05.2015

Background

Incorporated in 1998, IGL is a Joint Venture of GAIL and BPCL. Govt. of NCT of Delhi is also holding 5% equity

IGL started its operations in NCT of Delhi in 1999 with only 9 CNG stations and 1000 PNG consumers

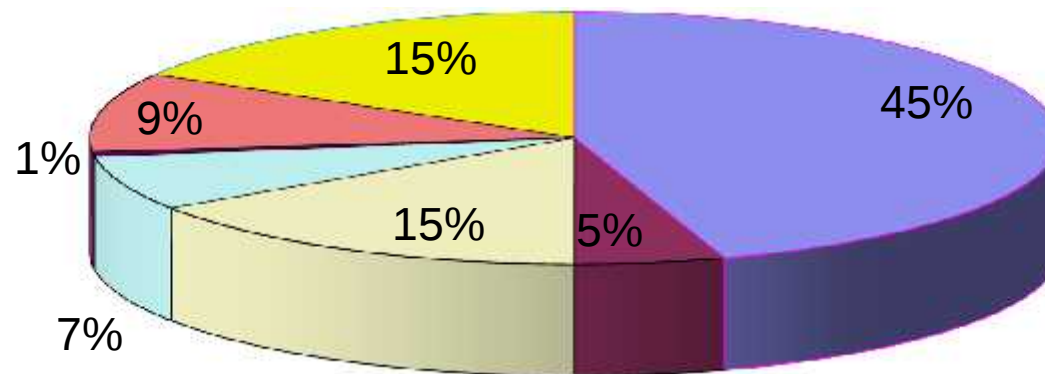
Today IGL has its operations in NCT of Delhi, Noida, Greater Noida and Ghaziabad with 326 CNG stations, 5.5 lacs residential consumers and 2 thousand industrial / commercial customers

Fuelling the largest CNG Bus fleet in the World

Shareholding Pattern

% HOLDING

- Promoters - 45% (GAIL-22.5% & BPCL- 22.5%)
- Government of NCT of Delhi - 5%
- Foreign Institution Investors - 18%
- Mutual Funds - 7%
- Indian Financial Institutions & Banks - 1%
- Insurance Companies - 9%
- Public / Others - 15%



