



कोयला मंत्रालय
Ministry of Coal

Financial Incentive for Setting Up Coal/Lignite Gasification Projects in India

**Responses to Queries/Suggestions on
Request for Proposals (RFPs) dated 15.05.2024**

June 25, 2024

Clean Coal Technology Section

Ministry of Coal, Government of India

622-A, Shastri Bhawan, New Delhi 110001

Responses to Queries/Suggestions on RFPs dated 15.05.2024

The following clarifications/responses are applicable to RFPs dated May 15, 2024, seeking financial incentive for setting up coal/lignite gasification projects in India, under three (3) categories:

Sno.	Clause Reference	Queries/Suggestions	Revised Clause/Remarks
1.	Clause 1.1.1(c)	The number of projects under Category 2 & 3 should be specified rather than exhausting the grant cumulatively by bucket filling method. So, the grant should be given on a per-project basis.	The total funds allocated to Category 2 is Rs 3850 cr. with maximum financial incentive of Rs 1000cr. Or 15% of capex whichever is lower. Similarly, the total funds allocated to Category 3 is Rs 600 cr. with maximum financial incentive of Rs 100cr. Or 15% of capex whichever is lower. Thus, the financial incentive is being provided on a per-project basis only.
2.	Clause 1.1.1(d)	Pithead of CBA Land on a Lease Basis. Please elaborate.	The CBA land lease policy dated April 22, 2022, permits use of i) lands that are no longer suitable or economically viable for coal mining, or ii) lands from which coal has been mined out/de-coaled and subsequently reclaimed, for infrastructure development activities related to coal and energy. Therefore, Government coal companies like CIL and its subsidiaries while retaining the ownership of these CBA lands, can lease them to private companies through transparent, fair, and competitive bidding mechanism for activities related to coal gasification and coal-to-chemical plants. Accordingly, interested players may approach CIL for availing this facility. For convenience, the CBA land lease policy can be accessed at the following link:

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Sno.	Clause Reference	Queries/Suggestions	Revised Clause/Remarks
			<p>22-04-2022-acts.pdf (coal.nic.in)</p> <p>A list of available land parcels under this policy for coal gasification and coal to chemical plants shall also be uploaded on the MSTC portal separately.</p>
3.	Clause 1.1.1(e)	Indicative Coal sources/mines with long term linkage offer for supply of coal gasification to be included. Coal to be supplied at the notified price as supplied to regulated sector.	<p>Indicative Coal sources/mines with long term linkage offer for supply of coal gasification is annexed for reference.</p> <p>There is a separate window for sourcing coal linkage for coal gasification projects under NRS linkage auction regime. Bidders may approach Coal India Limited for the same. Supply of coal to gasification sector at the notified price as supplied to regulated sector is under discussion. In case of any decision, the same shall be notified on the website of Ministry of Coal.</p>
4.	Clause 1.1.2(b)	Government PSUs should be removed from participation under Category 2 as they have been already included in Category 1.	Eligibility shall be as defined in the RFP i.e. application under Category II can be submitted by Private Sector or Government PSUs.
5.	Clause 1.1.1(d)	There is need for clarification on the financial appraisal of bids. As per SBICAPS explanation the Capex shall be evaluated only for the gasifiers. Kindly note that gasifiers alone cannot operate without ancillary units of captive power plant, boilers, air/oxygen plant, gas handling unit,	The financial incentive allocated shall be towards the total cost of the Project, covering for the entire gasification setup, including ancillary infrastructure which are integral and exclusive part of the gasification process.

