

**GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION NO. 902
TO BE ANSWERED ON 07.02.2024**

New Areas for Coal Mining

†902. SHRIMATI VEENA DEVI:

Will the Minister of Coal be pleased to state:

- (a) whether the Government has taken any steps to increase the domestic production of coal and reduce coal import;
- (b) if so, the details thereof;
- (c) the details of coal mines closed down during the last three years and the coal mines likely to be closed down after completion of extraction work during the ensuing three years;
- (d) whether the Government has taken any steps to find out new areas for mining; and
- (e) if so, the details thereof?

ANSWER

MINISTER OF PARLIAMENTARY AFFAIRS, COAL AND MINES

(SHRI PRALHAD JOSHI)

(a) & (b): Yes Sir. Most of the requirement of coal in the country is met through indigenous production / supply. The focus of the Government is on increasing the domestic production of coal and to eliminate non-essential import of coal in the country. In the year 2022-23, coal production increased by 14.77% over the previous year. During the current year till January' 2024, domestic coal production has increased by around 12.11% compared to the same period of last year.

The country has witnessed a big leap in overall coal production from **566 MT in FY 2013-14 to 893 MT in FY 2022-23 with a CAGR of 5.2%**

The steps taken by the Government to make the country self-sufficient 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 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 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.
- vi. 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.

Measures taken by the Government to substitute coal imports:

- i. The 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.
- ii. Under the provisions of Para B (viii) (a) of SHAKTI Policy, coal linkage is provided for short term for sale of power generated through that linkage through any product in Power Exchanges or in short term through a transparent bidding process through DEEP portal. In addition, with the amendment to the Non-Regulated Sector (NRS) linkage auction policy introduced in 2020, the tenure of coking coal linkages in the NRS linkage auction has been revised for a period upto 30 years. The coal offered for short term to the Power Plants under the amended provisions of SHAKTI Policy as well as increase in the tenure of the coking coal linkages in the NRS linkage auction for a period upto 30 years is expected to have a positive impact towards coal imports substitution.

- iii. Government has decided in 2022 that the coal to meet the full 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.
- iv. 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.

(c): The details of CIL coal mines abandoned/closed/discontinued during the last three years, is given below:

CIL Subsidiary	Name of Mines
ECL	Kalipahari OC Patch A
	New Kenda
BCCL	Bera
	Damagoria
	Kenduadih
	KB 10/12 Pits
	Salanpur
	Bhowrah (N)
WCL	Shobhapur
	Ghorawari/Jharna
	Barkuhi OC
	Bharat (Ghorawari-2)
SECL	Pinoura
	Mahamaya
	Bishrampur
	Mahan
	Mahan-II
	Katkona 3 & 4
MCL	Orient-3
NEC	Tipong
	Tirap

The coal mines likely to be closed by Coal CIL after completion of coal extraction work are as under:

CIL Subsidiary	Name of Mines
WCL	Mohan OC Ph-IV, Chhatrapur-II, Umrer Expansion OC (Amb River Ph-IV), Junad Extn OC, New Majri Sec IA & IIA Extn OC, Penganga OC, Mathani UG (7 mines)
SECL	North Chirimiri UG, Malga UG, Pinoura UG (3 mines)
NCL	Kakri OCM

MCL	Basundhara (West) Expansion OCP
CCL	Sangam OC, Dakra OC (2 mines)

Closed coal mines of SCCL due to exhaustion of reserves / conversion to OC mines for the last three years are as below:

Name of Mines
RK-8 Incline
VK-7 Incline
JVR OC
GDK 7 LEP
BPA OC II
Medipalli OC

List of the mines proposed to be closed by SCCL in the current year & next three years:

KK1 Inc.
RK1A Inc.
GK OCP
RKPOC
JK5OC
RK-NT
RK-6 Inc.
SRP-1 INC
RG OC-1 Expn. & Ph-II
MNG OC

(d) & (e): Finding new areas for mining coal and lignite through exploration is a continuous process. There is one sub-scheme i.e. Promotional (Regional) exploration continuing through Central Sector Scheme (CSS) of Ministry of Coal for exploration of new areas of coal & lignite. In addition to this, Central Mine Planning & Design Institute Limited (CMPDIL) and Geological Survey of India (GSI) also carries out exploration and investigation of minerals including coal.
