

**GOVERNMENT OF INDIA
MINISTRY OF COAL
RAJYA SABHA
UNSTARRED QUESTION NO. 1805
TO BE ANSWERED ON 28.12.2018**

Production of Coal by re-allocated coal mines

1805. SHRI SANJAY SETH

Will the Minister of COAL be pleased to state:

- (a) whether it is a fact that less than 15 of the 33 coal mines re-allocated in 2014 have started production, if so, the reasons therefor;
- (b) whether such a long delay is attributable to bureaucratic lethargy and lengthy clearance processes;
- (c) whether it is also a fact that the country had to import 10 per cent the total domestic coal demand in the current fiscal despite having adequate reserves, and
- (d) the steps being taken by Government to plug the shortfall and cut down on import dependency?

**ANSWER
MINISTER OF RAILWAYS AND COAL
(SHRI PIYUSH GOYAL)**

(a)&(b) Out of 85 coal blocks allocated under Coal Mine(Special Provisions) Act' 2015(33 are Schedule II mines,18 Schedule I mines & 34 Schedule III mines), 24 mines are presently operational which includes 17 mines under Schedule II category and balance 7 mines under Schedule I & III. Out of these 24 operational mines, 16 mines are coal producing mines of which 13 are Schedule II mines.

The Milestones are mentioned in the Schedule-E of CMPDA (Coal Mine Production and Development Agreement), where time lines are present for the clearances required. In case of Schedule-II coal mines, all the clearances were in place & it was expected that it would be transferred to new allottee in 3 months but mainly due to the change in Land status/ existing Law, it did not happen. The following issues were identified as the major reasons for non-operationalization /delay in operationalization of coal mines:

- Procedural delay in transfer of clearances existing with Prior allottees like ECs, FCs and Mining Leases.
- Litigation related to land.
- Processes are not standard across states that added to delays.

However, due to close monitoring by the Ministry, the total coal production from these blocks has been 14.71 MT during April-November 2018 at a growth rate of 34.70 % over the same period last year.

(c) &(d) The all India demand of coal, production, supply and import of coal during last two years and current year i.e. 2018 upto November 2018 is given below:

Year	2016-17	2017-18	2018-19
Total demand (Mte) ^	884.87	908.40	991.35
Total domestic Production (Mte)	657.87	676.48	433.90@
Total domestic supply (Mte)	644.56	691.42	471.70@
Total Import (Mte)	190.95	208.27	111.60#
^All India Estimated by NitiAayog ; @Upto November, 2018; # upto September,2018			

The imported coal quantity of 2017-18 at 208.27 MT is less than the imported quantity of 2014-15 which stood at 217.79 MT even as power generation and industrial activities grew substantially after 2014-15.

As per the current import policy, coal is kept under Open General License (OGL) and consumers are free to import coal from the source of their choice as per their contractual prices on payment of applicable duty. There has been a consistent effort to increase domestic coal production so as to reduce dependence on coal imports. The all India raw coal production has increased from 565.77 MT in 2013-14 to 676.48 MT in 2017-18. Absolute increase in all India coal production from 2013-14 to 2017-18(four years) is 110.71 Mt as compared to increase of coal production of 33.73 MT from 2009-10 to 2013-14(four years).

Coal India Limited (CIL) has also increased its production from 462.41 MT in 2013-14 to 567.36 MT in 2017-18(four years), an absolute increase of 105 MT as compared to increase of coal production of 31.15 MT between 2009-10 and 2013-14 (four years). Further, in the current year during April-November, 2018 all India coal production was 433.90 MT with a growth rate of 9.8% and coal production of CIL was 358.32 Mt with a growth rate of 8.8% over the corresponding period of previous year.

To reduce import dependence and facilitate the Power consumers for procuring coal under Special Forward E-Auction, CIL has planned to offer about 41.54 MT of coal in 2018-19. During Apr-Sep 2018, around 27.68MT coal was offered under Special Forward E-Auction by different coal companies against which around 20.38 MT coal was booked by Power consumers.

For Non-regulated sector, CIL is conducting linkage auctions for Sponge Iron, Cement, CPP, 'Other (non-coking)', Steel (coking) and 'Others (coking)' sub sectors under Non- Regulated Sector. In the three tranches of linkage auction which have been concluded, 45.18 MT of annual col linkages have been booked. In the fourth tranche, up to now, 26.54 MT of annual coal linkages have been booked by CPP, Cement and Sponge Iron Sector consumers. For linkages of coking coal, CIL has offered a total quantity of 6.99MT in the linkage auctions against which only 0.22 MT has been booked by Steel sector consumers.

However, coking coal will continue to be imported as there is limited availability of coking coal in the country. Further, power plants designed on imported coal will also continue to import coal.
