

GOVERNMENT OF INDIA  
MINISTRY OF POWER

**RAJYA SABHA**  
**UNSTARRED QUESTION NO.1589**  
ANSWERED ON 09.12.2024

**MANDATORY MIXING OF IMPORTED COAL**

**1589 SHRI SANDEEP KUMAR PATHAK:**

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

- (a) the times, by when and for how long in between 2014-19 and 2019-24 were power plants instructed to mix minimum 10 per cent imported coal with domestic coal and the reasons therefor;
- (b) the Indian companies through which thermal power plants bought imported coals alongwith the quantity and average rate in the said period;
- (c) the country's coal production, total demand of coal and demand fulfilled by domestic production in the said period, State-wise; and
- (d) the reasons for the shortages and the necessity of coal import to meet country's energy requirements and the steps taken thereon?

**A N S W E R**

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

**(a) to (d) :** As per current import policy, coal is kept under Open General License (OGL) and consumers are free to import coal as per their preference and source based on their commercial prudence. Every Generating Company (GENCO)-Central/State/Independent Power Producers procures coal themselves, as per their requirements through a transparent competitive bidding process.

Blending of imported coal by Power Plants has been undertaken since year 2009. During 2014-15 and 2015-16, there was anticipated shortfall in domestic coal against the requirement and therefore, power plants were advised to import 54 MT in 2014-15 and 73 MT coal in 2015-16 for blending purposes.

Post covid, the power demand increased rapidly while at the same time, there was less generation from Imported Coal Based (ICB) plants and there was some interruption in supply of coal from domestic coal companies due to heavy rains. As a result, the coal stocks at power plants depleted drastically from September 2021 onwards. Therefore, in December 2021, Ministry of

Power advised State GENCOs and IPPs to import @4% and Central GENCOs @10% of their requirements during 2022-23. During the month of April, 2022, the Power Demand and the coal consumption in power plants grew by about 12 % compared to April, 2021. In view of the high demand for power and receipt of coal being less than consumption leading to depletion of coal stock, Ministry of Power on 28.04.2022 advised States and IPPs to import coal for blending @ 10% of their requirement in order to maintain sufficient coal stock during the monsoon season.

The gap between supply of domestic coal and consumption of coal was about 1.6 lakh tonnes/day during April-September 2022. Further, the gap between daily coal consumption and daily arrival of domestic coal ranged between 2.65 Lakh Tonnes to 0.5 Lakh Tonnes between the months of September'2022 and January'2023. Therefore, Ministry of Power advised Central, State GENCOs and Independent Power Producers (IPPs) on 09.01.2023 to import coal @ 6% by weight through a transparent competitive procurement for blending so as to have sufficient coal stocks at their power plants for smooth operations till September' 2023.

Further, in the light of continuous high gap in receipt of domestic coal and also taking into account reduced Hydro generation on account of variable monsoon rainfall, GENCOs were advised to blend imported coal @6% (weight) till 31.03.2024. Thereafter, keeping in view the power demand during the summer months and to ensure uninterrupted power supply across the country, Ministry of Power on 04.03.2024 further extended the advisory till June 2024.

The Ministry of Power reviewed the coal supply position to GENCOs and extended the advisory on 27.06.2024 with a reduced blending @ 4% till October 15, 2024. Finally, due to improvement in coal stocks and sustained supplies of domestic coal, advisory to GENCOs for import of coal for blending purpose was not extended beyond October 15, 2024.

State-wise coal production in the country from 2014-15 is at the **Annexure-I** and total demand of coal for domestic coal based power plants and demand fulfilled by domestic production since 2014-15 to 2023-24 at **Annexure II**.

Government has taken following steps to increase production & availability of domestic coal and thereby reducing reliance on imported coal:

- i. Single Window Clearance portal for the coal sector to speed up the operationalization of coal mines
- ii. Project Monitoring Unit for hand-holding of coal block allottees for obtaining various approvals / clearances for early operationalization of coal mines.
- iii. Regular reviews by Ministry of Coal to expedite the development of coal blocks.
- iv. Enactment of Mines and Minerals (Development and Regulation) Amendment Act, 2021 (MMDR Act) for enabling captive mines owners (other than atomic minerals) to 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 on payment of such additional amount.

- v. Auction of commercial mining on revenue sharing basis was launched in 2020. Under commercial mining scheme, rebate of 50 % on final offer has been allowed for the quantity of coal produced earlier than scheduled date of production. Further, incentives on coal gasification or liquefaction (rebate of 50 % on final offer) have been granted.
- vi. 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, 100% Foreign Direct Investment (FDI) through automatic route and revenue sharing model based on the National Coal Index.
- vii. The Annual Contracted Quantity(ACQ) has been increased upto 100%of the normative requirement, in cases where the ACQ was either reduced to 90% of normative requirement (non-coastal) or where the ACQ was reduced to 70% of normative requirement (coastal power plants). Increase in the ACQ would result in more domestic coal supplies, thereby, reducing the import dependency.
- viii. Government has decided in 2022 that the coal to meet the full PPA requirement of all the existing linkage holders of Power Sector shall be made available by the coal companies irrespective of the trigger level and Annual Contracted Quantity levels. The decision of the Government of meeting the full PPA requirement of the linkage holders of the Power Sector shall reduce the dependence on the imports.
- ix. An Inter - Ministerial Committee (IMC) has been constituted in the Ministry of Coal on 29.05.2020 for the purpose of coal import substitution. A strategy paper on coal import substitution has been launched by Ministry of Coal focusing on future roadmap on coal imports substitution

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**ANNEXURE-I****ANNEXURE REFERRED IN REPLY TO PARTS (a) TO (d) OF UNSTARRED QUESTION NO. 1589 ANSWERED IN THE RAJYA SABHA ON 09.12.2024**

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Details of State-wise coal production in the country from 2014-15

**(Figures in Million Tonne(MT))**

<b>Years /States</b>	Assam	Chhattisgarh	Jammu & Kashmir	Jharkhand	Madhya Pradesh	Maharashtra	Meghalaya	Odisha	Telangana	Uttar Pradesh	West Bengal	Total
<b>2014-15</b>	0.779	134.764	0.013	124.143	87.609	38.257	2.524	123.627	52.536	14.957	29.97	609.179
<b>2015-16</b>	0.487	130.605	0.013	121.067	107.714	38.351	3.712	138.461	60.38	12.689	25.751	639.230
<b>2016-17</b>	0.6	138.525	0.01	126.435	105.013	40.559	2.308	139.359	61.336	16.056	27.667	657.868
<b>2017-18</b>	0.781	142.546	0.014	123.297	112.127	42.219	1.529	143.328	62.01	18.309	29.24	675.400
<b>2018-19</b>	0.784	161.893	0.013	134.666	118.661	49.818	-	144.312	65.16	20.275	33.136	728.718
<b>2019-20</b>	0.517	157.745	0.014	131.763	125.726	54.746	-	143.016	65.703	18.03	33.614	730.874
<b>2020-21</b>	0.036	158.41	0.01	123.428	132.531	47.435	-	154.151	52.603	17.016	30.463	716.083
<b>2021-22</b>	0.028	154.12	0.011	130.104	137.975	56.528	-	185.069	67.233	18.073	29.069	778.210
<b>2022-23</b>	0.2	184.895	0.01	156.483	146.029	63.62	-	218.981	69.637	20.54	32.796	893.191
<b>2023-24</b>	0.2	207.255	0.008	191.158	159.228	69.282	-	239.402	72.521	21.51	37.262	997.826

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**ANNEXURE-II**

**ANNEXURE REFERRED IN REPLY TO PARTS (a) TO (d) OF UNSTARRED QUESTION NO. 1589 ANSWERED IN THE RAJYA SABHA ON 09.12.2024**

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Details of State-wise Domestic Receipt and Consumption of Coal during 2014-15 to 2023-24 at Domestic Coal based Plants

(Fig in Million Tonnes)

State	2014-15		2015-16		2016-17		2017-18		2018-19	
	Domestic Receipt	Total Consumption	Domestic Receipt	Total Consumption	Domestic Receipt	Total Consumption	Domestic Receipt	Total Consumption	Domestic Receipt	Total Consumption
Delhi	3.2	3.2	1.5	1.8	1.2	1.2	1.1	1.1	0.8	0.9
Haryana	15.2	18.9	14.8	14.3	11.4	12.4	14.1	16.7	17.1	15.8
Punjab	11.3	11.5	11.0	11.6	12.3	14.1	12.5	15.0	15.0	15.8
Rajasthan	16.4	19.7	15.0	18.6	16.6	19.2	16.0	18.1	23.9	21.4
Uttar Pradesh	70.7	73.7	72.5	72.1	74.8	76.6	77.0	78.7	73.8	72.2
Chhattisgarh	51.0	52.5	55.8	56.1	65.9	65.4	69.1	70.2	75.7	75.5
Gujarat	11.9	13.8	10.1	10.8	8.3	9.1	11.0	13.4	11.8	13.3
Madhya Pradesh	43.2	44.5	54.4	54.3	52.7	54.5	68.0	67.9	73.6	74.6
Maharashtra	47.8	53.8	56.8	58.1	50.1	54.8	60.2	63.6	70.3	69.1
Andhra Pradesh	21.7	24.8	26.2	29.0	29.3	34.6	29.1	37.2	29.5	37.5
Karnataka	11.5	12.5	12.6	11.3	11.3	12.0	12.5	12.1	13.8	13.6
Tamil Nadu	16.0	23.4	18.7	26.0	19.2	27.5	22.9	25.5	23.0	27.6
Telangana	25.9	26.5	24.5	25.2	25.4	26.3	32.1	31.9	31.7	31.4
Bihar	14.1	15.3	15.4	16.1	18.2	19.0	20.2	20.5	23.3	22.1
Jharkhand	14.0	14.0	15.6	15.7	14.6	14.9	15.0	16.3	16.6	16.2
Odisha	28.9	32.1	32.9	36.2	37.7	38.6	32.5	32.3	31.0	31.6
West Bengal	45.7	46.3	42.6	43.1	45.2	47.1	44.7	46.6	49.2	48.2
Assam	0.0	0.0	0.0	0.0	0.6	0.6	0.9	0.9	1.7	1.6
<b>All States-DCB</b>	<b>448.4</b>	<b>486.5</b>	<b>480.4</b>	<b>500.2</b>	<b>494.8</b>	<b>528.0</b>	<b>538.6</b>	<b>568.1</b>	<b>582.0</b>	<b>588.4</b>
State	2019-20		2020-21		2021-22		2022-23		2023-24	
	Domestic Receipt	Total Consumption	Domestic Receipt	Total Consumption	Domestic Receipt	Total Consumption	Domestic Receipt	Total Consumption	Domestic Receipt	Total Consumption
Delhi	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Haryana	12.0	10.9	7.5	9.1	14.3	15.0	20.3	21.6	20.0	19.3
Punjab	10.7	12.1	10.2	11.1	14.8	15.3	20.9	20.6	21.4	21.1
Rajasthan	24.2	22.3	20.4	21.4	24.6	24.5	30.3	31.2	32.1	33.6
Uttar Pradesh	75.0	74.0	73.8	76.5	83.7	84.6	96.1	98.2	100.1	99.7
Chhattisgarh	79.1	78.9	93.3	92.8	101.4	101.9	102.4	104.1	116.7	116.2

	<b>2019-20</b>		<b>2020-21</b>		<b>2021-22</b>		<b>2022-23</b>		<b>2023-24</b>	
<b>State</b>	Domestic Receipt	Total Consumption	Domestic Receipt	Total Consumption	Domestic Receipt	Total Consumption	Domestic Receipt	Total Consumption	Domestic Receipt	Total Consumption
Gujarat	9.8	9.9	7.6	9.2	14.5	14.6	14.9	15.3	16.0	15.8
Madhya Pradesh	75.4	74.6	75.8	77.6	83.8	83.7	86.0	86.6	91.9	93.4
Maharashtra	65.7	67.1	58.9	63.3	74.3	77.2	81.4	85.8	89.0	90.8
Andhra Pradesh	31.2	38.4	20.3	29.5	31.7	37.0	38.4	44.4	42.7	49.1
Karnataka	12.5	11.9	8.5	9.5	15.9	16.4	20.0	21.0	24.9	25.4
Tamil Nadu	17.6	22.9	18.8	20.5	28.5	27.1	30.8	31.8	30.4	31.7
Telangana	29.6	29.9	25.6	26.5	31.2	31.2	32.5	32.4	37.0	36.9
Bihar	25.5	25.3	24.8	24.6	30.0	30.1	34.9	36.6	40.7	40.9
Jharkhand	16.6	16.3	16.5	16.8	17.7	17.8	18.7	19.2	23.7	23.2
Odisha	32.4	33.1	41.8	42.1	45.3	44.5	45.4	46.9	48.8	48.2
West Bengal	49.4	47.3	45.6	47.0	53.5	55.2	55.5	57.9	60.0	59.3
Assam	2.7	2.3	1.4	1.7	2.4	2.5	3.0	3.0	3.2	3.1
<b>All States-DCB</b>	<b>569.5</b>	<b>577.3</b>	<b>550.8</b>	<b>579.1</b>	<b>667.6</b>	<b>678.8</b>	<b>731.6</b>	<b>756.5</b>	<b>798.6</b>	<b>807.8</b>

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