

**PETRONET
LNG
LIMITED**

**PETRONET LNG LIMITED
NEW DELHI**

FUTURE OF NATURAL GAS IN INDIA

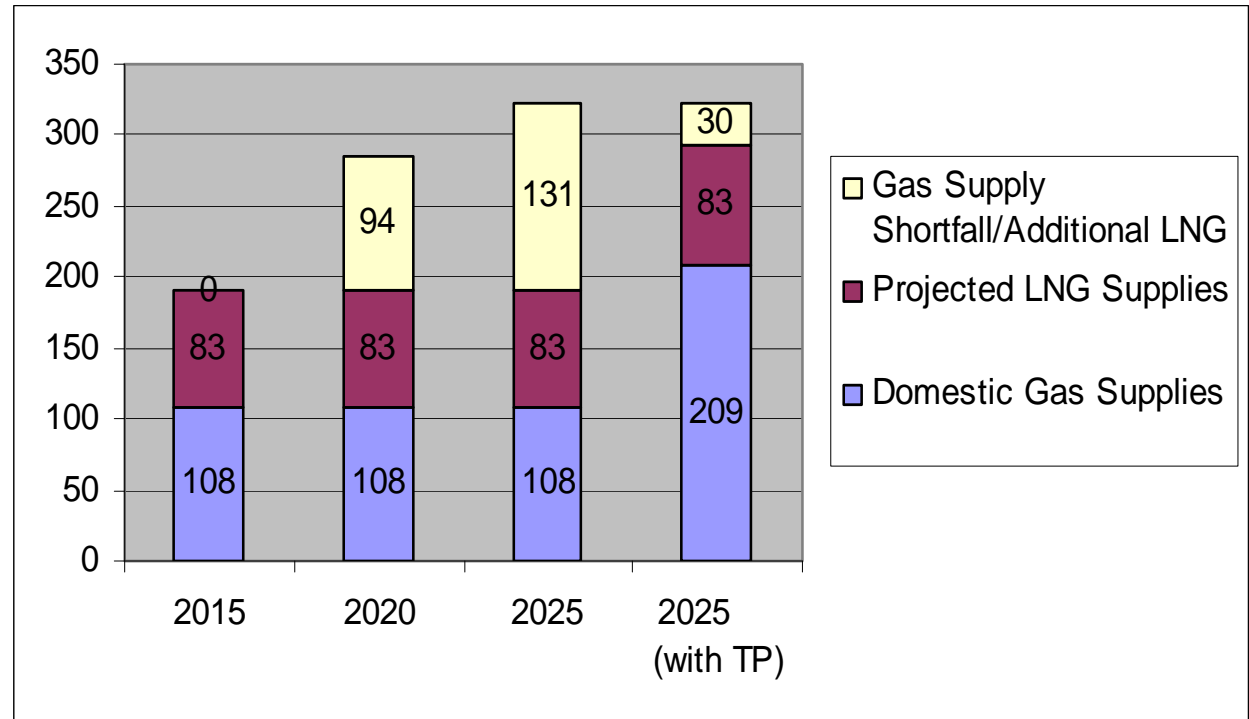


- The factors which will affect the extent and profile of India's future Natural Gas demand would depend on:
 - Development of Natural Gas Pipeline Grid;
 - Implementation of Regulatory regime and de-regulation of the domestic gas market.
- The potential demand of Natural Gas in India over the period 2025 is based on the assumption that India's GDP will grow at an average annual rate at 6.5% in the "Reference Case"; and at an average annual rate of 9% in the "High Growth Scenario".

POTENTIAL GAS DEMAND AND SUPPLY (REFERENCE CASE SCENARIO)



(MMSCMD)

