

BENGAL GAS COMPANY LIMITED

{A Joint Venture of GAIL (India) Limited and Greater Calcutta Gas Supply Corporation Limited (GCGSCL)}

INVITES

EXPRESSION OF INTEREST FOR SUPPLY OF BIOGAS

EOI Document No. BENGALGAS/BIOGAS/2024-25/EOI/02

EOI Issuance Date: 01.02.2025

Last Date for EOI Submission: 31.03.2025

(Upto 17:00 HRS)

EOI Opening Date: 03.03.2025 & 02.04.2025

DISCLAIMER

- 1. This Expression of Interest (EOI) document is not an agreement or offer by the issuer to the prospective Bidder. The purpose of this document is to provide basic information for submission of EOI by the prospective Bidders.
- 2. While this EOI document has been prepared in good faith, neither the issuer, its affiliates, its employees nor advisors / consultants make any representation or warranty, express or implied as to the accuracy, reliability or completeness of the information contained in this EOI document.
- 3. Neither BENGAL GAS, its employees nor its advisors / consultants will have any liability to any Bidder or any other person under the law of contract, tort, the principles of restitution or unjust enrichment or otherwise for any loss, expense or damage which may arise from or be incurred or suffered in connection with anything contained in this EOI document, any matter deemed to form part of this EOI document, the process, the information supplied by or on behalf of BENGAL GAS or its employees, any advisors / consultants or otherwise arising in any way from the selection process.

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INVITATION FOR EXPRESSION OF INTEREST

SECTION-I

EOI FOR SUPPLY OF BIOGAS: EOI DOCUMENT NO. BENGALGAS/BIOGAS/2024-25/EOI/02

INVITATION FOR EXPRESSION OF INTEREST (EOI) FOR SUPPLY OF BIOGAS

1. BACKGROUND

1.1 "Bengal Gas Company Limited" (BENGAL GAS) a Joint Venture between GAIL (India) Limited, A Maharatna Government of India Undertaking (CPSU) and Greater Calcutta Gas Supply Company Limited (GCGSCL) (A Government of West Bengal Enterprise) has been authorized by Petroleum and Natural Gas Regulatory Board (PNGRB) to develop City Gas Distribution (CGD) Network in Kolkata city and parts of adjoining districts of North 24 Parganas, South 24 Parganas, Howrah, Hooghly and Nadia to cater natural gas supply to customers in the domestic, transport, and commercial sectors, approximately spreading over 1529 Sq Kms in 40 Municipality areas.

For additional information on BENGAL GAS, please visit www.bgcl.co.in/

- 1.2 The Ministry of Petroleum & Natural Gas, Government of India issued policy guidelines dated 09.04.2021, 26.10.2021 and 26.10.2023 for synchronization of Bio gas/ CBG produced by plants in the CGD network. GAIL has been mandated to operationalize the CBG-CGD Synchronization Scheme and purchase Biogas/CBG at priced declared by MOPNG.
- 1.3 BENGAL GAS invites offer through Expression of Interest (EOI) from Entrepreneurs / Sole Proprietorships / Partnerships / Limited Liability Partnerships / Companies/ Cooperative Societies / Technology Providers (herein after called BIDDER), for supply of Biogas from Plants processing biomass / waste and providing the produced Biogas to BENGAL GAS Geographical Area (GA)
- 1.4 The purpose of inviting this EOI is to encourage the BIDDER to set up Biomass / Waste to Biogas Plants and further utilizing the existing potential of Biogas in India.
- 1.5 Finalization of BIDDER as mentioned in this EOI Document is an ongoing process

EOI Download	EOI may be downloaded from https://www.bgcl.co.in/_		
EOI Cost	NIL		
EOI Validity	31.03.2025		
EOI Evaluation	On monthly basis		
Submission of Signed Stamped EOI	Annexure I, II & III of EOI invite to be filled, signed stamped and to be submitted in Hard copy to HOD (CA&C), BENGAL GAS, 1st Floor, Block-A, Finance Centre, CBD, Action Area-II, Newtown, Kolkata-700161, India and the Soft copy through e-mail at Email ID: <u>hodcaco@bgcl.co.in</u>		

Other details for this EOI

- 1.6 Queries: BIDDERS to note that any queries related with EOI are to be submitted online only at the Email ID (<u>hodcaco@bgcl.co.in</u>). Queries/clarifications received in any other form are liable to be unanswered. A written reply from the concerned will be given on the same Email ID.
- 1.7 BENGAL GAS can withdraw or amend the EOI based on government directives / their business requirement

2. SUBMISSION OF EOI

2.1 EOI should be filled, signed, stamped and submitted in Hard copy to HOD (CA&C), BENGAL GAS, 1st Floor, Block-A, Finance Centre, CBD, Action Area-II, Newtown, Kolkata-700161, India and the Soft copy through_e-mail at Email ID: hodcaco@bgcl.co.in before due date and time.