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Sno.	Clause Reference	Queries/Suggestions	Revised Clause/Remarks
		downstream units etc. Financial appraisal should include all such essential ancillary units.	
6.	Clause 1.1.3	For Category-III: We kindly request MoC to review the feasibility of setting up of demo scale plant and support indigenous technology demonstration with higher financial incentive (more than 15%). This will enable setting of project of at least capacity 100 TPD (coal) coal gasification plant.	Request is not accepted. As per Clause 1.1.3 of the RFP, Financial incentive shall be Rs 100cr. or 15% of capex whichever is lower
7.	Clause 1.1.4 of Category-III	<p><i>"For demonstration project, the technology must be indigenous and proved at pilot scale and capex should be at least Rs 100 crores (Rupees One hundred crores) on coal gasification unit."</i></p> <p>These statements may be rephrased for better clarity as: "for demonstration project, the technology must be indigenous and proved at pilot scale and the proposed capex for the demonstration plant shall be at least Rs 100 crores (Rupees One hundred crores)"</p>	<p>The clause may be read as under:</p> <p><i>"For commercially scalable demonstration project, the technology must be indigenous and proved at pilot scale and the capex on the proposed coal gasification unit should be at least Rs 100 crores (Rupees One hundred crores). In case of commercially scalable demonstration project being Underground Coal Gasification Project, the technology must be proved at pilot scale and the capex on the proposed coal gasification unit should be at least Rs 100 crores (Rupees One hundred crores)."</i></p> <p>A corrigendum will be issued to clarify and incorporate the revision.</p>
8.	Clause 1.1.4 of Category-III	As we have to show the demonstration of the evolving technologies, we request to remove "proven technology" mentioned under the clause,	Kindly refer to response to point (7) above.

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		as there are many promising technologies still at the pilot scale but can be demonstrated at a larger scale.	
9.	Clause 1.1.4 of Category-III	<p><i>“For small scale projects, a plant with similar technology, must be in commercial operation anywhere in the world, having a minimum capex of Rs 100 crores (Rupees One hundred crores) and minimum production of Syngas of 1500 Nm³/hr for the purpose of the products.”</i></p> <p>These statements may be rephrased for better clarity as: <i>“For proposed small scale projects, a plant with similar technology, must be in commercial operation anywhere in the world and the proposed capex of the small-scale projects should be minimum Rs 100 crores (Rupees One hundred crores) with minimum production of Syngas capacity of 1500 Nm³/hr for the purpose of the products.”</i></p>	<p>The clause may be read as under:</p> <p><i>“For small scale product-based gasification plant, a plant with similar technology, must be in commercial operation anywhere in the world and the proposed small-scale plant should have a minimum capex of Rs 100 crores (Rupees One hundred crores) and minimum production of Syngas of 1500 Nm³/hr for the purpose of the products.”</i></p> <p>A corrigendum will be issued to clarify and incorporate the revision.</p>
10.	Clause 1.1.4 of Category-III	The para states that for small-scale projects, a plant with similar technology must be in commercial operation anywhere in the world, with a minimum capex of Rs 100 crores (Rupees One hundred crores) and a minimum production of Syngas of 1500 Nm ³ /hr for the purpose of the products.	As per Clause 1.1.4, for small scale projects, a plant with similar technology, must be in commercial operation anywhere in the world.

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		<p>It may be noted that since the proposed small-scale project for demonstration purpose will be based on a new technology, plants based on similar technology may not be in operation. Thus, it may become very difficult to get any bid if this clause is included in the RFP. Hence, it is suggested that the prior commercial operation requirement for the small-scale projects may be deleted.</p>	
11.	Clause 1.1.4 of Category-III	<p>In Category-III, the eligibility criteria for small-scale projects requires the bidder to have a plant with similar technology in commercial operation anywhere in the world. In this context, entire gasification plant comprises of Gasification unit plus Downstream products unit. In case the gasification plant is running, and downstream products unit is non- operational at the time of bidding, will it qualify under Category III?</p>	<p>For small scale product-based gasification plant, a plant with similar technology, must be in commercial operation anywhere in the world. Therefore, in a scenario where the gasification plant is operational, but the downstream products unit is non-operational, it will not meet the eligibility criteria for Category III as without the downstream products gasification unit may not be operating efficiently.</p>
12.	Clause 1.1.5	<p>A new policy was declared on 14.02.2022 to include Gasification as a new sub-sector under the Coal Linkage Policy by MOC. In anticipation of sourcing coal under this scheme, if any group has launched any gasification project during FY24 which is before the ZERO DATE (24.01.2024) then the expenditure incurred on the gasification project till zero date should also be considered under the VGF scheme.</p>	<p>As per Clause 1.1.5 of the RFP.</p> <p>Projects achieving Financial Closure (as mentioned under s. no. 2.a)1. of ANNEXURE-IX) prior to the issuance/publication of the RFP will not be eligible for availing Financial Incentive under this Scheme. However, for any Project conceptualized prior to the approval of the Scheme and not having achieved financial closure, the capital expenditure incurred before the date of approval of Scheme i.e., 24 January</p>