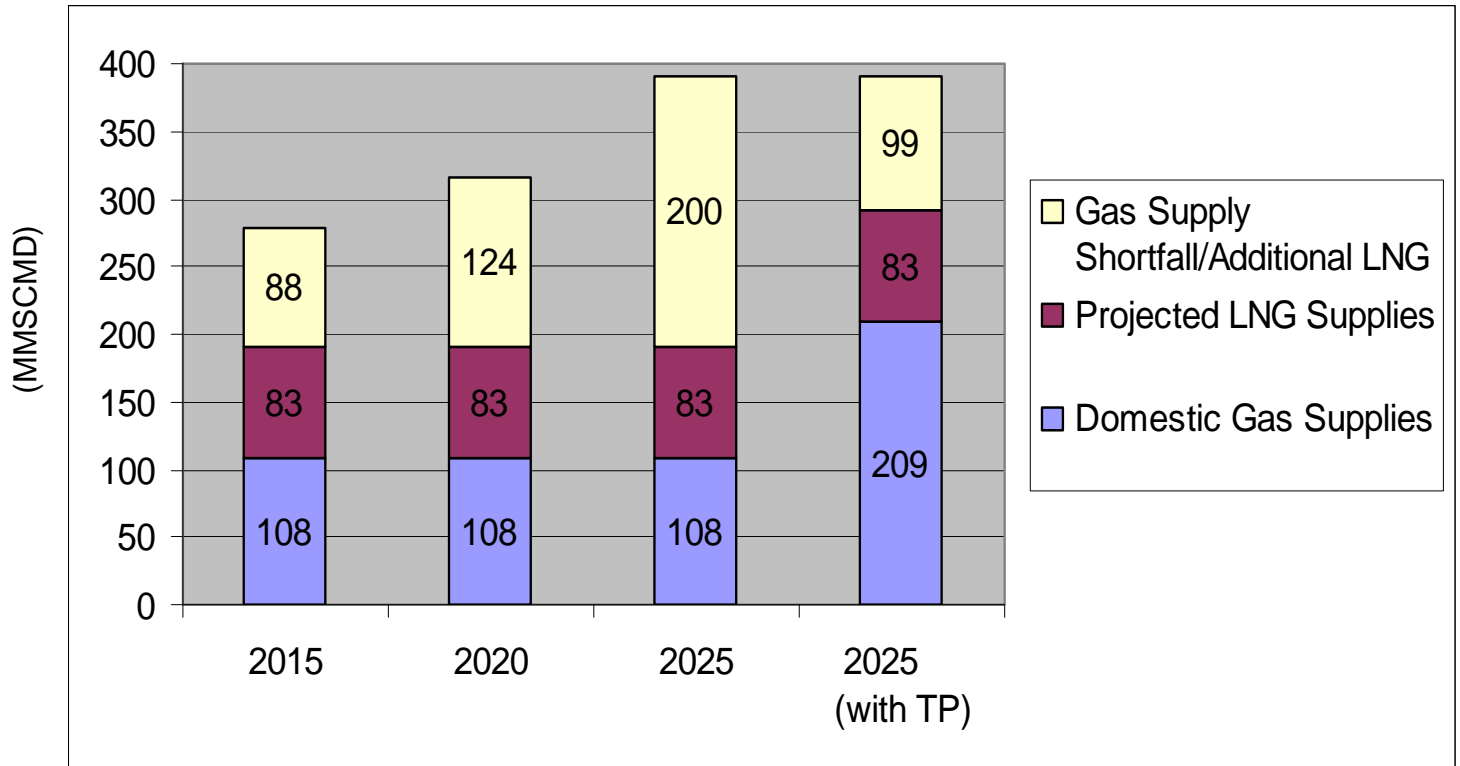


TP : Transnational Pipelines

Projected Demand (MMSCMD)	2015	2020	2025
	191	285	322



POTENTIAL GAS DEMAND AND SUPPLY (HIGH GROWTH SCENARIO)



