

**GOVERNMENT OF INDIA
MINISTRY OF COAL
RAJYA SABHA
UNSTARRED QUESTION NO. 53
TO BE ANSWERED ON 25.11.2024**

Measures to increase coal production

53 # Shri Subhash Barala:

Will the Minister of Coal be pleased to state:

- (a) the strategies the Ministry is implementing to sustain growth in production of coal;
- (b) the manner in which Government is planning to balance increased production with environmental sustainability; and
- (c) the role that recent correcting measures such as reopening closed mines on a revenue-sharing model will play in this strategy?

**ANSWER
MINISTER OF COAL AND MINES
(SHRI G. KISHAN REDDY)**

(a): The steps taken by the Government to sustain growth in 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 [MMDR Act] 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 has been 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 adopted number of measures to increase coal production. In its Underground (UG) mines, CIL is adopting Mass Production Technologies (MPT), mainly with Continuous Miners (CMs), wherever feasible. CIL has also planned Highwalls (HW) mines in view of the availability of Abandoned/ Discontinued mine. CIL is also planning large capacity UG mines wherever feasible. In its Opencast (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 Coal Handling Plants (CHPs), Crushers, Mobile Crushers, Pre-weigh-bins etc.

(b): To promote environmental sustainability in Coal/Lignite mines, various sustainable & environment friendly initiatives have been taken such as plantation/ bio-reclamation, mine water utilization for community use, development of eco-parks and adoption of energy efficiency measures.

Further, the Coal Block Development and Production Agreement for commercial mining executed between Successful Bidder and Nominated Authority mandates that the Successful Bidder shall implement mechanised coal extraction, transport and evacuation in the coal mine, in line with modern and prevalent technologies. Accordingly, the Successful Bidder shall strive to minimise the carbon footprints from operations at the coal mine, undertake steps to reduce environmental pollution and promote sustainability, in accordance with Good Industry Practice.

(c): Ministry of Coal has initiated steps to re-open closed / discontinued mines recognizing their latent potential, under a Revenue Sharing Model. It aims to optimize the utilization of the nation's coal resources while ensuring that safety and profitability are maintained. This will enhance domestic coal availability and efficient utilization of existing coal resources.
