

Adani Total gas Limited

General Overview:

Total SE and the Adani Group formed Adani Total Gas Limited. The company focuses on growing India's natural gas distribution business. It has a large pipeline network in India and serves a wide range of businesses. The company promotes clean, efficient energy in India through various projects that promote natural gas as a fuel. Adani Total Gas will boost India's natural gas industry, improving energy security and sustainable growth. Despite recent events, the company has had strong financial performance in recent years, with high annual revenue growth and substantial investment in expanding its operations.

Shareholding pattern of the company:

Promoters	74.80%
Foreign Institutions	16.32%
Other Domestic Institutions	6.02%
Retail and Others	2.74%
Mutual Funds	0.12%

As of the latest available shareholding pattern, Adani Total Gas Limited is not a family-owned company. The major shareholders in the company are Adani Gas Limited, a subsidiary of the Adani Group, with a 74.8% stake in the company, and Total Gas and Power Asia Private Limited, a subsidiary of Total SE, with a 24% stake in the company. The remaining 1.2% of the company's shares are held by other public shareholders. This indicates that the company is professionally operated and is backed by strong corporate entities with a long-term outlook.

Below is the table listing the major shareholders of the company:

Name	Equities	%
TotalEnergies SE	411,331,740	37.4%
Adani Sb Family	411,131,738	37.4%
Life Insurance Corporation of India (Investment Portfolio)	65,601,137	5.96%
M.M. Warburg Bank (Schweiz) AG	29,936,133	2.72%
Elara Capital Plc (Investment Management)	17,801,197	1.62%

Management of the company:

Adani Total Gas Limited is run by professionals with a lot of experience. The company's Board of Directors is made up of experts from many different fields, such as energy, finance, and the law. Mr. Suresh P. Manglani is the company's Managing Director and CEO. He has worked in the oil and gas industry for more than 36 years. Mr. Parag Parikh is the Chief Financial Officer. He has been in the finance and accounting fields for more than 28 years. The senior management team of the company has been in the business for an average of over 20 years, and most of them have been with the company for a long time. The company is owned by both the Adani Group and Total SE. It is not run by a family.

SWOT analysis:

Strengths:

Adani Total Gas Limited's strengths include:

- Strong partnership: Adani Group and Total SE form Adani Total Gas Limited. This partnership gives the company vast resources, technology, and expertise.
- Strong presence in India: Adani Total Gas has a pipeline network and diverse business customers in India. This strong presence gives the company a competitive edge in India.
- Clean energy: The company promotes natural gas as a cleaner fuel in India. Clean energy gives the company a strong brand image and a competitive edge over fossil fuel-based energy companies.

Weaknesses:

Adani Total Gas Limited's weaknesses:

- ❖ Adani Total Gas, a natural gas distributor, is heavily influenced by government policies and regulations. Policy changes may hurt the company's operations and profitability.
- ❖ Adani Total Gas has a limited geographic footprint, but it is strong in some Indian regions. The company is vulnerable to competition and market fluctuations in its operating areas.
- ❖ Pipelines and storage facilities are needed to distribute natural gas. Adani Total Gas may struggle to expand its infrastructure to serve more customers and meet demand.
- ❖ Commodity price volatility: Global market trends affect natural gas prices. This could hurt Adani Total Gas's finances.
- ❖ Regulatory risks: Changes in natural gas import taxes, duties, and tariffs and gas industry regulations can affect the company.

Opportunities:

Adani Total Gas Limited has many opportunities to grow its business and market share in India's natural gas industry. Key chances include:

- ☐ Demand for natural gas is rising as the Indian government promotes it as a cleaner, more efficient fuel. Adani Total Gas can use this to increase revenue and customers.
- ☐ Diversification of product portfolio: Adani Total Gas can explore new natural gas products and services, such as CNG for vehicles and LNG for industries.
- ☐ Strategic partnerships and acquisitions: Adani Total Gas can increase its market share and natural gas industry position through strategic partnerships and acquisitions.

Threats:

Threats to Adani Total Gas Limited:

- Competition: The Indian natural gas distribution market has many players. Competition can lower margins and market share.
- Government regulations: India's highly regulated natural gas industry can affect the company's operations and profits. The company may be affected by regulatory changes.
- Price fluctuations: Natural gas prices are volatile, which can affect the company's revenue and profitability. Due to price regulations, the company may have trouble raising prices.
- Political instability, economic downturns, and natural disasters may affect the company's operations and profitability.
- Supplier dependence: Natural disasters or other unforeseen events may disrupt supply, causing problems for the company. If it can't negotiate good supplier prices, the company may struggle.

Competitive Analysis:

Adani Total Gas Limited is in the business of distributing natural gas in India. It competes with a few big players in the field. Here are two things that are similar to it:

- ★ Indraprastha Gas Limited (IGL): IGL is a company that is traded on the stock market and is one of the biggest companies in India that distributes natural gas. Its main job is to get natural gas to people in the National Capital Territory of Delhi, but it also works in other cities. As of March 2023, IGL had 1.59 million customers who used compressed natural gas (CNG) and 345,000 customers who used piped natural gas (PNG). As of December 2022, Adani Total Gas had 558,000 customers who used CNG and 406,000 customers who used PNG. But Adani Total Gas is growing quickly and has a strong presence in western and southern India, which could give it an edge over IGL in those areas.

- ★ Gujarat Gas Limited (GGL) is another India-based company that sells natural gas to the public. Its main business is in the state of Gujarat, but it also does business in other states. As of March 2023, GGL had 1.56 million customers, including 1.05 million CNG customers and 510,000 PNG customers. Adani Total Gas is growing in Gujarat and has a strong presence in other states as well, which may help it compete with GGL. But GGL has been in business longer and may have stronger relationships with customers and suppliers in the area because of this.

Conclusion:

Indian natural gas company Adani Total Gas Limited is a joint venture between the Adani Group and Total SE. The market leader promotes clean and efficient energy in India. Its partnership with global energy giant Total SE has helped it grow and improve its natural gas distribution business.

Adani Total Gas has grown financially in recent years. Its three-year revenue growth of 76.98% outpaced its 19.26% CAGR. The company invested 47.51% more in expanding operations than the year before. The company's long-term growth prospects are strong despite recent stock price declines.

Adani Total Gas's SWOT analysis highlights its market presence and clean energy advocacy. The company faces challenges like high natural gas production costs and market competition.