SESSION 9

COMMERCIAL DIVISION

GHAN SHYAM

SUSHIL KUMAR GUPTA

Petroleum and Natural Gas Regulatory Board

Commercial Division

22/04/2026

Role of Commercial Division

Tariff Framework Development

The division determines tariff for NGPL and PPPL as per regulations.

Market Development and Integration

The division promotes market integration, fair competition, and optimal utilization of national gas infrastructure for market growth.

Support for Infrastructure Expansion

The tariff system encourages long-term investments, supporting capacity growth and economic stability.

Tariff Framework – Overview

Cost-Plus and Normative Principles

The framework uses cost-plus and normative methods to ensure pipeline operators recover costs and earn regulated returns.

Periodic Tariff Review

Tariffs are reviewed and updated periodically to reflect changes in capital expenditure, operating costs, and efficiency parameters.

Balance Between Affordability and Viability

The framework balances consumer affordability with commercial viability for pipeline operators.

Key Tariff Principles

Fairness and Uniformity

Tariff principles ensure fair treatment and uniform tariff structures for all similar customers, preventing discrimination.

Cost Recovery and Regulated Returns

Principles mandate reasonable cost recovery and regulated returns to sustain operations without excessive pricing.

Predictability and Regulatory Certainty

Embedded predictability and regulatory certainty help investors, operators, and consumers plan effectively.

Market Evolution – Indian Gas Sector

Emerging Market Mechanisms

New products for gas exchanges like IGX improves market liquidity

Role in Clean Energy Transition

Natural gas is positioned as a key transition fuel in India’s clean energy journey.

“One Nation, One Grid, One Tariff”

Unified Tariff Structure

The initiative simplifies gas tariffs structure by minimizing distance-based variations.

Equitable Access

Eliminating regional cost disparities promotes fair and equitable access to natural gas across regions.

Market Integration

Unified Tariffs support seamless market integration with making choice of gas source redundant for the consumer.

Strengthening Gas Ecosystem

The initiative fosters uniformity and supports the vision "One Nation, One Grid, One Tariff" in India.

Outline

- ❖Functions of Commercial Division
- ❖NGPL Tariff & Unified Tariff
- ❖PPPL Tariff
- ❖Imbalance Fund Management
- ❖Indian Gas Exchange
- ❖Other Charges
- ❖Performance Bank Guarantee
- ❖Investment of Funds

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Functions
of
Commercial Division

Commercial Division - Functions

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The Commercial Division shall assist the Board in discharging its statutory functions under the *Petroleum and Natural Gas Regulatory Board Act, 2006* (the Act), particularly in respect of tariff determination, commercial oversight, and financial governance, in alignment with the applicable regulations notified by the Board.

Without prejudice to the generality of the above, the Division shall undertake the following functions:

1. Tariff Determination and Regulation

To examine, process, and assist in the determination, approval, and review of transportation tariffs, in accordance with:

- PNGRB (Determination of Natural Gas Pipeline Tariff) Regulations, 2008
- PNGRB (Determination of Petroleum and Petroleum Products Pipeline Transportation Tariff) Regulations, 2024
- PNGRB (Determination of Transportation Rate for CGD and Transportation Rate for CNG) Regulations, 2020

Commercial Division - Functions

2. Monitoring of Commercial and Financial Compliance

To monitor compliance by entities with tariff orders.

3. Levy and Collection of Fees and Charges

To administer levy, collection, accounting, and reconciliation of fees and charges from regulated entities, in accordance with Regulations.

4. Imbalance Management and Fund Administration

To oversee commercial aspects of imbalance management and administer associated funds, in accordance with Regulations.

5. Financial Oversight and Fund Management

To manage and oversee investment and utilization of Board funds, including designated funds such as Imbalance Fund and APTEL Fund, in accordance with Regulations/General Financial Rules (GFR), Government of India/Directions/guidelines issued by the Board from time to time

Commercial Division - Functions

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6. Accounts and Audit

To coordinate preparation and finalization of annual accounts and facilitate statutory audit, in accordance with Provisions of the PNGRB Act relating to accounts and audit/Guidelines prescribed by the Comptroller and Auditor General (CAG) of India/Applicable Accounting Standards and instructions.

7. Budget Formulation and Financial Planning

To prepare, administer, and monitor the annual budget and financial planning of the Board.

NGPL Tariff

Categories of NGPL Pipelines

Total Pipelines Authorized by PNGRB 36

- Other than through bidding route 24
  - Part of NGGS 17
  - Not part of NGGS 7
- Under bidding route 12
  - Part of NGGS 6
  - Not part of NGGS 6

As on December 2025

Pipelines part of National Gas Grid System (NGGS)

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COST PLUS PIPELINES

S No.	Pipeline Name	No. of Pipelines	Entity Name	Operational Length (km.)
1-9	Integrated Pipeline (INGPL)	9	GAIL (India) Limited	14145.99
10	GSPL-Low Pressure	1	GSPL	57
11	GSPL-High Pressure	1	GSPL	2738
12	Hazira Ankleshwar	1	GGL	73
13	Dadri Panipat	1	IOCL	143
14	Uran Trombay	1	ONGC	24
15	East West Pipeline	1	PIL	1485
16	North-East Natural gas Pipeline Grid	1	IGGL	392
17	KG Basin Natural Gas Pipeline	1	GAIL (India) Limited	867
	Total	**17**		**19924.99**

