



Steps Adopted To Further Increase Coal Production & Supply



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The quantity of total coal imported during last five years is given below:-

(in Million Tonnes)

Year	Import of Coal
2016-17	191.01
2017-18	208.25
2018-19	235.35
2019-20	248.54
2020-21	215.25

The following action has been taken by Government to further enhance the production of the coal in the country:

- 1. Commercial Auction of coal on revenue share mechanism:** Since Launch of auction of coal mines for commercial mining in June 2020, a total of 4 rounds of auction have been conducted in which total 292 coal mines were offered. In 3 rounds, 42 coal mines have been successfully auctioned. Further, in respect of 4th round of auction, bids were opened on 02.03.2022 and 2 or more bids have been received in respect of 5 coal mines and 6 coal mines have fetched single bids.
- 2. Allowed sale of excess coal production:** The Ministry of Coal has amended Mineral Concession Rules, 1960 with a view to allowing sale of coal or lignite, on payment of additional amount to the



State Government, by the lessee of a captive mine up to 50 percent of the total coal or lignite produced in a financial year, after meeting the requirement of the end use plant linked with the mine. Earlier this year, the Mines and Minerals (Development & Regulation) Act had been amended to this effect. This is applicable for both the private and public sector captive mines. With this amendment, the Government has paved the way for releasing of additional coal in the market by greater utilization of mining capacities of captive coal and lignite blocks, which were being only partly utilized owing to limited production of coal for meeting only their captive needs.

3. **Rolling auction:** In order to expedite the process for conducting auction and to carry out more rounds of auction in a year, a mechanism of rolling auctions of coal mines has been planned. Under this mechanism, upon completion of the electronic auction process of a tranche, the next tranche of auction would be launched for following mines:

- i. Mines where no bid or only single bid was received in the previous tranche of auction (except for those mines where Ministry of Coal decides to go for second attempt of auction)
- ii. New mines, if any, identified by Ministry of Coal

4. **Single Window Clearance:** The Union government has launched Single Window Clearance portal on 11.01.2021 for the coal sector to speed up the operationalisation of coal mines. It is an unified platform that facilitates grant of clearances and approvals required for starting a coal mine in India. Now, the complete process shall be facilitated through Single Window Clearance Portal, which will map not only the relevant application formats, but also process flow for grant of approvals or clearances.

5. Coal India Limited (CIL) has envisaged a coal production programme of one Billion Tonne from CIL mines. CIL has taken the following steps to achieve the target of augmentation of coal production capacity.

- i. 15 Projects identified with a Capacity of about 160 MTPA (Million Tonnes per Annum) to be operated by Mine Developer cum Operator mode.
- ii. Capacity addition through special dispensation in Environment Clearance under clause 7(ii) of Environmental Impact Assessment (EIA) 2006
- iii. CIL has taken steps to upgrade the mechanized coal transportation and loading system under 'First Mile Connectivity' projects.

The entire demand of coal is not met from domestic production as the supply of high quality coal / coking coal (low-ash-coal) in the country is limited and thus no option is left but to resort to import of coking coal. Further, coal imported by power plants designed on imported coal and high grade coal required for blending purposes cannot be substituted by domestic coal. However, due to increased availability of coal on account of policy measures taken to increase domestic coal production, total coal import declined from 248.54 MT in 2019-20 to 215.25 MT in 2020-21. Further, during April 2021-January 2022, coal import has further decreased to the level of 173.32 MT as compared to 180.56 MT during the corresponding period of previous year.

Coal import by Power sector declined from 69.22 MT in 2019-20 to 45.47 MT in 2020-21. Further, during April 2021-January 2022, coal import by Power Sector has decreased to the level of 22.73 MT as compared to 39.01 MT during the corresponding period of previous year.

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



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