



हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड

(भारत सरकार उपक्रम) रजिस्टर्ड ऑफिस : 17, जमशेदजी टाटा रोड, मुंबई - 400 020.

HINDUSTAN PETROLEUM CORPORATION LIMITED

(A GOVERNMENT OF INDIA ENTERPRISE) REGISTERED OFFICE : 17, JAMSHEDJI TATA ROAD, MUMBAI - 400 020.

8, शूरजी वल्लभदास मार्ग, पोस्ट बॉक्स नं. 155, मुंबई - 400 001. दूरभाष - 2263 7000 • फॅक्स - 022-2261 1822 • ई-मेल : mktghqo@hpcl.co.in
8, Shoorji Vallabhdas Marg, P. O. Box No. 155, Mumbai - 400 001. Tel. : 2263 7000 • Fax : 022-2261 1822 • e-mail : mktghqo@hpcl.co.in

PL/PNGRB/Other Charges/2

CIN No.: L23201MH1952GOI008858

17.01.2017

Secretary,
Petroleum and Natural Gas
Regulatory Board,
1st floor, World Trade Centre,
Babar Road,
New Delhi-110001.

SUB: Submission of Other Charges
in respect of Regulated Activities
as per Section 11 (e) of the
PNGRB Act 2006

Kind Attn: Ms Vandana Sharma

Dear Madam,

This is further to PNGRB letter Infra/Monitoring/Other Charges dtd. 29.12.2016 in response to our letter PL/PNGRB/Other Charges dated 23.11.2016. In this regard we wish to mention that vide letter ref. InfraMonitoring/OtherCharges/1 dated 24.10.16, PNGRB had directed us that 'Other Charges' for the year 2014-15 must be paid in respect of regulated activities as per section 11(e) of the PNGRB Act, 2006, and such 'Other Charges' are to be determined as per the provisions of PNGRB (Levy of Fee and Other Charges) Regulation, 2007.

Vide our letter ref. PL/PNGRB/Other Charges dated 23.11.2016, we have communicated to PNGRB that since no third party had moved their product on common/contract carrier concept thru HPCL's existing common carrier pipeline namely MDPL and that the other common carrier pipeline projects of HPCL i.e. ASPL, RKPL and MHMSPL were commissioned only on Feb '15, Oct 15 and Oct '16 therefore the revenue earned and turnover is nil, accordingly no levy ("Other Charges") is payable for FY-2014-15 under the PNGRB (Levy of fee and Other Charges) Regulations, 2007. Thereafter vide letter ref. Infra/Monitoring/Other Charges dated. 29.12.2016 PNGRB has advised that Other Charges are to be paid on all the regulated activities irrespective of 'own' or 'others', as there is no distinction wherein the 'Other Charges' are to be collected only on Third Party revenue.

In this regard we wish to submit that the PNGRB Act and PNGRB (Authorizing Entities to Lay, Build, Operate or Expand Petroleum and Petroleum Products Pipelines) Regulations, 2010 does not bar operating Petroleum Product Pipelines for 'own' use, which would be on cost to company basis. Reading together PNGRB (Authorizing Entities to Lay, Build, Operate or Expand Petroleum and Petroleum Products Pipelines) Regulations 11(2), 11(3) & 14(6), the revenue earned thru invoicing as per PNGRB determined tariff is thus for third party Contract & Common Carrier users only and not for 'own' use. However, since PNGRB has insisted on payments to be made for all regulated activities including 'own' use, therefore the calculation of the revenue has been done notionally by applying transportation tariffs on the products transported in Mundra-Delhi Pipeline and Awa- Salawas Pipeline on 'own' use basis as well in FY-2014-15. The notional revenue of which works out to be Rs 128.57 Crs and accordingly the levy payable @0.01% is Rs 1,28,570/-.

Received on 20/01/2017
अधिकारी, 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

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View PNGRB direction vide letter Infra/Monitoring/Other Charges dtd. 29.12.2016 to consider own volume, we are paying under protest an amount of Rs 1,28,570/- vide enclosed DD No. 404630 dated 16.01.2017.

We once again request PNGRB, review our above submissions and accept application of 'other charges' percentage for Petroleum Product Pipelines, only on revenue earned thru invoices made for third party users only.

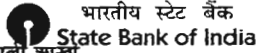
Kindly note that this letter is being issued strictly without prejudice to our rights as per law. We also reserve our right to challenge the averments made in PNGRB letter no InfraMonitoring/OtherCharges/1 dated 24.10.2016 and letter no. InfraMonitoring/OtherCharges dated 29.12.2016.

Thanking you,

Very truly yours


J. S. Prasad
ED – Pipelines

Cc: OSD-PNGRB (SKA): Above is submitted for your kind information



भारतीय स्टेट बैंक
State Bank of India
जारी करने वाली शाखा
Issuing Branch: NEW DELHI MAIN BRANCH
कोड नं / CODE No: 00691
Tel No. 011-23374002

आवेदक के द्वारा जारी की जाने वाली चेक केवल प्राप्तियों के लिए ही वैध है।
A/c Payee's Only

बैंकर्स चेक
BANKERS CHEQUE

Key: WIDHEQ
Sr. No: 832073

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9	8	7	6	5	4	3	2
1							

PAY "PETROLEUM & NATURAL GAS REGULATORY BOARD" (PNGRB)***** को या उनके आदेश पर

रुपये RUPEES One Lakh Twenty Eight Thousand Five Hundred and Seventy Only

OR ORDER

अदा करें



128570.00

IOI 000467404630

Key: WIDHEQ Sr. No: 832073

AMOUNT BELOW 128571(1/8)

कुले भारतीय स्टेट बैंक
For STATE BANK OF INDIA

प्राधिकृत हस्ताक्षरकर्ता
AUTHORISED SIGNATORY

शाखा प्रबंधक
BRANCH MANAGER
S-20483

अहस्तांतरणीय / NOT TRANSFERABLE

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VALID ONLY IF COMPUTER PRINTED

केवल 3 महीने के लिए वैध
VALID FOR 3 MONTHS ONLY

₹ 1,50,000/- एवं अधिक के लिखत दो अधिकारियों द्वारा हस्ताक्षरित होने पर ही वैध है।
INSTRUMENTS FOR ₹ 1,50,000/- & ABOVE ARE NOT VALID UNLESS SIGNED BY TWO OFFICERS

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