BID OUT PIPELINES

S No	Pipeline Name	Entity Name	Operational Length (km.)
1	Shahdol-Phulpur	RGPL	304
2	Mehsana Bhatinda	GIGL	1318
3	Bhatinda Gurdaspur		101
4	Mallavaram- Bhopal-Bhilwara-Vijaipur	GITL	365
5	Mumbai - Nagpur - Jharsuguda Natural Gas Pipeline	GAIL (India) Limited	1,182
6	Srikakulam Angul Natural Gas pipeline	GAIL (India) Limited	422
	Total		**3692**

Pipelines not part of National Gas Grid System (NGGS)

COST PLUS PIPELINES

S. No	Pipeline	Entity Name	Operational Length (Km)	Status
1	AGCL's Assam Gas Pipeline network	AGCL	107	Operational
2	Uran Taloja	Deepak Fertilizer	42	Operational
3	Cauvery Basin Regional	GAIL (India) Limited	242	Operational
4	Dukli Maharajganj		0	Operational
5	Agartala Regional		65	Operational
6	Kochi-Koottanad-Bangalore-Mangalore		646	Partially Commissioned
*	Gujarat Regional Sub Network		104.01	Operational
7	Assam Regional NGPL		8	Operational
	Total		**1214.01**	

BID OUT PIPELINES

S. No	Pipeline	Entity Name	Authorised/Operational Length (Km)	Status
1	Ennore- Nellore	GTIL	220	Under Construction
2	KakinadaVijayawada-Nellore	IMC	667	Under Construction
3	Kanai - Chhata - Panitar	HPPL	317	Under Construction
4	Hazaribagh-Ranchi	IOCL	71	Under Construction
5	Gurdaspur-Jammu	GAIL (India) Limited	160	Under Construction
6	Ennore-Tuticorin**	IOCL	1094	Partially Commissioned
	Total		**2866**	

*Gujarat regional (Baroda sub-network) included in NGGS for numbering purpose

** under construction – Operation length

NGPL Tariff Methodology (Cost plus PL)

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"Discounted Cash flow" (DCF) methodology reasonable rate of return 12% post tax on capital employed over its economic life

Economic Life: 30 years.

In case of Integrated Pipeline (INGPL), based on remaining economic life of that NGPL which has latest commissioning date of operation.

Various Parameters for tariff determination

Capital employed is computed as Gross fixed assets less Accumulated depreciation (+) Normative working capital.

Operating Costs include consumables, utilities (including transmission loss @0.1%), salaries, repair and maintenance, insurance, administrative overheads.

Volume to be considered as divisor shall be computed on a *normative or actual basis, whichever is higher.*

Amendments in NGPL Tariff Regulation in Last 5 Years

- Operating costs allowed:
  - a. System Use Gas proportionate to Volume Divisor considered in the tariff with ceiling of 2%
  - b. Transmission loss @ 0.1% of the actual volume
- Ramp up of 30% to 100% for first ten years of its operations. From 11th year onwards, 75% of capacity of natural gas pipeline or actual volumes (including ship or pay volumes)], whichever is higher.
- For computation of return on capital employed, Lowest nominal rate of income tax shall be applied with effect from FY 22-23
- Any capacity increase in a pipeline due to addition of a new natural gas source (on or after 01.04.2020) will be excluded from tariff determination for five years from the date of commissioning of the connectivity.
- Volume Adjustment shall be carried out in the normative volumes, where normative being higher than actual volumes. The extent of adjustment shall be maximum upto the difference between actual volumes higher than the normative volumes considered in any of the year(s) of the economic life of the pipeline.
- Option to entities to file Integrated Tariff for inter-connected NGPL which are directly interconnected (including those which may be partly commissioned and so interconnected).
- National gas grid System (NGGS) One Nation-One Grid-One tariff: Means network of all such NGPL which are fully interconnected (including p/l which are partly commissioned and so interconnected). These pipelines will charge levelized unified tariff. Current UFT @ 87.50/MMBTU **(Z1-54.00 & Z2-110.02).**

Amendments in NGPL Tariff Regulation in Last 5 Years

- Further on 7th July 2025, PNGRB has notified following amendments:
  i. Applicable unified tariff zone for CNG and PNG-Domestic, shall be the first tariff zone.
  ii. No. of unified tariff zone reduced to two zones in place of three zones earlier.
  iii. Cash flows in the nature of security deposits except payment security deposits, obtained by NGPL entity for providing services, facilities, infrastructure, etc. to the shipper, shall be considered inflow in the year of receipt and outflow in the year of refund for calculation of tariff.
  iv. Procurement of Gas for SUG: Entity to procure at least 75% of their annual gas volume for fuel requirements under the long-term contract(s) on least cost basis either domestically or internationally for a period of at least 3 years from the end of the period for which SUG volumes are already contracted. The entity shall inform PNGRB immediately but not later than three months after the notification of this amendment
  v. Revenue Sharing for Actual Volumes higher then Normative Volumes
     - In case where the actual volume exceeds normative volume, after volumes adjustment(eligible after 22nd November 2022), in any of the financial year(s), the 50% of such excess volumes shall be shared through adjustments in the tariff by the pipeline entity.
     - Further, the revenue (net of tax) earned by the pipeline entity on such balance of excess 50% volumes shall be kept in a separate '***Natural Gas Pipeline Development Reserve***' including the interest earned on the same (net of tax), which shall be utilized for laying, building, replacing or expanding a natural gas pipeline infrastructure of the entity on account of capital expenditure

