

Ministry of Coal Issues Letters of Award to Selected Applicants under Categories I & III of the Financial Incentive Scheme for Coal Gasification

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The Ministry of Coal has reached a significant milestone in India's Coal Gasification Initiative with the issuance of Letters of Award (LOAs) to the selected applicants under Categories I and III of the ₹8,500 crore Coal Gasification Incentive Scheme. Secretary, Ministry of Coal, Shri Vikram Dev Dutt presented the LOAs in the august presence of Additional Secretary, Ms. Vismita Tej, and Advisor (Projects), Shri Anandji Prasad, OSD (Technical), Shri Asheesh Kumar, Director (Technical), Shri BK Thakur, Ministry of Coal.

Key Awardees under the Scheme:

Category I: Government PSUs / Joint Ventures of Government PSUs (For allocation of Rs 1,350 crore per project or 15% of capex, whichever is lower)

- **Bharat Coal Gasification and Chemicals Limited:** The BCGCL, a joint venture of CIL-BHEL has been awarded ₹1,350 crore of financial incentive under the Scheme for its coal gasification project in Lakhanpur, Orissa. With a total investment of ₹11,768 crore, the project aims to produce 0.66 MMTPA of Ammonium Nitrate.



- **Coal India Limited (CIL – GAIL Consortium):** The CIL-GAIL joint venture project in Sonapur Bazari, West Bengal, has been awarded ₹1,350 crore of financial incentive under the Scheme. This project, costing ₹13,052.81 crore, will focus on converting coal into Synthetic Natural Gas (SNG) with a production capacity of 1.83 MMSCMD.



- **Coal India Limited:** The coal-to-SNG project in Niljai Ext. OC Wani Area, Maharashtra, has been awarded ₹1,350 crore of financial incentive under the Scheme. The project, with a total cost of ₹12,214.86 crore, aims for a production capacity of 1.83 MMSCMD of Synthetic Natural Gas.



Category III: Demonstration Projects / Small-Scale Product based Plants (For allocation of Rs 100 crore per project or 15% of capex, whichever is lower)

- **New Era Cleantech Solution Private Limited:** The coal-to-ethanol demonstration project in Chandrapur, Maharashtra, has been awarded ₹100 crore of financial incentive under the Scheme. With a total investment of ₹667 crore, the project will utilize Carbon Capture, Utilization, and Storage (CCUS) technology, capturing approximately 20,144 MT of CO₂ annually while producing 18 KTPA of ethanol.



The Coal Gasification Incentive Scheme is integral to India's goal of achieving 100 million tonnes of coal gasification by 2030. This initiative is designed to drive innovation in coal gasification technology, reduce carbon emissions, enhance energy security, and contribute to a sustainable energy future.

These projects exemplify India's unwavering commitment to clean energy innovation and sustainable development. By harnessing advanced technologies and promoting environmentally responsible practices, the Ministry of Coal is shaping a future where energy security coexists with ecological balance. With initiatives like the Coal Gasification Incentive Scheme, India is not just addressing its present energy needs but also setting a global benchmark in clean coal technology, paving the way for a greener and more prosperous tomorrow.

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