

PNGRB/ 6480
Dt. : 3/12/18



TGPL/PNGRB/2018-19/004
December 01, 2018

To,

The Secretary,
Petroleum and Natural Gas Regulatory Board ("PNGRB/ Board"),
1st Floor, World Trade Centre,
Babar Road, New Delhi - 110001

Sub.: Comments on the Draft PNGRB (Levy of Fee and Other Charges) Amendment Regulations, 2018

Ref.:

- 1) PNGRB Public Notice dated November 01, 2018
- 2) Draft (Levy of Fee and Other Charges) Amendment Regulations, 2018,

Respected Madam,

At the outset, Torrent Gas would like to heartily congratulate PNGRB for grand success of Laying of Foundation Stone for the GAs of 9th round and inauguration of 10th round by the Hon'ble Prime Minister Shri Narendra Modi. Under the leadership of PNGRB, the event concluded smoothly and could achieve its objectives.

This is in reference to the PNGRB Public Notice dated November 01, 2018 seeking comments/ views on the Draft PNGRB (Levy of Fee and Other Charges) Amendment Regulations, 2018 vide Notification no. F.No. PNGRB/Finance/Other Charges/Vol-V.

In this regard, we would like to make the following submission for the kind consideration of the Honourable Board:

- It is observed that the proposed regulation has sought to increase the rates across different categories, with some categories having an increase as high as 10 times the existing levies / fees. Whilst it is understood and appreciated that the activities of PNGRB would increase post the 10th round, by increasing the levies and charges will put additional burden on the CGD sector which is capital intensive and will be detrimental to the financial health of the CGD entities by increasing their costs. It is our humble suggestion to look at all the sources of funding as provided in Section 39 of the PNGRB Act rather than increasing the levies and charges from the authorised entities only.

TORRENT GAS PRIVATE LIMITED

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- Clause (A) of sub-Regulation (2) of Regulation 4 of the (Levy of Fee and Other Charges) Amendment Regulations, 2018 defines other charges payable annually by a CGD entity. These charges are payable per GA and increase exponentially from the 6th year onwards depending upon population of the GA. It would seem quite unreasonable especially for the GAs where it would take significantly higher period to recover the costs and breakeven given the high capital costs involved.

We would humbly request the Honourable Board to ease the charges and keep them flat at the costs that are mentioned for the first 5 years across the years i.e. Rs. 5 lacs / annum.

Madam, as per the vision of Honourable Prime Minister, the nation is moving towards the gas based economy and hence it is necessary to have appropriate infrastructure to meet such targets. Torrent Gas is committed to making this vision a reality. We request the Honourable Board to kindly consider our views/ suggestions. We would be happy to provide any clarifications, should they be required by your good office.

We also take this opportunity to thank PNGRB for all the support and guidance that have been provided in the past.

Thanking you,

For Torrent Gas Private Limited


Utkarsh Bhatt
Vice President (Commercial)