

**GOVERNMENT OF INDIA
MINISTRY OF COAL**

**RAJYA SABHA
UNSTARRED QUESTION NO. 52
ANSWERED ON 20.07.2026**

COAL GASIFICATION TARGETS

52. SMT. SUMITRA BALMIK:

Will the Minister of COAL be pleased to state

(a) the progress achieved towards the national target of gasifying 100 million tonnes of coal by 2030, including the projects commissioned or presently under implementation;

(b) whether Government proposes to further strengthen the incentive framework to attract greater private and public sector investment in surface coal gasification; and

(c) if so, the additional measures envisaged to promote coal-to-chemicals, methanol and synthetic natural gas production as part of India's energy security?

ANSWER

MINISTER OF STATE FOR COAL AND MINES

(SHRI SATISH CHANDRA DUBEY)

(a): National Coal Gasification Mission has set the ambitious target of achieving 100 Million Tonnes (MT) of coal gasification capacity by 2030. As on date, approximately 22.6 Million Tonnes Per Annum (MTPA) of coal gasification capacity is operational or under implementation, comprising:

- (i) Jindal Steel Limited (JSL): ~8 MTPA (operational)
- (ii) Talcher Fertilisers Limited (TFL): ~2.6 MTPA (under implementation)
- (iii) 8 Projects approved under the ₹8,500 crore Financial Incentive Scheme: ~12 MTPA (under implementation)

To further progress to achieve the national target of gasifying 100 million tonnes of coal, the Government has approved another Scheme on 13.05.2026 for Promotion of Surface Coal/Lignite Gasification Projects with a financial outlay of ₹37,500. The new scheme is expected to utilise approximately 75 MTPA of coal and thus substantially contribute towards achieving the national target of 100 MT coal/lignite gasification.

(b)&(c): Government has strengthened the incentive framework under the recently approved scheme to attract greater private and public sector investment in coal gasification. Under the previous scheme of Rs. 8500 crores, approved on 24.01.2024, the eligible financial incentive was @15% of the capex subject to prescribed ceilings, while the new scheme of Rs. 37,500

crores provides financial incentives of up to 20% of the eligible Plant and Machinery cost, subject to prescribed ceilings, for establishment of coal/lignite gasification projects.

The Government is promoting the production of coal-to-chemical, methanol, and Synthetic Natural Gas through coal gasification by providing financial incentives, facilitating coal availability, strengthening regulatory support, simplifying approvals, promoting indigenous technologies and thus creating an enabling policy framework to strengthen India's energy security.
