

Union Minister Pralhad Joshi Chairs Consultative Committee Meeting of the Ministry of Coal

Overall Coal Production Likely to Surpass One Billion Tonne, Informs the Minister

Ninety One Coal Mines Successfully Auctioned so far Under Commercial Coal Mine Auctions

Posted On: 22 DEC 2023 5:13PM by PIB Delhi

Union Minister of Coal, Mines and Parliamentary Affairs, Shri Pralhad Joshi said that since India's per capita electricity consumption is likely to double by 2030, energy security of the nation needs to be further reinforced by focusing on coal production and off take. The Minister was addressing the Consultative Committee Meeting of the Ministry of Coal here yesterday. Shri Joshi informed the members of the Committee that domestic coal production and availability has gone up substantially in the recent years due to a series of innovative measures adopted by the Ministry of Coal.



Overall coal production is likely to surpass one Billion Tonne this year. For transportation, rake availability has also improved considerably recently, thereby ensuring adequate coal to the Thermal Power Plants in the country, the Minister further informed. Shri Joshi said that production from Commercial/Captive mines has improved substantially.

Under totally transparent on-line Commercial Coal Mine Auction launched in 2020, so far 91 mines have been successfully auctioned. The 9th Tranche of Commercial Auction has been launched on 20th December 2023, the Minister said. The Minister informed the members that issues/concerns raised by them during the

meeting will be looked into by the Coal Ministry for suitable remedial measures .



Earlier, Secretary, Ministry of Coal Shri Amrit Lal Meena, along with Additional Secretary & Nominated Authority, Shri M. Nagaraju made a detailed presentation before the Committee on “Commercial & Captive Coal Production, Strategies for Enhancing Coal Availability”. The recent pathbreaking initiatives undertaken by India’s coal mining sector was also highlighted in the presentation.

The senior functionaries first gave a brief detail of overall coal production of India and especially Coal production from captive and commercial mines. It was informed that before 2014, a total of 218 coal blocks were allocated for captive purposes, however, the allocation of 204 mines were turned down by the Supreme Court in 2014. Thereafter, CMSP Ordinance was promulgated in October-2014 and CMSP Act in March 2015. During the period 2014-2020, 100 coal blocks were allocated for captive use through 10 tranche of auction and 9 tranches of allotment to PSUs, however, out of these 100 blocks, 22 have been cancelled.



In June 2020, the first-ever round of commercial coal mines auction process was launched by the Prime Minister Shri Narendra Modi. A total of 7 tranche of auctions of blocks for commercial use have been completed and eighth and ninth tranche of auction is in process. 98 blocks have been successfully auctioned of which 7 have been terminated. The annual coal production capacity of these 91 coal blocks is about 221 MT. Once fully operational, there will be investment of about Rs 33,136 crores and employment opportunities for around 3 lakh personnels from these 91 mines. Nine commercial blocks have got mine opening permission out of which six are under production and remaining three will shortly start production.

Coal Production from Captive/Commercial mines from Year 2015-16 to 2020-23 has increased from about 28.62 MT to 116.55 MT with a CAGR of 22.21% and it is expected to touch a figure of about 145 MT in FY 23-24. It is expected that by FY 2030 coal production from captive/commercial will reach to the level of about 350 MT and it will be just next to production from CIL. The contribution of captive and commercial mines in the total domestic production in Year FY 22-23 is about 13% and it will enhance to about 25% in FY 2030. Coal Ministry is trying hard to bridge the gap between the demand and supply of coal in India and It is

expected that by Year FY 2026, the thermal coal requirement of the country will be fulfilled by domestic coal itself.

Ministry of coal has made several reforms since 2020 such as auction on revenue share basis, incentive for early production and gasification, introduction of national coal and lignite index for pricing, reduction in upfront and BG amount etc. Several strategies have been adopted for coal production such as revamped mining plan approval process, weekly review meetings with stakeholders including state governments, introduction of Project Monitoring Unit and Single window system etc. Ministry of Coal in consultation with Ministry of Railways has improved the coal transportation capacity through rail.



Members of Parliament appreciated the efforts made by the Ministry of Coal for increasing the domestic coal production and made valuable suggestions.

Minister Shri Pralhad Joshi complimented CIL/other PSUs and private companies for improvement in coal production and dispatch. He said that still some challenges are there in coal evacuation and with the help of rail ministry, such challenges are resolved regularly. He assured that in the next two to three years import of thermal coal will be fully substituted by domestic thermal coal. The Minister thanked all the members of the Committee and assured that he will look into the suggestions given by the members.

BY/RKP/ST

(Release ID: 1989632)