

IRM House, Kalpana Society, Nr. Sardar Patel Seva Samaj, Off. C. G. Road, Navrangpura, Ahmedabad 380 009, Gujarat, India.  
Phone : (079) 6562615 (5 Lines) Fax (079) 6425741

To,  
The Secretary,  
Petroleum & Natural Gas Regulatory Board,  
World Trade Centre, 1<sup>st</sup> Floor,  
Babar Road,  
New Delhi -110001

Date: 06/07/2016

AA(AK)

25/07/2016  
6/7/2016  
AADLY

Secy/3652  
6/7/16

OSD(R) - On leave

**Sub: Acceptance of Authorization letter, dated 05/07/2016 for development of City Gas Distribution Network in the Geographical Area of Fatehgarh Sahib District**

**Ref: PNGRB/CGD/BID/6/2015/25/GA – Fatehgarh Sahib District**

Dear Sir,

We hereby accept the terms & conditions as mention in your authorization letter dated 05/07/2016 for development of City Gas Distribution Network in the Geographical Area of Fatehgarh Sahib District.

Please find attached authorization letter duly stamped & signed. Kindly acknowledge the receipt of this letter.

Yours Truly,

Thanking You,

For, IRM Energy Pvt. Ltd.

  
Authorized Signatory  
(Arun Vora)

For, IRM Energy Pvt. Ltd.

  
Arun Vora  
Authorised Signatory



**Schedule D**

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

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

To,  
M/s IRM Energy Private Limited  
[Kind Attn: Shri Mr. Arun Vora, Executive Vice President],  
IRM House,  
Kalpana Society, Nr. Sardar Patel Seva Samaj,  
C G Road, Navarangpura,  
Ahmedabad-380009, Gujarat

**Subject:** Grant of Authorization to M/s IRM Energy Private Limited for development of City Gas Distribution Network in the Geographical Area of Fatehgarh District.

Sir,

With reference to your application-cum-bid for grant of authorization for laying, building, operating or expanding the CGD network in **Fatehgarh Sahib 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 **1146** 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 **180** 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.

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

For, IRM Energy Pvt. Ltd.  
Arun Vora  
Authorised Signatory



20/11/2018  
31/12/2018  
ARUN VORA  
Executive Vice President  
IRM Energy Pvt. Ltd.  
1st Floor, V. V. Nagar  
Babarpur, New Delhi - 110001  
Petroleum & Natural Gas  
Regulatory Board  
New Delhi - 110001

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:

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:

For, IRM Energy Pvt. Ltd.

Arun Vora  
Authorised Signatory



अरविन्द कुमार  
ARVIND KUMAR  
Address: 100001  
पेट्रोविमिंग अ.स. प्रा.  
Petroleum & Natural Gas  
1st F.  
बाबासाहेब आंबेडकर  
Babar

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 38,06,06,004 (Rupees Thirty Eight Crore Six Lakhs Six Thousand and Four 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 (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.

ARVIND KUMAR  
Additional Adviser  
Petroleum & Natural Gas Regulatory Board  
1st Floor, 22, Baber Road, New Delhi-110001

For, IRM Energy Pvt. Ltd.

Arun Vora  
Authorised Signatory



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:

20/7/2016  
अरविन्द कुमार  
ARVIND KUMAR  
अपर सलाहकार, रि  
Additional Adviser  
पेट्रोलियम और प्राकृतिक गैस नियामक बोर्ड  
Petroleum & Natural Gas Regulatory Board  
प्रथम तल, वर्ल्ड ट्रेड सेंटर  
1st Floor, World Trade Centre  
एनएच रोड, नई दिल्ली-110001  
Anand 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/6/2015/25/GA - dated 5<sup>th</sup> July, 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 Fatehgarh Sahib District.

Date: 6<sup>th</sup> July, 2016

Place: New Delhi

For, IRM Energy Pvt. Ltd.

  
Arun Vora  
Authorised Signatory



Signature of the Entity or Authorized Signatory

ANNEX 1 - GA of Fatehgarh Sahib 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.	No. of Domestic PNG Connections
650	5905

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%)
650	130	325	520	585	650

Year wise Break Up of targets					
Infrastructure for PNG Domestic Connections.	Year1	Year 2 (15%)	Year 3 (50%)	Year 4 (70%)	Year 5 (100%)
5905	-	886	2953	4134	5905

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

  
**अरविन्द कुमार**  
**ARVIND KUMAR**  
 Additional Adviser  
 Additional Member, Regulatory Board  
 Petroleum & Natural Gas Regulatory Board  
 प्रथम तल, वॉर्ल्ड ट्रेड सेंटर  
 1st Floor, World Trade Centre  
 बाबर रोड, नई दिल्ली-110001  
 Babar Road, New Delhi-110001

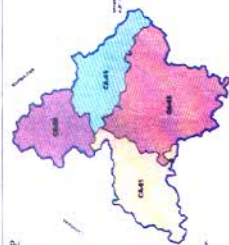
For, IRM Energy Pvt. Ltd

  
 Arun Vora  
 Authorised Signatory



**FATEHGARH SAHIB DISTRICT GEOGRAPHICAL AREA (PUNJAB)**

KEY MAP



Total Population within the Geographical Area as per 2011  
 Total Geographical Area (Sq.Kms) 1140  
 No. Charge Areas 4

