



PETROLEUM AND NATURAL GAS REGULATORY BOARD

1st Floor, World Trade Centre, Barakhamba Road, Babar Lane, New Delhi-1

Tel No: 011- 23457700/23457744/23457751

File No: S-Infra/II/1/2008-Vol.II-Pune

Dated: June 1st, 2009

Mr. Shama Sundara,
Managing Director
Maharashtra Natural Gas Limited
A-Block Plot No 27, Narveer Tanajiwadi,
PMT Bus Depot Commercial Bldg
Shivaji Nagar, Pune-411005

Subject: - Acceptance of Central Government Authorization for CGD Network of Pune City Including Pimpri-Chinchwad and along with adjoining contiguous areas of Hinjewadi, Chakan & Talegaon Geographical Area

Sir,

This has reference to our letter No: PNGRB/08 Dated 22.10.08 and all other correspondence on this subject including your letter No: MNGL/PNGRB/MD/2009 dated 12th May, 2009 wherein you have submitted Performance Bank Guarantee for Pune City Including Pimpri-Chinchwad and along with adjoining contiguous areas of Hinjewadi, Chakan & Talegaon Geographical Area CGD Network vide BG No :343/2009 Dated 15th April '2009 for an amount Rs 6,00,00,000 (Rupees Six Crores) valid till 14.04.2014

The Petroleum & Natural Gas Regulatory Board accepts the authorization given by the Central Government vide letter Ref: 16019/3/08-GP dated June 30, 2008, and grants exclusivity for **5 years from the date of issue of Performance Bank Guarantee** to M/s MNGL for **Pune City Including Pimpri-Chinchwad and along with adjoining contiguous areas of Hinjewadi, Chakan & Talegaon Geographical Area** as requested by MNGL vide letter No: letter No: MNGL/PNGRB/MD/2009 dated 12th February, 2009, subject to the terms and conditions mentioned below.

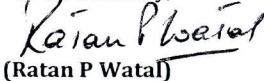
- 1) M/s MNGL shall abide by the provisions of the PNGRB Act, 2006 and relevant regulations including amendments thereof and regulations, if any, framed from time to time.
- 2) M/s MNGL shall abide by the Technical Standards and specifications including Safety Standards (T4S) for, city and/or Local Natural Gas Distribution Networks Regulations 2008 including the Emergency Response & Disaster Management Plan (ERDMP).
- 3) The MNGL shall abide to Quality of Service standards as per regulations framed under PNGRB Act, 2006.
- 4) M/s MNGL shall abide by the regulations covering exclusivity for marketing of gas from the purview of Contract Carrier & Common Carrier as specified in the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Network) Regulation, 2008.
- 5) The Geographical Area & Charge Area accepted for CGD Network Authorization for Pune City Including Pimpri-Chinchwad and along with adjoining contiguous areas of Hinjewadi, Chakan & Talegaon Geographical Area GA is as per submitted map duly signed by M/s MNGL & PNGRB (Copy enclosed). The project milestones for the above CGD Network development shall be as per Annex-1.

Violation of any condition/conditions mentioned in clauses 1 to 5 shall be treated as default and shall be dealt with as per the provisions of the PNGRB Act, 2006.

M/s MNGL shall submit the Network Tariff and Compression Charge for CNG as per the Petroleum & Natural Gas Regulatory Board (Determination of Network Tariff for City or Local Natural Gas Distribution Networks and Compression Charge for CNG) Regulations, 2008 for the approval of the Board separately within 30 days of the issue of this letter.

The receipt of this letter may please be acknowledged.

