

Government of Chhattisgarh
Energy Department
Mantralaya
Mahanadi Bhawan, Atal Nagar, Nawa Raipur

//Notification//

Nava Raipur, Dated: 08 JUL 2026

No. 2042/F-26/21/2026/13/2: Comp. No.:374350 File No.:RULE/537/2026-O/O CHIEF EXECUTIVE OFFICER(CBDA):: The State Government, for the appropriate development of compressed biogas in the state, hereby notifies "Chhattisgarh Compressed Biogas Policy (CG-CBG Policy), 2026," as attached 'Annexure'.

2/ The Chhattisgarh Biofuel Development Authority is designated as the State Nodal Agency for the implementation of the said policy.

3/ The Energy Department is authorized to issue necessary guidelines and administrative orders for the implementation of the said policy.

4/ The said policy shall be applicable across the entire state of Chhattisgarh.

5/ This notification shall come into effect from the date of its publication in the Official Gazette up to 31 March, 2030.

By order and in the name
of the Governor of Chhattisgarh

(Subodh Kumar Singh)
Principal Secretary
Government of Chhattisgarh
Energy Department

Endt. No. 2043 /F-26/21/2026/13/2 Nava Raipur, Dated: 08 JUL 2026

Copy to:-

- 1/ Secretary, Government of India, Ministry of Petroleum and Natural Gas, New Delhi.
- 2/ Under Secretary to the Chief Secretary, Government of Chhattisgarh, Office of the Chief Secretary, Mantralaya, Nava Raipur.
- 3/ Principal Secretary, Government of Chhattisgarh, Law and Legislative Affairs Department, Mantralaya, Nava Raipur.
- 4/ Secretary, Government of Chhattisgarh, Finance Department, Mantralaya, Nava Raipur.
- 5/ Secretary, Government of Chhattisgarh, Department of Agriculture Development and Farmers' Welfare and Biotechnology, Mantralaya, Nava Raipur.
- 6/ Secretary, Government of Chhattisgarh, Panchayat and Rural Development Department, Mantralaya, Nava Raipur.
- 7/ Secretary, Government of Chhattisgarh, Urban Administration Department, Mantralaya, Nava Raipur.
- 8/ Secretary, Government of Chhattisgarh, Commerce and Industries Department, Mantralaya, Nava Raipur.
- 9/ Managing Director, Chhattisgarh State Power Generation/Transmission/Distribution Company Limited, Danganiya, Raipur.
- 10/ Chief Electrical Inspector, Indravati Bhawan, Nava Raipur.
- 11/ Secretary, CSERC, New Shanti Nagar, Raipur.
- 12/ Chief Executive Officer, CBDA, VIP Road, Raipur.
- 13/ Chief Executive Officer, CREDA, VIP Road, Raipur.
- 14/ Deputy Director, Government Press, Rajnandgaon, for publication in the Chhattisgarh Gazette (Extraordinary).

Chhattisgarh Compressed Biogas (CBG) Policy, 2026

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1 PREAMBLE

1.1 India's transition towards a cleaner, low-carbon, and sustainable energy system necessitates the accelerated development of alternative fuels that enhance energy security, reduce environmental impact, and strengthen rural economic resilience. In this context, Compressed Biogas (CBG) has emerged as a key component of the national strategy to promote clean energy and circular economy practices.

1.2 Compressed Biogas (CBG), produced from agricultural residues, livestock waste, municipal solid waste, and agro-industrial by-products, provides a viable pathway for converting locally available biomass into clean gaseous fuel suitable for transport, industrial, and commercial applications. It also contributes to reduction in greenhouse gas emissions, improved waste management, and generation of value-added by-products such as bio-manure.

1.3 The Government of India has undertaken several initiatives, including the Sustainable Alternative Towards Affordable Transportation (SATAT) program, to promote large-scale deployment of CBG. In this context, Chhattisgarh State Level SATAT committee has been constituted under the chairmanship of the Secretary, Dept. of Energy, Govt. of Chhattisgarh*

*Govt. order no. 1961/F-26/06/SATAT/2021/13/2 dt. 07.09.2021, Dept. of Energy, Govt. of Chhattisgarh

1.4 The State of Chhattisgarh, with its agrarian economy and abundant bio-resources, is uniquely positioned to play a significant role in the development of the CBG sector. The State generates substantial quantities of biomass, particularly from paddy cultivation, livestock waste, and agro-industrial activities.

1.5 The State also benefits from an emerging gas infrastructure ecosystem, including multiple City Gas Distribution (CGD) networks which can support downstream utilization of CBG.

1.6 This Policy has been formulated to provide a clear, transparent, and enabling framework for the Compressed Biogas (CBG) projects in Chhattisgarh. It seeks to create a robust ecosystem through targeted interventions across the value chain, including feedstock supply, infrastructure development, regulatory facilitation, market integration, and institutional co-ordination.

1.7 The Policy aims to promote investment, enhance ease of doing business, support decentralized clean energy generation, improve scientific management of organic waste, and contribute to sustainable economic development, employment generation, and environmental protection across the State.

