



April 2, 2016

**The Secretary,
Petroleum and Natural Gas Regulatory Board,
1st Floor, World Trade Centre, Babar Road,
New Delhi- 110 001**

Sub: Expression of Interest (EOI) to Lay, Build & Operate Petroleum and Petroleum Products (LPG) Pipeline from Dhamra Port to Asansol and Dattapulia

Sir,

Adani Group is constructing 1.60 MMT capacity LPG Import terminal at its Dhamra Port in Orissa to support the supply of LPG in the country. It is expected to be commissioned by mid-2018. The initial volume of LPG is expected to be approximately 1.60 MMTPA which shall be subsequently increased to over 2.50 MMTPA in the subsequent phase.

As required under the Regulations 4(1) of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Petroleum and Petroleum Products Pipelines) Regulations, 2010, we enclose our application in form of Schedule A for Expression of Interest (EOI) to Lay, Build and Operate LPG Pipeline from from Dhamra Port to Asansol and Duttapulia alongwith the required fees.

The proposed pipeline from Dhamra Port to Asansol and Duttapulia pipeline would help evacuate cargo from the upcoming LPG terminal. Proposed pipeline would help in increasing the penetration of LPG in the under-serviced markets of Odisha, West Bengal, Jharkhand & Bihar.

We request you to kindly consider our EOI and initiate the process for selection of entity for authorisation as per the regulations. We would be pleased to submit any further information which you may desire.

We look forward to your positive response on the matter.

Sincerely yours,

For **Adani Gas Ltd**


Bhashit Dholakia
Authorized Signatory

Encl:

1. Demand Draft of Rs. 10000/- in favour of PNGRB
2. Schedule A

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Schedule A
[see regulations 4 (1) and 5 (6)]

Application form for submitting expression of interest by an entity desirous of laying, building, operating or expanding a petroleum and petroleum products pipeline

- A.** Only an entity which complies with the minimum eligibility criteria as per regulation 5 (6) of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Petroleum and Petroleum Products Pipelines) Regulations, 2010 is eligible to submit its application for submission of expression of interest to the Board.
- B.** Entities must enclose documentary proof in support of its meeting the minimum eligibility criteria.

Statement of Minimum Eligibility Criteria as per Regulation 5(6)

Sl. No.	Sub-Regulation Ref	Criteria Condition	Remarks
1	5(6) (a)	Application Fee	Application fee of Rs. 10,000 attached vide Demand Draft No: 503169 drawn on ICICI Bank
2	5(6) (b)	<p>Technically capable of laying and building petroleum and petroleum products pipeline as per the following qualifying criteria, namely:-</p> <p>(i) Entity has on its own, either departmentally or through contractors hired by it, in the past, laid and built either a hydrocarbon pipeline of a length not less than 300 Kms on a cumulative basis or a city or local natural gas distribution network;</p> <p>(ii) Entity has a JV with another entity (with at least 11% equity holding by that entity) which in the past has the above experience</p> <p>(iii) Lump sum turnkey or PMC basis through one or more technically competent firms, which in the past have laid and built a hydrocarbon pipeline of a length not less than 300 Kms or a city or local natural gas distribution network</p> <p>(iv) Entity has an adequate number of technically qualified personnel with experience in construction and pre-commissioning of hydrocarbon pipelines to independently undertake and execute the petroleum and petroleum products pipeline project on a standalone basis</p>	<p>Adani Gas Ltd (wholly owned subsidiary of Adani Enterprises Limited) is in the business of developing and operating CGD networks across various cities in the country. It has been authorized by PNGRB for cities of Ahmedabad & Khurja.</p> <p>AGL is currently operating CGD networks in Vadodara & Ahmedabad since 2003-04 and in Faridabad since 2009. AGL has constructed more than 400 Kms of Steel Pipelines and 5350 Kms of MDPE pipelines across various cities.</p> <p>AGL in 50:50 Joint Venture with IOCL has also been authorized by PNGRB to develop and operate CGD networks at Allahabad, Chandigarh, Panipat, Daman, Ernakulum, Udham Singh Nagar and Dharwad/Hubli.</p> <p>AGL has a pool of about 200 qualified professionals with focused experience in various aspects of CGD business including RoU, pipeline construction, Operations, Maintenance, Emergency Handling, Pricing, Billing and Customer Service.</p> <p>Brief CV of key professionals attached as Annexure 1.</p>