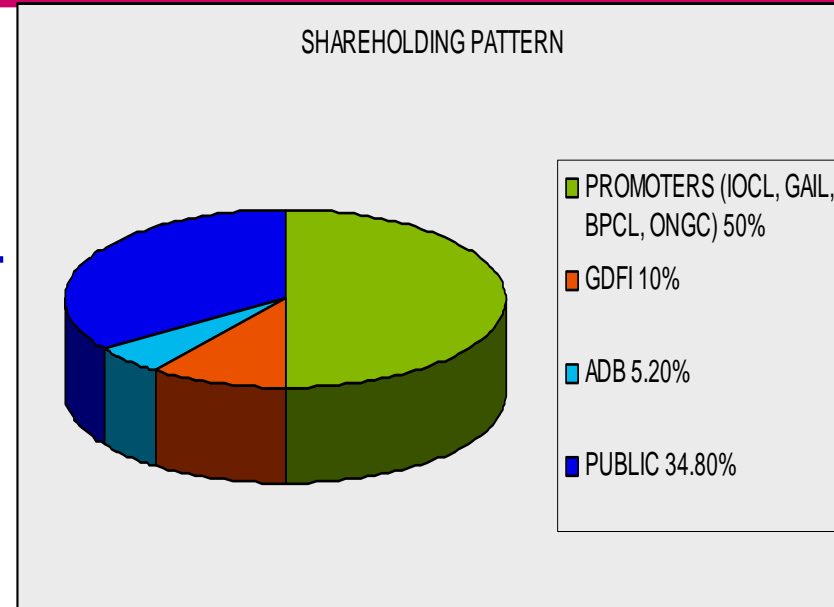
TP : Transnational Pipelines

Projected Demand (MMSCMD)	2015	2020	2025
	279	315	391

PLL – DAHEJ TERMINAL

Shareholders

**ONGC, BPCL, GAIL, IOCL
GDFI (Strategic Partner)
Asian Development Bank
Institutions & Public**



Dahej

Terminal operating at 6.5 MMTPA capacity

5.0 MMTPA sourced through Long Term Contract with RasGas

1.5 MMTPA being sourced through Spot/Short Term Contracts

Connected to major trunk pipelines covering 7 States

Supplying 25% of total gas consumption



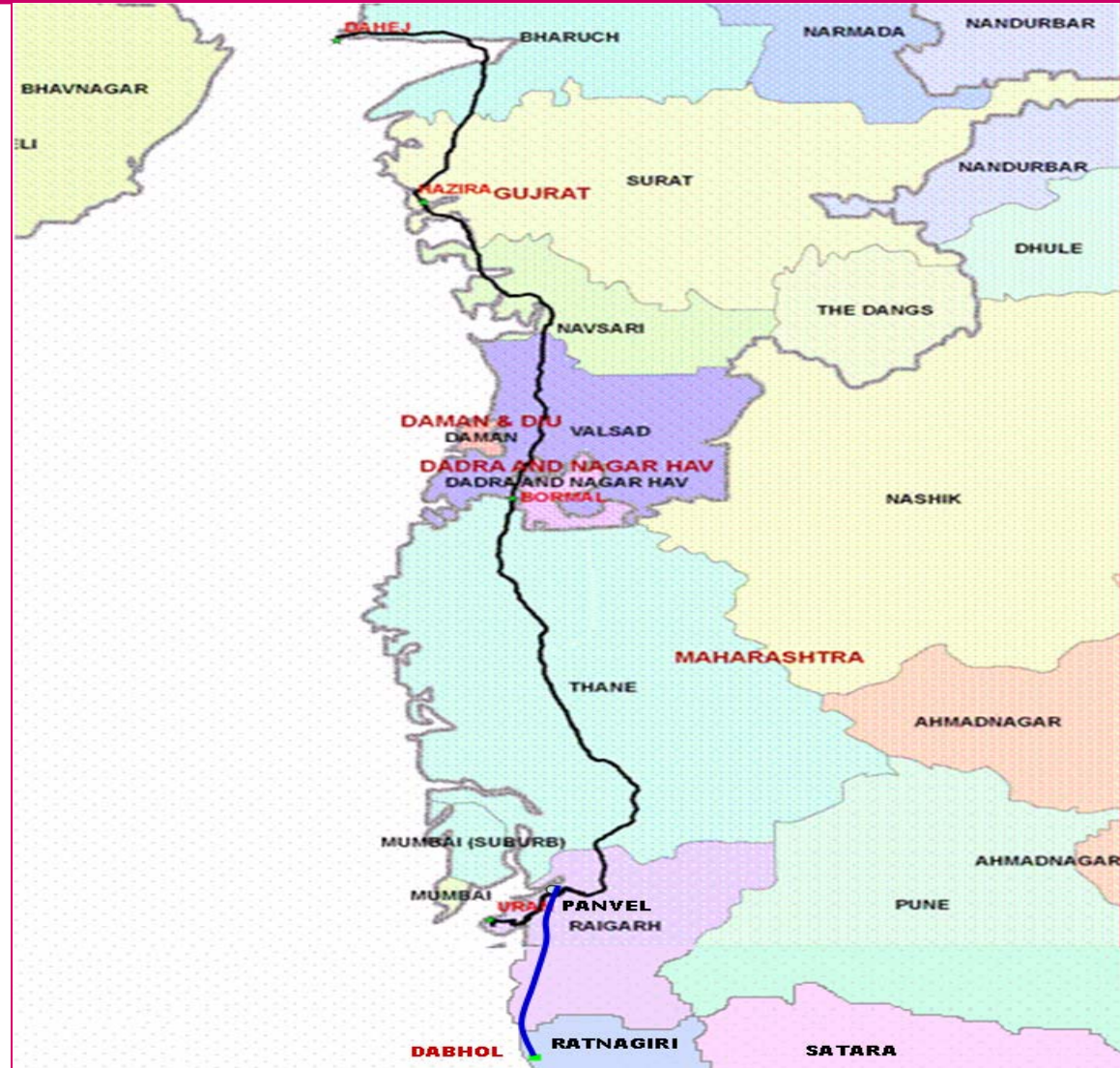
DAHEJ EXPANSION contd



- EPC for Expansion awarded to IHI (Consortium)
- TCA for one vessel of 154800 M³ awarded to MOL (Consortium)
- Increase in capacity from 5 MMTPA to 12.5 MMTPA at an incremental investment of approx. \$ 360 Million.
- Funding in the overall Debt - Equity mix of 70:30
- No dilution of Equity required
- Existing marine facilities adequate to handle up-to 12.5 MMTPA
- Financing offered by ADB & KfW
- Financial closure for Dahej Expansion - October, 2005
- Completion of Dahej Expansion – December 2008