Unified Tariff w.e.f 01.04.2023

- “Unified tariff” means unit natural gas pipeline tariff, in respect of the national gas grid system.
- “National gas grid system” means network of all such natural gas pipelines within India which are fully interconnected with each other (including those which are partly commissioned and so interconnected) and as enlisted in Schedule C.
- Unified Tariff system became effective from April 2023, uniform pricing across the national grid network.
- The system operates through two distinct zones with unified tariff calculated as weighted average of approved zonal tariffs.
- Petroleum and Natural Gas Regulatory Board notifies Unified Tariffs along with specific tariff paths for transparent operations.
- Revenue entitlement reconciliation occurs every fortnight with settlement between surplus and deficit entities ensuring balanced operations

Unified Tariff Methodology

- Unified tariff shall be the **weighted average of approved zonal tariffs** of pipelines forming part of the national gas grid system NGGS.
- Unified Tariff to be charged for pipelines comprising of the **National Gas Grid System**.
- **Revenue entitlement** of the pipeline entities under unified tariff system shall calculated based on the **revenue as per approved tariffs**.
- All pipeline entities will remain **revenue neutral**.
- **Industry Committee**:-The Industry Committee is constituted by the Board and comprises authorized representatives from pipeline entities (10) under NGGS (Schedule C). It is responsible for developing and operationalizing the settlement mechanism and for making decisions on Unified Tariff matters on behalf of their respective entities.
- **Settlement Committee**:- The Settlement Committee consists of 5 members from the Industry Committee, including 3 permanent members and 2 rotating non-permanent members selected annually. A Lead Member is chosen each year from the permanent members, serving from April to March. Initially, representatives from GSPL, GAIL, and PIL serve as permanent members, with PIL's representative acting as the first Lead Member. W.e.f 01.04.2026, the lead member is GAIL.

Entities and Pipelines Forming Part of the Unified Tariff

S No.	Entity Name
1	GAIL (India) Limited
2	Indian Oil Corporation Limited
3	Pipeline Infrastructure Limited
4	Gujarat State Petronet Limited
5	Reliance Gas Pipelines Limited
6	GSPL India Gasnet Limited
7	GSPL India Transco Limited
8	Oil and Natural Gas Corporation Limited
9	Gujarat Gas Limited
10	Indradhanush Gas Grid Limited

S No.	Pipeline Name
1	Integrated Pipeline Network of GAIL
2	KG Basin Natural Gas Pipeline
3	Mumbai - Nagpur - Jharsuguda Natural Gas Pipeline
4	Srikakulam Angul Natural Gas pipeline
5	Dadri-Panipat Natural Gas Pipeline
6	East West Natural Gas Pipeline
7	High Pressure Gujarat Gas Grid
8	Low Pressure Gujarat Gas Grid
9	Shahdol-Phulpur Natural Gas Pipeline
10	Mehsana – Bhatinda Natural Gas Pipeline
11	Bhatinda - Jammu – Srinagar Natural Gas Pipeline
12	Uran Trombay Natural Gas Pipeline System
13	Hazira Ankleshwar Natural Gas Pipeline System
14	North-East Natural gas Pipeline Grid

PPPL Tariff

PPPL Tariff

Petroleum Product Pipelines (PPPL): Pre-2010 pipelines linked to Railway Goods Tariff with WPI escalation.

Post-2010 pipelines under DCF methodology with 12% returns.

Bid-out pipelines: 10-year tariff protection followed by DCF-based regime.

Framework ensures transparency, fair returns, and predictability.

Tariff Methodology for PPPL till 31.07.2024

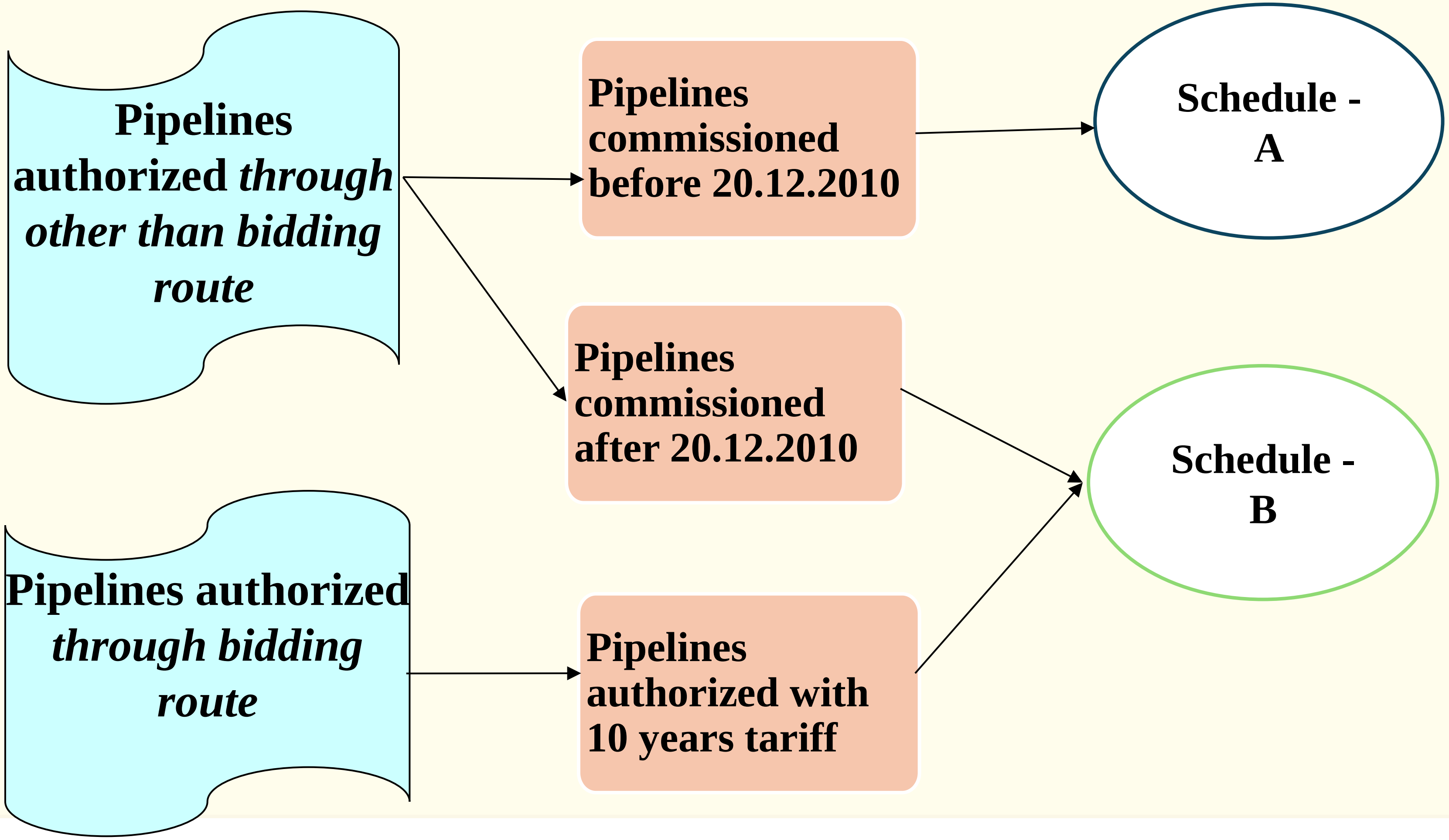
For Pipelines other than through Bidding Route (till 31.07.2024)

