



Ministry of Coal Issues Letter of Award to Selected Applicant under Category III of Round II of the Financial Incentive Scheme for Promotion of Coal Gasification Projects

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The Ministry of Coal has marked a major milestone in advancing India's coal gasification mission with the issuance of a Letter of Award (LoA) under Category III of Round II of the ₹8,500 crore Financial Incentive Scheme for Promotion of Coal/Lignite Gasification Projects.

Shri Sanoj Kumar Jha, Additional Secretary, Ministry of Coal, awarded the LOA to Kartikay Vayunandana Private Limited for setting up a coal-to-acetic acid small-scale plant in Gadchiroli, Maharashtra. With an investment of **₹793 crore**, **the project will produce acetic acid with an installed capacity of 75,900 TPA**, marking a significant step towards value-added utilisation of domestic coal.

The Scheme continues to gain strong momentum, with seven projects already under implementation in the first round. To further accelerate investments, Requests for Proposals (RFPs) **for Round II were invited under Category II and Category III**, encouraging participation in coal/lignite gasification projects.

Category III supports Demonstration Projects and Small-Scale, product-based plants, with financial assistance of up to ₹100 crore per project or 15% of the Capex, whichever is lower, enabling innovation and faster adoption of gasification technologies.



The project is expected to boost indigenous production of downstream chemicals, reduce import dependence, and strengthen India's journey towards Atmanirbhar Bharat. It also reinforces the Government's commitment to building a sustainable industrial ecosystem through cleaner and more efficient utilisation of coal resources.

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