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			2024, shall not be considered as a part of the Capex for the purpose of assessment of the required Financial Incentive.
13.	Clause 1.1.6	It is requested to provide the top 5 fact sheets required from the Pre-FR/ DPR, which need to be highlighted and will be used in the evaluation process. This will facilitate clear understanding of the requirement.	Typical contents of PFR include following chapters: <ol style="list-style-type: none"> 1. Background 2. Project Details 3. Project Implementation Plan 4. Process Description including quantity of syngas to be fed into downstream unit for production of the downstream products 5. Capacity & Technology detail 6. Market Analysis 7. Project Financials 8. Cost of production details 9. Financial & Sensitivity Analysis 10. Risks & Mitigation 11. Recommendation & Drawings
12.	Clause 1.1.7	The disbursement pattern is not investor friendly as up to 50% of production capacity which also needs viability shall be without any support and may de-rail the project. Hence, we propose 4 instalments instead of 2 so that entire VGF amount is paid before the project commissioning and the suggestion for the disbursement of payment is as follows: <ol style="list-style-type: none"> a. Date of issue of administrative approval: 15% 	Disbursement of Financial Incentive shall be in two equal instalments as per clause 1.1.7 of the RFP.

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Sno.	Clause Reference	Queries/Suggestions	Revised Clause/Remarks
		<p>b. Formation of the company with equity compliance from the promoters: 35%</p> <p>c. Completion of Construction: 25%</p> <p>d. Plant commissioning: 25%</p> <p>[Justification: The successful bidder is not compelled to run the plant up to 50% capacity at lower returns hence VGF support is needed from the date of plant commissioning]</p>	
13.	Clause 1.1.7	<p>After the disbursal of Loan by Bank/FI and 30% equity contribution. Please change to atleast 50% of the loan amount</p>	Disbursement of Financial Incentive shall be in two equal installments as per clause 1.1.7 of the RFP.
14.	Clause 1.1.7	For Category III: The second instalment requested to release after commissioning of the plant and achieving 50% plant rated capacity	Disbursement of second instalment shall be in as per clause 1.1.7 of the RFP i.e. after achieving minimum 50% (fifty percent) of the production capacity and 1 (one) year of continued production of the product(s).
15.	Clause 1.1.7	<p>For Category III: We envisage feasibility will be challenging for small demo scale projects. Hence the applicability of loan from Banks may needs better clarity as it is linked to first instalment. A milestone based first instalment or as advance payment is requested.</p>	Disbursement of Financial Incentive shall be in two equal installments as per clause 1.1.7 of the RFP.
16.	Clause 1.1.9 (Category III)	<p>Fin Incentive shall be available only till Rs.600 cr not exhausted is not a fair term. Kindly elaborate how the Bidder will be responsible for the same.</p>	Under category-III, Rs. 600 crores are provisioned for Demonstration Projects and/or small-scale product-based Gasification Plants, providing a Financial Incentive of Rs. 100 crores not exceeding 15% of Capex to each selected project, whichever is lower.