Charge Areas Identification		Tehsil Names	
CA-01	Amloh	Amloh	
CA-02	Sirhind Fatehgarh Sahib (M.C.)	Fatehgarh Sahib	
CA-03	Babar Pathana (M.C.)	Babar Pathana	
CA-04	Khasanpur (NP)	Khasanpur	

**LEGEND**

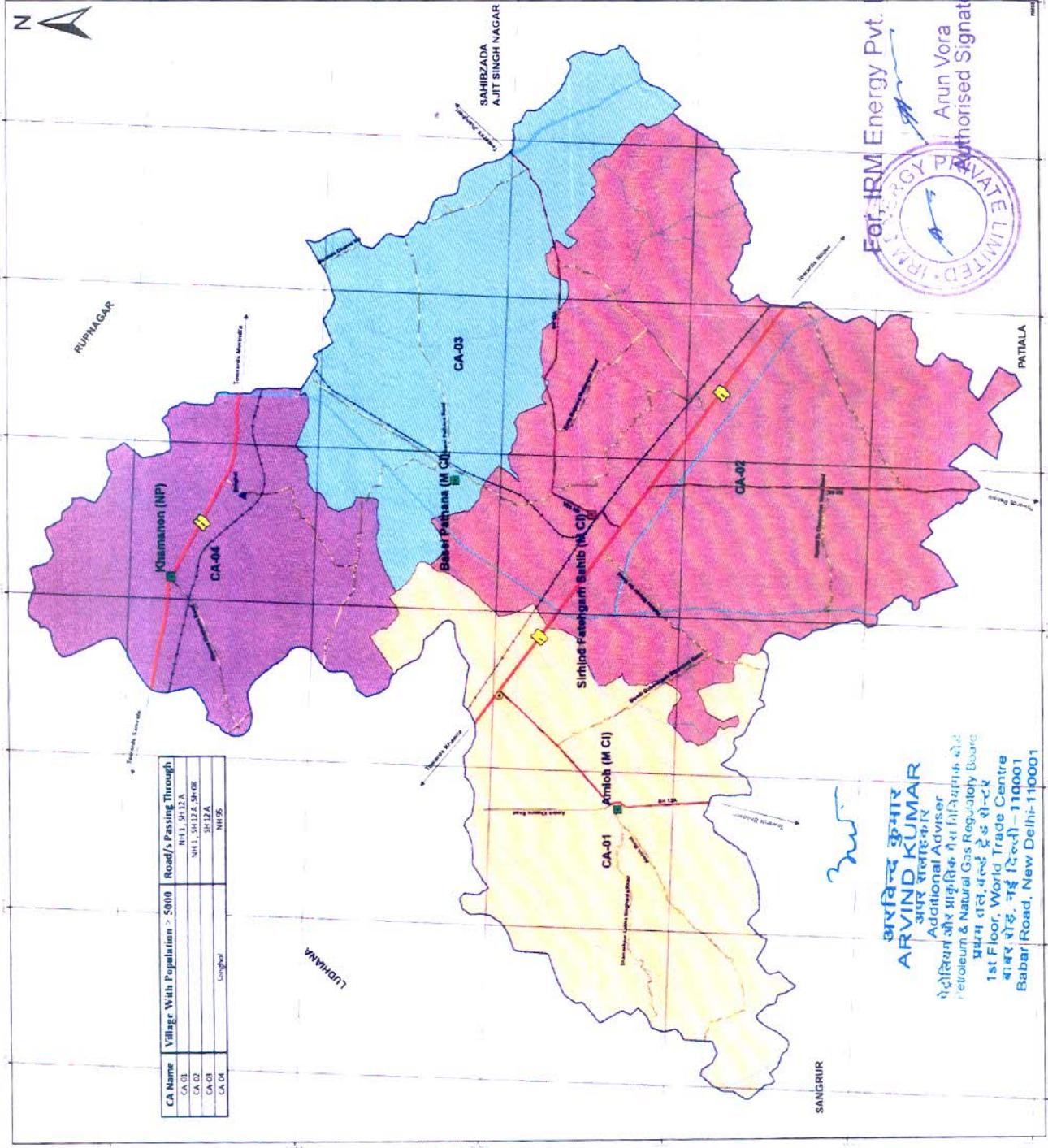
- LANDMARKS**
- DISTRICT HEAD QUARTER
  - MANDAL HEAD QUARTER
  - MAJOR TOWNS
- VECTORS**
- NATIONAL HIGHWAY
  - STATE HIGHWAY
  - MAJOR ROAD
  - RAILWAY
  - GA BOUNDARY
  - WATER BODIES
- VILLAGE POPULATION**
- VILLAGE WITH POPULATION 5000 AND ABOVE

**REMARKS:-**

- Landmarks are indicative in nature.
- Each charge area is depicted in different color and is enclosed by physical features such as roads, rivers, railway tracks or administrative boundaries.
- This map is a part of application submitted to the Petroleum & Natural Gas Regulatory Board for the Fatehgarh Sahib District Geographical Area.



Map No. PNR/REG/CDR/REG/2011/2350/CA-Fatehgarh Sahib District  
 Date June 2015  
 Map Title Fatehgarh Sahib District Geographical Area



CA Name	Village With Population > 5000	Road/A Passing Through
CA-01	Amloh	NH-1, SH-12A
CA-02	Sirhind Fatehgarh Sahib	NH-1, SH-12A, SH-08
CA-03	Babar Pathana	SH-12A
CA-04	Khasanpur	NH-9

**For IRM Energy Pvt. Ltd.**

**ARUN VORA**  
 Authorised Signatory

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