.....*Increase in shareholders' wealth*

DAHEJ (GUJARAT) – MAHARASHTRA PIPELINES

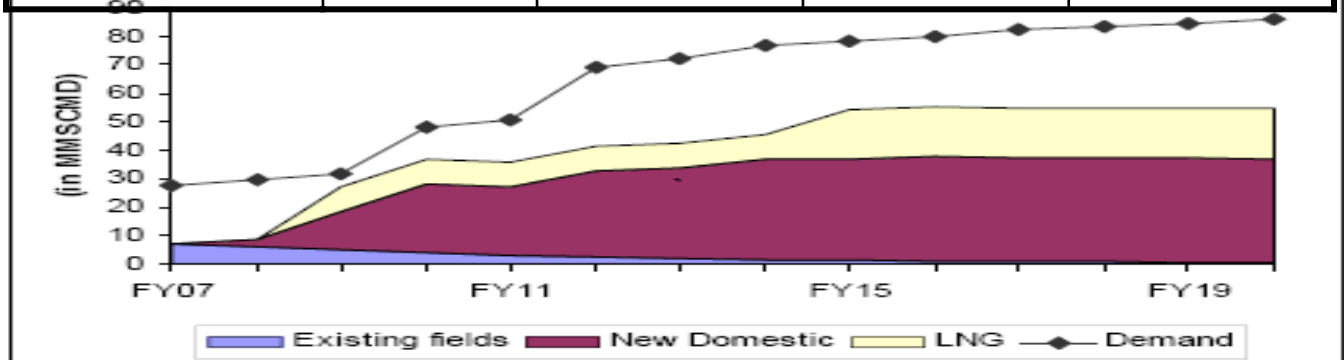


Dahej -Uran Pipeline Panvel -Dabhol Pipeline

KOCHI TERMINAL need?

- CRISIL (Subsidiary of S&P) Market Study envisages aggregate incremental demand of 37 MMSCMD by 2020

MMSCMD	FY07	FY10	FY15	FY20
Power	18	28	53	54
Fertilizer	8	9	9	9
Distribution	0	4	9	13
Industry	2	5	6	8
Steel	0	2	2	2
Total	28	48	78	86
Supply	7	19	48	49
Deficit	(21)	(29)	(30)	(37)



KOCHI LNG TERMINAL - SALIENT FEATURES



- LNG Terminal is a part of newly created Special Economic Zone and PLL would be one of the Co-developers of S.E.Z.
- Nominal Capacity - 2.5 MMTPA (10 MMSCMD) Expandable to 5.00 MMTPA (20 MMSCMD)
- Financial Closure – Achieved

Facilities:

- Jetty & other Marine Facilities for handling ship sizes (65000 m3 to 216000 m3)
- Unloading and vapor return arms
- Two Full Containment Storage Tanks (155000 M3 net Capacity)
- In-tank Pumps
- Boil off Compressors
- Re-condenser
- Booster Pumps
- 2 High Pressure Shell & Tube Vaporizer.
- 1 High Pressure Shell & Tube Vaporizer for Heat Recovery from GTG.
- 1 Submerged Combustion Vaporizer.
- Metering Units, Gas Turbine Generators
- Air Heaters, Utilities
- Cold Heat Recovery, Condensate Water Storage

Additional investment on Vaporizer Plant/Utilities for handling 5 MTPA will be of US\$90 million (approx).

