

PETROLEUM AND NATURAL GAS REGULATORY BOARD

NOTIFICATION

New Delhi, the 19th March, 2008

G.S.R. 196(E). ---In exercise of the powers conferred by Section 61 of the Petroleum and Natural Gas Regulatory Board Act, 2006 (19 of 2006), the Petroleum and Natural Gas Regulatory Board hereby makes the following regulations, namely:-

1. Short title and commencement.

- (1) These regulations may be called the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008.
- (2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions.

- (1) In these regulations, unless the context otherwise requires,-
 - (a) “Act” means the Petroleum and Natural Gas Regulatory Board Act, 2006;
 - (b) “appointed day” means the date of October 1, 2007 when the Central Government notified the establishment of the Petroleum and Natural Gas Regulatory Board;
 - (c) “authorized area” means the specified geographical area for a city or local natural gas distribution network (hereinafter referred to as CGD network) authorized under these regulations for laying, building, operating or expanding the CGD network which may comprise of the following categories, either individually or in any combination thereof, depending upon the criteria of economic viability and contiguity as stated in Schedule A, namely:-
 - (i) geographic area, in its entirety or in part thereof, within a municipal corporation or municipality, any other urban area notified by the Central or the State Government, village, block, tehsil, sub-division or district or any combination thereof; and
 - (ii) any other area contiguous to the geographical area mentioned in sub-clause (i);
 - (d) “Board” means the Petroleum and Natural Gas Regulatory Board established under sub-section (1) of section 3 of the Act;
 - (e) “City Gate Station” (hereinafter referred as CGS) means the point where custody transfer of natural gas from natural gas pipeline to the CGD network takes place;

¹[(f) “contract year” means a period of twelve months commencing on and from the first date of the calendar quarter immediately following the date of authorisation and subsequent periods of twelve months each thereafter]

(g) “development of a CGD network” means laying, building, operating or expanding a city or local natural gas distribution network;

²[(ga)“Force Majeure” shall mean and be limited to

(i) war / hostilities;

(ii) major riots or civil commotion;

(iii) earthquake, flood, tempest, lightening or other natural physical disasters;

(iv) restrictions imposed by Central Government or State Governments, that have arisen after last date of submission of bid, which prevents or delays the execution of obligations under these Regulations

³[***]

⁴[***]

(i) “piped natural gas” (hereinafter referred as PNG) means natural gas transported through pipelines ⁵[⁶[***]] in a CGD network for consumption by any customer in domestic, commercial or industrial segments and includes natural gas supplied to an online CNG station before its compression.

⁷[(ia) “pre-determined penalty” means penalty leviable or levied at the pre-determined rates as specified in regulation 16 for under- achievement of work programme in each contract year;

(ib) "successful entity" means the entity which submits bid and is granted the authorisation for the development of CGD network for a particular geographical area and the remaining entities submitting the bid for such development and not granted authorisation are referred to as “unsuccessful entities”;

(ic) “transportation rate for CGD” means the unit rate of tariff (excluding statutory taxes and levies) in rupees per million British Thermal Units (Rs. /MMBTU) for all the categories of customers of natural gas in a CGD network to be paid by an

¹ Subs. by Cl. (i) of sub-reg (a) of reg. (2), for ‘words specified in Amendment Regulations, 2016’ the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2018 (w.e.f. 06.04.2018).

² Ins. by Cl. (ii) of sub-reg (a) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

³ The words specified in Cl (gb) are omitted by Cl. (i) of sub-reg (a) of reg. (2), the Petroleum and Natural Gas Regulatory Board (Authorising Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Second Amendment Regulations, 2018 (w.e.f. 27.04.2018).

⁴ The words specified in Cl (h) are omitted by Cl. (iii) of sub-reg (a) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

⁵ Ins. by Cl. (iv) of sub-reg (a) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

⁶ The words “or cascades or any other permitted mode” are omitted by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2024 (w.e.f. 7 days from the date of publication i.e. 26.12.2024).

⁷ Ins. by Cl. (v) of sub-reg (a) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

entity to the entity authorised to operate the CGD network;

(id) “transportation rate for CNG” means a charge (excluding statutory taxes and levies) in rupees per kilogram (Rs. /kg) for online compression of natural gas into compressed natural gas (herein after also referred to as CNG) for subsequent dispensing to customers in a ¹[CNG station] to be paid by an entity to the entity authorised to operate the CGD network

²[(ie) “work programme”, until issuance of authorisation letter, means number of domestic PNG connections, number of CNG stations and Inch-kilometer of steel pipeline network as quoted by the bidder in the bid and after such issuance means number of domestic PNG connections, number of CNG stations and ³[Inch-kilometre of steel pipeline and MDPE pipeline] network as mentioned in the authorisation letter as per Schedule-D;]

⁴[*****]

⁵[(j) The Performance Bond, as the case may be, shall include Demand Draft or Pay Order or Bank Guarantee from any scheduled bank of India or Insurance Surety Bond from Insurance Companies Licensed / authorized by Insurance Regulatory and Development Authority of India (IRDAI) for the amount as specified in the regulation.]

(2) Words and expressions used and not defined in these regulations, but defined in the Act or in the rules or regulations made thereunder, shall have the meanings respectively assigned to them in the Act.

3. Application.

(1) These regulations shall apply to an entity which is laying, building, operating or expanding, or which proposes to lay, build, operate or expand a CGD network.

(2) A CGD network shall be designed to operate at a pressure as specified in the relevant regulations for technical standards and specifications, including safety standards for maintaining the volumes of supply of natural gas on a sustained basis to meet the following requirements, namely:-

(a) customers having requirement of natural gas upto 50,000 SCMD shall be supplied through the CGD network;

⁶[Provided that until CGD Network is ready to supply natural gas to a customer (other than domestic PNG and CNG), such customers shall have

¹ Subs. by Cl. (ii) of sub-reg (a) of reg. (2), for ‘natural gas station’, *ibid.* (w.e.f. 27.04.2018).

² Subs. by Cl. (iii) of sub-reg (a) of reg. (2), for ‘natural gas station’, *ibid.* (w.e.f. 27.04.2018).

³ Subs. by sub-reg (a) of reg. (3), for ‘Inch-kilometre of steel pipeline’, by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁴ The words and expressions used in Cl. (j) of reg. 2 are omitted by Cl. (vi) of sub-reg (a) reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2018 (w.e.f. 06.04.2018).

⁵ Ins. by Sub reg (a), Reg 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) amendment Regulations, 2025.(w.e.f. 15.09.2025)

⁶ Ins. by Cl. (i) of sub-reg (b) of reg. 2, *ibid.* (w.e.f. 06.04.2018).

right to get the supply of natural gas from any other alternate source or supplier, with prior permission of the Board, and if, once CGD Network is ready to supply natural gas to such customer, then, such customer shall cease to get supply of natural gas from such alternate source or supplier after 30 days of receipt of notice of readiness from the CGD network.]

(b) customers having requirement of natural gas more than 50,000 SCMD and upto 100,000 SCMD shall be supplied, ¹[at the discretion of customer]-

(i) through the CGD network; or

(ii) ²[through a natural gas pipeline, authorised or accepted by the Board under the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008, not forming part of the CGD network];

(c) ³[Customers having requirement of natural gas to an extent of more than 100,000 SCMD, shall be supplied through a natural gas pipeline, authorised or accepted by the Board under the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008, not forming part of the CGD network.]

4. Initiation of proposal through expression of interest route or *suo-motu* by Board.

(1) An entity desirous of laying, building, operating or expanding a CGD network shall submit an expression of interest to the Board in the form of an application at Schedule B alongwith an application fee as specified under the Petroleum and Natural Gas Regulatory Board (Levy of Fee and Other Charges) Regulations, 2007.

(2) The Board may *suo-motu* invite bids from entities interested in laying, building, operating or expanding a CGD network for any specified geographical area.

5. Criteria for selection of entity for expression of interest route.

(1) The Board may carry out a preliminary assessment of the expression of interest with respect to the following, namely:-

(a) natural gas availability position;

(b) possible connectivity with an existing or proposed natural gas pipeline for supply of natural gas to the city gate of the proposed CGD network, including LNG supplies by tank trucks or tank wagons and CNG by cascades; and

¹ Ins. by Cl. (ii) of sub-reg (b) of reg. 2, *ibid.* (w.e.f. 06.04.2018).

²Subs. by Cl. (i) of sub-reg (b) of reg. (2), for ‘through a pipeline not forming part of the CGD network’, by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008 (w.e.f. 7 days from the date of publication i.e. 26.12.2024).

³ Subs. by Cl. (ii) of sub-reg (b) of reg. (2), for ‘customers having requirement of natural gas more than 100,000 SCMD shall be supplied through a pipeline not forming part of the CGD network’, by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008 (w.e.f. 7 days from the date of publication i.e. 26.12.2024).

(c) any other relevant issue as the Board may consider necessary.

- (2) The Board may, within fifteen days of the receipt of expression of interest and based on its preliminary assessment, either issue an open advertisement in at least one national and one vernacular daily newspaper (including webhosting) publishing receipt of an expression of interest and commencement of public consultation process period of thirty days or reject the expression of interest:

Provided that in case the Board rejects the expression of interest, it shall inform the entity of the decision alongwith the reasons for rejecting the expression of interest.

- (3) During the period of public consultation process, any person or entity may submit in writing to the Board its views, if any, on the expression of interest.
- (4) The Board may, based on the views received and taking into consideration the criteria specified in Schedule A, decide or fix the authorized area for the proposed CGD network, including the decision whether it should be different from that indicated in the expression of interest.
- (5) The Board may, within a period of fifteen days after the end of the public consultation process period, publish through an open advertisement in at least one national and one vernacular daily newspaper (including webhosting), the proposal for the development of CGD network and invite bids for the same.
- (6) The Board shall scrutinize the bids received in response to the advertisement in respect of only those entities which fulfill the following minimum eligibility criteria, namely:-

- (a) entity has paid the application fee alongwith the application-cum-bid as specified under the Petroleum and Natural Gas Regulatory Board (Levy of Fee and Other Charges) Regulations, 2007:

Provided that the entity submitting the bid, which has already paid the application fee at the time of submission of the expression of interest shall not pay the application fee at this stage unless there is a requirement to pay additional application fee on account of change in the authorized area;

- (b) entity is technically capable of laying and building CGD network as per the following qualifying criteria, namely:-

¹[(i) entity has constructed either hydrocarbon steel pipelines totaling to a length of not less than three hundred kilometers or which by itself or as one of the consortium partners was authorized by the Board for development of a CGD network; or]

²[(ii) entity has a joint venture with another entity (with at least eleven percent equity holding by that entity) which has constructed either hydrocarbon steel pipelines totaling to a length of not less than three hundred

¹ Subs. by pt. (i) of Cl. (A) of sub-reg.(a) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

² Subs. by pt. (ii) of Cl. (A) of sub-reg.(a) of Reg. 2, *ibid.* (w.e.f. 07.09.2021)

kilometer or entity has a joint venture with another entity (with at least eleven percent equity holding by that entity) which by itself or as one of the consortium partners was authorized by the Board for development of a CGD network]

(iii) ¹[***]

(iv) [****]

²[(v) entity has an adequate number of technically qualified personnel with experience in construction, pre-commissioning and commissioning of hydrocarbon steel pipelines and also has a credible plan to independently undertake and exercise the CGD project on a standalone basis.

Explanation- The entity shall have at least three technically qualified personnel on its permanent rolls having experience of not less than three years in the following areas, namely:

- (i.) right of way acquisition or clearance securing;
- (ii.) design and execution of a hydrocarbon steel pipeline project;
- (iii.) pre-commissioning including hydro-testing and restoration;
and
- (iv.) safety of hydrocarbon steel pipeline and installations]

(c) entity is technically capable of operating and maintaining a CGD network as per the following qualifying criteria, namely:-

- (i) entity on its own has an experience of at least one year in operations and maintenance of a CGD network; ³[or]
- (ii) entity has a joint venture with another entity (with eleven percent holding of that entity) which has an experience of at least one year in operations and maintenance of a CGD network; ⁴[or]
- (iii) entity intends to operate and maintain the proposed CGD network through an appropriate technical assistance agreement for a period of at least one year with another party having experience of at least one year in operations and maintenance of a CGD network; or
- (iv) entity has an adequate number of technically qualified personnel with experience in commissioning, and operation and maintenance

¹ The words and expressions mentioned herein are omitted by pt. (iii) of Cl. (A) of sub-reg.(a) of Reg. 2, *ibid.* (w.e.f. 07.09.2021)

² Ins. by pt. (v) of Cl. (a) of Reg. 2, The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2022 (w.e.f. 14.02.2022).

³ Ins. by point (b) of Cl. (i) of Sub-reg. (c) of reg. 2, *ibid.* (w.e.f. 06.04.2018).

⁴ Ins. by point (b) of Cl. (i) of Sub-reg. (c) of reg. 2, *ibid.* (w.e.f. 06.04.2018).

(O&M) of ¹[hydrocarbon steel pipelines] and also has a credible plan to independently undertake the O&M activities for a CGD project on a standalone basis.

Explanation.-

1. In relation to sub-clause (iii), –
 - (a) the entity shall submit in its application-cum-bid an exhaustive list of proposed firms with whom it desires to have a technical assistance agreement alongwith the proof of relevant and credible experience of such firms and the entity may choose a firm or more from amongst the firms in this list for operation and maintenance of the proposed CGD network and the Board reserves the right to cross verify the credential of the firm or firms included in this list and seek any clarifications;
 - (b) the entity shall also submit a credible plan along with the bid to develop an in-house O&M team for city or local gas distribution network.
2. In relation to sub-clause (iv), the entity shall have at least three technically qualified personnel on its permanent rolls having experience of not less than ²[three year] in the following areas, namely:-
 - (a) commissioning of a ³[hydrocarbon steel pipeline];
 - (b) operation and maintenance of natural gas pipelines and natural gas installations including gas compressors;
 - (c) commercial issues including gas pricing, gas measurement, accounting, billing and collection; and
 - (d) safety of natural gas infrastructure;
 - (d) the entity has agreed to abide by the relevant regulations for technical standards and specifications, including safety standards;
 - (e) the entity has adequate financial strength to execute the proposed project, operate and maintain the same in the authorized area and shall meet the following financial criterion to qualify for bidding for a single CGD network, namely:-

⁴[

Population in the geographical	Minimum net worth of the bidder entity
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¹ Supra 1 (w.e.f. 19.07.2010).

² Subs. by Supra 5 (w.e.f. 19.07.2010).

³ Subs. by point (A) of Sub-Cl. (i) of Reg. (2), the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2010, for 'hydrocarbon pipeline' (w.e.f. 19.07.2010).

⁴ Subs. by point (C) of Cl. (i) sub-reg. (c) of reg. 2, *ibid.* (w.e.f. 06.04.2018).

area ¹ [as per latest census of India]	
(1)	(2)
5 million or more	Rs. 1,500 million for a population of 5 million, plus additional Rs. 300 million for each 1 million of population or part thereof, in excess of 5 million (refer Note – 3)
2 million or more but less than 5 million	Rs.1,000 million
1 million or more but less than 2 million	Rs. 750 million
0.5 million or more but less than 1 million	Rs.500 million
0.25 million or more but less than 0.50 million	Rs.250 million
0.1 million or more but less than 0.25 million	Rs.100 million
Less than 0.1 million	Rs.50 million
<p>Note – 1 The above minimum net-worth is applicable in case the bidder entity bids for a single geographical area in a particular bidding round.</p> <p>Note – 2 In case a bidder entity bids for more than one geographical area, then, the minimum net-worth requirement shall be calculated by considering 100% of minimum net-worth required for the bidded geographical area having the highest population, plus 20% of minimum net-worth required for each of the other geographical areas. For example, if a bidder has bidded for four geographical areas namely A, B, C and D and out of these four geographical areas, C has the highest population, then minimum net-worth requirement shall be calculated as minimum net-worth requirement of C plus 20% of minimum net-worth requirements for A, B and D each.</p> <p>Note – 3 For example, if the population is 8.4 million, then the minimum net-worth required shall be Rs. 2,700 million (i.e. Rs. 1,500 million for initial 5 million of population, plus Rs. 1,200 million for 3.4 million of population in excess of 5 million).</p>	

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² [³(i) Net-worth of a bidder entity shall be computed as per Schedule-K.]

⁴[*****]

¹ Subs. by point (A) of Cl. (i) of sub reg (a) of reg. 2, *ibid.* (21.06.2013).

² Subs. by point (B) of Cl. (ii) of reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2010, (w.e.f. 19.07.2010).

³ Subs. by point (ii) of Cl. (C) of sub-reg (c) of reg. 2, *ibid.* (w.e.f. 06.04.2018).

⁴ Subs. by point (iii) of Cl. (C) of reg. 2, *ibid.* (w.e.f. 06.04.2018).

¹[***]

²(f) the entity, on being declared as a successful bidder and not being a company registered under the Companies Act, 1956 or Companies Act, 2013, shall get itself registered as a company under the Companies Act, 2013 within six months from the date of such declaration: ³[The company so registered shall comply with the requirement of minimum net worth in respect of the geographical areas under that company as per Regulation 5 (6) (e).] []

(g) the entity should have a credible plan for sourcing natural gas for supply in the proposed CGD network;

(h) entity shall furnish a bid bond ⁴[in the form of Bank Guarantee] ⁵[or demand draft or pay order from any scheduled bank drawn in favour of the Petroleum and Natural Gas Regulatory Board payable at New Delhi] for an amount equal to-

(i) rupees fifty million for a population of five million and proportionately higher amount for population of more than five million.

Illustration.- The bid bond ⁶[in the form of Bank Guarantee] ⁷[or demand draft or pay order from any scheduled bank drawn in favour of the Petroleum and Natural Gas Regulatory Board payable at New Delhi] in case of population of the city or local area of twelve million shall be rupees one hundred twenty120 million (that is, rupees fifty million X 12/5);

(ii) rupees thirty million for a population of one million and more but less than five million;

(iii) rupees twenty million for a population of half a million and more but less than one million;

(iv) rupees fifteen million for a population of quarter of a million and more but less than half a million;

(v) rupees ten million for a population of one-tenth of a million and more but less than quarter of a million;

¹ Subs. by point (iii) of Cl. (C) of reg. 2, *ibid.* (w.e.f. 06.04.2018).

² Subs. by sub-reg (b) of reg.2, *ibid.* (w.e.f. 26.04.2016).

³ Ins. by of Cl. (B) of sub-reg.(a) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

⁴ Ins. by Cl. (b) of reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2009 (w.e.f. 30.04.2009).

⁵ Subs. by point (B) of Cl. (i) of sub reg (a) of reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorising Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2013 (w.e.f. 21.06.2013).

