सत्यमेव जयते

पी एन जी आर बी
PNGRB

Capacity Building Through Monitoring



FOCUSED MONITORING | STRATEGIC INTERVENTIONS | MEASURABLE OUTCOMES | SUSTAINABLE IMPACT | NATION FIRST

From Insight to Impact. From Monitoring to Nation Building.

Viksit Bharat
Energy for a Stronger India

Foreword



India's energy sector is witnessing one of the most significant periods of infrastructure expansion in its history. The growth of natural gas pipelines, expansion of City Gas Distribution networks, increasing penetration of PNG and CNG, and the national aspiration of moving towards a gas-based economy have created unprecedented opportunities as well as new implementation challenges. As this transformation progresses, our focus must remain on making energy easier to access and consume, while ensuring that infrastructure benefits reach consumers, industries, and institutions across the country.

As the sector expanded, it became evident that regulatory frameworks alone would not be sufficient to deliver the desired outcomes. Infrastructure creation, consumer adoption, and achievement of committed targets required continuous oversight, stakeholder engagement, and timely intervention. Within this institutional framework, supported by coordination with State Governments, Central Government agencies, defense establishments and other stakeholders, the Monitoring Division plays a central role. Its primary responsibility is to ensure compliance with PNGRB's regulatory provisions across authorized works, while providing the continuous oversight and follow-through needed to convert regulatory commitments into implementation outcomes.

Over the years, the Monitoring Division has evolved into one of the Board's most visible and impactful divisions. The Division plays a critical role in ensuring that infrastructure commitments are translated into operational assets, implementation challenges are addressed promptly, and sectoral growth remains aligned with national priorities. Whether through monitoring of pipelines and CGD networks, facilitation of PNG expansion, engagement with Governments and institutions, support to entities or implementation of mission mode initiatives, the Division has consistently helped transform intent into outcomes.

Many stakeholders across the sector interact with PNGRB through the Monitoring Division. In this sense, the Division has become one of the principal interfaces between the Board and the wider energy ecosystem. Its work has strengthened accountability while simultaneously enabling collaboration, facilitation and problem solving.

I have often observed that **"Monitoring Division serves as the driving force behind implementation activities across PNGRB, ensuring that regulatory objectives are translated into measurable progress on the ground."** This role becomes increasingly important as the scale and complexity of the sector continue to grow.

I congratulate the Monitoring Division and all stakeholders associated with the successful delivery of **PNG Drive 1.0 and Drive 2.0**, and convey my best wishes to the team for the launch of **PNG Drive 3.0 w.e.f. October 2026**. I am confident that the next phase will further deepen PNG penetration and consumer adoption.

Dr. Anil Kumar Jain
Chairperson
Petroleum and Natural Gas Regulatory Board

Member's Message



India's petroleum and natural gas sector has undergone remarkable growth in recent years, with expanding infrastructure, wider geographical coverage and increasing access to natural gas for consumers, industries, and institutions. As the sector continues to evolve, the effectiveness of the regulatory framework depends not only on sound regulations and authorizations, but also on their translation into meaningful outcomes on the ground.

The PNGRB has an important role in this institutional framework. The Monitoring Division provides greater visibility of implementation and progress, strengthens accountability, and supports the Board in ensuring that authorized infrastructure develops in accordance with approved commitments and serves its intended purpose.

"The contribution of the Monitoring Division lies in its ability to transform regulatory intent into measurable progress, ensuring that infrastructure development ultimately results in consumer benefit, sectoral growth and policy implementation."

Over the years, the Division has evolved alongside the sector, responding to increasing geographical scale, diverse stakeholder requirements, and evolving implementation challenges. Its contribution reflects the importance of institutional agility, informed decision-making, and sustained engagement in strengthening the effectiveness of regulation and policies.

The achievements presented in this publication represent the collective efforts of PNGRB's officers and staff, regulated entities, Central and State Governments, and other stakeholders. They reflect not only the progress of the sector, but also the growing institutional capacity to support India's transition towards a more connected and gas-based economy.

I commend the Monitoring Division for its commitment and contribution to the development of the sector and extend my best wishes to the officers and staff for their continued success.

Shri Anjani Kumar Tiwari
Member,
Petroleum and Natural Gas Regulatory Board

Table of Contents

1. Monitoring Division: The Driving Force of PNGRB 3

1.1 Emergence of the Monitoring Function in PNGRB 4

1.2 Monitoring as PNGRB's Institutional Framework 5

1.3 Mandate, Roles and Responsibilities 6

2. Keeping Infrastructure Delivery on Track 9

2.1 India's Expanding Infrastructure Portfolio 9

2.2 Tracking Network Development, Connectivity and Utilization 12

3. Enabling the Gasification Mission 19

3.1 PNG Drive 1.0: India's Nationwide PNG Adoption Campaign 19

3.2 PNG Drive 2.0: Building a National Execution Mission 20

4. Facilitating Project Execution while Preserving Accountability 30

4.1 Addressing Implementation Challenges 30

4.2 Minimum Work Programme Extensions 31

4.3 Managing Force Majeure and Exceptional Disruption 32

5. Advancing Policy Reform and Institutional Adoption 35

5.1 Engagement with Central Ministries & States for CGD Expansion 35

5.2 Adoption of State CGD Policies 38

5.3 VAT Rationalization 39

5.4 Supporting Energy Security during West Asia LPG Crisis 40

5.5 MoPNG Control Order: A Framework for Time-Bound Permissions 41

5.6 Partnership with Defense 44

5.7 Adoption of PNG in Government Residential Establishments 47

6. Simplifying Regulatory Processes, Enabling Implementation 49

6.1 Unlocking Capital via Performance Bond Rationalization 49

6.2 Facilitating Financial Closure 50

6.3 Enabling Project Execution through NOCs 50

7. Shaping the Next Phase of Transformation 53

7.1 New Initiatives 53

7.2 PNG Drive 3.0 and Beyond 59

SECTION I

Foundation of the Monitoring Division

"When you can measure what you are speaking about, and express it in numbers, you know something about it."

William Thomson, Lord Kelvin
Physicist and engineer, United Kingdom

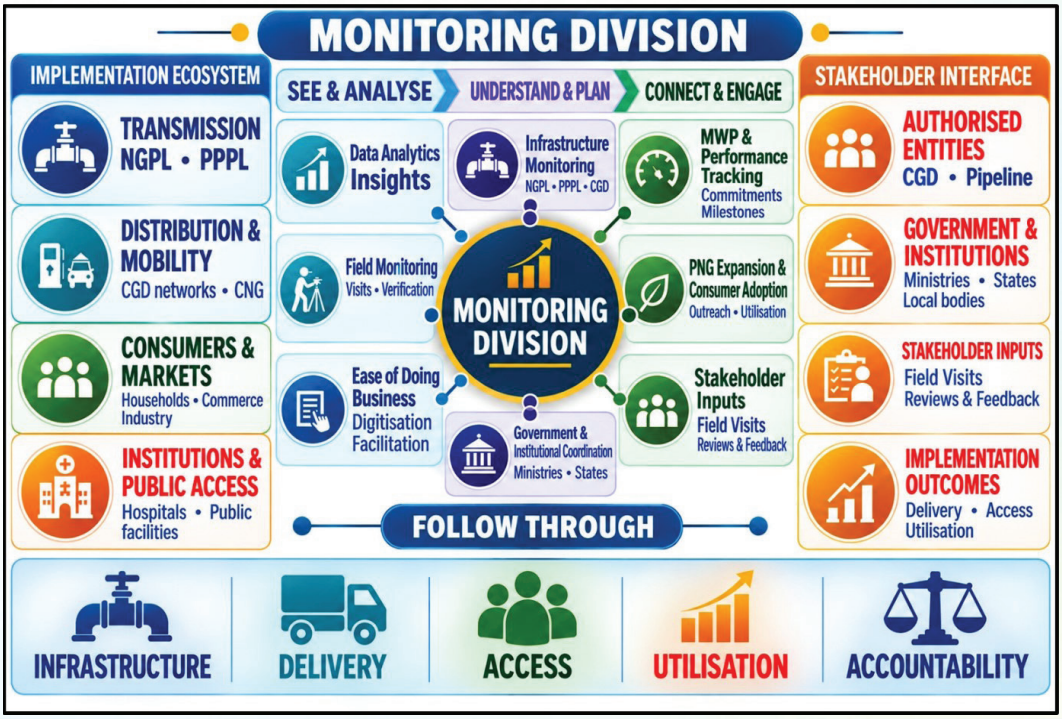
1. Monitoring Division: The Driving Force of PNGRB

India's petroleum and natural gas sector has evolved into a vast delivery ecosystem spanning Natural Gas Pipelines, Petroleum Product Pipelines, LNG terminals, City Gas Distribution networks and consumer-facing infrastructure. At this scale, authorization marks only the starting point; the larger challenge lies in ensuring that every project is monetized and delivered within the committed timelines. Every approved project must progress through construction, commissioning, connectivity, operationalization, utilization, and reliable delivery to consumers.

The Monitoring Division provides PNGRB with the continuity and implementation visibility required across this journey. It brings together entity-reported progress, documentary evidence, digital information, field observations, and stakeholder inputs to assess whether commitments are translating into actual implementation.

Implementation rarely follows a straight path. Projects may encounter delays in permissions, Financial Closure, construction, connectivity, gas availability, or consumer activation. These constraints are identified through continuous review, with interventions supported where required through stakeholder engagement at different levels.

In doing so, the Division connects **regulatory commitments with implementation on the ground,** helping PNGRB maintain visibility from authorization through delivery and ensuring that infrastructure progress contributes to access, utilization, and consumer service.



NATIONAL REACH	PIPELINE VISIBILITY	CONSUMERS & MARKETS
309 GAs • 35 States & UTs	34,803 km NGPL • 15,237 km PPPL	1.75 Cr DPNG • 1.18 Cr active users • 9,096 CNG Stations
(As on July 2026)	*(As on June 2026)*	*(As on July 2026)*

The Division's role extends beyond tracking commitments to enabling implementation. Through milestone reviews, evidence-based assessment, field engagement, digital monitoring and structured interaction with regulated entities and stakeholders, it identifies emerging issues, supports resolution, and sustains follow-through. Where progress depends on external approvals, connectivity, local coordination or other stakeholder actions, the Division works with the concerned parties to clarify the constraint and define a practical way forward. Given the number of stakeholders that can influence progress, effective monitoring requires the Division to look beyond visible delays, identify the real hurdle and connect each issue with the most workable solution.

This approach keeps accountability and facilitation together. It is not limited to recording whether a milestone has been achieved; it also examines the conditions behind reported progress, validates implementation where required and keeps commitments moving towards infrastructure creation, connectivity, utilization, and service delivery. As the future becomes increasingly technology-driven, this approach is evolving towards a more integrated and inclusive view of monitoring progress, performance, service and satisfaction, fostering greater collaboration, transparency, and responsiveness, while accelerating the expansion of the gas-based economy.

1.1 Emergence of the Monitoring Function in PNGRB



The Petroleum and Natural Gas Regulatory Board Act, 2006 established the statutory foundation for regulating downstream petroleum and natural gas activities in India. As PNGRB began authorizing projects and networks, each approval carried with it defined work programmes, timelines, performance obligations, and reporting requirements. This created the need for a function that could remain connected with implementation after authorization and provide a continuing view of whether commitments were moving from paper to progress.

As the authorized portfolio expanded across Geographical Areas and pipeline networks, implementation became increasingly dependent on factors beyond the initial approval. Progress had to be understood through entity submissions, documentary evidence, field conditions, and dependencies involving other stakeholders. The monitoring function emerged to bring these inputs into a single implementation view and help PNGRB understand

where commitments were advancing, where they were slowing and why.



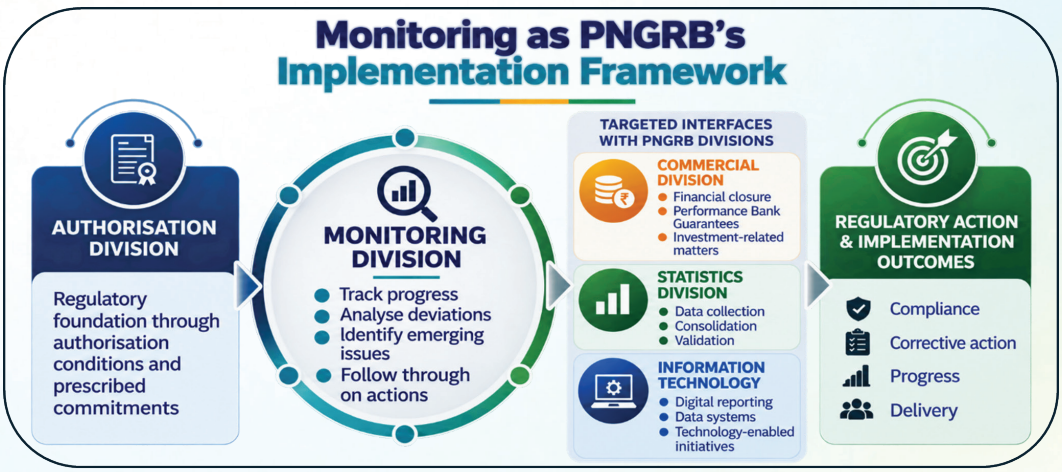
Over time, this role moved beyond periodic progress reporting. It developed into an active implementation function involving performance assessment, evidence validation, stakeholder engagement, issue identification, coordination, and follow-through. This evolution enabled PNGRB to respond more effectively where reported progress did not translate into timely delivery or where external dependencies required institutional attention.

The evolution of the Division therefore reflects a broader shift from monitoring compliance to assuring implementation. Accountability remains fundamental, but it is now supported by evidence, field understanding, institutional coordination, and sustained follow-through. In this form, the Division provides the bridge between authorization on paper and implementation on the ground.

1.2 Monitoring as PNGRB's Institutional Framework

Once a Geographical Area or pipeline project receives regulatory authorization, the focus shifts from **what has been authorized to what is being implemented.** This is where the Monitoring Division becomes central to PNGRB's institutional framework. The Division takes forward the commitments, timelines and obligations arising from authorization and maintains a continuous view of their progress on the ground.

The workflow begins with the **Authorization Division**, which provides the regulatory foundation through applicable authorization conditions and prescribed commitments.



Thereafter, the implementation view is carried forward through regular tracking of progress, examination of deviations, identification of emerging issues and follow-through on actions required to keep delivery on course.

At the center of this process is **continuous monitoring of implementation and regulatory compliance.** The Division reviews infrastructure development, Minimum Work Programme commitments, consumer connections and utilization, project readiness, connectivity, and other prescribed obligations. Where progress falls short of commitments, the focus is on understanding the underlying issue and determining the action required.

This work draws on targeted coordination with other PNGRB functions where their expertise or information is relevant. Financial and commercial matters, including Financial Closure, Performance Bank Guarantees and investment-related requirements, involve the Commercial Division. The Statistics Division supports day-to-day collection, consolidation, and validation of performance information, while collaboration with the Information Technology Division strengthens digital reporting, data systems, and technology-enabled monitoring initiatives.

Together, these linkages create a clear institutional workflow which authorization establishes the commitments, monitoring tracks implementation, specialized inputs are brought in where required, and evidence supports regulatory action and follow-through.

The strength of this framework lies in maintaining a continuous connection between regulatory commitments and implementation outcomes. By providing this ongoing perspective, the Division helps PNGRB identify where commitments are progressing, where they are being held back and what action is required to move them forward.

1.3 Mandate, Roles and Responsibilities

India's natural gas infrastructure is delivered through a wide implementation ecosystem. Authorized entities and pipeline operators are responsible for fulfilling prescribed commitments, developing infrastructure, achieving project milestones, and delivering services to consumers. Central and State Government authorities, local bodies and other institutions provide the permissions, approvals, coordination, and enabling conditions required for execution. Consumers and institutional users complete this chain by determining whether the infrastructure created translates into actual gas adoption and utilization.

Within this ecosystem, PNGRB provides the regulatory framework and oversight, while the Monitoring Division serves as the implementation assurance function. The Division maintains visibility of commitments across Natural Gas Pipelines, Petroleum Product Pipelines and City Gas Distribution networks, assesses progress against evidence, identifies constraints, and supports timely action without diluting regulatory accountability.

Its responsibility spans the key stages of project and network implementation: infrastructure development, Minimum Work Programme performance, Financial Closure, project milestones, pipeline connectivity, statutory permissions, consumer activation, and infrastructure utilization. Performance is reviewed against prescribed commitments and

milestones using supporting evidence, field assessments where required, and structured engagement with authorized entities.

The mandate also extends to the wider conditions that influence implementation. The Division engages with Central Ministries, State Governments, local authorities, and public institutions on issues affecting project execution, while supporting initiatives related to PNG expansion, institutional adoption, Ease of Doing Business, and technology-enabled reporting.

At its core, this work rests on four connected disciplines. Tracking keeps commitments, milestones, and implementation status visible. Verification strengthens confidence in reported progress through evidence and field validation. Coordination connects each issue with the PNGRB function, authority or stakeholder best placed to respond. Follow-through sustains ownership, timelines and institutional attention until the implementation position changes.

SECTION II

Turning Infrastructure Commitments into Delivery

"Plans are only good intentions unless they immediately degenerate into hard work."

