

CIL to invest \$54.5 bn in abated coal projects: FutureCoal

ARUNIMA BHARADWAJ
New Delhi, November 20

COAL INDIA WILL invest around \$54.5 billion in abated coal projects over the next decade, said Michelle Manook, chief executive officer of the World Coal Association now renamed FutureCoal. Manook was talking about the need to deploy abated coal solutions for energy transition.

"There is still very much a foreseeable and significant future for coal that goes beyond traditional uses because any responsible energy transition must include abate coal as part of the solution," Manook said while addressing the media at the re-branding of the World Coal Association as FutureCoal Global Alliance.

The alliance is looking for an inclusive all-fuel and all-technology international policy framework and believes coal is crucial for economic development and emissions abatement. However, there is a need for more financing in the sustainability of coal industry to achieve equitable energy, it believes. "India as a country cannot depend on imports for energy. It already incurs huge costs because of oil and gas imports," said Sunil Chaturvedi, board member of FutureCoal Global Alliance.

Further, the association expects the share of coal-based capacity at around 20% by the end of 2040 as government bats for increasing the share of renewable energy capacity.

"We must not compromise on coal power but we must also make sure that we are initiating all of the abatement opportunities that are available to us today," Manook said.

The members also highlighted that the lower global coal IQ owing to the anti-coal sentiment in the market has diminished the capacity and progress of many developing and emerging nations and is now on its way to impact developed countries.

CIL's coal despatches via Railways go up

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New Delhi, November 22

COAL INDIA REGISTERED an increase of 13.6% in its coal despatches through Railways by transporting 31.48 million tonne of coal in October, as per the data provided by the coal ministry. The offtake was up by 7.2% from September.

The share of coal transportation through roadways and MGR (Merry-go-Round) remained low at 20.82 million tonne and 8.37 million tonne, respectively.

Further, the company ran almost 258 rakes per day to supply coal to the power sector as against 237.5 rakes in October last year. Movement of rakes per day to all the sectors, including steel and cement, among others, came to be at 278 compared with 246 in the same period a year ago.

Even though coal offtake from coal production companies through Railways is increasing, experts believe that the pace is slow and the key challenge of logistics still remain.



“Railway lines are there but the three railway lines which were in work should come into execution,” said Deepak Kannan, Global Head of Coal Pricing, S&P Global Commodity Insights. “More railway rakes are required and inland waterways should be planned so that coal movement becomes much smoother.”

Coal India has dispatched 51.06 million tonne to the power sector in the month of October, up 12% from last year. Coal despatches to the cement and steel industry remained low at 0.36 million tonne and 0.24 million tonne respectively, the data showed.

Coal India E-auction Volume Projected to Double in H2

Press Trust of India

Kolkata: Coal India is likely to e-auction approximately 60 million tonnes of coal in the second half of the current fiscal year, according to estimates indicated by the management. This represents a significant increase from the 32 million tonnes sold in the first two quarters of the year, officials said.

Coal India informed analysts that it aims to sell 15% of its production in the second half of the current fiscal year (September 2023-March 2024) through e-auctions, which currently command a premium of around 90% over the Fuel Supply Agreement (FSA) price.



"We are expecting 15% of production to be e-auctioned in the second half," Coal India chairman PM Prasad said. In the first half of the year, Coal India produced 360 million tonne and the miner remained confident to produce 780 million tonne this fiscal.

Coal India also informed of its plans to raise e-auction share of production from 10% to 15% in the current fiscal year and further increase it to 20% by FY25.

Regarding capex plans, Prasad said, "For Coal India as a whole, the capex is ₹16,500 crore. Land acquisition and mining equipment make up the majority of the annual capex."

Coal India makes plans to phase out mining equipment imports in 6 years

Press Trust of India

New Delhi

State-owned CIL, which has imported high-capacity mining equipment worth ₹3,500 crore in the past five years, has drawn up a plan to phase out such inbound shipments over the next six years, the government said on Thursday.

The move aims to encourage and develop domestically manufactured equipment, it said.

CURBING IMPORTS

“Currently, Coal India Ltd (CIL) imports high-capacity equipment, such as electric rope shovels, hydraulic shovels, dumpers, crawler dozers, drills, motor graders and front-end loaders wheel dozer, valued at ₹3,500 crore, incurring additional expenses of ₹1,000 crore in



MOVING FORWARD. The government says the move aims to encourage and develop domestically manufactured equipment

customs duty,” the coal ministry said in a statement.

These equipment were imported over the past five years.

To curb these imports and boost domestic manufacturing, CIL has devised a strategy to phase out imports gradually over the next six years, it said.

Notably, high-capacity machines are already being

procured from domestic manufacturers.

With a strong commitment to reduce the country’s dependence on imports and promoting domestic production, the Centre is taking steps to foster indigenous manufacturing capabilities within the coal mining sector.

“In pursuit of this goal, an interdisciplinary high-level

committee under the chairmanship of Director (Technical), CIL, was constituted to provide recommendations for bolstering domestic manufacturing of Heavy Earth Moving Machinery (HEMM) and underground mining equipment, including High Wall Miners, standard and low-capacity miners and associated ancillary equipment,” the statement said.

MAJOR SOURCE

It is projected that coal will remain the predominant source of energy even beyond 2030, thus, the panel expected a huge requirement of equipment in the next 10 years in the country, for opencast and underground mines and submitted its final report.

Coal India accounts for over 80 per cent of domestic coal output.