0.11		OMPENDIUM OF FREQUENTLY ASKED QUESTIONS (FAQs) ON COMPRESSED BIO GAS (CBG) AND SATAT SCHEME	
S.No.	Query	Comments / Clarifications	Commercial Agreement's Clause
1	What is Compressed Bio Gas or CBG ?	CBG or Compressed Bio Gas consist of mainly methane (more than 90%) and other gasses like carbon dioxide (less than 4%), etc. CBG is produced by anaerobic digestion of biomass and waste sources like agricultural residue, cattle dung, sugarcane press mud, municipal solid waste, sewage treatment plant waste, etc. This Biogas can be purified to remove hydrogen sulphide (H2S), carbon dioxide (CO2), water vapor and when this purified biogas (methane content more than 90%) is compressed to maximum 250 bar and filled up in cascades (group of high pressure cyllinderical vessels) it is called Compressed Bio Gas or CBG.	
2	Is CBG same as CNG or is there any difference. Can CBG be filled in the vehicle which are currently running on CNG. In other words, can a vehicle running on CNG be straightway filled with CBG without any modification in the vehicle ?	 CBG has properties almost similar to CNG and hence a vehicle running on CNG can straightway be filled with CBG without any modification in the vehicle. Ministry of Road Transport and Highways, Government of India, vide Gazette Notification no. 395 dated 16.6.2015 has permitted usage of CBG for motor vehicles as an alternate of CNG. BIS has issued IS 16087 2016 standards on CBG which is similar to BIS specifications IS 15958:2012 for CNG. 	
3	I am interested in setting up CBG Plants. How to apply for the SATAT scheme on CBG ?	Expression of Interest for production and supply of Compressed Bio Gas (CBG) are being floated on monthy basis. EOIs to IndianOil may be accessed from the e-Tendering portal https://iocletenders.nic.in by searching "CBG" in the tender search box. The EOI is free of cost and EMD amount is NIL. The EOI can be accessed anytime from anywhere using the link https://iocletenders.nic.in. Similarly, BPCL website (www.bharatpetroleum.com/) and HPCL website (www.hindustanpetroleum.com) may be visited for respective EOIs The filled application along with annexures (compiled and merged in one single pdf file) should be submitted online on the e-Tendering portal.	
4	What are the application fees, EMD, Security Deposit, etc. for applying under SATAT scheme ?	There is no application fees, EMD, Security Deposit, etc. while applying for the issue of LOI under SATAT scheme. However, the succesful applicant after receiving Letter of Intent from the concerned Oil & Gas Marketing Company has to submit a BG of Rs 5 lakh per plant for proposed Plant, if the proposed Plant is yet to come or yet to be set up or BG of Rs. 1 lakh per plant if the proposed Plant is already existing.	
5	What are the qualification criteria. How will I be evaluated through the Expression of Interest on SATAT scheme. What is the process after EOI evaluation?	In case of the individual applicant, the applicant should be of minimum 21 years of age. The same will be ascertained in case of individual applicant on basis on any Government issued identification with age / date of birth mentioned. In other cases applicant shall be of Indian nationality and/or a company registered in India and/or Non-Resident Indians/Persons of Indian Origin and/or a Multi National Company having its registered office in India / Overseas Corporate Bodies having its registered office in India. Evaluation of the EOIs shall be carried out of a total of 100 marks as described in the EOI document. The prospective applicant has to score minimum of 35 marks to qualify. After submission of the documents through the e-tender portal, a committee of a perticular OMC/GMC evaluates the EOI and awards Letter of Intent (LOI) to the successful applicant who had scored 35 marks or more on evaluation criteria The LOI holder has to submit a bank guarantee of Rs. 5 lakh/plant for proposed new Plant or Rs. 1 lakh/plant for existing Plant. After submission of the bank guarantee, the LOI holder can immediately execute a Commercial Agreement with OMC/GMC for production and supply of CBG.	