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			The selection of the entities will be done by the bucket filling method, keeping in view the overall scheme limit and the eligible requirements quoted by the bidders.
17.	Clause 1.2.1	As Underground Coal Gasification has also been included, we request MoC to take up with MoEF to declare the Terms of Reference (TOR) and other conditions leading to Environmental Clearance so that the nitty gritty of seeking such clearance and its financial impact is available upfront to the bidder to prepare a Pre-FR or DPR. As of now, there is no clarity on the environmental conditions which could be imposed on UCG projects which may create financial burden. This will help in the financial closure too as all perceived risks shall be taken into account upfront.	Noted.
18.	Clause 1.2.4	Authority's rights to amend, alter, change, supplement or clarify the scope of work, the Financial Incentive to be allocated pursuant to this RFP or the terms thereof or herein contained. Any new terms / conditions demanded later will be unfair for the Bidder. Please remove the clause.	This is a standard clause in any RFP process.
19.	Clause 1.2.10	3% of FI as Perf. Security. At the time of First Disbursement? Please elaborate.	As per clause 1.1.7 (i) the Performance Security will be returned to the Selected Bidder after achieving first disbursement and the equity contribution requirements under the first installment.
20.	Clause	It is observed that the clause 1.2.11 restricts the bidder, whether a sole entity or in consortium/JV	Clause 1.2.11 stands deleted for Category I.

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Sno.	Clause Reference	Queries/Suggestions	Revised Clause/Remarks
	1.2.11 & 2.4.1, 2.4.2 of Category I	<p>participating or bidding in more than one project to become eligible for VGF.</p> <p>The Clause 1.2.11 of RFP states:</p> <p><i>“No Bidder, whether a sole entity or a Consortium, shall submit more than one Bid. An entity submitting a Bid individually or as a member of Consortium shall not be entitled to submit another Bid either individually or as a member of any other Consortium, as the case may be. No Affiliate (s) of the Bidder shall submit Bid for the same product.”</i></p> <p>CIL has envisaged three projects under its diversification initiatives that are also included in the second phase of the Government of India's National Coal Gasification Mission. CIL has already incorporated BCGCL, a Joint Venture of CIL & BHEL. And other Joint Venture with GAIL is in the finalization stages. In addition to these two JVs, WCL has also been advised to have the PFR revised to take up the gasification project. In view of clause 1.2.11, which restricts one entity while participating in more than one project form availing the VGF. As such, CIL will not be able to avail of the financial incentives for all of its gasification projects.</p> <p>In view of the forgoing, it is requested to suitably modify the RFP in such a way that the bidder,</p>	<p>Suitable amendment in relevant clauses regarding the same shall be issued separately.</p>

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Sno.	Clause Reference	Queries/Suggestions	Revised Clause/Remarks
		whether a single entity or in JV (s)/ consortium can participate in more than one project with same or different end product to encourage the bidders to form strategic alliances and enhancing the quality & scope of the proposal.	
21.	1.2.11 & 2.4.1, 2.4.2 of Category II & III	Kindly refer to the clause No. 1.2.11 & 2.4.1, 2.4.2: This may limit the participation of the companies. It is proposed that more than one company under the same group or promotor may be permitted to bid for multiple projects under different SPV's. This may offer more competitiveness and better use of infrastructure	A bidder, whether participating as a sole entity or in consortium/JV, shall be eligible to submit more than one Bid with different end products in the same Category. A corrigendum will be issued to clarify and incorporate the revision in relevant clauses. <i>(For Category II & III)</i>
22.	Clause 1.2.20, 2.5.2 & 2.5.3	The Authority shall not be liable for any omission, mistake, or error in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to the RFP or the Selection Process, including any error or mistake therein or in any information or data given under this RFP or in course of the Selection Process (and similar conditions in other 2 clauses too) We find this unfair with regards to omission, error, mistake etc on the part of Authority. Request you to kindly remove the clause.	This clause is a standard provision to ensure the flexibility and adaptability of the project.
23.	Clause 1.4	Considering the time required to prepare a comprehensive PFR, we request an extension of	Noted. The Bid due date is being extended to 6 months. This extension will be officially notified on the MSTC website separately

