

# Ministry of Coal allows concession of 50% in revenue share for promotion of coal gasification: Union Coal Minister

## Coal Gasification is the need of the hour and a step toward sustainable future: MoS, Ministry of Coal and Mining & Railways

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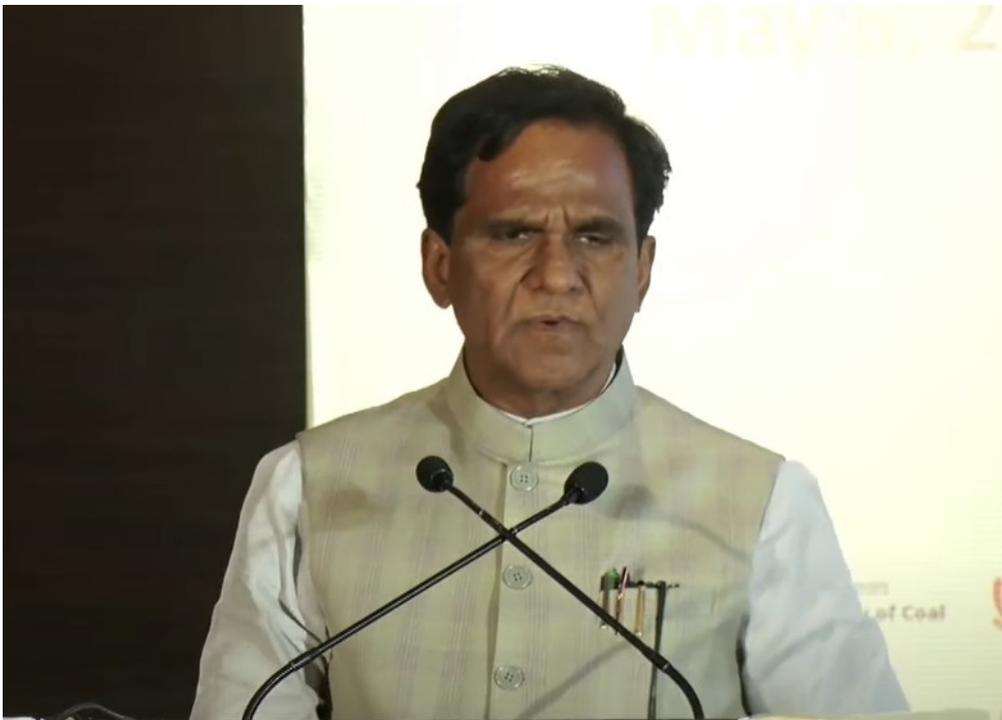
Union Minister of Coal, Mines & Parliamentary Affairs Shri Pralhad Joshi today said that Ministry of Coal has allowed concession of 50% in revenue share for coal gasification. Speaking at an Investors meet in Mumbai, Union Minister Shri Pralhad Joshi also pitched for options like manufacturing Hydrogen from Coal to help India become energy independent. [Earlier during the day Shri Joshi launched the closed / discontinued mines of Coal India Ltd. on revenue sharing model.](#)



Investor's Meet on '**Coal Gasification - Way Forward**' in Mumbai was organized by Coal India and FICCI. The Investor Meet cum workshop aims to encourage effective implementation of Coal Gasification projects and also to ensure ease of doing business in this area.



Minister of State for Coal, Mines & Railways Shri Raosaheb Patil Danve said, 'Coal Gasification is the need of the hour and a step towards sustainable future. Union Minister Shri Danve added that the Government aims gasification of 100 million tonne coal by 2030. "This will generate jobs in both technical and non-technical sector," he added.



Coal gasification is considered as cleaner option compared to burning of coal. Gasification facilitates utilization of the chemical properties of coal. Union Minister Shri Pralhad Joshi encouraged the industry players to think about 'coal to Hydrogen'. During the event Shri Joshi launched a report 'Roadmap for Coal to Hydrogen', prepared by Ministry of Coal.

Experts from Industry, consultants, researchers and stakeholders in coal gasification spoke during the event. Apart from Additional Secretary, Ministry of Coal, M. Nagaraju and Chairman CIL Pramod Agarwal and other industry leaders attended the program.

In order to support coal gasification and availability of coal for the sector on concessional rate, Ministry of Coal has introduced a policy for concessions of 50% in revenue share for commercial auction of coal blocks. If the successful bidder consumes the coal produced either in its own plant(s) or plant of its holding, subsidiary, affiliate, associate for coal gasification or liquefaction or sells the coal for coal gasification or liquefaction on an yearly basis, subject to conditions that at least 10% of scheduled coal production as per approved mining plan for that year shall be consumed or sold for gasification or liquefaction, then the bidder can avail of concessions.

Syn-Gas produced from coal can be used to produce Gaseous Fuels such as Hydrogen (Blue coupled with CCUS), Substitute Natural Gas (SNG or Methane), Di-Methyl Ether (DME), Liquid Fuels such as Methanol, Ethanol, Synthetic diesel and Chemicals like Methanol derivatives, Olefins, Propylene,

Mono-Ethylene Glycol (MEG), nitrogenous fertilizers including Ammonia, DRI, Industrial Chemicals along with Power Generation. These products will help move towards self-sufficiency under Atmanirbhar Bharat Abhiyaan.

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