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6		As per the EOI, OMC/GMC has offered a procurement price of CBG of Rs. 46/kg + applicable taxes purified as per IS 16087: 2016 standards, compressed to 250 bar pressure and delivered to OMC/GMC Retail Outlets in cascades upto one way distance of 25 kms from the CBG Plant to the Retail Outlet. The procurement price of CBG shall remain valid from 1.10.2018 to 31.3.2024. There will be periodic revision in procurement price with effect from 1.4.2024, however minimum procurement price will not be lower than Rs. 46/kg + applicable taxes for the period from 1.4.2024 to 31.3.2029. Additionally, OMC/GMC shall also execute a Commercial Agreement of 15 years with the CBG Plant owner, to be extended on mutual consent. The detailed Commercial Agreement on CBG is available with the EOI document	
7	What are the various enablers by Government of India under SATAT scheme ?	 Reserve Bank of India has notified inclusion of CBG projects under Priority Sector Lending vide directives to Banks dated 4.9.2020. Inclusion of Bio-manure produced from CBG Plants under Fertilizer Control Order 1985 has been approved and notified vide Gazette Notification dated 14.7.2020. Ministry of New and Renewable Energy has extended Central Financial Assistance (CFA) Scheme on CBG 	
		State Bank of India and Bank of Baroda have launched products for financing of CBG Plants	
8	Are there any future enablers under consideration for the CBG sector by Government of India ?	Inclusion of Digested Bio Gas Slurry is under consideration by Central Fertilizer Committee Single window facility for approvals Biomass supply chain by State Governments	
9	How can I know more about MNRE subsidy on SATAT scheme ?	Please visit https://biourja.mnre.gov.in/ where MNRE Central Financial Assistance on CBG has been provided in detail. The MNRE subsidy is as followings:- Rs 4 crore for Plant producing 4.8 Ton per day of CBG (i.e 12000 Cubic Meter of Bio Gas per day) capped to Rs 10 Crore per Plant for 12 Ton Per Day or more per CBG plant. The details are available at above web site which may be refferred to for exact information and interpretation.	
10	Is there Long-term purchase commitment ?	The purchase of CBG by OMC/GMC (Oil Marketing Company / Gas Marketing Company) from the plant owner shall be governed through a firm commercial Agreement signed by OMC/GMC & CBG plant owner for supply of CBG under SATAT and initially will be valid for the period of fifteen (15) years from the date of signing. Further, before the expiry of commercial agreement, both the Parties may agree to extend the same for a further period on mutually agreed terms and conditions.	-
11	What are the terms of the offtake of CBG. Is there 100% buy back of CBG produced from the CBG plant ? In SATAT, is there a provision for 100% offtake of CBG from the day one i.e. from the first day of commissioning; by oil PSUs ? As the very nature of anaerobic process do not allow it to be switched on / off frequently to meet the fluctuating demands for offtake ? Offtake of CBG in-case demand is not commensurate with the production?	Oil and Gas Companies shall try to off-take and market the entire amount of CBG produced by the CBG Plant. However, the actual off-take of CBG shall entirely depend on the actual quantity of CBG sold in a particular market. The CBG market, particularly in unseeded market, is expected the grow gradually and therefore, the supply of CBG from a particular CBG plant is also expected to increase gradually . Accordingly, the mutually agreed CBG supply plan shall befinalised and accordingly the production of CBG from a particular CBG plant shall be synchronised. Indian Oil shall take the CBG quantiy only that much which are being sold in the market. In the event Buyer is not able to off-take CBG as per Supply Plan for a period of three (3) months, the Buyer shall endeavor to facilitate in sale of CBG at other retail outlet(s) of the Buyer or industrial bulk customers of the Buyer. Such sale to industrial bulk customers of Buyer will be as per mutual agreement by both parties. It is being clarified that, there is no take-or-pay arrangement under SATAT scheme.	Clause 8.4
	Is there any take-or-pay arrangement under SATAT scheme?		

	CC	DMPENDIUM OF FREQUENTLY ASKED QUESTIONS (FAQS) ON COMPRESSED BIO GAS (CBG) AND SATAT SCHEME	
S.No.	Query	Comments / Clarifications	Commercial Agreement's Clause
12	Why is there no take or pay clause in the Commercial Agreement ?	OMC/GMC can provide "Take or pay" gaurantees to the CBG plant owners, only when, there is there is a "Take or Pay" guarantee from its CBG end users or customers. Since, Indian Oil or other Oil & Gas companies does not receive any such guarantees from its end users or customers, they can not provide any such "Take or Pay" guarantee to the CBG plant owners.	
13	cascade to cater to multiple retail outlet(s) and continue the filling-cycle on a "top-up" basis. This will result in better utilization of cascade and reduction of total transportation cost. Is such facility allowed	The cascade of CBG Plant used for delivery of CBG at Retail Outlet must be connected to the inlet of booster compressor at Retail Outlet. The cascade of CBG plant can be disconnected either when the stationary cascade of retail outlet is filled or the cascade of CBG plant is emptied in the stationary cascade. Hence, for larger capacity cascades of the CBG plant, when the stationary cascade is completely filled, the CBG plant's cascade can then be disconnected and can be used to service to other Retail Outlets for better capacity utilization. However, LOI Holder should ensure that the Retail Outlet remains supplied with CBG at all times and there should not be a disruption in supply of CBG due to the above mentioned procedure. Accordingly,CBG plant owner may, at their sole discreation, deploy cascades of multiple capacities (small and large) for ease in operations.	Clause 2.2.4
14	times, be stored and transported through Cascades conforming to IS 7285 (Part 2) & IS 15935/equivalent Standards. Our CBG Plant proposes to increase the	It is clarified that we can accept 3000 water litre metal cascades or cascades of higher capacity for delivery of CBG to the Retail Outlets. For steel cylinder cascades, IS 7285 shall be applicable. If type-3 or type-4 composite cascades are used, respective BIS specifications like IS 15935 or relevant specifications shall be applicable. The safety standards mentioned in IS 16087 2016 (or its latest version) should be adhered to all the times during transportation of CBG. Accordingly,CBG plant owner may, at their sole discreation, deploy cascades of multiple capacities (small and large) for ease in operations.	(lender version): Clause 6.4
15	of LOI or execution of commercial agreement ?	Change in constitution of firm is permitted by Indian Oil as a matter of routine affair either before/after award of LOI or execution of commercial agreement under SATAT scheme. The process of reconstitution of firm is simple and the applicant has to only approach OMC/GMC through formal letter before effecting such changes and give commitment that the old and new reconstituted firm shall abide by the terms of EOI, LOI and commercial agreement. Further the old firm shall also give a parent guarantee undertaking along with request letter. Approvals of reconstitution shall be provided as routine unless and untill there is any compelling reasons,(like proposed changes not in conformity with the prevalent law of the country) due to which Indian Oil may refuse to grant the proposed reconstituion in the firm. In case the permission of reconstituion of firm is not granted by Indian Oil, citing the reasons, why approvals for proposed reconstituion of firm is not granted shall be conveyed to the applicant.	Clause 19.1.9
16		Retail Outlet(s) outside the radius of 25 kilometers from the CBG Plant can be selected for sale of CBG without any additional liability and financial implication to Oil & Gas Company. The additional cost incurred on transportation of CBG beyond 25 Kms shall be fully accountable to the CBG Plant owner.	Clause 2.1.3
17	transportation cost for transport of CBG beyond 25 km? The daily production of large units cannot be absorbed by filling stations within a radius of 25 Kms.	Retail Outlet(s) outside the radius of 25 kilometers from the CBG Plant can be selected for sale of CBG without any additional liability and financial implication to Oil & Gas Company. The additional cost incurred on transportation of CBG beyond 25 Kms shall be fully accountable to the CBG Plant owner. The SATAT Scheme was designed for utilization of local feedstock like waste and biomass to create CBG which can be used locally for vehicles, thereby creating a circular economy. The major consideration in creation of this green supply chain was than feedstock shall be sourced locally and product shall be sold locally thereby reducing transportation cost and related emissions. Only through creation of local supply chain can higher logistic cost & emission due to large distance transport be reduced making CBG a near zero emission affordable vehicular fuel	

