

Efforts Underway to Further Enhance Coal Production

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The following key initiatives have been taken by the Government to boost production of coal in India:

1. Regular reviews by Ministry of Coal to expedite the development of coal blocks.
1. Enactment of Mines and Minerals (Development and Regulation) Amendment Act, 2021 for enabling captive mines owners (other than atomic minerals) to sell up to 50% of their annual mineral (including coal) production in the open market after meeting the requirement of the end use plant linked with the mine in such manner as may be prescribed by the Central Government on payment of such additional amount. Single Window Clearance portal for the coal sector to speed up the operationalization of coal mines. Project Monitoring Unit for hand-holding of coal block allottees for obtaining various approvals / clearances for early operationalization of coal mines. Auction of commercial mining on revenue sharing basis launched in 2020. Under commercial mining scheme, rebate of 50 % on final offer would be allowed for the quantity of coal produced earlier than scheduled date of production. Also, incentives on coal gasification or liquefaction (rebate of 50 % on final offer) have been granted. Terms and conditions of commercial coal mining are very liberal with no restriction on utilization of coal, allowing new companies to participate in the bidding process, reduced upfront amount, adjustment of upfront amount against monthly payment, liberal efficiency parameters to encourage flexibility to operationalize the coal mines, transparent bidding process, 100% Foreign Direct Investment (FDI) through automatic route and revenue sharing model based on the National Coal Index.

In addition to above, coal companies have also taken following steps to increase the domestic coal production.

- i. Coal India Limited (CIL) has identified and initiated actions for fulfilling all the resources required like Environment Clearance / Forest Clearance, land acquisition, evacuation infrastructures such as mechanized loading through Coal Handling Plant (CHP) / SILO, Rail Projects etc. CIL is in constant endeavour to enhance its coal production through expansion of mines (brownfield projects), opening of new mines (greenfield projects), mechanization and modernization of its mines, both Underground (UG) & Opencast (OC). In its UG mines, CIL is adopting Mass Production Technologies (MPT), mainly with Continuous Miners (CMs), wherever feasible. CIL has also planned Highwalls (HW) mines. In its OC mines, CIL already has State-of-the- Art technology in its high capacity Excavators, Dumpers and Surface Miners.
- ii. Regular liaison is being undertaken by Singareni Collieries Company Limited (SCCL) for grounding of new projects and operation of existing projects. SCCL has initiated action for developing infrastructure for evacuation of coal like CHPs, Crushers, Mobile Crushers, Pre-weigh- bins etc.
Due to these efforts by the Government, the country has witnessed a massive leap in coal production from 566 MT in FY 2013-14 to 893 MT in FY 2022-23 with a CAGR of 5.2%.

Government has approved to continue the scheme of “Exploration of Coal and Lignite” upto 2025-26. During the financial year 2023-24, ₹ 450 Crore has been allocated for this scheme and out of this amount, ₹ 288.815 Crore has been released till date.

This information was given by Union Minister of Coal, Mines and Parliamentary Affairs Shri Pralhad Joshi in a written reply in Rajya Sabha today.

BY/RKP/ST

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