- PNGRB (Determination of Petroleum and Petroleum Product Pipeline Transportation Tariff) Regulations, 2010 were notified on 20.12.2010.
- Benchmarked to Basic Notional Rail Freight (NRF) on a train load basis for Equivalent Rail Distance along the pipeline route. 100% of NRF for LPG (Class 165), 75% of NRF for other products (Class 180).
- Repealed w.e.f. 01.08.2024.

New Regulations w.e.f. 01.08.2024

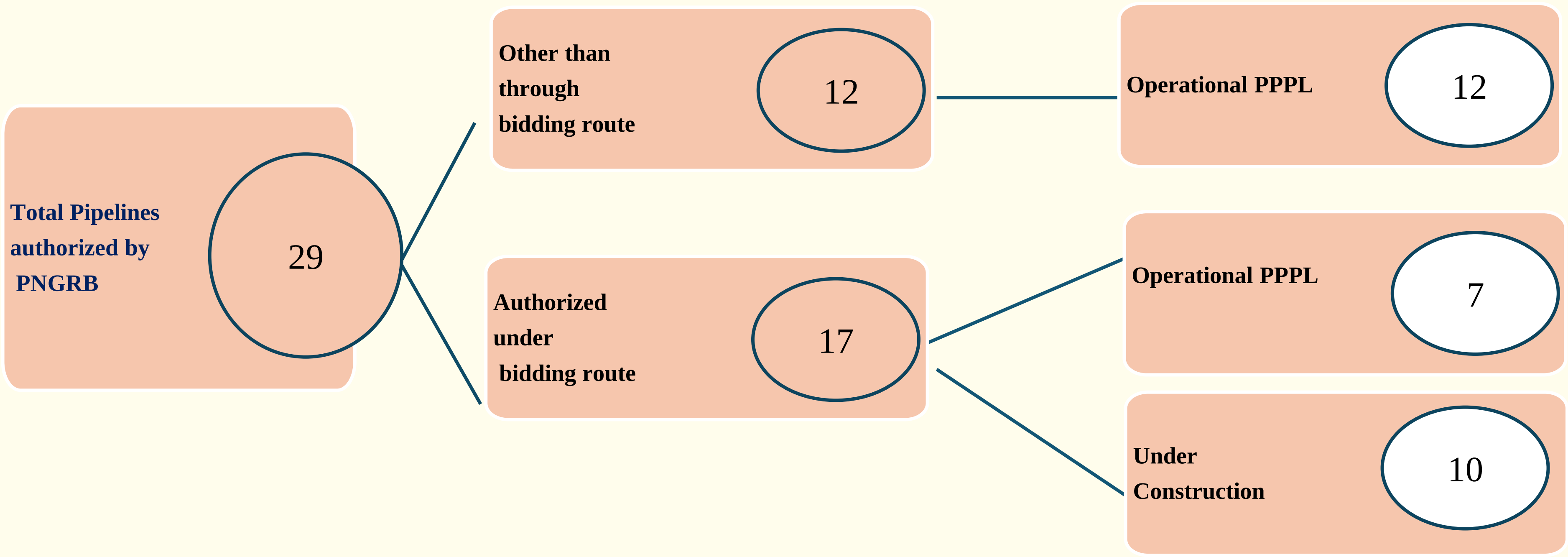
PPPL Tariff Regulations, 2024

Came in force from 1st Aug 2024



Petroleum & Petroleum Product Pipelines(PPPL)

- Total 29 PPPLs authorized/accepted by PNGRB as common carrier pipelines
  - ❑ Originally authorized by Central Govt: 12 Pipelines
  - ❑ Bid out Pipelines :17 Pipelines