S.No. Query		MPENDIUM OF FREQUENTLY ASKED QUESTIONS (FAQs) ON COMPRESSED BIO GAS (CBG) A Comments / Clarifications		
3.NO.	Query	Comments / Claimcations		
18	What will be the point of sale from the CBG Plant owner to OMC/GMC ?	The CBG Plant shall sell CBG to Buyer at the meter installed in the CBG dispensing unit(s) at the Retail Outlet, which shall be the "Po		
19	the Buyer shall take place at the Point of Sale which	Sale of CBG is in a closed system with almost no chance of any leakage in the CBG Dispensing Equipment i.e. Compressor, Cascac anyone during CBG dispensing process as the entire process is certified by PESO / Weights & Measures. Therefore, transfer of own at the Point of Sale which shall be the meter installed in the CBG dispensing unit(s) at the retail outlet		
20	Presently transfer of ownership of CBG from the Seller to the Buyer shall take place at the Point of Sale. It is requested that this to be changed to "The transfer of ownership of CBG from the Seller to the Buyer shall be at the flow-meter installed at intake point of Retail Outlet intake points." The Seller has no control on the equipment being maintained by the Retailers, appointed by the Buyers and therefore, should not be made responsible for their performance including leakages etc.	Since sale of CBG is in a closed system with almost minimal chance of any leakage in the CBG Dispensing Equipment i.e. Compress risk / loss to anyone during CBG dispensing process as the entire process is certified by PESO / Weights & Measure. Therefore transfer of ownership of CBG from the Seller to the Buyer and point of sale will remain at the CBG dispensing pump's mete conditions and decided uniformly on Industry basis.		
21	additional CBG quantity to the Oil & Gas Company who has awarded LOI. What is the provision for the	In future, if CBG Plant increases their production capacity then respective OMC/GMC, shall not have any claim over the CBG quan be the sole discretion of CBG Plant owner to sell their CBG to any party for the quantity which are outside the purview of commercial quantity is suitably revised with mutual consent. As per terms of the LOI awarded, LOI holder shall not enter into any agreement with a competitor of OMC/GMC with respect to the s or are endeavoring to enter into a Commercial Agreement on supply of CBG.		
22	The transportation of CBG through Cascades may not be a long term solution for pressurized gas transportation especially in smaller rural area road network and it should ensure possibility of gas evacuation and sale through gas pipeline network. Are any steps being taken for the same ?	Exploration of possibility of gas evacuation & sale through gas pipeline network or injection of CBG into CGD gas network is under co injection in CGD network or CBG transportation through pipeline system, the same shall be intimated to the LOI holders by the respe		
23	The CBG price break-up in terms of fixed and variable component should be provided. In case of no off-take or lower off take of CBG due to reasons solely attributed to OMC/GMC /licensed buyer the fixed component of the CBG should be paid by OMC/GMC to the CBG seller in order to mitigate the risk of the CBG project investor. Are there any provisions on the same?	There is no such concept of CBG price break-up in terms of fixed and variable component under SATAT scheme. No payment shall I		
24		As per the Commercial Agreement on CBG, in the event that Buyer (Oil & Gas Company) is not able to off-take the additional quantit to any industrial bulk customers, the Seller shall have complete liberty to supply / sell CBG to any other person(s) or any companies,		
25	based on pre-agreed rate/ Km so as to make it win- win for both the parties ?	As per the SATAT model agreed on Industry basis, the transportation of CBG is to be done by the CBG Plant owner and the pricing of transportation of CBG from CBG Plant to Retail Outlet / Consumer Point situated at maximum 25 km distance from the CBG Plant.		
		If in certain situation, the Retail Outlet identified is beyond 25 km, additional transportation cost shall be reimbursed at mutually discust transportation. This additional transportation costs shall be recovered from the market through inclusion in the Retail Selling price (RS		

