By Hand S.No - 3458

Received on 15/3/18 at 11:39 AM

IMC LIMITED

Corporate Office : "NEELADRI", 3rd Floor, No. 9, Cenotaph Road, Alwarpet, Chennai - 600 018.
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AA(AK)/L-1460
15/3/18

5th Mar 2018

To

Petroleum and Natural Gas Regulatory Board,
1st Floor, World Trade Centre,
Babar Road,
New Delhi – 110 001

Kind Attn: Mr. Arvind Kumar – Additional Adviser

15/3/18 DA(MTN)

Dear Sir,

Sub: BID/NGPL/08/2015/1/KVNPL (Kakinada – Vijayawada – Nellore Natural Gas Pipeline) – Acknowledgement for Grant of Authorization.

This has reference to your letter no: Infra/NGPL/51/BID/KVNPL/01/17 dated 19th Feb 2018. Please find enclosed acknowledgment to Grant of Authorization letter for KVNPL Natural Gas Pipeline.

for IMC Limited

Vimal Chopra
Sr. Vice President – Business Development

Schedule D

[see regulations 9 *(1)* and 18 (7)]

Grant of authorization for laying, building, operating or expanding Kakinada-Vijayawada-Nellore Natural Gas Pipeline

Ref: Infra/NGPL /51/BID/KVNPL/01/17 **February 19, 2018**

To

M/s IMC Limited
[Kind Attn: Shri A Mallesh Rao, MD]
NEELADRI, 3rd Floor,
No. 9, Cenotaph Road, Alwarpet,
Chennai-600018

Subject: Grant of authorization for laying, building, operating or expanding natural gas pipeline along the route of Kakinada-Rajahmundry-Vijayawada-Guntur-Ongole-Nellore under the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008.

Sir,

With reference to your application for grant of authorization for laying, building, operating or expansion of natural gas pipeline along the route of Kakinada-Rajahmundry-Vijayawada-Guntur-Ongole-Nellore, it has been decided to grant authorization to you, subject to the provisions under the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008 on the following terms and conditions, namely:

1. The route for laying, building, operating or expanding the natural gas pipeline shall be **as depicted in the enclosed drawing** [Kakinada-Rajahmundry-Vijayawada-Guntur-Ongole-Nellore Natural Gas Pipeline].

2. The entity shall complete the activities of laying, building or expansion activities of natural gas pipeline and commission the natural gas pipeline

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ARVIND KUMAR
अपर सलाहकार
Additional Adviser
पेट्रोलियम और प्राकृतिक गैस विनियामक बोर्ड
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project as per the enclosed time schedule and targets. The entity is allowed a maximum period of thirty six months from the date of issue of the authorization letter for commissioning of the natural gas pipeline project. Any failure on the part of the entity in complying with the targets prescribed in the time schedule shall lead to consequences as specified under regulation 16 of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008.

3. The capacity in the natural gas pipeline shall be equal to **18.0** Million standard cubic meter per day (MMSCMD).

4. The extra capacity in the natural gas pipeline shall be equal to **4.50** MMSCMD as per the provisions specified in clause *(j)* of sub-regulation *(6)* of regulation 5 and shall be available for use on common carrier basis by any third party on open access and non-discriminatory basis.

5. The authorized entity shall be required to take prior approval from the Board for creation of any lien or charge or hypothecation on the assets of the natural gas pipeline to secure finances for the project and furnish details of utilization of funds. However, in case of raising funds from any financial institution or bank, the entity will be required to only inform the Board of the sanction of the funds, within a period of seven days.

6. The entity shall publish the approved tariff for each of the tariff zone of the natural gas pipeline.

7. The entity shall submit a detailed and clear financial closure report to the Board within a period of one hundred and eighty days from the date of authorization issued by the Board under regulation 9 of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008.

8. The furnishing of performance bond of **Rs. 147.80 million** is a guarantee for timely commissioning of the project as per the prescribed targets submitted in the bid and for meeting the performance undertakings during operating phase of the project.

