

GAIL (India) Limited
(A GOVT. OF INDIA UNDERTAKING)



EXPRESSION OF INTEREST

SELECTION OF STRATEGIC PARTNER(S)
FOR GAIL IN TELECOM & DATA
CENTER BUSINESS

❖ **About GAIL:**

GAIL (India) Ltd. is India's largest natural gas company, ranked amongst top gas utilities in Asia. Its business activities range from Gas transmission and Marketing to Gas Processing; transmission of liquefied Petroleum Gas (LPG); production and marketing of Petrochemicals. It also has presence in Liquefied Natural Gas (LNG) re-gasification, City Gas Distribution and Exploration & Production through equity and joint venture participations. Further, GAIL has also diversified into solar, wind power re-generation and Telecom business.

Currently, GAIL has around 12,000 km of pipeline network of Natural Gas (NG) and Liquefied Petroleum Gas (LPG). This PAN-India network shall further expand to around 17,000 kms by the year 2020.

❖ **About GAILTEL:**

GAILTEL, the Telecom & Telemetry services arm of GAIL (India) Limited, is providing communication services for its business critical pipeline Supervisory Control and Data Acquisition (SCADA), Enterprise Resource Planning (ERP) for automation of organization-wide business processes/functions, inter/intra office communications, CCTV systems, IT services, etc. apart from commercially leasing telecom services to telecom operators across India since 2001.

GAILTEL has laid OFC and telecom infrastructure along the NG and LPG pipeline within existing Right of Way (RoW) through setting up of required facilities and operating the same as per applicable rules and regulations. GAILTEL has more than 90 nos. of experienced Telecom executives for O&M and execution of Projects in PAN-India GAILTEL network.

Currently, GAILTEL has a reach of around 12000 Km of OFC network

along GAIL's reliable cross country pipelines connecting more than 100 towns/cities across India. Additionally, GAILTEL also has a non-pipeline OFC network of approx. 1500 kms along major Highways covering major-cities.

GAILTEL services include long term lease of Dark Fibre under IRU, Tower space, collocation facilities and point-to-point leased line Bandwidth services. GAILTEL PAN-India OFC network is built largely along the highly secured GAIL's cross country pipeline corridor and ensure highly reliable and error free service to its internal & external customers.

The PAN-India GAILTEL network is managed centrally on 24X7 basis from a state-of-art Network Management Centre (NOCC) at Noida. Further, OFC maintenance teams are deployed for round the clock O&M of OFC network.

❖ **Objective of EOI:**

GAIL is looking for a long-term partnership with a strategic partner (s) to create a PAN-India high capacity Optical Fibre Cable grid network, encompassing the major cities such as Delhi → Mumbai → Bengaluru → Chennai → Vizag → Bhubaneswar → Kolkata → Patna → Varanasi → Delhi routes and harnessing the telecom related opportunities offered on this proposed high capacity OFC network, for doing sustainable business in the field of bandwidth leasing, establishing and maintaining Data centers, Internet connectivity, Fibre-to-Home (FTTH), etc.

❖ **Brief scope of long-term Partnership under EOI:**

- Augmentation/ Build-up of High capacity network using existing PAN-India GAILTEL OFC infrastructure, for doing sustainable business in the field of bandwidth leasing and Data Centre services.

- Establishing and maintaining Data Centers in Tier-1 cities (Metros) and major smart cities under Tier-2 category to harness business opportunities in Data Centre services.
- Marketing of Telecom business services (Bandwidth leasing and Data Centre Services) for generating sustainable revenue stream.
- Assessing the business demand in the market w.r.t potential of PAN-India GAILTEL network and accordingly developing sustainable business models under revenue and profit sharing modes.

❖ **Scope of Work under long-term Partnership:**

a. Building High Capacity Network:

High Capacity network need to be built using existing 1 pair/ 2 pairs of GAIL fiber on the following routes:

- **Bengaluru - Mumbai route:** Using pipeline routes of Dabhol – Bengaluru network, Dahej – Uran network & Dabhol – Panvel network
- **Mumbai - Delhi route:** Using pipeline routes of Hazira – Vijaipur -Jagdishpur & Jamnagar – Loni OFC network.
- **Delhi - Kolkata – Bhubaneshwar route:** Using pipeline routes of upcoming Jagdishpur - Haldia network (to be completed by year 2020)
- **Bengaluru – Chennai:** Since Chennai is a strategic location for Data Centre business and GAIL pipeline network is currently not available in this route, provision of hired high capacity

bandwidth/ fibre from 3rd party service providers shall be explored to build the high capacity network on this route.