⁶ Supra 1

⁷ Supra 2

(vi) rupees five million for a population less than one-tenth of a million;

¹[(i) entity submitting the bid should not have been imposed any penalty under section 28 or punished under Chapter IX of the Act during the period of preceding one year from the last date for submission of the bid]

(j) in case the entity submitting the bid does not fulfill the requirements of any criteria under clauses (a) to (i), the bid submitted by it shall be summarily rejected and a communication in this regard shall be sent to it and the financial bid shall not be opened for that entity;

(k) the bid bond shall be –

i) encashed if an entity submitting the bid walks out;

ii) released in respect of the unsuccessful entity submitting the bid;

iii) retained till the prescribed performance bond is furnished at the time of authorization by the successful bidder.

(7) The application-cum-bid shall be submitted in two parts in the form as specified in Schedule C in separate properly earmarked and sealed envelopes, namely:-

²[(a) Part I [Technical bid] covering general particulars of the entity and technical details of the project including minimum eligibility criteria under sub- regulation (6);]

(b) Part II (Financial bid) covering the financial details under regulation 7.

(8) A time period of ³⁴[ninety] days shall be allowed for submission of the application-cum-bid for grant of authorization for laying, building, operating and expanding the CGD network and any application-cum-bid received after the notified ⁵[date and time] shall not be considered.

⁶[***]

⁷[***]

6. Invitation by Board for laying, building, operating or expanding of CGD network.

The Board may *suo-motu* form a view regarding the development of a CGD network in a

¹ Subs. by sub-reg (a) of reg. (2), the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2015 (w.e.f. 11.12.2015).

² Subs. by Cl (ii) of reg. 2, *ibid.* (w.e.f. 21.06.2013).

³ Subs. by reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2015, for the words ‘one hundred and twenty days’ (w.e.f. 13.02.2015).

⁴ Subs. by point (A) of Cl. (ii) of sub-reg (c) of reg. 2, for ‘sixty’, *ibid.* (w.e.f. 06.04.2018).

⁵ Subs. by Cl. (c) of reg. (2), *ibid.* (w.e.f. 19.07.2010).

⁶ The words specified in proviso to sub-reg (8) are omitted by. Point (B) of Cl (ii) of sub-reg(c) of reg. 2 (w.e.f. 06.04.2018).

⁷ The words specified in Sub-reg (9) are omitted by Cl (iii) of sub-reg(c) of reg. 2 (w.e.f. 06.04.2018).

specific city or a geographic area, and in such a case, the procedure as specified in regulation 5 (except aspects relating to the expression of interest ¹[***]) shall apply.

7. Bidding criteria.

(1) The Board, while considering the proposal for authorization, shall tabulate and compare all financial bids meeting the minimum eligibility criteria, as per the bidding criteria given below, namely:-

²[1(a) The Board, while considering the proposal for authorisation, shall tabulate and compare all financial bids meeting the minimum eligibility criteria, as per the bidding criteria specified below, namely :-

Sl. No.	Bidding Criteria	Weightage (%)	Explanation
1	Lowness of transportation rate for CGD – in rupees per million British Thermal Unit (Rs./MMBTU)	10	Bidder is required to quote transportation rate for CGD only for the first contract year which shall not be less than Rs. 30 /MMBTU. Rates for the subsequent contract years shall be derived considering the quoted rate and escalation as per Note.
2	Lowness of transportation rate for CNG -in rupees per kilo gram (Rs. / kg)	10	Bidder is required to quote transportation rate for CNG only for the first contract year which shall not be less than Rs. 2 /kg. Rates for the subsequent contract years shall be derived considering the quoted rate and escalation as per Note.
3	Highness of number of ³ [CNG Stations] (online ⁴ [daughter booster stations and Mobile Refuelling Unit]) to be installed within 8 contract years from the date of authorisation	20	-

¹ The words specified in Reg (6) are omitted by sub-reg (d) of reg. 2 (w.e.f. 06.04.2018).

² Subs. by sub-reg (e) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

³ Subs. by point (i) of Cl. (1) of sub-reg (b) of reg (2), for ‘natural gas stations’ *ibid.* (w.e.f. 27.04.2018).

⁴ Subs by point (i) of cl. (a) of sub-reg (i) of reg (2) of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2023 (w.e.f. 29.03.2023)

4	Highness of number of domestic piped natural gas connections to be achieved within 8 contract years from the date of authorisation	50	-
5	Highness of ¹ [inch-kilometer of steel pipeline and MDPE pipeline] (including sub-transmission steel pipelines) to be laid within 8 contract years from the date of authorisation	10	-
<p>Note - Annual escalation shall be considered from the second contract year and onwards based on the “Wholesale Price Index (WPI) Data (2011-12 = 100)” for “All Group / Commodity”, as normally available on the website of the Office of the Economic Adviser, Government of India, Ministry of Commerce and Industry, Department of Industrial Policy and Promotion (DIPP) on the link “http://eaindustry.nic.in/home.asp.”</p>			

Provided that in the case of the geographical areas of (i) Bilaspur, Hamirpur and Una District; (ii) Panchkula (except area already authorised), Shimla, Solan and Sirmaur Districts, (iii) Barmer, Jaisalmer and Jodhpur Districts, (iv) Darjeeling, Jalpaiguri and Uttar Dinajpur Districts, (v) Nainital and Bijnor Districts, (vi) Pauri Garhwal, Uttarkashi, Rudraprayag and Tehri Garhwal Districts, (vii) Pithoragarh, Champawat, Almora, Chamoli and Bageshwar Districts, (viii) Mandi, Kullu, Kinnaur and Lahaul and Spiti Districts, (ix) Kangra and Chamba Districts and (x) Jammu, Udhampur, Reasi, Samba and Kathua Districts, it is not mandatory to supply natural gas through steel-pipes. However, natural gas has to reach in all charge areas. The bidding parameters and their respective weightage will, accordingly, be as under-]

Sl. No.	Bidding Criteria	Weightage (%)	Explanation
1	Lowness of transportation rate for CGD – in rupees per million British Thermal Unit (Rs./MMBTU)	10	Bidder is required to quote transportation rate for CGD only for the first contract year which shall not be less than Rs. 30 /MMBTU. Rates for the subsequent contract years shall be derived considering the quoted rate

¹ Subs. by point I, Cl (i), sub-reg (b) of reg. (3), for ‘Inch-kilometre of steel pipeline’, by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

² Subs. by reg. (2) of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) third Amendment Regulations, 2018 (w.e.f. 06.11.2018.)

³ Subs. by pt. (i) of sub-reg.(b) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

			and escalation as per Note.
2	Lowness of transportation rate for CNG -in rupees per kilo gram (Rs. / kg)	10	Bidder is required to quote transportation rate for CNG only for the first contract year which shall not be less than Rs. 2 /kg. Rates for the subsequent contract years shall be derived considering the quoted rate and escalation as per Note.
3	Highness of number of ¹ [CNG Stations] (online ² [daughter booster stations and Mobile Refueling Unit]) to be installed within 8 contract years from the date of authorisation	25	-
4	Highness of number of domestic piped natural gas connections to be achieved within 8 contract years from the date of authorisation	55	-
<p>Note - Annual escalation shall be considered from the second contract year and onwards based on the “Wholesale Price Index (WPI) Data (2011-12 = 100)” for “All Group / Commodity”, as normally available on the website of the Office of the Economic Adviser, Government of India, Ministry of Commerce and Industry, Department of Industrial Policy and Promotion (DIPP) on the link “http://eaindustry.nic.in/home.asp.”</p>			

1

(b) Successful bidder shall be required to achieve the year-wise work programme within 8 contract years as per details given below, namely:-

PNG Connections (cumulative)		³ [CNG Stations] (cumulative)		⁴ [Inch-km of steel pipeline and MDPE pipeline] (cumulative)	
By the end of contract year	% of work programme	By the end of contract year	% of work programme	By the end of contract year	% of work programme
1 st	Nil	1 st	Nil	1 st	5
2 nd	10	2 nd	15	2 nd	20

¹ Subs. by pt. (ii) of sub-reg.(b) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

² Subs by point (ii) of cl. (a) of sub-reg (i) of reg (2) of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2023 (w.e.f. 29.03.2023)

³ Subs. by point (i) of Cl. (2) of sub-reg (b) of reg (2), for ‘natural gas stations’ *ibid.* (w.e.f. 27.04.2018).

⁴ Subs. by point i, Cl (ii), sub-reg (b) of reg. (3), for ‘Inch-kilometre of steel pipeline’, by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

3 rd	20	3 rd	30	3 rd	40
4 th	30	4 th	45	4 th	60
5 th	40	5 th	60	5 th	70
6 th	60	6 th	75	6 th	80
7 th	80	7 th	90	7 th	90
8 th	100	8 th	100	8 th	100

Note - In case derived numbers are in fraction, the same shall be rounded off to the nearest whole number and fraction 0.5 shall be rounded off to next higher whole number.

¹[Provided that in the case of the geographical areas of (i) Bilaspur, Hamirpur and Una Districts; (ii) Panchkula (except area already authorised), Shimla, Solan and Sirmaur Districts, (iii) Barmer, Jaisalmer and Jodhpur Districts, (iv) Darjeeling, Jalpaiguri and Uttara Dinajpur Districts, (v) Nainital and Bijnor Districts, (vi) Pauri Garhwal, Uttarkashi, Rudraprayag and Tehri Garhwal Districts, (vii) Pithoragarh, Champawat, Almora, Chamoli and Bageshwar Districts, (viii) Mandi, Kullu, Kinnaur and Lahaul & Spiti Districts, (ix) Kangra and Chamba Districts and (x) Jammu, Udhampur, Reasi, Samba and Kathua Districts, the successful bidder shall be required to achieve the year-wise work programme within 10 contract years as per details given below, namely : –]

PNG Connections (cumulative)		² [CNG Stations] (cumulative)	
By the end of contract year	% of work programme	By the end of contract year	% of work programme
1 st	Nil	1 st	Nil
2 nd	10	2 nd	10
3 rd	20	3 rd	20
4 th	30	4 th	30
5 th	40	5 th	40
6 th	50	6 th	50
7 th	60	7 th	60
8 th	70	8 th	70
9 th	80	9 th	80
10 th	100	10 th	100

Note - In case derived numbers are in fraction, the same shall be rounded off to the nearest whole number and fraction 0.5 shall be rounded off to next higher whole number.

³[“Clarification: For the purpose of consideration of Mobile Refuelling Unit against CNG Stations, following may be noted: -

¹ Subs. by pt. (i) of sub-reg.(a) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

² Subs. by point (ii) of Cl. (2) of sub-reg (b) of reg (2), for ‘natural gas stations’ *ibid.* (w.e.f. 27.04.2018).

³ Subs by point (i) of cl. (b) of sub-reg (i) of reg (2) of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2023 (w.e.f. 29.03.2023)

- i. MRU shall be counted as one CNG station for the purpose of work programme.
- ii. MRU shall be counted in work programme against CNG Stations for 8 contract years.
- iii. Only those MRUs shall be counted as CNG station for the purpose of work programme, which are stationed at a specified location within the authorized Geographical area and is generally available for continuous dispensation of CNG on all days.]

¹[***]

²[Clarification 1: In case of the GAs where only steel pipeline is given as a part of work programme of Inch-km target, the consideration of MDPE pipeline in inch-km for the purpose of work programme targets is subject to the actual cost commitment of the inch-km steel pipeline as indicated in DFR already submitted to PNGRB during FC.

Example to Clarification 1:

If the authorized CGD entity has envisaged a cost of say, Rs. 100 crores for laying steel inch km pipelines for 8 contract years, and year on year basis this cumulative cost is divided say as Rs. 5, 20, 40, 60, 70, 80, 90 and 100 crores, then MDPE pipeline will be counted in work programme for inch-km target only when the actual cost committed towards inch-km pipeline is achieved cumulative for steel and MDPE pipeline on year-on-year basis.

In case, cost breakup of the inch-km steel pipeline is not indicated in DFR, as given above, the same shall be submitted by entities without changing any numbers given in DFR, within one month of notification of these Regulations, failing which authorized entity will not be given benefit of claiming MDPE pipeline in work programme of inch-km target.

In order to claim the aforesaid, a CA certificate clearly certifying the DFR Vs actual cost commitment on year-on-year basis must be submitted by the authorized entity.

Clarification 2: It may be noted that for the purpose of consideration of MDPE pipeline in the work programme target, the cost indicated towards laying inch-km MDPE pipeline as per DFR originally proposed shall be excluded while considering MDPE pipeline in inch-km for this purpose.]

³[(3) Bidder entity with the highest composite score, considering the criteria under sub-regulation (1) and as illustrated in Schedule C (1), shall be declared as successful bidder.

Provided that in case of tie in the evaluated composite score, the successful bidder shall be decided based on the highness of numbers of PNG connections among the tied bidding entities. In case there is tie on number of PNG connections also, highness

¹ The words and letter specified in sub-reg (2) of reg. (7) are omitted by, Cl. (ii) of sub-reg (e) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

² Ins. by point ii, Cl.(ii), sub-reg (b) of reg 3 of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025, (w.e.f. 25.04.2025).

³ Subs. by, Cl. (iii) of sub-reg (e) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

of ¹[inch-kilometer steel pipeline and MDPE pipeline] shall be considered and thereafter in case of tie in inch-kilometer as well, highness of numbers of ²[CNG stations] shall be considered]

³[***]

⁴**[8. Fixation and recovery of Transportation rate for CGD and CNG, -**

- (1) The transportation rate for CGD shall be fixed as per the transportation rate for CGD bid under sub-regulation (1) of regulation 7 for first contract year and shall be recovered from an entity by the entity authorised to operate the CGD network for using the network as common carrier or contract carrier. The transportation rate for natural gas from second contract year and onwards shall be determined in accordance with methodology as per Note - 1 to the table in sub-regulation (1) of regulation 7.
- (2) The transportation rate for CNG shall be fixed as per the transportation rate for CNG bid under sub-regulation (1) of regulation 7 for first contract year and shall be recovered from an entity by the entity authorised to operate the CGD network for using the network as common carrier or contract carrier. The transportation rate for CNG from second contract year and onwards shall be determined in accordance with methodology as per Note - 1 to the table in sub-regulation (1) of regulation 7.
- (3) On declaration of a CGD network as common carrier or contract carrier, the authorised entity shall provide access on demand to any other entity and recover the transportation rates for CGD and CNG separately from an entity accessing the CGD network through an invoice without any premium or discount on a non-discriminatory basis.
- (4) Any cost subsequent to the online compression of natural gas into CNG, such as, towards storage and transportation of CNG in a cascade mounted system to a ⁵[CNG station] is an activity associated with the dispensation of natural gas and is not covered under these regulations.]

9. Performance bond.

⁶[(1) Grant of authorisation shall be issued to the successful entity after it furnishes the performance bond ⁷[] for the amount as per details given below, namely:-

Serial	Population in the Geographical Area, as per 2011	Amount	of
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¹ Subs. by Cl (iii), sub-reg (b) of reg. (3), for ‘Inch-kilometre of steel pipeline’, by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

² Subs. by Cl. (3) of sub-reg (b) of reg (2), for ‘natural gas stations’ *ibid.* (w.e.f. 27.04.2018).

³ The words and letter specified in sub-reg (4) of reg. (7) are omitted by, Cl. (iv) of sub-reg (e) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

⁴ Subs. by, sub-reg (f) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

⁵ Subs. by sub-reg (c) of reg (2), for ‘natural gas stations’ *ibid.* (w.e.f. 27.04.2018).

⁶ Subs. by, Cl. (i) of sub-reg (g) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

⁷ Omitted by Sub reg (b) of Reg 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) amendment Regulations, 2025. (w.e.f. 15.09.2025).

Number	Census of India	Performance Bond (Rupees)
1	5 million or more	500 Million
2	2 million or more but less than 5million	330 Million
3	1 million or more but less than 2 million	250 Million
4	0.5 million or more but less than 1 million	150 million
5	0.25 million or more but less than 0.50 million	80 Million
6	0.1 million or more but less than 0.25 million	30 Million
7	Less than 0.1 million	15 Million

¹[] The performance bond ²[] shall be valid initially for a period of three years and thereafter shall be renewed, at least three months before expiry of the same, for next three years and so on until the period of authorisation. It is the responsibility of the entity to timely renew the ³[performance bond] and in case the ⁴[performance bond] is not so renewed at least one month before expiry of the ⁵[performance bond], the ⁶[performance bond] shall be encashed by the Board and the authorisation may be terminated. ⁷[Performance bond], amount shall be reduced to the value of 40% of the initial ⁸[performance bond], furnished by the successful bidder after 100% achievement of the work programme or on expiry of exclusivity from purview of common carrier or contract carrier, whichever is later.]

⁹[Provided that the successful entity, which needs to get itself registered as a company under the Companies Act, 2013 within a period of six months in accordance with the provisions of clause (f) of sub-regulation (6) of regulation 5 shall submit the ¹⁰[performance bond], initially valid for a period of one year and in

¹ Omitted by Sub reg (d) of Reg 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) amendment Regulations, 2025. (w.e.f. 15.09.2025).

² Omitted by Sub reg (e) of Reg 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) amendment Regulations, 2025. (w.e.f. 15.09.2025).

³ Substituted by Sub reg (c) of Reg 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) amendment Regulations, 2025. (w.e.f. 15.09.2025).

⁴ Substituted by Sub reg (c) of Reg 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) amendment Regulations, 2025. (w.e.f. 15.09.2025).

⁵ Substituted by Sub reg (c) of Reg 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) amendment Regulations, 2025. (w.e.f. 15.09.2025).

⁶ Substituted by Sub reg (c) of Reg 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) amendment Regulations, 2025. (w.e.f. 15.09.2025).

⁷ Substituted by Sub reg (c) of Reg 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) amendment Regulations, 2025. (w.e.f. 15.09.2025).

⁸ Substituted by Sub reg (c) of Reg 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) amendment Regulations, 2025. (w.e.f. 15.09.2025).

⁹ Ins. by sub-reg.(c) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

¹⁰ Substituted by Sub reg (c) of Reg 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) amendment Regulations, 2025. (w.e.f. 15.09.2025).

such case, the PBG shall be renewed, at least three months before expiry of the same, for a further period of three years and so on until the period of authorization.

Clarification: It is clarified that reduction in value of ¹[performance bond], to 40% of initial ²[performance bond], after 100% achievement of the work programme or on expiry of exclusivity from purview of common carrier or contract carrier, whichever is later shall be applicable to all authorised entities irrespective of the year of authorisation.]

³[***]

⁴[The performance Bond by way of Insurance Surety Bonds will be accepted to the extent of maximum upto 50% of the amount as specified in the regulation and balance 50% will be accepted by way of any of other instruments as mentioned in the definition of Performance Bond at regulation 2 (1) (j)”. However, Entity is free to provide the performance security by way of Bank Guarantee/DD/Pay Order to the extent of 100% of the value as stipulated in the respective regulation.]