Peter F. Drucker
Management thinker and author, United States

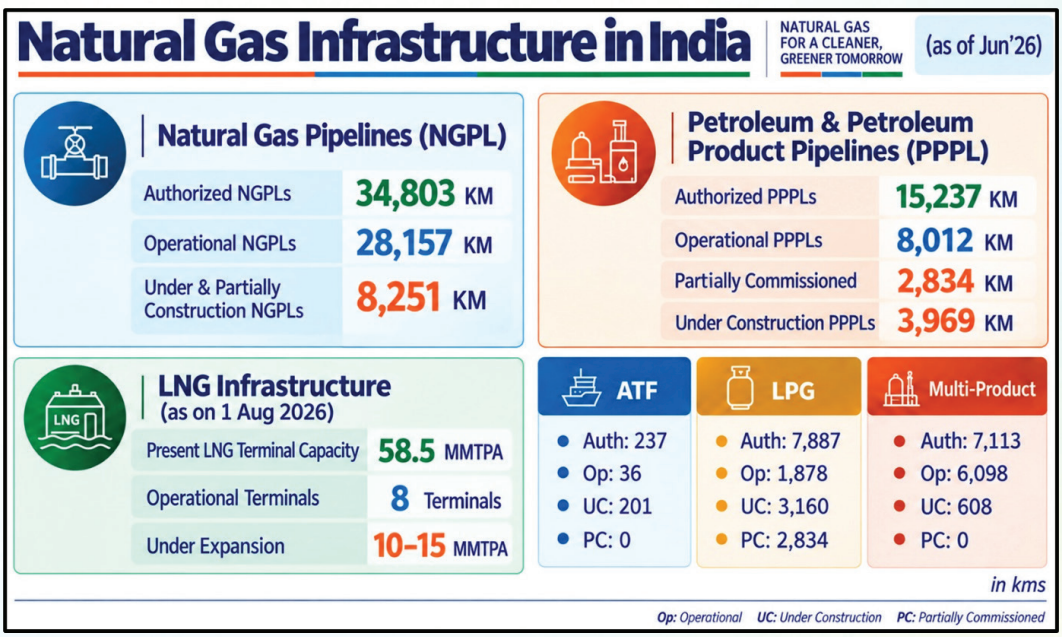
2. Keeping Infrastructure Delivery on Track

India's energy transition depends on a vast infrastructure chain that links sources of supply with industries, businesses, households, and mobility centers. Natural Gas Pipelines carry gas across regions, Petroleum and Petroleum Product Pipelines support energy logistics, LNG terminals connect imported supplies with domestic markets, and City Gas Distribution networks bring natural gas closer to everyday consumers.

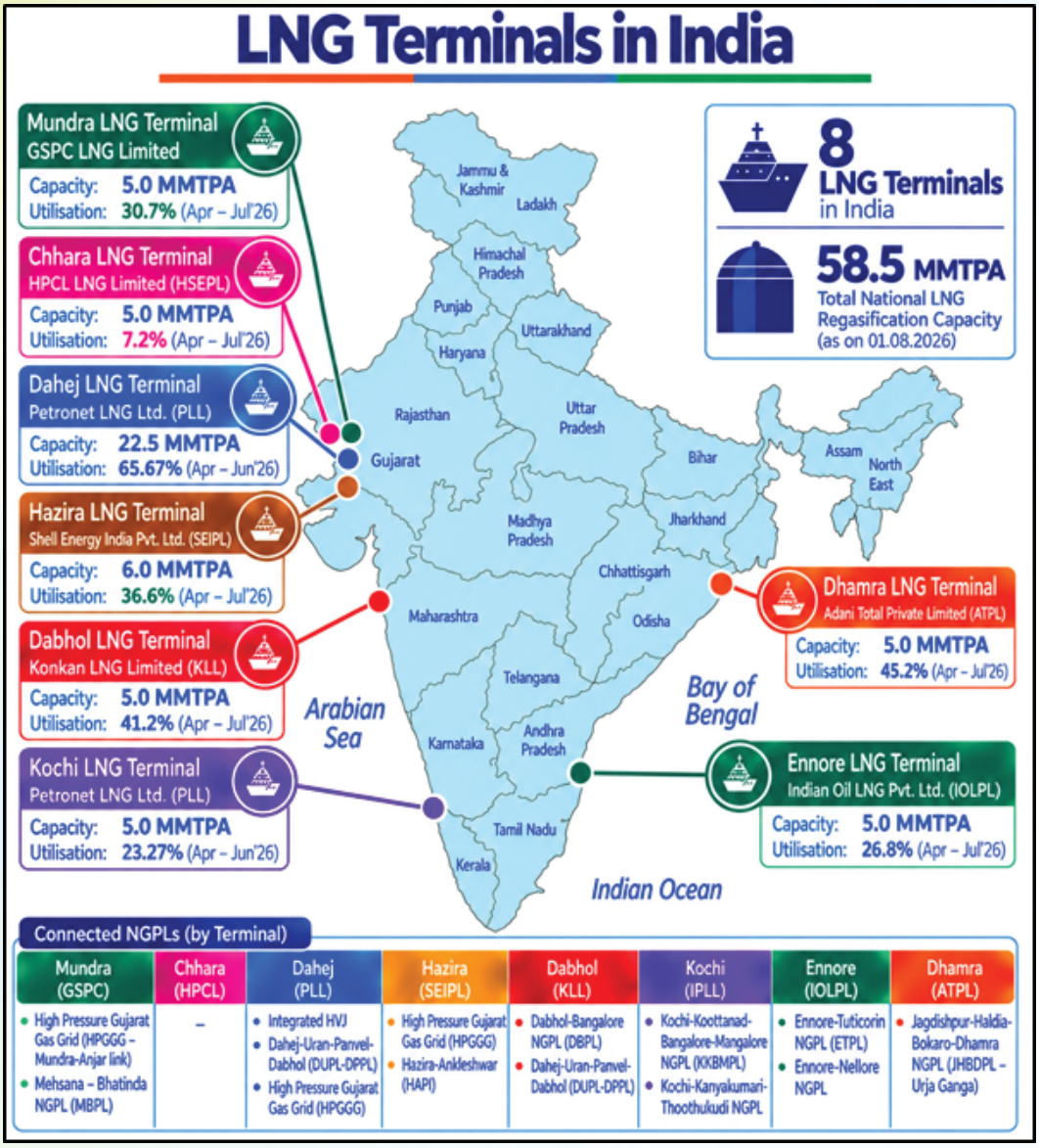
For PNGRB, authorization is only the starting point. Once an entity is entrusted with infrastructure development, the focus shifts to implementation: Financial Closure, statutory and other permissions, construction, commissioning, connectivity, consumer connections, and utilization. The **Monitoring Division** provides this continuous implementation lens, identifying constraints early, engaging entities and stakeholders, and supporting timely progress while keeping accountability intact.

2.1 India's Expanding Infrastructure Portfolio

India's natural gas and petroleum infrastructure has expanded significantly in scale and geographical reach, creating a larger and more complex portfolio for regulatory oversight. As of **June 2026, the authorized Natural Gas Pipeline network stood at 34,803 km across 37 entities**, of which **28,157 km was operational, and 8,251 km was under construction**. The petroleum and petroleum product pipeline network stood at **15,237 km across 29 entities**, with **8,012 km operational and 3,969 km under construction**. LNG infrastructure further strengthens this network through multiple coastal import terminals connected to the country's expanding gas transmission system.



The scale of the pipeline network is complemented by growing connectivity between LNG import infrastructure and the national gas grid. LNG received at coastal terminals needs to be evacuated through pipeline systems to reach inland markets and consumption centers. The common-carrier NGPL network provides this critical link, connecting LNG terminals across the **western, eastern, and southern coasts** with major transmission corridors extending into the hinterland.

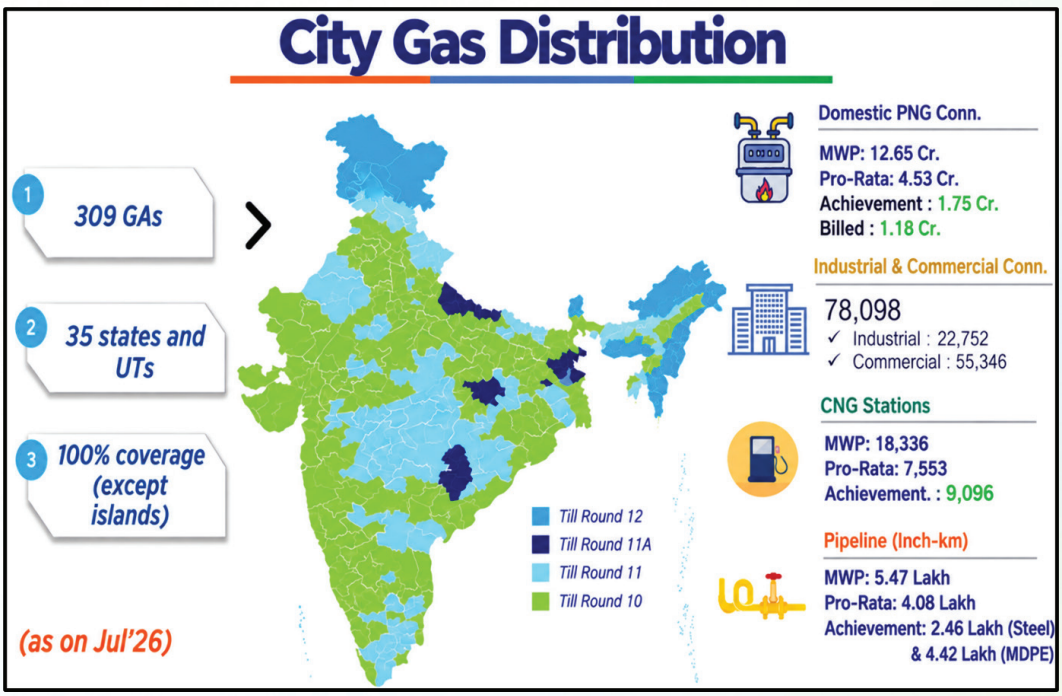


As of **1 Aug 2026**, the LNG terminals captured in this network included Mundra, Chhara, Dahej and Hazira in Gujarat, Dabhol in Maharashtra, Dhamra in Odisha, Ennore in Tamil Nadu, and Kochi in Kerala, with a combined terminal capacity of **58.5 MMTPA**. These terminals are connected through major Natural Gas Pipeline (NGPL) systems, including

Hazira–Vijaipur–Jagdishpur (HVJ), Dahej–Uran–Panvel–Dabhol (DUPL-DPPL), High Pressure Gujarat Gas Grid (HPGGG), Dabhol–Bangalore NGPL (DBPL), Jagdishpur–Haldia–Bokaro–Dhamra NGPL (JHBDPL), Ennore–Tuticorin NGPL (ETPL) and Kochi–Koottanad–Bangalore–Mangalore NGPL (KKBMPL). Together, these systems create multiple pathways for LNG evacuation and movement towards regional and inland demand centers.

This interconnected infrastructure adds an important dimension to the expanding pipeline portfolio. The development of a pipeline is not measured only by kilometers laid or commissioned, but also by the connectivity it creates between sources of gas and centers of demand. For the Division, visibility of these linkages helps bring together pipeline development, connectivity, gas availability, and utilization, providing a broader view of how infrastructure is supporting the growth of the natural gas market.

The City Gas Distribution sector represents an equally significant implementation portfolio. The network now covers **309 Geographical Areas across 34 States and Union Territories**, with continued expansion in domestic PNG, CNG, industrial and commercial connectivity. By July 2026, the sector had reached approximately **1.75 crore domestic PNG connections**, of which **1.18 crore were billed connections**, along with **9,096 CNG stations**. It also included approximately **55,346 commercial and 22,752 industrial PNG connections**, reflecting gas penetration beyond household consumption.



The physical scale of CGD expansion is visible in the network laid across authorized areas. As per the July 2026 position, approximately **2.46 lakh inch-km of steel pipeline**

and 4.42 lakh inch-km of MDPE pipeline had been laid against the prescribed work programme. These figures reflect not only infrastructure creation, but the development of the distribution backbone needed to connect consumers, establish CNG infrastructure and support natural gas demand.

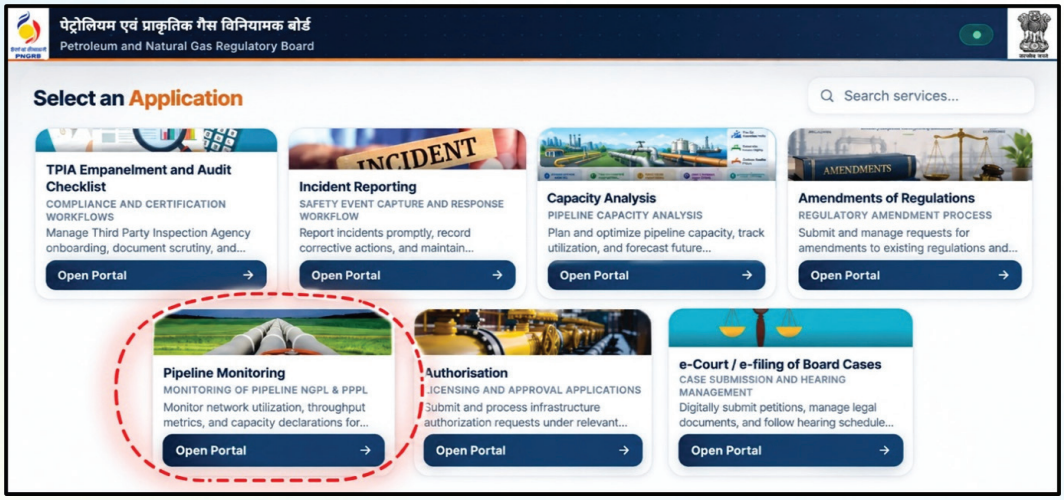
Across this expanding portfolio, infrastructure development is increasingly interconnected, from **LNG terminals and transmission pipelines to CGD networks and consumer-level connections**. For the Division, this requires a continuous view across the implementation cycle. Reported progress, committed milestones, infrastructure development, connectivity, and consumer-level outcomes are seen together to understand whether authorized projects are moving as envisaged and whether physical assets are translating into actual gas availability, utilization, and adoption.

2.2 Tracking Network Development, Connectivity and Utilization

India's expanding natural gas infrastructure demands continuous visibility of how authorized networks are being developed, connected, and utilized. The Division maintains this implementation view across network development, project milestones, connectivity, consumer adoption, and gas utilization, helping ensure that infrastructure growth translates into measurable outcomes and enables affordable access for potential consumers.

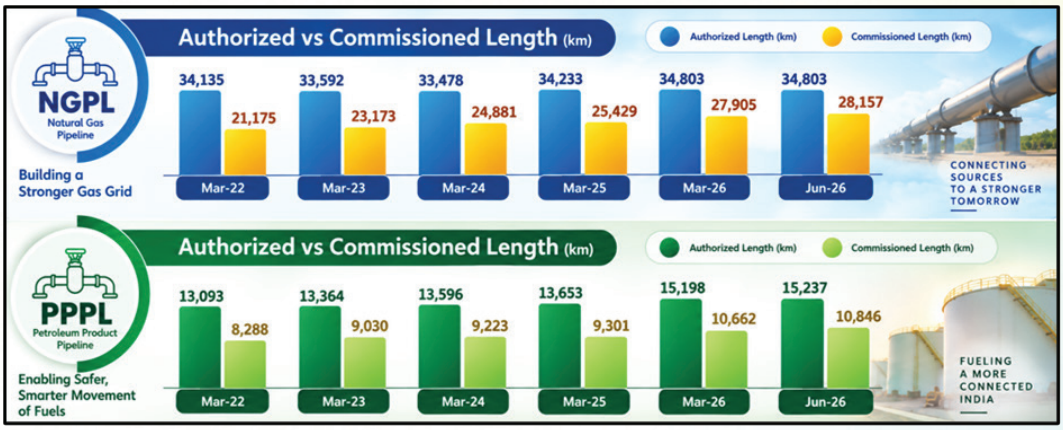
Natural Gas & Petroleum Product Pipelines: Development and Commissioning

India's **Natural Gas Pipeline (NGPL)** and **Petroleum Product Pipeline (PPPL)** networks form critical arteries of the country's energy infrastructure. Their development involves large investments, complex construction activities, land and Right of Use requirements, statutory permissions, and coordination across multiple authorities. Keeping these projects on track therefore requires continuous oversight from regulatory authorization through construction and commissioning.



The Division has built an established monitoring mechanism combining **continuous progress tracking through dedicated e-portals**, regular review meetings with authorized NGPL and PPPL entities, formal regulatory hearings and coordination with State Governments and other statutory stakeholders. Dedicated e-portals enable project-level information to be captured and followed systematically, while **regular reviews provide a direct platform to examine physical progress, understand delays and identify actions** required to advance projects. Formal hearings and stakeholder coordination further bring implementation constraints into focus, enabling timely follow-through on issues that require regulatory or external intervention.

Where implementation depends on factors beyond the control of project proponents, the monitoring process extends to **coordination with State Governments and other statutory authorities**, particularly on matters relating to land, Right of Use, and other implementation-related requirements. Formal regulatory hearings provide an additional avenue to examine project-specific issues and bring matters requiring regulatory



consideration into a structured process.

The scale of infrastructure under this framework is substantial. As of June 2026, the authorized Natural Gas Pipeline network stood at **34,803 km**, of which **28,157 km** had been commissioned. The Petroleum Product Pipeline network stood at **15,237 km**, with **10,846 km** commissioned. The PPPL network covers LPG, Multi-Product and ATF pipelines, supporting the movement of petroleum products across the country.

The significance of this monitoring extends beyond the measurement of pipeline length. Continuous tracking makes it possible to identify where project execution is progressing as planned, where commitments are falling behind and where intervention or stakeholder coordination is required. By bringing these issues into reviews and follow-through, the monitoring framework helps keep regulatory commitments connected with physical infrastructure delivery.

The broader impact of pipeline development is also significant. PNGRB has played an important role in expanding pipeline-based transportation of petroleum products, supporting a shift away from road transportation and towards more efficient movement through dedicated pipeline infrastructure. The continued growth of both NGPL and

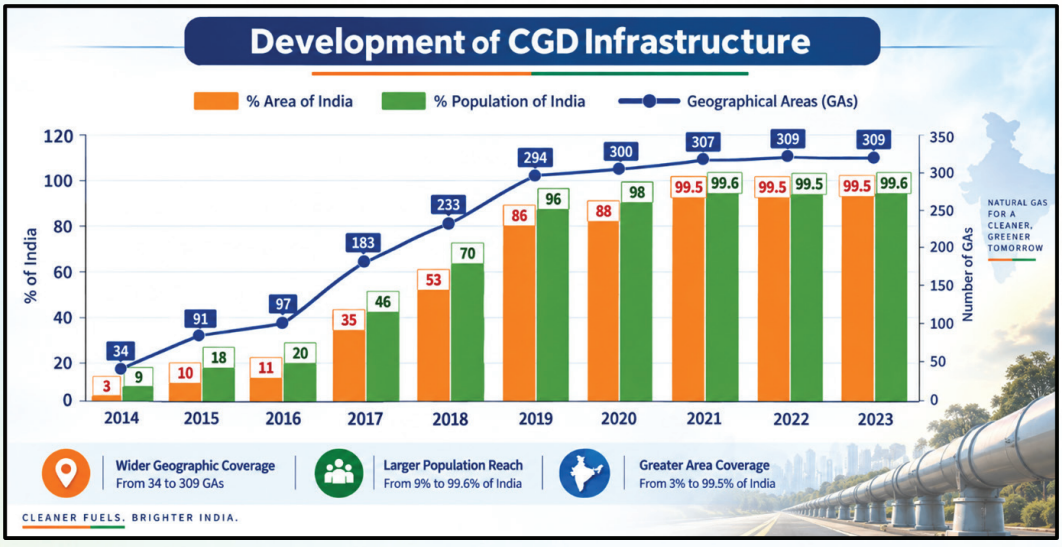
PPPL networks strengthens the country's energy transportation backbone and improves connectivity between sources, markets, and consumption centers.

