

**GOVERNMENT OF INDIA
MINISTRY OF COAL
RAJYA SABHA
UNSTARRED QUESTION NO.2437
TO BE ANSWERED ON 08.08.2022**

Domestic coal production

**2437 Shri Vijay Pal Singh Tomar:
Shri Harnath Singh Yadav:**

- (a) whether Government has taken any steps to increase domestic coal production and reduce the import of coal and if so, the details thereof;
- (b) whether considering the record production, Government is planning to alleviate the problems of States suffering from scarcity of coal for their purposes by allocating sufficient supply of coal; and
- (c) if so, the details thereof?

**ANSWER
MINISTER OF PARLIAMENTARY AFFAIRS, COAL AND MINES
(SHRI PRALHAD JOSHI)**

(a): The all India coal production in the year 2021-2022 was 778.19 Million Tonne (MT) in comparison to 716.083 MT in the year 2020-2021. Further, in the current financial year (upto June'22), the country has produced 204.876 MT of coal as compared to 156.11 MT during the same period of last year with a growth of about 31%.

The Government has taken following steps to increase domestic coal production and reduce the import of coal:

(i) **Regular Monitoring:** A Monitoring Committee has been constituted under the Chairmanship of Secretary (Coal) with Chief Secretaries from respective Host States, Secretary (MoEF& CC), Coal Controller Organization (CCO) & CMPDIL as members of the Committee to conduct regular reviews and to expedite the development of blocks.

(ii) **Enactment of Mines and Minerals (Development and Regulation) Amendment Act, 2021:** The Act provides that captive mines owners (other than atomic minerals) may sell up to 50% of their annual mineral (including coal) production in the open market after meeting the requirement of the end use plant linked with the mine in such manner as may be prescribed by the Central Government and on payment of such additional amount. This step is an attempt to stimulate the coal block allocattees to commence coal production early.

(iii) **Commercial Coal Mining Scheme:** Auction of commercial mining on revenue sharing mechanism was launched on 18.06.2020 by Hon'ble Prime Minister. Till date, auction process of total of 46 coal blocks have been completed and Vesting order have been executed for 27 of these blocks. Terms and conditions of commercial coal mining are very liberal with no restriction on utilization of coal, allowing new companies to participate in the bidding process, reduced upfront amount, adjustment of upfront amount against monthly payment, liberal efficiency parameters to encourage flexibility to operationalize the coal mines, transparent bidding process and revenue sharing model based on the National Coal Index.

(iv) **Early Commencement of Coal Production:** Under commercial mining scheme, Rebate of 50% on Final Offer would be allowed for the quantity of coal produced earlier than Scheduled Date of Production. Also, Ministry has granted incentives on Coal Gasification or Liquefaction (Rebate of 50% on Final Offer). These incentives are granted to enthruse the allocattees to commence early production.

(v) **Auction of abandoned mines in CIL:** CIL has offered 20 discontinued coal mines for re-opening on revenue sharing basis.

(vi) **Coal India Limited (CIL)** contributing more than 80% of the indigenous production/supply has envisaged a plan to enhance its production to reach the level of one Billion Tonne (BT) coal by the year 2024-25 from its current production level of about 622 MT in order to meet the demand of coal indigenously and to eliminate non-essential import of coal in the country. CIL has already identified all resources required and its related issues/enablers like requirement of EC/FC, land acquisition, evacuation constraints, etc., to achieve one BT production plan.

(b) & (c): Coal India Limited, the largest supplier of coal in the country, has dispatched 199.4 MT of coal to Power Sector in 2022-23 (April-July) achieving a growth of 19.1% over last year same period. CIL has already started building stock at its railway sidings along with Good shed and private Washery sidings & ports (CIL sidings: 1.71 MT, Good Shed: 1.63 MT, Pvt.Washery: 1.67 MT & Port: 1.95 MT, Total: 6.96 MT) as on 31.7.2022 to facilitate adequate supply for power sector. As per Central Electricity Authority (CEA), coal stock at the power plants has improved from the level of 25.6 MT as on 31.03.2022 to 30.2 MT on 2.8.2022.

Following measures are being taken to address the issues of coal supplies to power sector.

An Inter-Ministerial Sub Group comprising of representatives from Ministries of Power, Ministry of Coal, Ministry of Railways, CEA, CIL and SCCL meet regularly to take various operational decisions to enhance supply of coal to thermal power plants as well as for meeting any contingent situations relating to Power Sector including to alleviate critical coal stock position in power plants.

In addition to this, an Inter-Ministerial Committee (IMC) has been constituted comprising of Chairman, Railway Board, Secretary, Ministry of Coal, Secretary, Ministry of Environment, Forest and Climate Change and Secretary, Ministry of Power to monitor augmentation of coal supply and power generation capacity. Secretary, Ministry of New and Renewable Energy and Chairperson, CEA are co-opted as Special Invitees as and when required by the IMC.

Coal dispatch from the captive coal blocks is also being monitored regularly.