⁵[(3)] The performance bond has been prescribed for guaranteeing the timely commissioning of the proposed CGD network as per the prescribed targets and also for meeting the service obligations by the selected entity during the operating phase of the project.

10. Grant of authorization.

⁶[(1)] The successful entity shall be issued a letter of intent (LOI) upon finalisation of the bid. The entity shall be required to furnish performance bond within 30 days of issue of LOI and complete such other formalities as may be required by the Board. Upon furnishing the performance bond and completion of such other formalities, the authorisation shall be granted to the successful entity, in the format given in Schedule D, within 30 days;

Provided that the Board may extend the date for submission of performance bond for a period not exceeding 15 days, failing which LOI shall be deemed to have been withdrawn or cancelled.

¹ Substituted by Sub reg (c) of Reg 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) amendment Regulations, 2025. (w.e.f. 15.09.2025).

² Substituted by Sub reg (c) of Reg 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) amendment Regulations, 2025. (w.e.f. 15.09.2025).

³ The words and expression of sub reg. (2) of reg. (9) are omitted by, Cl. (ii) of sub-reg (g) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

⁴ Ins. by Sub reg (f) of Reg 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) amendment Regulations, 2025. (w.e.f. 15.09.2025).

⁵ “Sub-reg (2) of reg. 9” shall be renumbered as “Sub-reg. (3)” thereof, Supra 1 (w.e.f. 30.04.2009).

⁶ Subs. by Cl. (i) of sub-reg (h) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

¹[Provided further that in case of non-acceptance of the grant of authorization and non-submission of performance bond within the stipulated time, the grant of authorisation in favour of the successful entity shall stand revoked and the bid bond shall be forfeited or encashed and such bidder entity shall be considered at default and shall be barred for a minimum period of three years from bidding. Further, the process of issuance of LOI and grant of authorisation to the bidder entity with second highest composite score shall be carried out in the same manner as specified in sub-regulation (3) of regulation 7.]]

(2) The grant of authorization is subject to the entity achieving a firm natural gas tie-up and a financial closure as per regulation 11.

²[(3) The grant of authorisation to the entity shall not be assigned ³[or renounced] by way of sale, transfer or any other manner or surrendered to or in favour of any person or entity during the period of five years from the date of its issue or till the achievement of work programme, whichever is earlier;

Provided that there shall be no bar on the entity on transferring less than fifty per cent equity shares during such period of five years from the date of authorisation or until the achievement of work programme, whichever is earlier, subject to the condition that the lead partner of the original consortium or joint venture shall ⁴[continue to hold the highest/joint highest shareholding in the entity]. The lead partner shall be declared upfront in the bid.

No restructuring of the entity is allowed after submission of the bid and before issuance of Grant of Authorization.

Provided also that the Board may accept transfer of authorisation by the entity to its wholly owned subsidiary company, subject to the condition that the entity provides to the Board a corporate guarantee, in a form specified at Appendix III.]

⁵[Provided also that the Board may also accept transfer of authorisation from a wholly owned subsidiary company to its parent company.]

⁶[Provided further that any transfer or assignment or renunciation made by an authorized entity under these Regulations is going to be subject to payment of fees

¹ Subs. by Cl (iii), sub-reg (b) of reg. (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

² Subs. by Cl. (ii) of sub-reg (h) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

³ Ins. by Cl (ii), sub-reg (c) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁴ Ins. by Cl (iii), sub-reg (c) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁵ Ins. by sub-reg.(d) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

⁶ Ins. by Cl (iv), sub-reg (c) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

and conditions, as may be specified by the Board in this regard.]

(4) ¹[The entity intending to renunciate the authorization in favour of another entity after the end of the five years or till achievement of cumulative work programme to be achieved by the end of five contract years, whichever is earlier] shall submit a proposal to the Board, (including an undertaking by the entity, in whose favour the renunciation is proposed to happen, that effective from the date of renunciation, the successor entity shall be solely responsible for any and all costs, claims, losses, damages and expenses as levied against the authorised entity under these Regulations or the Act (for acts and omissions either before or after such renunciation) which may be incurred or suffered by any third party arising from laying, building, operating or expanding the CGD network at least thirty days in advance and shall provide all information as may be called for by the Board. The entity, in whose favour the renunciation is proposed to happen, may also be called for a meeting by the Board and it shall be bound to furnish any information, which it may be called upon to do by the Board.]

(5) ²[The Board after satisfying itself that the proposal will not adversely affect the existing or proposed activities of laying, building, operating or expansion of the CGD network shall either accept the proposal in full or with such modifications as it may deem fit and in a case where another entity is permitted by the Board to take over the activities of laying, building, operating or expanding the CGD network, such entity shall abide by the existing or modified terms and conditions of the authorization, including compliance with the service obligations and adherence to the quality of service standards, apart from being obligated to fulfill any pre-conditions, including clearance of any outstanding dues or payment of any penalty as levied against the authorised entity under these Regulations or the Act, which may be imposed by the Board before grant of renunciation:-

Provided that such renunciation in favour of the new entity shall only be effective when all the pre-conditions laid by the Board, including submission of new bank guarantee(s), are fulfilled by such entity. Provided that the Board reserves the right to reject the proposal in public interest and in such a case the Board shall provide in writing the reasons for such rejection.].

11. Natural gas tie-up and financial closure.

³[(1) ****]

⁴[(2) ****]

⁵[(3) The authorized entity shall achieve the financial closure of the project within a

¹ Subs. by Cl (v), sub-reg (c) of reg. (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

² Subs. by Cl (vi), sub-reg (c) of reg. (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

³ The words and expression mentioned herein are omitted by Cl. (i) of sub-reg (e) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

⁴ Supra 1 (w.e.f. 07.09.2021).

⁵ Subs. by Cl. (ii) of sub-reg (e) of Reg. 2, *ibid.* (w.e.f. 07.09.2021).

period of two hundred and seventy days from the date of grant of the authorization.]

¹[(4) The entity shall submit the following to the Board for acceptance of the achievement of the financial closure, namely :-

- (a) The detailed feasibility report (hereinafter referred to as DFR) of the project, incorporating inter-alia, therein the component-wise detailed cost of project, year-wise phasing, financing plan and approval of entity's board of directors for such purpose ;
- (b) In respect of the project cost planned to be funded by equity capital, (i) resolution of the board of directors of the authorized entity, (ii) resolution of the board of directors of the promoter company committing investment of equity funding for the project, (iii) firm commitment letter from equity or any other fund, in case the project is proposed to be funded from such fund, and (iv) in case of non-company promoter, a letter committing investment of equity funding for the project, as per the phased source of equity funding proposed in the DFR;
- (c) In respect of the project cost planned to be funded by borrowings, (i) firm sanction order from banks or financial institutions or other lender, (ii) legally binding loan agreement between the authorized entity and promoter or associate or director(s) or lender, as the case may be, for funding through loan;
- (d) In respect of the project cost planned to be funded from internal accruals of the geographical area or other activities of the authorized entity, year-wise projected cash flows of the geographical area or the other activities of the authorized entity for the duration of proposed funding; and
- (e) Any other document considered relevant by the entity.]

(5) ²[Notwithstanding anything contained in these regulations or any other regulation contained under the Act in case the entity fails to meet the above requirements under sub-regulations (3), the grant of authorization of the entity for laying, building, operating or expanding the CGD network shall be cancelled and the performance bond shall be encashed, with the Board reserving the right to re-award the authorization in a transparent manner. The entity, whose authorization is cancelled under the present sub-regulation, shall have no right whatsoever for seeking any compensation or remedy on account of such cancellation, against the Board.]

³⁴[Provided that in case the entity is not in a position to achieve the financial closure within 270 days, as specified in sub-regulation (3), it shall, at least ten days before the expiry of the period of 270 days, approach the Board with a request for an extension of time. Such a request shall be considered by the Board and in case the Board is

¹ Subs by Cl. (iii) of sub-reg (e) of Reg. 2, *ibid.* (w.e.f. 07.09.2021)

² Subs. by Cl (i), sub-reg (d) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

³ Subs. by Cl (ii), sub-reg (d) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁴ Ins. by sub-reg (v) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

satisfied that the reasons for non-achievement of financial closure within 270 days are bona-fide and beyond the control of the entity, the Board shall grant an extension, not exceeding 30 days at a time, to the entity for achievement of financial closure. The Board may not grant more than two such extensions to any entity, with the request for a second extension being made by the entity at least three days prior to the expiry of the period of the first extension.]]

¹[(6) Notwithstanding anything contained in any other regulations made under the Act, -

- (a) the pipeline entity shall provide connectivity or access of the pipeline to CGD authorised entity at reasonable cost within 180 days, where connectivity or access can be provided from Sectionalising Valve station, and within 270 days from any other point on the pipeline, from date of submission of request for the same.
- (b) after completion of exclusivity period from the purview of “Common Carrier or Contract carrier” for the geographical area, the CGD authorised entity shall provide connectivity or access of their infrastructure to another desirous entity within 270 days of submission of request for the same at reasonable cost.

Explanation: - For the purpose of this sub-regulation, reasonable cost shall mean actual expenditure incurred and additional eighteen per cent of such expenditure to cover overheads, interest and profits.]

12. Exclusivity period.

²[(1) ³[Subject to the provisions of these regulations] the exclusivity period to lay, build, operate or expand a city or local natural gas distribution shall be as per the provisions in the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008.

(2) Notwithstanding anything contained in any other regulation made under the Act, the exclusivity ⁴[period for exemption] from purview of common carrier or contract carrier shall be eight years;

Provided that in case an entity timely achieves the work programme in each of the eight contract years, such exclusivity ⁵[period for exemption from purview of contract carrier or common carrier] shall be extended by a period of two years.

Provided further that in case an entity is not able to timely achieve the work

¹ Ins. by sub-reg (vi) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

² Subs. by sub-reg (j) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

³ Ins. by Cl (i), sub-reg (e) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁴ Ins. by point i., Cl (ii), sub-reg (e) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁵ Ins. by point ii., Cl (ii), sub-reg (e) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

programme in any of the eight contract years but is successful in timely achieving the cumulative work programme at the end of the eighth contract year, such exclusivity¹[period for exemption from purview of contract carrier or common carrier] shall be extended by a period of one year.

Provided also that in case flow of natural gas in the designated transmission pipeline is delayed for a period beyond three months from the scheduled date as indicated and is also later than the date CGD network is ready to take gas for reasons not attributable to the authorized CGD entity selected through the bidding process, the Board may extend the exclusivity period for exemption from the purview of common carrier or contract carrier by a period corresponding to the difference in the actual and scheduled natural gas flow in the transmission pipeline serving the authorized geographical area or the date when CGD network is ready to take gas, whichever is less, after assessing the reasons for such a delay and in case, the year-wise targets in respect of domestic piped natural gas connection,²[CNG stations] and³[inch-kilometer of steel pipeline and MDPE pipeline] as well as schedule of levying transportation rate for CGD and transportation rate for CNG shall also be shifted accordingly by the Board. Further, the exclusivity period for laying, building or expanding the CGD network as stipulated shall also be extended by the same period. For the purpose of monitoring progress of committed targets, the same shall be prorated in the effected years.

⁴[Provided also that in respect of those geographical areas where designated source of natural gas in the bid is other than from natural gas pipelines, including from an LNG terminal, the third proviso shall not apply.]

Explanation⁵[1]: - For the purpose of this sub-regulation, it is clarified that, the exclusivity for laying, building or expansion of CGD networks, in all cases, shall remain twenty-five years from the date of authorisation.

⁶[Explanation 2: For the purpose of this sub-regulation, the readiness of CGD networks shall mean any of the following, namely:-

- (a) operation of at least one CNG Station within authorized geographical area, or
- (b) procurement of land for setting up City Gate Station, or
- (c) completing laying of steel pipeline at least to the extent of 10% of the MWP target for the first year, or
- (d) completing laying of MDPE pipeline at least to the extent of 50% of the MWP target of steel pipeline for the first year.

¹ Ins. by point iii., Cl (ii), sub-reg (e) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

² Subs. by sub-reg (d) of reg (2), for 'natural gas stations' *ibid.* (w.e.f. 27.04.2018).

³ Subs. by point iv, Cl (ii), sub-reg (e) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁴ Ins. by Cl. (i) of sub-reg (f) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

⁵ Numbered by Cl. (ii) of sub-reg (f) of Reg. 2, *ibid.* (w.e.f. 07.09.2021).

⁶ Ins. by Cl. (ii) of sub-reg (f) of Reg. 2, *ibid.* (w.e.f. 07.09.2021).

NOTE: Explanation 2 This will be applicable to all authorized entities irrespective of the year of bidding or authorization ”]

13. Post-authorization monitoring of activities (pre-commissioning).

- ¹[(1) An authorized entity shall ²[be bound to] provide, ³[post grant of authorization by the Board] on a monthly and yearly basis, a progress report detailing the clearances obtained, targets achieved, expenditure incurred, works-in- progress and other relevant information in the formats given at Schedule E for such purpose.]
- (2) The Board shall seek compliance by the entity to the relevant regulations for technical standards and specifications, including safety standards through conduct of technical and safety audits during the commissioning phase as well as on an on-going basis thereafter for ensuring safe commissioning and operation of the CGD network.
- (3) The Board shall monitor the progress of the entity in achieving various targets with respect to the CGD network project, and in case of any deviations or shortfall, advise remedial action to the entity ⁴[which the entity shall be bound to undertake within the time period stipulated by the Board, failing which the entity shall be liable for action under Section 28 of the Act, apart from any penalty which may be imposed on it under the present Regulations].
- ⁵[(4) An authorized entity shall designate an official of the entity for submitting data / information to the Board and intimate the same to the Board. Any change in the designated official shall be communicated to the Board by the authorized entity within 7 working days.]

14. Service obligations of authorized entity (post commissioning).

⁶[(1) The entity may take an interest-free refundable security deposit from domestic PNG Customer towards security of the equipments and facilities mentioned below, including the labour cost of installation towards last mile connectivity, that is, between the riser isolation valve before the metering unit and the suraksha hose pipe connecting the burner in the customer's premises for an amount not exceeding “rupees six thousand” for a single connection, namely:-

- (a) riser isolation valve before the metering unit;

¹ Subs. by sub-reg (g) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

² Ins. by Cl (i), sub-reg (f) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

³ Ins. by Cl (ii), sub-reg (f) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁴ Ins. by Cl (iii), sub-reg (f) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁵ Ins. by Cl.(ii) of sub-reg (a) of reg. 2, *ibid.* (w.e.f. 29.03.2016).

⁶ Subs. by Reg 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2016 (w.e.f. 30.09.2020).

- (b) ten meters of pipe up to the metering unit;
- (c) metering unit;
- (d) five meters of pipe or tube from the metering unit up to the excess flow check valve-cum-isolation valve;
- (e) excess flow check valve-cum-isolation valve; and
- (f) suraksha hose pipe of standard size connecting the domestic PNG burner

Provided that the network tariff bid by the entity shall include the charges towards the last mile connectivity: Provided further that the amount of “rupees six thousand” referred to in this sub-regulation shall be deemed to have been substituted by the amount of “rupees nine thousand” in case the entity installs a smart meter at the premises of the domestic PNG Customer:

Provided also that it shall be the option of the domestic PNG customer to choose either the smart meter or the normal meter and the entity shall not force him to opt for the smart meter or to withhold providing the domestic PNG connection for the reason that the customer has not opted for the smart meter:

Provided also that an existing domestic PNG customer shall have the option to seek replacement of existing normal meter by a smart meter on payment of rupees three thousand to the entity.

Explanation.-

1. The domestic PNG customer shall bear the actual cost of the material and labour charges for pipe and the tubing in excess of the length specified above.
2. The domestic PNG customer shall pay the actual cost of installation including labour charges from the common metering unit onwards for connecting another domestic PNG burner or any other gas-based appliance in the same premises.
3. A meter shall be considered to be a smart meter for the purpose of this regulation if it has –
 - (i) an in-built feature of sending the meter reading and diagnostic data to the entity in a two way communication between the entity and the customer;
 - (ii) a pre-paid charging facility enabling the customer to recharge the meter through various payment options; and
 - (iii) an inbuilt shut-off valve which stops gas supply once the balance goes below the set minimum or above the maximum credit limit]
- (2) The entity may take an interest-free refundable security deposit from non-domestic PNG customers for an amount not exceeding the actual cost of the metering unit and other related equipment and labour charges towards installation:

Provided that these are installed by the entity in the customer’s premises.

- (3) The entity shall not exert any undue influence on any domestic PNG customer to purchase natural gas burner stove or avail of any other service not connected with the

supply of natural gas.

- (4) The entity shall convert the existing LPG burner stove of a prospective domestic PNG customer into natural gas burner stove free of charge.
- (5) The authorized entity shall maintain separate books of accounts including detailed activity-based costing records to segregate direct, indirect and common costs alongwith the basis of allocation and the revenues earned in respect of the activities of-
 - (a) purchase of natural gas including its odourization;
 - (b) transportation of natural gas in the CGD network;
 - (c) online compression of natural gas into CNG;
 - (d) transportation of CNG in a cascade mounted system, if any;
 - (e) marketing or distribution including commission allowed to any agency for marketing or distribution of natural gas and CNG in the CGD network; and
 - (f) dispensing of CNG including booster compression, if any.
- (6) The costs and revenues associated with activities other than those stated in clauses (a) to (f) of sub-regulation (5) should be reflected separately in the books of accounts of the entity.
- (7) The authorized entity shall ensure that –
 - ¹[(a)] the confidentiality of customer information collected in the course of providing regulated service is maintained; and
 - ²[(b)] there is no preferential access allowed to itself or to any other entity for the activity of transportation of natural gas in the CGD network.
- (8) The authorized entity shall be responsible for getting the technical and safety audits carried out by independent technical experts or accredited agencies out of the panel approved at regular intervals during the commissioning phase as well as on an on-going basis thereafter to ensure compliance with the relevant regulations for technical standards and specifications, including safety standards and the audit report alongwith the findings shall be submitted to the Board and the Board may review the same and advise remedial action, if any, to the entity.
- (9) The entity will have to meet the service obligations as stated under the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008.

¹ The words specified in Cl. (a) are omitted and 'Cl (b) of sub-reg (7) of reg 14' shall re-lettered as 'Cl (a)', by sub-reg (d) of reg. 2 *ibid.* (w.e.f. 11.12.2015).

² 'Cl (c) of sub-reg (7) of reg 14' shall re-lettered as 'Cl (b)', by sub-reg (d) of reg. 2, *ibid.* (w.e.f. 11.12.2015).

¹[(10) “An authorized entity shall continue to submit post commissioning information in the formats given at Schedule E for such purpose.]