9. The entity shall abide by the service obligations specified under regulation 14 and quality of service standards under regulation 15 of the Petroleum and

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Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008.

10. In case the authorization of the entity is terminated, the Board may assign the rights and obligations to any agency or another entity on such terms and conditions, as it may deem fit. Further, the entity may be required, as per the directions of the Board, to continue the operations of the natural gas pipeline at the same level till another agency or entity appointed by the Board takes over the full control of the natural gas pipeline.

11. The entity shall comply with the provisions under-

(a). the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008;

(b). the Petroleum and Natural Gas Regulatory Board (Determination of Natural Gas Pipeline Tariff) Regulations, 2008;

(c). the service obligations specified in Schedule J to the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008;

(d). the relevant regulations for-

(i) the technical standards and specifications, including safety standards;

(ii) the access code;

(iii) determination of capacity for natural gas pipeline;

(iv) affiliate code of conduct;

(v) declaring natural gas pipelines as common carrier or contract carrier;

(e). any other regulations as may be applicable and the provisions of the Act.

12. The entity shall comply with any other term or condition which may be notified by the Board in public interest, from time to time.

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Babar Road, New Delhi-110001

You are requested to confirm your acceptance in the space provided below and return the same in original.

Yours faithfully,

19/2/2018

Date: 19.02.2018

(Arvind Kumar)
Additional Adviser

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Acceptance of Grant of Authorization

I / We hereby agree to the grant of authorization issued by the Board vide letter ref. <Infra/NGPL/51/BID/KUNPL/01/17> dated <19/02/2018> and agree to comply with all the terms and conditions subject to which ~~I~~/ We have been granted authorization for laying, building, operating or expanding natural gas pipeline along the route of <Kakinada - Vijayawada - Nellore> in the States of <Andhra Pradesh>.

Date: 05/03/2018
Place: CHENNAI

Signature of the Entity or Authorized Signatory
Name and Official Seal

IMC LIMITED

TIME SCHEDULE AND TARGETS FOR KAKINADA- VIJAYAWADA-NELLORE NATURAL GAS PIPELINE PROJECT

CAPACITY BUILD-UP SCHEDULE:

	Year-1 to Year- 25
System Capacity for the pipeline system required to be built up	**18.00 MMSCMD***
Extra capacity in the pipeline system required to be built up as per Regulation 5 (6) (j) of the PNGRB (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008	**At least 4.50 MMSCMD***
Route of the pipeline	Kakinada-Rajahmundry-Vijayawada-Guntur-Ongole-Nellore
Main Trunk Line	522 km
Spur Line	145 km

Natural Gas Pipeline Monitoring Schedule- As submitted in the bid

Note:

* - As per the provisions of the PNGRB (Determining Capacity of Petroleum, Petroleum Products and Natural Gas Pipeline) Regulations, 2010.