1.8 While aligning with national initiatives, the Policy adopts a balanced approach that combines market-driven mechanisms with targeted institutional support, thereby ensuring long-term sustainability, investor confidence, and scalable deployment of CBG infrastructure in Chhattisgarh.

1.9 Strong technology focus is imperative for the development of biofuels such as Compressed Biogas (CBG) utilizing domestic feedstock. The Policy would encourage Innovation and provide thrust to Research & Development (R&D) in CBG sector.

2. VISION

2.1 The State of Chhattisgarh through its State Nodal Agency i.e. Chhattisgarh Biofuel Development Authority (CBDA) envisions establishing a regionally balanced, resource-responsive, and scalable Compressed Biogas (CBG) ecosystem that enables efficient conversion of organic waste into clean energy, while generating long-term environmental value.

- 2.2 By leveraging its diverse bio-resource base including agricultural residues, livestock waste, municipal solid waste, and agro-industrial by-products, and dedicated energy crops the State seeks to position CBG as a key pillar of its clean energy transition and waste-to-wealth strategy.
- 2.3 Recognizing the significant availability of surplus biomass in the State, Chhattisgarh aims to unlock its full potential for CBG production.
- 2.4 The State also seeks to integrate CBG production with its evolving gas infrastructure ecosystem, including City Gas Distribution (CGD) networks and expanding CNG infrastructure, to facilitate efficient evacuation, distribution, and utilization of CBG as a substitute for fossil-based fuels.
- 2.5 In view of regional variations in biomass availability, logistics, and demand patterns, the State adopts a decentralized and zonally differentiated development approach for CBG deployment. This approach aims to:
 - 2.5.1 Optimize utilization of locally available feedstock
 - 2.5.2 Enhance operational reliability and efficiency of CBG plants
 - 2.5.3 Promote equitable regional development, including in tribal and remote areas
 - 2.5.4 Reduce logistics costs and supply chain inefficiencies
- 2.6 The Vision further aims to promote integration of CBG across multiple end-use sectors, including:
 - 2.6.1 Transport sector through substitution of CNG
 - 2.6.2 Industrial fuel applications
 - 2.6.3 Injection into City Gas Distribution (CGD) networks
 - 2.6.4 Production and utilization of bio-manure for sustainable agriculture
- 2.7 Through this integrated and resource-aligned approach, the State aspires to emerge as a leading model for structured, sustainable, and large-scale deployment of Compressed Biogas (CBG) projects in the country.
- 3. OBJECTIVES**
 - 3.1 The overarching objective of this Policy is to enable large-scale deployment of Compressed Biogas (CBG) plants across the State of Chhattisgarh by addressing structural challenges related to feedstock supply chains, project development, plant operations, ancillary infrastructure, and the overall ecosystem
 - 3.2 The Policy aims to position Compressed Biogas as an integral component of Chhattisgarh's clean energy transition, circular economy framework, and waste management strategy, by creating a predictable and enabling environment for project development, investment, and long-term operations.
 - 3.3 In furtherance of the above, the Policy seeks to achieve the following specific objectives:
 - 3.3.1 Enable reliable, predictable, and cost-efficient feedstock supply chains through structured aggregation, storage, and logistics mechanisms aligned with district-level biomass availability.
 - 3.3.2 Improve project viability and bankability by creating an enabling ecosystem supported by targeted fiscal measures, regulatory facilitation, and coordinated institutional support.
 - 3.3.3 Enhance ease of doing business by streamlining access to infrastructure and utilities, including land, power, water and waste management systems.
 - 3.3.4 Foster investor confidence and accelerate private sector participation by ensuring policy clarity, regulatory stability, and time-bound approvals across all stages of project development and operation.
 - 3.4 Collectively, these measures are intended to complement and reinforce National level CBG initiatives, contribute to enhanced energy security, reduce dependence

on imported natural gas, strengthen rural and urban livelihoods, improve large-scale organic waste management, and advance India's climate mitigation and circular economy objective.

4. APPLICABILITY OF THE POLICY

This Policy shall apply to all Compressed Biogas (CBG) projects and associated activities undertaken within the territorial jurisdiction of the State of Chhattisgarh, subject to the provisions set out herein:

4.1 The Policy shall be applicable to all new CBG projects established within Chhattisgarh during the operative period of the Policy, having registered as per Clause No. 8.1

4.2 CBG plants utilizing any form of organic feedstock shall be eligible under this Policy. Eligible feedstocks shall include:

- i. Agricultural and crop residues
- ii. Animal dung and livestock waste
- iii. Municipal solid waste, including segregated organic fractions, sewage sludge/waste
- iv. Agro-industrial residues such as press mud, cane trash etc., and
- v. Energy crops such as Napier etc.

4.3 All projects covered under this Policy shall comply with applicable laws, rules, and standards issued by the Government of India and Government of Chhattisgarh, including those relating to environment, safety, land use, quality specifications, and statutory approvals.

4.4 Existing Enterprises established in the State that commenced commercial production before the specified date of issuance of notification of this policy shall also be eligible for incentives and benefits under this policy, except where specific transition or migration provisions are expressly notified by the State Government.