Note: The partner shall take into account the entire PAN-India Telecom network of GAIL, both existing and upcoming, while proposing any Telecom business case. The existing and upcoming OFC network details are placed as Annexure-I & II.

b. Building OFC network in City Gas Distribution (CGD) cities:

- GAIL is laying fibre along with steel as well as Medium Density Polyethylene (MDPE) pipeline network in CGDs to ensure last-mile connectivity with potential corporate business customers in CGD networks for Office Connectivity as well as Data Centers
- Fibre being laid in CGD network can be used to capture the growing bandwidth demand for services like IPTV, Video-on-Demand, High speed internet, etc. using Fibre-to-the-Home (FTTH) infrastructure in collaboration with service providers (B2B model).

c. Building last-mile connectivity in Smart Cities:

- Hiring of fibre from nearest P/L facility to the Point-of-Presence (PoP) of service provider for providing Intra-city last mile connectivity may be done in order to provide connectivity to Corporate Enterprises and Data Centers in Smart Cities.
- In addition, this network may also be used for provision of Internet services/ Data Centre connectivity to Internet Services Providers in Smart Cities.

d. Building Data Centers across major cities:

- GAIL along with the strategic partner may tie-up with companies providing Data Centre Services depending upon the expertise of strategic partner. While provision of Infrastructure such as Space (Building), Power, AC, Security, Fire Safety, etc. and providing connectivity using GAILTEL Network shall be in the scope of GAIL, the partner shall provide and maintain the necessary IT hardware, Software, ISP connectivity and Marketing of the Data Center Solutions.

- Potential Locations for building Data Centers:
 - In metropolitan areas, existing Data Centre at Noida and GAIL locations such as Mumbai may be used for execution of GAIL's scope of proposed partnership.

 - In major Tier-2 cities, where GAIL CGD networks are being setup, one floor space may be allocated for creation of small Data Centres on partnership basis.

 - In other major Tier-2 cities, designated as Smart Cities, GAIL installations such as near-by maintenance bases, residence colony, etc. may be utilized for execution of GAIL's scope of proposed partnership. The data centers at these locations may be used to harness increased bandwidth requirement of Smart Cities and requirement of connecting big data centers in Tier-1 cities with small data centers.

❖ **Eligibility Criteria:**

- This Invitation for Proposals, issued by the GAIL is open to all firms including company (ies), Government owned Enterprises registered and incorporated in India as per Companies Act, 1956 or 2013
- The Invitation for Proposals, issued by the GAIL is open to firms that possess a Telecom license - Telecom infrastructure provider registration (IP-1) / telecom license (ISP, UL, NLD) from the Department of Telecom, Govt. of India for providing telecom services. In case, the applicant does not possess a valid license or has applied for the same, the applicant shall submit an undertaking of obtaining the same within one hundred twenty (120) days of the signing of MoU with the applicant selected by GAIL.
- The applicant must be owning and maintaining minimum of One Thousand (1000) Km of Underground / OPGW Fiber or shall have experience in providing telecom services/ deploying telecom network.

❖ **Evaluation of Proposals under EOI:**

- The interested applicants shall be required to submit following details along with their EOI:
 - (a) Certificate of incorporation
 - (b) Service tax registration certificate.
 - (c) Copy of PAN.
 - (d) Background and capability statements of the applicant including details of licence/ registration from DoT as well as details of Telecom Infrastructure/ services owned/ controlled by the Applicant;

- (e) Financial Capacity statements of the applicant (annual turnover/ net-worth) during the last three years. (Please furnish copies of MoA, AoA and Annual Reports of the last 3 years)
- (f) The Applicants Associate Firms, if any [Name of Associate Firms, Equity participation (direct/ indirect)]
- (g) In case of Telecom Service Provider, please provide the details of types of licenses held viz. NLD, ISP, IP-I, IP-II etc. along with effective date of license(s) and date of commencement of services in each license. Please mention whether liquidated damages have ever been imposed/ paid for delay in commissioning of services against any license, if so, the details thereof;
- (h) Views of the Applicants for taking up this project highlighting the following:
 - i. GAIL India Ltd, P/L OFC route/ areas proposed to be covered on priority basis;
 - ii. Proposed business model –technical, commercial and regulatory perspectives;
 - iii. Technical plan including infrastructure requirements for creation of Telecom Infrastructure;
 - iv. Financial viability of the project including revenue model including NPV calculations and revenue forecast.
 - v. Various items of Telecom Infrastructure that can be incorporated as part of this project and suggested specification for such items and rentals on users for sharing telecom infrastructure;

- vi. Average lead time required for setting up and commissioning of proposed Telecom Infrastructure; and
- vii. License/ clearance requirements from various authorities involved.