NS (FAQs) ON COMPRESSED BIO GAS (CBG) AND SATAT SCHEME	
Comments / Clarifications	Commercial Agreement's Clause
e CBG dispensing unit(s) at the Retail Outlet, which shall be the "Point of Sale".	Clause 2.2.3
eakage in the CBG Dispensing Equipment i.e. Compressor, Cascade and Dispenser. Hence there is no envisaged risk/ loss to ertified by PESO / Weights & Measures. Therefore, transfer of ownership of CBG from the Seller to the Buyer shall take place dispensing unit(s) at the retail outlet	Clause 7.1
ce of any leakage in the CBG Dispensing Equipment i.e. Compressor, Cascade and Dispenser. Hence there is no envisaged process is certified by PESO / Weights & Measure.	Clause no 7.1-Title Transfer of CBG
er and point of sale will remain at the CBG dispensing pump's metering unit as described in Commercial Agreement terms and	
espective OMC/GMC, shall not have any claim over the CBG quantity in excess of LOI quantity. This clearly means that it will party for the quantity which are outside the purview of commercial agreement unless and until the commercial agreement	Clause 8.1 & Clause 12 of LOI
ny agreement with a competitor of OMC/GMC with respect to the subject CBG Plant for which both Parties have entered into bly of CBG.	
eline network or injection of CBG into CGD gas network is under consideration. In future, if any such policy is made for CBG ystem, the same shall be intimated to the LOI holders by the respective OIL & Gas Marketing Companies.	
and variable component under SATAT scheme. No payment shall be made if no CBG is supplied	
er (Oil & Gas Company) is not able to off-take the additional quantities of CBG through its retail outlet(s) or facilitate CBG sale erty to supply / sell CBG to any other person(s) or any companies, entity, etc at its sole discretion.	
tion of CBG is to be done by the CBG Plant owner and the pricing of Rs. 46/kg of CBG + applicable GST is including Point situated at maximum 25 km distance from the CBG Plant.	
additional transportation cost shall be reimbursed at mutually discussed & agreed rates for actual expenses beyond 25 Km red from the market through inclusion in the Retail Selling price (RSP) build-up of CBG.	

<u> </u>	COMPENDIUM OF FREQUENTLY ASKED QUESTIONS (FAQs) ON COMPRESSED BIO GAS (CBG) AND SATAT SCHEME			
S.No.	Query	Comments / Clarifications	Commercial Agreement's Clause	
26	Can payment be made to the CBG Plant owner (Seller) in case of failure of Buyer to lift the CBG quantity ?	There is no take or pay clause in SATAT. Even if the reason for not lifting the CBG from the CBG Plant is on OMC/GMC (buyer) account, there cannot be any payment made to the CBG Plant owner (seller)	Clause no 8.8 to 9.0– Guarantee on offtake	
27	As per the provisions, "Should any Taxes/ levies/ duties be imposed by statutory authorities under this Agreement, which are not recoverable from end customers in pricing, these shall also be borne by the Seller". Can this be passed through for the Seller to the buyer?	The payment to the Plant owner shall be governed by the procurement price of Rs. 46 / kg of CBG + applicable taxes upto 31.3.2024 for CBG delivered (at Retail Outlet situated within 25 km from CBG Plant) in a cascade with 250 bar pressure. This price is to be revised from 1.4.2024. However, the procurement price shall not be less than Rs. 46 / kg of CBG + applicable taxes from 1.4.2024 to 31.3.2029. The price of Rs. 46 / kg of CBG is exclusive of applicable taxes i.e. GST presently @5%. Suppose in future this GST is revised from current rate of 5% / replaced by any other tax mechanism, accordingly the same shall be duly considered in the pricing mechanism. That is why we always state that CBG procurement price is Rs. 46 / kg + applicable taxes.	Clause no 14.2 - Taxation	
28	The Seller is expected to take insurance for the CBG Cascades stored at Retail Outlets also. It is suggested that after the Cascades enter the Retail Outlet, insurance liability should lie with Retail Outlet operator and NOT Sellers as the Seller has no control on that premise.	The moving cascade of the seller shall be the complete liability of the seller and accordingly any insurance liability arising out of it is the complete liability of the seller i.e. Plant owner immaterial of the fact that this moving cascade is standing anywhere	Clause no 15.1 – Insurance	
29	What are the safety standards to be followed and where can they be accessed from? Where can we get "Standards" like, IS 15130 (Part 3), ISO 6326-3, IS 15319, AIS 024, Petroleum and Explosives Safety Organization (PESO) Standards, safety Standards as per IS 16087 : 2016 and any other applicable national or international standards relevant to the CBG business.	The specifications for CBG is governed by IS 16087 2016, which also contains various guidelines and specifications detailing issues like safe handling of CBG, transportation of CBG, storage of CBG, supply and/or sale/dispensation of CBG. These guidelies can be procured from BIS website https://bis.gov.in.	Clause no. 1.1.1 and 1.1.13	
30		As per normal operating procedure, Seller/its agents/servants shall bring the Cascade to the Retail Outlet and hence any damage to the Retail Outlet by the Seller/its agents/servants shall be the responsibility of the Seller. There is no vice-versa case as OMC/GMC's agents/servants shall not be delivering anything to the CBG Plant.	Clause no. 4.3.1.	
31	As per the Commercial Agreement, the date of commercial supply of CBG shall be a date on which the Seller shall commence actual supply determined in accordance with Clause 5.1, but such date shall not be later than 2 years from the date of LOI. In the above mentioned Clause, an additional line "if the extension under Clause 5.4 is not granted by the Buyer" can be included ?	There is no need to include any additional line in the commercial agreement because, if OMC/GMC grants any extension to the LOI holder for any specific period, the same shall be considered and applicable in all the relevant clauses of the LOI & Commercial Agreement .	Clause no. 5.2.	
32	As per the Commercial Agreement, it is agreed between the Parties that if at any time, the Seller is not able to commence Commercial Supply within 2 years from the date of LOI, the Seller shall notify the Buyer of the same and request for extension of time within three (3) months of the expiry of the 2 year period from the date of LOI, explaining the reasons of delay. The Buyer may consider such request of the Seller for future probability of supply from the CBG Plant and the same shall be at the sole discretion of the Buyer. It should be clarified that the Buyer shall not unreasonably decline such request of extension.	The extension clause already implies that Buyer shall not be unreasonably declined any time extension request for CBG Plant construction and CBG commercial supply. All valid and genuine requests for time extension for setting up CBG Plant shall be granted as a routine matter.	Clause no. 5.4.	

