

GOVERNMENT OF INDIA  
MINISTRY OF STEEL

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 3985**  
**FOR ANSWER ON 27.03.2026**

**CONSUMPTION OF COAL BY STEEL PLANTS**

3985. SHRI ANIL KUMAR YADAV MANDADI:

Will the Minister of STEEL be pleased to state:

- (a) whether it is a fact that steel plants across the country consume around 40 MT of coal per year;
- (b) if so, the details of coal allocated to steel plants across the country;
- (c) whether all the steel plants have their own coal washeries;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

**ANSWER**

THE MINISTER OF STATE IN THE (SHRI BHUPATHIRAJU SRINIVASA VARMA)  
MINISTRY OF STEEL

(a) During Financial Year 2024-25, the consumption of coking coal was approximately ~60 MT which is primarily utilized in blast furnace operations. Steel industry also uses thermal coal, which is predominantly used in Direct Reduced Iron (DRI) production or power generation.

(b)to(e): Steel is a deregulated sector. Steel companies procure raw material including coal from multiple sources based on their requirement and techno-economic feasibility. Among the Central Public Sector Enterprises (CPSE's), Coal India Limited (CIL) and Steel Authority of India Limited (SAIL) have their own operational coal washeries. At present all steel manufacturers do not have dedicated washeries. The reasons for the same also include structural and techno-economic constraints, high ash content in indigenous coal, limited availability of coking grade coal, and the capital-intensive nature of washery infrastructure. A significant proportion of steel producers rely on imported coking coal or third-party washed coal for consumption in their plants.

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