PPPL authorised by CG / Other than CG-Tariffs

S. No.	Name of Pipeline	Entity Name
	LPG Pipelines	
1	Uran-Chakan-Shikrapur LPG Pipeline	HPCL
2	Vizag-Secunderabad - LPG	GAIL India Limited
3	Jamnagar-Loni Pipeline - LPG	
	Other than LPG pipelines	
4	Numaligarh-Siliguri PPPL	Oil India Limited
5	Mundra-Delhi Multi-Product Pipeline	HPCL
6	Mumbai-Pune-Solapur	
7	Mumbai Refinery –Mumbai Int’l Airport	
8	Mangalore-Hassan-Bangalore	Petronet MHB Limited
9	Mumbai Refinery-Mumbai Int’l Airport	BPCL
10	Paradip-Raipur-Ranchi Pipeline	Indian Oil Corporation Limited
11	Devangonthi- Devanhalli Pipeline – ATF	
12	Chennai-Trichy-Madurai	

List of operational Bid Out PPPL

S. No.	Name of Pipeline	Name of Entity	Date of commissioning
1	Kota – Jobner	BPCL	March 2014
2	Awa – Salawas	HPCL	30.01.2015
3	Rewari – Kanpur	HPCL	08.10.2015
4	Mangalore–Hassan–Mysore – Yediyur	HPCL	26.10.2017
5	Bina – Panki	BPCL	26.12.2021
6	Hassan- Cherlapalli	HPCL	24.6.2009
7	Mundra-Mithi Rohar	APSEZ	28.3.2008

List of under construction Bid Out PPPL

S. No.	Name of Pipeline	Name of Entity	Date of Authorisation
1	Irugur – Devangonthi	BPCL	26.2.2014
2	Kochi – Coimbatore – Erode – Salem	KSPPL	26.2.2014
3	Ennore – Port Manali Industrial Area	IMC Ltd.	18.12.2015
4	Kandla – Gorakhpur	IHB Ltd.	31.12.2018
5	Krishnapatnam – Hyderabad	BPCL	17.3.2020
6	JNPT to Navi Mumbai Int’l Airport (ATF)	IOCL	5.9.2022
7	Haldia- Panagarh	HPCL	9.11.2022
8	Piyala-Jewar (ATF) Pipeline	BPCL	9.2.2023
9	Devangonthi-Chitragurga Pipeline	IOCL	June 2023
10	Malkapur (Hyderabad)-Rajiv Gandhi International Airport (Hyderabad) ATF Pipeline	BPCL	24.9.2024

PPPL New Tariff Regulations (Schedule-A)

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Pipelines commissioned before the notification of PPPL Tariff Regulations 2010 i.e. before 20.12.2010:

- Transportation Tariff for Petroleum Products (other than LPG) shall be 75% of basic Railway freight and for LPG 100% of basic Railway freight as per Railway goods Tariff circular 19 of 2018 with a one-time escalation of 17% effective from 1st August 2024 till 31st March 2025.
- Thereafter, w.e.f. financial year 2025-26 i.e. from 1.4.2025, annual escalation @ 3.4% shall be considered based on 10 years CAGR of WPI on rolling basis unless there is change in the said WPI by 0.5% on either side.
- Additionally, these pipelines have been provided with a one-time option to get the tariff determined based on DCF method, in case they incur significant capex on its replacement, expansion or augmentation.

PPPL new Tariff Regulations (Schedule-B)

Pipelines commissioned after the PPPL Tariff Regulations 2010:

- Transportation Tariff shall be determined based on the DCF methodology with 12% post tax returns on capital employed over economic life of the pipeline.
- This is consistent with the methodology of natural gas pipelines.

Bid-out pipelines authorized based on bidding parameters for first 10 years of pipeline operations:

- Transportation Tariff shall be determined based on the DCF methodology with 12% returns over remaining economic life of the pipeline considering the Net Fixed Asset (NFA) as on beginning of the 11th year of operations.

Post PNGRB Authorization Amendment Regulations, bidders have to quote tariff for the entire life of 25 years

Status of PPPL Tariffs

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Sr. No.	Pipeline	Entity	Type of PL	Status
1	Mangalore–Hassan–Bangalore	Petronet MHB	**Schedule A**	Tariff Order issued for 2026-27
2	Vizag-Secunderabad	GAIL		
3	Chennai-Trichy-Madurai	IOCL		
4	Devangonthi-Devanhalli	IOCL		
5	Numaligarh-Siliguri	OIL		
6	Jamnagar-Loni	GAIL		
7	Mundra-Delhi	HPCL		
8	Paradip-Raipur-Ranchi	IOCL	**Schedule B**	Tariff Determination Under Process
9	Kota-Jobner	BPCL		
10	Uran-Chakan-Shikrapur	HPCL		

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Imbalance Fund Management

Other Reforms -Imbalance Fund Management

- PNGRB notified the PNGRB (Imbalance Management Services) Amendment Regulations, 2025 in October 2025, effective upon publication in the Official Gazette.
- The Regulations define 12 permissible uses of IMS funds.
- IMS funds can be utilised by PNGRB for capacity assessment, regulatory work, consultancy, and infrastructure/IT setup, along with training and awareness initiatives.
- They also support skill development, innovation and R&D, sectoral studies (including hydrogen, LNG, etc.), tariff adjustments, and other Board-approved activities aimed at development of the natural gas sector.

Usage of Funds - Listed in Schedule I (Sl. No. 2 (i) to (xii)) of the regulations.

Other Reforms -Imbalance Fund Management

- The Industry Committee must submit specified proposals (Sl. No. 2(vi)–2(xi)) by 31st January before each financial year prior to the start of the financial year.

