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PRE-APPLICATION CONFERENCE (Round 3)

Request for Proposal for Selection of Applicants under the

"Scheme for Promotion of Surface Coal/Lignite Gasification Projects"

RFP Issuance Date: 10 Nov 2026 Last Date for Submission: 11 Jan 2027

20 Nov 2026

OUTLINE

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1. Background and Objective of the Scheme
2. Key Features of the Scheme
3. Milestones for Disbursement of Incentives
4. Eligible Product, Project, Cost of Plant & Machinery
5. Eligibility Conditions
6. Evaluation Parameters & Selection Criteria & Tie-Breaking Order
7. Application schedule and documents
8. Securities and Guarantees: Modalities of Furnishing, Renewal & Release

Background and Objective of the Scheme

Objective:

- Accelerate the implementation of surface coal/lignite gasification projects through targeted financial incentive,
- Promote Atmanirbharta by reducing import dependence on chemicals and petrochemicals,
- Enable value-added utilization of domestic coal resources, and
- Contribute to achieving the national target of 100 Million Tonnes of coal gasification by 2030

₹37,500 Cr

Total Financial Outlay under the Scheme

100 MT

National coal gasification target by 2030

Key Features of the Scheme

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Financial Incentive Structure

- Incentive of up to 20% of Plant & Machinery Cost.
- Disbursed in 4 equal installments against milestones.
- Expenditure incurred before scheme approval (13.05.2026) is not eligible for incentive calculation.
- Incentive will not be treated as equity contribution for project financing or financial closure.

Other Benefits

- Projects can continue to avail benefits under:
  - Commercial coal mining regime of the Ministry of Coal (MoC).
  - Other Central and State Government schemes.
- No separate MoC financial support beyond this scheme, except incentives linked to commercial coal auctions.

Financial Incentive — Capping Conditions

₹5,000 Cr

Per Project

Maximum Financial Incentive for any single Project

₹9,000 Cr

Per Product

Across all approved Projects (except Urea & Synthetic Natural Gas)

₹12,000 Cr

Per Applicant / Group

Collective cap across all Projects, incl. Group Companies; apportioned by shareholding for JV/consortium

- Pithead preference: Applicants shall preferably set up Projects at the pithead (as per Ministry of Power criteria).
- Flexibility to source coal through own arrangements or NRS linkage sub-sector
- Arrangement of coal/lignite and offtake responsibility rests with the Project Developer.

Milestones for Disbursement of Incentives

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INSTALMENT 1
25% of total incentive

Pre-Implementation

- Land acquisition done
- Grant of environment clearance
- Coal/lignite tie-up
- Technology licensor finalised
- EPC contractor finalised
- Financial closure achieved

Insurance Surety Bond (ISB) or Bank Guarantee (BG) of 25% of instalment amount (before disbursement)

INSTALMENT 2
25% of total incentive

Construction Underway

- Disbursed of loan by bank/FI
- 30% equity infusion by Project Developer
- Actual P&M expenditure ≥ 50% of approved incentive amount

Reimbursement mode

INSTALMENT 3
25% of total incentive

Project Commissioned

- Operates continuously for 7 days at ≥ 50% of peak annual production capacity
- Certified by Board and if applicable confirmed by lender/lenders' independent engineer

INSTALMENT 4
25% of total incentive

Sustained Production

- Achieves ≥ 50% of peak annual production capacity
- Measured during previous 365-day period

COMMISSIONING TIMELINE & ITS EFFECT ON INCENTIVE

Force majeure periods excluded

100%	50%	25%	NIL
Within 5 Years	Year 5 – 6	Year 6 – 7	Beyond 7 Yrs

Eligible Products & What's Excluded

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"Product" means syngas produced from coal/lignite gasification, as well as any downstream product derived from such syngas, whether obtained through:

- a direct (single-step) chemical transformation; or
- one or more intermediate transformation steps that are integral and inseparable from the production process.

"Product" Definition — What Is Excluded

A Product does not include any blend, formulation, fabricated article, manufactured good or end-use product obtained through further processing, conversion, manufacture or application of a Product.

For example: steel/rolled products from DRI; fertiliser blends or explosives from Ammonia, Ammonium Nitrate or Urea; paints, adhesives or polymers.

- *Indicative List*
- *Multi Product Projects - Earmarking*
- *MoC may recognise additional Products on written request.*
- *Such determination shall be made prior to declaration of Selected Applicant for that round and for that Product.*

What Qualifies as a "Project"?

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A distinct, independently identifiable investment undertaking with separate gasification capacity, capital expenditure and product streams, capable of independent technical and financial appraisal, with statutory approvals, clearances and agreements independent of any other Project.

