

GOVERNMENT OF INDIA
MINISTRY OF COAL

RAJYA SABHA
UNSTARRED QUESTION NO 3553
ANSWERED ON 03.04.2023

Incentives for developing coal gasification projects

3553. SHRI JAGGESH:

Will the Minister of Coal be pleased to state:

- (a) Whether it is a fact that Government is planning a policy framework to incentivize private sector companies for developing coal-gasification projects;
- (b) whether the policy will be aimed at providing capital subsidy, tax exemption, and assured availability of coal;
- (c) whether coal-gasification projects are being implemented on pilot basis by government; and
- (d) if so, the details thereof, and the timeframe for the implementation of the policy?

ANSWER

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

(a) & (b): Yes sir. To incentivize private sector companies for developing coal gasification projects, Ministry of Coal 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. Further, separate auction window under NRS sector has been created for making coal available for new coal gasification plants. From these incentives, it will meet the demand of dry fuel for the projects.

(c) & (d): There is no plan for setting up Coal Gasification Projects on pilot basis.