Transparency is an integral part of this effort. The Division publishes the **Quarterly Progress Report (QPR)** on the PNGRB website, updated every quarter to provide information on the authorization, construction, and commissioning of NGPL and PPPL projects. The QPR serves as a common reference for authorized entities, Government institutions, industry stakeholders, and the public, making pipeline development progress accessible beyond the regulatory process. This enables the Division to maintain clear visibility of project progress, identify emerging bottlenecks and drive timely action to keep implementation on track.

CGD: Tracking Expansion, Adoption and Utilization

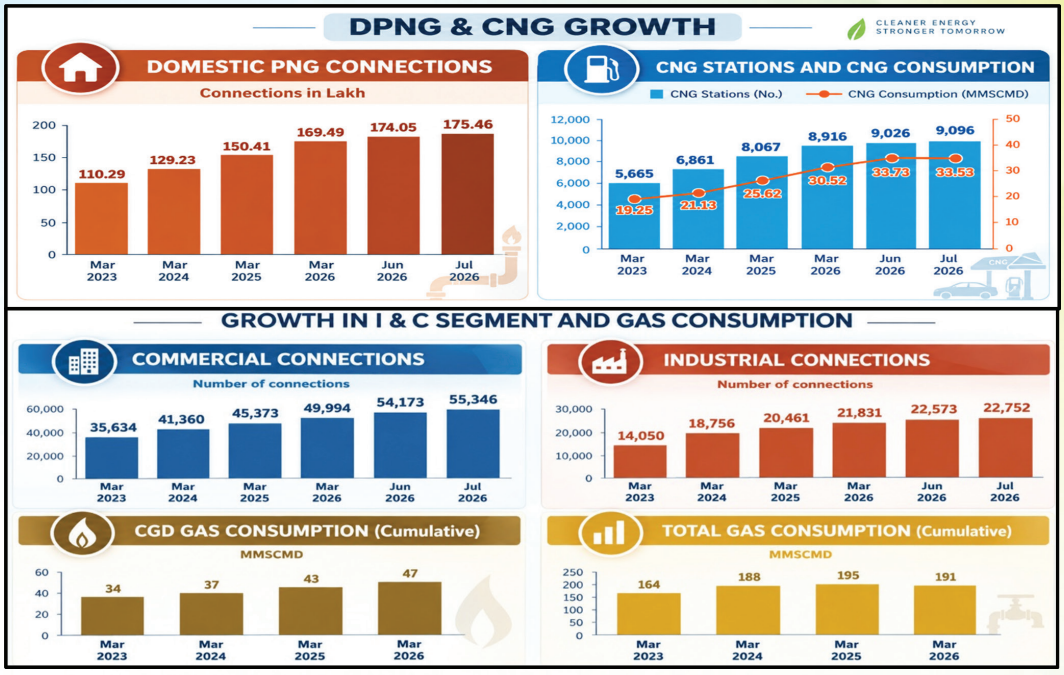
The expansion of City Gas Distribution has transformed the reach of natural gas infrastructure across India. As authorized Geographical Areas increased from **34 in 2014 to 309**, the Division progressively strengthened its approach to tracking implementation across the delivery chain. The focus extends from physical network development and gas supply to consumer connections, billing, and utilization, giving PNGRB a clearer view of how infrastructure commitments are translating into delivery.

The CGD delivery chain is followed from **City Gate Stations and pipeline networks to PNG connections, CNG stations and consumer utilization.** Regular tracking of steel and MDPE pipeline development, domestic PNG connections, commercial and industrial connections, CNG infrastructure and gas consumption helps assess whether



network growth is moving towards operational and market outcomes.

The scale of expansion is reflected in the growth of the consumer and mobility ecosystem. Domestic PNG connections increased from **110.29 lakh in March 2023 to 175.46 lakh by July 2026**, while **CNG stations increased from 5,665 to 9,096**. Over the same



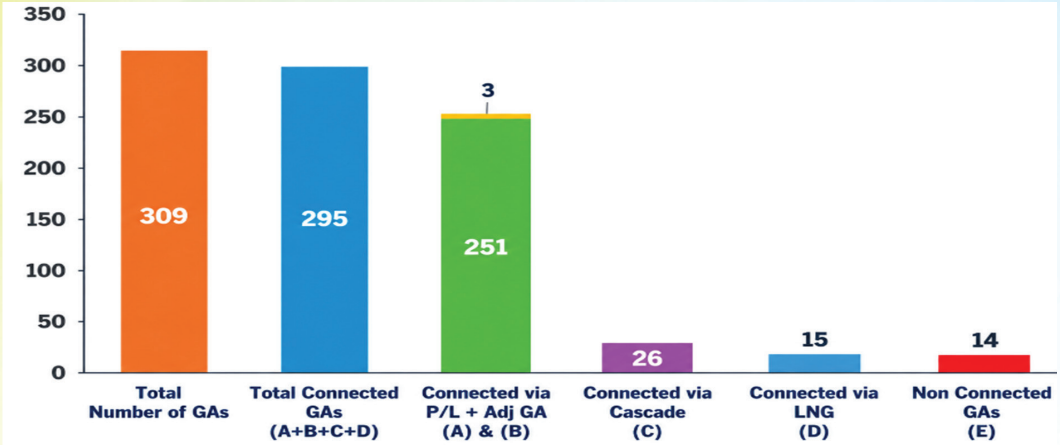
period, **commercial connections rose from 35,634 to 55,346 and industrial connections from 14,050 to 22,752.** By July 2026, approximately **1.75 crore domestic PNG connections** had been established, with around **1.18 crore billed connections**, allowing progress to be assessed not only by network spread, but also by active consumer adoption.

Growth in connections has been accompanied by higher gas use. CGD gas consumption increased from **33 MMSCMD** in March 2023 to **47 MMSCMD** in March 2026, while **CNG consumption increased from 19.25 MMSCMD to 33.53 MMSCMD by July 2026.** Tracking utilization alongside network and connection growth helps establish whether expanding infrastructure is creating sustained demand across consumer segments. By tracking network expansion, gas availability, consumer connectivity, and utilization together, the Division identifies gaps between infrastructure creation and actual adoption, enabling it to focus engagement where further intervention is required.

CGD Connectivity: A Forward View of Gas Access

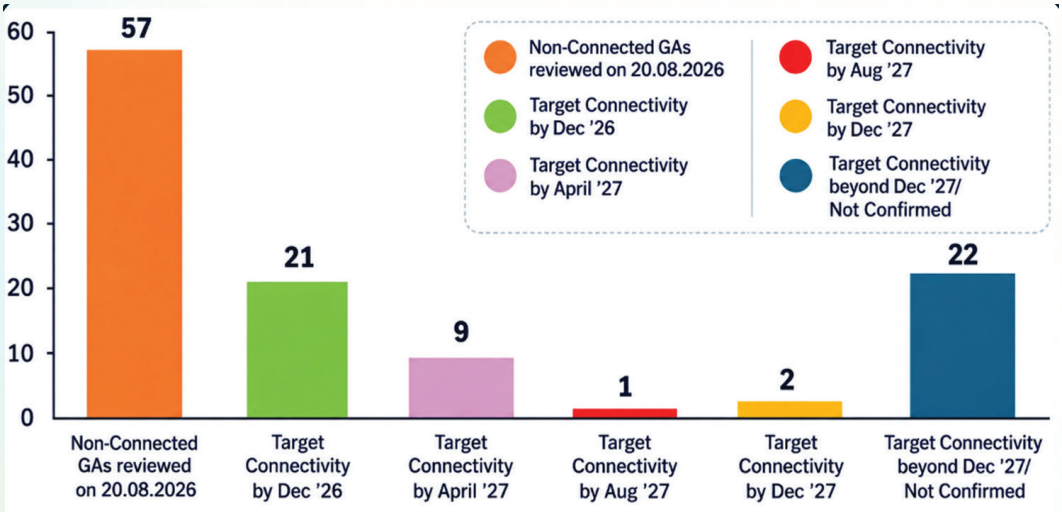
Connectivity is the critical link between infrastructure readiness and the actual delivery of natural gas. Recognizing that an authorized CGD network can deliver its intended value only when reliable gas access is available, the **Division has kept connectivity under sustained review**, examining gaps, engaging with concerned stakeholders, and driving efforts towards timely resolution.

Across the **309 authorized Geographical Areas, 254 GAs** are connected while **55 remain unconnected**. Connected GAs are served through different supply arrangements, including direct pipeline connectivity and adjoining GA linkages. Maintaining visibility of



these routes enables the Division to assess gas availability and adequacy as CGD networks expand and to identify where additional pipeline linkages, tap-offs, City Gate Stations, or alternative arrangements may be required.

This focus on connectivity has been supported through **6 dedicated review meetings**, undertaken by the Division to monitor physical progress and address bottlenecks. The reviews have provided a structured platform for bringing concerned stakeholders together, examining connectivity constraints and maintaining follow-through on issues requiring action. The approved Minutes of all 6 meetings have been web-hosted on the PNGRB website, providing transparency and a common reference for stakeholders.



Building on this sustained engagement, the Division conducted a **focused CGD connectivity review on 20 August 2026**, covering **57 non-connected GAs.**

The review captured tangible movement, with **2 GAs** reported as connected, while **55 GAs remained** connected. More importantly, it brought greater clarity to the pathway ahead and

enabled the Division to establish a forward view of expected gas access.

21 GAs are expected to receive gas access by December 2026, 9 by April 2027, 1 by August 2027 and 2 by December 2027. The remaining 22 GAs are expected beyond December 2027 or await confirmed timelines.

By bringing connectivity gaps, supply arrangements, stakeholder dependencies and expected timelines into a common view, the Monitoring Division has moved the issue beyond periodic status tracking towards structured follow-through and forward action. The continued review process helps identify where connectivity is progressing, where intervention is required and where greater clarity needs to be established.

SECTION III

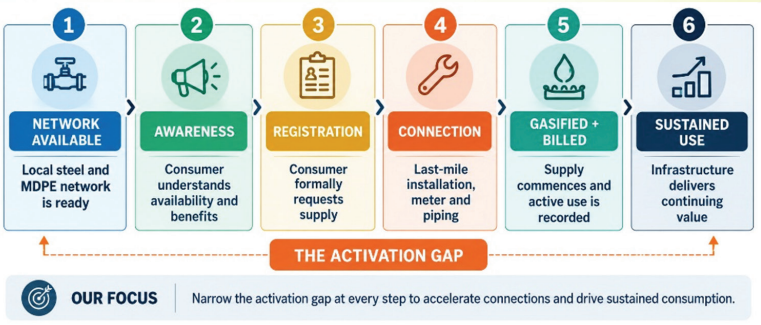
Driving PNG Adoption and Accelerating Gasification Across India

"The value of an idea lies in the using of it."

Thomas Alva Edison
Inventor and industrial researcher, United States

3. Enabling the Gasification Mission

India's City Gas Distribution network has evolved from a predominantly urban network into a nationwide platform for delivering natural gas to households, businesses, industries, institutions, and the transport sector. Successive bidding rounds have created an extensive infrastructure base, bringing natural gas closer to consumers across an expanding geographical footprint.



As this network has grown, the measure of progress has moved beyond infrastructure creation. The value of gasification is realized when consumers are reached, made aware, registered, and connected, when connections become operational and billed, and when the resulting infrastructure translates into sustained gas consumption. This requires consumer activation, last-mile execution, network readiness, upstream connectivity, and stakeholder coordination to move together.

The Monitoring Division has been central to this transition. By bringing together performance data, consumer conversion, infrastructure readiness, field evidence and stakeholder coordination, the Division created a clearer line of sight from network availability to actual adoption. The National PNG Drives put this approach into action at scale: PNG Drive 1.0 established the foundation for coordinated mobilization, while PNG Drive 2.0 strengthened it through focused Geographical Areas, measurable outcomes, digital visibility, field engagement and coordinated institutional action.

3.1 PNG Drive 1.0: India's Nationwide PNG Adoption Campaign

The first National PNG Drive, conducted from **26 January to 31 March 2024**, marked an important milestone in creating a coordinated national approach to PNG adoption. It brought consumer outreach, registration, physical connections, billing, and pipeline development into a common implementation framework.

The Monitoring Division played a pivotal role in bringing these activities into one implementation view. Rather than treating outreach, registrations, connections and billing as separate outputs, the Division followed them as stages of consumer conversion. This sharpened attention on a fundamental question: **how effectively was the expanding CGD infrastructure reaching consumers and translating into active use?**

During the 10-week campaign, more than **30.79 lakh** households were contacted, generating **10.87 lakh registrations, 5.97 lakh connections and 3.14 lakh billed connections.** The campaign also recorded 19,759 inch-km of pipeline development, with

gasification achieved across **24 Geographical Areas, 56 districts and 152 charge areas**.

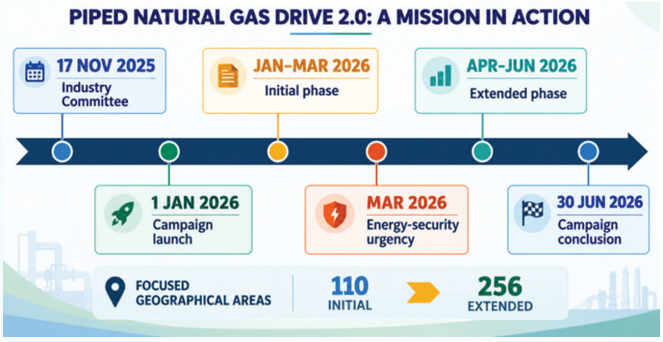
The impact was visible not only in cumulative achievements, but also in execution pace. Daily domestic PNG connections increased from approximately **4,910 to 9,184**, while pipeline development rose from approximately **163 inch-km to 304 inch-km per day** during the campaign. This acceleration demonstrated how focused review and coordinated implementation can increase execution intensity within a defined period.



The Division's contribution extended beyond tracking numbers. The campaign brought visibility to points where conversion could slow down: outreach did not always become registration, registration did not automatically become a physical connection, and connection did not always result in active billing. Last-mile installation, availability of meters and pipes, trained manpower, consumer readiness, residential-society access, and timely commencement of supply all influenced the final outcome.

These insights clarified the difference between infrastructure availability and infrastructure utilization. PNG Drive 1.0 therefore established more than a nationwide mobilization model; it created a practical foundation for identifying where intervention, coordination and follow-through could accelerate consumer adoption. This experience shaped the next phase of the national PNG mission, bringing data, field evidence, stakeholder action, and consumer outcomes into a more structured implementation framework.

3.2 PNG Drive 2.0: Building a National Execution Mission



Building on PNG Drive 1.0, **PNG Drive 2.0 was launched on 1 January 2026** to accelerate adoption and improve utilization of CGD infrastructure already created. Initially planned as a three-month campaign, it was extended through **30 June 2026**, allowing the Division and participating stakeholders to sustain momentum and pursue opportunities identified during implementation.

The campaign acquired additional strategic relevance amid concerns surrounding import-linked LPG supply during the West Asia conflict. Accelerating PNG adoption provided households with access to a continuous pipeline-based fuel alternative while reducing

dependence on cylinder-distribution logistics during periods of external disruption.

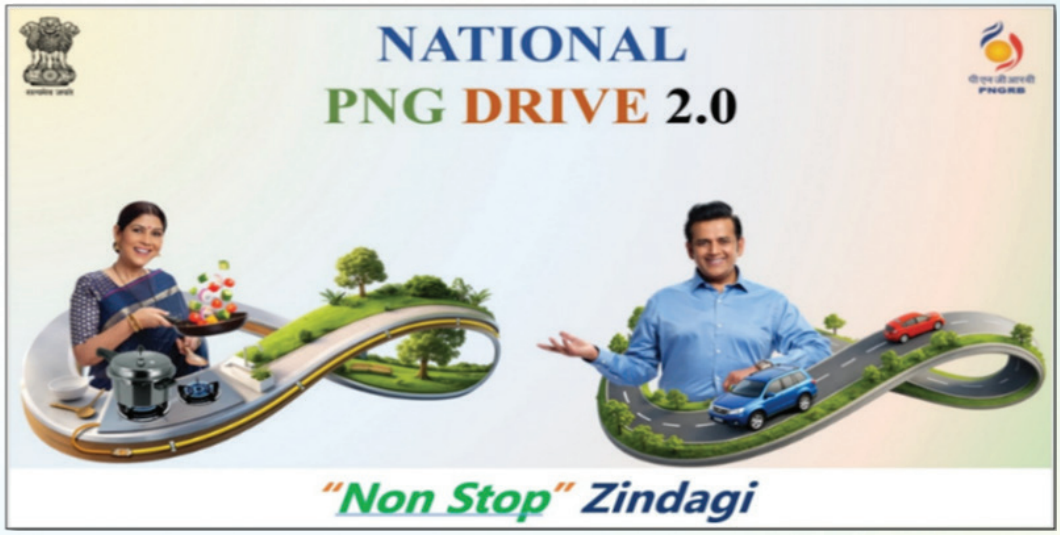
At the heart of PNG Drive 2.0 was a differentiated approach to implementation. Mature Geographical Areas required deeper activation of registered and connected consumers, faster billing conversion and greater penetration across residential societies and institutions. Emerging Geographical Areas require stronger awareness, affordability communication, consumer handholding, installation capacity, and local coordination. This enabled the Division to align attention with the readiness and conversion potential of each GA.

A National Mission, Driven through Coordinated Action

PNG Drive 2.0 brought PNGRB and authorized CGD entities onto a common platform with Central Ministries, State and Union Territory administrations, district authorities, Urban Local Bodies, public representatives, Resident Welfare Associations, and consumers. A network of **23 State Level Coordinators** helped connect national priorities with State and local implementation requirements, while **PNG Acceleration for Clean Energy (PACE)** served as the nodal coordinating agency within the joint industry framework.

