



कॉर्पोरेट कार्यालय
Corporate Office

इंडियन ऑयल कॉर्पोरेशन लिमिटेड

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Indian Oil Corporation Limited

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To

Stakeholders of SATAT Scheme

Sub: Purchase price of Compressed Bio-Gas (CBG) under SATAT scheme

You are kindly aware that, 'SATAT' (Sustainable Alternative Towards Affordable Transportation) scheme on CBG was launched on 1.10.2018. As per the scheme, procurement price of CBG purified as per IS 16087: 2016 standards, compressed at 250 bar pressure and delivered to OMC Retail Outlets in cascades (up to 25 km one way distance from CBG Plant) was fixed at Rs. 46/kg + applicable taxes for period from 1.10.2018 to 31.3.2024. It was also informed that minimum procurement price will not be lower than Rs. 46/kg + applicable taxes up to 31.3.2029.

To facilitate entrepreneurs for financial closure of the projects as well as promote setting up of CBG Plants, it has been decided that the CBG prices shall be indexed to the prevalent Retail Selling Price (RSP) of CNG in the market (or CBG RSP for markets where CNG is not available).

Accordingly, the following revised procurement pricing of CBG shall be implemented:-

- 1.0 The minimum procurement price of CBG will not be lower than Rs. 46/kg + applicable taxes for the period up to 31.3.2029.
- 2.0 The Retail Selling Price of CBG in a market shall be at par with RSP of CNG (as provided by the authorized CGD entity).
- 3.0 The following slabs for CBG procurement price have been decided, which will be the procurement price of CBG delivered at IndianOil Retail Outlet situated at any distance (up to 75 km one way) as per IS 16087 2016 specification (or its latest version) and compressed at 250 bar pressure: -

S No	Lower Retail Selling Price of CBG in Slab	Higher Retail Selling Price of CBG in Slab	Procurement price of CBG	Procurement price of CBG
	including tax	including tax	Without GST	With GST
	Rs./kg	Rs./kg	Rs./kg	Rs./kg
	Retail Selling Price of CBG up to 70			
1			54.00	56.70
2	70.01	75.00	55.25	58.01
3	75.01	80.00	59.06	62.01
4	80.01	85.00	62.86	66.01
5	85.01	90.00	66.67	70.01
6	90.01	95.00	70.48	74.01
7	95.01	100.00	74.29	78.01

Note: The above table is applicable strictly for supply of CBG at a one-way distance up to 75 km from the CBG Plant. For distance beyond 75 km, the price will be first adjusted as defined in para

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CIN : L23201MH1959GOI011388

5.0 to bring it to 75 km distance table as above and then procurement price shall be fixed as per the table. For further increase in slabs beyond Rs. 100/kg, procurement price will be extrapolated as per the above. If the RSP of CBG falls below Rs. 70/kg, there will be immediate revision in the procurement pricing.

- 4.0 The upward and downward movement of CNG price will change the slab for a particular market at any point in time and the rate applicable for CBG procurement will change accordingly.
- 5.0 Additional transportation cost for transportation of CBG beyond 75 km (one-way distance) from CBG Plant shall be considered separately, at mutually discussed & agreed rates. This additional transportation costs shall be recovered from the market through inclusion in the Retail Selling price (RSP) build-up of CBG. If the recovery from market is not possible for additional transportation, the same shall not be paid.
- 6.0 This revised procurement price of CBG is being offered considering in view that presently RSP of CNG is greater than Rs. 70/kg in nearly all markets. If there is a reduction in CNG RSP from these levels, there will be revision in the price as agreed by Oil & Gas Company committee. The minimum procurement price of CBG as announced earlier will not be lower than Rs. 46/kg + applicable taxes for the period up to 31.3.2029.
- 7.0 The revised procurement pricing of CBG as detailed above shall form part of the Expression of Interest (EOI), Letter of Intents (LOIs) issued by IndianOil and Commercial Agreements executed by IndianOil under SATAT scheme with due acceptance by both parties.

The above pricing shall be effective from 1.6.2022 for one year or subsequent revision, whichever is earlier.

For Indian Oil Corporation Ltd.


(Shantanu Gupta)
Executive Director (AE&SD)

20/05/2022