PRE-PROJECT ACTIVITIES COMPLETED

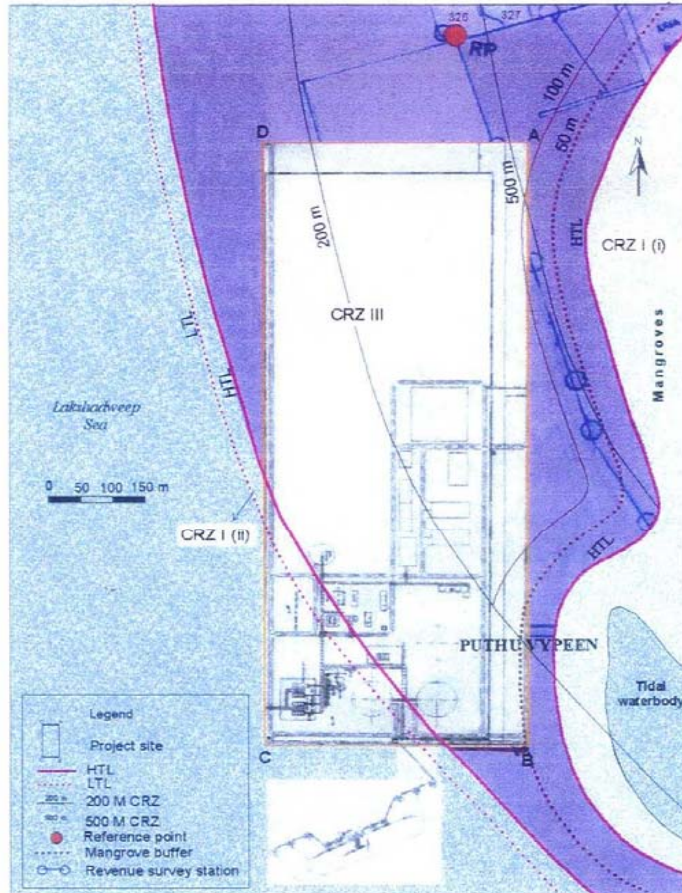


- Land Survey & Soil Investigation.
- Seabed Engineering & Oceanographic Investigations.
- Marine Geo-technical Investigations.
- Rapid & Comprehensive Marine & Terrestrial Environmental Impact Assessment Study.
- Physical & Mathematical Model Studies.
- Marine & Terrestrial Risk Analysis.
- Detailed Feasibility Report.
- Basic Engineering Package.

✓ **Land Filling and Boundary Wall**

- **Land Filling and Site Grading - In progress**
- **Boundary Wall - Completed**

CLEARANCES & APPROVALS OBTAINED



COASTAL REGULATION ZONE MAP OF THE PROJECT AREA BASED ON SURVEY DURING APRIL 2000

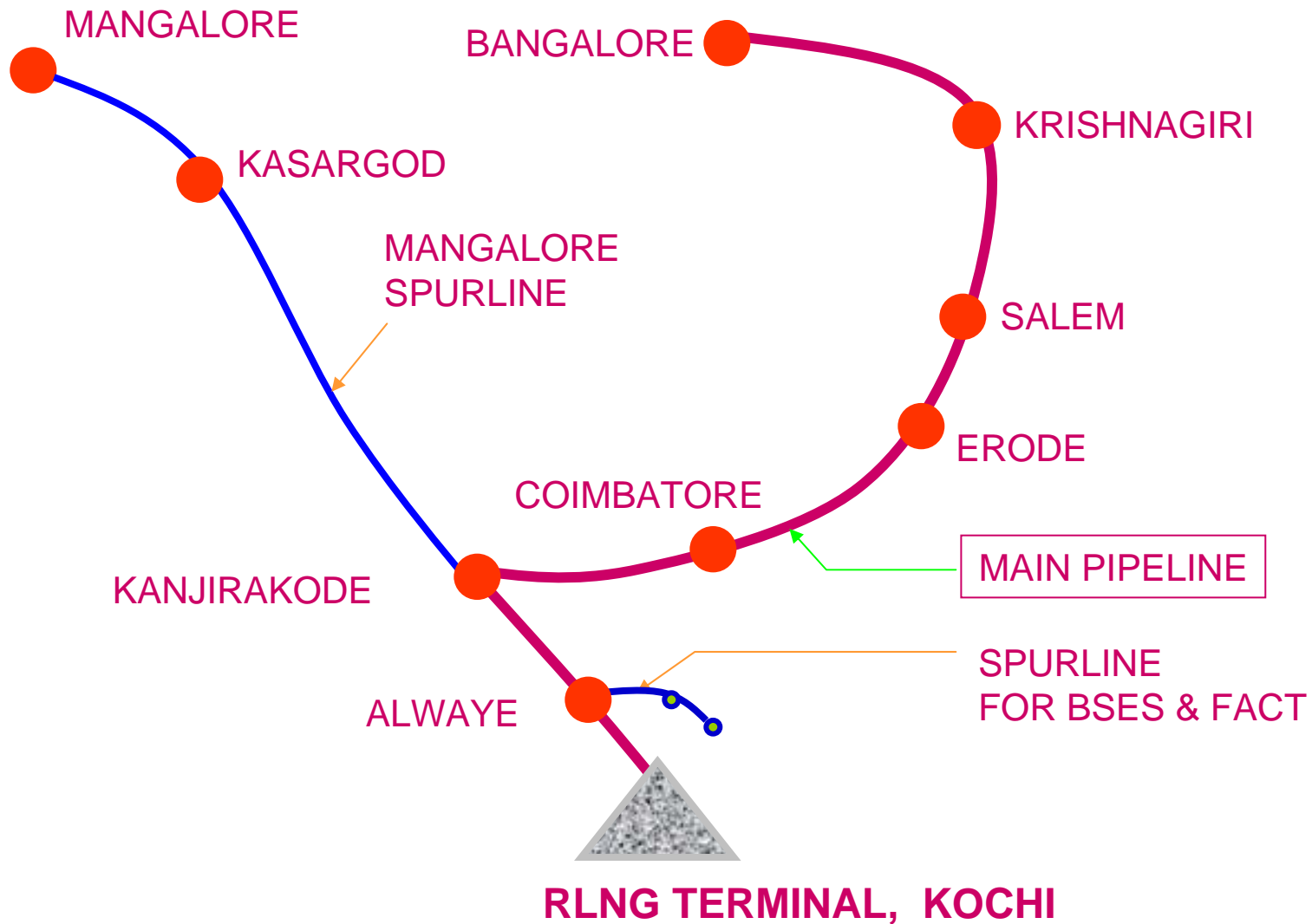
(Location map and layout of the project as provided by Petronet LNG)



