

Recent Initiatives for faster Coal Movement

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As per India Climate Energy Dashboard (ICED) launched in July 2023 by NITI Aayog, India's primary energy supply has grown at ~4.0% CAGR during 2012-22 (excluding exceptional COVID years of 2020 & 2021).

As per India Energy Security Scenarios (IESS) 2047 - an Energy Modelling tool, developed by NITI Aayog, the future energy supply is projected to grow in the range of 3.3% to 3.5% under net-zero and BAU scenarios respectively.

Ministry of Railways has taken up construction of two Dedicated Freight Corridors (DFC) viz. Eastern Dedicated Freight Corridor (EDFC) from Ludhiana to Sonnagar (1337 Km) and the Western Dedicated Freight Corridor (WDFC) from Jawaharlal Nehru Port Terminal (JNPT) to Dadri (1506 Km). Construction of EDFC has been fully completed and 1176 KM out of 1506 KM of WDFC has been completed. The Eastern DFC will mainly cater to coal, Cement, Finished steel and other bulk commodities. Eastern DFC will facilitate faster evacuation of coal from the eastern part of the country for the Thermal Powerhouses located in northern hinterland.

Also, railway projects are under implementation through participative policy of Ministry of Railways which will facilitate transportation of coal.

Several measures are being taken by the Ministry of Coal to meet the growing coal consumption and power demand including the following steps to enhance the production to fulfill the domestic coal demand:

- i. Regular reviews by Ministry of Coal to expedite the development of new and brown field coal mining projects of PSUs.
- 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. Auction of commercial mining on revenue sharing mechanism was launched on 18.06.2020. 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.

vii. In addition to above, coal companies have identified and initiated actions for fulfilling all the resources required like Environment Clearance / Forest Clearance, land acquisition, evacuation infrastructures such as mechanised loading through Coal Handling Plant (CHP) / SILO, Rail Projects etc. for enabling projects to contribute to its target as per 1 BT production plan.

This information was given by Union Minister of Coal, Mines and Parliamentary Affairs Shri Pralhad Joshi in a written reply in Rajya Sabha today.

BY/RKP

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