5. TIMELINE

This Policy shall come into effect from the date of its notification in the Official Gazette and shall remain in force till 31/03/2030.*

*Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, Clause (2)

6. INCENTIVE AND REGULATORY REFORMS

Pillar I: Foundational Infrastructure Support for Setting up CBG Projects

Objectives: Provide assured land access and time-bound provisioning and shifting of utilities through a single-window, deemed approval framework to prevent project development delays and upfront entry barriers for CBG Projects.

6.1 Land Lease Support

6.1.1 The land for establishment of CBG Projects in the State shall be allotted according to the Rules and provisions contained in Govt. of Chhattisgarh, Revenue Department orders and/or circulars relevant to allotment of Government land for industrial purposes and as per provisions contained in the State Industrial Development Policy 2024-30* or Urban Administration and Development Department**, Govt. of Chhattisgarh guidelines for establishment of CBG Plant on concessional lease basis.

*Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, Category (A-2) Annexure(s) 9.6, 9.7, 9.17, 9.20;

**Urban Administration and Development Department order vide no. F5-7/2025/18 dt. 07.05.2025.

6.1.2 For establishment of new enterprises by MSMEs and large enterprises* and expansion/diversification/substitution/modernization of existing enterprises, micro and small enterprises will be eligible for exemption on land use conversion fees (diversion fees)

*Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, C-3, Clause (4) (5)

- 6.1.3 For establishment of new enterprises in compressed bio-gas (CBG) sector by large enterprises, as well as cases of expansion/diversification/substitution/modernization of existing enterprises, will receive reimbursement of the registration fee payable on land.

*Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, C-3, Clause (4) (5)

6.2 Provisioning and shifting of Utilities

To ensure timely commissioning of Compressed Biogas (CBG) projects, Chhattisgarh will extend comprehensive support for provision and shifting of utilities through a structured and time-bound framework as detailed below:

- 6.2.1 All utility related permissions and facilitation required for establishment and operation of CBG projects including electricity connection, water supply and shifting or relocation of existing public infrastructure (such as electricity poles, underground cables, water and sewer lines, CGD pipelines etc.) will be coordinated by the designated State Nodal Agency (CBDA) under online single window mechanism.

- 6.2.2 All costs associated with provisioning, shifting or relocation of utilities required for CBG projects- including electricity connection, water supply, drainage, road access and relocation of existing public infrastructure including CGD pipelines shall be borne by the concerned project proponent(s).

- 6.2.3 In cases where such infrastructure is shared or subsequently utilized by multiple CBG projects and/or other entities, including public agencies or local bodies, the associated costs will be apportioned, recovered or re-adjusted on a pro-rata basis, in accordance with the extent of usage or capacity allocation, as determined by the Government of Chhattisgarh.

- 6.2.4 Clearances / Approvals / NOCs for provision, shifting or relocation of utilities required for CBG projects shall be processed by the concerned department within the specified time period as per norms of concerned department, from the date of submission of a complete application. Within this period, the department shall either grant approval or communicate, in writing, any specific modifications or deficiencies in the proposal. If no communication, approval or objection is issued within specified time period from the date of submission of a complete application, the proposal shall be deemed approved by concerned department subject to compliance with applicable safety, technical, and environmental norms. The above timelines will be incorporated into and monitored through the State Single Window Portal (SWP) framework.

Pillar II: Feedstock Supply Chain

Objective : Institutionalize a structured, catchment-based feedstock ecosystem to ensure reliable, year-round and cost-efficient supply of agricultural residues, municipal waste, animal waste, and sugar by-products to CBG plants.

6.3 Integrated Feedstock Planning Framework

To ensure continuous, reliable and cost-effective availability of feedstock for Compressed Biogas (CBG) projects, Chhattisgarh will establish a structured, decentralized and institutionally anchored feedstock supply chain framework as detailed below:

- 6.3.1 Each CBG project will be assigned to a clearly defined feedstock catchment area where every district shall be defined as catchment area* and will serve as the primary zone for feedstock aggregation and supply. Based on plant capacity, feedstock availability and logistical considerations, the District Collector / District Level

Committee of the concerned district may, where necessary, approve extension of the catchment area to one or more adjoining tehsils.

*Department of Energy, Govt. of Chhattisgarh order vide no. 1336/F-12/05/2024/13/2 dt. 24.04.26

6.3.2

A district level CBG monitoring committee (DLC) shall be constituted at district level (Catchment area) for facilitating availability of Agri-biomass, paddy straw and other biomass to ensure sustainable supply source of biomass at an affordable rate to CBG Entrepreneurs. The district level CBG monitoring committee (DLC) shall be constituted with following members:

- (1) District Collector- Chairman
- (2) Chief Executive Officer, Zila Panchayat- Member
- (3) Commissioner, Nagar Palik Nigam/Parishad- Member
- (4) Deputy Director, Agriculture- Member
- (5) District Agriculture Development Officer- Member
- (6) District Industry Officer- Member
- (7) Technical / Assistant Project Officer, CBDA- Member Secretary
- (8) Assistant Engineer/ District In charge, CREDA- Member
- (9) Farmer Producer Organization (FPO) /Aggregator (concerned district) - Member
- (10) Bio-energy Entrepreneur (concerned district)- Member

6.3.3

The above-mentioned district level CBG monitoring committee (DLC) shall also oversee the following:

- i. Evaluate proposals and approve land allotment based on suitability and feasibility upon assessment of district-wise availability of agricultural residues, cattle dung, and other biomass.
- ii. Overall monitoring, facilitation and supervision of CBG projects in the district.
- iii. Co-ordination among stakeholders, including farmers, FPOs, aggregators, and project developers.
- iv. Facilitate equitable access to biomass resources for CBG projects through district-level biomass allocation planning, aggregation support, and coordinated supply arrangements involving FPOs, cooperatives, local bodies, and aggregators.
- v. Periodic revision and updating of district-wise biomass and organic waste availability assessments, shall be done by District Level Committee, at least once every two (2) years, to ensure accurate feedstock planning and sustainable allocation, the assessed data shall be periodically reported to CBDA for capacity regulation as per provisions in Clause No. 8.2.

6.3.4

The district level CBG monitoring committee (DLC) will coordinate with various stakeholders e.g. project developers, farmer producer organizations (FPOs), cooperatives, panchayats, ULBs or aggregators to setup feedstock aggregation and storage centers within designated catchment areas to support efficient logistics and year-round feedstock supply.

6.3.5

The district level CBG monitoring committee (DLC) shall function as per Governance Mechanism in Clause No. 7.2.

6.4

Agriculture Residue based Feedstock Support

To strengthen the agricultural residue supply chain for CBG projects and address issues such as open burning, and unutilized crop residues, the Government will implement the following measures:

6.4.1

The State will encourage procurement and deployment of Biomass Aggregation and handling machinery, including Balers, Rakers, Trolleys, Shredders, Loaders, and transportation equipment under Biomass Aggregation Machinery (BAM) support scheme of Govt. of India*.

*Ministry of Petroleum and Natural Gas (MoPNG), Government of India Office Memorandum No. L-16020/02/2023-GP-I(E-45833) dt. 08.07.2025 regarding "Scheme Guidelines for providing

Financial Assistance to Compressed Bio Gas (CBG) producers for procurement of biomass aggregation machinery”

- 6.4.2 The State Agriculture Dept. will form at least one farmer producer organization (FPO) for biomass collection within the designated catchment area. The department will provide training, capacity building, and hand-holding support to such FPOs and farmers on Agri-waste collection, handling, storage and logistics. Further, the agriculture department, will also facilitate execution of long-term feedstock supply contracts between these FPOs and CBG Producers.

6.5 Municipal Solid Waste based Feedstock Support

To enhance urban sanitation, promote scientific processing of segregated organic waste and reduce landfill dependency, the State Govt. will integrate biodegradable waste streams with CBG projects as part of a structured urban waste management framework. For this purpose, the State will implement the following provisions:

- 6.5.1 CBDA, the State Nodal Agency will facilitate long-term arrangements for supply of segregated organic municipal solid waste to CBG projects located within or serving their catchment area, in accordance with applicable solid waste management rules.
- 6.5.2 CBDA along with concerned Urban Local Body / Municipal Corporation shall facilitate execution of long-term Concession Agreements with eligible CBG Project Developers in the State for supply of regular feedstock for a period of up to twenty-five (25) years, subject to applicable laws, rules, and contractual provisions beyond this policy period.
- 6.5.3 Krishi Mandis will be encouraged to enter into long-term feedstock delivery contracts with CBG Producers for collection of agricultural waste and residues generated at agricultural produce markets (Krishi Mandis) and for their systematic delivery to Compressed Biogas plants. Such waste residues will be eligible for exemption of Mandi Fees.*

*Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh C-3, Clause (11)

6.6 Press Mud and other sugar mill by-product-based Feedstock support

To ensure availability of press mud and other sugar-mill byproduct at fair market price for Compressed Biogas (CBG) projects, the State will implement the following:

- 6.6.1 In catchment areas where CBG plant is established, using press mud or any other sugar mill byproduct as feedstock, such feedstock shall be accorded priority for use in CBG projects.
- 6.6.2 Long-term feedstock supply contracts will be executed between sugar mills/sugar cooperatives and CBG project developers for assured supply of press mud. Such contracts will also provision for reverse supply of bio-manure (Fermented organic Manure) generated from the CBG plants to the sugar mills/sugar cooperatives or designated agencies. The purchase price of press mud and the rate of supply of bio-manure shall be mutually agreed between the sugar mill and the CBG project developer.

6.7 Animal Husbandry based Feedstock Support

To advance circular economy principles and transform livestock waste into clean energy and bio-fertilizer, the State will integrate animal husbandry waste streams into a structured waste-to-wealth framework that promotes resource recovery, rural sanitation, and sustainable bio-resource utilization for this purpose, the following provisions will be implemented:

- 6.7.1 The Animal Husbandry Department will facilitate long-term feedstock supply arrangements between Gaushalas, Cattle Sheds, Dairies, and CBG Project Developers for supply of animal dung, and livestock waste. Such arrangements will

include fixed fee-based supply contracts to ensure predictable feedstock availability while improving circular economy and animal waste management outcomes. The Dept. will encourage aggregation of cattle dung at village level through cooperatives, SHGs, FPOs or registered aggregators to support decentralized feedstock logistics

Pillar III: Plant Setup and Operations Support

Objective: Enhance bankability and early-stage operational stability of CBG Plants through capital assistance, fiscal incentives, subsidies, exemptions and concessions including power cost rationalization and structured manpower support mechanisms

6.8 Capital Support

To mitigate high upfront capital requirements and improve the bankability of Compressed Biogas (CBG) projects, the State will provide capital support for establishment of CBG Plants Such support will be investment linked and designed to complement Central Government assistance, subject to conditions

6.8.1 Eligible MSMEs* and large enterprises** will have the option to avail the Fixed Capital Investment (FCI) Subsidy, as per provisions contained in Chhattisgarh Industrial Development Policy 2024-30**/ including for projects located in development blocks including aspirational districts.

*Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, Category (A-2) Annexure: 9.1, 9.3, 9.13, 9.15

**Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, C-3: Clause (1) (2) (6) (9) (9-A)

6.8.2 If any industry or service enterprise receives concessions or subsidies under the Production Linked Incentive (PLI) scheme implemented by the Government of India, the industrial investment incentives eligible under the Industrial Development Policy 2024-30 will be provided in addition to the incentive amount given under PLI Scheme*, subject to applicability of PLI Scheme in CBG Projects by Government of India.

*Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh Clause (12.26)

6.9 Power Tariff Support

To reduce operating cost, the State will extend power tariff support, for electricity consumed during plant operations. Such support will be subject to conditions and limits specified below:

6.9.1 New MSME enterprises* and new large enterprises** in CBG sector will be eligible for exemption from payment of electricity duty.

*Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, Category (A-2) Annexure: 9.1,9.3, 9.13, 9.15

**Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, C-3: Clause (1) (2) (6) (9) (9-A)

6.9.2 Only eligible new large enterprises will be provided with a reimbursement of the charges for new electricity connections (excluding security deposit) up to a certain extent.

6.10 Labor and Manpower Support

To promote local employment and reduce manpower related operating cost during the initial years of plant operations, the State will extend targeted labor and manpower support to eligible CBG projects, subject to conditions and limits specified below:

6.10.1 New and existing MSMEs* and Large Enterprises** in the State will be reimbursed up to a certain percentage of the net salary/remuneration.

*Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, Category (A-2) Annexure: 9.1, 9.3, 9.13, 9.15

**Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, C-3: Clause (1) (2) (6) (9) (9-A)

- 6.10.2 Reimbursement of the EPF* contribution for employees from Chhattisgarh up to a certain percentage will be provided.

*Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, Category (A-2) Annexure: 9.1, 9.3, 9.13, 9.15

Pillar IV: Bio-Manure (FOM/LFOM) Management and Supporting Infrastructure Development

Objective: Enable sustainable monetization and market integration of fermented organic manure while supporting development of essential project infrastructure such as approach roads, utility systems, and CBG evacuation linkages

6.11 Management and Utilization of Bio-Manure (FOM/LFOM)

6.11.1 The State Nodal Agency CBDA in co-ordination with State Agriculture Department/State Agriculture Universities and other designated Research Institutions will promote research, marketing and distribution of Bio-Manure produced by CBG Plants, to create farmer awareness and acceptance.

6.11.2 The State Nodal Agency will promote and facilitate formation and strengthening of organic manure cooperatives/FPOs/SHGs for organized aggregation, quality standardization, and structured marketing and distribution of FOM/LFOM to enable organized market access and ensure sustainable commercialization of organic manure.

6.11.3 The State Government will encourage its Department of Agriculture, Horticulture, Forest, Panchayat & Rural Development, and other relevant departments to integrate and prioritize the utilization of Bio-Manure (FOM/LFOM) produced by CBG Plants in plantations, soil-health programs, and other public procurement systems to create assured institutional demand.

6.11.4 The State Government shall facilitate integration of Fermented Organic Manure (FOM) and Liquid Fermented Organic Manure (LFOM) generated from CBG plants into existing fertilizer distribution and agricultural input supply channels through cooperatives, agricultural agencies, and other institutional mechanisms.

6.11.5 The State Nodal Agency CBDA shall promote utilization of FOM/ LFOM generated from CBG plants in different agriculture, horticulture, forestry and other green initiatives taken up by different government departments in the State.

6.11.6 The State will encourage the establishment of digestate value addition facilities, including granulation units to convert FOM/LFOM into standardized, transportable and market ready organic fertilizer.

6.12 Supporting Infrastructure Development

6.12.1 Reimbursement of the expenditure on ETP (Effluent Treatment Plant) will be provided*.

*Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, C-3: Clause (7) (8)

6.12.2 Interest subsidy will be provided on loans taken for developing environmental protection infrastructure for water recycling/harvesting and zero discharge technology, based on a certificate issued by the Chhattisgarh Pollution Control Board.*

*Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, C-3: Clause (7) (8)

6.12.3 The state will ensure availability of 33/11kV power connectivity from the nearest suitable sub-station subject to technical feasibility and availability of adequate load capacity for CBG plants. The cost of dedicated infrastructure, augmentation, or

extension required for such connectivity will be borne by the CBG project developer in accordance with applicable regulations.