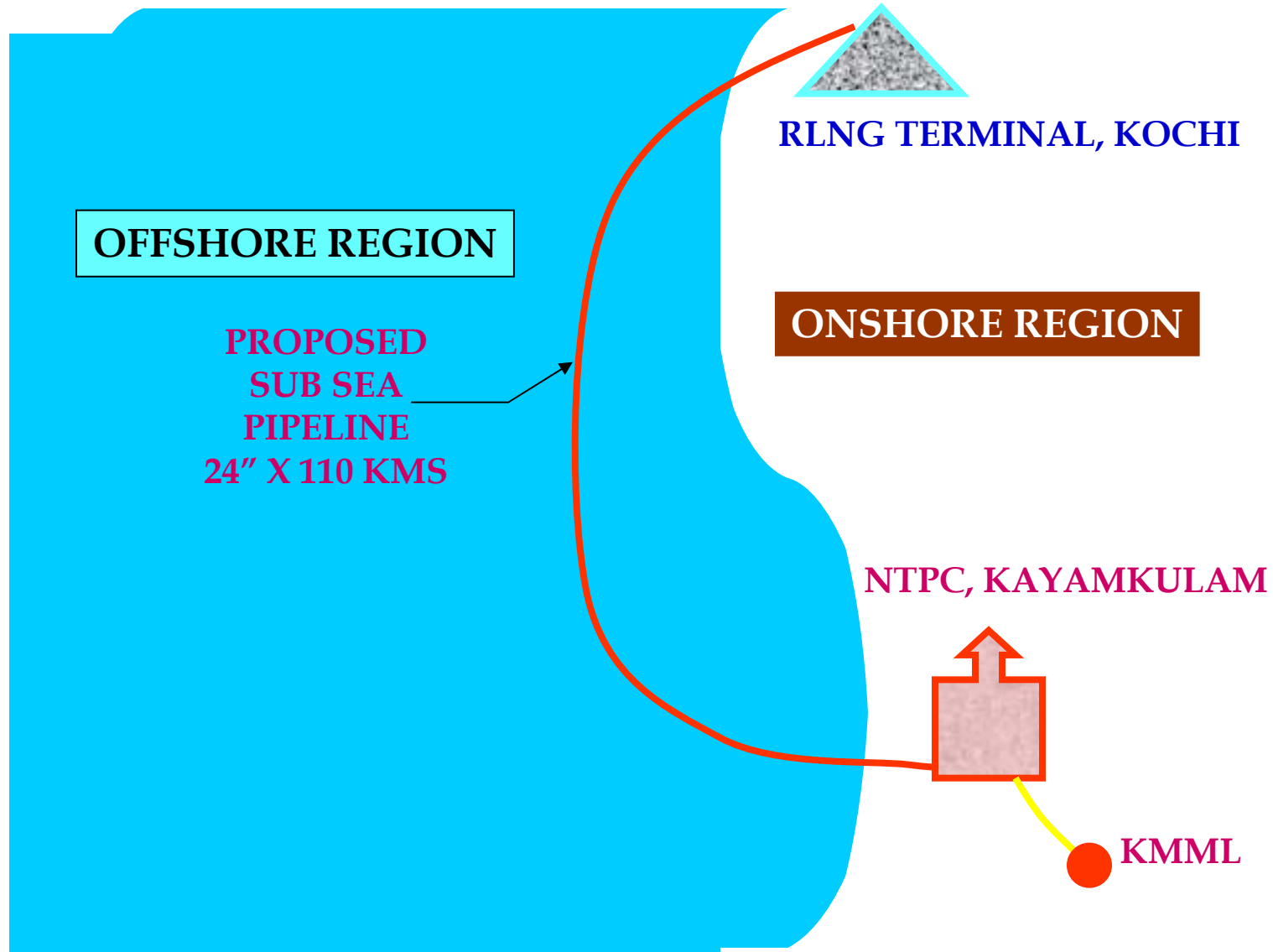
Dr. N. P. Kurian
Head, Marine Sciences Division
Centre for Earth Science Studies
Akkulam, Thiruvananthapuram-695 031

