

**GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION NO. 3394
TO BE ANSWERED ON 23.03.2022**

Coal based Power Plants

**3394. SHRI BALUBHAU ALIAS SURESH:
NARAYAN DHANORKAR:**

Will the Minister of Coal be pleased to state:

- (a) whether the Government plans to issue guidelines for minimum stock maintenance for coal-based power plants to ensure stability of supplies in future;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) whether the Government plans to increase domestic output of coal considering the large reserves available in the country; and
- (d) if so, the details thereof and if not, the reasons therefor?

**ANSWER
MINISTER OF PARLIAMENTARY AFFAIRS, COAL AND MINES
(SHRI PRALHAD JOSHI)**

(a) and (b): In order to maintain adequate coal stock by the coal based thermal power plants, the Government on 06.12.2021 has issued the new coal stocking norms with provisions for penalty for non-maintenance of prescribed coal stock. As per the revised coal stocking norms, the daily coal requirement for both pithead as well as no-pithead plants is to estimated at 85% PLF and the number of days for which stock needs to be maintained by power plants is from 12 to 17 days for Pithead plants and 20 to 26 days for Non-Pithead plants with month-wise variation based on the coal dispatch/coal consumption pattern during the year.

(c) and (d): The following action has been taken by Government to further enhance the production and supply of coal in the country:

- i. **Commercial Auction of coal on revenue share mechanism:** Auction of commercial mining on Revenue Sharing Mechanism was launched on 18.06.2020 by Hon'ble Prime Minister. Under this scheme, total of 2 tranches have been successfully completed and third Tranche is currently under process. From these two tranches total of 28 coal mines have been successfully auctioned for which Vesting order have in signed for 27 coal mines.
- ii. **Allow 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, 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. The Mines and Minerals (Development & Regulation) Act had been amended in 2021. 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 their captive needs.

iii. **Rolling auction:** In order to expedite the process for conducting auction and to carryout 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:

a. 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)

b .New mines, if any, identified by Ministry of Coal.

In the current III tranche of commercial auction, total of 48 coal mines have been rolled over from the II tranche of mines.

iv. **Single Window Clearance:** The Union government has already 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 approval or clearances.

v. **Project Management Unit (PMU):** Project Management Unit has been appointed by Ministry for handholding of coal block allottees for obtaining various approvals / clearances for early operationalisation of coal mines.

vi. Coal India Ltd. 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:

1. 15 Projects identified with a Capacity of about 160 MTPA (Million Tonnes per Annum) to be operated by Mine Developer cum Operator mode.
2. Capacity addition through special dispensation in Environment Clearance under clause 7(ii) of Environmental Impact Assessment (EIA) 2006
3. CIL has taken steps to upgrade the mechanized coal transportation and loading system under 'First Mile Connectivity' projects.