Shared Infrastructure (coal handling, washeries, power/water supply, storage, evacuation) may form part of Project Cost, only if:

a Gasification capacity & capital investment attributable to each Project are separately identifiable and auditable

b Incentive is claimed only on expenditure attributable to that Project, incl. a fair, verifiable allocation of shared assets

c No incentive is claimed twice; shared infrastructure already incentivised under another Project cannot be claimed again

d The Project must not represent an artificial division, expansion or restructuring of an existing/proposed plant to claim additional incentives

Note: The MoC shall have the sole authority to determine whether an Application qualifies as a Project and its eligibility under the Scheme.

Cost of Plant & Machinery (Cost of P&M) – What Counts

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✓ INCLUDED IN P&M COST

- Core plant and machinery (new and unused only)
- Technology licence fee
- Erection and installation costs for syngas and/or downstream product production

✗ NOT INCLUDED IN P&M COST

- Land cost
- Site development
- Buildings and civil works (not associated with erection / installation*)
- Pre-operative expenses
- Financing costs (including interest during construction)
- Any other soft costs
- Previously used, refurbished, or transferred plant and machinery
- Any expenditure before the date of Scheme's approval (13.05.2026)

**It is clarified that buildings and structures such as control rooms, cooling towers, product warehouses, workshops, and civil structures required for supporting equipment, machinery and piping shall be considered part of erection and installation.*

Eligibility Conditions

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- PSU / Private Company / JV / Consortium (max 3)
- New surface coal/lignite gasification project in India only
- Min. plant capacity: 0.5 MTPA clean syngas (330 days/yr, density 1.1 kg/Nm^3)
- Net worth > 20% of total project cost
- No NCLT insolvency proceedings admitted
- Not blacklisted by any Central or State Government
- No promoter/director convicted or sentenced >3 years for coal block offence
- Only new P&M expenditure after the date of approval of scheme
- Compliance with Applicable laws

CONSORTIUM - ADDITIONAL REQUIREMENTS

- Maximum 3 companies in consortium
- Lead member: ≥ 51% paid-up equity in SPV until 4th instalment
- All members sign a Joint Application Agreement
- Each member satisfies individual eligibility conditions
- No composition change during selection without MoC written approval
- Net worth of each member pro-rated by their shareholding

- *In case of multiple project applications, the Net worth committed to earlier projects is deducted sequentially.*

Evaluation Parameters – Applicant Score (out of 100)

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Parameter	Max Score	Logic
Viability Amount Score	30	Scores based on relative incentive as % of P&M Lowest bid % ÷ Bidder's % × 30
Plant Capacity	20	Tiered: Clean Syngas output (10 pts) + Raw Syngas output (10 pts) Need >4,00,000 Nm^3/hr for full 10 pts
Project Cost per MT Coal	20	₹ per MT of annual coal use (both feedstock and fuel requirements) Lower cost = higher score
Technology Tie-up	10	No tie-up = 0 | Firm agreement = 5 | Indigenous/acquired technology= 10
Financial Strength/Capability	20	Net worth as % of project cost above the 20% floor, scored pro-rata to 100%
TOTAL	**100**	Minimum qualifying score: 40