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Sno.	Clause Reference	Queries/Suggestions	Revised Clause/Remarks
		the bid submission deadline to ensure thorough and accurate project proposals.	
24.	Clause 2.2.2 (a)	For Category-III which focuses on demo project we request to remove the requirement of PFR/DPR from Reputed agencies. A bidder's board approved document may be considered for application purpose.	For Bid submission, board approved PFR/DPR, prepared by reputed agencies shall have to be furnished by the bidder.
25.	Clause 2.2.2 (a) (Category III)	Considering that a gasification plant will be commercially viable at a particular scale of operations, a demonstration plant may not be financially viable. Thus, how we should prepare a PFR of an unviable project as the returns would be low even after the financial incentive is provided?	PFR can be prepared irrespective of viability of the project. Submission of Bid is the decision of the Bidder considering the returns/expected returns from the proposed demonstration plant/scaling of the proposed plant.
26.	Clause 2.2.2 (a)	The requirement of DFR may be reviewed. The preparation of DFR is time consuming, running into several months, expensive and confidential document. We feel that a PFR with focused inputs should be sufficient for the purpose of ascertaining the technology, cost estimate and schedule proposed in the bid.	Kindly refer to clause 2.12.2(i) of the RFP as per which bidders have to submit copy of the Board approved PFR/DPR at the time of Bid Submission.
27.	Clause 2.2.2 (a)	The Syn gas mentioned in the technical criteria may be clarified as Raw Syn Gas or Pure Syn gas (CO+H ₂) as it may lead to confusion for most of bidders. As this is furnished as an important criterion in the process of Evaluation of bids with Plant capacity score, the above may please be clarified.	The Syn gas shall mean Syngas to be fed into downstream unit for production of the downstream products.

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28.	Clause 2.2.2(b)	<p>New Era Cleantech Solutions is a newly established company formed for the purpose of implementing the gasification project. However, as a newly established entity, it lacks substantial financial statements and relies on its promoters' net worth for equity infusion. We request you to kindly consider networth of the Ultimate Beneficial Ownership (UBO) of the company as part of the financial eligibility criteria.</p> <p>Clause 2.2.2. on the RFP dated 06.03.2024 has below mentioned clause and the same is not mentioned in RFP dated 15.05.2024 and shall be updated in Appendix-B for financial eligibility criteria</p> <p><i>"In order to satisfy the Qualification Criteria under this RFP, the Bidders may be allowed to rely on/claim the credentials of their Holding Company/Subsidiary/ Ultimate Beneficial Owner."</i></p>	<p>In order to satisfy the Financial Criteria, the Bidders may be allowed to rely on/claim the credentials of their holding company /subsidiary/ Ultimate Beneficial Owner/equity shareholders, holding directly or indirectly, more than 10% shareholding of the Bidder entity (in case of SPV or a newly formed company).</p> <p>A corrigendum in this regard will be issued to clarify and incorporate the revision.</p>
29.	Clause 2.2.2(b)	<p>NLCIL already prepared DFR for Methanol project on basis of 80:20 debt equity ratio. Is it financially eligible or to be changed to 70:30?</p>	<p>Yes. The actual means of finance may be project specific, however for the purpose of disbursement of financial incentive, first disbursement of loan by the Bank/ Financial Institution towards the project should have taken place along with 30% (thirty percent) 'equity contribution' of the Project i.e. 30% of</p>

