

# Coal India's daily production set to rise to 3 MT next month

**Daily output has already reached 2.3 million tonnes after dipping to 1.1 million tonnes from 1.8 million tonnes following heavy late-monsoon rain. It has now risen to 2.3 million tonnes**

Debjoy Sengupta | ET Bureau | Updated: February 17, 2020, 09:16 IST

Kolkata: [Coal India's](#) daily [output](#) is expected to rise to three million tonnes (MT) next month, enough to run a 660-MW power plant for a year as the state-run miner focuses on expansion of [projects](#) and increasing production. In recent weeks, the company focused on removing top soil to expose coal, which will rapidly raise output, a [Coal India](#) executive said. "The company has also received environment clearances for a handful of large expansion projects. These are now underway and has aided in increasing daily production," he said.

Daily output has already reached 2.3 million tonnes after dipping to 1.1 million tonnes from 1.8 million tonnes following heavy late-monsoon rain. It has now risen to 2.3 million tonnes. A former Coal India chairman said that to achieve targets towards the end of the fiscal year, the company shifts focus from removing top soil to raising output. In January, Coal India clocked a double-digit [growth](#) in output for the first time in this fiscal.



It now plans to increase stocks at thermal power plants to 30 days and reduce pending supplies to non-power consumers to zero by March. At present power plants are stocked with 20 day's [fuel](#). Coal at pitheads is 35 MT, while thermal plants have stocks of 36 MT.

"Better management of supply logistics ensured that the coal stock at various power stations was maintained throughout the year and the number of critical power plants

never touched double digits during FY20," said the executive cited earlier. In January, Mahanadi Coalfields raised output by 21.5 per cent while South Eastern Coalfields increased it by 14.4 per cent, helping output rise, he said.

With power plants sufficiently stocked, Coal India has liquidated over 78 per cent of pending supplies to other customers. It reduced the pendency from 5,143 rakes, or goods trains carrying coal, as on April 1 last year to 1,116 in January.

# CIL to increase spot e-auction offering to 15 per cent

*In the three quarters till end-December 2019, the company had offered about 12 per cent of its production for auctions*

ET Bureau | February 17, 2020, 08:15 IS

KOLKATA: [Coal](#) India will increase spot [e-auction](#) offerings in the current quarter to 15 per cent of the year's production, a top [company](#) executive said. In the three quarters till end-December 2019, the company had offered about 12 per cent of its production for auctions. [Spot auction](#) offers accounted for almost 46 per cent of the quantity offered for auctions till December, while the rest was a mix of special forward e-auction for the [power sector](#), exclusive e-auction for non-power and special e-auction. Till December, it had offered close to 46 MT through auctions, of which the booked quantity was 44 MT.

ECONOMIC TIMES- 18<sup>th</sup> February,2020

# Action plan being worked out to minimize coal imports: Pralhad Joshi

*The Union minister, who inaugurated a two-day national conference of coal and mines department at the Statue of Unity at Kevadia, said the purpose of the meeting is to chalk out an action plan to minimize imports and make the country self-sufficient in coal*

TNN | February 18, 2020, 08:29 IST

Bharuch/Surat: Union minister for [coal](#) and mines [Pralhad Joshi](#) on Monday said India has fifth largest coal reserves in the world, [yet it continues to depend on imports.](#)

The Union minister, who inaugurated a two-day national conference of coal and mines department at the Statue of Unity at [Kevadia](#), said the purpose of the meeting is to chalk out an action plan to minimize imports and make the country self-sufficient in coal. The BJP-led NDA government at the centre has brought transparency in auction of coal mines. Now anyone one can apply for lease of a coal mine in the country, Joshi added.

[Coal India](#), a public sector undertaking, has prepared an action plan to mine one billion tonnes of coal by 2023-24.

The conference is being attended by senior officials of coal and mining

# India aims to be self-sufficient in coal production by 2024: Joshi

*Joshi said India stood fifth in terms of coal reserves and the Centre was working towards achieving self-sufficiency in coal production*

PTI | February 18, 2020, 08:26 IST

Vadodara: Union minister [Pralhad Joshi](#) has said the Centre aims self-sufficiency in the [coal](#) sector by 2024 and the changes in the coal [mining](#) policy have been effected to achieve the same. Joshi -- Union Minister for [Parliamentary Affairs](#), Mines and Coal -- was speaking at a two-day brainstorming session in [Narmada district](#), about 100 km from Vadodara. Senior officials of the coal ministry, Chairmen and Managing Directors of Public sector undertakings are attending the event.