- Exemption for Coastal Regulatory Zone
- Clearance from State Environment Department
- NOC from Ministry of Environment & Forest (MOEF), Government of India
- NOC from Kerala State Pollution Control Board
- Clearance from Chief Controller of Explosives
- Clearance from Civil Aviation Authority & Southern Naval Command
- Clearance from State Department of Forest & Wildlife
- NOC from Fisheries Department

ROUTE MAP OF KOCHI-KANJIRKOD-MANGALORE / BANGLORE PIPELINE



ROUTE MAP OF KOCHI-NTPC KAYAMKULAM SUB SEA PIPELINE



KOCHI LNG TERMINAL – PROJECT IMPLEMENTATION SCHEDULE



DESCRIPTION	Estimated Schedule
Short-listing of Bidders	Completed
Environmental Clearance	Completed
Marine Studies (Revised)	Completed
Bid Package Finalization - EPC/ VESSEL	Completed
Issue of Bid Package to Pre-qualified Bidders - EPC/ VESSEL	Completed
Pre-bid Conference	Completed
Issue of clarifications	Completed
Receipt of Techno -Commercial Bids	Completed
Financial Closure	Completed
Evaluation of Techno – Commercial Bids	Completed
Award of Contract – EPC (LNG Storage Tank)	Completed
Mechanical Completion	3rd Quarter, 2011

PLL- FINANCING STRUCTURE (US\$ Million)



Particulars	Dahej	Dahej Expansion	Kochi	Total
Equity Capital	170	-	-	170
Internal accruals/Premium	-	85*	140*	225
FCCBs (to Strategic Partner)	-	-	100#	100
Shareholders Fund	170	85	240	495
Debt	280	275	610	1165
Total Means of Finance	450	360	850	1660

•PLL generates approx. US\$ 100 Million cash from its existing operations. After servicing shareholders, the balance will be used to finance Expansion Projects.

PLL proposes issuance of Foreign Currency Convertible Bonds (FCCBs) of US\$100 Million (equivalent to approx. 10% of Equity Capital) to Strategic Partner.

FINANCIAL PERFORMANCE

Particulars	Quarter ended 30.06.2008		Quarter ended 30.06.2007	
	Rs. Million	US\$ Million	Rs. Million	US\$ Million
Quantitative Details (TBTU)	78.82	78.82	78.62	78.62
Net Sales/Income from Operations	16,459	387	15,510	378
Other Income	167	4	116	3
Total Revenue	16,625	391	15,626	381
Total Operating Expenditure	14,541	342	13,460	328
Finance Charges	251	6	257	6
PBD&T	1,833	43	1,909	47
Depreciation	255	6	254	6
Profit before tax	1,578	37	1,655	41
Provision for Taxation	522	12	575	14
Net Profit	1056	25	1080	27
Cash Profit	1322	31	1494	36
Earning Per Share (Rs) (not annualized)	1.41		1.44	