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Sno.	Clause Reference	Queries/Suggestions	Revised Clause/Remarks
			the total equity requirement of the project should have been infused.
30.	Clause 2.2.4	Is there a limitation on the no. of members allowed in JV/Consortium for gasification projects submitted under this RFP?	Kindly refer Clause 2.2.4(a) of the RFP, as per which the number of members in a Consortium shall not exceed 3 (three).
31.	Clause 2.2.4	We request to clarify that if the bidder is participating as a single bidder then is it compulsory to form SPV and we also request that if the aforementioned is compulsory then the number of bidder should be given relaxation to allow more such SPVs under the same promoter.	This is a commercial decision of the Bidder. A bidder, whether participating as a sole entity or in consortium/JV, shall be eligible to submit more than one Bid with different end products in the same Category. A corrigendum will be issued to clarify and incorporate the revision
32.	Clause 2.3.1.1	Any change in Control of the Selected Bidder or any transfer of the project by the Selected Bidder shall be subject to Applicable Laws and may be undertaken after the disbursal of 2nd (second) instalment of the Financial Incentive for the Project under the Scheme (the "Lock-in Period"), with an intimation to the Authority. After 2nd Disbursal, isn't the whole obligation of the entity over?	Since the project has been given financial incentive by the Government, obligation of the entity shall be ongoing.
33.	Clause 2.14.2	In category I, II and category III, the clause 2.14.2 states that "The Financial Bid shall be furnished in the format at ANNEXURE-VI" but format annexure is Annexure-V. To be corrected	Noted A corrigendum will be issued to clarify and incorporate the revision.

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Sno.	Clause Reference	Queries/Suggestions	Revised Clause/Remarks
34.	Clause 2.12.4	Documents shall be separately submitted in original to the person specified in the Clause 2.12.4 in a sealed envelope ---- Can we send through Post OR only in person?	Documents must be submitted in person as specified in Clause 2.12.4.
35.	Clause 3.2	The website in MSTC is not activated for Registration	The MSTC website for registration and bid submission will be activated shortly.
36.	Clause 3.2	MSTC portal helpline contact numbers may please be provided for clarifications with regard to e-portal information and registrations.	Bidders can connect to MSTC at the following: Setu - 7878055855
37.	Clause 4.6	While the financial incentive addresses the capital expenditure (capex) of the gasification project, there is no consideration for operating expenditure (opex). Given that opex significantly impacts overall costs, we request that it be included in the evaluation criteria.	Since Financial Incentive under each category is linked to certain percentage (15%) of Capex, thus capex has been included in the financial criteria instead of opex.
38.	Clause 4.6	Considering that the gasification technology is new and may face challenges, additional weightage may be assigned to proposals that incorporate proven technologies.	No change. The evaluation criteria shall be as defined in Clause 4.6 of the RFP.
39.	Clause 4.6	While computing the final bid score for the selection of projects, weightage should be given to previous experience in executing and running coal gasification plants based on Indian coal. Accessibility to Coal Gasification Technology with maximising the use of indigenously developed/owned technology should be an added advantage and carry extra points while preparing the overall score of the bidder. This	No change. The evaluation criteria shall be as defined in Clause 4.6 of the RFP.

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		should apply to the event of tiebreaker as well. This will ensure the probability of success in executing these projects as per the timelines specified in the tender.	
40.	Clause 4.6	It is also requested to consider diversification of products while computing the final bid score as this will enable the project proponent to maximize the usage of pure synthetic gas.	Kindly refer to clause 4.6.3 which states that as far as possible, 1 (one) project for either single downstream product or a combination of downstream products for economies of scale will be taken up. This will result in diversification of products
41.	Clause 4.6	Offtake of the final product is required for the bankability of the project. It is requested to provide extra weightage to the bidders who are ensuring better offtake guarantee of either pure synthesis gas or final product as the probability of these projects coming on the ground will be higher.	No change. The evaluation criteria shall be as defined in Clause 4.6 of the RFP.
42.	Clause 4.6	It is requested to provide extra weightage to the bidder who is giving a project completion timeline better than the one indicated in the tender.	No change. The evaluation criteria shall be as defined in Clause 4.6 of the RFP.
43.	Clause 4.6	It is clarified that at least one project will be bid out on a tariff-based bidding process which is adopted for thermal power plants in the power sector. The bidding criteria will be designed in consultation with NITI Aayog. As discussed during the Pre-Bid Conference dated May 27, 2024, the requirement of the aforementioned project is not mandatory and can	Details regarding the bidding process for projects based on tariff will be notified separately. The present RFP is not for project to bid out on tariff-based process.

