



MAHANAGAR
GAS

S.No. 6486

MAHANAGAR GAS LIMITED

GAIL, Govt. of Maharashtra & BGAPH Enterprise

MGL/Comm/PNGRB/01/03

November 30, 2018

To,
Secretary,
Petroleum & Natural Gas Regulatory Board
1st Floor, World Trade Centre,
Babar Road,
New Delhi – 110001

Kind Attention: Ms. Vandana Sharma

Subject: Comments on proposed draft regulation to Petroleum and Natural Gas
Regulatory Board (Levy of Fee and Other Charges) Regulations, 2007.

Dear Madam,

This is with reference to the Public Notice dated November 01, 2018 inviting comments from stakeholders regarding proposed draft regulations on Petroleum and Natural Gas Regulatory Board (Levy of Fee and Other Charges) Regulations, 2007.

In this regard, please find attached herewith MGL's comments/views on the subject attached at Annexure-I for kind review and consideration of the PNGRB.

In case you need any further information on the subject, we request you to let us know so that we can provide you the same.

Yours sincerely

Rajesh Wagle

(Rajesh Wagle)
SVP (Commercial)

JAR(KS) 4/12
4/12/18
SAO (M) AEC (M)



| Sr. No. | Draft Regulation Clause No | Draft Regulation Clause | MGL's Comments |
|---------|----------------------------|--|--|
| 1 | Clause 4 (2) A | <p>For each CGD or Local natural gas distribution network: From the second financial year to the fifth financial year, starting from the financial year in which authorisation was granted or accepted by Board:</p> <p>For Initial Five years other charges are fixed Rs. 5,00,000 per GA.</p> <p>From the sixth financial year, starting from the financial year in which authorisation was granted or accepted by Board, and onwards Other charges are link to population</p> | <p>For development of PNG infrastructure in authorized GA, authorised entities are required to make huge investment. Imposing GA wise charge will put additional burden on the entities.</p> <p>Further It is difficult to calculate population of part districts of existing GA's.</p> <p>Considering this, it is suggested to continue with existing practice of other charges calculation on turn over basis.</p> |
| 2 | Clause 4 (3) | <p>Other Charges payable under this regulation shall be paid annually for each financial year i.e. a period of 12 months beginning on first April and ending on thirty-first March of the following year, within a period of two months from the beginning of the financial year.</p> | <p>No of days for payment of other charges:</p> <p>For Listed Entity: Within Thirty days (30) from the date of release of financial result by the entity.</p> <p>For Non-Listed Entity: within a period of Three months from the beginning of the next financial year</p> |
| 3 | | <p>PNGRB to provide clarification on applicability of GST on the said charges, in case the PNGRB does not get exemption ,from the purview of GST, then PNGRB is required to issue tax invoice towards other charges.</p> | |

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