- An annual utilization budget is required, with spending **generally limited to interest earned on the imbalance fund**, except for items under Sl. No. 2(iv) and 2(xi), to which no limit shall apply.

- The expected fund for the year 2026-27 i.e. Interest is Rs. 30 crore.

- The current year exercise has concluded and proposals for approx. Rs.1 Cr has been approved.

IGX at a Glance

Indian Gas Exchange (IGX)

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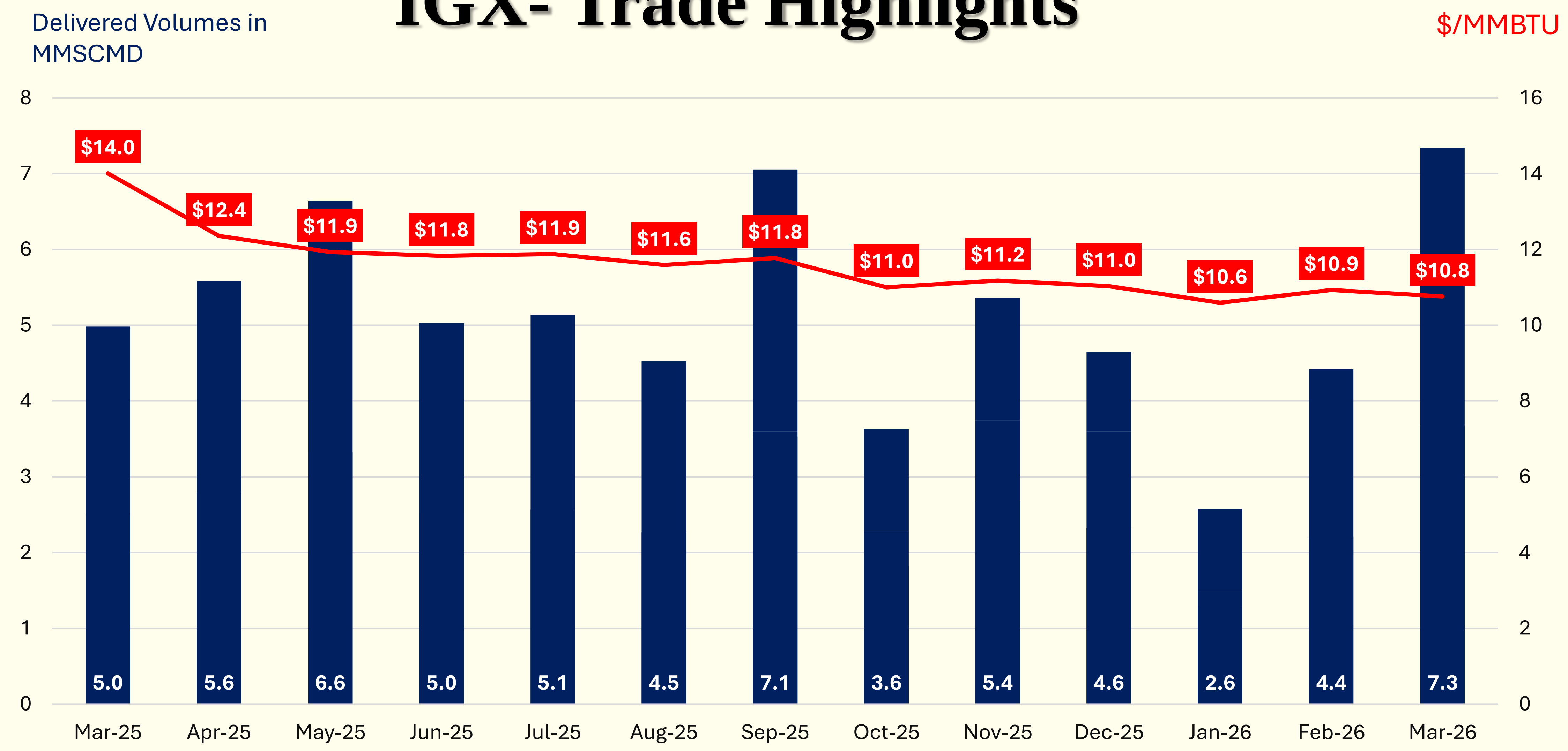
- Based on directive issued by the Central Government on 1st July 2020 under section 42(2) of the PNGRB Act read with section 11(j) the Board notified Petroleum and Natural Gas Regulatory Board (Gas Exchange) Regulations, 2020 (GER) in September 2020.

- India Gas Exchange Limited (IGX) has been authorized on 02.12.2020 by PNGRB as first Gas Exchange.

- GER were amended on 06.05.2022, primarily for enabling trading of ceiling price domestic gas. Further amended on 08.03.2024 with respect to Settlement Guarantee Fund (SGF) contribution and its utilisation and other administrative amendments. Also trading of small-scale LNG (ssLNG) at the exchange.

- 10 Contracts Traded at IGX - Intraday | Day-Ahead| Daily | Weekly | Weekday | Fortnightly | Monthly | Balance of Month | 3 Month | 6 Month.

IGX- Trade Highlights



For delivered volumes both ceiling and non ceiling volumes are considered and Prices are Excluding Gas Traded at Ceiling Price, LDC & ssLNG

IGX Future Product Roadmap

- Introduction of long-term contract-1 year and 2 years contract
- RLNG Regas capacity booking through exchange
- LNG trading on exchange and listing platform for mid-long term LNG trading
- Study on introduction of trading petroleum product contracts at IGX

Other Charges

Levy of Other Charges

PNGRB notified the PNGRB (Levy of Fee & Other Charges) Regulation, 2007 on 26th November, 2007 and amendment from time to time.