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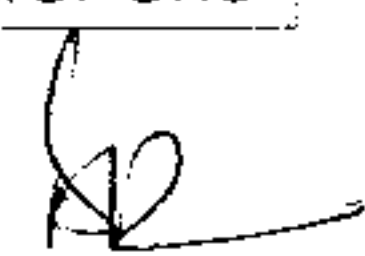

Sl. No.	Sub-Regulation Ref	Criteria Condition	Remarks
3	5(6) (c)	<p>Technical Capability- Operation & Maintenance of Petroleum and Petroleum Products Pipeline under any of:</p> <p>(i) Entity on its own has an experience of at least 1 year in O&M of a petroleum and petroleum products pipeline of a length not less than 300 Kms on a cumulative basis</p> <p>(ii) Entity has a JV with another entity (with at least 11% holding of that entity) which has the above experience</p> <p>(iii) Entity intends to operate and maintain the proposed petroleum, petroleum products pipeline through an appropriate firms' technical assistance agreement for a period of at least 1 year with another party having experience of at least 1 year in O&M of a petroleum and petroleum products pipeline;</p> <p>(iv) Entity has an adequate number of technically qualified personnel with experience in commissioning and operation and maintenance (O&M) of petroleum, petroleum products pipeline and also has a plan to independently undertake the O&M activities of a petroleum, petroleum products pipeline on a standalone basis</p>	<p>AGL has strength of about 200 qualified professionals with focused experience in various aspects of CGD business including RoU, pipeline construction, Operations, Maintenance, Emergency Handling, Pricing, Billing and Customer Service.</p> <p>AGL is currently operating a network of over 400 Kms of Steel Pipeline, 5350 Kms of MDPE pipelines and 65 CNG stations. It is servicing a customer base of over 350,000 every day.</p> <p>AGL has in its team a set of professionals with specific experience in building, operating and maintaining LPG pipelines. With experience and systems of managing natural gas distribution network of approx. 5850 Kms, AGL is confident of building, operating and maintaining the proposed LPG pipeline on its own.</p> <p>AGL proposes to set up a dedicated team of professionals for construction, operations and maintenance of the proposed LPG pipeline. Wherever required, external professional support shall also be taken.</p> <p>Brief CV of key professionals having LPG experience attached as Annexure 1.</p>
4	5(6) (d)	<p>Entity has adequate financial strength to execute proposed Petroleum and Petroleum Product Pipeline and to carry out O&M of the same and shall meet the financial criterion of minimum Net worth as per Regulations</p>	<p>AGL has a Networth of Rs. 656 Crores (as on Nov 2015) which is more than the minimum required for the proposed pipeline of 650 650 Kms.</p> <p>Annual Report for FY 2013-14 and FY 2014-15 attached as Annexure 3 & 4</p>
5	5(6) (e)	<p>Entity, if not a company registered under Companies Act, 1956 undertakes to convert to a company registered under Company's Act, 1956</p>	<p>AGL is a company registered under Companies Act, 1956.</p>

AGL



C. The entity submitting the expression of interest must submit the following information:


General Details	<p>Adani Gas Limited, is a wholly owned subsidiary of Adani Enterprises Limited, carries on the activity of City Gas Distribution and distributes and transports Natural Gas to Domestic, Commercial, Industrial and Vehicle users.</p> <p>The Company is presently operating In Ahmedabad, Vadodara, Faridabad and Khurja.</p>
Name of the Entity	<p>Adani Gas Limited</p>
Type of firm - Public Limited Company / Private Limited Company / Partnership firm / Proprietorship firm / Others (please specify)	<p>Public Limited Company</p>
Date of incorporation	<p>05/08/2005</p>
Date of commencement of business	<p>24/08/2005</p>
Address of the Registered office	<p>Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad - 380 009, Gujarat, India</p>
Name, addresses, telephone numbers, e-mails of all directors / partners / proprietor.	<p>(i) Shri Rajesh S. Adani Shanti Sagar Bungalow, Near Kantam Party Plot Cross Road, Bodakdev, Ahmedabad - 380 059, Gujarat, India</p> <p>(ii) Mr. Pranav V. Adani Param Shanti Bungalow, Survey No., 100/1, Nr. Shaswat Bungalow, Behind Rajpath Club, Ahmedabad - 380 059, Gujarat, India</p> <p>(iii) Mr. Shyamal Joshi 40,PrernaTirth I, B/h Someshwar II, Satellite Road, Ahmedabad - 380054, Gujarat, India</p> <p>(iv) Ms. Nayanaben Gadhvi H-1, New Sattadhar Row House, Ghatlodia, Ahmedabad - 380061, Gujarat, India</p> <p>(v) Mr. Shridhar Tambraparni C-2-93, Goyal InterCity, Bodakdev, Ahmedabad - 380054, Gujarat, India</p>
Primary Technical Data	<p>Adani Group is setting up a LPG terminal at Dhamra with a capacity of 1.60MMT to cater to the import requirement. The terminal will have state of the art infrastructure to handle large VLGC vessels and will also have a provision of expanding the capacity in future based on the import requirements. The expected commissioning of the import terminal is expected to be around Mid-2018.</p>
Point of origin and the end point of the proposed petroleum and petroleum products pipeline	<p>Point of Origin : Dhamra Port LPG Terminal</p> <p>Point of Endpoint: a) Asansol b) Duttapulia (Nadia district of West Bengal) near India Bangladesh border in West Bengal</p>
Indicative route of the proposed petroleum and petroleum products pipeline indicating the likely petroleum products injection points and likely	<p>We intend to connect our upcoming 1.60 MMT LPG terminal at Dhamra demand centers in Central & Eastern parts of India and Bangladesh. Hence we propose to lay a pipeline from Dhamra LPG Terminal to Asansol and Duttapulia.</p> <p>The indicative length of the pipeline from Dhamra to Asansol / Duttapulia tie-in point is approx. 650 kms. The pipeline will serve the Central and</p>