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		be excluded. Kindly clarify whether it is mandatory or not.	
44.	Clause 4.6	Since underground coal gasification (UCG) is more of a process than a plant, how will UCG projects be evaluated with the evaluation metrics used for surface coal gasification plants?	Though the process of gasification is different, but the end product is the syngas. Therefore, the evaluation criteria will be same for underground and surface coal gasification projects.
45.	Clause 4.6	Will the end-products of carbon capture, utilization, and storage (CCUS) have any weight in the evaluation criteria?	Weightage shall be as per clause 4.6 of the RFP. 10% weightage have been provided to sustainability i.e. Implementation of CCUS technology or zero CO2 emission in the project
46.	Clause 4.6.10 of Category-II	As this RFP is treated as final, bidding criteria and project type should be clarified w.r.t clause 4.6.10	As per clause 4.6.10, one project will be bid out on tariff-based bidding process which is adopted for thermal power plant in power sector. The methodology of the same shall be notified separately. The present RFP is not for project to bid out on tariff-based process.
47.	Annexure-I	Point 16. I/ We hereby irrevocably undertake that they I/We shall undertake the Project of the proposed capacity at least and will not change the products. As long as another product is being produced – to that extent to be flexible.	Kindly read point 16 in ANNEXURE-I, as under: <i>“I/ We hereby irrevocably undertake that I/We shall undertake the Project of the proposed capacity at least and will not change the products without prior written intimation to the Authority, I/we will demonstrate Financial Closure within the prescribed timeline or extended timeline failing which the Authority shall be entitled to invoke and encash the Performance Security and take other steps as it deems fit in its sole discretion.”</i>

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Sno.	Clause Reference	Queries/Suggestions	Revised Clause/Remarks
			<p>Additionally, Point 3(d) of Annexure-IX may be read as:</p> <p><i>In case the Selected Bidder desires to change the downstream product(s) and opt for another product from the list of eligible products under the Scheme, the same shall be permissible with the prior written intimation to the Authority. However, any such change should not result in (a) lower Capex, and/or (b) lower plant capacity, and/or (c) delay in project timelines as committed at the time of submission of the Bid and/or (d) selection of the product which has already been given incentive under the respective Category.</i></p> <p>A corrigendum will be issued to clarify and incorporate the revision.</p>
48.	Annexure-I	<p>Point 34. The Financial Incentive will be refunded to/ recovered by the Authority along with interest calculated at twice the rate of 3 (three) years SBI MCLR. Please elaborate.</p>	<p>This means that if the selected bidder fails to meet the necessary conditions or defaults on the project, the Authority will not only reclaim the financial incentive but will also charge interest at a rate twice that of the current three-year SBI MCLR as penalty.</p>
49.	Annexure-V	<p>In annexure V of the Letter Comprising Financial bid the offer validity is given as 120 days (instead of 180 days).</p>	<p>Timelines have been extended. A corrigendum will be issued to clarify and incorporate the revision.</p>
50.	Annexure-VII	<p>Annexure VII- is empty (Technical details with respect to E-portal)</p>	<p>The same shall be notified separately.</p>