3. INTRODUCTION

- 3.1 Waste / Bio-mass sources like agricultural residue, cattle dung, sugarcane press mud, municipal solid waste and sewage treatment plant waste, etc. produce Biogas through the process of anaerobic decomposition. The Biogas is purified to remove hydrogen sulfide (H2S), carbon dioxide (CO2), water vapour and has methane (CH4) content of minimum 92%.
- 3.2 The Ministry of Petroleum & Natural Gas has already announced the National Policy on Biofuels 2018, which emphasizes the promotion of advanced Biofuels including Biogas in the country.
- 3.3 To create a steady supply chain for Biogas and entrepreneurship opportunities, Biogas Plants shall mainly be set up by independent entrepreneurs. BENGAL GAS shall off-take Biogas produced from such Plants.
- 3.4 BENGAL GAS intends to procure Biogas from existing, upcoming & planned Bio Gas Plants within its GA.
- 3.5 The general terms for the BIDDER shall be on the following lines: –
- 3.5.1.BIDDER shall be responsible for planning, preparation, engineering and execution of the project, including storage of raw material, operation and maintenance of the plant, maintaining final product output quantity and quality, managing the by-products and wastes from the plant as per existing central / state norms and providing a performance guarantee for the project at their own cost.
- 3.5.2. Setting up and commissioning the Biogas Plant and its continuous operation at rated throughput is the complete responsibility of the BIDDER including arranging the entire land and finance.
- 3.5.3. Bio Gas to be supplied shall meet RELEVANT BIS STANDARD (detailed below) and any other further revisions in the said specifications.

S No.	Characteristic	Requirement
1	Methane mole percentage (CH ₄), minimum	92%
2	Carbon Dioxide percentage (CO ₂) maximum	4%
3	Noncombustible mole percentage, maximum	8%
4	Oxygen (O ₂) mole percentage, maximum	0.5%
5	Total Sulphur (including H ₂ S) maximum by weight	10ppm
6	Water / Moisture, maximum	No free water

Also, as per the RELEVANT BIS STANDARD (or its latest version) specifications, the following shall also be met

- 3.5.4. The Biogas shall be free from liquids over the entire range of temperature and pressure encountered in storage and dispensing system.
- 3.5.5. The Biogas shall be free from particulate matter such as dirt, dust, etc.
- 3.6 The Biogas may be compressed by Bidder to 35/250 Bar and supplied through BENGAL GAS's pipe/Cascades respectively. Compression system will be supplied and installed by Bidder within Bio Gas plant premise.
- 3.7 It will be BENGAL GAS's responsibility to purchase the Biogas quantity produced and delivered in BENGAL GAS GA from Bio Gas plant and sell it through its Retail Outlet network or to its Consumer Network.
- 3.8 The minimum designed capacity of a single Biogas Plant shall be 2.0 Tonnes per Day (TPD) of Biogas.

4. QUALIFICATION CRITERIA

- 4.1 The BIDDER should be of a minimum of 21 years of age (in case of individual BIDDER).
- 4.2 The BIDDER 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.
- 4.3 The BIDDER may be a JV, SPV or a Consortium.
- 4.4 The BIDDER shall follow all the statutory norms as prescribed from time to time by Government of India or local government/government bodies for setting-up and its operation & maintenance of the Biogas Plants.

4.5 **Documentary evidence**

- 4.5.1. BIDDER to submit Certificate of Incorporation of the firm.
- 4.5.2. In case of sole proprietorship or any other case where certificate of incorporation is not available, GST registration or date of issuance of any other Government license will be considered.
- 4.5.3. In case of absence of any of the above documents, PAN card of the sole proprietor along with declaration of establishment of the proprietorship will be considered.
- 4.5.4. The name of the BIDDER should exactly match the name as per certificate of incorporation and / or any other applicable documents.

4.6 **Evaluation of the EOI application documents**

- 4.6.1. All documents submitted by the BIDDER shall be considered as authentic during the evaluation process and evaluation shall be conducted based on the documents submitted to the specified e-mails & no further investigation or physical examination of the claims made by the BIDDER shall be carried out.
- 4.6.2. But in case at a later stage, it is found that any of the information furnished in the documents submitted is not authentic/genuine, the application shall be rejected. If LOI has been issued, the same shall also be cancelled.

