Managing Director
Indraprastha Gas Limited
IGL Bhawan, Plot No. 4
Community Centre, Sector-9
R.K.Puram,
New Delhi-110022.

Subject: - Acceptance of Central Government Authorization for Delhi CGD Network (NCT of Delhi)

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: IGL/ND/MD/PNGRB dated January 2, 2009 wherein you have submitted Performance Bank Guarantee for Delhi CGD Network (National Capital Territory of Delhi only) vide BG No:172B2130900020001 for an amount Rs 10,00,00,000 (Rupees Ten Crores).

The Petroleum & Natural Gas Regulatory Board in view of the authorization given by the Central Government vide letter Ref: 16019/2/08-GP dated 15th May, 2008, hereby grants exclusivity to M/s IGL for Delhi CGD Network (National Capital Territory of Delhi only) as requested by IGL vide letter No: IGL/NLD/MD/PNGRB dated December 18,2008, subject to the terms and conditions mentioned below:

1) M/s IGL 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 IGL 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 IGL shall abide to Quality of Service standards as per regulations framed under PNGRB Act,2006.

4) M/s IGL 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(GA) accepted for CGD Network Authorization is National Capital Territory of Delhi and Charge Area (CA) will be 70 numbers of electoral wards as per submitted map duly signed by M/s IGL & PNGRB(Copy enclosed). The project milestones for the above CGD Network development shall be as per Annex-1.

6) M/s IGL 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.

7) The 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.

For other areas contained in the Grant of Authorization Letter Dated 15th May,2008 issued by MOPNG, M/s IGL is hereby advised to furnish all information as has been done in case of NCT of Delhi.

The receipt of this letter may please be acknowledged.

Yours faithfully,
(Ratan P.Watal)
Secretary, PNGRB

File No: S-Infra/II/1/2008-Vol.II
Dated: 9th January, 2009
ANNEXURE-1

1. Geographical Area (NCT of Delhi): As per duly sealed & signed MAP-1

2. Charge Area in the given Geographical area with details of year wise coverage in the next 3 years:

<table>
<thead>
<tr>
<th>Year</th>
<th>Areas as shown in the Map</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 2009-10</td>
<td>Rajinder Nagar (39), Patel Nagar (24)</td>
</tr>
<tr>
<td>Year 2010-11</td>
<td>Karol Bagh (23), Sadar Bazaar (19), Vishwas Nagar (59), Krishna Nagar (60), Gandhi Nagar (61), Bawana (7), Najafgarh (35), Matiala (34)</td>
</tr>
<tr>
<td>Year 2011-12</td>
<td>Badarpur (53), Ambedkar Nagar (48), Tuglakabad (52), Chattarpur (46), Ballimaran (22), Chandni Chowk (20), Seemapuri (65), Ghonda (66), Mustafabad (69), Karawal Nagar (70), Kirari (9)</td>
</tr>
</tbody>
</table>

As per duly signed MAP-1.

3. Domestic PNG Connections (Year wise commitment):

<table>
<thead>
<tr>
<th>Year</th>
<th>Commissioned As on Date</th>
<th>Additional Domestic connection (2009-10)</th>
<th>Additional Domestic connection (2010-11)</th>
<th>Additional Domestic connection (2011-12)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1,32,000</td>
<td>35,000</td>
<td>35,000</td>
</tr>
</tbody>
</table>

4. Steel Pipeline length in inch-KM: (Year wise commitment):

<table>
<thead>
<tr>
<th>Year</th>
<th>Commissioned As on Date</th>
<th>Target (Cumulative) (2009-10)</th>
<th>Target (Cumulative) (2010-11)</th>
<th>Target (Cumulative) (2011-12)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steel pipeline in Inch Km.</td>
<td>824</td>
<td>884</td>
<td>956</td>
<td>1100</td>
</tr>
</tbody>
</table>

5. CNG Compression Capacity in kg/day: (Year wise commitment):

<table>
<thead>
<tr>
<th>Year</th>
<th>Commissioned As on Date</th>
<th>Target (Cumulative) (2009-10)</th>
<th>Target (Cumulative) (2010-11)</th>
<th>Target (Cumulative) (2011-12)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CNG Compression Capacity in Lac kg/day.</td>
<td>23.76</td>
<td>30.0</td>
<td>33.5</td>
<td>36.0</td>
</tr>
</tbody>
</table>
Managing Director
Indraprastha Gas Limited
IGL Bhawan, Plot No. 4
Community Centre, Sector-9
R.K.Puram,
New Delhi-110022.

Subject: Addendum to Acceptance of Central Government Authorization for Delhi CGD Network (NCT of Delhi)

Sir,

This has reference to our letter: S-Infra/II/1/2008-Vol.II Dated 09.01.2009 issued with regard to the acceptance of Central Government Authorization and Grant of Exclusivity for Delhi CGD Network (NCT of Delhi only) to M/s Indraprastha Gas Limited.

2. As mentioned under agreed terms & conditions of Exclusivity & the Performance Bank Guarantee submitted thereto, the exclusivity granted to M/s IGL shall be for a period of Three Years from the date of issue of Performance Bank Guarantee (i.e. from 02.01.09 till 01.01.2012).

This letter necessarily shall form a part of the above referred letter and be read in conjugation for all purposes. The receipt of this letter may please be acknowledged.

Yours faithfully,

(Ratan.P.Watal)
Secretary, PNGRB