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Coking Coal

Published On: 30-08-2023

Why is in news? Strategic Initiatives by Coal Ministry increase Availability of Domestic Coking Coal for Steel Production, Reduce Imports

Collaborative efforts between the Ministry of Steel and Ministry of Coal have yielded positive outcomes to **enhance domestic Coking Coal availability and minimize import reliance.**

Domestic raw Coking Coal production is projected to reach 140 MT by 2030, yielding about 48 MT of usable Coking Coal after washing.

Coking Coal, vital for steel production, has experienced increased availability, which is crucial for maintaining the momentum of industrial growth driven by steel production in the country.

Coking coal is a **high-quality coal that is low in impurities** and has a **high carbon content**, which makes it ideal for use in the metallurgical process.

Coking coal is used to produce coke, which is a porous, solid carbon material that is **used as a fuel and a reducing agent in the production of iron and steel.**

The Ministry of Coal launched "**Mission Coking Coal**" in FY'22 to **address the growing domestic demand** for Coking Coal as projected in the National Steel Policy 2017.

The mission envisions significantly reducing Coking Coal imports through a transformative measure under the "Aatmnirbhar Bharat" initiative.

These measures encompass exploration, enhanced production, technological adoption, private sector involvement in coking coal blocks, establishment of new washeries, increased R&D activities, and quality enhancement.

To strengthen the supply of indigenous Coking Coal for the steel sector and meet the rising demand, several strategic actions have been taken.

Some of the measures taken to boost the Coking Coal initiatives:

Auction of Coking Coal Blocks: The Ministry of Coal achieved a significant milestone with the allocation of 16 Coking Coal Blocks. Out of which, 4 blocks were auctioned in 2022-23, with JSW securing two blocks. This effort is projected to contribute a substantial 1.54 MT to Coking Coal production.

Revitalizing Abandoned Mines: Bharat Coking Coal Limited (BCCL) has opened new avenues by inviting agencies and companies to undertake Coking Coal extraction from abandoned or discontinued BCCL-owned mines. Through a revenue sharing model, this initiative is likely to revive 8 identified discontinued mines. Notably, LoA has already been issued for 4 mines while four other mines are in various stages of tendering process.

Strategic Collaboration with SAIL: Steel Authority of India Limited (SAIL) and BCCL have signed an MoU for supply of 1.8 MT of washed Coking Coal to increase the availability of Coking Coal. After commissioning of 4 new Coking Coal washeries which are under construction by BCCL, will further enhance the supply of washed

Kamaraj IAS Academy

Plot A P.127, AF block, 6 th street, 11th Main Rd, Shanthi Colony, Anna Nagar, Chennai, Tamil Nadu 600040

Phone: **044 4353 9988 / 98403 94477 / Whatsapp : 09710729833**

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Auction for Raw Coking Coal: BCCL and Central Coalfields Limited (CCL) have organized auction in June 2023. Tata Steel secured auction of 50,000 tonnes of raw Coking Coal from CCL mines, reinforcing the commitment to domestic sourcing.

Innovative Greenfield Washeries: The Ministry of Coal encourages the establishment of greenfield washeries or refurbishment of existing BCCL washeries to increase Coking Coal availability. A Transaction Adviser, appointed by BCCL, is diligently formulating the methodology for the refurbishment of existing washeries.

These strategic initiatives emphasize the dedication to strengthening domestic Coking Coal production, and fostering the broader vision of self-reliance in which Coking Coal serves as catalyst for industrial growth in India.