

GST reimbursement likely for coal gasification

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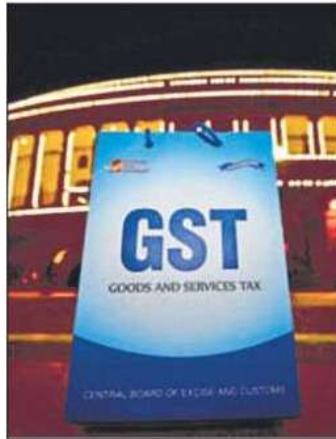
NEW DELHI: Companies that respond to the government's plan to gasify coal may be reimbursed the goods and services tax that they pay on buying coal, said two people aware of the development amid a cool response by investors.

Last year, the Centre announced an ambitious plan to gasify 100 million tonnes of coal by 2030, but it is yet to gain momentum because companies do not see it as economically viable.

As a result, some new incentives are likely to be announced in the next six months, said the people cited above.

"The government will invite private investors for coal gasification and new incentives, including GST reimbursement, assured coal supplies from Coal India Ltd as in the power sector, among others. The idea is to provide support towards capital cost and taxes. We may reimburse the GST on the coal used for gasification," said one of the two persons.

The government previously considered waiving the GST compensation cess of ₹400 a tonne of coal used for gasification. After lukewarm interest, the Centre is now considering full reimbursement of the GST paid for coal used in gasification.



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Another factor behind the development is that three proposed joint ventures of Coal India that were to produce gas from coal have not progressed as anticipated, the second person said.

Coal India had signed three separate memorandum of understanding (MoU) in October with state-run Bharat Heavy Electricals Ltd (BHEL), Indian Oil Corp. Ltd (IOCL) and GAIL (India) Ltd.

"The proposed total investment in these joint ventures is ₹44,000 crore. Although there has been slow progress, it may gain momentum soon, as inter-departmental talks are underway to remove the obstacles and set the ball rolling," said the person, adding that the consideration of incentive and tax refunds

will also help this project to take off.

The high ash content found in Indian coal is also a technical barrier to large-scale coal gasification, the second person said.

Coal gasification, the process which turns coal into fuel gas, is considered as a cleaner option than burning coal to produce energy. The gas produced through the process can be used to produce gaseous fuels such as hydrogen, methane, methanol and ethanol.

Queries emailed to the union ministries of coal and finance remained unanswered till press time.

Having committed to achieving net-zero carbon emission by 2070, the government has set itself ambitious goals to tap coal or cleaner uses such as gas. The Centre aims to achieve a target of 100 million tonnes of gasified coal by 2030.

Most of the coal produced in India goes into feeding thermal power plants. With the power sector moving toward renewable sources, the use of coal for thermal power generation will come down in the long run, intensifying demand for alternative uses of coal.

In November 2021, the government launched the National Coal Gasification Mission to map the gasification potential of coalfields and develop indigenous technologies suitable for various feedstock ranging from low-ash to high-ash coal.



गेल (इंडिया) की फिल्म

‘इंटरैक्शन’ की स्क्रीनिंग

नई दिल्ली, एजेंसी। पर्यावरण और जैव विविधता के बारे में जागरूकता बढ़ाने के लिए, भारत के महावाणिज्य दूतावास ने राजनयिकों और चुनिंदा दर्शकों के समक्ष गेल (इंडिया) के एकीकरण के साथ संयुक्त राष्ट्र के तत्वावधान में निर्मित फिल्म 'इंटरैक्शन' की स्क्रीनिंग की। स्क्रीनिंग कल संयुक्त राष्ट्र में भारत के राजदूत और स्थायी प्रतिनिधि श्री इंद्र मणि पांडे और जिनेवा में भारत के महावाणिज्य दूत श्री सुनील ए आचार्य की उपस्थिति में की गई।