(f) Any other relevant input the applicant may like to share.

Note:

1. Only concise and relevant information should be submitted as a part of the EoI. Any concealing of Information may lead to disqualification.

- The short-listed applicant shall be required to make a detailed presentation covering the information contained in their EOI before a Committee constituted by GAIL (Date/ time for meeting will be informed after receipt of EOI and examining the same). The capability and quality of information submitted by the Applicants, which meet GAIL's objectives shall form the basis for shortlisting of the Applicants.
- The EOI shall be examined and the applicants shall be shortlisted with respect to following parameters:
 - (i) Turnover from Telecom business
 - (ii) Effectiveness of the Proposed Business Model which will be beneficial to both the party in long run and sustainable
 - (iii) Geographical coverage in terms of service area
 - (iv) In case of Telecom Service Provider, the types and period of licenses held

(v) Quality of information furnished in EOI & quality of presentation before Committee of GAIL

❖ **Other Terms & Conditions:**

- A **pre-bid conference** to address any clarifications related to the proposal shall be **held on 10th November'2017 at the below mentioned address (11:00 hrs.)**. GAIL shall be at liberty to appropriately use the information submitted under the EOI. The EOI shall be submitted at the address given **below not later than 15:00 hrs. on 25th November 2017:**

General Manager (GAILTEL) (Kind Attn: – Shri D S Paswan)

GAIL INDIA LIMITED,

B-35 & 36, Sector –01, Noida, 201301

Phone: 0120 – 2446400 /4862400 Extn. 11136

Email: dspaswan@gail.co.in

Any other query before submission of responses to EOI may also be sent on the above mentioned address

- EoI document must be signed by the authorized person of the company. The Power of Attorney in the name of the Authorized person should be submitted along with the bid
- The invitation and submissions under this EOI shall not be binding on GAIL or any of the participants in any manner. Further, GAIL shall reserve the right to reject any or all of the submissions received or cancel the EOI process without assigning any reasons whatsoever and without any liability on any account.

- Statutory clearances and approvals etc. required for setting up the project shall be taken up by the partner(s) at their own risk and cost with necessary support from GAIL.

