



**GUJARAT GAS**

GGL/SEC/2016/251

30<sup>th</sup> June, 2016

To,

<b>Bombay Stock Exchange Limited,</b> Phiroze Jijibhoy Tower, Dalal Street, <b>Mumbai</b> <b>Company Code: BSE-GUJGAS,</b>	<b>Ahmedabad Stock Exchange Limited,</b> <b>Kamdhenu Complex,Nr. Panjara Pole,</b> <b>Ambawadi,Ahmedabad – 380 015</b>
<b>Vadodara Stock Exchange Limited,</b> <b>3rd Floor, Fortune Towers,</b> <b>Sayajigunj,Vadodara</b>	<b>National Stock Exchange of India Ltd.</b> <b>Exchange Plaza, 5th Floor, Plot No. C/1, G</b> <b>Block, Bandra Kurla Complex,</b> <b>Bandra (East), Mumbai – 400 051</b> <b>Company Code: NSE-GUJGASLTD.</b>

Kind Attn.: Manager Listing /Market Operations.

Dear Sir/Madam,

**Sub:Acceptance of Grant of Authorisation for Geographical Area of Dahod District**

Pursuant to SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, we hereby inform you that PNGRB has issued the letter dated 27th June 2016 for Grant of Authorisation to Gujarat Gas Limited (GGL) to lay, build, operate, or expand City or Local Natural Gas Distribution network ("CGD network") for the Geographical Area of Dahod District in the State of Gujarat, GGL has accepted the authorisation in Schedule D of the PNGRB vide a confirmation letter to PNGRB on 28th June 2016.

As per the provisions of the PNGRB (Exclusivity for City or Local Natural Gas Distribution Networks) Regulation, 2008, GGL has been granted 300 months of infrastructure exclusivity i.e. valid up to 26th June 2041 and 60 months of marketing exclusivity valid up to 26th June 2021 for the CGD network. Further, the Authorised area for laying, building, operating or expanding the proposed CGD Network shall cover a geographical area of 3,636 sq. kms."

We request to take the above on record.

Thanking you,

**For, Gujarat Gas Limited**

  
**Rajeshwari Sharma**  
**Company Secretary**

**GUJARAT GAS LIMITED** (A GSPC Group Company – Government of Gujarat Undertaking) (Formerly known as GSPC Distribution Networks Limited)

**Corporate Office :** 2, Shanti Sadan Society, Near Parimal Garden, Ellisbridge, Ahmedabad – 380 006, Gujarat, India.

**Tel.:** +91-79-26462980, 26460095 **Fax :** +91-79-26466249

**Registered Office :** Block No. 15, 3rd Floor, Udyog Bhavan, Sector-11, Gandhinagar – 382 011, Gujarat, India.

**Website :** www.gujaratgas.com, www.gspcgroup.com **CIN :** L40200GJ2012SGC069118



**पेट्रोलियम एवं प्राकृतिक गैस विनियामक बोर्ड**

**Petroleum and Natural Gas Regulatory Board**

प्रथम-तल, वर्ल्ड ट्रेड सेंटर, बाबर रोड, नयी दिल्ली - 110001

1<sup>st</sup> Floor, World Trade Centre, Babar Road, New Delhi – 110001

27<sup>th</sup> June, 2016

To

Gujarat Gas Limited,

[Kind Attn.: Chief Executive Officer],

2, Shanti Sadan Society,

Near Parimal Garden, Ellisbridge

Ahmedabad

Gujarat – 380006

**Subject: Grant of Authorization to Gujarat Gas Limited for development of City Gas Distribution Network in the Geographical Area of Dahod District.**

Sir,

With reference to submission of Performance Bank Guarantee for Rs. 52 crore vide your letter No. REG/PNGRB/GR2/2016/027 dated 18<sup>th</sup> June 2016, as per the requirement under Regulation 10(1) of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008, enclosed is authorization in Schedule D for the GA of Dahod District in duplicate.