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Sno.	Clause Reference	Queries/Suggestions	Revised Clause/Remarks
51.	Annexure-VIII	For Category III: End product List may need to include "Clean syngas" in case the project is envisaged for Demonstration of indigenously developed Gasification technology	The list of eligible products that qualify under this Scheme shall be as per ANNEXURE-VIII of the RFP.
52.	Annexure-VIII	It is always a welcome idea to install CCUS projects in association with Gasification Ventures. These CCUS efforts will yield certain chemicals or products and the process will need further investments. We request to clarify if Captured CO2-based chemicals like methanol, synthesis gas, ethanol, etc can be part of the projects under Category 3.	The Scheme is designed to provide financial incentives exclusively for the setting up coal/lignite gasification plants. Captured CO2-based chemicals like methanol, synthesis gas, ethanol, etc can be part of the integrated project including coal gasification unit for being eligible for financial incentive.
53.	Annexure-VIII	Integrated Gasification Combined Cycle (IGCC) should be excluded from the list of eligible products.	Kindly refer to ANNEXURE-VIII of the RFP. Integrated Gasification Combined Cycle (IGCC) is not included in the list of eligible products.
54.	Annexure-VIII	Lignite gasification to syngas and to IGCC may please be included in the list of projects as NLCIL is preparing feasibility report with BHEL for IGCC.	The list of eligible products that qualify under this Scheme shall be as per ANNEXURE-VIII of the RFP.
55.	Annexure-IX	Security Provisions- Point (1)- (c) The Authority will have the right to recover the first installment money and other losses by from the dead asset/capital of that coal gasification plant;	Kindly refer to the Security Provisions stated in the RFP, which contain no reference to other losses: <i>"In case the Selected Bidder become insolvent/any insolvency proceedings admitted against the Bidder under the Applicable Laws after taking 1st installment, and the Project is not implemented, the Authority will have the</i>

Financial Support for setting up Coal/Lignite Gasification Projects - Queries/Suggestions & Responses

Sno.	Clause Reference	Queries/Suggestions	Revised Clause/Remarks
		What is other losses when the Bidder is paid only 1st Instalment?	<i>right to recover the first installment money from the dead asset/capital of that coal gasification plant;"</i>
56.	General	As the outcome of coal gasification & downstream product prices are governed and impacted due to global indices & pricing, we request Ministry of Coal to impart support on such items with long term offtake agreement guarantees to that huge investments are not endangered with falling global prices. Alternatively, safeguard duties at the ports may be imposed to protect domestic investments.	Ministry of Coal can facilitate offtake arrangement. However, the responsibility of the offtake arrangement shall be with the bidder. Application of safeguard duties is a policy level decision and is not envisaged at the moment.
57.	General	Please clarify whether gasification plants established in Special Economic Zones (SEZ) qualify for financial incentives?	Yes, they will qualify for financial incentive under this Scheme.
58.	General	Since the technology for gasification is predominant in countries sharing borders with India, what would be the relaxations/support provided by the Government in procurement of the same from these countries?	Any policy relaxation or exemption from FDI and Public Procurement guidelines for procurement from countries sharing land borders with India will be notified upon approval.
59.	General	In all fairness, wherever timelines are provided, the extension due to Force Majeure or reasons not attributable to the Bidder to be provided.	Noted. The provisions shall be incorporated in the Project Agreement which shall be notified separately.
60.	General	For indigenous demonstration project, we propose a wider participation of CIL and its subsidiaries to take up at least one demo project of 100-125 TPD coal capacity which will prove the technology working, operations, end-product	The query is not relevant to the RFP issued for Category-III.

Financial Support for setting up Coal/Lignite Gasification Projects - Queries/Suggestions & Responses

Sno.	Clause Reference	Queries/Suggestions	Revised Clause/Remarks
		purity, handling, reliability and become reference plant for end-to-end application. It will demonstrate indigenously developed technology capability to handle various types of coal and its performance. The products generated at small demo scale to be sold to market to recover the production cost and such new models needs to be adopted for Category III.	

Mines Identified for Supply of Coal for Gasification Projects

Sl	Name	Sub	Likely Offer (MTe)	Remarks
1	Hingula OCP	MCL	5.0	
2	Ananta OCP	MCL	2.5	
3	Integrated Lakhanpur Belpahar Lilari OCP	MCL	2.5	Linked with BCGCL - 1.5 Mty
4	Amrapali OCP	CCL	1.0	
5	Magadh OCP	CCL	2.0	
6	Kusmunda OCP	SECL	2.5	
7	Block-B	NCL	1.5	
8	Niljai OC	WCL	1.0	
9	Sonepur Bazari	ECL	1.0	
10	Itapara	ECL	1.0	
	TOTAL		20.0	