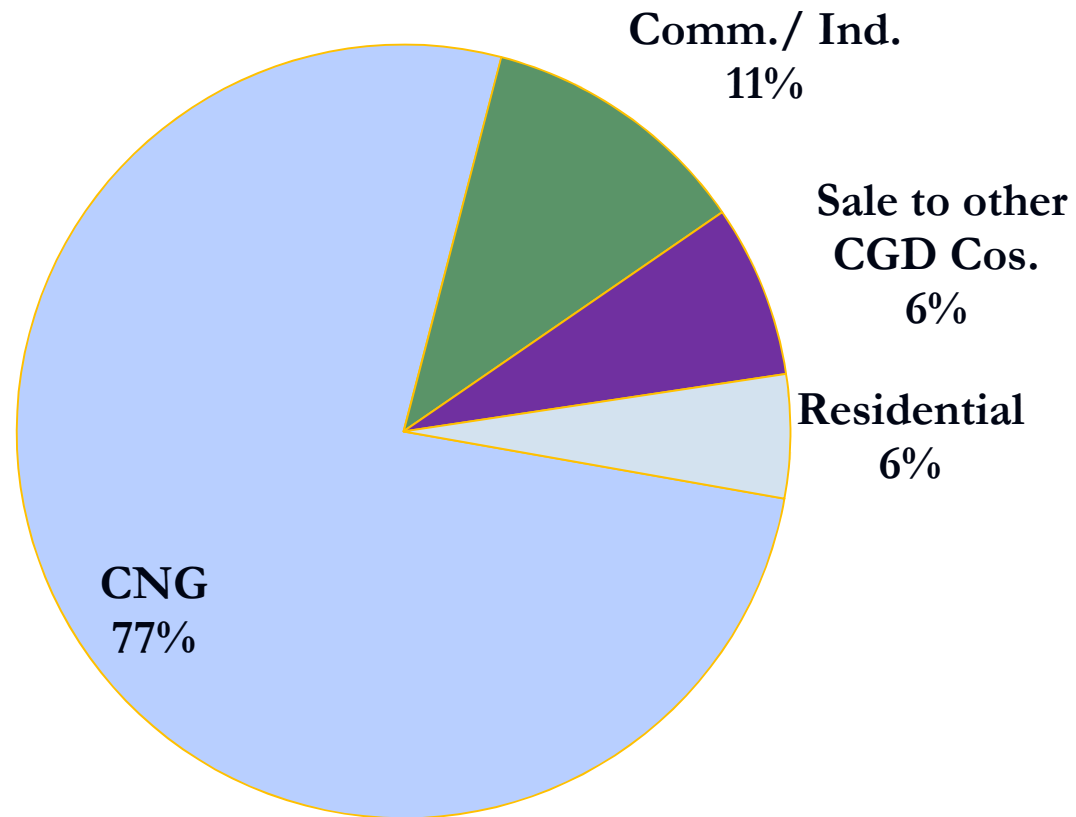
Management

- IGL Board is fairly well diversified with ten members including two each from GAIL and BPCL, one from Govt. of Delhi and five independent directors.
- The company is beneficiary of its strong parentage and gets significant support from GAIL and BPCL relating to operations and management.
- By virtue of the presence of Govt. of Delhi as a minority shareholder, the company gets support for speedy administrative approvals.
- The company has highly qualified senior management personnel with several years of experience in Oil & Gas sector.

Area of Operation

- Delhi: National capital of India has huge demand potential:
 - where all public transport vehicles have to be necessarily run on CNG in view of the directions of the Hon. Supreme Court of India.
 - has the highest number of private cars compared to any other city of India
 - thickly populated having large number of residential & commercial complexes and hospitals etc..
- Noida: Most advanced city of state of Uttar Pradesh having huge potential for CNG, PNG-Residential and commercial volumes.
- Greater Noida and Ghaziabad: Residential cum Industrial towns of Uttar Pradesh having huge potential demand for PNG Residential, Commercial and Industrial.