<p>delivery points depicted on a physical map</p>	<p>Eastern parts of India and Bangladesh (via spur line upto Duttapulia India Bangladesh Border).</p> <p>The indicative route will be : Dhamra – Balasore – Haldia –Uluberia – Dunkuni - Belmuri (S/L to Kalyani to Duttapulia) – Burdwan - Asansol</p> <p>The indicative route of the Pipeline is depicted in the physical map in Annexure 2</p>
<p>Petroleum products availability position</p>	<p>Dhamra is strategically located port for catering to the nation's hydrocarbon imports especially the Central and Eastern States which consumes around 2.83 MMTPA LPG (FY 2015).</p> <p>Globally, the trend in LPG transportation is shifting towards Very Large Gas Carriers (VLGCs) in view of freight economics as well as load port preference for VLGCs. VLGCs can only be handled at selective ports having marine infrastructure capable of handling VLGCs with efficient and safe operations.</p> <p>Given the cost advantage and future trends, any LPG terminal planned must be capable of handling VLGCs, if it has to be competitive in the long term. In selecting the location for the LPG import terminal, the availability of draft and infrastructure for handling VLGCs is thus a major consideration.</p> <p>IOCL, BPCL and HPCL have been pioneers of importing LPG into the country. Dhamra is the recommended option given that the port has existing infrastructure and can address and accommodate the future business requirements in a seamless manner including handling of VLGCs.</p>
<p>Potential demand of petroleum products enroute the petroleum and petroleum product pipeline</p>	<p>Indian LPG Scenario: India consumed 18.02MMT of LPG in FY 2015 which grew at a CAGR of 7% since 2009. For the corresponding period the indigenous production has been almost stagnant at around 10M MT. This has led to India importing over 8.30MMT of LPG in FY 2015 growing at a rate of over 22% since FY 2009. Going forward, LPG consumption is expected to reach over 25 MMT in FY 2020 of which imports are expected to be around 16 MMT.</p> <p>Bangladesh LPG scenario: The current LPG industry in 2015 stands to an approximate of 150,000 MT per annum in which government produces around 22,000 MT locally. Balance LPG is being imported from international market.</p> <p>Dhamra Hinterland: Dhamra has the advantage of serving the Central and Eastern India hinterland which consumes around 2.83 MMTPA (FY 2015). Growth in LPG consumption in Dhamra hinterland mainly driven by sharp increases in consumption in West Bengal, Orissa, Jharkhand, Bihar, Chhattisgarh, Bangladesh and North Eastern region of India.</p> <p>Indian LPG Consumption has been growing at a CAGR of 6.73% since FY 2009. Domestic distribution, Industry and Transport sector consumes over 99% of total LPG consumption in the country.</p> <p>LPG Consumption: Indian LPG consumption is growing at a CAGR of 5% since FY 2008. Domestic distribution, Industry and Transport are the major consumers of LPG having a share of over 99% of total consumption.</p> <p>The LPG consumption in the Dhamra hinterland region in FY 2015 was around 2.83 MMTPA. This is expected to increase substantially in future based on various initiatives by Government of India. Similarly industrial segment is also expected to witness a growing demand.</p> <p>In Bangladesh the immediate use of LPG can be for domestic, small</p>