Comments / Cla	S.No. Query	
	Query	3.NO.
The present specifications for cascades are IS 7285 / IS 15490. You may also refer to IS 16087 20 https://bis.gov.in/.	Please provide the specifications / standards for cascade delivery by CBG Plant to Retail Outlet ?	33
As per the Commercial Agreement a detailed plan is to be worked out between OMC/GMC and CBC take of CBG. This shall provide an indication regarding supply and off-take quantities of CBG to the accurately determine number of cascades to be supplied to the Retail Outlets.	As per the Commercial Agreement, Within a period ofdays of execution of this Agreement, the Parties shall mutually draw out a detailed plan so as to determine the monthly quantities for supply and off-take of CBG for the entire tenure of this Agreement (Supply Plan) at the procurement rate as may be determined as per the terms of this Agreement, from the date of Commercial Supply.	34
OMC/GMC shall be installing gas analyser at its Retail Outlet to ascertain the quality of gas supplied	Please explain the clause ? In addition, the Buyer shall also have the right to install guality assurance equipment and/or test the	35
	samples of CBG independently at any laboratories accredited for conducting quality check on the CBG. The quality assessment by the Buyer shall be final and binding upon the Parties.	
	Please explain the clause ?	
At present, GST is applicable on CBG. The same shall be collected from the end customer by OMC Input Tax Credit.	The Seller shall bear in full, all liabilities of Taxes or statutory levies/duties including interest, penalties etc., arising from supply of CBG to the Buyer. Should any Taxes/ levies/ duties be imposed by statutory authorities under this Agreement, which are not recoverable from end customers in pricing, these shall also be borne by the Seller. To the extent that the Buyer is required to pay any Taxes in the first instance, the Seller shall promptly reimburse the same to the Buyer. What shall be the present tax treatment ?	36
OMC/GMC has initiated marketing of CBG from various retail outlets and Industrial customers. The feedback received from customers using CBG for their vehicles are encouraging. Improvement	OMC/GMC has started to sell CBG at various locations. How is the customer experience? What does global studies say on effeciency of CBG ?	37

SSED BIO GAS (CBG) AND SATAT SCHEME	
arifications	Commercial Agreement's Clause
16 for the same. The mentioned standards can be accessed from BIS website -	Clause no. 6.1
G Plant owner as to determine the long term, monthly and daily quantities for supply and off- Selller and Buyer . Based on the same, daily off-take schedules shall be planned to	Clause no. 8.4
d and dispensed. The quality of gas should be as per IS 16087 2016 specifications.	Clause no. 10.7
GMC and CBG Plant owner's portion of GST shall be passed on to CBG Plant owner as	Clause no. 14.2
in mileage and ease of driving are the two common factors for which customers have splayed a 6% efficiency improvement in fuel consumption when compared with the CNG ural gas as a road transport fuel with no apparent maintenance or operational difficulties.	

	CC	MPENDIUM OF FREQUENTLY ASKED QUESTIONS (FAQs) ON COMPRESSED BIO GAS (CBG) AND SATAT SCHEME	-
S.No.	Query	Comments / Clarifications	Commercial Agreement's Clause
38	What is the validity of agreement and pricing beyond the above mentioned period	For assuring off-take price and to ensure bankability of the projects, Oil & Gas Marketing Companies have included the following long term pricing structure in EOI and Commercial Agreement on CBG:- • Procurement price of CBG from 1.10.2018 to 31.3.2024: Rs. 46/kg + applicable taxes, as mentioned in the above table. • There will be periodic revision in procurement price with effect from 1.4.2024, however minimum procurement price will not be lower than Rs. 46/kg + applicable taxes for the period from 1.4.2024 to 31.3.2029. Although the initial term of the commercial agreement is for 15 years, there is a provision to renew the agreement on mutually agreed terms & conditions.	
39	unit?	As per the present business plan it is envisaged that one CBG supplier shall be supplying CBG at one particular Retail outlet and multiple CBG supplier to a single CBG outlet shall be avoided. However, in rare cases due to any exigency, if a single retail outlet is supplied CBG from multiple CBG Plants, the totalizer readings shall be accounted for everytime a particular supplier's cascade is connected or disconnected with the booster compressor and stationary cascade of the Retail Outlet and accordingly, payment to the individual CBG Plant shall be made as per the totalizer reading of the dispensing unit at the time of connection and disconnection of that particular cascades of that particular CBG Plant.	Clause 2.2.7 & Clause 7.2
40		Buyer can only be responsible towards its own employees or towards it's own Dealer's and their employees for any possible damage to the cascades of CBG Plant owner taking place at Retail Outlet due to the reasons purely attributed on their account.	
41		As clarified in Clause 8.7 in the event that OMC/GMC is not able to off-take the additional quantities at any retail outlet(s) or facilitate in sale to industrial bulk customers, the Seller (CBG plant owner) shall have the complete liberty to sell CBG from his plant to any other person(s) or any companies, entity, etc at its sole discretion.	Clause 8.7
42	For how long do we have to preserve the test certificates for the cascades?	They are to be preserved for 1 month or till the payment has been made on the cascade, whichever is greater.	Clause 10.5
43	As per IS 15319; it describes the organic sulfur compounds which are to be used as odorants in natural gas. The need of odorants in CNG is required as CNG is odorless and to detect leak the requirement of odorants via organic sulfur compounds is necessary. The product to be supplied under this agreement is CBG which is generated/cleaned from Biogas. The CBG supplied shall be as per IS 16087; which will have Total Sulphur (including H2S) maximum upto 20 mg/m3. The presence of Sulphur (H2S) will serve the requirement of odorant. So, no additional odorant is required in CBG.		Clause 10.8
44	each RO as mentioned in clause 13.2?	Daily sale register shall be maintained at RO as per Meter Readings of the totaliser of the dispensing unit which shall be noted before connection and before disconnection of each particular cascade and also as per opening & closing meter reading for the day. The payment to the CBG suppliers shall be made based on fortnighly joint meter reading of the totaliser of the dispensing unit(s) at the RO.	Clause 11.3
45			Clause 14.8

