Impact Assessment of Gas Price Hike on Different Industries and Overall Gas Sector in India

Description: Government of India recently doubled natural gas prices from the existing $4.2 mmbtu to $8.4-8.5 per mmbtu. This is the first hike in gas prices in three years and will come in effect from April 1, 2014. The new price is based on the formula derived by Rangarajan committee. The move seems to have changed the prospect around entire gas sector and the same seems to have taken a leap of faith overnight. The premise given by government for this gas price hike is in sync with point raised by RIL i.e. Investments in gas exploration will increase only when price of domestic gas is attractive enough for Indian and overseas companies to commit capital to the sector that's full of risk. Every industry/stakeholder, across the gas value chain is now busy quantifying the impact of this hike on overall business. Whether the approved price hikes catalyze investment from both domestic and overseas companies, time will only approve of whether this hypothesis holds true.

The move is however well appreciated by analysts, E&P and state oil companies. Analysts view this to boost further investment in E&P sector and move towards reducing costly LNG imports. This would potentially double India's natural gas reserves and opens up frontier for companies to take exploration at riskier location. There is certainly enough incentive for investment because the level of $8.4/mmbtu is close to international prices. Further hikes would eventually equal domestic gas prices with international rates and this should attract some investment into the natural gas sector. On the other hand government could boost revenue from royalties and thus a win-win situation for both government and companies. Market have already welcomed the move and shares of ONGC, Oil India and Reliance Industries jumped sharply after the announcement.

In order to assess the real impact of this gas price hike across industries and its effect in the times to come and to quantify the same, the authors are pleased to launch their latest research report "Impact of Gas Price Hike on Stakeholders and Industries across the Gas Value Chain". The report will decode the policy announcement and its impact on gas producers, gas transmission co's, gas distributors, gas consumers, gas imports and overall economy.

Contents:

1. Gas Price Hike and its Premise: Comprehension of the Understanding the Rangarajan Committee Formula for gas pricing approved by CCEA
   a. Gas Pricing mechanism
   b. Recommendations of Rangarajan Committee
   c. Gas prices have been kept low for strategic sector such as Fertilizer, industrial consumers, etc. deterring further investment in the sector
   d. What have we gained from low price and prioritizing sector? Why price hike was essential now?
   e. Comprehensive understanding of Rangarajan Committee formula for gas pricing approved by CCEA

2. Quantifying Impact of Gas Price Hike on stakeholder across Gas Value Chain: Short term, Medium and Long term
   a. Upstream / Gas Producer: ONGC, OIL, RIL and Others
   b. Midstream / Gas Transmission Companies: GAIL
   c. Downstream Companies: MGL, IGL and other CGD Companies
   d. Analyzing financial implication on the revenues & cost of companies supplying / procuring gas
   e. Improvement in EPS & likely derating / re-rating of stock prices of energy company linked directly or
indirectly with gas

3. Impact of Gas Price Hike on end user Industry:
   a. Power Companies: Central, State Gencos, IPPs etc
   b. Fertilizer Companies: RCF, Chambal, Coromandel
   c. LPG & CNG Prices

4. Impact of Gas Price Hike on end consumers:
   a. Quantum of hike in Power Tariff across discoms
   b. Quantum of hike likely for CNG & LPG consumer
   c. Quantum of hike likely to be seen in Fertilizer Industry

5. Gas subsidy bill trajectory if Power and Fertilizer industry is to be insulated to some extent: 2017 and 2025

6. Impact of Gas Price Hike on Gas Infrastructure in India
   a. Assessing long term economic feasibility of LNG & FSRU Industry
   b. Will it fuel investment in gas transmission infrastructure and CGDs
   c. What it means for CBM and other alternatives fuel

7. What this Gas price hike means for the overall economy? and will it lead to turn around of gas sector in India

8. InfraInsights Viewpoint:
   a. Attractiveness of imported gas vis-a-vis domestic gas in immediate short to medium to long term
   b. Will the investment in Gas exploration increase post the hike
   c. Competitiveness of Indian Industry that depends on gas post the gas price hike

9. Voice of Industry / Sentiment Analysis: View point of industry leaders on gas price hike and its positive / negative across different industry both in India and outside India

Ordering:
Order Online - [http://www.researchandmarkets.com/reports/2630860/](http://www.researchandmarkets.com/reports/2630860/)
Order by Fax - using the form below
Order by Post - print the order form below and send to

Research and Markets,
Guinness Centre,
Taylors Lane,
Dublin 8,
Ireland.
Fax Order Form
To place an order via fax simply print this form, fill in the information below and fax the completed form to 646-607-1907 (from USA) or +353-1-481-1716 (from Rest of World). If you have any questions please visit http://www.researchandmarkets.com/contact/

Order Information
Please verify that the product information is correct.

Product Name: Impact Assessment of Gas Price Hike on Different Industries and Overall Gas Sector in India
Web Address: http://www.researchandmarkets.com/reports/2630860/
Office Code: SCH31Z3X

Product Format
Please select the product format and quantity you require:

<table>
<thead>
<tr>
<th>Quantity</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronic (PDF)</td>
<td>Single User:</td>
</tr>
</tbody>
</table>

Contact Information
Please enter all the information below in BLOCK CAPITALS

Title: [Mr], [Mrs], [Dr], [Miss], [Ms], [Prof]
First Name: ___________________________ Last Name: ___________________________
Email Address: * ___________________________
Job Title: ___________________________
Organisation: ___________________________
Address: ___________________________
City: ___________________________
Postal / Zip Code: ___________________________
Country: ___________________________
Phone Number: ___________________________
Fax Number: ___________________________

* Please refrain from using free email accounts when ordering (e.g. Yahoo, Hotmail, AOL)
Payment Information

Please indicate the payment method you would like to use by selecting the appropriate box.

☐ Pay by credit card: You will receive an email with a link to a secure webpage to enter your credit card details.

☐ Pay by check: Please post the check, accompanied by this form, to:

Research and Markets,
Guinness Center,
Taylors Lane,
Dublin 8,
Ireland.

☐ Pay by wire transfer: Please transfer funds to:

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Account number</td>
<td>833 130 83</td>
</tr>
<tr>
<td>Sort code</td>
<td>98-53-30</td>
</tr>
<tr>
<td>Swift code</td>
<td>ULSBIE2D</td>
</tr>
<tr>
<td>IBAN number</td>
<td>IE78ULSB98533083313083</td>
</tr>
</tbody>
</table>
| Bank Address      | Ulster Bank,
                   | 27-35 Main Street,
                   | Blackrock,
                   | Co. Dublin,
                   | Ireland.            |

If you have a Marketing Code please enter it below:

Marketing Code: __________________________

Please note that by ordering from Research and Markets you are agreeing to our Terms and Conditions at http://www.researchandmarkets.com/info/terms.asp