	<p>commercial utilization and vehicle segment (Autogas).</p> <p>LPG Supply in the Hinterland: There are three modes of LPG supply in India – Refinery production & exploration, LPG from Fractionation plants and via imports terminals.</p> <p>The regional domestic supply of LPG in the Dhamra region from refinery and fractionators was 0.79 MMTPA in FY 2015.</p> <p>The rest LPG demand is fulfilled by LPG imports from Haldia Port. LPG in India is primarily imported into India by the three main public sector oil marketing companies (OMCs)—IOCL, HPCL and BPCL.</p> <p>LPG Potential: The LPG demand in the Central & Eastern India and Bangladesh hinterland is expected to increase substantially in the next 5-10 years. The existing LPG demand supply gap in Dhamra's hinterland is likely to increase significantly due to rising LPG consumption in large markets like West Bengal, Orissa, Jharkhand, Bihar, Chhattisgarh and North Eastern region. The LPG demand in the Central & Eastern India and Bangladesh is expected to increase substantially in the next 5-10 years.</p>
<p>Assessment of total volume for transportation in the proposed petroleum and petroleum products pipeline</p>	<p>The LPG Terminal at Dhamra is scheduled to be commissioned by mid-2018. The terminal will have a state of the art infrastructure to handle large VLGC vessels with an option of capacity expansion possibility in future based on the business requirements.</p> <p>The initial phase of the LPG terminal will have a capacity of 1.60MMT to cater to this import requirement. The terminal will have state of the art infrastructure to handle large VLGC vessels and will also have a provision of expanding the capacity to in future based on the import requirements.</p> <p>Transmission of LPG via pipeline is the most efficient, safe, convenient, reliable and environment friendly mode of transport. The other modes of evacuation via road and rail are suboptimal as far as the cost is concerned keeping in view the present infrastructure in the country. Hence we expect that majority of LPG will be evacuated by pipeline.</p> <p>If we consider that 80% of the LPG evacuation is by via pipeline; it will involve a volume of 1.28 MMTPA in the first phase and going up to over 2.50 MMTPA in the subsequent phase.</p>
<p>Any other issue considered as relevant by the entity</p>	<p>The LPG terminal at Dhamra is expected to be commissioned by Mid-2018. Hence it will be appreciated if the pipeline construction is also completed along with the commissioning of Dhamra terminal.</p>
<p>Application fee of Rs. _____ paid vide demand draft/ pay order number <__> and dated <__> drawn on <name of bank and branch>.</p>	<p>Demand Draft No: 501042 of Rs. 10000/- drawn on bank ICICI Bank attached 503169</p>


Bhashit Dholakia
 Authorised Signatory
 ADANI GAS LIMITED

Date: April 4, 2016

Place: Faridabad

Annexure 1

Brief Profile of Qualified Professionals in Adani Gas Ltd

Following personnel who are on our permanent roll have adequate experience as required under regulations of Petroleum and Natural Gas Regulatory Board:

Sr. No.	Name	Designation	Qualification	No. of years of relevant experience	Remarks
1	Rajeev Sharma	CEO	BE (Civil)	33 years	He has been involved with Construction and Operations of GAIL's LPG Recovery Plants Phase 1 & 2 at Vijaipur and Petrochemical complex at Pata. He was also involved with the planning of Jamnagar - Loni LPG pipeline.
1.	S. Tambraparni	Joint President	B. Tech (Mech)	30 years	Was responsible for setting of LPG import terminal at Okha and LPG distribution business for Gujarat Gas Co. Ltd. He has also worked for setting up Auto LPG stations.
3.	Peeyush Tripathi	VP	BE (Mech)	27 years	Has worked as a key member of Project team responsible for construction of GAIL's Vizag - Secunderabad LPG Pipeline and Jamnagar - Lino Pipeline.
4.	Y.S. Navathe	AVP	BE (Civil)	23 years	Was involved with the construction of LPG import terminal at Okha. He has experience of design and engineering of pipelines.
5.	R. B. Singh	AVP	BSc. Engg. (Mech)	22 years	Has experience of construction and O&M of pipelines, Quality procedures & certifications.
6.	Rakesh Singh	DGM	BE (Civil)	17 years	Has experience of Pipeline construction and RoU acquisition for transmission pipelines.