- 6.12.4 The state will ensure that provisions related to creation of CBG evacuation related infrastructure are integrated within the City Gas Distribution (CGD) policy. Such integration will include, inter alia, a time-bound and deemed approval mechanism, transparent and standardized framework for Right of Use (RoU), restoration charges and other applicable permission and charges to enable timely and cost-effective evacuation of CBG through CGD networks.

Pillar V: CBG Demand Creation and Transport Sector Integration

Objective: Create assured and scalable demand for domestically produced CBG through structured integration with the transport sector, fiscal incentives for CNG vehicle adoption, and streamlined regulatory approvals.

6.13 Procurement by Institutions

To create assured demand for domestically produced Compressed Biogas (CBG) Projects, the State shall undertake following measures for integration of CBG within the transport ecosystem:

- 6.13.1 The State shall extend necessary support, as may be notified separately, for conversion of eligible public transport buses or private vehicles or vehicles used by ULBs* to CNG, in accordance with applicable technical and safety standards.

*Urban Administration and Development Dept., Govt. of Chhattisgarh letter no. 6679/5408/2024/18 dt. 09.10.2024-Concession Agreement (CA) Clause no. 3.10 & 4.2

- 6.13.2 Educational institutions and private transport operators in cities and towns shall be encouraged to transition to CNG based vehicles during the validity period of this policy.

6.14 Regulatory Facilitation for CNG Vehicle Ecosystem

To streamline regulatory processes and ensure time-bound approvals for adoption of CNG vehicles and conversion infrastructure, the State Transport Department shall implement the following facilitative measures:

- 6.14.1 Applications for approval of CNG vehicles and CNG kits certified by Automotive Research Association of India (ARAI) or International Centre for Automotive Technology (ICAT) shall be processed within specified timeline as per norms of concerned department, from the date of receipt of complete application. Validity certification and compliance verification shall be undertaken once every three (3) years in accordance with applicable safety norms.

- 6.14.2 Endorsement of CNG fuel conversion on the Registration Certificate (RC) shall be completed by the concerned RTO/DTO within specified timeline as per norms of concerned department, from the date of submission of complete documentation and inspection.

- 6.14.3 Approval for establishment of CNG Retro-fitment Centres (RFCs) shall be granted within specified timeline as per norms of concerned department, from the date of receipt of complete application, subject to compliance with applicable technical and safety standards.

Pillar VI: Development of Ecosystem Enablers

Objective: Create a predictable, investment-friendly CBG ecosystem through tax and interest support, innovation and R&D incentives and a digital single-window approval mechanism with defined timelines and accountability.

6.15 Tax and Interest Support

The state government will extend the following support measures:

- 6.15.1 Reimbursement of Net State Goods and Services Tax (Net SGST) to eligible MSMEs* and large enterprises** up to certain limit as per provisions contained in Chhattisgarh Industrial Development Policy 2024-30*/**.
*Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, Category (A-2) Annexure: 9.1,9.2; 9.9,9.10
**Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, C-3: Clause (1) (1-A)
- 6.15.2 Eligible MSME enterprises and large enterprises will be provided with an interest subsidy, on term loans obtained from financial institutions recognized by the Reserve Bank of India as per provisions contained in Chhattisgarh Industrial Development Policy 2024-30*/**
*Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, Category (A-2) Annexure: 9.1,9.2; 9.9,9.10
**Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, C-3: Clause (1) (1-A)
- 6.16 **Research, Development, and Innovation Support**
To promote innovation, indigenization and technological advancement in the CBG sector, the State Government will extend the targeted support for Research and Development as follows:
- 6.16.1 The State Nodal Agency CBDA shall be the designated Research and Development (R&D) organisation for CBG sector* to support technology improvement, operational efficiency, enhancement and ecosystem strengthening. CBDA to undertake targeted initiatives such as enhancement of digester efficiency, development and standardization of fermented organic manure (FOM) products, technology validation studies, alternate feedstock development and other operational efficiency/technology improvement initiatives.
*Urban Administration and Development Dept., Govt. of Chhattisgarh letter no. 6679/5408/2024/18 dt. 09.10.2024-Concession Agreement (CA) Clause no. 4.5
- 6.16.2 New Enterprises in the State will be reimbursed against expenses incurred for obtaining ISO-9000, ISO-14000, ISO-18000, ISO-22000, BIS certification, ZED certification, Bureau of Energy Efficiency (BEE) certification, LEBP certification in the field of renewable energy, Agmark, Euro standards, or other similar national/international certifications.*
*Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, Category (A-2) Annexure: 9.1, 9.2; 9.9,9.10
- 6.16.3 New enterprises in the State will be encouraged to obtain successfully registered and approved patents based on their original work/research. *
*Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, Category (A-2) Annexure: 9.1, 9.2; 9.9, 9.10
- 6.16.4 The State Nodal Agency CBDA* shall examine the feasibility of decentralized, plastic tank-based biogas generation systems at the household and community level in rural, semi-urban, and urban areas in consultation with the department of drinking water and sanitation (DDWS), the Ministry of Housing and Urban Affairs (MoHUA), the Ministry of New and Renewable Energy (MNRE) and other relevant stakeholders. The evaluation shall include technical viability, financial sustainability, scalability potential, safety standards, and integration with existing rural sanitation and waste management systems.
*Dept. of Scientific and Industrial Research, Govt. of India, certificate of registration no. F.no. 11/805/2019-TU-V dt. 02.06.2025
- 6.17 **Institutional Capacity Building and Skill Development**
To ensure availability of a skilled technical workforce and build long-term institutional capability for sustainable CBG sector growth, the State Government

will establish a dedicated CBG Skill and Capacity Development Framework with provisions given below:

6.17.1 CBDA will develop standardised certification and training modules for plant operators, maintenance technicians, safety supervisors and quality control staff associated with CBG plant operations.

