

GOVERNMENT OF INDIA
MINISTRY OF COAL

LOK SABHA
UNSTARRED QUESTION NO 1634
TO BE ANSWERED ON 30.07.2025

COAL AND LIGNITE GASIFICATION

1634. SHRI CHANDAN CHAUHAN:
SHRI PRADEEP KUMAR SINGH:
SHRI NARAYAN TATU RANE:
SHRI BHARATBHAI MANUBHAI SUTARIYA:
SHRI ANURAG SINGH THAKUR:
DR. PRASHANT YADAORAO PADOLE:
SHRI BIPLAB KUMAR DEB:
SHRI KRIPANATH MALLAH:

Will the Minister of Coal be pleased to state:

- (a) the details of the efforts made by the Government to promote coal and lignite gasification in the public and private sectors; and
(b) the financial assistance sanctioned by the Government so far to promote coal and lignite gasification projects?

ANSWER
MINISTER OF COAL AND MINES
(SHRI G. KISHAN REDDY)

(a): The Government has, inter alia, taken the following initiatives to promote coal and lignite gasification in the public and private sectors-

- On January 24, 2024, the Government has approved a financial incentive scheme for PSUs and private sector with an outlay of ₹ 8,500 crore.
- A new sub-sector, "Production of Syngas leading to coal gasification," has been created under the Non-Regulated Sector (NRS) linkage auctions policy to support coal gasification initiative.
- The Government has allowed coal supply to gasification projects under the NRS auction with floor price at the Notified Price of the regulated sector, for the projects commissioning within the next seven years.
- 50% rebate in the revenue share for coal used in gasification has been introduced in commercial coal block auctions, provided that at least 10% of the total coal production is used for gasification purposes.

- A framework has been established for granting waivers from registration for Transfer of Technology (ToT) from land-border-sharing countries on a case-by-case basis. Waiver to one application has been granted.

(b): The aforesaid ₹8500 crore financial incentive scheme has the following three categories against which a total of 7 (seven) projects have been approved –

- **Category I** - with a provision of ₹4,050 crores under which only PSUs were entitled to apply, a total of three projects with Government assistance of ₹1,350 crores each have been approved.
- **Category II** - with a provision of ₹3,850 crores under which both private sector and PSUs were entitled to apply, a total of three private sector projects with Government assistance amounting to ₹1,983.06 crores have been approved.
- **Category III** - with a provision of ₹600 crores for demonstration or small-scale projects, one private sector project with ₹100 crores of Government assistance has been approved.
