

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

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The Ministry of Coal has made a significant stride in India's ambitious Coal Gasification Initiative with the issuance of Letters of Award (LOAs) to selected applicants under Category II of the ₹8,500 crore Coal Gasification Incentive Scheme.

The LOAs were presented by Shri Vikram Dev Dutt, Secretary, Ministry of Coal, in the august presence of Additional Secretary, Ms. Vismita Tej, and OSD (Technical), Shri Asheesh Kumar and Director (Technical), Shri BK Thakur, Ministry of Coal.

Awardees under the Scheme:

Category II: Private Sector/ Government PSUs (For allocation of Rs 1,000 crore per project or 15% of capex, whichever is lower)

- **Jindal Steel and Power Limited:** The 2MMTPA coal gasification project in Angul, Odisha, has been awarded ₹569.05 crore in financial incentives. The ₹3,793 crore project will convert coal into Direct Reduced Iron (DRI) through coal gasification while also setting up a carbon capture and utilization plant designed to capture 30 TPD of CO₂ for conversion into valuable products.



- **New Era Cleantech Solution Private Limited:** A financial incentive of ₹1,000 crore has been granted for New Era Cleantech's coal gasification project in Bhadravati, Chandrapur, Maharashtra. With a total project cost of ₹6,976 crore, it aims to produce 0.33 MMTPA of Ammonium Nitrate and 0.1 MMTPA of Hydrogen. Additionally, the project will implement Carbon Capture, Utilization, and Storage (CCUS) technology, where captured CO₂ will be utilized for methanol production. The proposed CO₂-to-methanol plant will have a capacity of 3,000 TPD (1.0 MMTPA).



- **Greta Energy Limited:** The Greta Energy Limited has been awarded ₹414.01 crore of financial incentive for its coal gasification project at MIDC Bhadravati, Chandrapur, Maharashtra. With a total investment of ₹2,763 crore, the project aims to produce 0.5 MTPA of Direct Reduced Iron (DRI).



The Coal Gasification Incentive Scheme plays a pivotal role in India's ambitious target of reaching 100 million tonnes of coal gasification by 2030. This initiative is designed to accelerate technological advancements in coal gasification, significantly reduce carbon emissions, bolster energy security, and create a foundation for a more sustainable energy landscape.

The Ministry of Coal has taken a significant step towards promoting Coal/Lignite Gasification by issuing the Letter of Award (LOA) under Category-II of the Financial Incentive Scheme.

This initiative aims to accelerate India's transition to cleaner energy solutions while... pic.twitter.com/rCWgLe8YTa

— Ministry of Coal (@CoalMinistry) February 11, 2025

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