6.17.2 Structured Training programs will be implemented in collaboration with Industrial training institutes (ITIs), Polytechnics, Agricultural/Engineering & Technology/Veterinary and Integrated Universities, Chhattisgarh State Skill Development Authority (CSSDA), Oil & Gas Marketing Companies (OGMCs) and other accredited institutions. Technical capacity strengthening will be done through SOPs/Field trainings or Research and Innovation promotion through MoUs with State Universities/Technical Institutions/Oil and Gas Marketing Companies (OGMCs).*

*MoU between CBDA and IIT Bhilai dt. 20.05.2019 on Academic and Research Cooperation;

6.17.3 New Enterprises will be eligible for the reimbursement of training expenses of employee who are domicile of Chhattisgarh*

* Industrial Development Policy 2024-30 Dept. of Commerce & Industries, Govt. of Chhattisgarh, Chapter (C-3) Clause (10)

6.18 Single Window Mechanism

To ensure coordinated implementation, reduce approval timelines, and enhance ease of doing business, the State of Chhattisgarh shall establish a Single Window Clearance Mechanism for processing all approvals, permissions, and clearances required for development and operation of Compressed Biogas (CBG) projects:

6.18.1 The Department of Commerce & Industries, Government of Chhattisgarh in co-ordination with the State Nodal Agency CBDA shall ensure integration and alignment with CBG project requirements in the existing single window portal, including incorporation of all relevant departments and approval processes, within a period of six (06) months from the date of notification of this Policy and shall be responsible for facilitating development, operation, and management of the Single Window Portal for CBG projects.

6.18.2 All project-related approvals, clearances, and No Objection Certificates (NOCs), including those related to land, environment, utilities, and statutory compliances, shall be processed through the Single Window Mechanism.

7. GOVERNANCE MECHANISM

7.1 State Nodal Agency

7.1.1 Under this Policy, the designated State Nodal Agency, Chhattisgarh Biofuel Development Authority (CBDA) will be the principal authority responsible for promotion, facilitation, and coordinated execution of Compressed Biogas (CBG) projects across Chhattisgarh.

7.1.2 The State Nodal Agency CBDA will, inter alia, perform the following functions:

7.1.2.1 Facilitate registration of investors and project developers under the Policy, provide guidance on applicable incentives, and assist in resolution of queries, grievances, and implementation-related issues.

7.1.2.2 Align planning of CBG projects and associated evacuation infrastructure with the PM Gati Shakti National Master Plan to optimize feedstock transportation routes, minimize logistics costs and enable co-location with gas distribution networks.

7.1.2.3 Obtain and compile district-wise data yearly on availability of agricultural residues, animal dung, municipal solid waste, agro-industrial residues, and other biomass, in co-ordination with the Agriculture Department, Animal Husbandry Department, Urban Development Department, and other relevant agencies.

- 7.1.2.4 Conduct or facilitate annual district and block / tehsil-level surveys to update assessments of biomass production capacity, competing uses, and techno-economic viability of different biomass streams, which shall be used as inputs for project registration, catchment allocation and capacity planning.
- 7.1.2.5 CBDA in association with CSIDC shall operate the single-window portal for submission, tracking, and time-bound processing of CBG-related approvals and applications.
- 7.1.2.6 Facilitate processing of Consent to Establish (CTE), Consent to Operate (CTO) and other applicable environmental clearances for notified CBG projects in accordance with CPCB industry classification norms as determined based on feedstock type, scale of operation, and wastewater discharge parameters.
- 7.1.2.7 Undertake periodic monitoring, reporting, and review of CBG sector performance at the high-powered State level SATAT Committee* (refer Clause No. 9.2) which will in turn recommend policy refinements, regulatory interventions, or corrective measures to ensure ecosystem scale up.

*Govt. order no. 1961/F-26/06/SATAT/2021/13/2 dt. 07.09.2021, Dept. of Energy, Govt. of Chhattisgarh

7.2 District Level Committee (DLC)

A district level CBG monitoring committee (DLC) will be constituted in each district under the chairmanship of the District Collector and will undertake the following functions:

- 7.2.1 Evaluate proposals and approve land allotment based on suitability and feasibility.
- 7.2.2 Establish co-ordination among farmers, feedstock aggregators and CBG project developers for creation and smooth functioning of feedstock supply chains within the district
- 7.2.3 Facilitate determination of appropriate and uniform district-level prices for feedstock based on mutual consultation with farmers, aggregators, and project developers, ensuring transparency and fairness.
- 7.2.4 Provide regulatory and administrative support to aggregators for transportation, storage, and movement of feedstock within the district .
- 7.2.5 Coordinate with the Agriculture Department, Horticulture Department, Forest Department, Urban Local Bodies, Development Authorities, and other relevant agencies for marketing and distribution of organic manure and bio-manure produced by CBG plants.
- 7.2.6 Facilitate and coordinate regulatory approvals and clearances required at the district level, including but not limited to fire safety, land use permissions, conversion of agricultural to non-agricultural land, availability of government land, electricity and water supply, used water/ wastewater treatment, transmission infrastructure, and waiver or rationalization of development charges, as applicable.
- 7.2.7 Ensure compliance with approved command / catchment areas by aggregators and project developers to prevent conflict over feedstock supply and protect project viability.
- 7.2.8 Monitor and review timely payments to farmers / feedstock suppliers for feedstock supply and address grievances, if any.
- 7.2.9 Facilitate execution of contracts related to supply and utilization of organic manure and compressed biogas.
- 7.2.10 In cases where multiple aggregators operate within the same catchment area, recommend appropriate measures to the State level SATAT committee through State Nodal Agency CBDA for rationalization, co-ordination or restriction of aggregator numbers to ensure orderly supply and fair competition.

- 7.3 Monitoring and Grievance Redressal
- 7.3.1 All CBG projects registered through Single Window Portal of the Dept. of Industries, Govt. of Chhattisgarh, shall submit periodic operational and performance data to the State Nodal Agency CBDA including feedstock utilization, gas production, digestate utilization, and operational status, in such format and frequency as may be prescribed by CBDA.
- 7.3.2 A two-tier grievance redressal mechanism will be established for resolution of issues related to approvals, land allotment, feedstock supply, utility connectivity, and other implementation matters:
- a. District-Level Committee chaired by the District Collector,
 - b. State-Level SATAT Committee under the Chairmanship of the Secretary, Department of Energy, Govt. of Chhattisgarh.
8. **PROCEDURE FOR REGISTRATION OF CBG PLANTS TO BE ESTABLISHED**
- 8.1 Applicability of Registration
- Developers who have already been issued a Letter of Intent (LoI) under the Sustainable Alternative Towards Affordable Transportation (SATAT) initiative of the Ministry of Petroleum and Natural Gas, Government of India or any similar off-take guarantee arrangement and have further registered on central GOBARDhan (Galvanising Organic Bio-Agro Resources Dhan) portal will be registered under the current policy.
- 8.2 District-Based Capacity Regulation and Catchment Area Affiliation
- Based on assessed waste-to-biogas potential at the district level, registration of CBG projects shall be restricted such that not more than 80% of the estimated waste-based biogas generation capacity of a district is allocated to CBG projects. This is to ensure:
- 8.2.1 Availability of biomass for alternative uses;
 - 8.2.2 Adequate supply for local community requirements; and
 - 8.2.3 Long-term sustainability of feedstock supply
- 8.2.4 Registration of projects shall be undertaken through Single Window Portal of the Dept. of Industries, Govt. of Chhattisgarh based on the recommendations of the State nodal Agency CBDA which shall assess project capacity, feedstock requirement and implementation readiness. Based on such assessment, the affiliated feedstock catchment area of a project may be increased or rationalized.
- 8.3 Site Selection, Feedstock Catchment Area and Exclusivity
- The developer shall have the freedom to select the project site within the approved district. Based on project capacity and biomass requirement:
- 8.3.1 No additional CBG project shall be registered within the same block / tehsil of a particular district if it is likely to adversely affect feedstock availability or financial viability of the approved project.
 - 8.3.2 The District Collector may, where justified by plant capacity and biomass availability, extend the catchment area to adjoining blocks / tehsils.
 - 8.3.3 Biomass generated within a tehsil shall ordinarily be utilized within the same block / tehsil. For large-capacity projects, the District Collector may designate two or more blocks / tehsils as a combined catchment area.
- 8.4 Compliance with Central and State Guidelines
- All developers shall comply with guidelines issued by the Ministry of New and Renewable Energy (MNRE), Government of India, or any other Ministries of Government of India and relevant rules, notifications, and regulations issued by the State Government from time to time in relation to CBG projects.

9. **MISCELLANEOUS PROVISIONS**

9.1 All Compressed Biogas (CBG) units established under this Policy will comply with applicable environmental laws, rules, regulations, notifications and orders issued by the Government of India and the Chhattisgarh Government from time to time, including those relating to pollution control, waste management, safety, and statutory clearances.

9.2 A High-Powered State Level SATAT Committee will be constituted under the chairmanship of the Secretary Dept. of Energy, Government of Chhattisgarh shall have representations from following Departments for overall monitoring, periodic review, inter-departmental co-ordination, resolution of implementation-related issues, and effective execution of the Policy:

- 9.2.1 Department of Energy, Govt. of Chhattisgarh,
- 9.2.2 Department of Agriculture, Govt. of Chhattisgarh,
- 9.2.3 Panchayat & Rural Development Department,
- 9.2.4 Urban Administration Department,
- 9.2.5 Chhattisgarh State Industrial Development Corporation
- 9.2.6 Any other Govt. Department, as and when required.