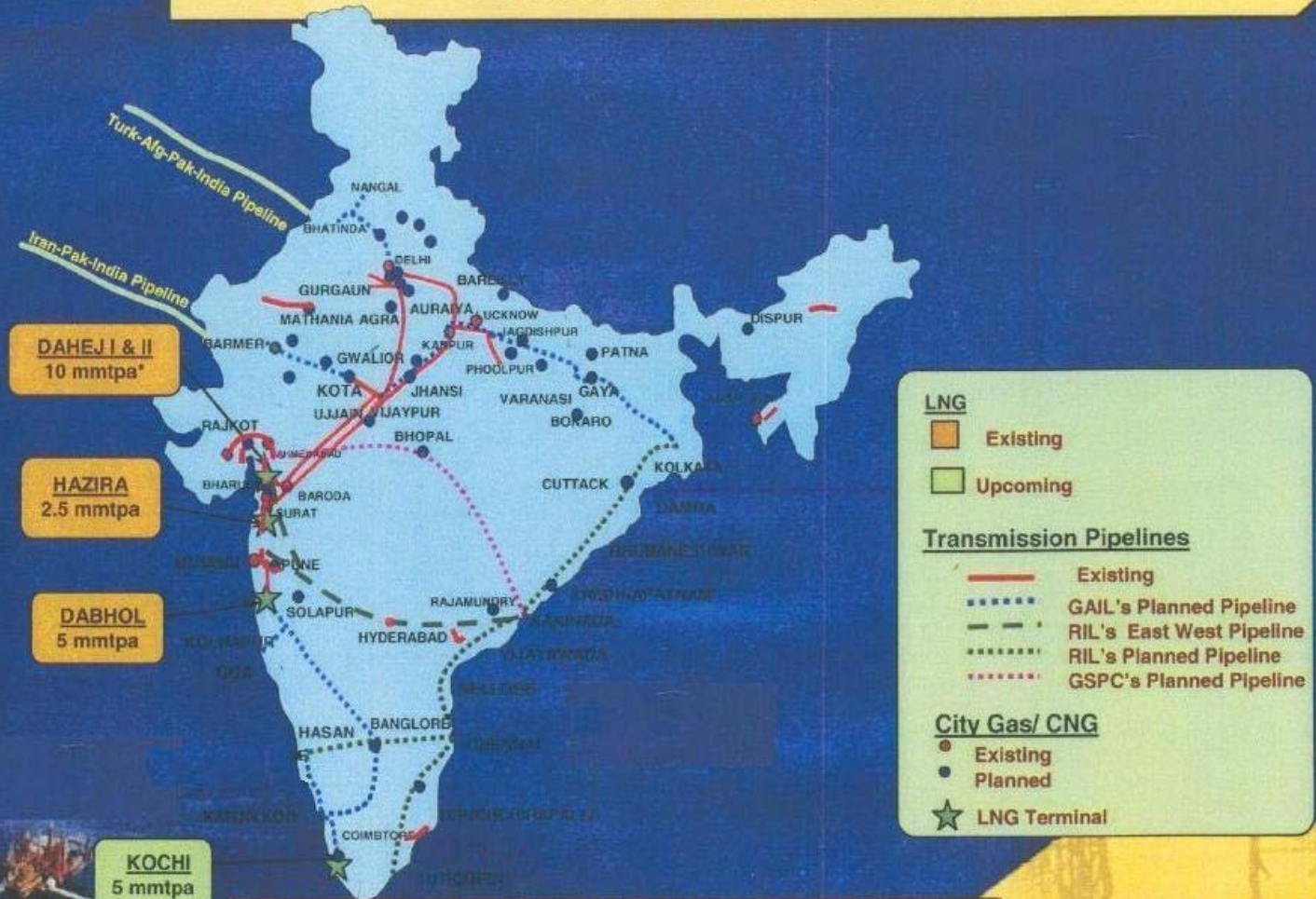
FINANCIAL PERFORMANCE

Particulars	Year ended 31.03.2008		Year ended 31.03.2007	
	Rs. Million	US\$ Million	Rs. Million	US\$ Million
Quantitative Details (TBTU)	322	322	290	290
Net Sales/Income from Operations	65,553	1639	55,090	1252
Other Income	536	13	366	8
Total Revenue	66,089	1,652	55,455	1260
Total Operating Expenditure	56,892	1,422	48,609	1105
Finance Charges	1024	26	1,070	24
PBD&T	8,174	204	5,776	131
Depreciation	1022	26	1,020	23
Profit before tax	7,152	179	4,756	108
Provision for Taxation	2,405	60	1,623	37
Net Profit	4,747	119	3,133	71
Cash Profit	5,988	150	5,237	119
Earning Per Share (Rs)	6.33		4.18	

NATIONAL GAS GRID & LNG PLANTS (Existing and Proposed)



PIPELINE INFRASTRUCTURE – EXISTING & FUTURE



INTEGRATED GRID TO LINK ANY SOURCE TO ANY MARKET

PILOT PROJECT PHASE-I

Current Status

- ❖ **Truck Loading Facilities Commissioned**
- ❖ **Regasification Facilities set up at Customers end**
- ❖ **Supply Commenced:**
- ❖ **Schott Glass India Pvt. Ltd. at Jambusar (Gujarat) – around 100 Kms**
- ❖ **H&R Johnson Pvt. Ltd. (Ceramic Industry) at Pen (Maharashtra) - around 475 Kms**





THANKS