

# CIL & GAIL Sign a JV for Setting up Coal to SNG Plant

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The Ministry of Coal, in collaboration with the Ministry of Power & Natural Gas, has facilitated a landmark joint venture agreement between two leading Maharatna CPSEs, Coal India Limited (CIL) and GAIL (India) Limited (GAIL) today (05.08.2024). This agreement marks a major step towards setting of a Coal to Synthetic Natural Gas (SNG) plant using surface coal gasification (SCG) technology.



The plant to come up in Raniganj area of Eastern Coalfields Limited, West Bengal is planned to produce 80000 Nm<sup>3</sup> per hour of Synthetic Natural Gas (SNG). The annual production is slated at 633.6 Million Nm<sup>3</sup> per hour which will require 1.9 million tonnes (mts) of coal. The coal will be supplied by CIL. The synergy and partnership of the two corporate giants is a big step towards National Coal Gasification Mission which facilitates utilization of chemical properties of coal.

Synthetic Natural Gas (SNG) is a fuel gas predominantly consisting of methane, CH<sub>4</sub> which is a feedstock for production of various chemicals and fertilizers. The upcoming plant would help in securing the raw material and reduce import dependency of Natural gas and promoting Atmanirbhar mission.



Shri. Debasish Nanda, Director (Business Development) CIL and Shri. R K Singhal, Director (Business Development) GAIL inked the JVA on behalf of CIL and GAIL respectively.



Shri. M. Nagaraju, Additional Secretary, Coal, while addressing in the signing ceremony mentioned that the commitment of CIL and GAIL with this project will be a role model. "Gasification is the highest priority area for the Ministry of Coal. India has been blessed with huge reserves of coal and these reserves should be utilized gainful and in environment friendly manner. He stressed the need of more coal gasification project to be planned to minimize the carbon emission. He also said that all the possible support from government is in place including financial support for viable gap funding. Request for Proposals (RFPs) for inviting eligible bidders (public and private) for financial incentives of Rs. 8500 crores under three categories for Coal/lignite gasification project have been floated on 15.05.2024 for which last date of submission is 11.11.2024.



Shri. S K Gupta (Chairman & Managing Director), GAIL while complementing the team of CIL and GAIL expressed the need to have more support from Government to take ahead of this project.

Shri. Pankaj Jain, Secretary MoP&NG, said that the alternative uses of coal for environment friendly ventures like coal gasification should be come up in future to cater the emission target of the country.He also emphasized that SCG is a promising technology that converts coal into valuable Syn gas. This on further processing produces synthetic natural gas that can be used as alternative natural gas. Italso has use as feedstock for downstream chemicals production which are currently being imported and forpower generation as well.

While summing up, Shri Debasish Nanda, Director BD, CIL advised M/s Projects and Development India Limited, which has been assigned the work for preparing a detailed feasibility report of the plant to take up the project on priority. He expressed his thanks to the officials of Ministry of Coal, P&NG, officials of CIL, GAIL and PDIL for attending this signing ceremony.

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