²[(11) In the event of authorised entity being rendered unable to perform any obligation required to be performed by it as per the work program, due to force majeure, the relative obligation of the entity affected by such force majeure shall be suspended for the period during which such force majeure lasts and the decision of the Board in this regard shall be final and binding on the entity.

(12) Upon the occurrence of such force majeure and upon its termination, the entity alleging that it has been rendered unable as specified in sub-regulation (11), the entity must inform the Board giving full particulars of the force majeure and duly certified by statutory authorities, the beginning and end of the delay due to such force majeure immediately but not later than 15 days from the end of such force majeure.

(13) Time for performance of the relative obligation suspended by such force majeure shall stand extended by the period during which such force majeure lasts.]

³[***]

⁴**[16. Consequences of default, pre-determined penalties and termination of authorisation procedure, -**

(1) An authorised entity shall abide by all the terms and conditions specified in these regulations ⁵[and in the authorization granted by the Board under these regulations] and any failure in doing so shall be dealt in accordance with the provisions of this regulation.

(2) Pre-determined penalty shall be levied and recovered from the entity within three months from the end of each contract year in respect of any shortfall in achieving cumulative work programme targets for that contract year computed at the rates specified below without any notice, namely: -

(a) for shortfall in achieving cumulative work programme target for each PNG connection - Rs. 750 (Rupees Seven hundred and fifty only);

¹ Subs. by sub-reg (h) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

² Ins. by sub-reg (k) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

³ The words and expressions specified in Reg. 15 are omitted by sub-reg (m) of reg (2), *ibid.* (w.e.f. 06.04.2018).

⁴ Subs. by sub-reg (m) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

⁵ Ins. by Cl (i), sub-reg (g) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

- (b) for shortfall in achieving cumulative work programme target for each ¹[inch-kilometer of steel pipeline and MDPE pipeline] - Rs. 150,000 (Rupees one lakh and fifty thousand only); and
- (c) for shortfall in achieving cumulative work programme target for each ²[CNG station] - Rs. 20,00,000 (Rupees twenty lakh only);

and for the purpose of illustration, if the cumulative target in respect of PNG connections is 28,000 at the end of third contract year and cumulative achievement at the end of that year is 24,000, then, a pre-determined penalty of Rs.30,00,000 [i.e. (Rs.750 X (28,000 – 24,000))] shall be levied within 3 months from the end of third contract year. Similar penalty shall be levied for ³[inch-kilometer of steel pipeline] and ⁴[CNG stations], in respect of each contract year.

Provided that penalty shall be applicable for default in each contract years and first deduction shall be started from second contract year onwards.

Provided further that due cognisance of force majeure duly accepted by the Board shall be taken in computing the pre-determined penalty.

- (3) In case of a failure, other than those specified in sub-regulation (2), the following procedure shall be followed, namely:
 - (a) the Board shall issue a notice to the defaulting entity ⁵[indicating the default and specifying the time period to rectify such default and] to fulfill its obligations;
 - (b) no punitive action shall be taken in case remedial action is taken by the entity to the satisfaction of the Board within ⁶[the specific period] period, otherwise, following penalty shall be levied on the entity by the Board, namely: -
 - (i) up to an amount equal to 10% of the performance bond amount for the first default; and
 - (ii) up to an amount equal to 25% of the performance bond amount for each of the subsequent defaults.
- (4) Any penalty levied under sub-regulation (2) or sub-regulation (3) shall initially be recovered by encashment of the performance bond. The entity shall be required to

¹ Subs. by Cl (ii), sub-reg (g) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

² Subs. by point (A) of Cl. (2) of sub-reg (e) of reg (2), for ‘natural gas stations’ *ibid.* (w.e.f. 27.04.2018).

³ Subs. by Cl (iii), sub-reg (g) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁴ Subs. by point (B) of Cl. (2) of sub-reg (b) of reg (2), for ‘natural gas stations’ *ibid.* (w.e.f. 27.04.2018).

⁵ Subs. by Cl (iv), sub-reg (g) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁶ Subs. by Cl (v), sub-reg (g) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

make good the performance bond to its full value within thirty days of encashment. If the entity fails to make good the performance bond within such period, the Board shall encash the remaining amount of the performance bond and may also terminate the authorisation.

¹[Provided that in case of encashment of Performance Bond, firstly Bank Guarantee will be encashed followed by Insurance Surety Bond and other instruments, as case may be.]

- (5) In case the cumulative achievement of any entity for a CGD network at the end of three contract years in a geographical area falls short of 30% of the weighted average of the cumulative work programme (computed as illustrated in this sub-regulation) in respect of PNG connections, ²[inch-kilometer of steel pipeline and MDPE pipeline] and number of ³[CNG stations], or if in the opinion of the Board the entity has made a serious default in complying with the provisions of the Act or rules or regulations made thereunder or terms and conditions of the authorisation ⁴[granted] under these regulations, the Board ⁵[shall] give a show cause notice to the entity asking it ⁶[as to] why its ⁷[**] authorisation should not be terminated due to the said default, and after giving it a reasonable opportunity of being heard ⁸[may], terminate the authorisation and encash 100% of the performance bond.

Illustration – If an entity achieved 10,000 PNG connections, 100 ⁹[inch-kilometer of steel pipeline and MDPE pipeline] and set up 2 CNG station against the target of 30,000 PNG connections, 500 ¹⁰[inch-kilometer of steel pipeline and MDPE pipeline] and 4 CNG station at the end of third year, then its weighted average of the cumulative work programme will be calculated as tabulated below, namely: -

¹ Ins. by Sub reg (g) of Reg 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) amendment Regulations, 2025. (w.e.f. 15.09.2025).

² Subs. by point i, Cl (vi), sub-reg (g) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

³ Subs. by point (ii) of Cl. (2) of sub-reg (e) of reg (2), for ‘natural gas stations’ *ibid.* (w.e.f. 27.04.2018).

⁴ Ins. by point ii, Cl (vi), sub-reg (g) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁵ Subs. by point iii, Cl (vi), sub-reg (g) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁶ Ins. by point iv, Cl (vi), sub-reg (g) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁷ The words and expressions specified in Reg 16 (5) are omitted by point v, Cl (vi), sub-reg (g) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁸ Ins. by point vi, Cl (vi), sub-reg (g) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁹ Subs. by, Cl (vii), sub-reg (g) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

¹⁰ Subs. by, Cl (vii), sub-reg (g) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

Parameter	Weightage in % (A)	Target at the end of 3rd year (B)	Actual at the end of 3rd year (C)	Weighted achievement in % D= (C/B)*A/100
PNG connections	50	30000	10000	16.67
¹ [Inch-kilometer of steel pipeline]	10	500	100	2.00
CNG stations	20	4	2	10.00
Total	80			
Total achievement with reference to target				28.67 (X)
Total Weight achievement in %	100			35.83 (X*100/80)

- (6) Without prejudice to sub-regulation (1) to (5), the Board may also levy civil penalty under section 28 of the Act in addition to taking action as provided for offences and punishment under Chapter IX of the Act.]

²[(7) The procedure for implementing the termination of grant of authorization of CGD network shall be as provided in Schedule G.]

17. Entity authorized by the Central Government for laying, building, operating or expanding CGD network before the appointed day.

- (1) The entity shall submit relevant information along with supporting documents in the form as in Schedule H within a period of one hundred and eighty days from the appointed day.
- (2) The entity shall abide by the terms and conditions of the authorization by the Central Government including obligations, if any, imposed by the Central Government.
- (3) The entity shall abide by the relevant regulations for technical standards and specifications, including safety standards and the quality of service standards ³[***].
- (4) The Board may consider grant of exclusivity on such terms and conditions as per the provisions in the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008.

⁴[(5) The transportation tariff shall be as determined by the Board as per regulation under section 22 of the Petroleum and Natural Gas Regulatory Board Act, 2006.]

- (6) The activities of the entity may be subject to such other regulations as may be

¹ Subs. by, Cl (viii), sub-reg (g) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

² Ins. by sub-reg (h) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

³ Omitted by sub-reg (f) of reg (2), *ibid.* (w.e.f. 27.04.2018).

⁴ Subs. by sub-reg (f) of reg. 2, *ibid.* (w.e.f. 26.04.2016).

applicable as per the provisions of the Act.

18. Entity not authorized by the Central Government for laying, building, operating or expanding CGD network before the appointed day.

(1) An entity laying, building, operating or expanding a CGD network at any time before the appointed day but not duly authorized to do so by the Central Government shall apply immediately for obtaining an authorization in the form as at Schedule I.

(2) The Board may take into consideration the following criteria while considering the application for grant of authorization, namely:-

(a) the entity meets the minimum eligibility criteria as ¹[***] specified in clauses (a) to (e) and (i) of sub-regulation (6) of regulation 5 before the appointed date and is possessing all necessary statutory clearances, permissions, no objection certificates from the Central and State Governments and other statutory authorities;

(b) an entity which is not registered under the Companies Act, 1956 at the time of submitting the application for grant of authorization shall undertake to become a company registered under the Companies Act, 1956:

Provided that the Board may exempt an entity to register under the Companies Act, 1956 on such conditions as it may deem appropriate;

(c) a satisfactory assessment of the actual physical progress made and the financial commitment thereof till immediately before the appointed day in comparison with the entity's DFR appraised by the financial institution funding the project. In case the project has not been funded by any financial institution, the Board may appraise the DFR. The DFR of the entity should clearly indicate the specified geographical area of the project and also specify the coverage proposed for CNG and PNG. In case upon scrutiny of the DFR by the Board by taking into account the geographical area, customer segments, infrastructure requirements, etc. proposed by the entity, the DFR is found to be sub-optimal and unacceptable, the Board may not consider the case of the entity for issuing the authorization;

(d) in respect of the actual physical progress made and the financial commitment thereof referred to in clause (c), a physical progress of at least twenty five percent and a financial commitment of at least twenty five percent of the capital expenditure identified for the CGD project as per the DFR immediately before the appointed day may be considered as adequate;

(e) the entity should have arranged, by way of acquisition or lease, land for CGS and procured the necessary equipment for erecting the CGS before the appointed day;

(f) the Board reserves the right to get the actual physical progress and the financial commitment certified and depending upon the progress achieved, the Board may

¹ The words specified in Cl. (a) of sub-reg. (2) of reg. 18 has been omitted by reg. 3, *ibid.* (w.e.f. 19.11.2008)

consider authorizing the entity for the authorized area-

- i)* as per the geographical area in its DFR;
 - ii)* as per the geographical area actually covered under implementation till the appointed day; or
 - iii)* the geographical area as specified by the Board;
- (*g*) in relation to laying, building, operating or expanding the CGD network, it is for the entity to satisfy the Board on the adequacy of its ability to meet the applicable technical standards, specifications and safety standards as specified in the relevant regulations for technical standards and specifications, including safety standards and the quality of service standards as specified in regulation 15;
- (*h*) assessment of the financial position of the entity in timely and adequately meeting the financial commitments in developing the CGD network project as appraised by a financial institution and an examination of the audited books of accounts of the entity;
- (*i*) firm arrangement for supply of natural gas to meet the demand in the authorized area to be covered by the CGD network;
- (*j*) any other criteria considered as relevant by the Board based on the examination of the application.
- (3) The evaluation of the application in terms of the clauses (a) to (j) shall be done in totality considering the composite nature and the inter-linkages of the criteria.
- (4) The Board, after examining the application in terms of the criteria under sub-regulation (2) and also taking into account the requirements in other regulations may form a *prima-facie* view as to whether the case should be considered for authorization.
- (5) In case of *prima-facie* consideration, the Board shall issue a public notice in one national and one vernacular daily newspaper (including webhosting) giving brief details of the project and seek comments and objections, if any, within thirty days from any person on the proposal.
- (6) The Board, after examining the comments and objections, if any under sub-regulation (5) may either consider or reject the case for grant of authorization for the CGD network.
- (7) In case it is decided to grant authorization, the same shall be in the form at Schedule D
- (8) In case of rejection of the application, the Board shall pass a speaking order after giving a reasonable opportunity to the concerned party to explain its case and proceed to select an appropriate entity for the project in terms of regulation 6.
- (9) In case the entity is selected for grant of authorization for CGD network,-

¹[(a) The transportation tariff shall be as determined by the Board as per regulation under section 22 of the Petroleum and Natural Gas Regulatory Board Act,

¹ Subs. by sub-reg (g) of reg. 2, *ibid.* (w.e.f. 26.04.2016).

2006.]

- (b) the Board may consider grant of exclusivity on such terms and conditions as specified in the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008;
- (c) the entity shall abide by the technical standards, specifications including safety standards as specified under relevant regulations for technical standards and specifications, including safety standards;
- (d) the provisions under regulations 9, 13, 14, ¹[***] and 16 shall apply to the entity.

²[19. **Power to remove difficulties** –

If any difficulty arises in giving effect to any of the provisions of these regulations, the Board may, by general or special order, do anything not being inconsistent with the provisions of the Act, which appears to it to be necessary or expedient for the purpose ³[of] removing ⁴[such] difficulties.]

⁵[20.]⁶ **Miscellaneous.**

If any question arises as to the interpretation of these regulations, the same shall be decided by the Board.]

¹ Omitted by sub-reg (n) of reg (2), *ibid.* (w.e.f. 06.04.2018).

² Ins. by sub-reg (e) of reg. 2, *ibid.* (w.e.f. 11.12.2015).

³ Subs. by, Cl (i), sub-reg (h) of reg (3), for ‘or’ by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁴ Subs. by, Cl (ii), sub-reg (h) of reg (3), for ‘or’ by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁵ Subs. by reg. 2, for ‘words specified in reg. 19’ the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2014 (w.e.f. 01.01.2015).

⁶ ‘Reg 19’ shall be renumbered as ‘Reg 20’, by sub-reg (e), *ibid.* (w.e.f. 11.12.2015).

Schedule A

[see regulations 2 (1) (c) and 5 (4)]

Basis for defining authorized area for laying, building, operating or expanding CGD network

The specified geographical area in respect of an authorized area for a CGD network as per regulation 2 (1) (c) of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008 may be determined considering the following criteria of ¹[natural gas availability, pipeline connectivity and Geographical Contiguity], namely:-

²[1. Natural Gas availability and pipeline connectivity.

Geographical area shall either have availability of natural gas or a natural gas pipeline passing within such area or passing in its vicinity or a natural gas pipeline is proposed to be laid either within or in vicinity of such area.]

2. Geographical contiguity.

For the purpose of any area to be considered as contiguous to the geographical area as per regulation 2 (1) (c) of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008, such an area shall not have an economic viability to have an independent CGD network on its own.

Note:

The Board reserves the right to intervene during the expression of interest stage itself, if in its opinion the specified geographical area is too large to sustain customer service; or allow safe and convenient operations; or has a potential to restrict competition. In the alternative, the Board may also intervene in case the geographical area considered is too small; or covers only a certain class of customers; or tantamount to cherry-picking. In all such cases, the Board may prescribe a geographical area of a size different than that indicated in the expression of interest.

¹ Subs. by Cl. (i) of sub-reg (o) of reg (2), *ibid.* (w.e.f. 06.04.2018).

² Subs. by Cl. (ii) of sub-reg (o) of reg (2), *ibid.* (w.e.f. 06.04.2018).

Schedule B

[see regulations 4 (1) and 5 (6)]

Application form for submitting expression of interest by an entity desirous of laying, building, operating or expanding a CGD network

- A. Only an entity which complies with the minimum eligibility criteria as per regulation 5 (6) of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008 is eligible to submit its application for submission of expression of interest to the Board.
- B. Entities must enclose documentary proof in support of its meeting the minimum eligibility criteria.
- C. The entity submitting the expression of interest must submit the following information:

1	General Details
A	Name of the Entity
B	Type of firm – Public Limited Company / Private Limited Company / Partnership firm / Proprietorship firm / Others (please specify)
C	Date of incorporation and date of commencement of business
D	Address of Registered office
2	Basic Data
A	<p>1) Population and number of households under the proposed CGD network.</p> <p>2) Geographical area in square kilometers and segregated in different categories in terms of the provisions under regulation 2 (c) of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008. The area should also be depicted in a physical map.</p> <p>3) Economic activity in the proposed geographical area in terms of industrial and commercial activity (number of units and fuel mix).</p> <p>4) Vehicular population profile.</p>
B	Preliminary Assessment of the potential demand for natural gas in the proposed CGD network amongst various customer segments.

C	Likely source of supply of natural gas and plans for access to the natural gas pipeline.
D	Whether the States or the Union Territories, in whose jurisdiction the proposed CGD network is located, has enacted any legislation or taken any administrative action to promote the use of natural gas in the said city? If the reply to the question is yes, then, provide copy of the said enactment or administrative order.
3	Application fee of Rs. _____ paid vide demand draft/ pay order number < _____ > and dated < _____ > drawn on <name of bank and branch>.

Date:

Place:

Name and signature of entity or authorized signatory

Official Seal

¹["Schedule C

[see regulation 5 (7)]

Application-cum-bid for grant of authorization for CGD network

To,
The Secretary,
Petroleum and Natural Gas Regulatory Board,
1st Floor, World Trade Centre
Babar Lane, Connaught Place,
New Delhi – 110 001.

Sub: Application-cum-bid for grant of authorization for laying, building, operating or expanding city or local natural gas distribution network in the proposed geographical area of _____ in the State or Union Territory of _____ under _____ the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008

(Attach separate sheets for providing information wherever necessary)

Part-I –General details of the entity and technical details of the project (to be submitted in a properly earmarked, sealed and separate envelope)		
1	Details of the entity	
A	Name of the entity	
B	Type of firm – Public Limited Company / Private Limited Company / Partnership firm/ Proprietorship firm / others (please specify and attach copy of Articles of Association or Partnership deed, etc., as applicable).	
C	Date of incorporation and date of commencement of business.	
D	Address of registered office.	
E	Name, addresses, telephone numbers, e-mails ID of all directors / partners / proprietor (please provide full details with STD Code and Pin Code).	
2	Business activities of the entity	

¹ Subs. by reg. 8, for Schedule C, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2010 (w.e.f. 19.07.2010).

A	Give names of all existing city gas distribution network of the entity, if any, and its installed capacity, capital cost incurred till date, status of start of operations, year wise gas volumes transported in the network in the past 3 years alongwith details of customers enrolled, distribution network map showing details of existing facilities and future plan and natural gas connectivity details.	
B	Details of tie-up or collaboration with any entity for natural gas supply and marketing.	
C	Details of other business, if any, being carried out by the promoters for the last five years.	
3	Ownership and affiliate details	
A	Details of promoters	
B	Details of all affiliates of the entity mentioning the business relationship between the entity and the affiliates (“affiliate” means as defined in the relevant regulations for affiliate code of conduct).	
C	The entity undertakes to produce all relevant records or documents of itself and its related entities on demand by the Board.	Yes / No
D	¹ [Is the entity a company registered under the Companies Act, 1956 or Companies Act, 2013?]	Yes / No
E	² [Is the entity promoted by a company registered under the Companies Act, 1956 or Companies Act, 2013?]	Yes / No
F	³ [The entity undertakes to become a company, in case it is not a company at the time of submission of this application-cum-bid, under the Companies Act, 2013 on being selected for grant of authorization.]	Yes / No

¹ Subs. by Cl. (i) of sub-reg (h) of reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2016 (w.e.f. 26.04.2016).