For the Division, this created an important institutional advantage. Issues visible through data could be connected to the appropriate State or local authority, while field requirements could be brought back into the national review process. This established a continuing link between what the data showed, what the field required and where action needed to be taken.

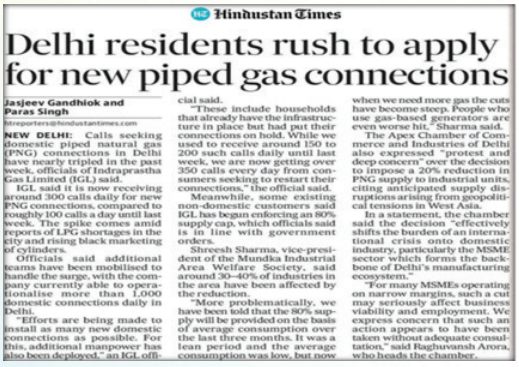
Public communication was brought under a unified identity, **"Non-Stop Zindagi,"** giving the national mission a recognizable presence across the country. The campaign combined national media visibility with local engagement through newspapers, outdoor publicity, social media, registration camps, airport and metro displays and community programmes. Approximately **220 newspaper editions in 13 regional languages** were used during the launch phase.



Advertisement in National Newspapers, Promotional Campaigns, FM Outreach



Public Drive 2.0 In the News



Hindustan Times

Delhi residents rush to apply for new piped gas connections

Jasjeev Gandhiok and Paras Singh

hteporters@hindustantimes.com

NEW DELHI: Calls seeking domestic piped natural gas (PNG) connections in Delhi have nearly tripled in the past week, officials of Indraprastha Gas Limited (IGL) said.

IGL said it is now receiving around 300 calls daily for new PNG connections, compared to roughly 100 calls a day until last week. The spike comes amid reports of LPG shortages in the city and rising black marketing of cylinders.

Officials said additional teams have been mobilised to handle the surge, with the company currently able to operationalise more than 1,000 domestic connections daily in Delhi.

"Efforts are being made to install as many new domestic connections as possible. For this, additional manpower has also been deployed," an IGL official said.

"These include households that already have the infrastructure in place but had put their connections on hold. While we used to receive around 150 to 200 such calls daily until last week, we are now getting over 350 calls every day from consumers seeking to restart their connections," the official said.

Meanwhile, some existing non-domestic customers said IGL has begun enforcing an 80% supply cap, which officials said is in line with government orders.

Shreesh Sharma, vice-president of the Mundka Industrial Area Welfare Society, said around 30–40% of industries in the area have been affected by the reduction.

"More problematically, we have been told that the 80% supply will be provided on the basis of average consumption over the last three months. It was a lean period and the average consumption was low, but now when we need more gas the cuts have become steep. People who use gas-based generators are even worse hit," Sharma said.

The Apex Chamber of Commerce and Industries of Delhi also expressed "protest and deep concern" over the decision to impose a 20% reduction in PNG supply to industrial units, citing anticipated supply disruptions arising from geopolitical tensions in West Asia.

In a statement, the chamber said the decision "effectively shifts the burden of an international crisis onto domestic industry, particularly the MSME sector which forms the backbone of Delhi's manufacturing ecosystem."

"For many MSMEs operating on narrow margins, such a cut may seriously affect business viability and employment. We express concern that such an action appears to have been taken without adequate consultation," said Raghuvansh Arora, who heads the chamber.



पत्रिका

शहर में 150 किलोमीटर पाइप लाइन बिछी, एक हजार उपभोक्ताओं को मिलने लगा लाभ

गैस सिलेंडर की किल्लत से मिलेगी निजात, रसोई में सीधे पहुंचने लगी पीएनजी की आंच

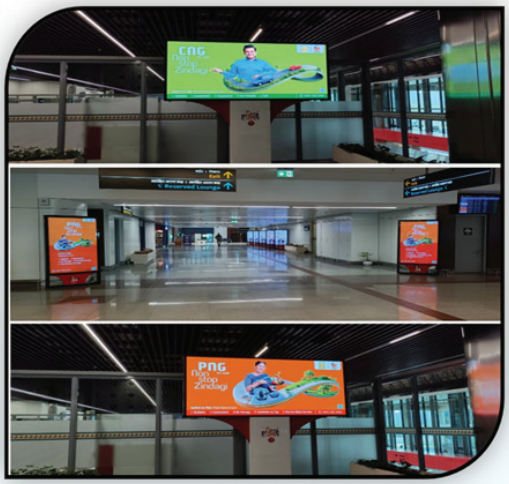


थिंक गैस का लक्ष्य इस अभियान के तहत भोपाल में 3,000 से अधिक के पीएनजी कनेक्शन जोड़ने का है

थिंक गैस ने भोपाल में पीएनजीआरबी की पीएनजी ड्राइव 2.0 जागरूकता अभियान का शुभारंभ किया

The campaign connected domestic PNG activity with the wider gas ecosystem. Consumer registration, physical connections, and billing were pursued alongside commercial and industrial adoption, CNG expansion, DBS-to-online conversion, NGPL connectivity and access across additional districts. This helped ensure that national mobilization remained linked to measurable consumer, infrastructure, and market outcomes.

PNG Drive 2.0 Advertisements at Pune Airport



From Digital Visibility to Field Action

The Division's digital mechanism provided

a common view of consumer conversion, infrastructure development, and outreach across participating Geographical Areas. Performance could therefore be viewed consistently across entities and locations, helping identify areas requiring closer examination, field validation, or stakeholder intervention.

Importantly, the reported position was treated as the **starting point for intervention, not the end point of monitoring**. A delay visible in the data could reflect consumer readiness, material availability, contractor capacity, residential-society access, pending permissions or upstream connectivity. By examining the reason behind the reported position, the Division could connect the issue with the appropriate entity, authority, or stakeholder.

This approach was reinforced through an extensive field programme. Board and senior officials of PNGRB undertook **45 GA visits covering 31 major CGD entities,** reviewing residential clusters, commercial and institutional establishments, industrial consumers, infrastructure locations, and stakeholder concerns.

Inter-Ministerial Support

PNG Progress Reviewed by MoHUA, MoPNG & MoCAFPD & Round Table Review Meeting at Vigyan Bhawan





Dr. Anil Kumar Jain, Chairperson (PNGRB), Dr. Neeraj Mittal, IAS, Secretary, MoPNG reviewed CGD Sector Progress



Field Visits & Stakeholder Consultations





Shri Anil Kumar Jain, Chairperson, PNGRB launches PNG Drive 2.0 in Jodhpur GA



Shri Anjan Kumar Mishra, Secretary, PNGRB, reviewed CGD performance in Pune GA



Shri Anjani Kumar Tiwari, Member, PNGRB, during visit to Bhopal GA



Shri A. Ramana Kumar, Member, PNGRB inaugurated DPNG supply in Gandhinagar



Shri Jayanta Das, Member, PNGRB, on visit to Darjeeling–Jalpaiguri–Uttar Dinajpur GA



Shri Anjan Kumar Mishra, Secretary, PNGRB, reviewed CGD performance in Pune, Pimpri-Chinchwad



Shri Jayanta Narayan Das, Member, PNGRB, visited Jalpaiguri to review NG ecosystem

People's Leaders Participation in PNG Drive 2.0



Hon'ble MP Smt. Aparajita Sarangi inaugurated DPNG Supply in Bhubaneswar

Shri Acharya Devvrat Ji, Hon'ble Governor of MH and GJ Inaugurated PNG supply in Kurukshetra and Jyotisar

Shri Bhartruhari Mahtab, Hon'ble MP, PNG supply in Cuttack

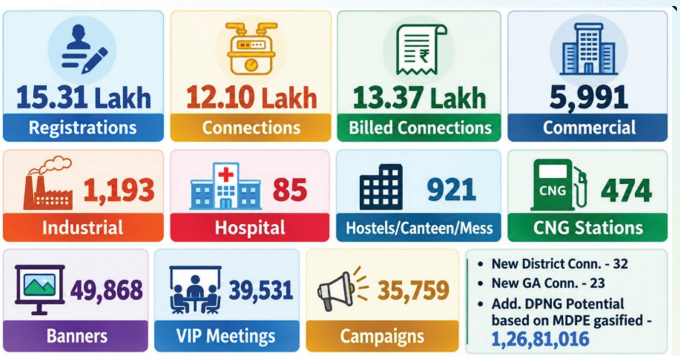
Hon'ble MLA Shri Saurabh Srivastava highlighted the convenience of PNG in Varanasi

Hon'ble MP Shri Tejasvi Surya, Ramamurthy inaugurate PNG Drive 2.0 in Bengaluru

Smt. Khushbu Gupta (IAS), District Collector, Mahabubnagar Reviews CGD Network Expansion

The significance of these visits lay in taking review beyond reported numbers and into the locations where implementation was taking place. Field interactions brought practical constraints into focus, including shortages of **MDPE and GI pipes and fittings, limited trained plumbing teams, residential-society access and pending permissions..** The Division used these insights to strengthen the feedback loop between observation and action, allowing experience from one GA to inform responses in another and recurring constraints to be elevated for wider attention.

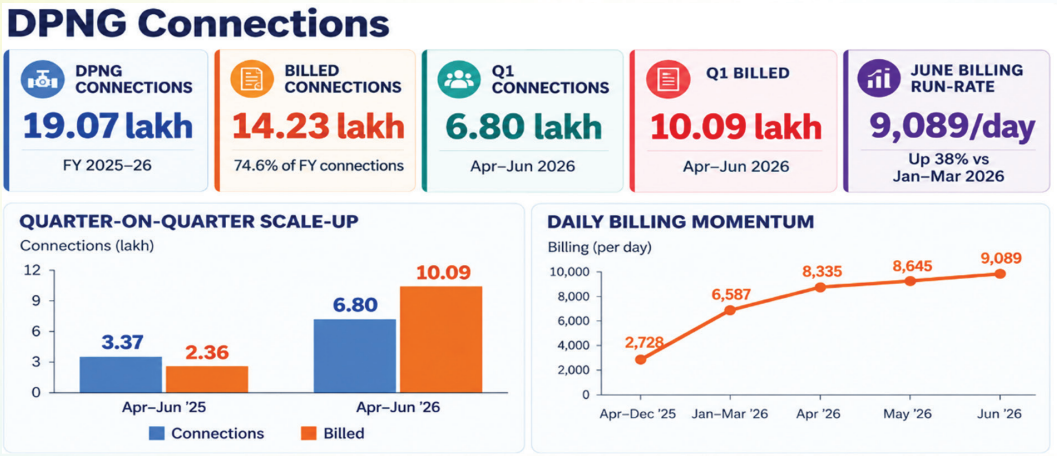
PNG Drive 2.0: Outcomes, Achievements and Lesson Learned



PNG Drive 2.0 concluded on 30 June 2026, translating the mission-mode approach into measurable progress across domestic PNG adoption and the wider CGD ecosystem. The Drive recorded **15.31 lakh registrations, 12.10 lakh** new DPNG connections and **13.37 lakh billed consumers**. It also added 5,991 commercial and 1,193 industrial connections, connected 921 hostels, canteens, and messes and 85 hospitals to PNG, and expanded the supporting ecosystem through 474

new CNG stations and 126 DBS-to-online conversions. The campaign further extended PNG/CNG supply to 32 additional districts, while 23 GAs were directly connected to NGPL supply and 5 additional GAs received supply through adjoining networks, taking wider connectivity impact to 28 GAs.

These outcomes were supported by a sustained implementation effort that kept performance visible and action-oriented. **Daily performance tracking, structured reviews, issue identification, field validation, and coordinated follow-through** created a continuous link between reported progress and the action required on the ground. This enabled emerging constraints to be brought into focus and addressed through engagement with CGD entities, Government institutions, and local stakeholders.



A defining feature of the Drive was the stronger emphasis on **consumer activation alongside new connections.** While **12.10 lakh new DPNG connections** were added, billed consumers reached 13.37 lakh, reflecting the effort to move beyond connection creation and bring connected households into active gas consumption. By keeping registration, connection and billing under close review, the Division brought greater attention to the final stage of consumer conversion, where infrastructure begins translating into actual usage. The impact was reflected in the **June 2026 billing run-rate of 9,089 additions per day**.

The execution pace accelerated significantly during the campaign. Average daily DPNG connections increased from **4,702 in H2 2025 to 6,690 in H1 2026, an improvement of 43%**. Average daily billed-consumer additions increased from **2,781 to 7,392, an improvement of 166%**, while average daily commercial connections increased from **12 to 33, an improvement of 187%**. The sharp increase in billing momentum reflected the growing focus on activating consumers who were already connected to the network.

The impact extended beyond household PNG. Commercial and industrial adoption strengthened through **5,991 commercial and 1,193 industrial connections**, with the commercial segment achieving **121% of its campaign target**. Institutional gasification also received focused attention, with **921 hostels, canteens, and messes and 85 hospitals** connected to PNG. These interventions brought concentrated institutional

demand into the CGD ecosystem and demonstrated the potential to replace LPG with PNG wherever the required infrastructure was available. This institutional focus assumed added significance during the **West Asia conflict and the resulting pressure on LPG supplies**. In response, PNGRB issued a dedicated advisory encouraging the gasification of **hostels, messes, canteens, and hospitals** wherever PNG infrastructure was available. The initiative sought to leverage existing CGD infrastructure to meet institutional energy requirements, support a shift from LPG to PNG and strengthen utilization of the gas network.

Beyond institutional adoption, the Drive strengthened the wider CGD ecosystem through **474 new CNG stations, 126 DBS-to-online conversions and the extension of PNG/CNG supply to 32 additional districts**. Supply connectivity was also strengthened, with **23 GAs directly connected to NGPL supply and 5 additional GAs receiving supply through adjoining networks**. These interventions expanded the reach of natural gas across **households, institutions, transport, and emerging markets**, while strengthening the infrastructure and connectivity needed to support sustained growth in gas adoption.

The Drive was supported by extensive public and stakeholder mobilization, with **35,759 public awareness campaigns and 39,531 VIP meetings** recorded during the campaign. Engagement with State Governments, district administrations, Urban Local Bodies, public representatives, and local stakeholders strengthened awareness while creating channels for addressing issues affecting consumer adoption and local implementation.

The combination of performance tracking, field engagement and institutional coordination brought different implementation realities across Geographical Areas into a common review framework. Issues relating to consumer readiness, last-mile installation, material availability, trained manpower, permissions, society access, and connectivity could be identified, taken up with the concerned stakeholders, and followed through. The experience demonstrated that effective monitoring is not limited to identifying where progress is lagging. Its value lies in creating the visibility, coordination and sustained follow-through required to move implementation forward.

PNG Drive 2.0 also provided important lessons for the next phase of PNG expansion. The experience reinforced the need for a **conversion-led approach**, where activation of existing connections is pursued alongside the creation of new connections. It also highlighted the need for differentiated strategies across GAs. **Mature markets** require greater emphasis on consumer activation, billing conversion, and service-level engagement, while **emerging markets** require stronger awareness, trust-building, affordability communication, and local handholding.

The campaign further demonstrated that accelerated consumer conversion depends on a prepared execution ecosystem. Timely availability of **meters, regulators, pipes and fittings**, adequate installation capacity, and trained plumbers and technicians can directly influence the pace of implementation. Future campaigns can therefore benefit from advanced material planning, capacity augmentation, faster installation practices

and stronger coordination with State Governments, district administrations, Urban Local Bodies, and other local stakeholders.

The momentum generated through the Drive continued beyond its formal closing date. Between March and August 2026, connected consumers increased from 1.69 crore to 1.77 crore, while billed consumers increased from 1.07 crore to 1.2 crore. Billing conversion improved from 63.3% to 67.2% during the period. This continued movement highlights the importance of sustaining the implementation discipline established during the campaign, particularly the focus on activating existing infrastructure and improving conversion into regular consumption.

Valedictory Ceremony of PNG Drive 2.0

The successful culmination of **PNG Drive 2.0** was marked by a Valedictory Ceremony at PNGRB, held in the presence of the **Secretary, Ministry of Petroleum and Natural Gas, Chairperson and Members of PNGRB, and senior representatives from OMCs and leading oil and gas sector entities.**

For the Monitoring Division, the occasion marked the culmination of a sustained mission-mode effort to drive implementation on the ground. The Division's continuous performance tracking, structured reviews, field-level engagement, and stakeholder coordination helped maintain focus on the campaign's targets and translate identified gaps into action across Geographical Areas.



The ceremony also witnessed the launch of the PNG Drive 2.0 Closure Report, formally documenting the campaign's achievements and implementation experience. The occasion provided an opportunity to recognize the collective effort behind the Drive and the contribution of the participating CGD entities, Government institutions, and other stakeholders. PNG Drive 2.0 represents a significant milestone in mission-mode monitoring, demonstrating how continuous visibility, field intelligence, stakeholder engagement, and follow-through can be brought together to drive measurable outcomes at national scale.

SECTION IV

Supporting Entities and Maintaining Project Continuity

"The art of progress is to preserve order amid change and to preserve change amid order."

Alfred North Whitehead
Mathematician and philosopher, United Kingdom

4. Facilitating Project Execution while Preserving Accountability

Facilitating Project Execution while Preserving Accountability

Infrastructure development rarely moves from authorization to operation without encountering constraints along the way. A project may be progressing well, yet remain dependent on connectivity, permissions, materials, local coordination, or other external conditions. Across hundreds of Geographical Areas and multiple institutions, such issues require more than periodic reporting. They require sustained engagement, clarity on the constraint and timely action.

The Monitoring Division brings this perspective together by connecting entity performance with field realities, infrastructure readiness, stakeholder dependencies, and emerging bottlenecks. This enables the Division to identify where intervention can make a tangible difference, work with the stakeholders best placed to act and keep authorized commitments firmly in focus.

Issues emerging through digital information, entity interactions, field engagement, and structured reviews are taken forward with the stakeholders best placed to address them. Constraints within an entity's execution are pursued with the entity; dependencies on another institution or infrastructure provider are taken up with the concerned stakeholder; and matters requiring regulatory consideration are moved through the appropriate PNGRB mechanism.

The objective is to identify the constraint, bring the right stakeholders together and restore the pathway from commitment to delivery. Through this approach, the Division strengthens implementation while preserving the accountability that underpins the regulatory framework.

