

13th February, 2024

Press Note

**Gujarat Gas Limited (GGL) Plans 200+ New CNG Stations in Two Years
Overwhelming Response to Full Dealer Owned Dealer Operated (FDODO)
Scheme for new CNG Stations
Gujarat Gas Limited Board Meeting Highlights Successful Scheme Launch**

The Board of Directors at Gujarat Gas Limited (GGL) concluded a highly productive meeting on 13th February 2024, where they commended the success of the recently launched "FDODO" scheme for new CNG Stations. The scheme has received massive response, with over 700 online applications submitted by the enthusiastic potential partners.

It is reported that the CNG-powered passenger vehicle (PV) sales have increased 310% from 1.02 lakh units 2019 to 4.21 lakh units in 2022. Currently, four major OEMs offer a total of 24 CNG Models. With better availability of supplies, new CNG model launches, strengthening of CNG infrastructure and the reduction in CNG prices, the CNG penetration is expected to grow from about 11% in 2023 to 18% in 2027. GGL has taken up drive to cater the CNG fuelling need of the growing CNG PV market by establishing new CNG Stations. It has introduced FDODO scheme in order to cover the high potential locations in private partnership. Company plans to operationalise 200+ CNG Stations across its authorised areas in the next two years and is expecting 15% to 20% growth in the present CNG volume on year-on-year basis.

FDODO (Full Dealer-Owned Dealer-Operated) scheme, introduced by GGL, allows dealers to invest in and operate Compressed Natural Gas (CNG) Stations. This innovative approach empowers local entrepreneurs and fosters economic growth while simultaneously expanding GGL's City Gas Distribution (CGD) network.

GGL Board of Directors expressed its satisfaction with the overwhelming response to the FDODO scheme, acknowledging its potential to revolutionize the CNG retail sector. The FDODO scheme's unique model enables GGL to channel resources into the expansion of its CGD network. The company plans to utilize balance financial resources for laying PE and steel pipelines for enhancing infrastructure and accessibility. This strategic move aligns with GGL's commitment to sustainable development and a cleaner energy future for the region.

Company is enthusiastic about the positive impact the FDODO scheme will have on the company's growth trajectory and the socio-economic development of the areas it serves. Expansion of CNG stations will contribute to reducing carbon emissions, promoting a greener environment, and fostering economic prosperity.

Company expresses gratitude to all the entrepreneurs who have shown interest in the FDODO scheme and invites more stakeholders to join hands with GGL in this journey towards a sustainable and prosperous future.

About Gujarat Gas Limited:

GGL is India's largest City Gas Distribution (CGD) company in terms of sales volume operating in 44 districts in 6 states of Gujarat, Maharashtra, Rajasthan, Haryana, Punjab & Madhya Pradesh and 1 Union territory of Dadra & Nagar Haveli. With a focus on sustainability and innovation, GGL strives to be a key player in the energy transition, contributing to a greener and more sustainable future.