5. RISKS

5.1 The BIDDER should be well aware of the various risks involved in the setting up the Biogas Plant and its marketing and should conduct independent due diligence before committing to any investment decision. BENGAL GAS shall not be responsible for any of their business decisions or any future losses arising due to any unforeseen circumstances.

6. BUSINESS MODEL FOR THE SUPPLY OF BIOGAS

- 6.1 Bidder(s) / Seller(s) (Party/Entrepreneur) shall deliver BIOGAS at production facility. Bidder will arrange for injection to Bengal gas pipe network/ compression to cascade. Bengal Gas shall facilitate transportation of Bio gas to Retail Outlet through its own HCV/LCV **Rs 6/KG**. However, the Bidder may arrange for transportation of compressed Bio Gas to Bengal Gas Retail Outlet (upto 75km from the Bio Gas plant) at its own cost. Further Bengal gas will ensure full evacuation of Bio gas injected in MDPE network @ 6bar or Steel pipeline @35bar. Outlet Flange of Bio Gas Compressor / PNG injection point of network shall be the Point of Sale for BIOGAS-
- 6.2 A tripartite agreement (in addition to commecial agreement) will be signed between GAIL, Bengal Gas and Bidder . GAIL shall make to Bidder directly as per quantity certified between Bengal Gas and Bidder mentioned in Fortnightly Joint ticket.
- 6.3 Bengal Gas will facilitate Bidder for supply of unsegregrated Municipality Waste/ Cow dung/ Other Bio waste from Urban Local Body.
- 6.4 Bengal Gas will handover a land parcel available from ULB/ State Authority for setting up of Bio Gas Plant without any rental fee. However facilitation fee will be applicable

for produced Bio Gas and SFOM.

6.5 Electricity and water connection will be arranged by Bengal Gas. However monthly bill for consumption of water and electricity is to be paid by Bidder directly to concerned utility company.

7. PRICING FRAMEWORK OF BIOGAS

The long-term procurement price of Biogas, delivered to BENGAL GAS shall be declared in GAIL website (<u>https://gailonline.com/cbgModalitiesPricing.html</u>) which is derived as per MOPNG guideline.

Finalization of BIDDERS as mentioned in this EOI Document is an ongoing process in the Notice Inviting Tender, which may be further extended depending on the decision of BENGAL GAS. BENGAL GAS reserves the right to discontinue the process at any point in time without assigning any reasons. All applications received shall be evaluated periodically as per the details mentioned in this EOI Document. On evaluation, if BIDDER is found to have submitted incomplete or ambiguous documents query may be sent to the BIDDER seeking clarification / required documents.

8. GENERAL

- 8.1. The BIDDER shall furnish self-certification of being not under liquidation, court receivership or similar proceeding in support of their fulfilling the eligibility criteria. The same needs to be provided for all the partners, wherever applicable. The format for the same is attached as Annexure III.
- 8.2. BENGAL GAS will not be responsible for any cost or expenses incurred by the BIDDER in connection with preparation or delivery of EOI.
- 8.3. Procedure for Evaluation of EOI, issuance of LOI, acceptance of LOI and signing of Commercial Agreement:
- 8.3.1. On receipt of EOI, BENGAL GAS shall evaluate EOI based on the details submitted by BIDDER. In case of incomplete information / documents, BENGAL GAS shall inform the BIDDER to furnish the required information / documents within stipulated time. BENGAL GAS reserves the right to reject the EOI incase required information / documents are not submitted within 01 month of the request.
- 8.3.2. Based on evaluation, BENGAL GAS shall reject EOI or shall issue LOI along with Draft Commercial Agreement, Tripartite Agreement & BG Format to the BIDDER. LOI will be issued by BENGAL GAS, which is legally non-binding.
- 8.3.3. On receipt of LOI, BIDDER shall carry out the following:
 - BIDDER shall carry out detailed project feasibility, market survey, feedstock analysis, land identification, technology finalization, off-take mechanism, plant capacity along with quantity ramp up plan, project execution schedule, constitution of the firm (like

JV, SPV etc.) and other study / analysis required for setting of Biogas plant.