EXISTING GAIL OFC NETWORK

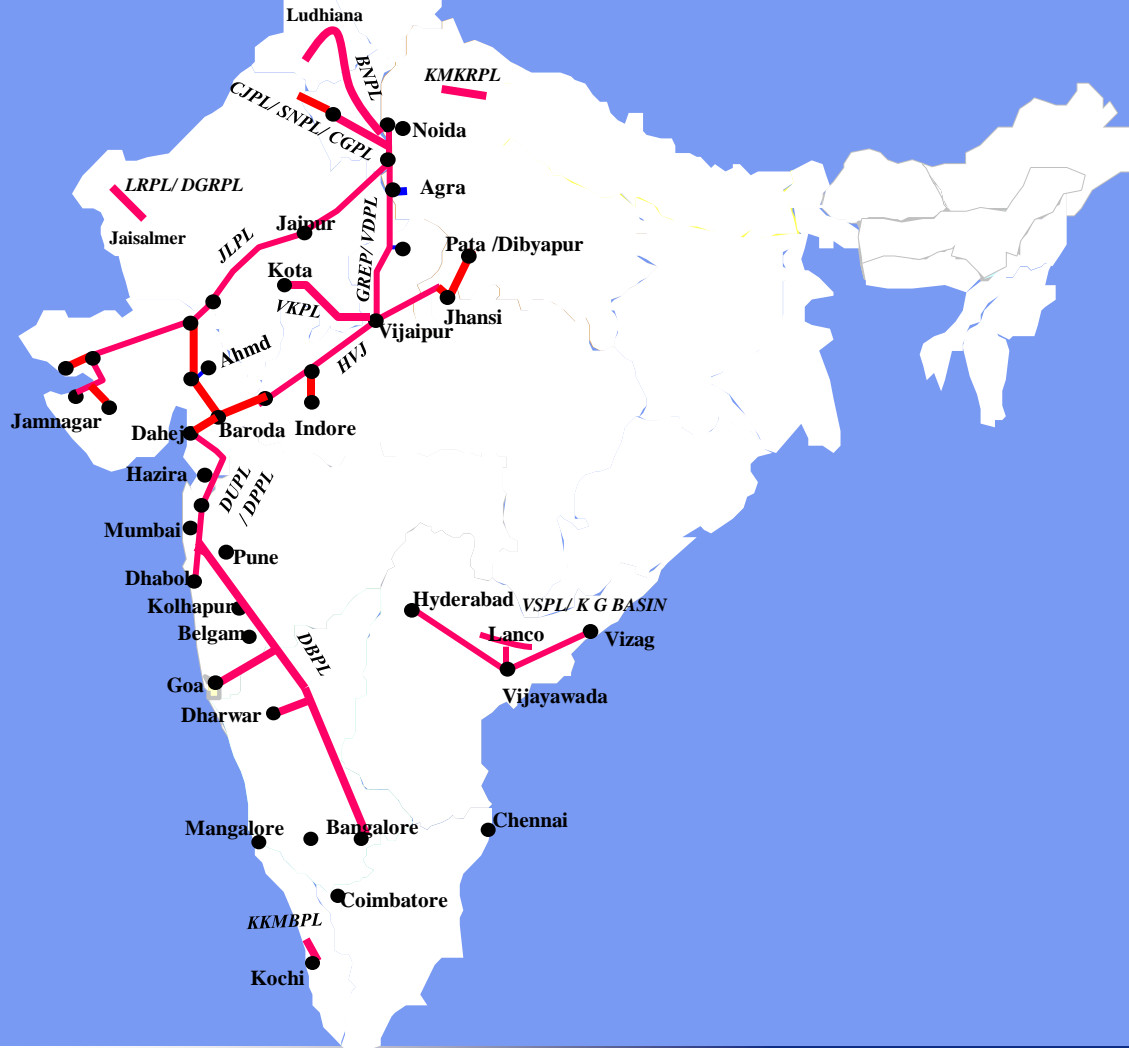
S.No.	Fiber routes	Length (km)	Major Cities where GAIL OFC network available
1	HVJ	1179	Surat, Bharuch, Vadodara, Panch Mahals, Dahod, Rajgarh, Jhabua, Datia,Dhar, Ujjain, Indore, Guna, Ashoknagar, Shivpuri, Gwalior, Jhansi, Jalaun, Auraiya, Shahjahanpur, Kanpur
2	GREP_VDPL	456	Guna, Shivpuri, Gwalior, Bhind, Morena,Dholpur, Agra, Bharatpur, Mathura, Firozabad, Faridabad, Delhi, Gautam Buddha Nagar, Bulandshahr
3	VKPL	140	Guna, Baran, Kota
4	DVPL	610	Bharuch, Vadodara
5	BNPL	680	Delhi, Ghaziabad, Meerut, Sonapat, Baghpat, Muzaffarnagar, Saharanpur, Yamuna Nagar, Fatehgarh Sahib, Ludhiana, Ambala, Patiala, Barnala, Bathinda, Haridwar,Jalandhar, Nawan Shahr, Rupnagar
6	DBPL	1001	Ratnagiri, Kolhapur, Belgaum, Bellary, Chitradurga, Dharwad, Gadag, Davanagere, Sindhudurg, North Goa, South Goa, Tumkur, Bengaluru Rural, Bengaluru, Bangalore Urban
7	DUPL_DPPL	875	Surat, Dadra and Nagar Haveli, Ratnagiri, Thane, Bharuch, Vadodara, Raigarh, Palghar, Pune, Valsad, Navsari, Mumbai, Greater Bombay
8	JLPL	1414	Jamnagar, Kachchh, Patan, Alwar, Sirohi, Banas Kantha, Pali, Jodhpur, Ajmer, Jaipur, Palwal, Gurgaon, Faridabad, South Delhi, Ghaziabad
9	VSPL	618	Visakhapatnam, Krishna, Rangareddy, East Godavari, West Godavari, Nalgonda, Cherlapally
10	KKMBPL	879	Ernakulam
11	CJPL_SNPL_CGPL_DMPL	274	Gurgaon, Alwar, Rewari, Faridabad, Delhi, Gautam Buddha Nagar
12	KMKRPL	150	Udham Singh Nagar, Rampur

13	LRPL_DGRPL_JLPL	151	Jaisalmer
14	K G BASIN	881	East Godavari, Krishna, West Godavari

UPCOMING GAIL OFC NETWORK (TO BE COMPLETED BY 2020)

S.No.	Fiber routes	Length (km)	Major Cities through which Fibre
1	JHPL	3500	Varanasi, Sasaram, Aurangabad, Gaya, Nalanda, Begusarai, Patna, Hazaribag, Dhanbad, Bokaro, Ranchi, Jamshedpur, Rourkela, Bhubaneshwar, Kolkata, North 24 Parganas
2	KMPL	350	Kochi, Kozhikode, Mangalore
3	KBPL	550	Kochi, Palghat, Coimbatore, Hosur, Bangalore

Existing OFC Network



Upcoming OFC Network