		OMPENDIUM OF FREQUENTLY ASKED QUESTIONS (FAQs) ON COMPRESSED BIO GAS (CBG) AND SATAT SCHEME	
S.No.	Query	Comments / Clarifications	Commercial Agreement's Clause
46	What are the payment terms for CBG ?	Based on the joint ticket prepared recording the of CBG quantities sold, fortnightly invoices shall be raised by the Seller on the Buyer. Buyer shall make payments to the Seller in Indian Rupees, within15 Business Days from the date of receipt of the original invoice from the seller.	
47	CBG Plant owner cannot be responsible for any quality problems resulting from the equipment at the Retail Outlet (for example: oil in the gas from the compressor, water in the gas); this needs to be clarified due to clause 20.1 ?	As it is a closed system at the Retail Outlet, there should not be any quality issues in CBG due to equipments installed for dispensing CBG at Retail Outlet. However, if the CBG plant owner through available evidence could conclusively and unambiguishly prove that the quality of the supplied CBG has got altered due to the faults in the dispensing system of CBG installed by buyer at RO, the seller shall not be held responsibile for such problem in the quality of supplied CBG.	Clause 17.6
48	Does the clause also include the case for fraud and wilful misconduct?	Clause include case for fraud and wilful misconduct	Clause 20.2 and 20.3
49	What is the max. and min. unloading pressure of our cascades before the compressor of the Retail Outlet?	The maximum unloading pressure shall be 250 Bar. The minimum pressure of unloading is tentatively expected to be around 30 bar. This also is expected to be varying from one RO to other RO depending upon installed Compressor's configuration and settings.	Annexure-III(CA)
50	Deliveries will be based on certified PESO regulations applicable to CBG Plant. In certain cases PESO is not providing permission to compress CBG upto 250 Bar at the Plant ?	PESO certifications are statutory guidelines and has to be strictly adhered to. However, CBG Plant owner should endeveour to obtain PESO lisence at 250 Bar from PESO authorities.	Annexure-IV(CA)
51	As per exclusivity clause of existing PNGRB guidelines, only CGD entity is authorised to sell CNG for next 5 years in the allocated Geographical Area. Is it necessary to apply only to such specific CGD entities for particular Geographical Area for production and supply of CBG.	CBG does not comes under the purview of PNGRB. CBG can be sold in existing CGD areas as is already being done by OMC/GMC. In other words , there is no PNGRB permission required for selling CBG in any part of India.	
52	I want to install my own CNG / CBG station. Where should I apply?	Applicant may apply to Indian Oil through a formal application to install their CBG equipments at OMC/GMC RO and their such willingness wil be duly considered.	
53	I want to get CBG plant installed by OMC/GMC. What will be the total EPC cost and where should I apply?	There are various CBG Plant manufacturers in the market doing EPC for Plants and supplying CBG equipments. The same may be approached for comperative analysis. In addition there are a number of CBG Plants already marketing CBG or where there is work in progress. LOI holders can be put in touch with all such Plants for a better understanding of the sector.	
54	Please provide list of CBG production / Compression / Purification technology providers ?	Brief on various technologies have been described in our white paper enclosed along with EOI document. Applicant may go through the document for better understanding. As of now, we have not empanneled any technology providers on CBG.	
55	Are there any empanelled vendors of OMC/GMC?	No	
56	Which is best CBG technology in India?	The technology selection should be done based on type of proposed feedstock to be used, proposed Plant Location, cost of technology, yield of CBG for particular technology, running operation and maintenance cost of the proposed Plant due to use of particular technology etc.	
57	с С	CBG Plants are finacially viable if they get assured cheap organic waste or biomass locally on long term basis. Applicant may assess the quantity of feedstock available in its area for the purpose of setting up CBG plant. The CBG Plant may be designed as per local feedstock considering feed transport cost.	