Selection Criteria & Tie-Breaking Order

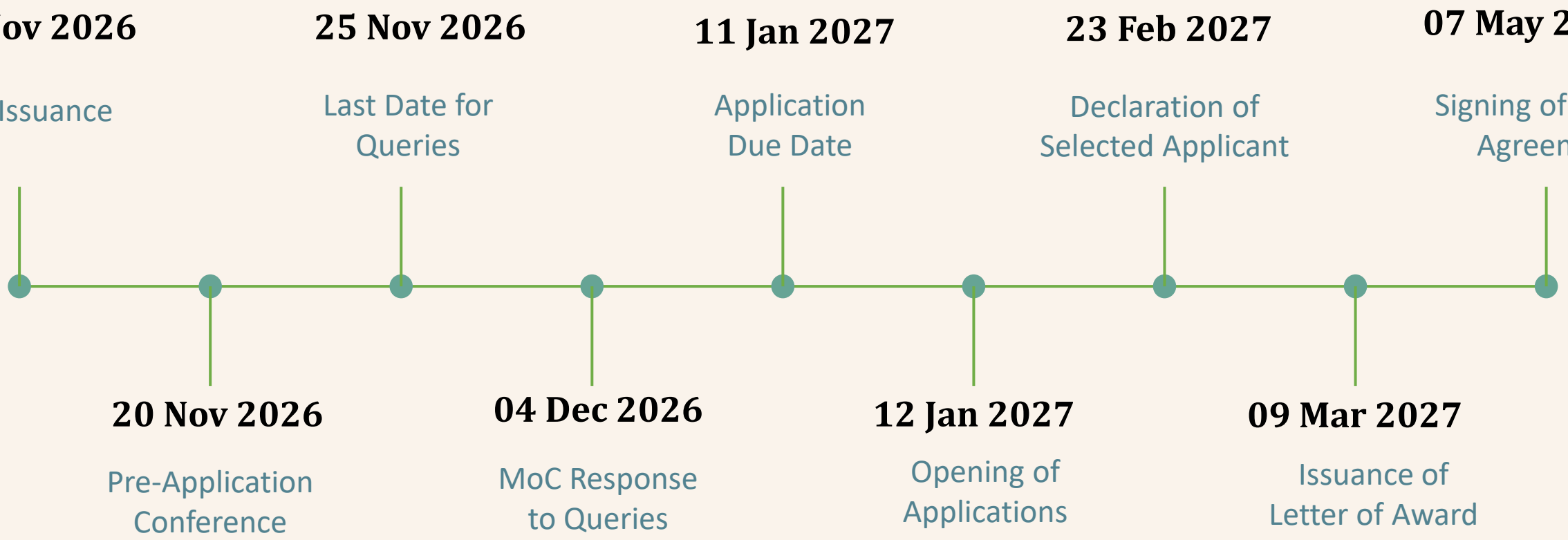
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Selection = descending order of Applicant Score, subject to Qualifying Score of 40 and availability of Financial Outlay

1. Project with firm tie-up to indigenous technology or acquisition of international technology
2. Project with Urea or Synthetic Natural Gas as the Product
3. Higher score under “Project Cost per MT of Coal”
4. Draw of lots, conducted by MoC with prior notice, in presence of attending Applicants

Application Schedule

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Each round is open for 2 months. Next round opens the day after the preceding round's Application Due Date, to the extent of residual Financial Outlay. MoC will notify formal closure once the Outlay is exhausted.

Documents Required for an Application

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Document	Format / Reference
Letter comprising Application	Annexures II, IIA, IIB, IIC
Power of Attorney — Signatory	Annexure III
Power of Attorney — Lead Member	Annexure IV (if consortium)
Board Resolution	Own format
Memorandum and Articles of Association	Own format
Joint Application Agreement	Annexure V (if consortium)
Audited Balance Sheet & P&L	All consortium members
Declaration	Annexure V I (if consortium, then for all members)
Affidavit	Annexure VII
Board-approved PFR / DPR	As per Appendix B
Integrity Pact	Annexure VIII
Application Security	Annexure X - ₹ 50 lakh BG, 9-month validity
Net Worth Certificate	As per Appendix C methodology ; Annexure XII (if applicable)
Signed copy of RFP	Full document, all pages, signed by authorised signatory
Justification for addition of new Product (not included in Annexure I)	Own format (if applicable)

- *All documents must be submitted both on the E-Portal and physically (in original, sealed envelope) by the Application Due Date.*
- *No modification, substitution or withdrawal is permitted post-submission.*

Securities and Guarantees: Modalities of Furnishing, Renewal & Release

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Application Security

₹50 Lakh

FURNISHED

Bank Guarantee, filed with the Application

RENEWED

Valid ≥ 9 months from Application Due Date

RELEASED

Released on Project Agreement signing (Selected Applicant); within 30 days of declaration (others)

IF DEFAULT

Forfeited if the Selected Applicant fails to execute the Project Agreement within 60 days of LOA

Performance Security

3% of Cost of P&M

FURNISHED

Furnished on execution of the Project Agreement, by remittance or Bank Guarantee

RENEWED

If a Bank Guarantee, renewed and submitted ≥ 30 days before expiry

RELEASED

Refunded, without interest, on achieving Financial Closure

IF DEFAULT

5% forfeited, and the earmarked Incentive withdrawn, if the Developer surrenders before the 1st instalment

Insurance Surety Bond / BG

25% of 1st Instalment

FURNISHED

Furnished before disbursement of the 1st instalment; initially valid 1 year

RENEWED

Renewed and submitted ≥ 30 days before expiry of the existing instrument

RELEASED

Released on disbursement of the 2nd instalment

IF DEFAULT

Invoked or forfeited, in whole or part, if not renewed in time (under Clause 3.3)

