

गेल (इंडिया) लिमिटेड

(भारत सरकार का उपक्रम - महारत्न कंपनी)

GAIL (India) Limited

(A Government of India Undertaking - A Maharatna Company)

October 25, 2016

गेल भवन.

GAIL BHAWAN,

16 भीकाएंजी कामा प्लेस नई दिल्ली-110066, इंडिया

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ND/GAIL/SECTT/2016

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 Release regarding "Hon'ble Prime Minister Lays
Foundation Stone of Varanasi City Gas Distribution Project"

The above is for your information and record please.

Thanking you,

Yours faithfully,

(A.K.Jha)

Company Secretary Encl.: As above

Copy to:

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 AG, Filiale Mumbai TSS & Global Equity Services The Capital, 14th Floor C-70, G Block, Bandra Kurla Complex Mumbai -400051 K/A-Sh. Alan Lopes

GAIL (INDIA) LIMITED

PRESS RELEASE

Hon'ble Prime Minister Lays Foundation Stone of Varanasi City Gas Distribution Project

- · 'Urja Ganga' to arrive soon in the holy city of Varanasi
- · CGD project a Deepawali gift to the city
- Host of other projects also dedicated and flagged off
- GAIL to invest Rs 1,000 crores for the CGD project
- 50,000 households, 20,000 vehicles to benefit

Varanasi, October 24, 2016: Heralding the arrival of 'Urja Ganga' in the city of Varanasi, Hon'ble Prime Minister Shri Narendra Modi today laid the foundation stone of the City Gas Distribution (CGD) project in a function here in presence of Hon'ble Governor, Uttar Pradesh Shri Ram Naik, Hon'ble Union Minister of State (Independent Charge) for Petroleum and Natural Gas, Shri Dharmendra Pradhan, Hon'ble Union Minister of State (Independent Charge) for Communications and Minister of State for Railways Shri Manoj Sinha, Hon'ble Union Minister of State for Human Resources Development Dr. Mahendra Nath Pandey, Hon'ble Union Minister of State for Health and Family Welfare Smt. Anupriya Patel, Minister of Khadi and Village Industries, Government of Uttar Pradesh Shri Brahmashankar Tripathi, Member of Parliament Shri Keshav Prasad Maurya, Member of Parliament Shri Ramcharit Nishad, Varanasi Mayor Shri Ram Gopal Mohale and a host of other dignitaries.

The laying of the foundation stone heralds the start of construction of the CGD project which will bring eco-friendly fuel natural gas to households, vehicles and industries in the holy city of Varanasi. The project is part of GAIL (India) Limited's Jagdishpur – Haldia and Bokaro – Dhamra Pipeline project (JHBDPL), popularly known as 'Urja Ganga'.

The Hon'ble Prime Minister also dedicated the 765/ 400 KV GIS Varanasi Power Station, inaugurated the Varanasi Postal Region, dedicated the Expansion Project of Diesel Locomotive Works (Phase - I), laid the foundation stone for doubling and electrification of Allahabad – Varanasi Rail Line, released a commemorative postage stamp on Varanasi City and laid the foundation stone of Perishable Cargo Centre.

The Varanasi CGD project will be developed simultaneously with the Jagdishpur — Haldia and Bokaro — Dhamra Pipeline project, which is being done for the first time in the country. The project, with an estimated capital investment of Rs.1,000 crores, is expected to connect 50,000 households with piped natural gas (PNG) and provide compressed natural gas (CNG) to 20,000 vehicles through 20 CNG stations. About 800 km of steel and medium density polyethylene (MDPE) will be laid in the city as part of the project. With the coming of the CGD project, it will be possible to give five lakh LPG connections to households in rural areas.

The 2,540 km JHBDPL project is being executed at an investment of Rs 12,940 crores, which includes 40% capital grant (i.e. Rs 5,176 crores) from the Government of India. It will pass through five states, i.e. Uttar Pradesh, Bihar, Jharkhand, Odisha and West Bengal, covering 40

districts. GAIL has also been entrusted with developing CGD network in seven cities enroute the pipeline, i.e., Varanasi, Patna, Jamshedpur, Kolkata, Ranchi, Bhubaneswar and Cuttack.

GAIL (India) Limited is India's No. 1 Integrated Natural Gas company with a market share of over 75% in natural gas transmission. Apart from being a leader in India GAIL is also ranked as No. 1 amongst Gas utility companies in Asia. With over 11,000 Kms of Natural gas network, GAIL supplies India's fuel requirements across sectors like Power, Fertilizer, Industrial, Automotive and even Household consumers. Apart from natural gas transmission, distribution and processing, the Company has diversified business interests in Petrochemicals, LPG transmission, City gas projects and Exploration and Production activities. The company is committed to expand its current network to 15,000 km within 5 years.