2. The tariff applicability is as per the Judgment of Hon'ble Supreme Court of India in the SLP No. 22273 of 2012.
3. You are requested to put your stamp & signature on each page of the document and return one copy, within 7 days of receipt of this communication, to the PNGRB for records.
4. The enclosed authorization issues with the approval of the Board.


Yours faithfully,

Encl: As above



**For Gujarat Gas Limited**

  
**Nitin Patil**  
(Authorised Signatory)

(Arvind Kumar)  
Additional Adviser  
  
**ARVIND KUMAR**  
अपर सलाहकार  
Additional Adviser  
पेट्रोलियम और प्राकृतिक गैस विनियामक बोर्ड  
Petroleum & Natural Gas Regulatory Board  
प्रथम तल, वर्ल्ड ट्रेड सेंटर  
1st Floor, World Trade Centre  
बाबर रोड, नयी दिल्ली-110001  
Babar Road, New Delhi-110001



**Schedule D**

[see regulations 10 (1) and 18 (7)]

Grant of authorization for laying, building, operating or expanding CGD network

---

To  
Gujarat Gas Limited,  
[Chief Executive Officer],  
2, Shanti Sadan Society,  
Near Parimal Garden, Ellisbridge  
Ahmedabad  
Gujarat – 380006

**Subject:** Grant of Authorization to Gujarat Gas Limited for development of City Gas Distribution Network in the Geographical Area of Dahod District.

---

Sir,

With reference to your application-cum-bid for grant of authorization for laying, building, operating or expanding the CGD network in **Dahod District**, it has been decided to grant you the authorization subject to the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008 and the following terms and conditions:

1. The Authorized Area for laying, building, operating or expanding the proposed CGD Network shall cover an area of **3636** square kilometers and as depicted in the enclosed drawing.
2. The activities of laying, building, operating or expansion of the CGD Network to commence within a period of **270** days from the date of this authorization.
3. The activities permitted above shall have to be completed as per the approved time schedule enclosed at **Annexure 1**. Any failure on the part of the entity in complying with the **milestones prescribed** in the time schedule shall lead to consequences as specified under regulation 16 of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008.

अपर सलाहकार  
ARVIND KUMAR  
अपर सलाहकार  
Additional Adviser  
पेट्रोलियम और प्राकृतिक गैस विनियामक बोर्ड  
Petroleum & Natural Gas Regulatory Board  
प्रथम तल, वर्ल्ड ट्रेड सेंटर  
1st Floor, World Trade Centre  
बाबर रोड, नई दिल्ली-110001  
Babar Road, New Delhi-110001



For Gujarat Gas Limited  
  
Nitin Patil  
(Authorised Signatory)



4. The entity shall design and install an optimal size of the infrastructure in terms of pipelines of various types including steel belting of the authorized area, online compressors of adequate capacity for compressing of natural gas into CNG, allied equipments and facilities in the CGD network as identified in its DFR depending upon the potential demand for natural gas. The infrastructure in the CGD network should be adequate to maintain uninterrupted flow of natural gas in the pipelines and be also able to maintain supplies at adequate pressure to online CNG stations.

5. The entity shall maintain an uninterrupted supply of natural gas to all categories of customers in the CGD network. In the event of any disruption in the supply of natural gas in the CGD Network, first priority shall be accorded to restoration of supplies to domestic PNG customers. In case of disruption of supply to domestic PNG customers for more than twelve hours, the entity shall compensate to the domestic customer on the following basis:-

- (a) the normative volume of natural gas consumption for the first domestic PNG connection for cooking requirements based on last three months weighted average consumption per day to be applied for each day's disruption and multiplied by ten;
- (b) normative value of natural gas consumption shall be based on last three months' weighted average billing price of natural gas for supplies to the first domestic PNG connection for cooking requirements; and
- (c) the value of compensation shall be equal to normative volume of natural gas consumption as per clause (a) multiplied by normative value as per clause (b) and shall be adjusted by allowing a credit to the domestic PNG Customer in the next billing cycle or in the next pre-paid smart card in case of smart card metering.
- (d) In case the disruption of supplies is attributed to any fault of the domestic PNG customer, no compensation shall be payable by the entity.