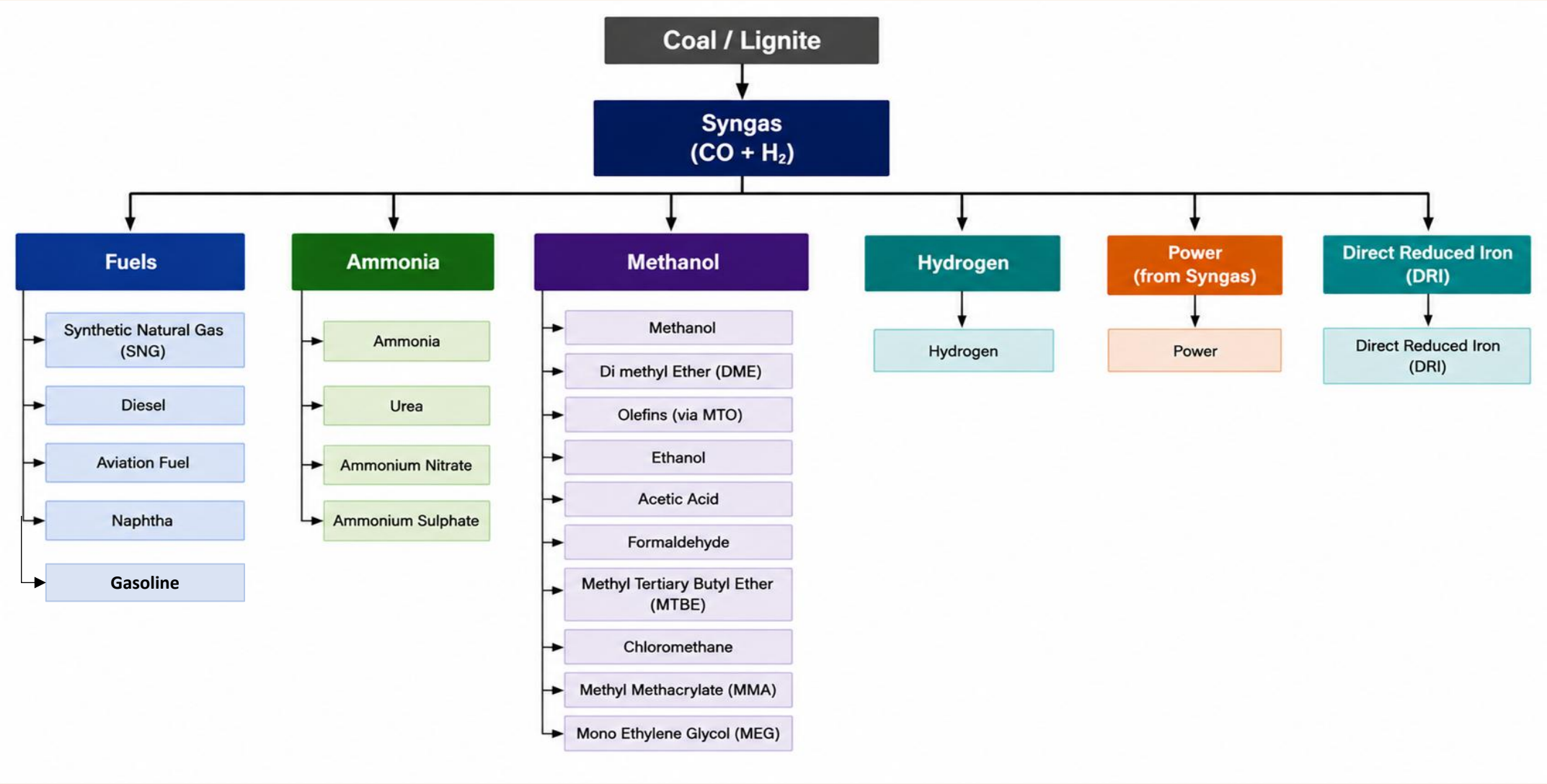
Failure to renew a Bank Guarantee, Bond, or other security within the prescribed time is itself a ground for action under Clause 3.3 (Consequences of Non-Compliance).

Questions & Discussion

Kindly submit your queries in writing before 25th Nov 2026 via email on soccnt-moc@gov.in

Thank you.

Indicative List – Products under the Scheme



Note: Ammonium Nitrate also includes technical ammonium nitrate; Aviation Fuel also includes Sustainable Aviation Fuel

Multi-Product Projects – Earmarking Worked Example

Where an Applicant proposes more than one Product, the Financial Incentive is calculated and earmarked separately for each Product, in proportion to its Cost of P&M, subject to the applicable Capping and availability of Financial Outlay.