² Subs. by Cl. (ii) of sub-reg (h) of reg. 2, ibid. (w.e.f. 26.04.2016).

³ Subs. by Cl. (iii) of sub-reg (h) of reg. 2, ibid. (w.e.f. 26.04.2016).

G	¹ [Promoters undertaking in the form of letter of comfort stating that their financial contribution in the project shall be converted into equity share capital within three months of the date of grant of authorization. Enclose the letter of comfort from the promoters.”, the words “Promoters undertaking in the form of letter of comfort stating that promoter’s contribution in the project shall be infused in a phased manner as per the project financing schedule as per the format given in the application cum bid document.]	Yes / No
4	Technical details of the proposed CGD network project	
A	Name of the proposed CGD network project.	
B	Indicate in the maps the charge areas and the extent of the geographical area alongwith sketch of facilities proposed.	
C	Sources of supply of natural gas and capacity tie-up with the natural gas pipeline including connectivity and the details of tie-up phase wise, if any.	
D	Confirm that all applicable technical standards, specifications including safety standards, as specified under the relevant regulations for technical standards and specifications, including safety standards have been considered and complied with in designing the CGD network?	Yes / No
E	Non-refundable Application fee under the regulation 5 (6).	Rs. <_>
	Demand draft or pay order	
	Demand draft or pay order number and date	
	Name of issuing bank and branch	
F	Bid bond	Rs. <__>
	Demand draft/ Pay order/ Bank Guarantee	
	Demand draft/ Pay order/ Bank Guarantee Number and date	
	Name of issuing bank and branch	

²[

Part-II: Financial bid (to be submitted in a separate earmarked sealed envelope) to be opened for those entities qualifying the minimum eligibility criteria

¹ Subs. by sub-reg.(f) of reg. 2, *ibid.* (w.e.f. 11.12.2015).

² Subs. by sub-reg (f) of reg. (2), for ‘Part-II of Schedule C’, *ibid.* (w.e.f. 21.06.2013).

¹ [A]	Transportation rate for CGD for laying, building, operating or expanding the CGD network for first year. Note: The value should not be less than Rs 30 per MMBTU.	Rs. < _____ > per MMBTU
B	Transportation rate for CNG for the first year Note: The value should not be less than Rs 2 per kilogram	Rs. < _____ > per kilogram
C	No. of ² [CNG Stations] to be installed in CGD network within first 8 years	< _____ > Numbers
D	No. of PNG domestic Connections to be achieved within first 8 years	< _____ > Numbers
E	³ [Inch-kilometer of steel pipeline and MDPE pipeline] to be laid within first 8 years	< _____ > Inch-kilometer]

]

DECLARATION

1. Certified that the above information is true to the best of my / our knowledge and belief and the information and data given in the annexure, attachments, enclosures and calculation sheets accompanying this application-cum-bid are correct, complete and truly stated, and if any statement made herein is found to be incorrect, the application-cum-bid shall be rejected, the application fee and the Bid Bond shall be forfeited and I / We shall be liable to be proceeded against and for punishment under the provisions of the Act.
2. I/ We certify that the above application-cum-bid is the only application-cum-bid submitted and no other application-cum-bid has been or is being submitted separately for this city or local area by me / us.

⁴[***]

¹[3.] We also declare to submit after grant of authorization, all details of the CGD project like

¹ Subs. by sub-reg (p) of reg (2), *ibid.* (w.e.f. 06.04.2018).

² Subs. by point (i) of Cl. (2) of sub-reg (g) of reg (2), for 'natural gas stations' *ibid.* (w.e.f. 27.04.2018).

³ Subs. by sub-reg (i) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁴ The words and expression specified in Declaration (3) in Schedule C omitted by sub-reg (i) of reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2016 (w.e.f. 26.04.2016).

DFR (based on which financial approvals are taken), all technical specifications of the project covering full details of pipeline design, pressure, length of network, pipeline diameter, pipeline thickness, route, corrosion protection arrangements, city gate station, natural gas source, tap-off points, main block valves, isolation valves, emergency shutdown valves, odourization facilities, metering arrangements, ²[CNG stations], HSE measures etc.

Date :

Place :

Name and Signature of Entity/ Authorized Signatory

Official Seal

Instructions for filling the Application-cum-bid:

1. All entries in the form and annexed documents should be legible with no cuttings.
2. Details requiring separate statement may be enclosed giving clear reference of the point against which the same is being attached.
3. All pages of the application-cum-bid and the attachments and statements need to be serially numbered and initialed by the person or official authorized by the entity through a notarized power of attorney.
4. Any information filled in the application-cum-bid needs to be substantiated by attaching relevant proof of the same.
5. The entity is required to submit the application cum bid with all enclosures in the manner as specified in the bidding document.
6. Incomplete application-cum-bid is liable to be summarily rejected.
7. All quoted figures shall be positive numbers.
8. The Application cum Bids submitted in response to sub-regulation 5(5), must be accompanied with all enclosures in the manner as specified in the Application cum Bid document, which shall specify in detail the terms and conditions of such bidding.]

¹ 'Declaration 4' shall be renumbered as 'Declaration 3', by sub-reg (i) of reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2016 (w.e.f. 26.04.2016)

² Subs. by point (ii) of Cl. (2) of sub-reg (g) of reg (2), for 'natural gas stations' *ibid.* (w.e.f. 27.04.2018).

Schedule C (1)

[see regulation 7 (3)]

Illustration showing the basis of determining the highest composite score for ascertaining the successful bid for grant of authorization for CGD network

Let there be three entities whose bids need to be compared for determining the successful bid over the bidding criteria described below-

¹[(A) Transportation rate for CGD

Let,

N1 = Transportation rate for CGD bid by 1st entity

N2 = Transportation rate for CGD bid by 2nd entity

N3 = Transportation rate for CGD bid by 3rd entity

Assume that N1 is lower than N2 and N2 is lower than N3.

The lowest value of transportation rate for CGD (LN1) shall be given a score of 100% and the bid value of other transportation rates for CGD shall be given a score in relation to LN1 on a prorate basis, as under: -

LN1 = 100% for LN1

LN2 = 100% x (N1/N2)

LN3 = 100% x (N1/N3)

(B) Transportation rate for CNG

Let,

C1 = Transportation rate for CGD bid by 1st entity

C2 = Transportation rate for CGD bid by 2nd entity

C3 = Transportation rate for CGD bid by 3rd entity

Assume that C1 is lower than C2 and C2 is lower than C3.

The lowest value of transportation rate for CNG (LC1) shall be given a score of 100% and the bid value of other transportation rates for CNG shall be given a score in relation to LC1 on a prorate basis, as under: -

LC1 = 100% for LC1

LC2 = 100% x (C1/C2)

LC3 = 100% x (C1/C3)

¹[(C) Number of CNG Stations to be installed in CGD Network:

¹ Subs. by sub-reg (q) of reg (2), *ibid.* (w.e.f. 06.04.2018).

Let,

IG1 = value of the CNG stations bid by the 1st entity.

IG2= value of the CNG stations bid by the 2nd entity.

IG3= value of the CNG stations bid by the 3rd entity.

Assume that IG1 is lower than IG2 and IG2 is lower than IG3.

The highest number of the CNG stations bid (HIG3) shall be given a score of 100% and the number of CNG stations of the other bids shall be given a score in relation to HIG3 on a pro-rata basis as under-

$$HG1 = 100 \% \times (IG1 \div IG3)$$

$$HG2 = 100 \% \times (IG2 \div IG3)$$

$$HG3 = 100 \%$$

(D) ²[Inch-Kilometer of steel pipelines and MDPE pipeline]

Let,

IK1= inch-kilometer of steel pipelines to be laid as bid by the 1st entity over the period of exclusivity in terms of the exemption from the purview of the contract carrier or common carrier.

IK2= inch-kilometer of steel pipelines to be laid as bid by the 2nd entity.

IK3= inch-kilometer of steel pipelines to be laid as bid by the 3rd entity.

Assume that IK1 is lower than IK2 and IK2 is lower than IK3.

The highest value of the inch-kilometer bid (HIK3) shall be given a score of 100% and the value of the other inch-kilometer bids shall be given a score in relation to HIK3 on a pro-rata basis as under-

$$HIK1 = 100 \% \times (IK1 \div IK3)$$

$$HIK2 = 100 \% \times (IK2 \div IK3)$$

$$HIK3 = 100 \%$$

³[(E) Number of PNG domestic connections]

Let,

P1 = Number of PNG domestic connections by the 1st entity

P2 = Number of the PNG domestic connections by the 2nd entity

P3 = Number of the PNG domestic connections by the 3rd entity

¹ Subs. by Cl. (i) of sub-reg (h) of reg. (2), *ibid.* (w.e.f. 27.04.2018).

² Subs. by sub-reg (j) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

³ Subs. by Cl.(ii) of sub-reg. (h) of reg. (2), *ibid.* (w.e.f. 27.04.2018).

Assume P1 is higher than P2 and P2 is higher than P3.]

The highest number of PNG domestic connections bid (HP1) shall be given a score of 100% and the number of the other PNG domestic connections bids shall be given a score in relation to HP1 on a pro-rata basis as under-

HP1	=	100 %
HP2	=	100 % x (P2 ÷ P1)
HP3	=	100 % x (P3 ÷ P1)

Now, the composite score of three entities shall be computed by assigning the respective weights assigned to each of the bidding criterion as indicated below-

$$\begin{aligned}\text{Entity 1} &= 0.10 \times \text{LN1} + 0.10 \times \text{LC1} + 0.20 \times \text{HIG1} + 0.50 \times \text{HP1} + 0.10 \times \text{HIK1} \\ \text{Entity 2} &= 0.10 \times \text{LN2} + 0.10 \times \text{LC2} + 0.20 \times \text{HIG2} + 0.50 \times \text{HP2} + 0.10 \times \text{HIK2} \\ \text{Entity 3} &= 0.10 \times \text{LN3} + 0.10 \times \text{LC3} + 0.20 \times \text{HIG3} + 0.50 \times \text{HP3} + 0.10 \times \text{HIK3}\end{aligned}$$

The entity with the highest composite score shall be declared as successful bidder.”;

¹[Provided that in the case of the geographical areas of (i) Bilaspur, Hamirpur and Una Districts; (ii) Panchkula (Except area already authorised), Shimla, Solan and Sirmaur Districts (iii) Barmer, Jaisalmer and Jodhpur Districts (iv) Darjeeling, Jalpaiguri and Uttar Dinajpur Districts, (v) Nainital and Bijnor Districts, (vi) Pauri Garhwal, Uttarkashi, Rudraprayag and Tehri Garhwal Districts, (vii) Pithoragarh, Champawat, Almora, Chamoli and Bageshwar Districts, (viii) Mandi, Kullu, Kinnaur and Lahaul and Spiti Districts, (ix) Kangra and Chamba Districts and (x) Jammu, Udhampur, Reasi, Samba and Kathua Districts, the composite score of three entities shall be computed by assigning the respective weights assigned to each of the bidding criterion as indicated below -]

$$\begin{aligned}\text{Entity 1} &= 0.10 \times \text{LN1} + 0.10 \times \text{LC1} + 0.25 \times \text{HIG1} + 0.55 \times \text{HP1} \\ \text{Entity 2} &= 0.10 \times \text{LN2} + 0.10 \times \text{LC2} + 0.25 \times \text{HIG2} + 0.55 \times \text{HP2} \\ \text{Entity 3} &= 0.10 \times \text{LN3} + 0.10 \times \text{LC3} + 0.25 \times \text{HIG3} + 0.55 \times \text{HP3}\end{aligned}$$

The entity with the highest composite score shall be declared as successful bidder]

¹ Subs. by sub-reg (j) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

¹[Schedule D

[see regulations 10 (1) and 18 (7)]

Grant of authorisation for laying, building, operating or expanding CGD network

To,

<Name of the Successful Bidding Entity>

<Address>

Subject: Grant of authorisation for laying, building, operating or expanding CGD network in the authorised geographical area of <_____> in the State or the Union Territory of <_____> under the Petroleum and Natural Gas Regulatory Board (Authorising Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008

Sir / Madam,

With reference to your application-cum-bid for grant of authorisation for laying, building, operating or expanding the City Gas Distribution (CGD) network in <name of the authorised area> in the State or the Union Territory of <name>, it has been decided to grant you the authorisation subject to the Petroleum and Natural Gas Regulatory Board (Authorising Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008 and the following terms and conditions, namely:-

1. ²[The Authorized Area for laying, building, operating or expanding the proposed CGD Network shall cover the following Charge Area, as depicted in indicative and not to scale drawing or map;

S. no.	District Name	Charge Area
1.		
2.		
3.		

],

¹ Subs. by sub-reg. (r) of reg. (2), the Petroleum and Natural Gas Regulatory Board (Authorising Entities to Lay, Build, Operate or Expand City or Local natural Gas Distribution Networks) Amendment Regulations, 2018 (w.e.f. 06.04.2018).

² Subs. by sub-reg. (b) of reg. (2), the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2022(w.e.f. 14.02.2022).

2. The activities of laying, building, operating or expansion of the CGD Network shall commence immediately after the issuance of this authorisation.

¹[3. The activities permitted above shall have to be completed as per the work programme mentioned below, namely: -

Serial Number	Description of work	Numbers
1	Number of CNG Stations (Online ² [daughter booster stations and Mobile Refueling Unit]) to be installed within 8 contract years from the date of authorization	
2	Number of domestic Piped Natural Gas connections to be achieved within 8 contract years from the date of authorisation	
3	³ [Inch-km of steel pipeline and MDPE pipeline] to be laid within 8 contract years from the date of authorisation	

The entity shall be required to achieve the year-wise work programme within 8 contract years as per details given below:

PNG Connections (cumulative)		CNG Stations (cumulative)		⁴ [Inch-km of steel pipeline and MDPE pipeline] (cumulative)	
By the end of contract year	% of work program	By the end of contract year	% of work program	By the end of contract year	% of work program
1 st	Nil	1 st	Nil	1 st	5
2 nd	10	2 nd	15	2 nd	20
3 rd	20	3 rd	30	3 rd	40
4 th	30	4 th	45	4 th	60
5 th	40	5 th	60	5 th	70
6 th	60	6 th	75	6 th	80
7 th	80	7 th	90	7 th	90
8 th	100	8 th	100	8 th	100

Note - In case derived numbers are in fraction, the same shall be rounded off to the nearest whole number and 0.5 shall be rounded off to next higher whole number.

¹ Subs. by sub-reg (i) of reg. (2), *ibid.* (w.e.f. 27.04.2018).

² Subs by point (i) of sub-reg (i) of reg (2) of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2023 (w.e.f. 29.03.2023)

³ Subs. by, Cl (i), sub-reg (k) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁴ Subs. by, Cl (ii), sub-reg (k) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

¹[Alternatively,

In the case of the geographical areas of (i) Bilaspur, Hamirpur and Una Districts; (ii) Panchkula (Except area already authorised), Shimla, Solan and Sirmour Districts (iii) Barmer, Jaisalmer and Jodhpur Districts (iv) Darjeeling, Jalpaiguri and Uttar Dinajpur Districts, (v) Nainital and Bijnor Districts, (vi) Pauri Garhwal, Uttarkashi, Rudraprayag and Tehri Garhwal Districts, (vii) Pithoragarh, Champawat, Almora, Chamoli and Bageshwar Districts, (viii) Mandi, Kullu, Kinnaur and Lahaul & Spiti Districts, (ix) Kangra and Chamba Districts and (x) Jammu, Udhampur, Reasi, Samba and Kathua Districts, the entity shall be required to achieve the year-wise work programme within 10 contract years as per details given below, namely: -]

PNG Connections (cumulative)		CNG Stations (cumulative)	
By the end of contract year	% of work programme	By the end of contract year	% of work programme
1 st	Nil	1 st	Nil
2 nd	10	2 nd	10
3 rd	20	3 rd	20
4 th	30	4 th	30
5 th	40	5 th	40
6 th	50	6 th	50
7 th	60	7 th	60
8 th	70	8 th	70
9 th	80	9 th	80
10 th	100	10 th	100

Note - In case derived numbers are in fraction, the same shall be rounded off to the nearest whole number and fraction 0.5 shall be rounded off to next higher whole number.

4. Any failure on the part of the entity in complying with the milestones prescribed in the work programme shall lead to consequences as specified under regulation 16.

5. The entity shall design and install an optimal size of the infrastructure in terms of pipelines of various types including steel belting of the authorised area, online compressors of adequate capacity for compressing of natural gas into CNG, allied equipment and facilities in the CGD network depending upon the potential demand for natural gas. The infrastructure in the CGD network should be adequate to maintain uninterrupted flow of natural gas in the pipelines and be also able to maintain supplies at adequate pressure to online CNG stations.

6. The entity shall maintain an uninterrupted supply of natural gas to all categories of customers in the CGD network. In the event of any disruption in the supply of natural gas in the CGD Network, first priority shall be accorded to restoration of

¹ Subs. by sub-reg (k) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

supplies to domestic PNG customers. In case of disruption of supply to domestic PNG customers for more than twelve hours, the entity shall compensate the domestic customer on the following manner, namely: -

- (a) the normative volume of natural gas consumption for the first domestic PNG connection for cooking requirements based on last three months weighted average consumption per day to be applied for each day's disruption and multiplied by ten;
- (b) normative value of natural gas consumption shall be based on last three months' weighted average billing price of natural gas for supplies to the first domestic PNG connection for cooking requirements; and
- (c) the value of compensation shall be equal to normative volume of natural gas consumption as per clause (a) above multiplied by normative value as per clause (b) and shall be adjusted by allowing a credit to the domestic PNG Customer in the next billing cycle or in the next pre-paid smart card in case of smart card metering.

In case the disruption of supplies is attributed to any fault of the domestic PNG customer, no compensation shall be payable by the entity.

7. The entity is allowed an exclusivity period under the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008, in respect of the following, namely: -

- (a) _____ months from the date of issue of this communication for laying, building and expansion of the CGD network; and
- (b) _____ months from the date of issue of this communication in terms of an exemption from the purview of common carrier or contract carrier for the CGD network:

Provided that the entity meets the obligations in line with the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008:

Provided further that the period of exclusivity allowed under sub-clause (a) or sub-clause (b) may be terminated before the expiry of the period mentioned above in line with the provisions under Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008.

8. The authorised entity shall be required to take prior approval from the Board for creation of any lien, charge or hypothecation of the CGD network to secure finances for the project and furnish details of utilisation of funds. And, 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.

9. The entity shall submit a detailed and clear financial closure report to the Board within a period of two hundred and seventy days from the date of authorisation issued by the Board under regulation 10.

10. The entity shall publish on its website the transportation rate for CGD and transportation rate for CNG in the authorised area as per the following table namely: -

Serial Number	Description	Rate
1	Transportation rate for CGD - in rupees per million British Thermal Unit (Rs./MMBTU) for the first contract year	
2	Transportation rate for CNG - in rupees per kilogram (Rs./kg) for the first contract year	
Note - Annual escalation shall be considered from the second contract year and onwards based on the “Wholesale Price Index (WPI) Data (2011-12 = 100)” for “All Group / Commodity”, as normally available on the website of the Office of the Economic Adviser, Government of India, Ministry of Commerce and Industry, Department of Industrial Policy and Promotion (DIPP) on the link “ http://eaindustry.nic.in/home.asp .”		

11. The entity shall publish the applicable retail selling price of PNG for all categories of customers and also for the purpose of invoicing in Rs. / MMBTU.

12. The entity shall publish and display the retail selling price of natural gas for the purpose of invoicing to CNG customers in Rs. / Kg at all natural gas dispensing stations.

13. The furnishing of performance bond of Rs. ___ Million is a guarantee for timely commissioning of the project as per the prescribed work programme in the bid and for meeting the service obligations during the operating phase of the project.

14. The entity shall comply with the applicable provisions under the Petroleum and Natural Gas Regulatory Board (Authorising Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008, the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008, relevant regulations for technical standards and specifications, including safety standards, any other regulations as may be applicable and the provisions of the Act.

15. In case the authorisation of the entity is terminated, the Board may assign the rights and obligations of the entity 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 CGD network at the same level till another agency or entity appointed by the Board takes over the full control of the CGD network.

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

¹[17. The entity shall confine its operations strictly within the boundaries of the Geographical Area authorised to it by the Board and shall under no circumstances, except to the extent permitted under the Regulations, undertake any operations outside its Geographical Area.]

²[Please confirm, within a period of thirty days, your acceptance by filling-in the acceptance of the grant of authorisation provided below and return the same in original. Please note that in case of failure to accept within the stipulated time period, the grant of authorization in your favour shall stand revoked.]

It may be further noted that the obligations of the authorised entity under these Regulations take effect from the date of grant of authorization by the Board and are not relatable in any manner to the date of acceptance of the authorization by the entity.]

Yours faithfully,

Dated:

Sd/-
Name and Designation of Officer
On behalf of the PNGRB
Official Seal

Acceptance of the Grant of Authorisation

I / We hereby accept the grant of authorisation issued by the PNGRB vide letter ref. <____> dated <____> and agree to comply with all the terms and conditions subject to which I/ We have been granted the authorisation for laying, building, operating or expanding city or local natural gas distribution network in the authorised area of _____ in the State or the Union Territory of ____.

Date:

Place:

Signature of the Entity or Authorised Signatory
Name and Official Seal]

¹ Ins. by, CI (iii), sub-reg (k) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

² Subs. by, CI (iv), sub-reg (k) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

¹[Schedule E
[see regulation 13(1) and regulation 14 (10)]]

²[A: Authorized entity shall submit the reports in formats E1, E2, E3, E4 and E5, as appended below: -

E1 (Monthly) - PNG Connections & Sale (District Wise), ³[Billed DPNG Connections];
E2 (Monthly) - Data of CNG Stations and Sale (Kg & SCM);
E3 (Monthly) - Infrastructure Data (Pipeline and CGS);
E4 (Monthly) - Price Break-up of PNG and CNG;
E5 (Yearly) – Financial Parameters.

⁴[E6 (Monthly) – APM allocation, RLNG (SCM) & CBG (SCM) (GA wise)
E7 (Monthly) – Capex & Opex (GA wise).]

B: Timelines for Report Submission: An entity shall submit the Progress Reports in Online Portal for each of the months of January, February, April, May, July, August, October, November within 20 days of the following month and for each of the months of March, June, September, December (Quarter end Months) within 30 days of the following month. The nodal officer appointed by the Entity shall be responsible for submission of correct data in timebound manner.]

C: The data and information required to be submitted by the entity in the above formats shall be analyzed by the Board by comparing the –actual progress made by the entity versus targets as per terms and conditions of authorization

D: Monitoring of the progress shall be taken up by the Board on a quarterly basis and the notice of deviations and shortfalls, if any, shall be sent to the entity for a prompt resolution. In case of any delay in meeting the yearly commitments within the notice period or in case of repeated violations, the entity may face the consequences specified under regulation 16 or under regulation 10 of the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Network) Regulations, 2008, or both.

E: A Self certification shall be submitted by the entity in terms of its compliance with the requirements of sub-regulation 7 of regulation 14 .

¹ Subs. by sub-reg (u) of reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2018 (w.e.f. 06.04.2018).

² Subs. by point (i) of sub-reg (l) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

³ Ins. by, point i, Cl (i), sub-reg (l) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

⁴ Ins. by, point ii, Cl (i), sub-reg (l) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

Guidelines for filling of the reports:

- a) “Contract Year” shall be indicated as “1st Year”/ “2nd Year”/ “3rd Year” and so forth and so on and “1st Year” means a period of 12 months starting from the first date of the calendar quarter immediately following the date of authorization and subsequent periods of 12 months each thereafter’ and “2nd Year” shall be the period of 12 months starting from the first date of the calendar quarter after 1st Year, and so forth and so on.
- b) “Quarter ending” shall be indicated as Q-1/ Q-2/ Q-3 / Q-4 where “Q-1” means the first quarter of the “Contract Year” and “Q-2” means the second quarter of the “Contract Year and so forth and so on.

¹[*Note 1: The Board reserves the right to seek any information or data from an entity, as it may deem fit, to satisfy itself to the compliance by the entity at any point of time.*

Note 2: It is clarified that due to the technical reasons, the information sought in various formats may have to be rearranged as required while implementing the online reporting system.]

²[E1:

Schedule E: Format: E1 (CGD)	Monthly Report on PNG Connections and Sale					
Type of PNG Connections	Number of Connections (District Wise)			Sale (SCM) (District Wise)		
	<i>As on Previous Month</i>	<i>For the Current Month</i>	<i>Cumulative (Since Inception)</i>	<i>As on Previous Month</i>	<i>For the Current Month</i>	<i>Cumulative (Financial Year)</i>
³ [Billed DPNG Connections]						

¹ Subs. by point (ii) of sub-reg (1) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

² Subs. by point (iii) of sub-reg (1) of Reg. 2, *ibid.* (w.e.f. 07.09.2021).

³ Ins. by, CI (ii), sub-reg (1) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

Domestic						
Commercial						
Industrial						
Total						
PNG Domestic Connections – for the GA						
<i>Pro-rated Target as on current Month</i>	<i>Cumulative as on current Month</i>				<i>Short-fall (%)</i>	
Pending PNG Registration for Connections (Domestic Customers) – GA Wise						
0-30 Days						
31-60 Days						
61-90 Days						
More than 90 Days						
Total Pending PNG Registration for the current Month						

E2:

Schedule E: Format: E2 (CGD)		Monthly Report on CNG Station and Sale				
As on Month & Year	CNG Stations (Nos.)	Compression Capacity (Kg/Day)	For the current Month		Cumulative for current FY	
			Kg	SCM	Kg	SCM
<i>Target</i>						

<i>Achievement</i>						
<i>Short-fall (%)</i>						
CNG Station Code/Number						
Name of CNG Station & Status						
Date of Commissioning						
Full Address of CNG Station						
District				Charge Area		
Latitude & Longitude						
Location of CNG Station						
Type of CNG Station						
Model of CNG Station						
Operated through						
Name of OMC						
Compression Capacity (Kg/24 Hrs)						
Number of Compressors/Boosters						
Number of Dispensing Units						
CNG Station Code	Sale of Natural Gas (Kg)		Conversion Factor		Sale of Natural Gas (SCM)	
CNG Station 1						
CNG Station 2						
CNG Station 3						

CNG Station 4			
And so on.			
Total (Sale)			

E3:

Schedule E:		Monthly Report on Pipeline Infrastructure and City Gate Station (CGS)				
Format: E3 (CGD)		Steel (District Wise)			MDPE (District Wise)	
Unit →	Inch (Dia)	KM (Length)	Inch - KM	Inch (Dia)	KM (Length)	Inch -KM
As on Previous Month	-			-		
For the Current Month	Dia 1			Dia 1		
	Dia 2			Dia 2		
	Dia 3 and so on			Dia 3 and so on		
Cumulative as on Current Month	Total			-		
Steel Pipeline (as applicable) - GA			Steel & MDPE Pipeline (as applicable) - GA			
Target	Cumulative	Short-fall	Target	Cumulative	Short-fall	
Infrastructure – City Gate Station (CGS)						
CGS Location (Address) including Longitude, Latitude						
Tap-off Location (Address) including Longitude, Latitude						

In case Tap-off Location is outside authorized GA	
Details of Sub-transmission Pipeline (Inch-KM)	
Name of Pipeline Entity	
Hook-up Agreement Executed on	
CGS Commissioned on	
Capacity of CGS (SCMH)	

E4-

Schedule E: Format: E4 (CGD)	Monthly Report on PNG and CNG Price
PNG Domestic (Price) - (₹/SCM) – District/State Wise	
Last Price Revision on (Date)	
Retail Selling Price excluding Levies/Taxes (₹/SCM)	
Retail Selling Price including Levies/Taxes (₹/SCM)	
CNG (Price) - (₹/KG) – District/State Wise	
Last Price Revision on (Date)	
Retail Selling Price excluding Levies/Taxes (₹/KG)	
Retail Selling Price including Levies/Taxes (₹/KG)	

Provided that the Board may seek any further information in this regard.]

Schedule-E / Format: ¹ [E5]-CGD	Yearly Progress Report on CGD: Financial Parameters
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¹ Renumbered by point (iii) of sub-reg (l) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

1. Report for the Financial Year			2. Accounting Year	
3. Name of the Authorized Entity				
4. Name of Geographical Area			5. State	
6. Ownership Details	Name		Share (%)	
	Name		Share (%)	
	Name		Share (%)	
	Name		Share (%)	
All figures to be in Lacs Rupees unless specified otherwise				
Capital Investments				
7. Fixed Assets		13. Revenue Earned		
Opening balance		Revenue from operations		
Direct additions		Other income - Interest etc.		
Transfer from Capital Work-in-Progress		Total Revenue		
		14. Profit/Loss		
Closing balance		Profit / Loss before tax		
8. Capital Work-in-Progress (CWIP)		Tax		
Opening balance		Profit after tax		
		15. Loans Status		
Transfer to fixed assets		(a) Term Loans		
		Opening balance		
Closing balance		Added		
9. Operating Expenses		Repaid		
Cost of goods sold		Closing balance		
Utilities - Power and Fuel		Average Interest Rate (%)		
		(b) Working Capital Loans		
Repair and maintenance		Opening balance		
Gen. administrative expenses		Repaid during quarter		
Insurance		Net Change		
Others		Average Interest Rate (%)		
10. Financial Expenses		16. Any other information (Please write in the box)		
Interest on Working capital				

11. Depreciation		
12. Total Expenses		
17. Important guidelines for submitting the report:		
<p>(a) In case data is nil for any of the columns; please enter zero '0' and 'N/A', if required information is not applicable.</p> <p>(b) Report must be submitted within 180 days from the close of the financial year.</p> <p>(c) A scanned copy of the report stamped & signed by an authorized person of the entity, should be uploaded within 10 days from date of submitting the report online as per instructions given for uploading the report.</p> <p>(d) Annual report should be submitted duly certified by a Chartered Accountant (CA)</p>		
18. Note: Please note that due to technical reasons, the information sought in columns / rows may have to be rearranged as required while implementing the online reporting system.		

]

¹[

Schedule E: Format: E6 (CGD)			Monthly report on APM allocation, RLNG & CBG		
APM Allocation			RLNG & CBG		
Domestic APM	CNG APM	Total Allocation	RLNG	CBG	

Schedule E: Format: E7 (CGD)			Monthly report on CAPEX & OPEX		
CAPEX			OPEX		
As on previous month	For the current month	Cumulative (Since Inception)	As on previous month	For the current month	Cumulative (Since Inception)

]

²[****]

Schedule G

¹[see regulation 16(7)]

¹ Ins. by, Cl (ii), sub-reg (l) of reg (3), by the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025 (w.e.f. 25.04.2025).

² The words, letters and expressions specified in Schedule F are omitted by sub-reg (t), the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2018 (w.e.f. 06.04.2018).

The procedure for implementing the termination of the authorization of the entity to lay, build, operate or expand a CGD network following default by the entity as per the provisions of regulation 16 of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008, is as under:

1. On approval of termination of the authorization by the Board, the entity shall be required to submit a detailed statement of the ongoing activities in the CGD network, investments, liabilities and such other information as may be directed by the Board within a period of thirty days from the date of receipt of notice of termination by the entity;
2. The authorized entity shall be required to continue the operations of the CGD network at the same level till such time another agency or entity, as per the decision of the Board, takes over the full control of the CGD network. The Board reserves the right to appoint any other entity or agency to manage and operate the CGD network till such period of time and on such terms and conditions, as it may deem fit;
3. The Board may, in any manner as it deems fit including through an issue of an advertisement, invite expression of interest or bids from entities interested in taking over the management and operation of the CGD network;
4. On receipt of expression of interest or bids, as the case may be, the Board may take an appropriate view on the procedure for evaluation and subsequent grant of authorization and an entity shall be selected to take over the operations of the CGD network from the defaulting entity;
5. The defaulting entity shall have to provide an undertaking to indemnify the newly authorized entity for any liability which may arise later as a result of its past actions;

¹ Subs by sub-reg (m) of Reg. 2, the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021 (w.e.f. 07.09.2021).

Schedule H

[see regulation 17 (1)]

Information to be provided for CGD network authorized by Central Government before the appointed day

To,

The Secretary,
Petroleum and Natural Gas Regulatory Board,
1st Floor, World Trade Centre
Babar Lane, Connaught Place,
New Delhi – 110 001.

Sub: Information in respect of CGD network in the city or area of _____ in the State or the Union Territory of _____

(Attach separate sheets for providing information wherever necessary)

Part-I – General details of the entity and technical details of the project		
1	Details of the entity	
A	Name of the entity	
B	Type of firm – Public limited company / Private limited company / Partnership firm / Proprietorship firm / Others (please specify attaching the copy of the articles of association, partnership deed, etc. as the case maybe.	
B	Date of incorporation and date of commencement of business.	
C	Address of registered office.	
D	Name, addresses, telephone numbers, e-mail ID of all directors / partners / proprietor (please provide full details with STD Code and Pin Code).	
E	Full particulars of the authorization granted by the Central Government for laying, building, operating or expanding the CGD network before the appointed day. Details of NOCs', clearances, etc. considered relevant by the entity to be provided. (copies of the authorization and other documents to be enclosed).	

2	Financial Details	
A	Share capital / Proprietor's own funds	
B	Loans – amount, tenure, moratorium period, rate of interest, taken from and asset mortgaged or hypothecated for securing the same, if any.	
C	Reserves, if any	
D	Fixed Assets	
E	Current Assets	
F	Current Liabilities	
G	Sales Turnover	
H	Profit After Tax	
	(Attach copies of audited Profit and Loss Account and Balance Sheet for the last three financial years) - In case the entity is a subsidiary company, copies of the audited Profit and Loss Account and Balance Sheet for the last three financial years of the parent company to be attached	
3	Business activities of the entity	
A	Original cost and WDV of assets along with year of commissioning, detailed break-up of the operating costs, unit network tariff customer- category wise, average unit compression charge for CNG, average unit transportation cost of cascade mounted CNG systems and retail selling price charged from each category of customers during the last three years, etc.	
B	Details of technical or operational tie- up or collaboration with any other entity for laying, building, operating or expanding of CGD network	
C	Details of other business, if any, being carried out by the promoters for the last three years	
4	Ownership and affiliate details	
A	Details of promoters	
B	Details of affiliates of the entity mentioning the business relationship (“Affiliate” means as defined in the	

	relevant regulations for affiliate code of conduct).	
C	The entity undertakes to produce all relevant records and documents of itself and its related entities on demand by the Board.	Yes / No
D	Is the entity a company registered under Companies Act, 1956?	Yes / No
E	Is the entity promoted by company registered under Companies Act, 1956?	Yes / No
F	The entity undertakes to become a company, in case it is not a company at the time of providing the information herein, under the Companies Act, 1956 on grant of exclusivity under the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008.	Yes / No
5	Technical details of the CGD network	
A	Name of the CGD network	
B	Wards in the municipalities and charge area identified by the entity for the CGD network along with a physical map indicating all the existing and proposed facilities	
C	Technical specifications the existing infrastructure in the CGD network, comparison with projections in the DFR and reasons for variation. (Attach copy of the feasibility report and provide full details regarding pipelines design pressure, diameter, thickness, class, etc., area of the CGD network, route, pipeline corrosion protection arrangements, city gate stations, main block valves, isolation valves, emergency shutdown valves, odourization facilities, metering arrangements, CNG infrastructure, HSE measures, etc.	

D	Development plan envisaged for the project - design & installed capacity of the CGD network along with details of phased-out capital expenditure plans including the time- lines and the projected dates of commencement of operations phase- wise. Complete details of the activities and targets associated with the completion of the Project to be enclosed.	
E	Year-wise growth achieved in physical infrastructure along with value till the appointed day. Details of number, length and type of pipelines laid and number and type of connections provided to customers and CNG infrastructure in terms of online compression capacity and number and dispensing facilities along with allied infrastructure in existence to be provided.	
F	<p>i) Volume of natural gas transported in the CGD network and sold (Customer category-wise including CNG) during the period till the appointed day.</p> <p>ii) Reasons for variations in actual volumes transported and sold versus the projections in the DFR.</p> <p>iii) Volume of natural gas proposed to be transported and sold on an annual basis during the rest of the economic life of the project for each category of customer.</p> <p>Also, give details of customer tie-up, if any.</p> <p>Volumes to be indicated in SCM (or in Kg in case of CNG). The conversion factors for conversion of volume or weight of natural gas or CNG into MMBTU to be provided.</p>	
G	Number of customers connected by PNG category-wise and year-wise and reasons for variation with the projections in the DFR	

H	Sources of supply of natural gas and capacity tie-up with the entity owning and operating natural gas pipeline including existing or any proposed connectivity. Details of the natural gas source tie-up to be provided phase- wise. Please enclose copies of the gas purchase-sale agreement or Memorandum of understanding or Heads of Agreement, as the case may be.	
I	Demand assessment over the economic life of project – estimated yearly demand for each category of customers.	
J	Time schedule for phase-wise completion of the project from the date of commencement of operations. (Complete details of all the activities associated with the completion of the project to be provided separately)	
K	Whether the State, in whose jurisdiction the CGD network is located, has enacted any legislation or taken any administrative action to promote the use of natural gas in the said city or area? If the reply to the question is yes, then, provide copy of the said enactment or the	Yes / No
L	Are all applicable technical standards, specifications including safety standards under the relevant regulations for technical standards and specifications, including safety standards been considered and complied with while designing, laying, building, expanding or operating the CGD network? Provide details.	
M	Attach copy of the Disaster Management Plan in place.	
N	Is the project entitled to any subsidy or entitled for any exemption or deferment or waiver of any statutory levy from the Central or the State Governments? If yes, give complete details indicating the year-wise utilization plan of the entity.	Yes / No
O	Has the entity availed any period of exclusivity for laying, building, operating or expanding the CGD network till the appointed day?	