6. The entity is allowed an exclusivity period under the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008, in respect of the following:

- (a) 300 months from the date of issue of this communication for laying, building and expansion of the CGD network; and

(b) 60 months from the date of issue of this communication in terms of an exemption from the purview of common carrier or contract carrier for the CGD network:

अरविन्द कुमार  
ARVIND KUMAR  
अपर सलाहकार  
Additional Adviser  
पेट्रोलियम और प्राकृतिक गैस विनियामक बोर्ड  
Petroleum & Natural Gas Regulatory Board  
प्रथम तल, वर्ल्ड ट्रेड सेंटर  
1st Floor, World Trade Centre  
बाबर रोड, नई दिल्ली - 110001  
Babar Road, New Delhi-110001



For Gujarat Gas Limited

नितिन पाटील  
Nitin Patil  
(Authorised Signatory)

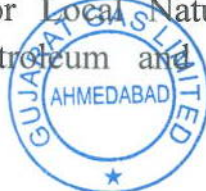


Provided that the entity meets the obligations in line with the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008:

Provided further that the period of exclusivity allowed under sub-clause (a) or sub-clause (b) may be terminated before the expiry of the period mentioned above in line with the provisions under Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008.

7. The authorized entity shall be required to take prior approval from the Board for creation of any lien, charge or hypothecation of the CGD network to secure finances for the project and furnish details of utilization of funds. However, in case of raising funds from any financial institution or bank, the entity will be required to only inform the Board of the sanction of the funds within a period of seven days.
8. The entity shall submit a detailed and clear financial closure report to the Board within a period of one hundred and eighty days from the date of authorization issued by the Board under regulation 10 of Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008.
9. The entity shall publish on its website the network tariff for transportation of natural gas as well as the compression charge for CNG in the CGD network in the authorized area which is also annexed to this schedule.
10. The entity shall publish the applicable retail selling price of PNG for all categories of customers and also for the purpose of invoicing in Rs./MMBTU.
11. The entity shall publish and display the retail selling price of CNG for the purpose of invoicing to CNG customers in Rs./ Kg at all CNG dispensing stations.
12. The furnishing of performance bond of Rs 52 Crore (Rupees Fifty Two Crore Only) is a guarantee for timely commissioning of the project as per the prescribed targets in the bid and for meeting the service obligations during the operating phase of the project.
13. The entity shall comply with the applicable provisions under the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008, the Petroleum and Natural Gas Regulatory Board

अरविन्द कुमार  
ARVIND KUMAR  
अधीनस्थ सलाहकार  
Additional Adviser  
पेट्रोलियम और प्राकृतिक गैस विभाग  
Petroleum & Natural Gas Regulatory Board  
प्रथम तल, वर्ल्ड मेट्रोपॉलिटन  
1st Floor, World Metropolis  
बाबर रोड, नई दिल्ली-110001  
Babar Road, New Delhi-110001



For Gujarat Gas Limited  
Nitin Patil  
(Authorised Signatory)



(Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008, relevant regulations for technical standards and specifications, including safety standards, any other regulations as may be applicable and the provisions of the Act.

14. In case the authorization of the entity is terminated, the Board may assign the rights and obligations of the entity to any agency or another entity on such terms and conditions, as it may deem fit. Further, the entity may be required, as per the directions of the Board, to continue the operations of the CGD network at the same level till another agency or entity appointed by the Board takes over the full control of the CGD network.

You are requested to confirm your acceptance by filling-in the acceptance of the grant of authorization provided below and return the same in original. (Please note that all pages along with the Annexure are to be initialed & stamped).

