

# House panel pushes for clear timeline on coal gasification

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New Delhi, 12 March

The parliamentary standing committee on coal, mines and steel, in its fourth report on demands for grants for FY26 on Wednesday, pushed for a detailed timeline for the coal gasification scheme.

The committee has recommended establishing a structured timeline for the coal gasification scheme by defining clear, time-bound milestones to achieve 100 million tonnes (mt) of gasification by 2030.

This plan should incorporate specific targets for incremental capacity additions over one- to two-year intervals and mandate regular performance audits and environmental impact assessments on a quarterly or biannual basis, it said.

Last year, the Union Cabinet approved financial incentives for the long-awaited scheme for coal gasification projects in the country. The Cabinet approved a ₹8,500 crore financial incentive for gasification projects in three categories.

Coal gasification involves extracting methane from coal during the mining process and utilising it for commercial purposes. An overarching scheme for coal gasification has been in the works for more than 15 years but was embroiled in a revenue-sharing tussle between the ministries of coal and petroleum and natural gas. However, with the ambit now clearly marked and coal PSUs planning coal gasification projects, the Centre has received requests for viability gap funding. National miner Coal India has formed joint ventures with manufacturing major Bharat Heavy Electricals and state-owned gas utility GAIL to tap into the potential of coal gasification and its supply.

The committee also recommended strengthening the quarterly expenditure plan monitoring. Noting that despite the quarterly utilisation of the central sector for FY25 being structured, the committee said some schemes faced budget reductions at the revised estimate stage due to slower spending in the initial quarters.

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