4.1 Addressing Implementation Challenges

Every implementation challenge has a different underlying cause. In CGD, this complexity begins at the GA boundary itself, where entities must identify potential consumers, prioritize activities and sequence expansion within the allotted 8 to 10 year timeframe, often while managing resource constraints. A slower pace of network development may reflect execution capacity, while delayed consumer activation may arise from last-mile readiness, access constraints, or local coordination. A project awaiting connectivity may, in turn, require intervention beyond the authorized entity. Understanding these distinctions allows the response to address the actual constraint rather than only the visible shortfall.

The Division works closely with regulated entities to build this implementation picture. Entity submissions, milestone information, digital reporting, field observations, and stakeholder inputs are considered together to understand what is holding back the next stage of delivery. This enables engagement to move beyond identifying what remains incomplete towards understanding why it remains incomplete and what can unlock progress.

During **June to August 2026, Progress Review Meetings covered 221 Geographical Areas across 12 CGD entities,** bringing infrastructure development, Minimum Work Programme performance, consumer activation, pipeline connectivity, and key implementation constraints into focused discussions.

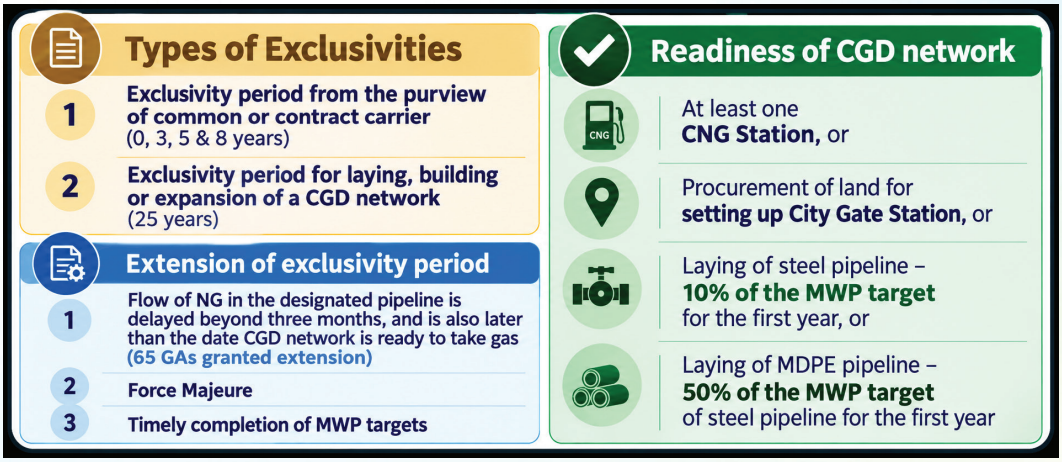


The value of this engagement lies in linking each constraint with the right action and stakeholder. Execution gaps are pursued with the entity, connectivity issues with the concerned pipeline operator, permissions, and local coordination with State or local authorities, and matters requiring specialized consideration with the relevant PNGRB function.

This approach is important in a sector where implementation dependencies often cross organizational boundaries. By bringing these dependencies into one view, the Division helps convert fragmented issues into coordinated action without transferring the execution responsibility of regulated entities.

4.2 Minimum Work Programme Extensions

Minimum Work Programme commitments establish defined milestones for network



development and consumer access. In some Geographical Areas, CGD entities had created the required network readiness but could not commence supply because the designated Natural Gas Pipeline was delayed. The Division worked to distinguish genuine external dependencies from delays attributable to the entity, ensuring that project readiness was recognized without diluting the underlying commitment.

Under Regulation 12(2) of CGD Authorization regulation, extension may be granted where designated-pipeline gas flow is delayed by more than 3 months and becomes available after the CGD network is ready. Readiness is assessed through defined indicators, including at least one CNG station, land for a City Gate Station and prescribed first-year steel or MDPE pipeline development.

Extensions have been granted to 65 GA's where delayed designated-pipeline gas flow affected MWP achievement even after the required readiness conditions had been met.

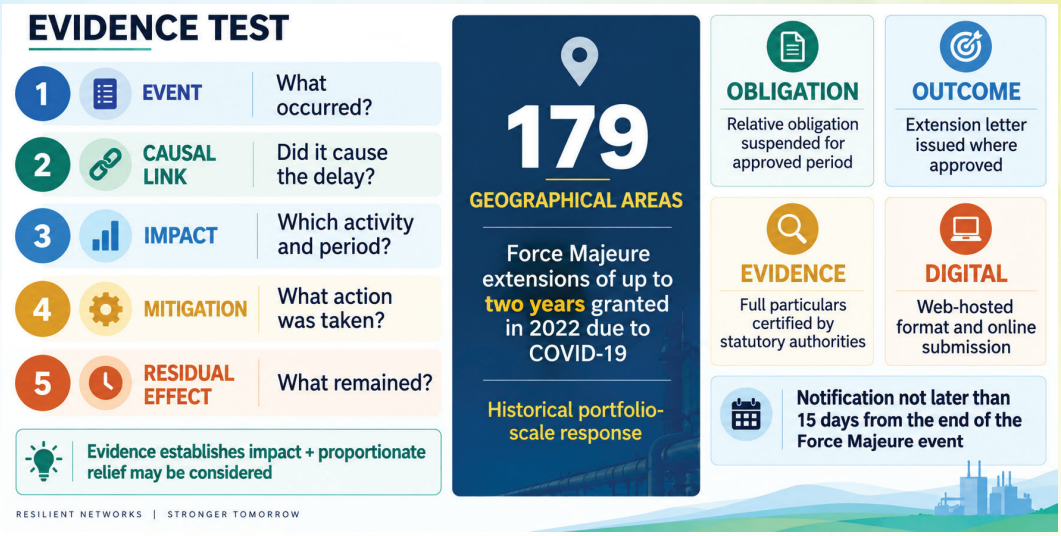
The intervention protects progress already created by CGD entities. Where networks are ready but upstream connectivity remains the constraint, a defined extension pathway helps prevent completed infrastructure from remaining idle and keeps the project positioned for commissioning once gas becomes available. Through this approach, the Division maintains a balance between **implementation support and accountability:** genuine external constraints are addressed, authorized obligations remain visible and continued review keeps the entity focused on converting readiness into delivery.

4.3 Managing Force Majeure and Exceptional Disruption

Infrastructure projects can face disruptions that are genuinely beyond the control of the entity. PNGRB's Force Majeure framework provides a defined mechanism for such circumstances, covering events such as war or hostilities, major civil disturbances, natural disasters, and certain government-imposed restrictions that prevent or delay project obligations. The Division assesses the connection between the exceptional event and affected implementation commitments so that any justified relief remains evidence-based and proportionate.

The Division brings together the event chronology, affected activities, project position, supporting evidence and mitigation undertaken to establish the extent to which the disruption has affected the authorized obligations. This ensures that genuine disruption can receive appropriate regulatory treatment while ordinary implementation risks remain within the responsibility of the entity. The framework also allows the Board to recognize the affected period, area, or activities, along with a reasonable restoration period where required.

The scale of intervention was demonstrated during the COVID-19 pandemic. In 2022, Force Majeure treatment covering suspension of MWP obligations and extension of exclusivity was granted to **179 GAs** for a period of up to 24 months, providing regulatory continuity to projects affected by the unprecedented disruption. The experience also strengthened the process for handling exceptional disruption. Standardized formats and structured submissions have helped bring notifications, claims, supporting evidence, and subsequent examination into a more consistent framework.



As of **10 September 2026, 51 Force Majeure claims had been received, with 49 cases processed for Force Majeure treatment**. This continuing work reflects the Division's role in ensuring that exceptional circumstances are examined on their merits while keeping the underlying implementation objective intact. Through this approach, the Division helps protect genuine projects from disruptions they could not reasonably control, while maintaining the discipline needed to return affected projects to their implementation pathway.

SECTION V

Engagement with Government and Institutions for Gas Expansion

"Coming together is a beginning; keeping together is progress; working together is success."

Henry Ford
Industrialist and manufacturing pioneer, United States

5. Advancing Policy Reform and Institutional Adoption

India's expanding gas network is creating the physical foundation for wider use of natural gas across the economy. Yet infrastructure alone cannot deliver its full potential. Adoption also depends on the institutional environment around the network: local permissions, State-level policies, fiscal competitiveness, access to public and residential premises, institutional demand, and coordinated Government action.

Many of these conditions sit outside the direct control of authorized CGD entities. A network may be available, yet expansion can slow because permissions, access or local facilitation are not in place; a consumer may be connected, yet remain inactive until conversion conditions allow regular gas use. Wider adoption therefore depends on policy support, institutional participation and an enabling market environment working alongside infrastructure readiness.

The Monitoring Division has extended its focus to this wider implementation ecosystem, bringing field-level issues, policy requirements, and opportunities for gas adoption into one view. Through engagement with Central Ministries, State Governments, municipal authorities and major institutions, the Division connects policy intent with action on the ground and addresses the conditions that shape adoption beyond individual entity performance.

This approach connects policy with implementation, Government institutions with CGD entities, and infrastructure availability with opportunities for gas adoption. Engagement with States has supported policy reforms, dialogue on fiscal measures has strengthened the competitiveness of PNG and CNG, and institutional partnerships have brought concentrated demand opportunities into the implementation pipeline.

At the center of this effort is a simple principle: gas expansion becomes stronger when institutions surrounding the network move together. The Division creates that alignment by bringing the relevant authority, implementation requirement, and authorized entity into a common view, allowing opportunities to move from policy intent towards adoption and sustained use.

> "The Monitoring Division connects PNGRB's regulatory objectives with Central Ministries, State Governments & major institutions, helping coordinated policy and implementation action remove barriers, expand gas adoption & strengthen utilization."

5.1 Engagement with Central Ministries & States for CGD Expansion

CGD expansion increasingly depends on coordinated action across Government. Municipal permissions, road-cutting, restoration, residential access, institutional conversion, and local coordination often lie beyond the immediate control of CGD entities. The Division has

stepped into this interface to bring such issues before the institutions best positioned to act.

At the Central Government level, the Division engaged with the **Ministry of Petroleum and Natural Gas** on PNG and CNG adoption, pipeline connectivity, gas allocation, infrastructure utilization, and performance of public-sector oil and gas entities, including opportunities to improve utilization of Natural Gas Pipelines and Petroleum & Petroleum Product Pipelines.

Meeting with State CMs & Hon'ble Governors



Administrator of Chandigarh & Gov. of Punjab



Assam, CM



Madhya Pradesh, CM



Jammu & Kashmir, CM



Gov. of Punjab & Administrator, Chandigarh

Meeting with State Chief Secretaries



Odisha



Rajasthan



Uttar Pradesh



Haryana



West Bengal



Assam



Madhya Pradesh



Himachal Pradesh



Uttarakhand



Andhra Pradesh

Engagement with the **Ministry of Housing and Urban Affairs** focused on municipal conditions affecting CGD expansion, particularly road-cutting permissions, residential



access, internal PNG infrastructure, and coordination with urban authorities. Joint reviews involving PNGRB, MoPNG, MoHUA, State officials, municipal authorities and authorized CGD entities brought these requirements onto a common implementation platform.

The scale of this engagement was substantial. On **28 March 2026**, a comprehensive review on municipal permissions covered **30 municipal corporations, 27 Geographical Areas and 16 CGD entities**. On 2 April 2026, the engagement expanded to **27 CGD entities, 18 States, 220 districts and more than 200 municipal and statutory authorities**, creating a direct interface between CGD entities and the authorities responsible for enabling access, permissions, and local implementation.

The Division also carried the CGD agenda to senior State leadership. Communications were issued to the **Chief Secretaries of all 36 States and Union Territories** on PNG and CNG promotion and wider gas adoption, followed by focused State visits and senior-level engagements in **Himachal Pradesh, Jharkhand, Uttar Pradesh, Chhattisgarh, Punjab, Chandigarh, and Jammu & Kashmir.** These interactions brought State-specific impediments relating to permissions, policy support, VAT rationalization, RoU & restoration charges, CNG adoption and infrastructure development into direct administrative focus.

State engagements translated national priorities into administrative attention. In Jharkhand, discussions with the Chief Secretary focused on natural gas expansion, timely approvals, policy support, and VAT rationalization. In Chandigarh, the agenda covered CGD policy, VAT, RoU and restoration charges and CNG adoption. These interventions moved implementation issues beyond desk-based review and created a direct institutional

channel between PNGRB, State Governments and CGD entities.

This senior-level interface extended into the district and city implementation chain, where administrations, municipal bodies, Urban Local Bodies, Resident Welfare Associations, and building-level stakeholders influence land availability, permissions, restoration and last-mile access. By bringing these dependencies into one view, the Division connected national and State priorities with the local actions required to advance CGD expansion.

The engagement also helped identify where Government support could translate existing infrastructure into greater gas use. Mature urban markets offered opportunities for deeper PNG penetration and activation of physically connected but unbilled consumers, while institutional establishments and public-sector facilities represented concentrated demand opportunities. These priorities created a natural bridge to the targeted institutional adoption initiatives that follow.

The significance of this effort lies in the implementation chain created through engagement. The Division connected opportunity, constraint, responsible authority and authorized CGD entity, giving each issue a clearer pathway towards action. Government engagement thereby became an active instrument for expanding PNG and CNG adoption, improving infrastructure utilization, and preparing ground for the policy reforms and institutional initiatives that follow.

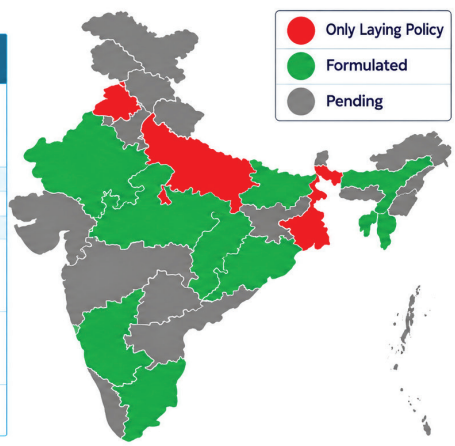
5.2 Adoption of State CGD Policies

As CGD networks expanded across the country, a critical implementation gap became visible. While national regulations provided the overarching framework, dedicated State CGD policies were recognized as necessary to sustain momentum on the ground, particularly in areas such as permissions, Right of Way, road restoration, local coordination, and approvals involving multiple authorities.

The Monitoring Division placed this challenge on the broader State policy agenda and assisted States in formulating their own CGD policy frameworks. Through sustained engagement with State Governments and senior officials, the Division helped convert

States with CGD Policy

S. No.	State	Year of Implementation
i.	**Punjab** *(for CGD infrastructure laying)*	**2018**
ii.	**Uttar Pradesh** *(for CGD infrastructure laying)*	
iii.	**Assam**	**2022**
iv.	**Tripura**	**2022**
v.	**Karnataka**	**2023**
vi.	**West Bengal** (only Laying Policy)	
vii.	**Tamil Nadu**	
viii.	**Puducherry**	
ix.	**Madhya Pradesh**	**2025**
x.	**Bihar**	
xi.	**Rajasthan**	
xii.	**Chhattisgarh**	**2026**
xiii.	**Odisha**	



recurring field-level bottlenecks into structured reforms for more predictable and coordinated CGD development.

Four priorities became central to this effort: State and district coordination committees, deemed permissions, dig-and-restore policies, and rationalized rental or lease charges. Keeping these issues under regular review allowed field experience to inform State-level decision-making and helped move long-standing constraints towards institutional reform.

The progress of this effort is reflected in the spread of State-level CGD frameworks. **As of August 2026, 10 States and Union Territories** had notified and implemented comprehensive State CGD policies: Tripura, Tamil Nadu, Puducherry, Karnataka, Assam, Rajasthan, Bihar, Madhya Pradesh, Chhattisgarh, and Odisha. Punjab, West Bengal, and Uttar Pradesh have also implemented CGD pipeline-laying policies.

The Division also assessed whether notified reforms were translating into practical implementation. At the relevant reporting cut-off, nine States had implemented all four assessed reforms: Andhra Pradesh, Assam, Bihar, Gujarat, Kerala, Madhya Pradesh, Rajasthan, Tamil Nadu, and Telangana. Karnataka, Maharashtra, Odisha, Puducherry, and Uttar Pradesh had adopted different measures partially, while further action or limited applicability remained in other States and Union Territories.

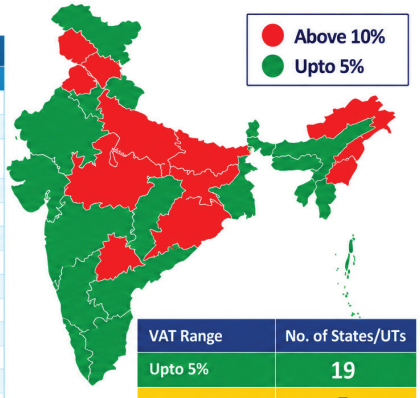
5.3 VAT Rationalization

As State engagement deepened, fiscal competitiveness emerged as a decisive factor for gas adoption. VAT on PNG and CNG directly affects conversion economics, while variations in infrastructure-related charges and procedures influence the speed and cost of CGD development.

The Division brought these concerns into its structured engagement with States, connecting **field-level implementation experience with policy action**. This kept fiscal rationalization within the wider agenda of promoting PNG and CNG adoption and improving utilization of the CGD infrastructure already created.

