

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:7055
ANSWERED ON:12.05.2005
LIGNITE GASIFICATION PLANT
Kripalani Shri Srichand

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the Gas Authority of India Ltd. has signed an agreement with Argo Energy Technologies Inc. for establishment of a Lignite Gasification Plant in Barmer district of Rajasthan;
- (b) if so, the details thereof; and
- (c) the amount likely to be incurred thereon?

Answer

MINISTER OF PETROLEUM & NATURAL GAS & PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) & (b) GAIL(India) Limited (GAIL) have signed a Memorandum of Cooperation(MoC) with M/s Ergo Energy Technologies Inc., Canada to establish a Lignite Gasification Plant in Barmer District of Rajasthan. The MoC is aimed at developing a long-term working relationship between GAIL and Ergo Energy aimed at enhancing the level of development of large coal resources, that for economic or technical reasons, are not exploited by conventional methods of coal/lignite mining. The parties have also expressed their agreement to cooperate in the development and implementation of commercial Underground Coal Gassification projects, under various geological conditions and with due regard for environmental implications.

(c) GAIL are in the process of carrying out a Pre-Feasibility Study for the production of synthesis gas. The cost implications can be estimated only after the pre feasibility study is completed.