

Coal India Ltd signs MoUs with BHEL, IOCL and GAIL (India) Ltd for Setting up Coal Gasification Projects

India likely to Become Aatmanirbhar in Thermal Coal Production in coming months, says Minister Shri Pralhad Joshi

Coal Ministry aims to achieve 100 Million Ton Coal Gasification by 2030

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Union Minister of Coal, Mines and Parliamentary Affairs Shri Pralhad Joshi said that in next few months India is likely to become Aatmanirbhar in thermal coal production. Forty million ton of coal stock will be available with thermal power plants by March next year and as on 1st October, 2022 the stock with thermal plants comes to 24 million ton. The Minister was addressing a function organized by Coal India Ltd., Ministry of Coal here today to sign MoUs with five leading PSUs for Coal gasification projects.

For setting up four large scale coal-to-chemical projects through surface coal gasification route, Coal India Limited (CIL) signed three separate Memorandums of Understanding (MoU), one each, with three major PSUs of the country Bharat Heavy Electricals Limited (BHEL), Indian Oil Corporation Limited (IOCL) and GAIL (India) Limited. In addition, NLC India Limited (NLCIL) is signing MoU with BHEL.



To come up at an aggregated estimated cost of Rs.35,000 crores the proposed surface coal gasification (SCG) projects are planned to be set up in West Bengal, Odisha, Chattisgarh, Maharashtra and Tamil Nadu.

The MoU was inked in the presence of Shri. Pralhad Joshi, Minister of Coal, Mines & Parliamentary Affairs and Shri. Mahendra Nath Pandey, Minister of Heavy Industries & Public Enterprises. Dr. V. K. Saraswat, Member(NitiAayog), Dr. Anil Kumar Jain Secretary (Coal), Shri ArunGoyal, Secretary (Heavy Industries), Shri Pankaj Jain, Secretary (MoPNG), Shri. Pramod Agrawal, Chairman, CIL, Shri M. Nagaraju, Additional Secretary & Nominated Authority, CMDs of PSUs, and officials of Ministries of Coal , MoPNG& Heavy Industries & PSUs were also present.

Through SCG route coal is converted into syngas. This can be subsequently processed for downstream production of value added chemicals which are otherwise produced through imported natural gas or crude oil at enormous cost.

As the country's four major PSUs huddle together, the move is aimed at reduced forex outgo, promoting self-reliance and capitalization of indigenous resources. Another upside will be employment generation with direct employment of around 1200 personnel and indirect employment to the tune of over 20,000 persons.



With renewables and cleaner energy sources steadily gaining ground alternative use of coal, in future, through diversification assumes greater importance. With the country endowed with 344 Billion Tonnes (BT) of coal resources, with 163 BT, proven coal to chemicals through SCG appears a safe bet subject to commercial viability.

The Coal Ministry on a mission mode is fast tracking utilization of coal and has targeted to achieve 100 million ton (MT) coal gasification by 2030. Coal Ministry has also taken initiatives for allocating Rs. 6,000 crores to support CPSEs by incentivizing implementation of five coal gasification plants.

While CIL the country's largest energy producer has identified SCG as one of its business diversification avenues, IOCL and GAIL bring to the table their decades of experience in taking up large-scale chemical and process plants.

BHEL has conducted pilot studies with their Pressurized Fluidized Bed Combustion technology and customized it to suit the requirements of high-ash Indian coal. The initiative of CIL and BHEL will lead to commercialization of home-grown coal gasification technology.

The synergy and partnership of all the four corporate giants will enable a perfect launch of complex SCG projects.

Shri. Debasish Nanda, Director (Business Development) inked the pact on behalf of CIL.

AKN/RKP

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