Applicable to entities undertaking operation or construction of CGD/ Pipelines and Gas Exchange on annual basis in advance.

I. Other Charges

City Gas Distribution (CGD)

- On the basis of population as per 2011 census.
- No bifurcation of construction and operation period.
- 2nd to 5th year from the financial year of authorization – Rs.5 Lakh p.a.
- 6th Year onwards – Rs.5 lakh to Rs.50 Lakh p.a. based on the population of GA.

Pipelines (Natural Gas and Petroleum and Product Pipelines)

- **Operation period-**Rs.1 Lakh/Rs.5 Lakh (depending on length of pipeline) or 0.2% of turnover, whichever is higher for each pipeline.
- **Construction period:**Rs.1 Lakh/ Rs.5 Lakh (depending on length of pipeline)–Non-refundable

II. Gas Exchange and Clearing Corporation: Rs.25,00,000 or 1% of the total revenue (excluding taxes) of the Gas Exchange / Clearing corporation during the relevant Financial year as per audited financial statements, whichever is higher.

Performance Security

Performance Bank Guarantee (PBGs) and Insurance Surety Bond

- Bank Guarantees (PBGs) & Insurance Surety Bonds are submitted by various entities to PNGRB as beneficiary towards contractual obligations to be performed in respect of CGD Geographical Areas (GAs), Natural Gas Pipeline (NGPL) and Petroleum Product Pipeline (PPPL).

- Up to 50% of the performance bond may be submitted as an Insurance Surety Bond, with the remaining 50% through other permitted instruments like Bank Guarantee/DD/Pay Order. Alternatively, the full 100% may be provided via Bank Guarantee/DD/Pay Order.

- PBG as received by all departments from entities are transferred to Commercial Division for safe custody. In addition of safe custody, commercial division perform following activities :-

  - ❖ Seek confirmation from beneficiary bank through Structured Financial Messaging System (SFMS).
  - ❖ Maintain the record of PBGs.
  - ❖ Forward the old/ expired PBGs to the respective division for return to the concerned entity on receipt of new PBGs and its confirmation from beneficiary bank.
  - ❖ An online system has been developed which is being maintained by Commercial Division.

Investment of Funds

Procedure for Investment of surplus funds in PNGRB

- As per Board approved Investment Policy, PNGRB , Imbalance and APTEL Funds are invested in Term Deposit of empaneled Scheduled Commercial Banks for a period of more than 1 year but less than 3 years.
- Board approved the investment in Term deposit with Public Sector Banks only.
- At present, 12 Banks are empaneled with investment limit fixed from Rs.300 cr. to 700 cr. per annum based on board approved methodology.
- As per approved methodology, critical factors like Net worth, NPA position, Capital Adequacy Ratio of Tier 1 Capital, Long Term Credit Rating by SEBI approved credit rating viz CARE, ICRA, CRISIL and India Rating pertaining to latest available Financial Year.
- Competitive bids are invited from empaneled Banks before investment and investment is made with Banks offering highest interest rate. During the FY 2024-25, the interest yield was around 8% p.a.
- The Investment proposal is approved by Member (Commercial). The status of PNGRB funds as on 31.03.2026 is as under:-

Particulars	Fund position (Rs. In cr.)
PNGRB Fund	582.72
Imbalance Fund	465.28
APTEL Fund	18.84
TOTAL	1066.84

National Conference on Energy Security

- PNGRB in association with IGL conducted 2 days National Conference titled "**Energy Security: Driving India's Next Wave of Gas Demand**" on 9th and 10 April 2026.
- The objective of the event was to bring together key stakeholders from Government, industry, academia, and international organizations to deliberate on critical issues concerning the growth of the natural gas sector in India, including infrastructure expansion, market development, regulatory frameworks, sustainability imperatives, and global energy dynamics.
- The conference agenda focuses on key aspects of India's gas sector, including the Vision 2040 roadmap, competitive market development, LNG and infrastructure issues, and sustainability in the oil and gas industry.
- Following Panel discussion held during the conference:-
  - ✓ Vision 2040: Inside the Minds Shaping India's Gas Future
  - ✓ India's Gas Market 2.0: Enabling a Competitive Ecosystem in NGPL and CGD Sectors – Strategic Panel on Market Design, Infrastructure Governance and Regulatory Pathways
  - ✓ LNG and Energy Security Terminal Regulations and Strategic Storage and Energy Transition
  - ✓ Balancing Ease of Compliance and Regulation
  - ✓ Decoding the Sustainability Imperative in the Oil & Gas Sector: From Global Mandates to Indian Boardroom Action
  - ✓ Reimagining Secure Energy Supply Chains in Light of New Geopolitical Challenges

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Way Forward

Refinement of Tariff and Regulations

Continuously update tariff methodologies to stay aligned with evolving market conditions.

Strengthening Market Mechanisms

Enhance gas trading platforms, transparency tools, and digital interfaces to improve efficiency and competition in gas exchanges.

Stakeholder Engagement

Engage deeply with pipeline operators, marketers, and consumers to tackle challenges and promote growth.

Support for National Initiatives

Maintain stable regulations to accelerate India's transition to a gas-based economy and ensure sustainability.