Segment & Current Sales Volume Mix



Sales Volumes

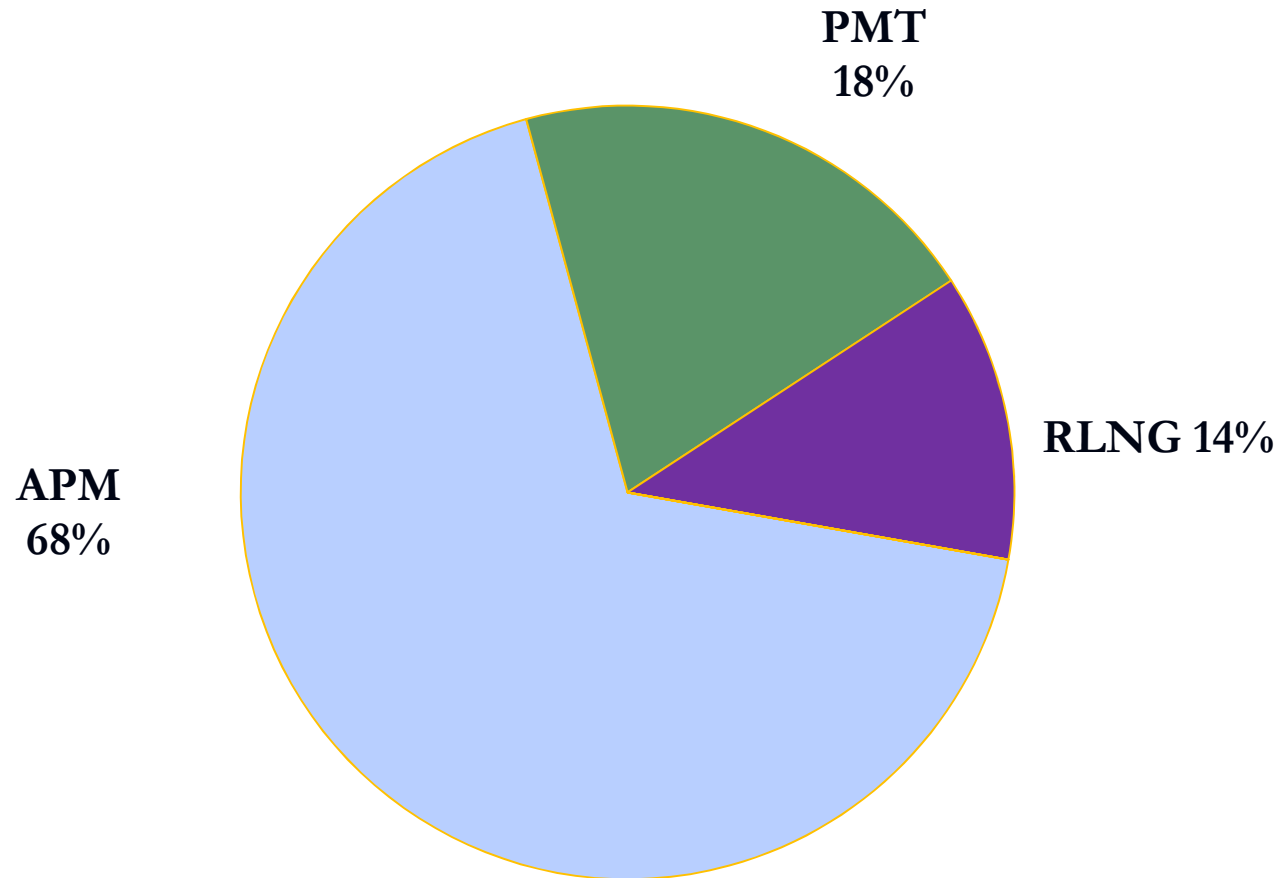
Figures in MMSCM

	FY11	FY12	FY13	FY14	FY15	CAGR last five years
CNG	818	936	1,005	1,028	1,073	6%
PNG	180	282	333	356	330	13%
Total Sale	998	1,218	1,338	1,384	1,403	7%
Daily Average Sale	2.73	3.34	3.67	3.79	3.84	7%

Gas Sourcing

- Firm allocation from Govt. of India of domestic gas for the entire consumption of CNG and PNG Domestic segment. Lower prices of domestic gas makes the economics of switching to gas more attractive driving growth in CNG & PNG- Domestic segments which constitute around 83% of the total sales volumes.
- Have tied up long term contract for RLNG to meet PNG Industrial & Commercial demand.
- Buying short term gas from the open market.

Current Gas Mix



Growth in CNG

PARAMETER	UNIT	March' 10	March' 11	March' 12	March' 13	March' 14	March'1 5
No of CNG Stations	Nos	241	278	308	324	325	326
Compression Capacity	(Lakh kg/day)	36.40	51.13	59.56	63.83	66.17	68.49
Average CNG Sale	(Lakh kg/day)	14.46	16.71	19.15	20.72	21.20	22.07

CNG Station Network

Figures in numbers

STATION	IGL	DTC/ UPSRTC	OMC	TOTAL
Online	126	53	115	294
Daughter Booster	2	0	30	32
Total	128	53	145	326

CNG Vehicles

Figures in numbers

	M arch' 11	M arch' 12	M arch' 13	M arch' 14	M arch' 15	CAGR last five years
Buses	16655	18839	18826	19566	19421	7%
Auto/LGV	121854	159123	193852	206352	228002	16%
RTV	11070	13007	14062	14039	13538	19%
Cars/Taxi	281802	359176	460926	514801	556156	21%
Total	431381	550145	687666	754758	817117	19%

PNG Users

Figures in numbers

CATEGORY	March' 11	March' 12	March' 13	March' 14	March' 15
Domestic	245000	332844	386696	459467	560752
Commercial / Industrial	520	862	1382	1876	2292
Total	245520	333706	388078	461343	563044