Yours faithfully,


(Ratan P Watal)

Secretary, PNGRB

Encl: a/a

Project Milestones for Geographical Area

1. **Geographical Area:** Pune including Pimpri-Chinchwad along with adjoining contiguous areas Hinjewadi, Chakan & Talegaon.
2. **Charge Areas:** As defined in the enclosed Map.
3. **Year wise Domestic PNG Connections Commitment during the Exclusivity Period of 5 Years :**

| | Existing upto 31.12.08 | FY 2009-10 | FY 2010-11 | FY 2011-12 | FY 2012-13 | FY 2013-14 |
|---|---------------------------|------------|------------|------------|------------|------------|
| Cumulative Domestic Connections (Nos.) | Nil | 5,000 | 15,000 | 30,000 | 50,000 | 72,000 |

4. **Year wise Steel Pipeline length commitment during the Exclusivity Period of 5 Years :**

| | Existing upto 31.12.08 | FY 2009-10 | FY 2010-11 | FY 2011-12 | FY 2012-13 | FY 2013-14 |
|--|------------------------------|------------|------------|------------|------------|------------|
| Cumulative Steel Pipeline Length (Inch- KM) | 232 | 505 | 765 | 1025 | 1237 | 1313 |

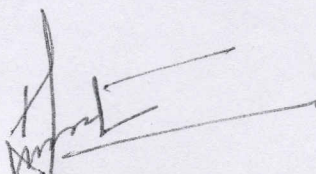
5. **Year wise Compression Capacity commitment during the Exclusivity Period of 5 Years :**

| | Existing upto 31.12.08 | FY 2009-10 | FY 2010-11 | FY 2011-12 | FY 2012-13 | FY 2013-14 |
|---|------------------------------|------------|------------|------------|------------|------------|
| Cumulative CNG Compression Capacity (Kgs/Day) | 47,880 | 1,25,400 | 2,32,560 | 3,39,720 | 3,62,520 | 3,85,320 |

NOTE:

Non Achievement of any of the above project milestones shall lead to revocation of the Specific Performance Bond Bank Guarantee.

The period of exclusivity shall start form the date of issue of Specific Performance Bank Gurantee .The Project Milestones as mentioned above shall be on year to year basis from the date of issue of PBG.




पेट्रोलेियम और प्राकृतिक गैस विनियामक बोर्ड
Petroleum and Natural Gas Regulatory Board
1st Floor, 1st Floor, Centre
Babbar Road, New Delhi-110001