VAT Reduction In Last 5 Years

S. No.	State	VAT (%)		Effective Date of current VAT	
		PNG	CNG	PNG	CNG
i.	Andhra Pradesh	5	5	01-04-2024	-
ii.	Bihar	12.5 (on Input)	12.5 (on Input)	03-10-2024	-
iii.	Dadra & Nagar Haveli & Daman & Diu	6	6	16-07-2025	-
iv.	Goa	4	4	15-06-2023	-
v.	Gujarat	5	5	18-10-2022	-
vi.	Karnataka	5.5	5	04-11-2021	01-09-2022
vii.	Rajasthan	7.5	7.5	10-07-2024	-
viii.	Chhastisgarh	5.0	5.0	23-08-2024	-
ix.	Maharashtra	3	3	01-04-2022	-
x.	Uttarakhand	5	10	20-01-2026	-
xi.	Sikkim	5	5	01-04-2026	-
xii.	Meghalaya	5	5	07-04-2026	-
xiii.	Assam	5	5	14-08-2026	-
xiv.	Ladakh	5	5	28-08-2026	-
xv.	Chandigarh	5	5	18-09-2026	-



VAT Range	No. of States/UTs
Upto 5%	19
Between 5% to 10%	5
More than 10%	11

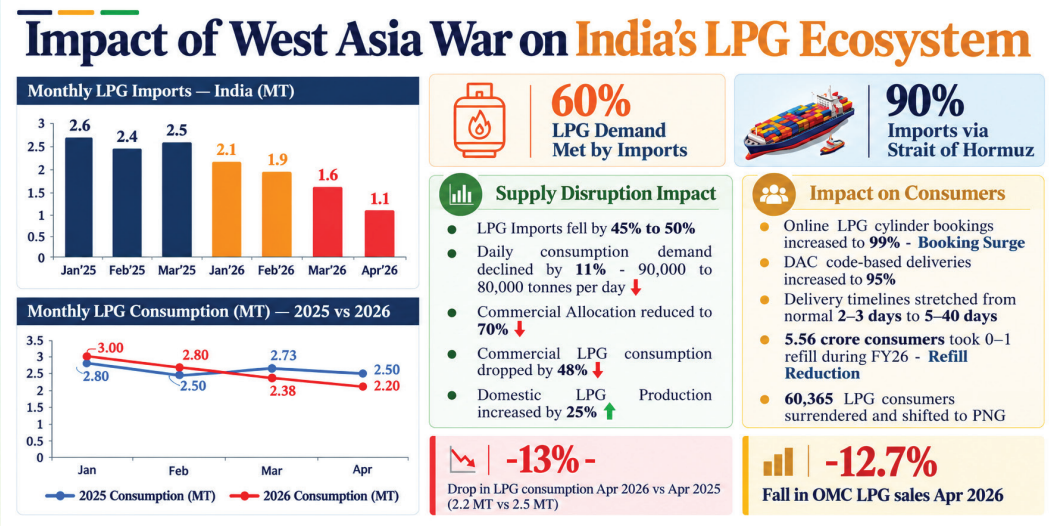
A key focus was **VAT rationalization for PNG and CNG**. By highlighting the link between taxation, affordability, fuel choice and infrastructure utilization, the Division strengthened the economic case for natural gas across households, transport, commercial establishments, and industries. The impact is visible in movement towards more competitive VAT structures. Assam reduced VAT on PNG **from 14.5 to 5% in August 2026**, improving the conditions for wider adoption. **Sikkim and Ladakh** also notified 5% VAT on natural gas, reinforcing the shift towards a more enabling fiscal environment.

By keeping VAT rationalization connected with the broader gas-adoption agenda, the Division maintained focus on **affordability, consumer conversion, and improved utilization of the expanding CGD network**. Engagement on VAT-related measures covered Odisha, Puducherry, Telangana, Punjab, Uttar Pradesh, Himachal Pradesh, and Chandigarh, along with further engagement with Jharkhand, Madhya Pradesh, and Assam.

5.4 Supporting Energy Security during West Asia LPG Crisis

The West Asia crisis in 2026 brought the resilience of India's LPG supply chain into sharp focus. Disruptions to international supply routes affected imports, commercial availability, consumption patterns, and delivery timelines, while reinforcing the strategic importance of pipeline-based natural gas infrastructure as a complementary energy pathway.

For the Division, the response required a sector-wide view of supply, demand, and consumer movement. Information on LPG imports, domestic production, allocation, consumption, and delivery conditions was consolidated to support engagement with Ministries, Oil Marketing Companies, CGD entities and other stakeholders. The assessment recorded a **45% to 50% decline in LPG imports**, around **48% reduction in commercial LPG consumption** and an approximately 11% fall in daily LPG demand, while domestic LPG production increased by around **25%**, partly offsetting the pressure.



The crisis also sharpened the relevance of PNG as an alternative to cylinder-based supply wherever CGD networks were operational. Using the framework created by PNGRB,

MoPNG envisaged an early transition from LPG to PNG for consumers. During the period, **60,365 LPG consumers surrendered their connections and shifted to PNG**, demonstrating how pipeline connectivity can support household energy continuity when conventional supply chains face stress.

This insight translated into immediate action. PNGRB directed CGD entities to expedite DPNG connections, while National PNG Drive 2.0 was extended to **30 June 2026** to sustain expansion at a critical juncture. Government measures further encouraged States and CGD entities to accelerate adoption and strengthen last-mile connectivity.

Facilitating Additional LPG Availability through CGD Reform

The wider supply pressure also required a reliable basis for assessing State-level CGD reforms linked with additional LPG quota. Acting as the nodal facilitation interface, the Division brought together field inputs from CGD entities through designated State-Level Coordinators and validated the compliance position conveyed by States to MoPNG.

State Wise Reforms Implemented

11 States — Fully Compliant (10%)	5 States — Partially Compliant	10 States — CGD Conditions not applicable (Newly Authorized)	12 States — Others
Andhra Pradesh	Karnataka (8%)	Manipur	Chhattisgarh
Assam	Puducherry (8%)	Mizoram	Chandigarh
Bihar	Uttar Pradesh (8%)	Nagaland	Goa
Delhi NCR	Maharashtra * (3%)	Sikkim	Haryana
Gujarat		Jammu & Kashmir	Himachal Pradesh
Kerala		Ladakh	Jharkhand
Madhya Pradesh		Arunachal Pradesh *	Punjab
Odisha		Meghalaya *	Tripura
Rajasthan		Andaman & Nicobar	Uttarakhand
Tamil Nadu		Lakshadweep	West Bengal
Telangana			Dadra & Nagar Haveli and Daman and Diu

* State specific conditions apply

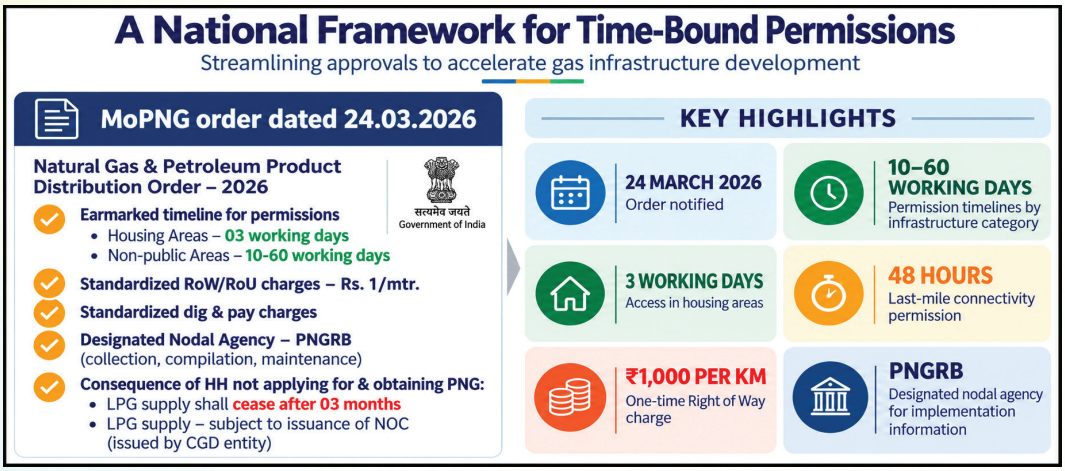
This created an important State–CGD Entity–PNGRB–MoPNG coordination interface, allowing policy directions to be tested against field-level implementation. The consolidated assessment captured State-wise reform status and linked compliance levels with recommendations on additional LPG allocation, providing a data-backed and implementation-oriented basis for decision-making.

> "During a period of heightened pressure on the LPG ecosystem, the Division stepped beyond conventional monitoring to provide a real-time, field-validated coordination mechanism connecting States, CGD entities and MoPNG."

5.5 MoPNG Control Order: A Framework for Time-Bound Permissions

The momentum created through State-level engagement was strengthened by the Natural Gas and Petroleum Products Distribution Order, 2026, notified on **24 March 2026**. The Order established a common national framework for permissions, Right of Way and Right of Use for pipelines and associated facilities, bringing greater uniformity, predictability, and time discipline to CGD infrastructure development.

The framework introduced permission timelines of 10 to **60 working days**, depending on the nature and location of the infrastructure. For housing areas, access and permission are to be provided within **3 working days**, while last-mile domestic PNG connectivity is to be enabled within **48 hours**, subject to technical feasibility and applicable provisions. It also standardized key charges, including a **one-time RoW charge of ₹1,000 per kilometer** and defined dig-and-pay restoration charges.



With **PNGRB designated as the nodal agency** for collecting, compiling, and analyzing implementation information, the Order created a common backbone for tracking applications, permissions, rejections, pending cases, and compliance across States.

For the Division, this reform marked a shift from identifying implementation barriers to helping shape the conditions that remove them. By bringing field evidence into Government engagement and sustaining attention on State reforms, it helped create a stronger policy environment for CGD expansion.

The achievement lies not only in the notification of the Order, but in the institutional change it enables. Recurring implementation challenges can now be addressed through a more predictable framework, while States and implementing authorities have a clearer reference point for time-bound permissions and supporting infrastructure approvals.

Driving Implementation of the MoPNG Control Order

The Division's intervention extended from policy engagement to **uniform implementation of the MoPNG Control Order across States**. Its follow-through focused on application fees, RoW and RoU charges, dig-and-pay charges, waiver of lease or rental charges and bank guarantees for dig-and-restore works.

MoPNG Control Order Implementation Status (As on 31.08.2026)

S. No	States / UT	Uniform Application Fees	Uniform RoW/RoU Charges	Uniform Dig & Pay Charges	Waiver in Lease/Rental Charges	Provision of BG: Dig & Restore
1	Andhra Pradesh, Bihar, Chhattisgarh, Delhi, Karnataka, Madhya Pradesh, Rajasthan, Telangana, Tripura, Uttar Pradesh (10 States)	Compiled	Complied	Compiled	Complied	Complied
2	Assam, Gujarat, , Haryana Maharashtra (4 States)	Compiled	Compiled	Complied	Not Complied	Complied
3	Goa	Compiled	Compiled	Compiled	Complied	Not Complied
4	West Bengal	Compiled	Complied	Not Complied	Not Complied	Complied
5	Chandigarh, Kerala, Odisha (3 States)	Not Complied	Not Complied	Not Complied	Not Complied	Compiled
6	Himachal Pradesh, Jharkhand, Puducherry (UT), Uttarakhand, Punjab, Tamil Nadu, Sikkim (7 States)	Not Complied	Not Complied	Not Complied	Not Complied	Not Complied

This created a structured bridge from national policy direction to **State-level implementation and measurable compliance**. It also provided a clear basis to identify where provisions had been implemented, where partial action remained and where further engagement was required.

The sustained follow-through delivered a strong implementation response. 10 States achieved compliance across all 5 provisions: Andhra Pradesh, Bihar, Chhattisgarh, Delhi, Karnataka, Madhya Pradesh, Rajasthan, Telangana, Tripura, and Uttar Pradesh. Several other States implemented most provisions, while the State-wise exercise brought remaining gaps into focus.

The achievement lies in the mechanism behind this progress. Provisions were kept under active follow-up, gaps were brought into Government engagement and actions required from individual States became visible. In this way, the MoPNG Control Order moved from a national directive into a practical implementation agenda.

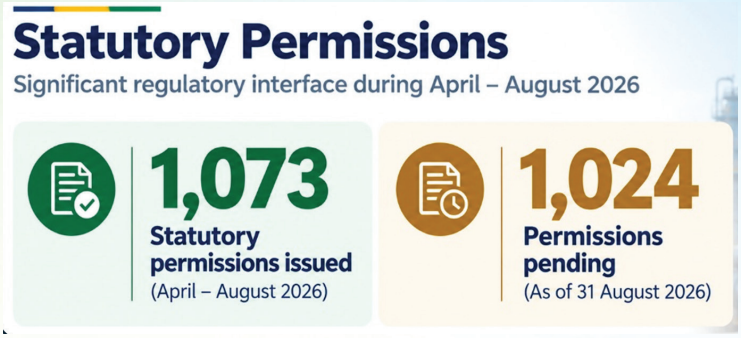
This work was linked with the wider Government push to accelerate CGD implementation. The March 2026 directive to State Chief Secretaries covered deemed permissions, mandatory 24-hour approvals for new permissions, waiver of restoration and permission charges, and 24×7 working permissions, reinforcing the connection between national policy direction and action on the ground.

Together, these interventions demonstrate how policy priorities were converted into implementation action. By following through on State reforms and the MoPNG Control Order, the Division helped create a more supportive environment for CGD infrastructure development and gas adoption.

Expediting Critical Permissions

One key intervention was the systematic identification and follow-up of permission-related bottlenecks affecting CGD execution. Based on entity inputs, pending and critical permissions were mapped and the concerned authorities were engaged for expedited

resolution. Particular attention was given to PESO, NHAI and Indian Railways, where approvals can directly influence pipeline laying, crossings, and associated infrastructure. The Division pursued these matters through structured follow-up, stakeholder coordination and escalation wherever required, converting identified bottlenecks into time-bound actionable items.



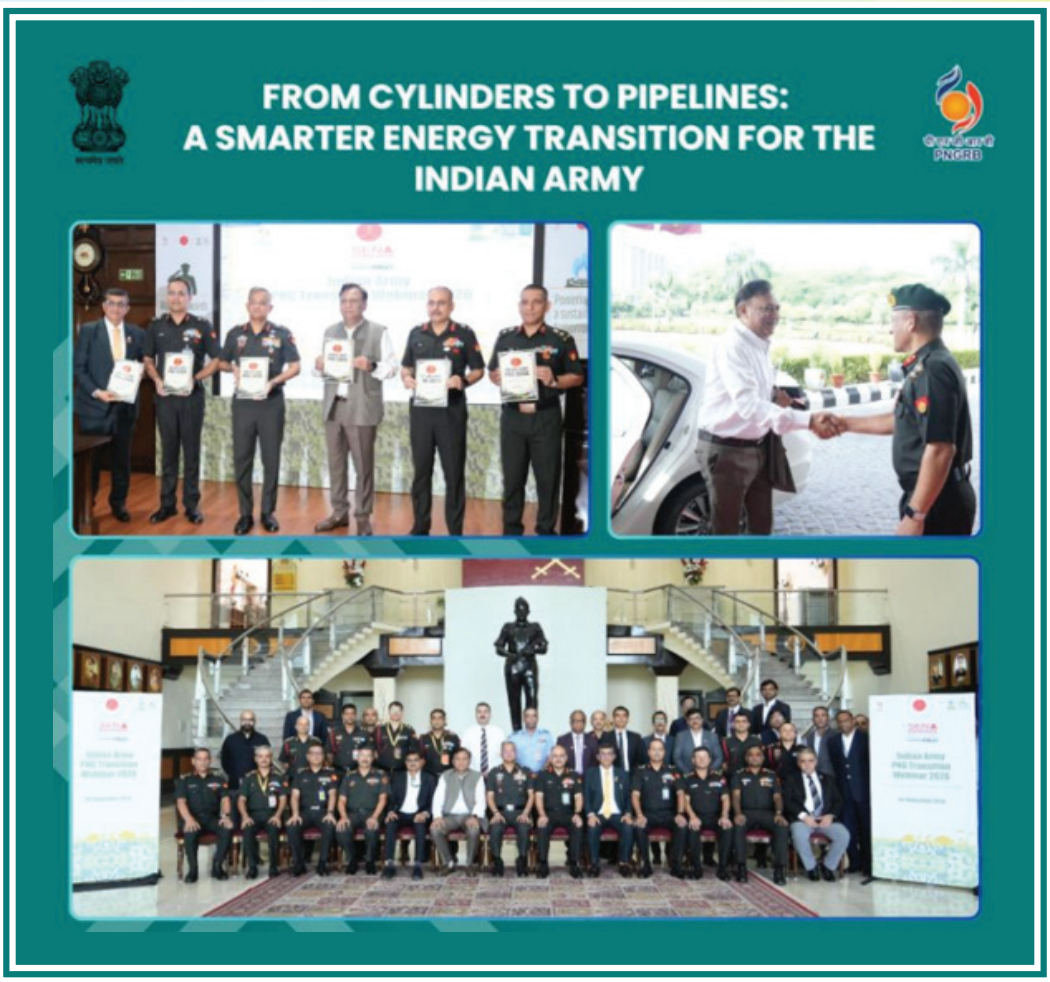
By connecting entity-level bottlenecks with the appropriate decision-making authority, the Division helped move permission matters from fragmented correspondence to coordinated resolution, supporting faster execution and reducing avoidable delays in CGD network expansion.

5.6 Partnership with Defense

Defense establishments represent a significant opportunity for institutional PNG adoption wherever CGD infrastructure is already available. Residential quarters, messes, canteens, hospitals, kitchens, and common facilities create concentrated and sustained energy demand, allowing network availability to be converted into large-scale institutional gas consumption.

This opportunity was taken forward through a structured partnership between **PNGRB and the Indian Army for transition of 41 Army Stations to PNG during FY 2026-27**. The Monitoring Division helped build the implementation pathway by bringing together network readiness, institutional requirements, regulatory provisions and authorized CGD entities responsible for execution.





A key early step was the identification of locations where conversion could be advanced quickly. On **10 April 2026**, the list of Indian Army areas and units with PNG infrastructure ready for conversion was shared with the Department of Defense, placing network availability and institutional demand within a common implementation framework.

A major milestone was the **Indian Army PNG Guide**, released as part of the transition programme. The Guide provides a common reference for administrative, technical, safety, and implementation requirements. During the **Indian Army PNG Transition Webinar on 1 September 2026**, the Division presented **"Government Policies, Regulatory Provisions and PNG Ecosystem for Army"**, bringing the policy and regulatory framework directly to the institutions responsible for implementation.

At each Army station, the implementation view brings together CGD network availability, supply feasibility, residential and institutional demand, internal pipeline requirements, access conditions, and metering arrangements. This creates a coordinated pathway in which the Army addresses institutional approvals and access, while authorized CGD entities take

forward technical feasibility, infrastructure development, metering, and gasification.



The strength of this initiative lies in the institutional model it creates. The Army brings leadership and access, authorized CGD entities bring technical and infrastructure capabilities, and the Division connects the regulatory framework, implementation requirements, and stakeholder actions into a common pathway.