Product	Clean Syngas Allocation	Project Cost (₹ Cr)	Cost of P&M (₹ Cr)	Incentive @20% (₹ Cr)	Incentive Earmarked (₹ Cr)
SNG	30%	8,000	6,000	1,200	1,200 (No Capping)
Methanol	70%	12,000	9,000	1,800	1,000 (₹9,000 Cr cap reached)
Total	**100%**	**20,000**	**15,000**	**3,000**	**2,200**

- *No cost is counted more than once across Products.*
- *Shortfall in one Product's Outlay is not adjusted against another Product's allocation.*
- *If residual Outlay is insufficient at earmarking, MoC may offer partial allocation — the Applicant may accept or withdraw without prejudice.*

Viability Amount Score: Worked Illustration

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Applicant	Financial Incentive as percentage of cost of P&M (A)	Lowest of Financial Incentive as percentage of cost of P&M among all Applicants (B)	C=B/A	Viability Amount Score (D=C*30)
Applicant 1	20%	12%	0.60	18
Applicant 2	15%		0.80	24
Applicant 3	18%		0.67	20
Applicant 4	12%		1.00	30

Scoring Framework…(1/2)

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Sl. No.	Parameter	Max Score	Criteria	Score
1	**Viability Amount Score**	**30**	Lowest of financial incentive as percentage of cost of plant and machinery (P&M), amongst all bidders ÷ proposed financial incentive as percentage of cost of P&M by the bidder × 30	30
2.	**Plant Capacity**	**20**	**A. Clean Syngas: (10 score)**	
			More than 60,000 NM3/hr but less than/equals to 1,00,000 NM3/hr	2
			More than 1,00,000 NM3/hr but less than/equals to 2,00,000 NM3/hr	4
			More than 2,00,000 NM3/hr but less than/equals to 3,00,000 NM3/hr	6
			More than 3,00,000 NM3/hr but less than/equals to 4,00,000 NM3/hr	8
			More than 4,00,000 NM3/hr	10
			B. Raw Syngas: (10 score)	
			More than 60,000 NM3/hr but less than/equals to 1,00,000 NM3/hr	2
			More than 1,00,000 NM3/hr but less than/equals to 2,00,000 NM3/hr	4
			More than 2,00,000 NM3/hr but less than/equals to 3,00,000 NM3/hr	6
			More than 3,00,000 NM3/hr but less than/equals to 4,00,000 NM3/hr	8
			More than 4,00,000 NM3/hr	10

Scoring Framework…(2/2)

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Sl. No.	Parameter	Max Score	Criteria	Score
3.	Project Cost per MT of Coal	20	>₹5,000 crore/ MT of coal utilised for project	0
			>₹4,000 and <=₹5,000 crore/ MT of coal utilised for project	5
			>₹3,500 and <=₹4,000 crore/ MT of coal utilised for project	10
			>₹3,000 and <=₹3,500 crore/ MT of coal utilised for project	15
			<=₹3,000 crore/ MT of coal utilised for project	20
4.	Technology Tie-up	10	No technology tie-up	0
			Firm agreement with technology provider for gasification technology	5
			Use of indigenous technology or acquisition of international technology, supported by a firm tie-up	10
5.	Financial Strength /Capability	20	Net worth more than 20% of Project Cost (on pro rata basis)	20
	TOTAL	100		

Financial Strength/Capability Score: Worked Illustration

Score = (Net Worth % of Project Cost − 20%) × 20 ÷ 80

Project Cost		₹ 10,000 Crore
Net worth of Applicant		₹ 7,600 Crore
Net worth as % of Project Cost	(A)	76%
Minimum Net worth Requirement	(B)	20%
Excess Net Worth above Minimum Requirement	(A – B)	56%
Score Calculation		56 × 20/80

14/20

Final Score for this applicant

Net worth ≥ 100% of cost = 20 points

For consortiums: net worth is pro-rated by shareholding.
In case of multiple project applications, Net worth is deducted sequentially.

Net Worth – Treatment Across Multiple Applications

Where an Applicant submits multiple Applications, net worth already committed to an earlier selected Project is deducted before assessing eligibility for the next.

Application	Eligibility Condition
1st Project (Cost = X_1)	NW > 20% of X_1
2nd Project (Cost = X_2)	{NW − 20% of X_1} > 20% of X_2
3rd Project (Cost = X_3)	{NW − 20% of (X_1+X_2)} > 20% of X_3
Nth Project (Cost = Xn)	{NW − 20% of (X_1+…+Xn_{-1})} > 20% of Xn

NW = Net worth of the Applicant. In a consortium, this reduction applies to each member in proportion to its proposed shareholding.