Joshi said India stood fifth in terms of coal reserves and the Centre was working towards achieving self-sufficiency in coal production.

He also talked about a move of the government that opens up the sector to players outside steel and power as well as removes end-use restrictions.

Adding that the move is likely to create an efficient energy market and bring in more competition as well as reduce coal imports.

In 2018, the government allowed commercial mining by private entities and set a mining target of 1.5 billion tonnes by 2020.

Out of this, 1 billion tonnes was set to be from Coal India, while 500 million tonnes was to be from non-Coal India entities.

This target has now been revised to 1 billion tonnes by 2023-24, Joshi stated.

# CIL offers 3-month supply pact to power companies not having sale agreements

*The Centre and Coal India have initiated the process of offering three-month coal supply contracts for power plants that don't have power sale agreements*

Debjoy Sengupta | ET Bureau | February 18, 2020, 12:12 IST

Kolkata: [Power companies](#) lacking existing deals to sell their output must use auction platforms to find buyers if the monopoly government miner [Coal India](#) were to supply the solid fuel to these producers through three-month contracts. The net surplus generated after selling power must be used for paying off debt.

"Each power plant will also submit monthly financial statements to its principal debtors with a copy to the Central Electricity Authority ([CEA](#)) showing that the net surplus generated after meeting its operating expenses is being used for remitting its debt," the government said, detailing the guidelines for the auction methodology.

The Centre and [Coal India](#) have initiated the process of offering three-month coal supply contracts for power plants that don't have power sale agreements. The first auction, on highest bid basis, will be held during the second week of March for supplies from April to June. Auction under this category will be held every three months and plants with more than 50 per cent of the untied capacity are eligible to participate.

"All such power plants including private generators which do not have power purchase agreements shall be allowed coal supply contracts for a minimum of three months up to a maximum of one year, provided that the power generated through that coal supply is sold in day ahead market (DAM) through power exchanges or in short term through a transparent bidding process through Discovery of Efficient Energy Price (DEEP) portal," the central note said.

Interested bidders must submit their requisition to CEA, which will assess the eligibility of bidders and a list will be communicated to Coal India for the auction. To identify prospective bidders and assess the tentative requirement of coal for the first round of auction, the CEA had recently invited requisitions from interested bidders.

"Coal India along with its producing subsidiaries will also prepare an auction calendar for short-term auctions soon," a Coal India executive said.

CEA will match the power capacity sold under DAM/DEEP portal with the power capacity equivalent to the coal quantity allocated to each successful bidder under auction process and will identify balance coal quantity at the end of the quarter. CEA will issue a Coal Utilization Certificate.

# Coal India Gets Jharkhand Block Given Up by SAIL

Our Bureau

**Kolkata:** The Centre has handed over Parbatpur-Central coal block in Jharkhand to Coal India after steel maker Steel Authority of India Ltd (SAIL) could not start production and relinquished it.

It was a producing block with a capacity of 1.24 million tonnes prior to being cancelled by the Supreme Court. Coal India now plans to start production from the block and will continue to do so until the government decides on its fate.

In a recent gazette notification, the government said it has appointed Coal India chairman as a designated custodian to manage and operate Parbatpur-Central



coal mine under the Coal Mines (Special Provisions) Act, 2015 as amended by the Mineral Laws (Amendment) Ordinance, 2020.

The block was initially allotted to Electrosteel Castings Ltd before it was cancelled by the Supreme Court in 2014 along with some 207 other blocks. Following this, the block was offered for auction in 2015. However, it was later withdrawn since it had coal bed

methane reserves in it.

In 2015, the block was allotted to SAIL. It had initially planned to extract coal bed methane along with Coal India and ONGC before starting coal production. However, SAIL did not start production in the block and in its representation to the ministry said the block's area available for mining had reduced due to overlapping of mining area with nearby mines.

SAIL was issued a show cause notice in 2016 since it did not submit 'completion notice' on time.

Later, the steel maker had engaged consultancy firm Mecon to prepare a techno commercial viability report.

Mecon did not find the block viable and SAIL decided to give it back to the government in 2018.