		OMPENDIUM OF FREQUENTLY ASKED QUESTIONS (FA	
S.No.	Query		Comments / Clar
58	Will LOI holders be given an opportunity to select location of a Retail Outlet ?	Feedback from the LOI holder shall be taken before finalisation of Retail Ou dimensions of Retail Outlet, Type of Retail Outlet, Sale potential etc.	utlet by OMC/GMC. Selec
59	Which feedstock is best for CBG production and should be used to get maximum financial viability of plant?	The type of feedstock to be used for CBG production and financial viabilit responsibility of setting up of CBG plant lies with the entrepreneu The following tentative yield of various feedstocks are normally considered are only directional in nature and	as per discussion with values
		Feedstock	CBG Proc
		Agriculture Residue	
		Press Mud	
		Spent Wash	
		Bagasse	
		Municipal Solid waste	
		Cow Dung	
		Chicken Litter Forest Residue	
		Napier Grass	
		Sewage Waste	
60	Producer transport the CBG produced at its plants in Cascades to Retails Outlets with in a radius of 25km. But Retail Outlet did not accept delivery due to excess supply or any other reasons? In other words supply of CBG is in excess of demand in market or infrastructure for marketing/dispensing is inadequate or incomplete.	As per the Commercial Agreement on CBG (copy attached), the OMC/GMC period of xx days of execution of the Commercial Agreement, the Parties she entire tenure of this Agreement (Clause 8.3). Based on the monthly quantitie Hence, the supply shall be as per the daily off-take schedule prepared as per	all mutually draw out a de es as agreed upon, daily o er demand and there shal
61		Considering the spread of OMC/GMC's Retail Network, it is expected that the Expression of Interest on SATAT scheme, an indicative maximum distance beyond 25 kms from CBG Plants and based on specific requests from varios henceforth, clarified, that there is no such restrictions or limitations on supple	of 25 km for supply of CB ous CBG Plant owners, C
62	We understood that there is re-imbursement of transportation cost of CBG to producers but there is no mention of same in EOI.	The CBG delivery price of Rs. 46 + GST is for CBG as per IS 16087 2016 s transportation of CBG is already built in the CBG delivery price of Rs. 46 + 0	•

SED BIO GAS (CBG) AND SATAT SCHEME			
rifications		Commercial Agreement's Clause	
ction of a Retail Outlet shall b			
t is requested to assess CBC	It feedstock, location of plant, etc. As per SATAT scheme, the B production and financial viability of its plant by itself. If CBG Plants and various technology providers. However these uality of feed stock.		
duction(Ton)	Feedstock requirement (Tentative)		
1	10 Ton		
1	25 Ton		
1	10 KL		
1	10 Ton		
1	20 Ton		
1	50 Ton		
1	25 Ton		
1	15 Ton		
1	10 Ton		
1	15 MLD		
Seller shall provide the quantit letailed plan so as to determir off-take schedules shall be n all be no situation where supp			
BG has been mentioned. How OMC/GMC have already allow radius from the CBG plant.	CBG within 25 km radius of the CBG Plant. As per the wever, the CBG Plant owners are free to deliver CBG even wed delivery of CBG beyond 25 km radius from CBG plants. It is ered to IndianOil Retail Outlet in cascades. Hence the cost of		
nal re-imbursement of transpo	ortation cost of CBG to producers.		

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Comments / Clar	Query	S.No.
The Point of Sale by the CBG Plant to the Oil & Gas Company shall be the totalizer in the Dispensing	The transfer of ownership of CBG from the Seller to the Buyer shall take place at the Point of Sale (POS) upon delivery to the Buyer's Equipment with prior correct quantity and quality check by the parties.	63
	The transfer of ownership of CBG from Buyer/Dealer to the end customer shall take place at the end of CBG delivery nozzle when the CBG is dispensed to the end customer's Vehicle at the Retail Outlet.	
	Consideration of Receipt of cascade at the pump station as sales and not POS. The delivery of cascade at the station will be the POS for buyer and seller.	
The indemnity shall be applicable to events during the term of the agreement but shall survive the ex	The indemnity provisions herein contained shall survive the expiry or termination of this Agreement.	64
	Seller cannot indemnify the buyer upon expiry or termination of Agreement due to any reason whatsoever.	
There is no take or pay in the SATAT scheme. Payment shall be made only as per sale noted in tota	In the event the Buyer opts not to sell the unsold CBG lying in the Cascades at the Retail Outlet, the Buyer shall intimate the Seller about the same and the Seller shall, immediately and no later than thirty (30) days from the date of termination, remove the Cascade(s) and unsold CBG from the Retail Outlet at its own cost and without affecting the routine operations of the Retail Outlet.	
	The buyer has to pay in full for remaining gas in the cascade irrespective of sales at the Buyers end. Thereafter, the Seller can remove its equipment from Buyers place within 30 days. What are views on the same ?	
There are already Force Majure clause in the Commercial Agreement .	How is the following clause covered in the Commercial Agreement?	66
	In any event the plant undergoes partial shutdown due to wear and tear or any reason beyond the control of Seller, a time of 30 days to be granted to remediate and resolve the issue at the Seller's premise. The duration may be further extended by the Buyer after receiving valid request from the Seller. In any such event the Buyer shall not encash the Bank Guarantee or terminate the contract as given in Clause 22 of this Agreement.	
This clause protects any intentional & unintentional damage by the appointed agents or person of the damages to the properties/ equipment /persons of retail outlet due to the reason purely attributed to t costs of losses as well as all consequences for the same.	Under Clause 4.3, due to negligence of Seller should be included	67

D QUESTIONS (FAQs) ON COMPRESSED BIO GAS (CBG) AND SATAT SCHEME	0
Comments / Clarifications	Commercial Agreement's Clause
as Company shall be the totalizer in the Dispensing Unit at the Retail Outlet	7.1 & 7.2
g the term of the agreement but shall survive the expiry or termination of this Agreement.	20.4
yment shall be made only as per sale noted in totalizer readings	22.2.4
nmercial Agreement.	22
demage by the experienced experts or person of the College at the Duyler's or its execution properties (equipment (persons, in each of envi	4.2
al damage by the appointed agents or person of the Sellers at the Buyer's or its agent's properties / equipment / persons. In case of any f retail outlet due to the reason purely attributed to the seller or its appointed person or agencies, it is the responsibility of seller to bear the	4.3
e same.	