PNG Network

Figures in kilometers

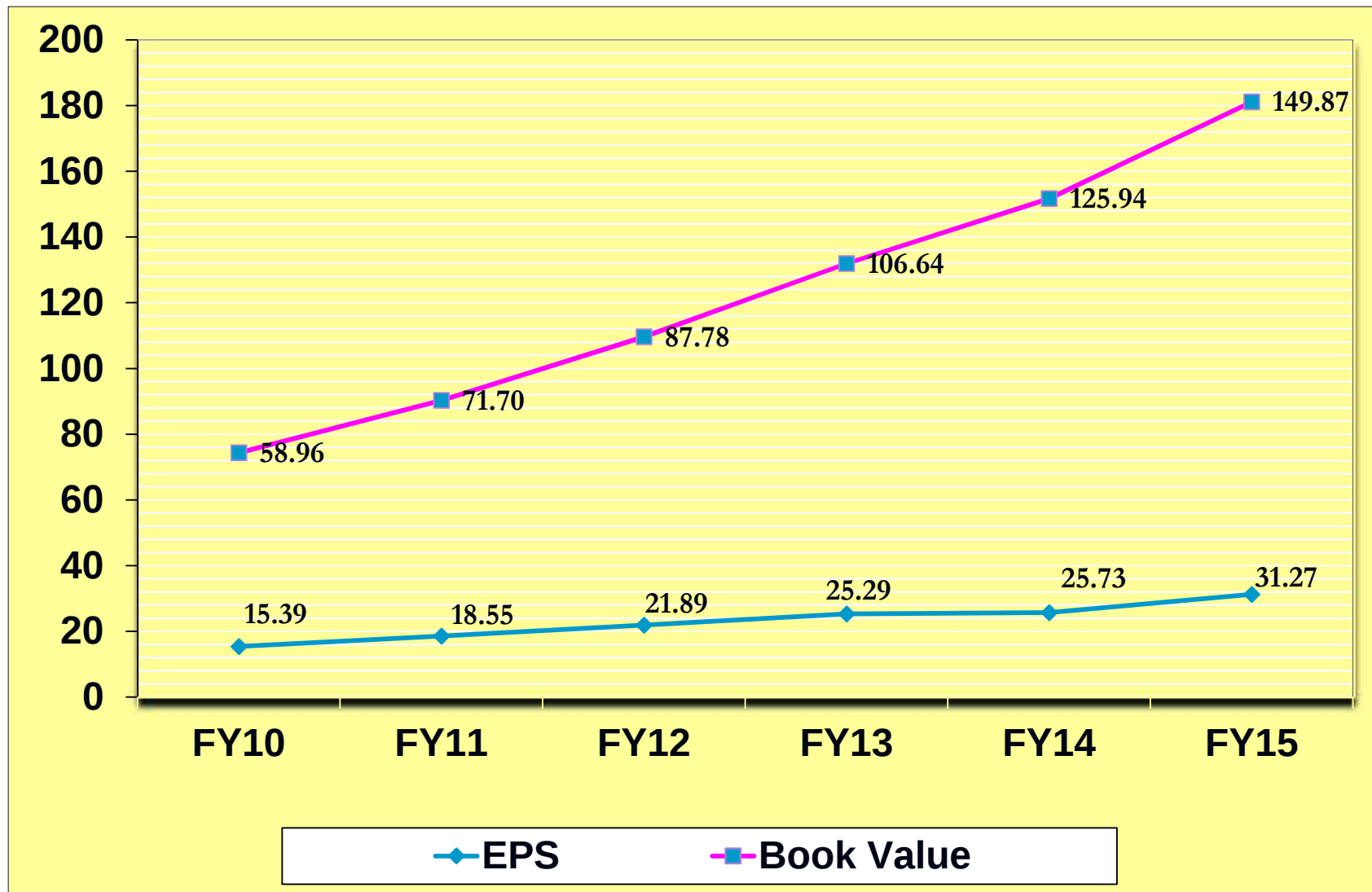
CATEGORY	March '11	March '12	March '13	March '14	March' 15	CAGR last five years
Steel Pipeline	421	574	631	658	681	18%
MDPE Pipeline	4420	6479	7783	8438	8966	31%
Total	4841	7053	8414	9096	9647	30%