P	Details of approved capital expenditure plans? What is the percentage of year-wise actual capital expenditure during the last three years to the projected capital expenditure in the DFR and reasons for variation, if any? (The data is required to be provided for last three financial years and for the period till the appointed day)	
Part-II: Any other submission considered as relevant by the entity		
Part-III: Detailed justifications for seeking exclusivity for laying, building, operation or expansion of CGD network under the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008. (see note below)		
A	Justification for seeking exclusivity in laying, building or expansion of the CGD network. Please indicate the period of exclusivity sought. Data, analysis and documents in support of the argument may be provided as attachments.	
B	Justification for seeking exclusivity in terms of seeking exemption from the purview of common carrier ¹ [or] contract carrier. Please indicate the period for which the exemption is sought.	-do-
<p>Note:</p> <ol style="list-style-type: none"> 1) In case the entity applies for exclusivity under the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008 and the Board grants the exclusivity, the targets to be achieved by the entity shall be as fixed by the Board in terms of the clause (b) of sub-regulation (1) of regulation 8 under the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008; and 2) The Board shall monitor the actual progress against the targets fixed for the entity, on a quarterly basis, and take further action in case of any deviation or shortfall determined on an annual basis in the manner as indicated in Schedule E. 		

¹ Subs. by reg. 7, for 'and' in point B of Part-III of Schedule H, *ibid.* (w.e.f. 19.11.2008)

DECLARATION

1. Certified that the above information is true to the best of my / our knowledge and belief and the information and data given in the Annexure and statements are correct, complete and truly stated, and if any statement made herein is found to be incorrect, I / We shall be liable for proceeding and for punishment under the provisions of the Act.
2. I/ we also undertake to provide any further information or data as may be required by the Board within the stipulated time.

Date:

Place:

Name and Signature of Authorized Signatory

Official Seal

Instructions for providing information:

1. All entries in the form and annexed documents should be legible with no cuttings.
2. Details requiring separate statement shall be provided giving clear reference of the point against which the same is being attached.
3. All pages of the information format and all annexure, statements, etc need to be serially numbered and initialed by the person or official authorized by the applying entity through a notarized Power of Attorney.
4. Any information or data filled in the information format needs to be substantiated by attaching relevant proof of the same.
5. The information format is required to be submitted in five copies with all the enclosures in addition to the original.
6. Incomplete information format is liable to be summarily rejected.

Schedule I
[see regulation 18 (1)]

Application for grant of authorization for CGD network to entities not authorized by
Central Government

To,
The Secretary,
Petroleum and Natural Gas Regulatory Board, Ist
Floor, World Trade Centre
Babar Lane, Connaught Place,
New Delhi – 110 001.

Sub: Application for grant of authorization for City or Local Natural Gas Distribution project in the city of _____ in the State or the Union Territory of _____

(Attach separate sheets for providing information wherever necessary)

General details of the entity and technical details of the project		
1	Details of the entity	
A	Name of the Entity	
B	Type of firm – Public limited company / Private limited company / Partnership firm/ Proprietorship firm / Others attaching the copy of articles of association, Partnership deed, etc. if any.	
C	Date of incorporation and date of commencement of business.	
D	Address of registered office.	
E	Names, addresses, telephone numbers, e-mail ID of all directors / partners / proprietor (please provide full details with STD Code and Pin Code).	
2	Information/ data to be provided by the entity in support of the eligibility criteria as specified under sub-regulation (2) of regulation 18.	
A	Non-refundable application fee under regulation 5 (6)(a)	Rs. <_____>
	Demand draft or pay order	
	Demand draft or pay order no. & date	
	Name of issuing bank and branch	
B	Entity is technically capable of laying and building CGD Network	

	Documentary evidence in support of the technical capability of the entity in terms of the qualifying criteria under regulation 5 (6) (b) (i) to (iv) to be attached.	
C	Entity is technically capable of operating and maintaining a CGD Network.	
	Documentary evidence in support of the technical capability of the entity in terms of the qualifying criteria under regulation 5 (6) (c) (i) to (iv) to be attached.	
D	Entity agrees to abide by the relevant regulations for technical standards and specifications, including safety standards.	Yes/ No
E	Entity has adequate financial strength to execute the proposed CGD project, operate and maintain the same in the authorized area and meets the financial criterion in terms of having a minimum combined net worth as specified under regulation 5 (6) (e). Note: All documents in support of the calculations of the minimum combined net worth duly certified by a Chartered	
F	Has any penalty been imposed on the entity under section 28 or punished under Chapter IX of the Act? In case the answer is yes, please submit full details.	Yes/ No
G	Copies of all the necessary statutory clearances, permissions and no objection certificates obtained by the entity from the Central and State Governments and other statutory authorities as applicable for the proposed CGD project to be attached.	

H	<p>In case entity is not registered as a company under the Companies Act,1956, the entity undertakes to become a company registered under the Companies Act, 1956 on grant of authorization. Full details of the promoters of the entity to be provided.</p> <p>Note:</p> <p>In case the entity seeks an exemption from registering under the Companies Act, 1956, detailed justifications shall be submitted to the Board.</p>	Yes/ No
I	Details on Financial and Physical progress	
	<p>i) Copy of the approved DFR of the project to be attached.</p> <p>Note:</p> <p>The entity shall also enclose the documentary proof of the formal approval of the DFR of the project by its management.</p>	
	<p>ii) Has the DFR of the proposed CGD project for which authorization is being sought been appraised by any financial institution?</p>	Yes/ No
	<p>iii) Does the DFR of the proposed CGD project specify the geographical area proposed to be covered? In case the answer is yes, please specify the size of the geographic area proposed and also enclose the map depicting the same.</p>	Yes/ No
	<p>iv) Details in the DFR in terms of year-wise coverage of PNG domestic connections and CNG compression facilities</p>	

	<p>v) Extent of physical progress in laying and building the proposed CGD network achieved by the entity till the day immediately before the appointed day as against the total physical activities proposed in the DFR.</p> <p>Note:</p> <p>The onus of proving the physical progress actually made by the entity lies with the entity and the entity shall submit all necessary documentary</p>	<in percentage terms>
	<p>vi) Extent of financial commitment actually made by the entity in the proposed CGD network till the day immediately before the appointed day as against the estimated capital expenditure identified in the DFR.</p> <p>Note:</p> <p>The onus of proving the financial commitment actually made by the entity lies with the entity and the entity shall submit all necessary documentary proofs in support.</p>	<in percentage terms>
J	Arrangements for erecting the CGS	
	i) Has the entity arranged the land by way of acquisition or lease for erecting the proposed CGS? If yes, please submit the documentary proof.	Yes/ No
	ii) Whether the necessary equipment for erecting the CGS already procured? If yes, please submit documentary proofs.	Yes/ No
K	Entity shall enclose the copies of the internal procedures and guidelines as approved by its management prescribing the basis of compliance by the entity to any technical standards, specifications, including safety standards and the quality of service to customers, if any.	
L	Entity shall enclose copies of the agreement in support of having made firm arrangements for supply of natural gas to meet the demand in the proposed CGD network.	

M	Any other information or data including any documentary proof considered relevant by the entity for consideration of the Board or as may be specified by the Board shall also be provided.	
3	Financial details	
A	Share capital / Proprietor's own funds	
B	Loans – amount, tenure, moratorium period, rate of interest, taken from and asset mortgaged or hypothecated for securing the same, if any.	
C	Reserves, if any	
D	Fixed Assets	
E	Current Assets	
F	Current Liabilities	
G	Sales Turnover	
H	Profit after Tax	
	(Attach copies of audited Profit & Loss Account and Balance Sheet for last three financial years) - In case entity is a subsidiary company, copies of audited Profit and Loss Account and Balance Sheet for last three financial years of the parent company to be attached.	
4	Business Activities of the entity	
A	Original cost and WDV of assets along with year of commissioning, detailed break-up of the operating costs, unit network tariff customer category wise, average unit compression charge for CNG, average unit transportation cost of cascade mounted CNG systems and retail selling price charged from each category of customers during the last three years, etc.	
B	Details of other business, if any, being carried out by the promoters for the last three years.	
5	Ownership and affiliate details	
A	Details of promoters	
B	Details of all affiliates of the entity mentioning the business relationship between the entity and “Affiliate” means as defined in the relevant regulations for affiliate code of conduct.	

C	The entity undertakes to produce all relevant records and documents of itself and its related entities on demand by the Board.	Yes / No
D	The entity undertakes to abide by the relevant regulations for affiliate code of conduct.	Yes / No
6	Technical details of the CGD Network	
A	Name of the CGD network	
B	Wards in the municipalities and charge area identified by the entity for the CGD network alongwith a physical map indicating all the existing and proposed facilities.	
C	<p>Technical specifications of the existing infrastructure and a comparison with that projected in the DFR and reasons for variation, if any.</p> <p>Indicate full details regarding the pipelines design pressure, diameter, thickness, class, etc., area of the CGD network, route details, pipeline corrosion protection arrangements, city gate stations, main block valves, isolation valves, emergency shutdown valves, odourization facilities, metering arrangements, CNG stations, HSE measures, etc.</p>	
D	Development Plan envisaged for the project - design and installed capacity of the CGD network along with details of phased-out capital expenditure plans including the time-lines and the projected dates of commencement of operations phase wise. Complete details of the activities and targets associated with the completion of the project to be enclosed.	

E	<p>Year-wise growth achieved in physical infrastructure along with value. Details of number, length and type of pipelines laid and number of connections customer over their types and CNG infrastructure in terms of online compression capacity and number of dispensing facilities along with allied infrastructure in existence to be provided. Gross and Net block value to be indicated over each asset- head.</p>	
F	<p>i) Volume of natural gas transported in the CGD network and sold customer category-wise, including CNG during last year-years till the appointed day.</p> <p>ii) Reasons for variations in actual volumes transported and sold versus the projections in the DFR.</p> <p>iii) Volume of natural gas proposed to be transported and sold on an annual basis during the rest of the economic life of the project for each category of customer.</p> <p>Also, give details of customer tie-up, if any.</p> <p>Volumes to be indicated in MMBTU and also in SCM for PNG and in Kg for CNG. The conversion factors for conversion of volume or weight of natural gas or CNG into MMBTU to be provided.</p>	
G	<p>Number of customers provided with PNG connection category-wise and year-wise and reasons for variation with the projections in the DFR, if any.</p>	
H	<p>Capacity tie-up with the entity owning and operating natural gas pipeline including existing and proposed connectivity.</p>	
I	<p>Demand assessment over the economic life of the project – estimated yearly demand for each category of customer.</p>	

J	Time schedule for phase wise completion of the project from the date of commencement of operations. Complete details of all the activities associated with the completion of the project to be provided separately.	
K	Whether the State, in whose jurisdiction the CGD network is located, has enacted any legislation or taken any administrative action to promote the use of natural gas in the said city? If the reply to the question is yes, then provide copy of the said enactment or the administrative order.	Yes / No
L	Whether applicable technical standards, specifications including safety standards under the relevant regulations for technical standards and specifications, including safety standards been considered and complied with while designing, laying, building, operating and expanding the CGD network? Provide details.	
M	Copy of Disaster Management Plan to be attached.	
N	Is the project entitled to any subsidy, tax waiver or exemption or deferment from the Central or State Government? If yes, give details.	Yes / No
O	Has the entity availed any period of exclusivity for laying, build, operate or expand the existing CGD network?	
P	Details of approved capital expenditure plans? What is the percentage of year- wise actual capital expenditure to the projected capital expenditure in the DFR during the last three years and reasons for variation, if any?	
Part-II:	Any other submission considered as relevant by the entity with regards to the application for grant of authorization for CGD network by the Board	
Part-III:	Detailed justifications for seeking exclusivity for laying, building, operation or expansion of CGD network under the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008. (see note below)	

A	Justification for seeking exclusivity in laying, building or expansion of the CGD network. Please indicate the period of exclusivity sought.	Data, analysis and documents in support may be provided
B	Justification for seeking exclusivity in terms of seeking exemption from the purview of common carrier and contract carrier. Please indicate the period for which the exemption is sought.	-do-
<p>Note:</p> <ol style="list-style-type: none"> 1) In case the entity applies for exclusivity under the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008 and the Board grants the exclusivity, the targets to be achieved by the entity shall be as fixed by the Board in terms of the clause (b) of sub-regulation (1) of regulation 8 under the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008; and 2) The Board shall monitor the actual progress against the targets fixed for the entity, on a quarterly basis, and take further action in case of any deviation or shortfall determined on an annual basis in the manner as indicated in Schedule E. 		

DECLARATION

1. Certified that the above information is true to the best of my / our knowledge and belief and the information given as Annexure and statements accompanying this application are correct, complete and truly stated, and if any statement made herein is found to be incorrect, the application shall be rejected, the application fee shall be forfeited and I / We shall be liable for proceeding and for punishment under the provisions of the Act.
2. I / We also undertake to furnish a Performance Bond, which may be prescribed by the Board.
3. I / We certify that this is the only application submitted and no other application has been or is being separately submitted for this city or geographic area.

Date :

Place :

Name and Signature of entity or authorized signatory

Official seal

Instructions for filling the Application form:

1. All entries in the form and annexed documents should be legible with no cuttings.
2. Details requiring separate statement may be provided giving clear reference of the point against which the same is being attached.
3. All pages of the application form and all annexure, statements, etc need to be initialed by the person or official authorized by the applying entity through a notarized Power of Attorney.
4. Any information and data filled in the application form needs to be substantiated by attaching relevant proof of the same.
5. The entity is required to submit five copies of the application with all the enclosures in addition to the original.
6. Incomplete application is liable to be summarily rejected.

¹[***]

¹ The words, letters and expressions specified in Schedule J are omitted by sub-reg (t), the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2018 (w.e.f. 06.04.2018).

¹[Schedule-K

[See regulation 5(6)(e) and (i)]

Methodology for Computation of Net Worth

Serial Number	Type of Entity	Net Worth Calculation
1	In case of a Company	As per method 1
2	In case of Cooperative Society	As per method 1 <i>Mutatis Mutandis</i>
3	In case of a Joint Venture Company	Consolidated net worth (as per method 1) of those promoter companies shall be considered which provide support through their Corporate Guarantee in the format as specified in Appendix III
4	In case of a subsidiary company	Consolidated net worth of holding company shall be considered (to be computed as per Method 1), if supported by Corporate Guarantee from that holding company.
5	Other entities	As per method 2
6	Unincorporated consortium or unincorporated joint venture of	
	a) Companies	As per method 1
	b) Others	As per method 2 for non-company consortium member and as per method 1 for company consortium member.
7	In case company is promoted by individual promoters	Net worth of the company shall be computed as per Method 1. If supported by the guarantee from the individual promoter, net worth of individual promoter shall be included and computed as per Method 2.

¹ Subs by sub-reg (v) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

Methodology for net worth computation under Method 1:

Net worth shall be computed as defined in clause (57) of section 2 of the Companies Act, 2013.

Methodology for Net Worth Computation under Method 2:

By valuation of assets on the following basis, namely :-

1. Investments in the name of the applicant (Detailed list to be enclosed)
 - (a) Securities listed and quoted in Stock Exchange
 - (i) Market value as on
 - (ii) Margin of 30% on market value as on date specified in sub-clause (i);
 - (iii) Net value of listed securities specified in sub-clauses (i) and (ii).
 - (b) Unlisted Securities
 - (i) Value as on (Value to be computed as per Note 1. below)
 - (ii) Margin of 50% on value as per sub clause (i);
 - (iii) Net value of unlisted securities specified in sub-clauses (i) and (ii).
 - (c) Other investments like PPF, NSC, bank deposits, company deposits and like other deposits , at current value;
 - (d) Total Net Investments= (a) (iii) + (b) (iii) + (c)
2. Land and building component of the fixed assets (full details of such assets like survey number, location, address, extent of land and building to be furnished) and-
 - (i) Market value (to be computed as per Note 2. below);
 - (ii) Margin of 50% on market value specified in sub-clause (i);
 - (iii) Net value of such fixed assets specified in sub-clauses (i) and (ii).
3. Debtors outstanding for not more than 3 months + cash and bank balances.
4. Current Liabilities.
5. Long term liabilities.
6. Net worth= 1.(d) + 2.(iii) + 3. – (4. + 5.).

Notes:

1. Valuation of unlisted securities would be at "fair value" of the said securities, that is to say the average of the "break-up value" and the "earning value" and for this purpose, -
 - (a) the "break-up value" means the paid-up equity share capital and all reserves created out of the profits and securities premium account as reduced by the accumulated losses, deferred expenditure and miscellaneous expenditure not written off as per the latest audited balance sheet, but not including reserves created out of revaluation of assets, write-back of depreciation and amalgamation, divided by the number of equity shares of the investee company.
 - (b) the "earning value" means the value of an equity share computed by taking the average of profits after tax as reduced by the preference dividend and adjusted for extra-ordinary and non-recurring items, for the immediately preceding three years and further divided by the number of equity shares of the investee company and capitalised at the following rate, namely: -
 - (i) In case of predominantly manufacturing company, eight percent;
 - (ii) In case of predominantly trading company, ten percent;
 - (iii) In case of any other company, including an NBFC, twelve percent; and
 - (iv) If, an investee company is a loss-making company, the earning value will be taken at zero.
2. Valuation of fixed assets for the purpose of net worth shall be certified by Government approved valuers as per Companies (Registered Valuers and Valuation) Rules, 2017. The valuation shall not be more than 6 months old on the date of submission of the bid. Further, the valuation shall be capped at Circle Rate. Only those items of land and building that are in the name of the entity or proprietor shall be included under the head at sl. No. 2 above that is to say, Land and building component of the fixed assets. Those properties that are taken on lease shall not be included for computation of net worth. Fixed assets other than Land and Building shall not be included for the purpose of computation of net worth.
3. Details of items comprising investments, current assets, current liabilities and long-term liabilities shall be given separately.
4. Current assets should exclude loans to related entities, bad and doubtful debts and debts outstanding for more than 3 months, advance against capital assets, pledged securities or assets, prepaid expenses and also intangible assets.
5. Valuation of properties will be net of encumbrances with details of loan and other encumbrances, if any. Details of encumbrances, including 'nil' encumbrance, shall be supported by a certificate by the entity.
6. Company includes limited, private limited and limited liability partnerships (LLP).