Thank You

Imbalance Regulations

i. Expenses pertaining to Capacity determination of gas infrastructure.

ii. Expenses of PNGRB related to framing/ amending regulations/ guidelines, etc;

iii. Expenses on consultancy services for natural gas infrastructure development by PNGRB;

iv. Setting up of office space including regional offices and other infrastructure at PNGRB for development of natural gas sector in the country including establishment of centralized services for monitoring or IT or MIS or for emergency handling duly approved by PNGRB Board.

v. Expense on training and development of PNGRB personnel pertaining to regulatory activities.

xii. Any other activities as approved by the PNGRB Board for development and support of the natural gas pipeline industry.

Imbalance Regulations – Proposals from Industry Committee

vi. Education and awareness programs for entities and consumers through seminars, lectures, events, conferences, workshops, publications (print and electronic media), etc; to ensure safety and safeguard of consumer interests.

vii. Skill Development in collaboration with educational and technical institutions for CGD and NGPL industries.

viii. Expenses to undertake projects related to development, areas of innovation pertaining to natural gas sector;

ix. Expenses pertaining to set up/ maintaining/ utilisation of start-up/ research and development fund(s) for support and development of natural gas infrastructure in the country duly approved by the PNGRB Board;

x. Expenses on study for the growth of hydrogen, CBG, LNG, gas-based power plants, gas market etc;

xi. Usage of fund towards adjustment in the unified tariff/ deficit amount, if any, duly approved by the Board.

CGD Regulations- Other Charges

Population of the Geographical Areas as per 2011 Census of India	From the IInd FY to the Vth FY, starting from the FY in which authorisation was granted or accepted by Board	From the VIth FY, starting from the FY in which authorisation was granted or accepted by Board, and onwards
(i) Less than 1 million	Rs. 5,00,000	Rs. 5,00,000
(ii) 1 million or more but less than 5 million	Rs. 5,00,000	Rs. 10,00,000
(iii) 5 million or more but less than 10 million	Rs. 5,00,000	Rs. 25,00,000
(iv) 10 million or more	Rs. 5,00,000	Rs. 50,00,000

NGPL and PPPL Regulations-Other Charges

Before commencement of operation-	
with a length of more than 50 kilometres with a length of upto 50 kilometres	Rs. 5,00,000 for each pipeline Rs. 1,00,000 for each pipeline
After Commencement of Operations	
with a length of more than 50 kilometres	Rs. 5,00,000 for each pipeline or 0.02% of the revenue (excluding taxes) from that pipeline for the relevant FY, whichever is higher.
with a length of upto 50 kilometres	Rs. 1,00,000 for each pipeline or 0.02% of the revenue (excluding taxes) from that pipeline for the relevant FY, whichever is higher.

Gas Exchange -Other Charges

Annual and other charges under regulation 13 of the Petroleum and Natural Gas Regulatory Board (Gas Exchange) Regulations, 2020:	
(a) for a Gas Exchange with Clearing Corporation; (or) b) for a Gas Exchange without clearing corporation;	Rs. 25,00,000 or 1% of total Revenue of the gas exchange (excluding taxes) during the relevant financial year as per the audited financial statements, whichever is higher
(C) for a Clearing Corporation	Rs. 25,00,000 or 1% of the total Revenue of the clearing corporation (excluding taxes) during the relevant financial year as per the audited financial statements, whichever is higher
Note: Other Charges in respect of gas exchange with clearing corporation or gas exchange without clearing corporation or clearing corporation may be initially paid considering the revenue accrued (excluding taxes) during the previous financial year. Difference of amount paid and payable shall be adjusted at the time of making payment for the next financial year.]	

Gas Exchange

- **6 Regional Gas Hubs** (West, South, East, North, Central, North-East)
- **20+ delivery points** within 6 regional hubs
- Settlement Guarantee fund ₹ 37.82 Crore as on 31.12.2025
- 53 registered Members as on 31.12.2025
- New product launched recently:-
  - ✓ Introduction of Long term Contracts for 3 months and 6 months
  - ✓ Balance of Month contract
  - ✓ Addition of Palanpur Delivery point
- Details of Volume for FY 2025-26 (on delivered basis)

(MMBTU in Lakh)				Total (MMSCMD)
Category of Gas	Ex-hub	Delivered	Total	
Ceiling Gas	389.15	14.74	403.89	2.94
Market Free Gas	343.91	11.48	355.39	2.58
Total	**733.06**	**26.22**	**759.28**	**5.52**

Pipelines not part of National Gas Grid System (NGGS)

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PNGRB

COST PLUS PIPELINES

S. No	Pipeline	Entity Name	Operational Length (Km)
1	AGCL's Assam Gas Pipeline network	AGCL	107
2	Uran Taloja	Deepak Fertilizer	42
3	Cauvery Basin Regional	GAIL (India) Limited	242
4	Dukli Maharajganj		0
5	Agartala Regional		65
6	Kochi-Koottanad-Bangalore-Mangalore		646
*	Gujarat Regional Sub Network		104.01
7	Assam Regional NGPL		8
	Total		**1214.01**

BID OUT PIPELINES

S. No	Pipeline	Entity Name	Authorised/Operational Length (Km)
1	Ennore- Nellore	GTIL	220
2	KakinadaVijayawada-Nellore	IMC	667
3	Kanai - Chhata - Panitar	HPPL	317
4	Hazaribagh-Ranchi	IOCL	71
5	Gurdaspur-Jammu	GAIL (India) Limited	160
6	Ennore-Tuticorin**	IOCL	1094
	Total		**2866**

**Gujarat regional (Baroda sub-network) included in NGGS for numbering purpose*
*** under construction – Operation length*