

**GOVERNMENT OF INDIA
MINISTRY OF COAL
RAJYA SABHA
UNSTARRED QUESTION NO. 1805
ANSWERED ON 09.03.2026**

COAL IMPORTS DESPITE RECORD DOMESTIC PRODUCTION

1805 SHRI G.C. CHANDRASHEKHAR:

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

- (a) the domestic coal production, coal imports and import bill during 2022–23 to 2024-25;
- (b) the sector-wise reasons for continued imports despite increased domestic availability; and
- (c) whether any cost or logistics analysis has been undertaken, as pointed out by audit, to reduce avoidable imports?

ANSWER

**MINISTER OF STATE FOR COAL AND MINES
(SHRI SATISH CHANDRA DUBEY)**

(a): The total domestic coal production, coal imports and the import bill in the country during 2022–23 to 2024–25 is given below:

Figures in MT

Year	2022-23	2023-24	2024-25
Domestic Coal Production	893.19	997.83	1047.52
Total Import	237.67	264.53	243.62
Value (in Crore ₹)	383584.38	310215.45	249533.78

(b): 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. The focus of the Government is on increasing the domestic production of coal and to eliminate non-essential import of coal in the country. At present, most of the requirement of coal in the country is met through domestic production, however some high-grade coal like coking coal and low ash thermal coal is imported mainly by Steel industry, imported coal based (ICB) power plants and other industrial users as per their requirements on consideration of transport logistics, commercial prudence, export entitlements and inadequate availability of such superior quality coal from indigenous sources. India's import of coal is owing to various factors, including less reserves of coking coal and its quality.

(c): The Government is committed to reduce import of all substitutable grades of coal. The Policy initiatives of the Government are aligned towards achieving the India's vision of Atmanirbhar Bharat. Apart from increasing the domestic coal production, Government has

taken various policy initiatives to encourage use of domestically produced coal and to reduce coal import dependency:

- i. The Annual Contracted Quantity (ACQ) has been increased upto 100% of the normative requirement, in the cases where the ACQ was either reduced to 90% of normative requirement (non-coastal power plants) 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.
- ii. Vide amendment to the Non-Regulated Sector (NRS) linkage auction policy introduced in 2020, the tenure of coking coal linkages in the NRS linkage auction has been revised for a period upto 30 years. Increase in tenure of coking coal linkages in the NRS linkage auction for a period upto 30 years shall have a positive impact towards coal imports substitution.
- iii. Government has decided in 2022 that coal to meet the full Power Purchase Agreement (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 ACQ levels. This decision of the Government of meeting the full PPA requirement of the linkage holders of the Power Sector shall reduce dependence on imports.
- iv. Efforts are being made on a continuous basis to ensure more domestic supplies of coal. Thus, the entire substitutable imported coal is expected to be met by the country and no import, other than the very essential should happen.
- v. A new sub-sector 'Steel using Coking coal through WDO route' has been created in March, 2024 under the NRS linkage auctions which will lead to increase in the domestic coking coal consumption and also increase availability of washed coking coal in the country, thereby, reducing coking coal imports.
- vi. Coking Coal Mission has been launched to enhance coking coal supply to the Steel Sector to reduce imports of coking coal. Initiatives have been taken to enhance coking coal production.
- vii. Imported Coal Based (ICB) Plants have been allowed to secure coal under the Revised SHAKTI Policy, 2025. The coal availability for ICB Plants under this Policy shall reduce dependence of these ICB plants on imported coal.
- viii. Existing Fuel Supply Agreement (FSA) holders have been allowed to secure coal under the Revised SHAKTI Policy, 2025 after procuring 100% of the ACQ coal under existing FSA. Coal availability beyond the ACQ to existing FSA holders will benefit the power producers to meet the full requirement of the power plants.
- ix. Coal linkages under the recently created CoalSETU window under the Non-Regulated Sector linkage auctions shall increase the availability of washed coal in the country and consequently lead to reduction in coal imports.