BIDDER shall regularly update the progress of his Biogas plant to BENGAL GAS. The land location, off-take mechanism, project execution schedule, commencement date, plant capacity and production ramp up schedule shall be finalized in consultation with BENGAL GAS. Based on the request from BIDDER, BENGAL GAS may consider permitting changing of Biogas plant location within the same or neighboring GA before signing of Commercial Agreement.

BENGAL GAS will not be responsible for any cost or expenses incurred by the BIDDER, for carrying out the above activities.

- An Agreement may be arrived between BENGAL GAS and Biogas entity considering various other feasible options after provisioning of various cost components in the Biogas value chain, maintaining the overall intent of proposed pricing framework provided in the EOI.
- > BIDDER shall finalise the Commercial Agreement with BENGAL GAS.
- BIDDER shall submit LOI acceptance alongwith signing the Commercial Agreement with BENGAL GAS within 03 months of LOI date. Upon request from LOI holder, BENGAL GAS shall consider extending this time frame. However, BENGAL GAS reserves the right to extend the time limit of 03 months for submission of LOI acceptance or terminating the LOI if the Commercial Agreement is not signed within 03 months.
- 8.4. Bank Guarantee (BG): Within one month of acceptance of LOI, BIDDER must submit a bank guarantee, to safeguard investment of BENGAL GAS towards retailing of Biogas. The BG of Rs 1 Lakh shall be provided for a minimum period of 03 years as per the format given by BENGAL GAS.
- 8.5. The BIDDER is required to furnish all information and documents as called for in this EOI in English language. Any printed literature / documentary evidence submitted in another language, along with the EOI documents needs to be accompanied by an authentic English translation, in which case, for the purpose of interpretation of the document, the English version will govern.

9. SPECIAL TERMS AND CONDITIONS

- 9.1. The following are indicative but not exhaustive terms and conditions for supply of Biogas to BENGAL GAS
- 9.2. Quality Parameters
 - The supply of Biogas shall be as per RELEVANT BIS STANDARD (or its latest version), Filtration unit, Drying unit and Online Gas Chromatograph / Gas Analyzer shall be used to ensure Biogas is compliant to RELEVANT BIS STANDARD .

Biogas shall be compressed at 250 Bar pressure during delivery.

- BIDDER should have an online Gas Chromatograph/ gas analyzer for measurement of Methane, hydrogen, CO2, Water content and Sulfur.
- All lab equipment maintained by the BIDDER shall be duly certified periodically by a Government Approved Testing Laboratory.
- The gas analysis report will be shared online within 5 minutes of sampling. Sample will be collected six times every day automatically at 02:00, 06:00, 10:00, 14:00, 18:00, 22:00 irrespective of production quantity. Daily Weighted Average Gross Heating value in MMBTU /SCM will be calculated based on GHV calculated for these 6 samples.
- BENGAL GAS shall have the right to independent sample testing. If GHV value thus obtained is different from Weighted average GHV of that day by 300MMBTU/SCM, then result of independent lab will be used for Joint ticketing till next sample testing by independent lab.
- 9.3. Supply Conditions
 - > The Biogas supply ramp up plan shall be detailed in the Commercial Agreement.
 - The term of commercial agreement shall be 15 Years. The same shall be extended on mutual consent.
- 9.4. Supply Disruption
 - In the event supplies are not maintained for a continuous period or are intermittent, BENGAL GAS shall be free to either suspend supplies or terminate the commercial agreement and obtain Biogas / CNG from other sources at the Bidder's risk & cost.
- 9.5. Approvals
 - > Seller shall obtain all necessary statutory approvals for their Facility and Equipment.
- 9.6. Safety Procedures
 - > Both parties shall follow all the applicable safety procedures.

10. GRIEVANCE REDRESSAL MECHANISM

Any dispute arising out of this EOI shall be resolved amicably through discussions in good faith with a view to expeditiously resolving such dispute. In the event the dispute persists, the Parties agree to resolve the dispute by conciliation in accordance with provisions of BENGAL GAS, if applicable. In the event of non-resolution of dispute by Conciliation within a period of 60 days or non-applicability of BENGAL GAS conciliation rule, the Parties agree to settle the dispute by arbitration in accordance with the Rules of BENGAL GAS. The award of arbitrator shall be final and binding on the Parties.

11. GOVERNING LAWS

The laws of Union of India shall govern all matters concerning the EOI. The EOI would be subject to guidelines / directives of Ministry of Petroleum & Natural Gas (MoP&NG) issued from time to time and any activity under this EOI shall invariably conform to such guidelines / directives. Any issue arising related to the EOI or the selection process shall be adjudged by the courts in New Delhi, India alone.

