

GOVERNMENT OF INDIA  
MINISTRY OF POWER  
**RAJYA SABHA**  
**STARRED QUESTION NO.143**  
ANSWERED ON 15.03.2022

**CONSUMPTION OF COAL**

**143 # MS. SAROJ PANDEY:**

Will the Minister of **POWER**  
be pleased to state:

- (a) the consumption of coal in metric ton every year in the country to meet the energy needs of the country;
- (b) the percentage of this consumption which is produced in the country and which is imported; and
- (c) the steps taken by Government to increase the production of coal in the country and to reduce its dependence on imports?

**A N S W E R**

THE MINISTER OF POWER AND NEW & RENEWABLE ENERGY

(SHRI R.K. SINGH)

**(a) to (c) :** A Statement is laid on the Table of the House.

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## STATEMENT

### STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF STARRED QUESTION NO.143 ANSWERED IN THE RAJYA SABHA ON 15.03.2022 REGARDING CONSUMPTION OF COAL

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**(a) & (b) :** The total coal consumption by the thermal power plants in the country as well as consumption of domestic coal and imported coal as a percentage of total consumption during last 5 years and current year 2021-22 (Apr-Jan) is as under:

Period	Domestic Coal Consumption (MT)	Imported Coal Consumption (MT)	Total Consumption (MT)	Domestic coal consumption as a percentage of total consumption (%)	Imported coal consumption as a percentage of total consumption (%)
2016-17	508.2	66.1	574.3	88.5%	11.5%
2017-18	551.1	56.9	608.0	90.6%	9.4%
2018-19	567.0	61.9	628.9	90.2%	9.8%
2019-20	553.5	68.7	622.2	89.0%	11.0%
2020-21	568.7	46.7	615.4	92.4%	7.6%
2021-22 (Apr-Jan)	550.2	22.9	573.1	96.0%	4.0%

(MT: Million Tonnes)

**(c) :** The following steps have been taken by the Government to boost coal production 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. Under this scheme, total of 2 tranches have been successfully completed. From these two tranches total of 28 coal mines have been successfully auctioned for which vesting order have been signed for 27 coal mines.
- (ii)** Allowed 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 auctions and to carryout 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.

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- (iv) Single Window Clearance: The 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 a 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. (CIL) 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.

In addition to increasing domestic coal supply, the following steps have been taken to reduce the import of coal:

1. An Inter - Ministerial Committee (IMC) has been constituted in the Ministry of Coal for the purpose of coal import substitution. The representatives from Ministry of Power, Ministry of Railways, Ministry of Shipping, Ministry of Commerce, Ministry of Steel, Ministry of Micro, Small & Medium Enterprises (MSME), Department for Promotion of Industry & Internal Trade (DPIIT), Central Electricity Authority (CEA), Coal Companies and Ports are members of this IMC. This Committee provides a platform for discussions on a larger forum with the Administrative Ministries so as to guide them to encourage the coal consumers of their respective sector to eliminate imports of coal. On the directions of the IMC, an Import Data System has been developed by Ministry of Coal to enable the Ministry to track the imports of coal.
2. The Annual Contracted Quantity (ACQ) of power plants has been increased upto 100% of the normative requirement, in the cases where the ACQ was reduced to 90% of normative requirement (non-coastal) or where the ACQ was reduced to 70% of normative requirement (coastal power plants). The increase in ACQ would ensure supply of more domestic coal to the power plants.
3. In addition to the above, some other measures like Introduction of Facility of Usance LC (Letter of Credit) payment mechanism to help the consumer avail credit facility from bank, Special Spot auction scheme for the coal importers including the traders, have been introduced to help in curtailing the imports of coal. With the concerted efforts of various stakeholders, the import of coal for blending purposes by the domestic coal based power plants in the country has been reduced.

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