0.110		MPENDIUM OF FREQUENTLY ASKED QUESTIONS (FAQs) ON COMPRESS
S.No.	Query	Comments / Clari
68	, ,	
	Can "The Buyer in such event shall however be responsible for third party injury or damage." may be included?	
69		
70	Can "change in shareholding" be changed to "change in majority shareholding" in the clause ?	As a Stakeholder any changes in constitution happening within the Firm must be informed to the Buye until there are compelling reasons for not approving any such proposed reconstitution like reconstitution
71	Can "losses & damages" be changed to "actual losses and damages " in the clause ?	The seller shall be responsible only upto the point which is purely attributed to any action / consequen

SED BIO GAS (CBG) AND SATAT SCHEME	
rifications	Commercial Agreement's Clause
s for any damage to the cascades are taking place purely to the reasons attributed to its own	6.8
ual agreements have failed. Any such instances will be clearly communicated to the Seller in	9
yer. Buyer shall approve the proposed reconstitution of firm as a routine matter unless and tion not proposed to be done in accordance with the prevailing rules of the laws etc.	19
ences taken by the seller like failure to supply quality CBG etc.	20

	CC	MPENDIUM OF FREQUENTLY ASKED QUESTIONS (FAQs) ON COMPRESSED BIO GAS (CBG) AND SATAT SCHEME	
S.No.	Query	Comments / Clarifications	Commercial Agreement's Clause
	The Seller shall indemnify and keep indemnified Buyer for the actual losses or damages that may be suffered or incurred by the Buyer, its directors, employees, Dealer and Dealer's employees and representatives on account of use of or damage due to Cascade and/or other facilities installed /brought by Seller at the Retail Outlet/ Site unless such losses or damages arise due to negligence or any act of ommission or commission of the Buyer.		20.2
	The Seller shall indemnify and keep indemnified Buyer and its Dealer, their employees, officers and directors against any losses or damages that may be suffered or incurred by the Buyer on account of loss or injury to any person in connection with performance of this Agreement, unless such losses or damages arise due to negligence or acts of omission or commission of the Buyer. Changes requested are highlightes?		20.3
	Neither the Buyer nor the Seller shall, in any way, except for any payment-related obligations, be held liable for non-performance either in whole or in part of this Agreement or for any delay in the performance thereof in consequence of any Act of God, pandemic, epidemic, lawful strike, lock out, lock- down, delivery interruptions, orders including administrative orders or decrees of any Government or Governmental Authority, revolutions, wars, acts of enemies, embargoes or other import restrictions or by any other acts, whether or not of the same class or kind as those set forth above, not within the control of the Party, fulfillment on whose part is interfered with and which by exercise of reasonable diligence, the said Party is unable to prevent. Can pandemic, epidemic, lockdown be included in the clause considering present situation?		23.1

	CC	MPEN	NDIUM OF FREQUENTLY A	SKED QUESTIONS (FA	Qs) ON COMPR	ESSED BIO GAS (CBG)		AND SATAT SCHEME					
S.No.	Query					Clarifications				Co	Comm	Commerci	Commercia Agreement's C
75	If a new firm is constituted for application in the EOI,		perience of the applying party shall b	e considered during during eva	luation of the EOI.								
	will experience in earlier entities be considered during evaluation of the EOI.		ence of parent company of a subsidia	rv / SPV or experience of direct	tors in earlier firms / re	elated companies will NOT be co	n	sidered	sidered	sidered	sidered	sidered	sidered
		_,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,											
	If a Special Purpose Vehicle (SPV) of the parent or a Subsidiary is made, then will experience of the parent company be considered during evaluation of the EOI.	-	go through the qualification criteria ir	n the EOI, as new entities can a	also qualify under tern	ns of the EOI.							
	Does the applicant need to change the land use for	Change	e the Land use is mandatory for settin	ng up the CBG plant.									
	setting of CBG plant?	CBG pla	ant can only be constructed on comn	nercial land.									
77	What are all the approvals required for setting up the	Followir	ng major approvals are required.How	ever the list are not exhaustive	and State / district Au	uthorities may be approached for	fur	ther clearances required (if any)					
	CBG plant?	S.No	Approvals Required	Before Construction (New		Annual Renewal							
				Factory)	but Before Production /								
					Operation								
		1	-	Conversion and registration	Not Applicable	Not Applicable]						
			(applicable for non-industrial land)										
		2	DIC (District Industry Centre)	Registration as MSME(Micro,	Not Required	Not Required	1						
				Small & Medium Enterprises)									
		3	Fire	NOC (No Objection Certificate)	License	Required							
		4	Health & Safety	NOC	License	Required	1						
		5	IOF(Indian Ordinance Factories) - Plan			Required							
			approval	BoCW Registration(Building & Other Construction Workers	contractor License)								
				Registration)									
		6	DTCP - District Town & Country	Plan Approval & Tax	Not Required	Not Required	1						
		<u> </u>	Planning		Marada I. 11		4						
		7	Local Panchayat	Plan submission, NoC and Tax payment based on construction		Not Required. Tax to be paid (if applicable)							
				area		αρριταρίει							
		8	BDO(Block Development Officer) -	Not Required	Running License	Required	1						
			Running License				1						
		9	PCB(Pollution Control Board)	Consent for Establishment		Required							
		9	PESO(Petroleum and Explosives	Consent for Establishment	Operation Consent for	Required	-						
		5	Safety Organization)		Operation	nequireu							
		10	MNRE (Ministry of New and	CFA(Central Financial	CFA approval after 72	Not Required	1						
			Renwable Energy)	Assistance) Approval	hours plant operation								
			I										