The engagement progressed into a broader Defense Conclave, where the transition programme was taken forward through institutional coordination and partnership. An MOU was signed, providing a formal foundation for continued collaboration across Defense establishments, while the Indian Army PNG Guide and structured follow-through supported implementation. The 41-station programme gave this partnership a defined target and a

clear pathway from identifying demand opportunities and potential locations to actual gasification. It marks a significant expansion of PNG adoption into a large institutional ecosystem, demonstrating how identified demand can be converted into coordinated implementation programmes, extending the value of existing CGD infrastructure and opening a scalable pathway for gasification across Defense establishments.

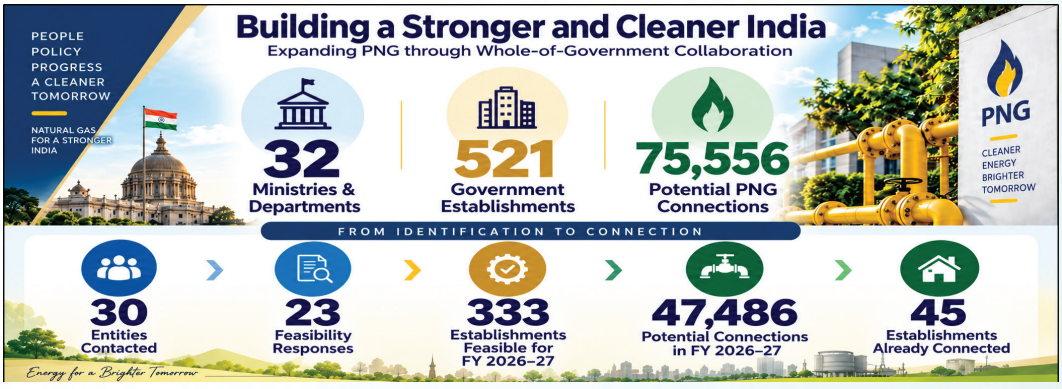
The Division translated the partnership into an actionable programme by aligning the regulatory framework, available CGD infrastructure and station-level requirements. Its coordination of the Defense–CGD entity interface helped move the initiative beyond a broad policy objective towards a structured conversion programme.

5.7 Adoption of PNG in Government Residential Establishments

The Division extended its institutional adoption efforts to **Government residential establishments**, where large concentrations of households can be connected through existing or expanding CGD networks. Instead of treating these as scattered connection opportunities, it adopted a systematic approach to identify potential across Ministries and Departments, map establishments to authorized CGD entities and assess conversion feasibility.

The exercise covered **32 Ministries and Departments and 521 Government residential establishments**, representing a potential of 75,556 PNG connections. By quantifying this opportunity, the Division created a clear basis for targeted engagement and moved Government residential PNG adoption from a broad objective to a structured implementation programme.

The programme then moved from identification to feasibility assessment. In the first



round, communications were issued to **30 entities**, with feasibility input received from **23 entities**. The exercise identified **333 establishments as feasible for PNG adoption during FY 2026-27**, representing a potential of **47,486 connections**. At the same time, **45 establishments were already connected**, showing that identified potential was beginning to translate into actual adoption. The strength of the initiative lies in the implementation pathway created around this opportunity. Each identified establishment is connected with the relevant authorized CGD entity, while network availability and technical feasibility are brought into view.

SECTION VI

Enabling Ease of Doing Business

"Things alter for the worse spontaneously, if they be not altered for the better designedly."

Francis Bacon
Philosopherand essayist, England

6. Simplifying Regulatory Processes, Enabling Implementation

As India's natural gas infrastructure expands, implementation increasingly depends on financial securities, regulatory applications, verification processes, and statutory approvals. These requirements are essential for accountability, but the efficiency with which they are administered can influence how quickly projects move from commitment to execution.

The Monitoring Division has taken a proactive approach to identifying such process-related constraints. Through continuous engagement with authorized entities and examination of recurring project-level issues, the Division has identified opportunities to make regulatory processes more efficient, transparent, and responsive without compromising safeguards.

This approach has translated into targeted reforms covering **Performance Bond rationalization, Financial Closure facilitation, online regulatory processing, alternative gas-supply NOCs, and statutory permission tracking**. Together, these interventions reduce avoidable friction, improve process visibility, and help release financial and managerial capacity for infrastructure development and consumer service.

Ease of Doing Business, therefore, is not about reducing regulatory responsibility. It is about making regulation more proportionate and responsive to implementation, so that accountability and timely execution move together.

6.1 Unlocking Capital via Performance Bond Rationalization

A **Performance Bond** is a financial security furnished by an authorized entity to safeguard infrastructure development and Minimum Work Programme commitments. It provides regulatory assurance that obligations remain financially secured. As an entity fulfils its commitments, however, retaining the original level of Performance Bond can continue to occupy substantial banking capacity that could otherwise support network expansion, procurement, and consumer connections.

Performance Bond Reduced (11 GAs)

S. No.	Geographical Area (GA ID)	Initial Performance Bond Value (in Cr.)	Reduced Performance Bond Value (in Cr.)
1	Bengaluru Rural and Urban Districts (4.01)	5,200	2,080
2	UT of Daman (4.06)	204	82
3	North Goa District (6.07)	1,504	602
4	Dahej Vagra Taluka (6.05)	904	362
5	Rewari District (6.15)	1,052	421
6	Rohtak District GA (ID: 6.17)	713	285
7	Karnal District GA (ID: 8.02)	1,236	494
8	Amritsar District GA (ID: 4.07)	2,212	885
9	Anand District GA (ID: 6.10)	662	265
10	South Goa GA (ID: 8.01)	1,623	649
11	Panipat District GA (ID: 4.02)	453	181

Under the applicable framework, achievement of the prescribed work programme enables

the Performance Bond to be **reduced to 40% of its original value**. The reduction is supported by a structured verification process, including submission of required data, tele-verification of 1% of submitted connections and physical verification before the matter is placed for Board consideration.

The impact has been substantial. Performance Bonds have been reduced for **11 Geographical Areas**, unlocking approximately **₹9,458 crore** of capital. This provides a significant incentive for timely MWP achievement while enabling CGD entities to redeploy capacity towards further PNG network expansion, consumer connectivity, and infrastructure development.

The achievement represents more than a reduction in financial security. It reflects a **performance-linked regulatory approach**, where demonstrated progress creates corresponding financial flexibility. By bringing implementation evidence into regulatory decision-making, the Division has helped unlock capital previously tied up in guarantees and enabled its more productive deployment towards continued expansion of the gas network.

6.2 Facilitating Financial Closure

Financial Closure marks the transition from regulatory authorization to financial and execution readiness. It establishes whether the funding arrangements required for procurement, mobilization, construction, and commissioning are in place, and whether the entity is prepared to advance the project in line with authorized commitments.

The Board is proactively facilitating Financial Closure where entities face genuine difficulties, particularly in current cases relating to 12th round Geographical Areas. The objective is to balance regulatory timelines with the realities of project development, enabling progress through evidence-based consideration wherever a credible financing pathway and clear milestones are demonstrated.

The Division reviews the financing pathway, supporting evidence, project readiness, and entity responses, ensuring that financial commitments remain aligned with the broader implementation schedule. Its role therefore extends beyond compliance assessment: it facilitates viable projects while maintaining regulatory discipline, so that procedural delays do not unnecessarily impede CGD infrastructure development.

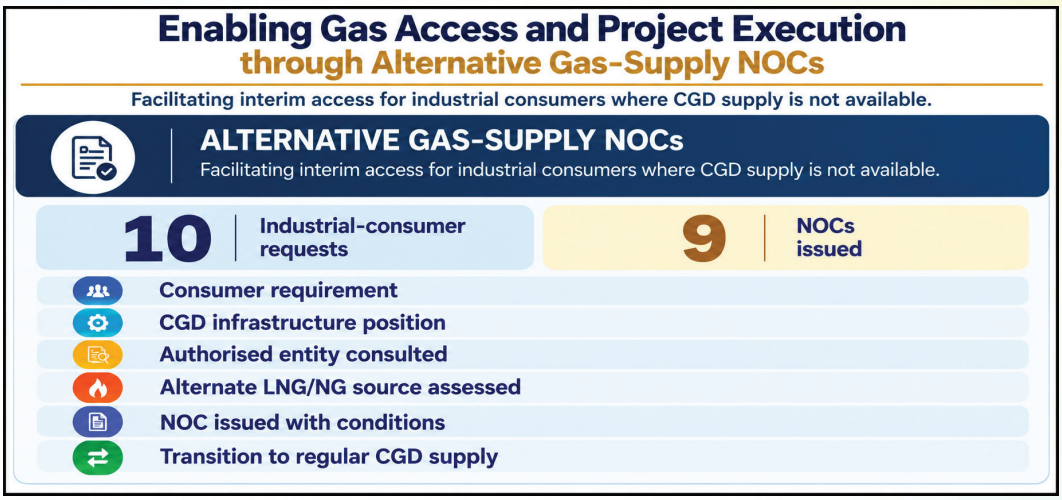
> "Facilitating Financial Closure is not merely about extending timelines—it is about enabling viable projects to move forward while ensuring accountability, financial preparedness and sustained momentum towards DPNG expansion."

6.3 Enabling Project Execution through NOCs

Ease-of-Doing-Business efforts also extend to a practical requirement of gas adoption: **timely access to gas and the infrastructure needed to deliver it**. Adoption by societies and consumers becomes possible only when they are aware of the option and the pathway to use it; faster awareness supports faster growth. In several cases, industrial consumers are ready to shift to natural gas before the authorized CGD network is fully

available at their location. Without an interim supply pathway, this gap can delay fuel conversion, affect production planning, and defer investment decisions.

PNGRB's regulatory framework provides for such consumers where CGD or pipeline connectivity is not yet available, but gas can be an alternate fuel required for their plants. These cases are examined in relation to the **consumer's gas requirement, CGD network status, authorized entity's readiness and proposed alternative supply arrangement**. A No Objection Certificate enables interim LNG or natural gas supply until regular CGD connectivity is available, allowing immediate demand to progress within the regulatory framework.



The impact is already visible. Against 10 **industrial-consumer requests** examined, 9 NOCs have been issued, creating an alternative route to gas access for eligible consumers and helping bridge the gap between immediate demand and future CGD connectivity.

The Division's role also extends to permissions required for physical construction and commissioning. CGD and pipeline projects often depend on approvals for road cutting, Right of Way and Right of Use, railway and highway crossings, land access, PESO requirements and permissions from State departments, Urban Local Bodies, and other competent authorities. These approvals sit across different institutions, and delay in any one of them can affect the project sequence.

Rather than treating permissions as isolated administrative matters, the Division brings them into a consolidated implementation view. It tracks the authority involved, location, age and criticality of each approval, identifies those capable of affecting project timelines and connects the requirement with the stakeholder responsible for resolution. This creates greater visibility over the approval chain and helps ensure that a resolved permission translates into the next stage of physical execution.

SECTION VII

Monitoring Impact and the Road Ahead

"The future of monitoring lies in deeper intelligence, faster action and greater impact."

John Schaar

American political theorist, educator, and author

7. Shaping the Next Phase of Transformation

The City Gas Distribution sector is entering a new phase. As networks expand, consumer numbers increase and implementation becomes more complex, effective monitoring must evolve alongside the sector. The Monitoring Division is therefore moving beyond conventional assessment of physical progress towards a more integrated approach that brings together digital information, field-level evidence, operational performance, and stakeholder experience.

This evolution is being driven by a clear objective: to make implementation more visible, verification more reliable, regulatory processes more efficient and interventions more timely. The Monitoring Division is strengthening the quality and accessibility of information available for decision-making while using technology to identify emerging issues, improve transparency and connect stakeholders more effectively.

The Division's recent initiatives reflect this transformation across the implementation cycle. Unified digital platforms, electronic Performance Bond processing, AI-enabled consumer verification and independent physical verification are strengthening the way information is collected, validated, and acted upon. At the same time, the next phase of PNG adoption is being shaped around utilization, consumer conversion, and measurable outcomes rather than infrastructure creation alone. Together, these initiatives mark an important evolution in the Monitoring Division's role. Monitoring is becoming more digital, more evidence-led and increasingly focused on converting information into action and action into measurable impact.

7.1 New Initiatives

As the City Gas Distribution sector expands in scale and complexity, the Board is strengthening the tools and systems through which implementation is observed, verified, and acted upon. The recent initiatives are aimed at addressing a common challenge across the sector: how to make regulatory oversight faster, more transparent, more evidence-based and better connected with the experience of consumers and authorized entities.

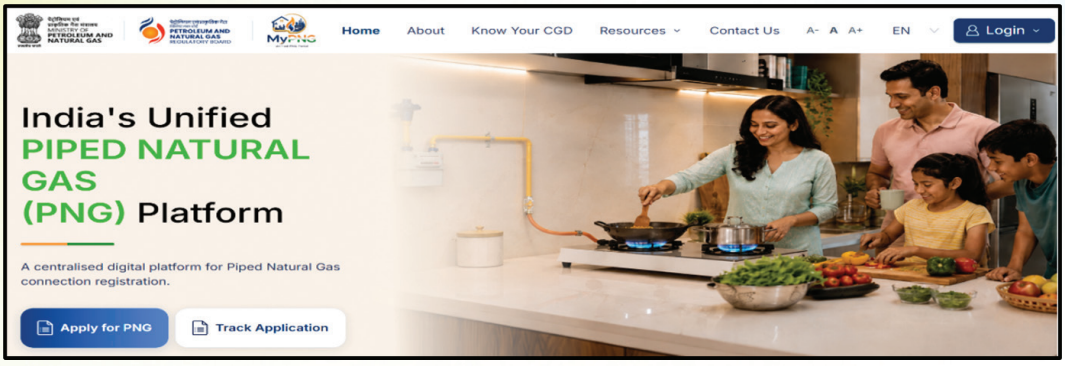
This transformation is taking shape across multiple dimensions viz bringing consumer onboarding onto a unified digital platform, digitizing Performance Bond processing, exploring Conversational AI for large-scale consumer verification and strengthening physical verification through independent Third-Party Agencies. Together, these initiatives represent a shift towards technology-enabled monitoring, stronger evidence, and greater visibility across the implementation cycle.

Unified PNG Portal

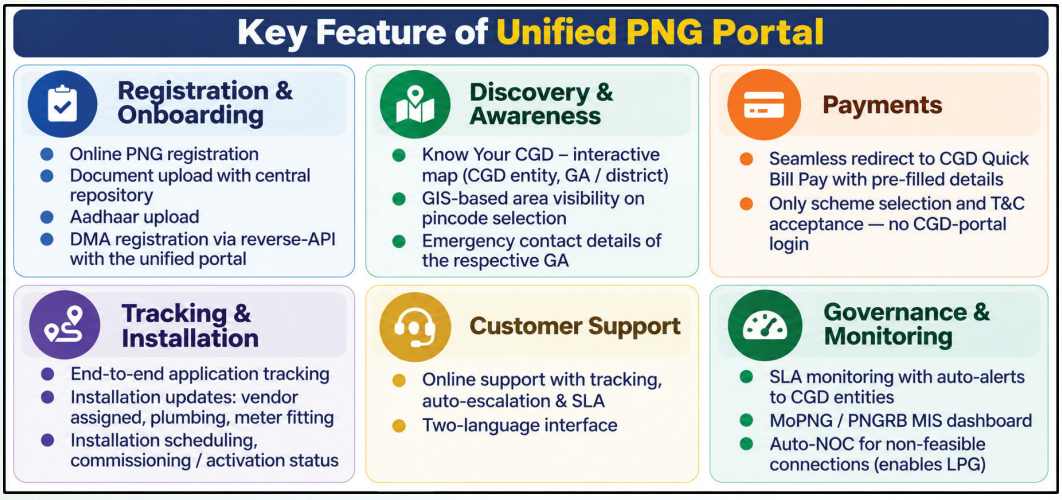
The expansion of CGD networks has created a growing need for a simpler and more consistent mechanism for consumers to access PNG. At the same time, the increasing scale of onboarding requires to have a consolidated view of applications, service levels, and

progress across CGD entities. To address this, **MyPNG, the National PNG Customer Onboarding Portal**, as a unified digital platform connecting consumers, CGD entities and the regulatory ecosystem has been implemented.

The vision is to create **one national platform, one standardized customer journey and one connected PNG ecosystem**. The platform brings the consumer journey together from registration and document submission to installation, activation, support, and subsequent services.



The portal enables online PNG registration and document submission while creating a centralized repository of application information. It is also designed to integrate with existing systems, including DMA registration through reverse-API connectivity.



A key feature is **"Know Your CGD,"** which uses an interactive map and GIS-based serviceability linked to pin code selection to help consumers identify the relevant CGD entity, Geographical Area or district and access emergency contact information. This creates greater transparency at the very beginning of the PNG journey. The platform also brings greater visibility to the installation process. Consumers can track milestones such as vendor assignment, plumbing, meter fitting, installation scheduling and commissioning or activation. Online support, automatic escalation, and SLA-based monitoring further

strengthen the consumer interface.

The significance of MyPNG extends well beyond consumer convenience. Its governance layer is designed to provide SLA monitoring, automated alerts, MIS dashboards and standardized operational reporting, giving PNGRB greater visibility of onboarding performance across CGD entities. The platform also creates a foundation for data-driven planning. Centralized application information can support national, State-wise, and CGD-wise analysis, while GIS-based serviceability and integration with NHIMS can connect consumer onboarding with the wider CGD ecosystem.

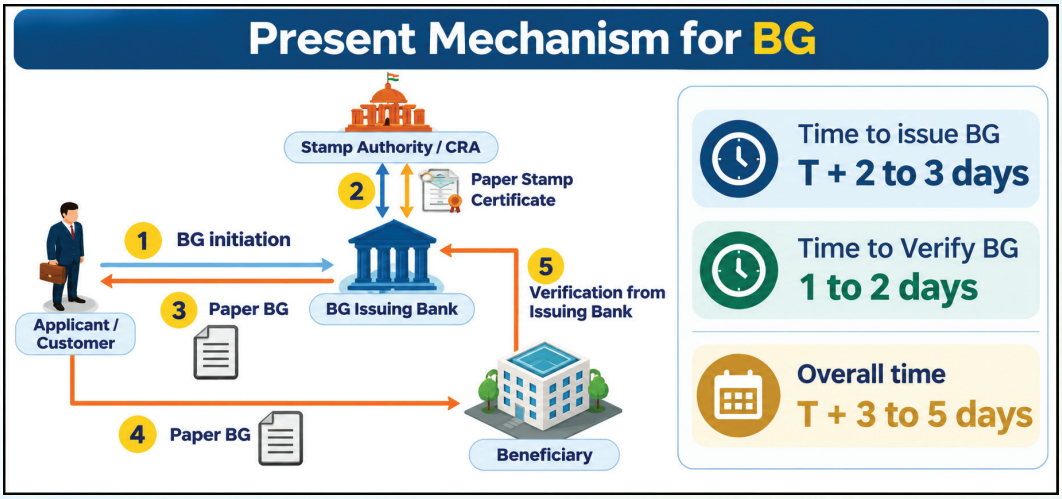
The broader roadmap includes billing and consumption visibility, multilingual support, service requests, alerts, and notifications. **MyPNG creates the possibility of seeing the PNG consumer journey end to end**, allowing delays and service gaps to be identified more systematically, and enabling regulatory oversight to become increasingly responsive to actual consumer experience.