Turnover, EBIDTA & PAT

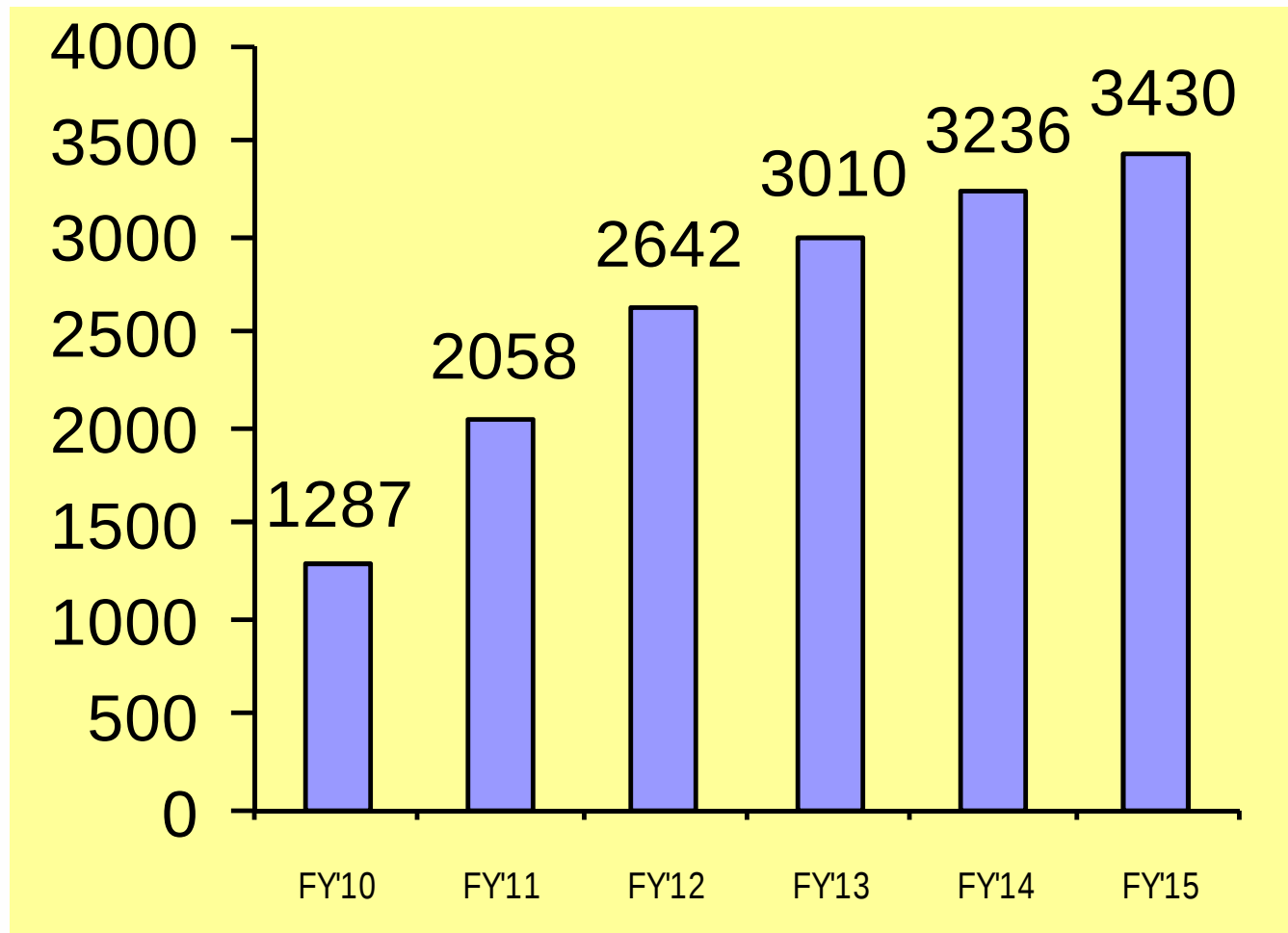
Rs./Crores

	FY11	FY12	FY13	FY14	FY15	CAGR
GROSS TURNOVER	1952	2790	3724	4319	4049	27%
EBIDTA	502	641	771	803	828	16%
PAT	260	306	354	360	438	15%

Book Value & EPS



Cumulative Capex (Rs. in crores)



Dividend

- Dividend Policy provides liberal payout
- Track record of last five years

<u>Year</u>	<u>% of equity</u>
FY11	50
FY12	50
FY 13	55
FY 14	55
FY 15 (Proposed)*	60

* subject to approval by shareholders

Growth-Strategy

- IGL has acquired 50% equity share capital of Central UP Gas Limited (CUGL) for Rs. 69 crores. CUGL is engaged in the CGD in the cities of Kanpur and Bareilly, Unnao & Jhansi in Uttar Pradesh.
- IGL has acquired 50% equity share capital of Maharashtra Natural Gas Limited (MNGL) at a price of Rs.38 per equity share aggregating to Rs. 180.50 crores. MNGL is engaged in the CGD in the city of Pune and nearby areas.

The above has resulted in diversification of geographical areas and consolidated earnings of IGL to improve by approx. 10 %.

Growth-Strategy

- Improve/Augment CNG infrastructure/Stations in Delhi & NCR to meet the additional demand in view of conversion of private cars and improvement in public transport system
- Improve penetration of PNG business :
 - Penetration of network in all charge areas
 - Target Industrial/Commercial customers in both Delhi & NCR
- Bidding for new cities
- Synergy

Credit Strength

- Healthy profitability with strong cash generations from operations.
- Maintaining low debt at present with debt equity ratio of 0.07.
- Comfortable working capital position.
- ICRA Limited (An associate of Moody's Investors Service) has reaffirmed highest credit ratings of AAA (Stable) for term loan and A1+ for short term loan.

Risks & Mitigations

■ Gas price

- CNG & PNG-Residential prices still remains competitive vis-à-vis petrol and subsidised LPG in view of allocation of domestic gas
- Spot/short term gas is purchased to reduce the weighted average cost of gas for I/C segment.

■ Sourcing of gas

- Firm allocation from Govt. of India for domestic gas - buying from GAIL.
- Buying Long term TRLNG gas from Promoter Companies GAIL/BPCL
- Buying short term gas from the open market i.e. IOCL, GSPCL & Shell etc.

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