

GOVERNMENT OF INDIA
MINISTRY OF COAL

LOK SABHA
UNSTARRED QUESTION NO 524
ANSWERED ON 06.12.2023

Coal Gasification Projects

524. SHRI MARGANI BHARAT:
SHRI SANJAY KAKA PATIL:
SHRI MADDILA GURUMOORTHY:

Will the Minister of COAL be pleased to state:

- (a) the details of physical and financial progress of proposed coal gasification projects since FY 2022-23;
- (b) the other steps to be taken by the Government to achieve its aim of 100 Million Tonnes (MT) Coal Gasification by the year 2030;
- (c) whether the Government has considered the environmental concerns of coal gasification process and if so, the details thereof;
- (d) whether the Government has taken any steps to make the process environmentally sustainable; and
- (e) if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF PARLIAMENTARY AFFAIRS, COAL AND MINES
(SHRI PRALHAD JOSHI)

(a): CIL has taken up several Surface Coal Gasification (SCG) projects, which are under different stages of execution, as indicated hereunder:

(i) Coal gasification based fertilizer plant at Talcher (Odisha): Talcher Fertilizer Ltd. (a joint venture of CIL, GAIL, RCF and FCIL) is engaged in setting up of an integrated coal gasification based urea plant wherein high ash coal from nearby Talcher coalfields blended with Pet-coke shall be utilized to produce 1.27 Million Metric Tonnes Per Annum (MMTPA) neem-coated Urea. Currently, construction activities are underway. The physical and financial progress upto October 2023 is 51.92% and 46.54% respectively.

(ii) Other initiatives: Initiatives have been taken to set up Coal Gasification projects at the pit head of coal mines in ECL, MCL and WCL. CIL Board approved the Pre-Feasibility Reports (PFR) for Coal to SNG Project in ECL and Coal to Ammonium Nitrate Project in MCL. WCL Board also approved the PFR for Coal to Ammonium Nitrate Project.

NLCIL has also initiated action for setting up of Lignite to Methanol plant in Neyveli, which is at tendering stage.

(b): To incentivize private sector companies to invest in clean coal technologies or adopt cleaner and more efficient mining practices, Ministry of Coal has taken the following steps –

(i) Ministry has formulated a policy wherein, a provision has been made for 50% rebate in revenue share for all future commercial coal block auctions for the coal used in gasification purpose provided the coal quantity used for gasification is at least 10% of total coal production.

(ii) Separate auction window under Non Regulated Sector sector has been created for making coal available for new coal gasification plants.

(c) to (e): In order to address environmental concerns in the coal gasification process, Government has mandated grant of Environment Clearance wherein project proponent has to conduct Environment Impact Assessment studies and prepare Environment Management Plan. The same is duly examined by an Expert committee under MoEF&CC before taking up any activities related to establishment of Coal Gasification Plant.