BENGAL GAS reserves the right to accept or reject any or all EOIs received at its absolute discretion without assigning any reason whatsoever.

12. IMPORTANT NOTE

- ➤ This advertisement does not constitute and will not be deemed to constitute any commitment on the part of BENGAL GAS to off-take Biogas.
- BENGAL GAS has the sole discretion to qualify or accept the EOI and reject the proposal without assigning any reason whatsoever.
- Furthermore, this advertisement neither confirms the right nor expectation on any party to participate in the proposed EOI.

SECTION-II ANNEXURES TO BE ENCLOSED

ANNEXURE-I

COVERING LETTER FOR SUBMISSION OF EOI

(to be printed on the official stationery / letterhead of the Bidder/any member of the Consortium)

To,

BENGAL GAS, 1st Floor, Block-A, Finance Centre, CBD, Action Area-II, Newtown, Kolkata-700161, India

Dear Sir,

Subject: Submission of Expression of Interest for "Supply of Biogas to BENGAL GAS".

With reference to your EOI inviting notice Ref. No: BENGALGAS/BIOGAS/2024-25/EOI/02 Dated 01.02.2025 and after examining the detailed documents, selection criteria and other details mentioned in the EOI document for "Supply of Biogas to BENGAL GAS", I/We hereby offer to submit my / our Expression of Interest.

1. All the schedules and documents necessary in this connection are enclosed hereto. All the documents/ photocopies of the documents have been self-attested by me/us and BENGAL GAS is free to reject our candidature if any of the documents/photocopies of the documents is/are found to be false or forged.

2. I/we, hereby also declare(s) that I/we have read all terms and conditions in the EOI, and all terms and conditions mentioned in the EOI are acceptable.

3. I/we, hereby also declare(s) that my/our organisation/firm is not debarred/ blacklisted by any Central/State Govt. department, agency, PSUs/ Institution/ Agencies/ Autonomous organization.

4. The information sought from me as per the EOI notice is enclosed in Annexure-II to this letter.

Yours Faithfully, (Signature & Stamp of Authorised Signatory)

Designation: Date: Place:

ANNEXURE-II

Name of the Project	Setting up Bio Gas Plant		
1.0 General Information			
Name of the BIDDER submitting EOI			
Nature or legal status of the BIDDER			
Structure of the BIDDER	Entrepreneurs / Sole Proprietorships / Partnerships / Limited Liability Partnerships / Companies/ Cooperative Societies / Technology Providers		
Details of Registration document of the BIDDER			
Registered Address of BIDDER			
Name, Designation and address of authorized Contact person: Mobile Number, Landline number, Fax Number			
Email (of individual and common e-mail of BIDDER, if available)			
Name, Designation and address of authorized Signatory			
PAN Details (copy to be attached)			
GST Number (copy to be attached)			
Total nos. of Biogas plants owned / has provided technology/ services / license by the Bidder with capacity	Demo/Pilot	Com	mercial
Plant Details (tick one)	Existing / Under Construction / Planned		/ Planned
Plant Location	Town/ Village/City	District	State
Plant Capacity	TPD of Biogas		
Feedstock to be used (Quantity of each feedstock in tons / day)			
Authorized Signatory Designation Stamp Date Telephone/ email of authorized signatory.			

Note:

The Bidder must submit all relevant requested documents. All the documents to be submitted by the APPLICANT should be signed and stamped by the authorized signatory.

ANNEXURE-III

AFFIDAVIT

(to be submitted on Company Letterhead)

I, the *Director / Proprietor / Partner / Authorized signatory of (mention name of firm/company and its complete address) do here by solemnly affirm and declare as under"

- 1. That our Firm / company i.e. _____(mention name of *firm/ company) is registered vide Registration No. _____under the provisions of _____(mention the name of the Act).
- 2. That our Firm / company i.e. (mention name of *firm/ company) has applied in response to the Expression of Interest for Supply of Bio Gas to BENGAL GAS.
- 3. That ______ (mention name of firm/company) is eligible to submit the aforesaid application as it is not under liquidation, court receivership or similar proceedings.
- 4. That all the information, documents and declarations submitted in/with our application are correct to the best of our knowledge and understanding.
- 5. That if any information, document or declaration submitted in/with our application is found to be incorrect at a later date, we indemnify BENGAL GAS against any loss due to this and BENGAL GAS may take any action as deemed fit.

[Signature & Stamp of Authorized Signatory] Date:

Place: