

# 8 coking coal blocks will be auctioned to up raw material supply: Steel Minister

**EXPLORING ALTERNATIVES.** Talks on with Russia, Mozambique and Australia on sourcing, says Jyotiraditya Scindia

**Abhishek Law**  
New Delhi

At least eight coking coal blocks will be auctioned as India looks to reduce dependence on imported coal and shore up its own resources, Jyotiraditya Scindia, Union Minister of Steel, said.

Discussions are on with countries like Russia, Mozambique and Australia as India continues to explore "alternatives".

Coking coal is a key raw material in steel-making, and India, the world's second largest crude steel producer, is among the largest coking coal importers. India's coking coal requirement is around 57 million tonnes (mt) and nearly 90 per cent of this is imported.

As per a Ministry document, earnings from tax levied on import of coal stood at ₹1,02,791 crore in FY22.

"In October last year, we signed an MoU with the Russian Federation to make sure we co-operate on the issue of coking coal.

"We are also looking at other markets like Mozambique and Australia, among

**Coking coal requirement in India is around 57 million tonnes and nearly 90 per cent of this is imported.**

others, where we hope to start sourcing and diversifying our coking coal requirements," he told *businessline* during an interview.

**COKING COAL MISSION**  
According to Scindia, the mission talks of setting up a coal gasification plant with an annual capacity of 100 mt — which can "ease" the issue through better use of locally available coal.

Another part of the strategy is to tap different countries for sourcing coking coal while the third strategy is to put up more coking coal blocks for auction, so that the private sector can come in and set up washeries.

"The problem with Indian coking coal is the very high ash content because of which it cannot be used in steel plants.

"However, the government is working towards a

multi-prong strategy, a coking coal mission (to take up the issue)...I believe that there are eight mines that are going in for auction, as we speak," he said.

**WASHERIES**  
Coal India, the world's largest miner, has also been approached to augment coking coal washing capacities to 40 mt.

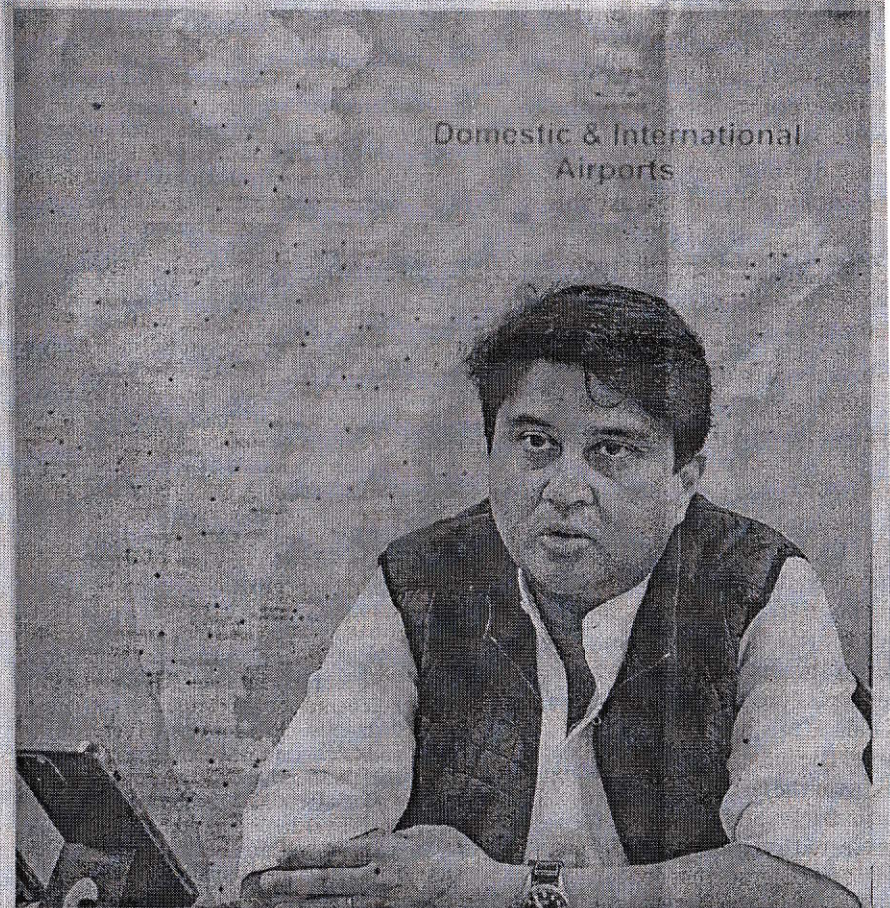
According to CIL officials, of the washeries planned, two have been commissioned - at Patherdih I (5 MTY) and Dahibai (1.6 MTY), both by Bharat Coking Coal Ltd (BCCL).

Construction completion and commissioning of Madhuband Washery (with 5.0 mtpa) is set for FY22.

Three new coking coal washeries totalling 7 mtpa capacity are planned to be set up by BCCL and six washeries in Central Coalfields Ltd totalling 18.5 mtpa capacity are also being set up.

"If we are looking at 300 mtpa capacity of steel production in India by 2030-31, our coking coal requirements too are expected to rise to 160 mt roughly.

"So definitely, all this is the need of the hour," Scindia added.



**NEW STRATEGY.** Jyotiraditya M Scindia, Civil Aviation & Steel Minister, in New Delhi, on Wednesday KAMAL NARANG