

GGL/SEC/2024/1339

30th August, 2024

BSE Limited, Phiroze Jijibhoy Tower, Dalal Street, Mumbai Company Code: BSE-539336	National Stock Exchange of India Ltd, Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai Company Code: NSE-GUJGASLTD
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Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Respected Sir/ Madam,

We are pleased to enclose herewith the Press Release on the Composite Scheme of Arrangement and Amalgamation under Section 230 to 232 of the Companies Act, 2013, approved by the Board at its Meeting held today i.e. 30th August, 2024. The same will also be made available on the website of the Company viz. www.gujaratgas.com.

The Board Meeting held today commenced at 7.25 p.m. and concluded at 8.00 p.m.

This is for your information and record.

Thanking you,

For, Gujarat Gas Limited

Sandeep Dave
Company Secretary

Encl: As above

Press Release:**GSPC Group announces Scheme of Arrangement & Simplification of Corporate Structure**

The group aims at transforming itself into a large conglomerate with consolidated business presence across the Energy value chain

August 30, 2024:

The Board of Directors of Gujarat State Petroleum Corporation Limited ('GSPC'), Gujarat State Petronet Limited ('GSPL'), and Gujarat Gas Limited ('GGL') in their board meeting held today approved the restructuring scheme among the group entities. The proposed restructuring will eliminate the layered structure of the GSPC Group, unlocking value for its various stakeholders including public at large, and will include the following transactions:

- i. Merger of GSPC with GGL: Issuance of 10 (Ten) fully paid equity shares of INR 2/- (INR Two only) each of GGL for every 305 (Three Hundred and Five) fully paid equity shares of INR 1/- (INR One only) each held by the shareholders in GSPC.
- ii. Merger of GSPL with GGL: 10 (Ten) fully paid equity shares of INR 2/- (INR Two only) each of GGL for every 13 (Thirteen) fully paid equity shares of INR 10/- (INR Ten only) each held by the shareholders in GSPL
- iii. Merger of GSPC Energy Limited ('GEL') with GGL.
- iv. Demerger of the gas transmission business from GGL into the newly incorporated entity GSPL Transmission Limited ('GTL'): Issuance of 1 (One) fully paid equity share of INR 10/- (INR Ten only) each of GTL for every 3 (Three) fully paid equity shares of INR 2/- (INR Two only) each held by the shareholders in GGL

The merger of GSPC with GGL, by combining the inter-linked businesses, will unlock business synergies, amplifying the scale of operations and improving efficiency due to optimum utilisation of resources. The elimination of related party transactions will improve GGL's EBITDA and RoCE. The synergistic benefit will also increase the market share of gas trading business while enabling focused growth strategies in other Energy sectors.

The merger of GSPL with GGL and subsequent demerger of the natural gas transmission business will lead to simplification of the existing layered structure between GSPL and GGL. The main objective of demerger is to ensure adherence to the regulatory compliance and enable potential value unlocking for GSPL shareholders and enable the business to grow independently. The resulting company, namely, GSPL Transmission Limited (GTL), will have equity shares listed on the stock exchange.

Overall, over the years, the GSPC group has grown manifold, with diverse business presence across the entire natural gas value chain. Each of the companies enjoy leadership market position in their respective domain and inherent synergies are present amongst each of the group companies.



At this point in time, the management found it prudent to scale up the companies and consolidate the existing businesses with the main objective to simplify the layered structure in pursuance to which the board has today approved the scheme. This scheme will firmly empower GGL and GTL to independently pursue their growth strategies with sharper focus, avail internal synergies, and ultimately increase their scale of operations. The scheme entails value unlocking for the shareholders of the resulting company, GTL, and enable independent market driven valuation of GTL.

The management's business growth projections for GGL estimate it to become one of India's largest integrated players with presence in gas trading & city gas distribution business. GGL will be able to better leverage the combined assets and expand capital base all put together, enhancing profitability and return ratios on account of varied gas sourcing portfolios. The cash flow generated by the combined businesses can be deployed more efficiently in future to fund organic/inorganic opportunities."

Group Company Highlights:

Gujarat State Petroleum Corporation Limited ('GSPC')

- GSPC 'India's 2nd largest Natural Gas Trading Company' merges its business into GGL with the below:
 - Traded average gas sales volume of 15 mmscmd over a period of 5 years with the support of long term gas sourcing contracts
 - Imported more than 400 LNG cargoes till June, 2024
 - Profitable company with higher synergies with GGL – with Revenue of more than ~Rs. 1,00,000 crore and PAT of more than ~Rs.6,500 crore in last 5 years.
 - Debt free Company with Credit Rating of CARE AA (stable)/ CARE A1+
 - Prudent working capital management and lean balance sheet
 - Inherent listing of the gas trading business
 - Increase the market share of gas trading business
- Eliminates related party transactions between GSPC and GGL
- GSPC currently owns 37.63% stake in GSPL

Gujarat State Petronet Limited ('GSPL')

- GSPL 'India's 2nd largest Natural Gas Transmission Company' merges its business into GGL and thereafter the natural gas transmission business demerges into a separate entity 'GSPL Transmission Limited' (GTL) which will be subsequently listed on the stock exchange
- Operating robust natural gas pipeline network of 2706 kms
- Average gas transportation volume for last 5 Financial years- 33 mmscmd
- Debt free company with Credit Rating of CARE AA+ stable/ CARE A1+
- Profitable company – with Revenue of Rs. 10, 998 crore and PAT of Rs. 5,242 crore in last 5 years.
- GSPL currently owns 54.17% stake in GGL
- The equity shares of GTL will be listed on BSE Limited and National Stock Exchange of India Limited



- **GTL** will independently operate and run the gas transmission business thereby complying with the regulatory norms. It will retain its position of being **India's 2nd largest Natural Gas Transmission Company**

Gujarat Gas Limited ('GGL')

- GGL 'India's Largest City Gas Distribution Company' will have all the entities housed under its roof other than the natural gas transmission business that will be listed separately under the name 'GSPL Transmission Limited' (GTL)
- The equity shares of GGL are listed on BSE Limited and National Stock Exchange of India Limited.
- Operating CGD network in 27 Geographic Areas spread across 6 State and 1 Union Territory in India
- Catering more than 22 lakhs PNG Domestic connections, more than 4400 PNG Industrial connections and more than 15,200 PNG commercial connections with the development of robust steel and MDPE pipeline network of more than 40,200 kms
- Operating more than 810 CNG stations
- Debt free company with Credit Rating of CRISILCARE and India Ratings AAA(Stable)/A1+
- Profitable company with Revenue of Rs. 71412 crore and PAT of Rs.6,442 crore in last 5 years.
- **GGL** will become the **only CGD Company** having access and expertise to varied sourcing portfolio directly from domestic and international market and regasification capacity tie-up resulting in business synergy