Yours faithfully,

Dated:

  
27/6/2016

(Arvind Kumar)

Additional Adviser  
ARVIND KUMAR  
अपर सलाहकार  
Additional Adviser  
पेट्रोलियम और प्राकृतिक गैस विनियामक बोर्ड  
Petroleum & Natural Gas Regulatory Board  
प्रथम तल, वर्ल्ड ट्रेड सेंटर  
1st Floor, World Trade Centre  
बाबर रोड, नई दिल्ली-110001  
Babar Road, New Delhi-110001

**Acceptance of the Grant of Authorization**

I / We hereby accept the grant of authorization issued by the PNGRB vide letter ref. PNGRB/CGD/BID/6/2015/GA-Dahod District-Bid dated 27th June 2016 and agree to comply with all the terms and conditions subject to which I/ We have been granted the authorization for laying, building, operating or expanding city or local natural gas distribution network in the authorized area of Dahod District.

Date: 28 JUN 2016

Place: AHMEDABAD



For Gujarat Gas Limited



Nitin Patil  
(Authorised Signatory)

Signature of the Entity or Authorized Signatory

## ANNEX 1 - GA of Dahod District

### Minimum Work Programme as per BID

Minimum Work Program as per Regulations (to be completed during first five years of exclusivity)	
Inch- Kms of Pipeline to be Laid.	Infrastructure for PNG Domestic Connections
1309	16714

Year wise Break Up of targets					
Total Inch- Kms of Pipeline to be Laid.	Year1 (20%)	Year 2 (50%)	Year 3 (80%)	Year 4 (90%)	Year 5 (100%)
1309	262	655	1047	1178	1309

Year wise Break Up of targets					
Infrastructure for PNG Domestic Connections.	Year1	Year 2 (15%)	Year 3 (50%)	Year 4 (70%)	Year 5 (100%)
16714	Nil	2507	8357	11700	16714

	Rate
Network Tariff (from 1-25 Years) Rs. per MMBTU	0.01
Compression Charge (from 1-25 Years) Rs. per Kg.	0.01

*Arvind Kumar*

अरविन्द कुमार  
ARVIND KUMAR  
अपर सलाहकार  
Additional Advisor  
पेट्रोलियम और प्राकृतिक गैस  
Petroleum & Natural Gas  
प्रथम  
1st Floor  
बाबर रोड  
Babar Road



For Gujarat Gas Limited  
*Nitin Patil*  
Nitin Patil  
(Authorised Signatory)



# DAHOD DISTRICT GEOGRAPHICAL AREA (GUJARAT)

KEY MAP



Total Population within the Geographical Area as per 2011  
21,27,10,000 (Approx.)  
Total Geographical Area (Sq.Kms)  
505

Charge Area Identification	Taluka Names
CA-01	Fatepur
CA-02	Jhalod
CA-03	Limbhadi
CA-04	Dangpur
CA-05	Gandevi
CA-06	Gandevi
CA-07	Dahod

