



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-Indore GA

Dated: August 31, 2009

Mr. K V Viswanatham,
Managing Director
Aavantika Gas Limited.
LIC Building, Jeevan Pradeep
2nd Floor 12-12A
Anoop Nagar

Subject: - Acceptance of Central Government Authorization to M/s Aavantika Gas Limited (M/s AGL) for Indore GA (including Ujjain City) CGD Network.

Sir,

This has the reference to our letter No: PNGRB/08 Dated 22.10.08 and all other correspondence on this subject including your letter No: AGL/PBG/PNGRB/IND& UJJN/09 dated August 22,2009 wherein you have submitted Performance Bank Guarantee for **Indore GA (including Ujjain City) CGD Network** vide BG No :56800IGL0000209 Dated 22nd August '2009 for an amount Rs 6,00,00,000 (Rupees Six Crores).

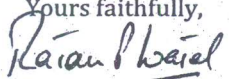
The Petroleum & Natural Gas Regulatory Board in view of the authorization given by the Central Government vide letter Ref: 16019/06/08-GP dated June 26th, 2008, hereby grants exclusivity for **5 years from the date of issue of Performance Bank Guarantee** to M/s AGL for **Indore GA (including Ujjain City) CGD Network** as requested by AGL vide letter No: Dated 8th July, 2009, subject to the terms and conditions mentioned below:

- 1) M/s AGL 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 AGL 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 AGL shall abide to Quality of Service standards as per regulations framed under PNGRB Act,2006.
- 4) M/s AGL 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 **Indore GA (including Ujjain City) CGD Network** is as per submitted map duly signed by M/s AGL & 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 as per the provisions of the PNGRB Act, 2006.

M/s AGL 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

