

# Aatmanirbhar Bharat in the Coal Sector

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Most of the requirement of coal in the country is met through indigenous production and supply. The efforts made by the Government to make Aatmanirbhar Bharat in the production of coal are as under:

- i. Regular reviews by Ministry of Coal to expedite the development of coal blocks.
- ii. Enactment of Mines and Minerals (Development and Regulation) Amendment Act, 2021 [MMDR Act] 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.
- iii. Single Window Clearance portal for the coal sector to speed up the operationalization of coal mines.
- iv. Project Monitoring Unit for hand-holding of coal block allottees for obtaining various approvals / clearances for early operationalization of coal mines.
- v. Auction of commercial mining on revenue sharing basis launched in 2020. Under commercial mining scheme, rebate of 50 % on final offer has been 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.
- vi. Terms and conditions of commercial coal mining made 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.
- vii. Ministry of Coal has set a target of opening 100 new mines with coal production capacity of 500 Million Tonne Per Annum (MTPA) by FY 2029-30.
- viii. Coking Coal Mission has been launched to enhance coking coal supply to the Steel Sector to reduce imports of coking coal. Initiatives have been taken to enhance coking coal production.
- ix. A new sub-sector has been created under the Non-Regulated Sector linkage auctions with the nomenclature of 'Steel using Coking coal through WDO route'. The creation of the new sub-sector with the assurance for long-term coal linkage to the Steel Sector from the identified mines for the entire term of the contract period would increase the availability of washed coking coal in the country and enhanced domestic coking coal consumption by the Steel Industry in the country, thereby reducing the coking coal imports.
- x. A Committee constituted in the Ministry of Coal suggests policy initiatives needed to promote "Make in India/ Atmanirbhar Bharat".
- xi. Mine Developer cum Operators (MDO) are engaged by coal Public Sector Undertakings under the Ministry of Coal through transparent global open tenders to ramp up domestic coal production and to reduce dependency on coal imports.
- xii. Discontinued / abandoned mines are being re-opened in revenue sharing model, which shall increase the coal production in the country,
- xiii. Government has planned to set up coal washeries to increase coal supply to the Steel Sector and reduce coal imports.

- xiv. The Annual Contracted Quantity (ACQ) has been increased upto 100% of the normative requirement, in the cases where the ACQ was either reduced to 90% of normative requirement (non-coastal) or where the ACQ was reduced to 70% of normative requirement (coastal power plants). Increase in the ACQ would result in more domestic coal supplies, thereby, reducing the import dependency.
- xv. Government has decided in 2022 that the coal to meet the full PowerPurchase Agreement (PPA) requirement of all the existing linkage holders of Power Sector shall be made available by the coal companies. The decision of the Government of meeting the full PPA requirement of the linkage holders of the Power Sector shall reduce the dependence on the imports.
- xvi. An Inter - Ministerial Committee (IMC) has been constituted in the Ministry of Coal on 29.05.2020 for the purpose of coal import substitution. The Representatives from Ministry of Power, Ministry of Railways, Ministry of Shipping, Ministry of Commerce, Ministry of Steel, Ministry of Mines, Ministry of Micro, Small & Medium Enterprises (MSME), Department for Promotion of Industry & Internal Trade (DPIIT), Central Electricity Authority (CEA), Coal Companies and Ports are members of this IMC. Eleven meetings of the IMC have been held so far. On the directions of the IMC, an Import Data System has been developed by Ministry of Coal to enable the Ministry to track the imports of coal. Efforts are taken to ensure more domestic supplies of coal.

In addition to above, coal companies have also taken following steps to increase the domestic coal production leading to self sufficiency:

- i. Coal India Limited (CIL) has adopted number of measures to increase in coal production. In its Underground (UG) mines, CIL is adopting Mass Production Technologies (MPT), mainly with Continuous Miners (CMs), wherever feasible. CIL has also planned Highwalls (HW) mines in view of the availability of Abandoned/ Discontinued mine. CIL is also planning large capacity UG mines wherever feasible. In its Opencast (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.

The focus of the efforts made by the Government is on increasing the domestic production of coal and to eliminate non-essential import of coal in the country. The all-India domestic coal production in the year 2023-2024 was 997.828 MT (provisional) in comparison to 893.191 MT in the year 2022-2023 with the growth of about 11.71 %. Further, in the current financial year (upto June'24), the country has produced 247.396 MT (provisional) of coal as compared to 223.376 MT (provisional) during the same period of last year with a growth of about 10.75%.

Further, the country has witnessed a big leap in overall coal production from 565.765 MT in FY 2013-14 to 997.828 MT in FY 2023-24 (provisional). The details of coal production in the country since 2013-14 are as under:

**(Figures in MT)**

<b>Year</b>	<b>Production of Coal</b>
2013-14	565.765
2014-15	609.179
2015-16	639.230
2016-17	657.868
2017-18	675.400

2018-19	728.718
2019-20	730.874
2020-21	716.083
2021-22	778.210
2022-23	893.191
2023-24*	997.828

\* Provisional

This information was given by Union Minister of Coal and Mines Shri G. Kishan Reddy in a written reply in Rajya Sabha today.

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