## LEGEND

### LANDMARKS

- DISTRICT HEAD QUARTER
- TALUKA HEAD QUARTER
- MAJOR TOWNS

### VECTORS

- NATIONAL HIGHWAY
- STATE HIGHWAY
- MAJOR ROAD
- RAILWAY
- GA BOUNDARY
- WATER BODIES

### VILLAGE POPULATION

- VILLAGE WITH POPULATION 5000 AND ABOVE

### REMARKS:-

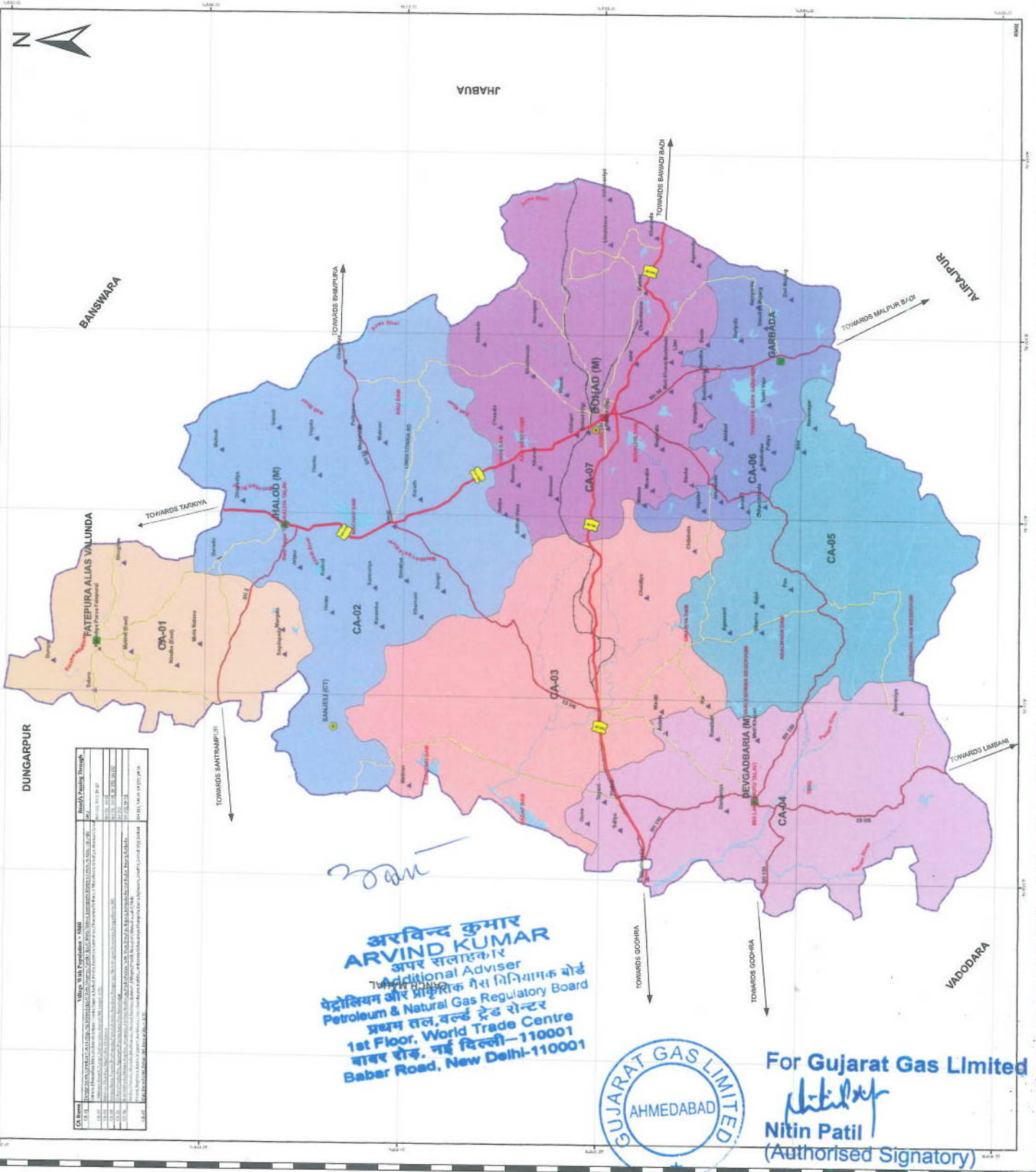
- Landmarks are indicative in nature.
- Each charge area is depicted in different color and is enclosed by physical boundaries like rivers, railway tracks or administrative boundaries as shown in the map.
- This map is a part of 'application-cum-bid document' for the Dahod District Geographical area.



### PETROLEUM AND NATURAL GAS REGULATORY BOARD

1st Floor, World Trade Centre, Babar Road, New Delhi-110001

Map No.	PNGB/GD/2015/28GA-Dahod District
Date	September - 2015
Map Title	Dahod District Geographical Area



अरविन्द कुमार  
ARVIND KUMAR  
अपर सलाहकार  
Additional Adviser  
पेट्रोलियम और प्राकृतिक गैस विनियामक बोर्ड  
Petroleum & Natural Gas Regulatory Board  
प्रथम तल, वर्ल्ड ट्रेड सेन्टर  
1st Floor, World Trade Centre  
बाबर रोड, नई दिल्ली-110001  
Babar Road, New Delhi-110001



For Gujarat Gas Limited  
Nitin Patil  
(Authorised Signatory)