

Coal Ministry Reviews Production from Captive Coal Blocks

Forty Seven Coal Blocks Receive Mine Opening Permission; Likely to Increase to 60 Blocks During 2022-23

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The Nominated Authority, Ministry of Coal has reviewed the production of coal with allocattees of captive coal blocks whose coal blocks have either commenced production or are likely to commence production during the financial year 2022-23. The meeting was chaired by the Secretary, Coal, Dr. Anil Kumar Jain. It was appreciated that coal production from captive coal blocks during 2021-22 was 85 Million Ton (MT), an increase of around 35% over 63 MT produced during the previous year 2020-21. The enhanced coal production helped in shortening the demand-supply gap in domestic market.

The Ministry of Coal has taken consistent initiatives to increase the production of coal from captive mines like various amendments in laws & rules liberalizing the coal sector, regular review meetings with project proponents and State Govt. for operationalization of coal mines, appointment of a Project Management Unit for facilitating in obtaining various statutory clearances leading up to starting of coal mines etc. These initiatives have started yielding results now.

Presently, 106 coal blocks have been allocated by the Nominated Authority of the Ministry under CMSP Act, 2015 and mine opening permissions have been received for 47 coal blocks. It is expected to increase to 60 coal blocks during fiscal 2022-23. Annual peak rated capacity of operational coal blocks will be around 230 MT and coal production will be enhanced substantially to more than 140 million ton during FY 2022-23. These measures will lead to substantial reduction in import of thermal coal and considerable foreign exchange will be saved.

During the meeting, Dr. Anil Kumar Jain stated that the coal block allocattees have a golden opportunity for increasing coal production as the price of imported coal is very high at the moment and demand of thermal coal will increase due to increase in electricity demand of country. 50% sale of coal has been allowed for captive coal blocks and coal production will not be hampered even in cases where end -use-plants are not operational. New coal blocks are being allocated for commercial mining and prospective bidders have shown encouraging responses for these blocks. Some of these blocks have started coal production within one year of allocation.

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