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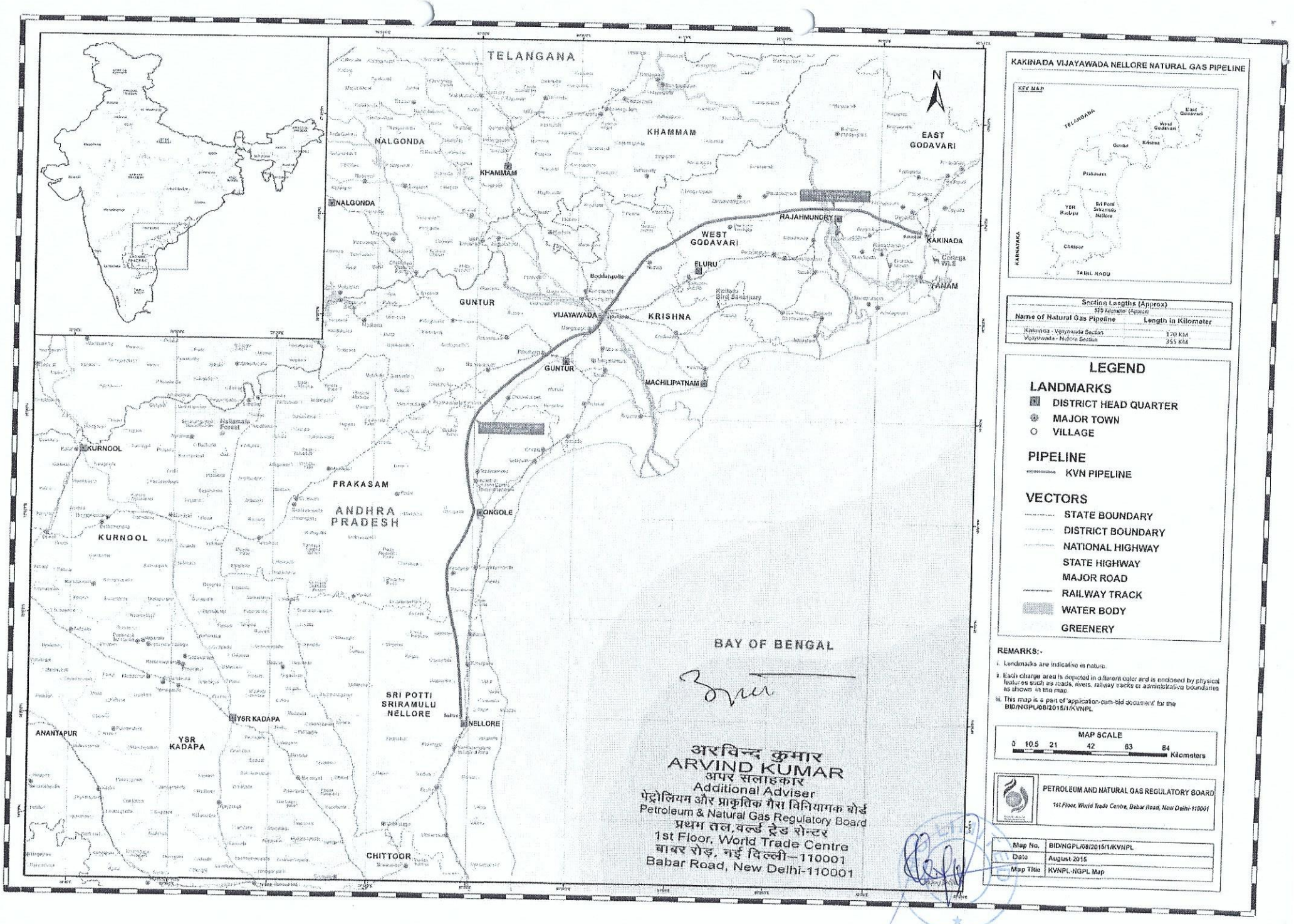

KAKINADA VIJAYAWADA NELLORE NATURAL GAS PIPELINE

KEY MAP

Section Lengths (Approx)	
929 Kilometer (Approx)	
Name of Natural Gas Pipeline	Length in Kilometer
Kakinada - Vijayawada Section	150 KM
Vijayawada - Nellore Section	355 KM

LEGEND

LANDMARKS
- DISTRICT HEAD QUARTER
- MAJOR TOWN
- VILLAGE

PIPELINE
- KVN PIPELINE

VECTORS
- STATE BOUNDARY
- DISTRICT BOUNDARY
- NATIONAL HIGHWAY
- STATE HIGHWAY
- MAJOR ROAD
- RAILWAY TRACK
- WATER BODY
- GREENERY

REMARKS:-

i. Landmarks are indicative in nature.

ii. Each charge area is depicted in different color and is enclosed by physical features such as roads, rivers, railway tracks or administrative boundaries as shown in the map.

iii. This map is a part of 'application-cum-bid document' for the BID/NGPL/08/2015/1/KVNPL

MAP SCALE
0 10.5 21 42 63 84 Kilometers

PETROLEUM AND NATURAL GAS REGULATORY BOARD
1st Floor, World Trade Centre, Babar Road, New Delhi-110001

Map No.	BID/NGPL/08/2015/1/KVNPL
Date	August 2015
Map Title	KVNPL-NGPL Map

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