The initiative therefore marks an important step in transforming PNG onboarding from fragmented, entity-specific processes into a **unified national digital journey**, while simultaneously strengthening the PNGRB's ability to monitor performance, identify bottlenecks and support timely intervention.

Digitizing Processing of Performance Bond via e-BG/Hybrid BG

Performance Bonds are an important part of PNGRB's regulatory framework, providing financial assurance that authorized entities fulfil their prescribed commitments and obligations. In the CGD sector, the Performance Bond is linked to adherence to the authorized work programme. The bond is ordinarily valid for three years, with renewal required three months before expiry and provision for encashment one month before expiry. Similar Performance Bond provisions form part of the regulatory framework for natural gas and petroleum and petroleum product pipelines.

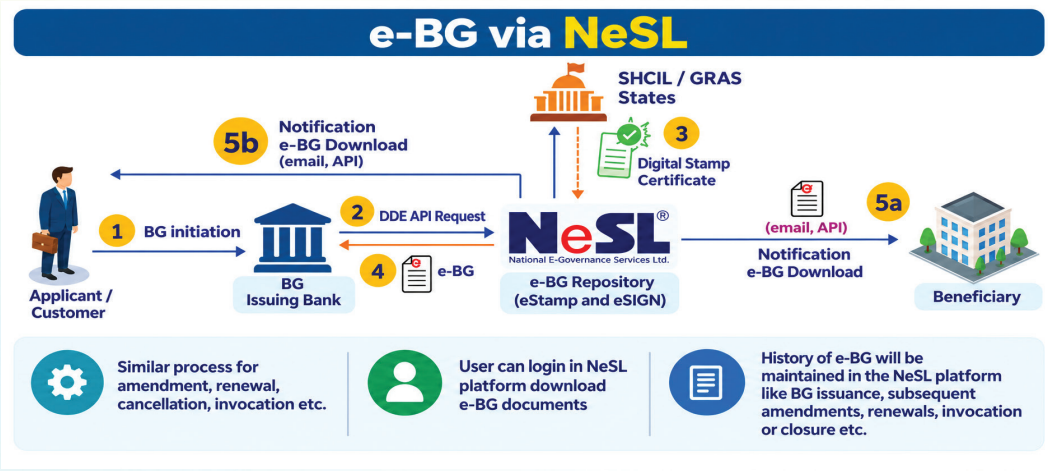
The scale of the regulatory portfolio makes efficient administration of these instruments important. PNGRB currently holds **368 Performance Bond instruments (in**



the form of Bank Guarantee (BG) and Insurance Surety), comprising 309 associated with CGD, 33 with Natural Gas Pipelines and 26 with Petroleum and Petroleum Product Pipelines. Beyond maintaining the required security, effective oversight requires timely visibility of the status of each bond through its lifecycle from issuance and verification to amendment, renewal, invocation, and closure.

The conventional process has involved physical documentation and several manual touchpoints. The authorized entity coordinates with the issuing bank, documents are stamped and submitted to the beneficiary, and the guarantee is subsequently verified. Further correspondence may be required whenever a bond is amended, renewed, invoked, or closed. For the Monitoring Division, which continuously oversees compliance across a large portfolio of authorized entities, this creates a process that is document-intensive and requires considerable follow-up to maintain timely and reliable visibility.

The **Board has therefore taken forward the digitization of Bank Guarantee processing through e-BG/Hybrid BG**, with the objective of strengthening the efficiency, traceability, and monitoring of these regulatory instruments. The initiative brings the process onto an electronic framework through **National e-Governance Services Limited (NeSL)**, enabling Bank Guarantees to be digitally issued, authenticated and maintained through a regulated repository.

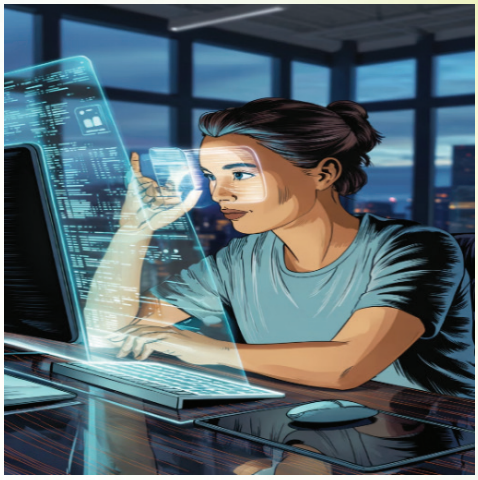


With e-BG, the Bank Guarantee moves from a physical document to a digitally authenticated record with a traceable lifecycle. The authorized entity initiates the bond through its issuing bank, with the relevant information transmitted electronically to NeSL and maintained in the repository. This enables digital verification and provides a common record that can be accessed by the concerned stakeholders. The electronic framework can also support subsequent actions including **amendment, renewal, cancellation, invocation, and closure**, creating greater continuity across the life of the Performance Bond. The introduction of e-BG is scheduled to take effect from **1st October 2026**, after which Bank Guarantees shall be accepted only in e-BG form.

For authorized entities, the shift reduces physical documentation and repeated manual

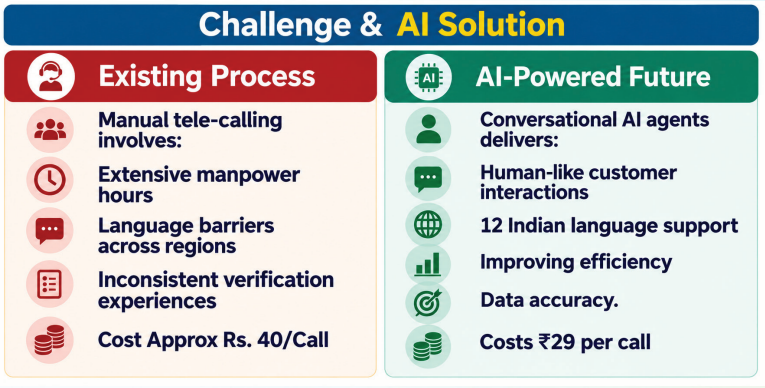
follow-up and makes the management of Performance Bond obligations more streamlined. e-BG will also reduce processing time and simplify subsequent transactions across the lifecycle of the bond. The digitization of Performance Bond will strengthen regulatory oversight through technology, process improvement and will bring ease for the entities.

Tele-verification through Conversational AI



As the City Gas Distribution network expands, consumer-level verification is becoming an increasingly important part of effective monitoring. Verification of PNG connections, particularly in matters such as Performance Bond reduction, requires the Division to establish that reported connections and related information are supported by responses from consumers on the ground. With a growing number of consumers and Geographical Areas, conventional tele-verification by the division can demand substantial manpower, involve language barriers across regions and lead to variations in the verification experience.

The Division has been exploring a technology-enabled approach to address these challenges and bring greater **scale, consistency, and efficiency** to consumer verification. The proposed shift from traditional tele-calling to **Conversational AI** is designed to enable human-like interactions with consumers while capturing responses in a structured and auditable manner. The proposed platform is intended to automate consumer verification of domestic PNG connections and significantly reduce the time required for verification of Performance Bond reduction requests.



The proposed platform is designed to support large-scale outbound campaigns of **50,000 to 1,00,000 calls**, enabling consumer verification to be undertaken at a scale that would be difficult to manage through conventional calling alone. The AI agent is designed to conduct natural, context-aware conversations, adapt to consumer responses and follow the questionnaire prescribed by PNGRB. It is also intended to support multilingual conversations and regional accents, while handling interruptions and maintaining the context of the interaction.

The technology is considered not merely as an automated calling facility, but as a structured monitoring tool. Automated call recordings, speech transcription, conversation summaries, campaign-wise and geography-wise analytics, reports, and MIS can create an auditable trail from individual consumer interactions to the broader verification exercise.

The proposed approach can significantly reduce manual dependency while improving transparency, uniformity, and consistency in the verification process. Automatic generation of recordings, transcripts, reports, and analytics also strengthens auditability, while real-time dashboards can provide the Monitoring Division with campaign-wise, entity-wise, and geography-wise visibility. By combining Conversational AI with structured data capture and analytics, the Division can move towards a more scalable mechanism that supports its evolution from regulator to facilitator through faster monitoring, greater transparency, stronger compliance, and improved stakeholder satisfaction.

TPA Empanelment for physical site verification

As CGD entities report progress against authorized work programmes, PNGRB must establish that reported achievements are supported by actual implementation on the ground. Physical site verification provides this assurance by examining CGD infrastructure development, execution of NGPL and PPPL projects, and Force Majeure claims where field conditions directly influence regulatory assessment.

As the CGD network expands across Geographical Areas, verification requirements are increasing in both scale and frequency. Timely field assessment now requires adequate capacity, consistent methodology and structured mobilization across locations. An independent verification mechanism can strengthen the reliability of evidence available to the Division and bring greater consistency to assessments involving reported connections, infrastructure readiness, pipeline execution, and disruption-related claims.

The **Monitoring Division has therefore initiated the empanelment of Third-Party Agencies (TPAs) for Physical Site Verification (PSV)**. The initiative will supplement documentary scrutiny and tele-verification with independent field-level evidence, enabling qualified external agencies to undertake verification on behalf of PNGRB wherever ground confirmation is required before regulatory consideration.

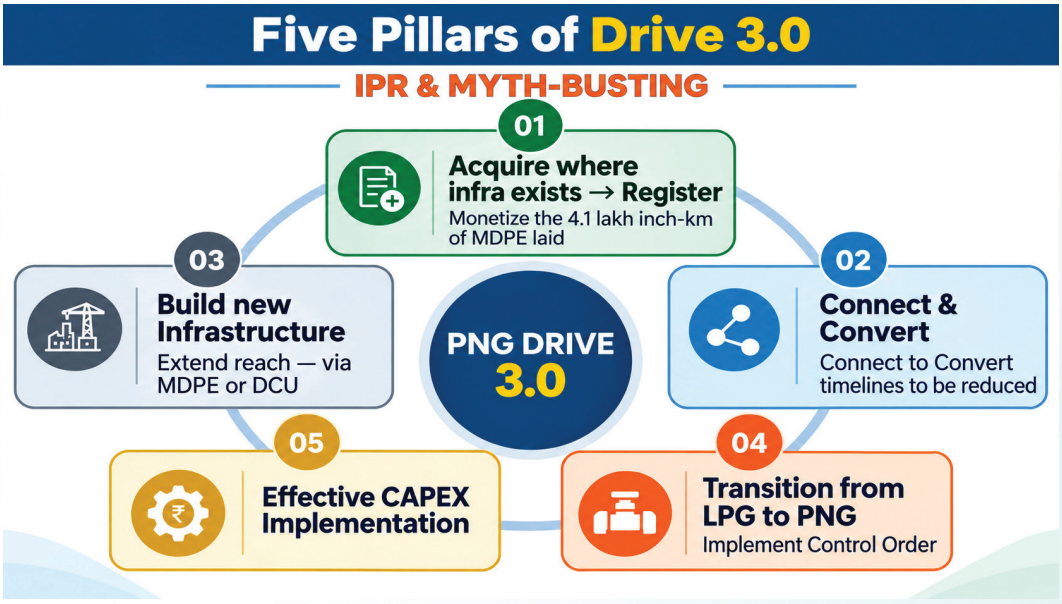
The proposed framework will give the Division greater flexibility to verify implementation across Geographical Areas while maintaining a structured and comparable process. It will help establish whether reported PNG connections, network development, project execution, and site-specific conditions are actually in place, strengthening the evidentiary basis for assessing implementation performance.

Once operationalized, the TPA mechanism will add an important layer of independent field validation to regulatory processes. It will help bridge the gap between **reported achievement and verified ground reality**, support more transparent and timely decision-making and reinforce the movement towards evidence-led implementation assurance.

7.2 PNG Drive 3.0 and Beyond

India remains heavily dependent on LPG for household cooking. While LPG has played an important role in expanding access to modern cooking energy, the **West Asia crisis in 2026 highlighted the vulnerabilities associated with dependence on global LPG supply chains**. The experience reinforced the importance of diversifying India's household cooking-fuel mix and making greater use of natural gas wherever PNG infrastructure is available.

PNG offers an important pathway towards this transition. Delivered through a continuous pipeline network, PNG provides a convenient and reliable cooking fuel without dependence on cylinder-based replenishment. Greater adoption can therefore help reduce dependence on LPG, improve utilization of India's expanding gas infrastructure, and support the country's broader objective of **greater energy self-reliance**. This strategic context has shaped the next phase of the national PNG adoption mission. With substantial CGD infrastructure already in place, the priority is no longer only to expand the network, but to **unlock the potential of infrastructure that has already been created**.



National PNG Drive 3.0 envisages a significant acceleration in household PNG adoption, with a target of **50 lakh new DPNG registrations and 50 lakh new DPNG connections**/infrastructure provision during the campaign period. The Drive will also focus on unlocking the potential of the existing PNG network by converting **40 lakh connected-but-unbilled or dormant connections** into active billed consumers. In areas where PNG infrastructure is available, the campaign will further facilitate the withdrawal/surrender of **40 lakh LPG connections**, thereby promoting a shift towards piped natural gas as a convenient, cleaner, and reliable household cooking fuel.

National PNG Drive 3.0, to be undertaken from **1 October 2026**, is being taken forward

by PNGRB and MoPNG in collaboration with CGD entities, Oil Marketing Companies, and other stakeholders. The Division will drive the implementation focus by bringing consumer conversion, infrastructure utilization, and execution progress into a common view, with emphasis on measurable outcomes.

The experience of **PNG Drive 2.0** provides an important foundation for this next phase. Gaps remained between registration, physical connection, gasification, and billing, with approximately **37% of connected households remaining unbilled**. The time from registration to commencement of gas supply also ranged from around 30 to 180 days. These gaps demonstrate that infrastructure creation and connection numbers alone do not necessarily translate into active PNG consumption.

PNG Drive 3.0 is therefore being shaped around the complete consumer journey, from registration and connection to gasification, billing, and sustained use. Its five implementation priorities are to acquire consumers where infrastructure already exists, accelerate connection and conversion, extend network reach where required, support the transition from LPG to PNG within the applicable framework, and ensure proportionate and effective capital expenditure.

A key opportunity lies in making better use of the nearly **4.1 lakh inch-km of MDPE network** already laid. The proposed **30-day connection mission** is intended to accelerate conversion where infrastructure is ready, shortening the time between consumer registration and active PNG supply. The campaign will also focus on priority colonies and societies, public communication, myth-busting, Resident Welfare Association engagement and digital tracking.

The **Division's approac**h will bring greater attention to where a consumer is held up in the conversion chain. An application awaiting installation, a connection awaiting gas charging, a gasified consumer awaiting first billing and an inactive consumer require different interventions. Identifying these stages allows field teams, materials, communication, and corrective action to be directed towards the specific barrier rather than treating all unconverted consumers alike. For the **Division,** PNG Drive 3.0 marks a shift from monitoring infrastructure creation to **measuring infrastructure utilization and consumer outcomes**. Its success will depend on sustained visibility of the conversion chain, timely identification of bottlenecks and coordinated action by the stakeholders responsible for resolving them.

Acknowledgement



As India's petroleum and natural gas infrastructure expands in scale, complexity and geographical reach, continuous monitoring, timely coordination, and focused implementation support have become increasingly important. **The Monitoring Division serves as the critical link between policy, infrastructure, stakeholders, and consumers, ensuring that PNGRB's objectives translate into visible progress on the ground**. Its work spans CGD networks, natural gas pipelines, and petroleum product pipelines, combining performance monitoring, field verification, stakeholder engagement, issue resolution, and institutional coordination with support for PNG expansion, State-level initiatives, project facilitation, Ease of Doing Business measures, and digital systems.

Effective monitoring requires looking beyond reported progress. It calls for a **prospective understanding of the market, consumer and implementation landscape**, early identification of constraints and coordinated action while maintaining regulatory accountability. The successful implementation of **PNG Drive** has demonstrated the strength of this approach. The two successive national campaigns brought CGD entities, Central and State Government stakeholders, local institutions, and other partners together around a common objective. They also helped address psychological barriers to PNG adoption and build greater consumer confidence, creating a stronger foundation for market penetration.

The effectiveness of these efforts has been supported by the guidance and leadership of PNGRB, enabling the Division to coordinate across stakeholders, respond to emerging issues and pursue initiatives in a focused and mission-oriented manner. The achievements presented in this publication reflect this collective effort and the dedication of Division's officers and consultants, along with the cooperation of regulated entities, Central Ministries, State Governments, and public institutions.

The nature of monitoring is also evolving towards a more **technology-driven approach**. Planned initiatives such as the **digitization of Performance Bond** through **e-BG, Conversational AI for tele-verification, and digital regulatory workflows**, along with the upcoming **PNG Drive 3.0**, reflect this transition. These initiatives are strengthening consumer and market engagement, improving the quality and timeliness of information, and enabling timely identification of implementation issues.

Going forward, the Division will strengthen performance analytics, digital reporting, field validation, knowledge management, and stakeholder coordination through responsive and technology-enabled monitoring framework. The next PNG Drive will build on the two successive PNG Drives, with sharper focus on consumer conversion, utilization, and sustained PNG adoption.

Lt. Col. Kumar Abhishek
Director (Monitoring)
Petroleum and Natural Gas Regulatory Board

पी एन जी आर बी
PNGRB

Monitoring Division

Petroleum and Natural Gas Regulatory Board

Government of India

www.pngrb.gov.in

