

**GOVERNMENT OF INDIA
MINISTRY OF COAL
RAJYA SABHA
UNSTARRED QUESTION NO.1309
TO BE ANSWERED ON 14.03.2022**

Fall in production and offtake of coal

1309 Shri Sambhaji Chhatrapati:

Will the Minister of Coal be pleased to state:

- (a) whether coal production and its offtake is on the decline as compared to previous milestones achieved and targets set continuously for the last couple of years;
- (b) if so, the details thereof for the last five years, including the targets set for each of the respective years;
- (c) the reasons for shortage in production and offtake; and
- (d) the effective steps Government has taken to improve the situation?

ANSWER

MINISTER OF PARLIAMENTARY AFFAIRS, COAL AND MINES

(SHRI PRALHAD JOSHI)

(a) & (b): The details of coal production and dispatch/offtake for the last five years in the country are given below:

Coal Production and Dispatch/Offtake from 2016-17- to 2020-21 <i>Million Tonne (MT)</i>				
Years	All India Coal Production		All India Coal Dispatch/Offtake	
	Annual Target	Actual	Annual Target	Actual
2016-17	724.71	657.87	724.71	645.98
2017-18	730.10	675.40	730.10	690.00
2018-19	730.00	728.72	732.00	732.79
2019-20	810.00	730.87	811.00	707.18
2020-21*	828.50	716.08	828.50	690.88
2021-22* (upto Feb-22)	848.00	681.516	918.00	741.157
* Provisional				

(c): Owing to Covid-19 pandemic, the subdued demand in power and non-power sectors had adversely affected coal dispatch from the coal companies. The pithead coal stock at Coal India Limited was 99.33 MT as on 1st April, 2021 and 28.66 MT at the Thermal Power Plants. The coal production of the Country got regulated due to high levels of coal inventory and less demand from the consumers.

(d): The following action has been taken by Government to further enhance the production of the coal in the country:

- i. **Commercial Auction of coal on revenue share mechanism:** Auction of commercial mining on Revenue Sharing Mechanism was launched on 18.06.2020 by Hon'ble Prime Minister. Under this scheme, total of 2 tranches have been successfully completed and third Tranche is currently under process. From these two tranches total of 28 coal mines have been successfully auctioned for which Vesting order have in signed for 27 coal mines.
 - ii. **Allow sale of excess coal production:** The Ministry of Coal has amended Mineral Concession Rules, 1960 with a view to allowing sale of coal or lignite, on payment of additional amount, by the lessee of a captive mine up to 50 percent of the total coal or lignite produced in a financial year, after meeting the requirement of the end use plant linked with the mine. Earlier this year, the Mines and Minerals (Development & Regulation) Act had been amended to this effect. This is applicable for both the private and public sector captive mines. With this amendment, the Government has paved the way for releasing of additional coal in the market by greater utilization of mining capacities of captive coal and lignite blocks, which were being only partly utilized owing to limited production of coal for meeting their captive needs.
 - iii. **Rolling auction:** In order to expedite the process for conducting auction and to carry out more rounds of auction in a year, a mechanism of rolling auctions of coal mines has been planned. Under this mechanism, upon completion of the electronic auction process of a tranche, the next tranche of auction would be launched for following mines:
 - a. Mines where no bid or only single bid was received in the previous tranche of auction (except for those mines where Ministry of Coal decides to go for second attempt of auction)
 - b .New mines, if any, identified by Ministry of Coal
- In the current III tranche of commercial auction, total of 48 coal mines have been rolled over from the II tranche of mines.
- iv. **Single Window Clearance:** The Union government has already launched Single Window Clearance portal on 11.01.2021 for the coal sector to speed up the operationalisation of coal mines. It is an unified platform that facilitates grant of clearances and approvals required for starting a coal mine in India. Now, the complete process shall be facilitated through Single Window Clearance Portal, which will map not only the relevant application formats, but also process flow for grant of approval or clearances.
 - v. Coal India Ltd. has envisaged a coal production programme of one Billion Tonne from CIL mines. CIL has taken the following steps to achieve the target of augmentation of coal production capacity:
 1. 15 Projects identified with a Capacity of about 160 MTPA (Million Tonnes per Annum) to be operated by Mine Developer cum Operator mode.
 2. Capacity addition through special dispensation in Environment Clearance under clause 7(ii) of Environmental Impact Assessment (EIA) 2006.
 3. CIL has taken steps to upgrade the mechanized coal transportation and loading system under 'First Mile Connectivity' projects.