7. In case the bidder is supported by an equity fund, net-worth shall be lower of assets under management of the equity fund and the amount of support by a legally binding document for supporting the entity to achieve the work program.
8. In case of a bid submitted by a consortium, net worth of only those consortium members would be considered which have at least 11% stake in the consortium:

Provided that, when the Consortium is converted into a company registered under the Companies Act, 2013 as required by clause(f) of sub-regulation (6) of regulation 5 relating to CGD Authorisation, each of such member should hold not less than 11% shareholding in the company and shall continue to hold not less than 11% shareholding in the company till exclusivity from the purview of common carrier or contract carrier.

9. In case an entity bids for more than one GA and if the net worth of the bidder as calculated by the Board is lower than the cumulative net worth required as per Regulation clause(e) of sub-regulation (6) of regulation 5 relating to CGD Authorization, then the bidder shall be considered to be qualified for certain GAs in the following order, unless specified otherwise by the bidder:
First the GA having the highest population amongst the GAs bided by the entity.
Thereafter, GA bided by the entity would be considered in the same sequence as these are appearing in List of GAs open for bidding published by the Board, provided the remaining net worth of the bidder is more than the minimum net worth requirement of the GA at next serial number else GA at subsequent serial number and so on shall be considered. This process shall continue till net worth of the bidder as calculated by the Board is available.
10. Any certificate submitted along with the bid certified by a Chartered Accountants shall be considered only if accompanied by the Unique Document Identification Number (UDIN) generated on the UDIN portal of The Institute of Chartered Accountants of India.
11. In case of bidding by unincorporated consortium, cross investment or holdings amongst the consortium partners will not be counted for the purpose of net worth evaluation.
12. If the net worth criteria is fulfilled considering assets of any person other than a company, an affidavit should also be enclosed along with the net worth certificate, that all the assets considered in the net worth certificate are free from any encumbrance, charge, lien and liability and are owned and are in absolute control or possession of that person. Wherever there is any encumbrance or charge or lien or liability, the outstanding amount of loan or liability shall be reduced from the value of the asset against which such loan or liability exists. Further, any Income Tax demand or liability against the entity or any consortium partner should also be reduced from the assets, while calculating the net worth.]

¹[Appendix III

[See second Proviso of Regulation 10 (3)]

(On non-judicial stamp paper of appropriate value)

CORPORATE GUARANTEE FORMAT

THIS GUARANTEE("Guarantee") is issued on the ____ day of _____, ____ by _____, a Company organised and existing under the laws of _____ having its Registered Office at _____ (hereinafter referred to as "Guarantor"), at the request and behest of _____, a Wholly Owned Subsidiary Company of the Guarantor organised and existing under the laws of _____ having its Registered Office at _____ (hereinafter referred to as "Wholly Owned Subsidiary"), in favour of Petroleum and Natural Gas Regulatory Board, constituted under The Petroleum and Natural Gas Regulatory Board Act, 2006 (having its Registered Office at 1st Floor, World Trade Center, Babar Road, New Delhi-110001 (hereinafter referred to as "Beneficiary" or "PNGRB").

WHEREAS:

The Beneficiary has granted authorisation to the Guarantor to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Network(s) for (hereinafter referred as "**Geographical Area**") vide letter dated _____ (hereinafter referred as "**Authorisation**"). The Guarantor is willing to transfer the Authorisation of the geographical area authorised by the Beneficiary, along with the rights and obligations, in favour of its Wholly Owned Subsidiary. The Guarantor vide its letter dated _____ informed the Beneficiary that Wholly Owned Subsidiary, will comply with the Authorisation terms and conditions. For this reason, the Guarantor is ready and willing to give a Corporate Guarantee (CG) inter alia for the performance of the Wholly Owned Subsidiary to the terms and conditions of the Authorisation and on failure to assume the said obligations.

We, the Guarantor hereby record the terms and conditions governing our obligations under this Guarantee with the intent of being legally bound by the same and hereby agree, covenant and bind ourselves as follows: -

1. The Guarantor hereby irrevocably and unconditionally guarantees to Beneficiary that its Wholly Owned Subsidiary will perform its obligations under the terms and conditions of the Authorisation and agrees to provide further guarantees, if so desired by Beneficiary, in terms of the Authorisation.
2. The Guarantor unconditionally and irrevocably guarantees to the Beneficiary that it will make available or cause to be made available all financial, technical and other resources required to ensure that the Wholly Owned Subsidiary can carry out its

¹ Ins. by sub-reg (w) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

obligations of Work Programme as per the terms and conditions of the Authorisation and that the Wholly Owned Subsidiary at all times fully and effectively discharge its obligations under the terms and conditions of Authorisation, including by discharging the obligations within the time and cost so stipulated.

3. The Guarantor hereby agrees that if the Wholly Owned Subsidiary shall in any respect commit any breach or fails to fulfill any of the terms of the or complete it in all respects or if there is a failure to meet any obligations, then, the Guarantor will forthwith perform the same and fulfill all the obligations required under terms and conditions of Authorisation on behalf of the Wholly Owned Subsidiary, without any extra cost and time implications or will pay the penalty as per the extant Regulations.
4. The Guarantor further undertakes to indemnify all losses, damages, expenses, claims, costs and proceedings due to the failure or breach on the part of its Wholly Owned Subsidiary.
5. The Guarantor assures and undertakes that during the term of the Exclusivity Period or of any guarantee for performance as per the Authorisation, the Guarantor and the Guarantor's liability shall not be affected due to any incapacity or lack of power or legal personality or change in the status of the Wholly Owned Subsidiary or the Guarantor.
6. The Guarantor's liabilities under this Guarantee shall not exceed the liability of the Wholly Owned Subsidiary under the terms and conditions of Authorisation but this shall in any manner not affect the Guarantor's own responsibilities and liabilities under the Guarantee.
7. The obligation of the Guarantor shall take effect from the date of this Guarantee and shall remain in full force until all the obligations of the Wholly Owned Subsidiary have been fully performed and discharged. The Guarantor further undertakes to perform forthwith without insisting on any proof of breach of terms and conditions of Authorisation by its Wholly Owned Subsidiary and purely relying on Beneficiary's written demand.
8. The liabilities of the Guarantor shall not be discharged, diminished or otherwise affected by -
 - (a) any change in the Articles of Association or Bye-Laws or constitution of the Wholly Owned Subsidiary or the Guarantor;
 - (b) any time, indulgence, waiver or consent given to Wholly Owned Subsidiary by the Beneficiary;
 - (c) any amendment to the terms and conditions of Authorisation or any security or other guarantee or indemnity to which Wholly Owned Subsidiary has agreed; and
 - (d) The dissolution, amalgamation, reconstruction or reorganisation of Wholly Owned Subsidiary or Guarantor.

9. NOTICE:

Any notice, demand, declaration or other communication to be given by the Beneficiary or the Guarantor to the other shall be in writing, in English language and

delivered in person or by Air Mail or by Courier Services or by Facsimile or by E-Mail to the address given below, namely: -

For Guarantor	
Attention of	
Mailing Address	
Email Address	
Fax No.	
For Beneficiary	
Attention of	Secretary,
Mailing Address	Petroleum and Natural Gas Regulatory Board, 1st Floor, World Trade Centre, Babar Road, New Delhi 110001.
Email Address	secretary@pngrb.gov.in
Fax No.	011-23709151

10. **GOVERNING LAW AND JURISDICTION:**

This Guarantee shall be exclusively governed by and construed in accordance with the laws of India without giving effect to the principles of conflict of laws therein. No party shall take a plea that any forum is inconvenient. It may be enforced in terms of the Indian laws.

11. This Guarantee may be executed in one or more counterparts, all of which shall be read and construed as one document and any fax copy or scanned copy or print of a scanned copy of a signed Guarantee shall be deemed to be an original signature.
12. No modification, alteration or amendment of this Guarantee or any of its terms or provisions shall be valid or legally binding unless the Beneficiary consents to the same in writing.
13. No failure to take any action with respect to a breach of this Guarantee or a default by any other party shall constitute a waiver of the Beneficiary's right to enforce any provision of this Guarantee or to take action with respect to such breach or default or any subsequent breach or default.
14. Waiver of any breach or failure to comply with any provisions of this Guarantee shall not be construed as, or constitute, a continuing waiver of such provision, or a waiver of any other breach of or failure to comply with any other provision of this Guarantee, unless any such waiver has been consented to by the Beneficiary in writing.
15. This document has been executed by a duly authorised signatory on behalf of the Guarantor having the requisite power to do so.

IN WITNESS WHEREOF the Guarantor has duly executed this Guarantee as at the date first above written.

For and on behalf of Guarantor

**For and on behalf of Wholly Owned
Subsidiary**

Name and Signature of Authorised
signatory along with official seal

Name and Signature of Authorised
signatory along with official seal

Witness:

Witness:

Signature:

Signature:

Name:

Name:

Designation

Designation

Date:

Date:

]

¹[Appendix -IV

[See Schedule K]

(On non-judicial stamp paper of appropriate value)

PROMOTER OR HOLDING COMPANY GUARANTEE FORMAT

THIS GUARANTEE (“Guarantee”) is issued on the _____ day of _____, ____ by _____, a Company organised and existing under the laws of _____ having its Registered Office at _____ *(and by _____ a Company organised and existing under the laws of _____ having its Registered Office at _____ singly and/or jointly)* hereinafter referred to as “Guarantor”, at the request and/or behest of _____, a Company organised and existing under the laws of _____ having its Registered Office at _____ (hereinafter referred to as “Bidding Entity”), in favour of Petroleum and Natural Gas Regulatory Board, constituted under The Petroleum and Natural Gas Regulatory Board Act, 2006 (09 of 2006) having its Registered Office at 1st Floor, World Trade Center, Babar Road, New Delhi-110001 (hereinafter referred to as “Beneficiary” or “PNGRB”).

WHEREAS

The Beneficiary has floated an Application cum-Bid document dated _____ inviting offers from Bidders for _____(purpose). The Bidding Entity has submitted their Application cum Bid document dated _____ and advised the Beneficiary that the Bidding entity is the Joint Venture/Subsidiary Company of the Guarantor. The Guarantor vide its letter dated _____ informed the Beneficiary that Bidding Entity, will participate in the Application cum-Bid document and desired that the Application cum-Bid document be considered by the Beneficiary based on the technical and financial strength of the Guarantor. For this reason, the Guarantor is ready and willing to give a Promoter Guarantee or Parent Company Guarantee (PCG) inter alia for the performance of the Bidding Entity to the terms and conditions of the Application cum-Bid document and on failure of Bidding Entity to assume the said obligations.

Having examined the ‘Application-cum-Bid document’ with reference to Bid No..... we....., being the Promoter or Holding Company of(Bidding Entity), certify that we possess the financial net worth as required by the Petroleum and Natural Gas Regulatory Board (Authorising Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008.

¹ Ins. by sub-reg (z) of reg. (2), *ibid.* (w.e.f. 06.04.2018).

Our net worth (calculated in accordance with provisions of the above regulations) and as certified by Chartered Accountant for the last financial year i.e..... is Rs..... Million. Certificate and documents in support of calculations are enclosed as Annexure.....

We, the Guarantor hereby record the terms and conditions governing our obligations under this Guarantee with the intent of being legally bound by the same and hereby agree, covenant and bind ourselves as follows, namely: -

1. We.....as promoter/holding company of..... (Bidding Entity) undertake that our financial contribution to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks in the authorised geographical area ofshall be infused in a phased manner as per the project financing schedule approved at the time of achieving financial closure.
2. The Guarantor hereby irrevocably and unconditionally guarantees to Beneficiary that Bidding Entity will perform its obligations as per the terms and conditions of the Application cum-Bid document, if the Bid is awarded to them in future for _____ and agrees to provide further Guarantee, if so desired by Beneficiary, in terms of the Application cum-Bid document.
3. The Guarantor further unconditionally and irrevocably guarantees to the Beneficiary the due and punctual compliance by the Bidding Entity of any obligations under the Application cum-Bid document.
4. The Guarantor unconditionally and irrevocably guarantees to the Beneficiary that it will make available or cause to be made available to the Bidding Entity all financial, technical and other resources required to ensure that the Bidding Entity can carry out its obligations as per the Application cum-Bid documents terms and conditions and that the Bidding Entity at all times fully and effectively discharge its obligations under the terms and conditions of Application cum-Bid document.
5. The Guarantor hereby agrees that if the Bidding Entity shall in any respect commit any breach or fails to fulfill any of the terms of the Application cum-Bid document or complete it in all respects or if there is a failure to meet any obligations then the Guarantor will forthwith perform the same and fulfill all the obligations required under Application cum-Bid document terms and conditions on behalf of the Bidding Entity.
6. The Guarantor further undertakes to indemnify all losses, damages, expenses, claims, costs and proceedings which may be suffered or incurred by Beneficiary due to the failure or breach on the part of Bidding Entity.
7. The Guarantor assures and undertakes that during the term of the completion of the Work Program or performance as per the Application cum-Bid document, the Bidding Entity shall continue to be the Joint Venture/ Subsidiary Company of the Guarantor and the Guarantor's liability shall not be affected due to any incapacity or lack of

power or legal personality or change in the status of the Bidding Entity or the Guarantor.

8. The Guarantor's liabilities under this Guarantee shall not exceed the liability of the Bidding Entity under the Application cum-Bid document terms and conditions but this shall in any manner not affect the Guarantor's own responsibilities and liabilities under the Guarantee.
9. The obligation of the Guarantor shall take effect from the date of this Guarantee and shall remain in full force until all the obligations of the Bidding Entity have been fully performed and discharged. The Guarantor further undertakes to perform forthwith without insisting on any proof of breach of Application cum- Bid document by its Bidding Entity and purely relying on Beneficiary's written demand.
10. The liabilities of the Guarantor shall not be discharged, diminished or otherwise affected by: -
 - (a) any change in the Articles of Association or Bye-Laws or constitution of the Bidding Entity or the Guarantor;
 - (b) any time, indulgence, waiver or consent given to Bidding Entity by the Beneficiary;
 - (c) any amendment to the Authorisation or any security or other guarantee or indemnity to which Bidding Entity has agreed; and
 - (d) The dissolution, amalgamation, reconstruction or reorganization of Bidding Entity or Guarantor.

11. NOTICES:

Any notice, demand, declaration or other communication to be given by the Beneficiary or the Guarantor to the other shall be in writing, in English language and delivered in person or by Air Mail or by Courier Services or by Facsimile or by E-Mail to the address given below, namely: -

For Guarantor	
Attention of	
Mailing Address	
Email Address	
Fax No.	
For Beneficiary	

Attention of	Secretary,
Mailing Address	Petroleum and Natural Gas Regulatory Board, 1 st Floor, World Trade Centre, Babar Road, New Delhi 110001.
Email Address	secretary@pngrb.gov.in
Fax No.	011-23709151

12. GOVERNING LAW AND JURISDICTION:

This Guarantee shall be exclusively governed by and construed in accordance with the laws of India without giving effect to the principles of conflict of laws therein. No party shall take a plea that any forum is inconvenient. It may be enforced in terms of the Indian laws.

13. This Guarantee may be executed in one or more counterparts, all of which shall be read and construed as one document and any fax copy or scanned copy or print of a scanned copy of a signed Guarantee shall be deemed to be an original signature.
14. No modification, alteration or amendment of this Guarantee or any of its terms or provisions shall be valid or legally binding unless the Beneficiary consents to the same in writing.
15. No failure to take any action with respect to a breach of this Guarantee or a default by any other party shall constitute a waiver of the Beneficiary's right to enforce any provision of this Guarantee or to take action with respect to such breach or default or any subsequent breach or default.
16. Waiver of any breach or failure to comply with any provisions of this Guarantee shall not be construed as, or constitute, a continuing waiver of such provision, or a waiver of any other breach of or failure to comply with any other provision of this Guarantee, unless any such waiver has been consented to by the concerned party in writing.
17. This document has been executed by a duly authorized signatory on behalf of the Guarantor having the requisite power to do so.

IN WITNESS WHEREOF the Guarantor has duly executed this Guarantee as at the date first above written.

For and on behalf of Guarantor

*For and on behalf of Guarantor

Name and Signature of Authorised signatory
along with official seal

Name and Signature of Authorised signatory
along with official seal

For and on behalf of Bidder

Witness:

Signature:

Name:

Designation

Name and Signature of Authorised signatory
along with official seal

Date:

Witness:

Signature:

Name:

Designation

Date:

* to be added in case of multiple Guarantors]

[F. No. S-Admn/II/8/2007-Vol.I]
AJAY TYAGI, Secy.

Foot Note: Principal regulations were notified vide no. G.S.R. 196(E) dated 19th March, 2008 and subsequently amended vide G.S.R. 800 (E) dated 19th November, 2008, G.S.R. 295 (E) dated 30th April, 2009, G.S.R. 478(E) dated 7th June, 2010, G.S.R. 605 (E) dated 19th July, 2010, F. No. PNGRB/ CGD/ REGULATIONS/REVIEW-2011/2012-III dated 21st June, 2013, F. No. PNGRB/CGD/BID/4/2013-PRE BID dated 7th April, 2014, F. No. L-MISC/VI/I/2007 dated 1st January, 2015, F. No. PNGRB/ CGD/ Regulations/Amend/2015 dated 13th February 2015, PNGRB/CGD/Amendment/2015/2 dated 11th December 2015 and F. No. PNGRB/CGD/Amendment/ 2015/2/SC dated 26th April 2016, F. No. PNGRB/Auth./CGD/Amd/2018 dated 06th April, 2018, F No. PNGRB/Auth./CGD/Amd/2018/2 dated 27th Apri, 2018, F. Mo. PNGRB/Auth./CGD/Amd/2018/3 dated 06th November, 2018, F. No. PNGRB/Auth./CGD/Amd/2018/4 dated 21st November. 2018, F. No. PNGRB/Auth./1-CGD (07)/2020 (P-884) dated 30th September, 2020, F. No. PNGRB/Auth/1-CGD (79)/2019 (P-770), dated 7th September, 2021, F. No. PNGRB/Auth/1-CGD (79)/2019 (P-770), dated 14th February 2022 and F. No. PNGRB/Auth/1-CGD (08)/2020 (P-894) dated 29th March 2023 and F. No. PNGRB/Auth/1-CGD(5)/2024(E-5303) dated 26th December 2024 and F. No. PNGRB/Auth/1-CGD(10)/2024 dated 25th April 2025.