MAHARASHTRA NATURAL GAS LIMITED

Proposed Charge Areas(CAs) & Boundary Limits of Geographical Area

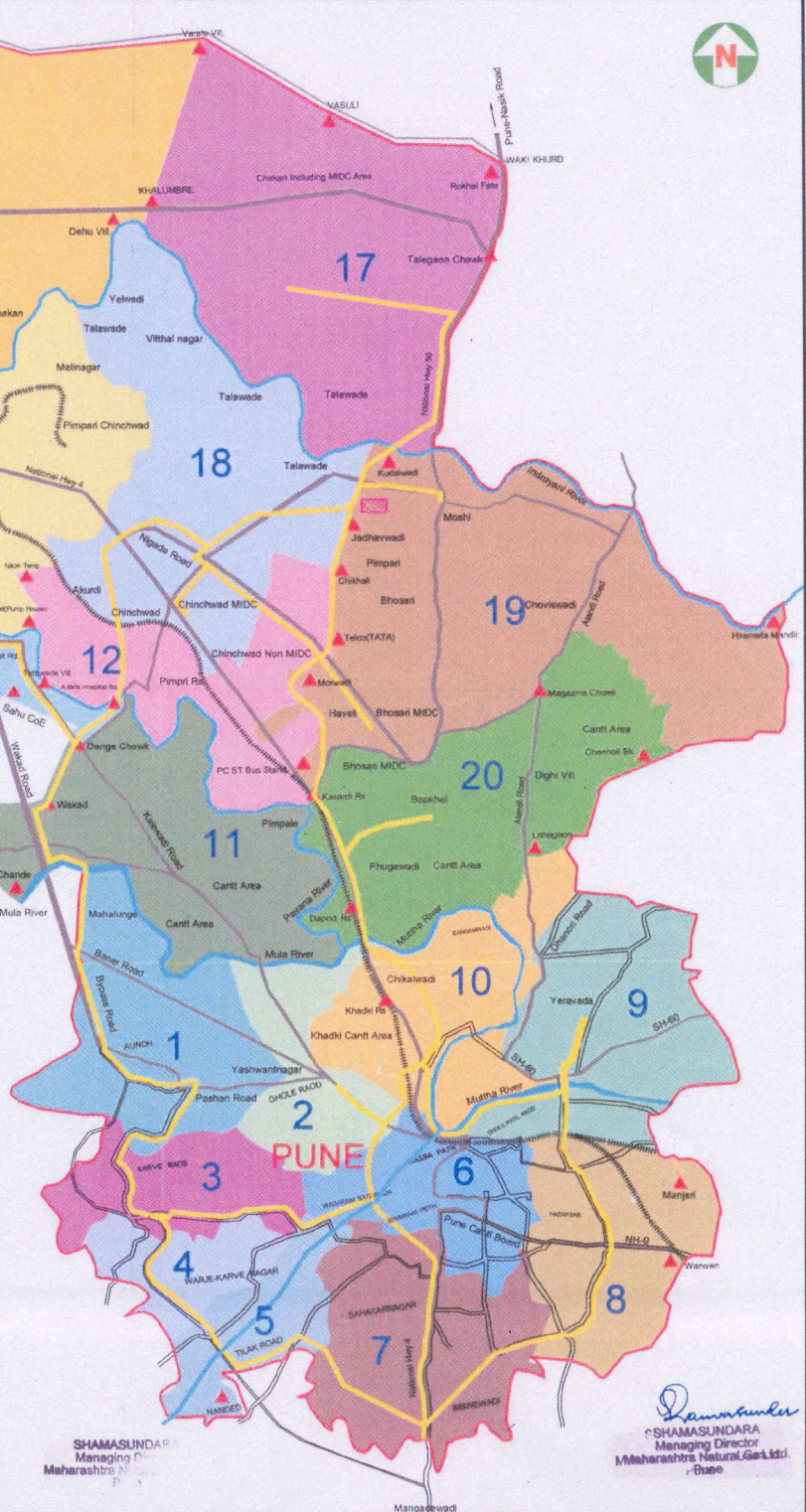


LEGENDS:-

- GA Boundary
- Railway
- Steel Network
- Roads
- Landmarks
- CGS
- River / Nadi

| No. | Charge Area | Landmarks |
|-----|-------------|-----------|
| 1 | CA-1 | Chakan |
| 2 | CA-2 | Chakan |
| 3 | CA-3 | Chakan |
| 4 | CA-4 | Chakan |
| 5 | CA-5 | Chakan |
| 6 | CA-6 | Chakan |
| 7 | CA-7 | Chakan |
| 8 | CA-8 | Chakan |
| 9 | CA-9 | Chakan |
| 10 | CA-10 | Chakan |
| 11 | CA-11 | Chakan |
| 12 | CA-12 | Chakan |
| 13 | CA-13 | Chakan |
| 14 | CA-14 | Chakan |
| 15 | CA-15 | Chakan |
| 16 | CA-16 | Chakan |
| 17 | CA-17 | Chakan |
| 18 | CA-18 | Chakan |
| 19 | CA-19 | Chakan |
| 20 | CA-20 | Chakan |

| No. | Charge Area | Geographical Description |
|-----|-------------|--------------------------|
| 1 | CA-1 | Chakan |
| 2 | CA-2 | Chakan |
| 3 | CA-3 | Chakan |
| 4 | CA-4 | Chakan |
| 5 | CA-5 | Chakan |
| 6 | CA-6 | Chakan |
| 7 | CA-7 | Chakan |
| 8 | CA-8 | Chakan |
| 9 | CA-9 | Chakan |
| 10 | CA-10 | Chakan |
| 11 | CA-11 | Chakan |
| 12 | CA-12 | Chakan |
| 13 | CA-13 | Chakan |
| 14 | CA-14 | Chakan |
| 15 | CA-15 | Chakan |
| 16 | CA-16 | Chakan |
| 17 | CA-17 | Chakan |
| 18 | CA-18 | Chakan |
| 19 | CA-19 | Chakan |
| 20 | CA-20 | Chakan |



SHAMASUNDARA
Managing Director
Maharashtra Natural Gas Ltd.

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NOT TO SCALE

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पेट्रोलियम और प्राकृतिक गैस विनियामक बोर्ड
Petroleum & Natural Gas Regulatory Board
प्रथम तल, बहार रोड, नई दिल्ली-110001
1st Floor, World Trade Centre
Bahar Road, New Delhi-110001