

Ministry of Coal Unveils Ambitious Plan to Boost Coal Production Through Global Mining Operators

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The Ministry of Coal has embarked on a transformative initiative to revolutionize coal mining by engaging Mining Developers cum Operators (MDOs) for major coal mine projects under Coal India Limited (CIL) to significantly enhance coal production, reduce reliance on imported coal, and introduce cutting-edge technology into the mining sector.

The primary goal of engaging Mining Developers cum Operators (MDOs) is to significantly increase coal production by streamlining operations, enhancing productivity, and reducing mining costs. These MDOs are tasked with excavating, extracting, and delivering coal to Coal India Limited (CIL) according to approved mining plans, thereby boosting domestic coal output. By partnering with MDOs known for their advanced technological capabilities, CIL aims to modernize mining practices and improve operational efficiency.

Initially, CIL identified 15 coal mine projects with a combined capacity of ~168 MT for MDO implementation. This number has now expanded to 28 projects (18 opencast and 10 underground mines) with a total capacity of ~257 MT. As of today, 18 mines have been awarded to leading private parties, marking a significant milestone in this ambitious endeavor. The engagement of these MDOs promises to make substantial contributions to coal production, ensuring both enhanced output and operational excellence.

These reputed operators, selected through open global tenders, will oversee the entire mining process, from excavation and extraction to the delivery of coal, in line with the agreement. Their involvement is anticipated to inject advanced technology and unparalleled operational efficiency into the system, driving remarkable improvements in production capabilities.

In addition to boosting production, the MDOs will manage crucial aspects such as Rehabilitation and Resettlement (R&R) issues, land acquisitions, and environmental clearances. They will also coordinate with State and Central Pollution Control Boards to guarantee rigorous adherence to environmental standards. Each contract with the MDOs will span 25 years or the life of the mine, whichever is shorter, ensuring long-term stability and consistent advancements in mining operations.

The Ministry of Coal's strategy to engage MDOs represents a significant step towards modernizing India's coal mining sector. By leveraging the expertise of reputable MDOs, CIL aims to enhance coal production capabilities, improve operational efficiencies, and reduce reliance on coal imports, ultimately contributing to India's energy security and economic growth.

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