

**Email****anand.aman@pngrb.gov.in**[<00f401d663d4\\$4fad6ab0\\$ef084010\\$@pngrb.gov.in>](mailto:00f401d663d4$4fad6ab0$ef084010$@pngrb.gov.in)**Fwd: Our views on the proposed draft amendments to NGPL in the notice dated 29th June 2020****From :** Aman Anand <anand.aman@pngrb.gov.in>

Mon, Jul 27, 2020 11:40 AM

**Subject :** Fwd: Our views on the proposed draft amendments to NGPL in the notice dated 29th June 2020 4 attachments**From:** [varatharajans@systematixgroup.in](mailto:varatharajans@systematixgroup.in)**To:** "Secretary" <[secretary@pngrb.gov.in](mailto:secretary@pngrb.gov.in)>**Cc:** [kishanmundhra@systematixgroup.in](mailto:kishanmundhra@systematixgroup.in)**Sent:** Sunday, July 26, 2020 10:36:14 PM**Subject:** Our views on the proposed draft amendments to NGPL in the notice dated 29th June 2020

Dear Sirs

We would like to submit our views on the proposed draft amendments to NGPL in the notice dated 29<sup>th</sup> June 2020.

- 1) With regard to the possibility of integration of bid out pipelines as part of the unified tariff, we believe sufficient grounds exist for consumers on the bid out pipeline to legally challenge a significantly higher tariff than what was quoted by the bidder on account of integration. This would especially be applicable for GSPL's pipelines given the likelihood of new pipelines to connect the upcoming LNG terminals driving an increase in the overall tariff for GSPL's existing network. Hence, we believe it would be prudent not to integrate the bid out pipelines. Delving a little deeper, while the final consumer would end up paying a higher tariff anyway for gas sourced from Gujarat (on account of GSPL's network tariff being raised), possible supply from Rajasthan (though much smaller quantity) may not attract a higher tariff if bid out pipeline were not integrated.
- 2) While we believe freedom to operator to choose the zone 1 (upto 300 kms) tariff is a progressive step, the range should be stipulated keeping in mind the likely evolution of gas market where multiple sources and exit points especially in the context of significant growth in CGDs leading to a lot of swapping activity (APM gas with LNG / free priced domestic gas), which would mean zone 1 volumes could be significantly higher going forward.

Thanks and warm Regards,

Varatharajan S | **Senior Vice President | Institutional Research**

☎ (91) 022 – 3029 8000 / 3029 8039 | Mobile No :- 9820416310 | 📠 Fax (91) 022 – 3029 8029 | ✉ [varatharajans@systematixgroup.in](mailto:varatharajans@systematixgroup.in)

**Systematix Shares and Stocks (India) Limited**, The Capital, A-wing, No. 603 – 606, 6th Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

Visit us at: [www.systematixgroup.in](http://www.systematixgroup.in)



Disclaimer: The information transmitted in this email contains confidential and privileged material and it is meant for the intended recipient only. If you are not the intended recipient of this email, please delete the same and inform the sender immediately. Any disclosure or further distribution of the email is strictly prohibited. The recipient is advised to scan the mail and any attachments for viruses before opening. The content of the message cannot be guaranteed to be secure or error free.