GOVERNMENT OF INDIA
MINISTRY OF COAL
RAJYA SABHA
UNSTARRED QUESTION NO-838
ANSWERED ON- 27.07.2026

ADEQUACY OF COAL SUPPLY FOR PEAK ELECTRICITY DEMAND

838. SHRI AKHILESH PRASAD SINGH

Will the Minister of COAL be pleased to state:

(a) whether Government has assessed the adequacy of domestic coal production and transportation to meet peak electricity demand during extreme weather conditions;

(b) whether coal evacuation infrastructure has kept pace with production growth in major coal-bearing States;

(c) the measures taken to improve supply chain efficiency and reduce logistical bottlenecks; and;

(d) whether a long-term strategy has been formulated to ensure uninterrupted coal availability for critical sectors?

ANSWER

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

(a) Ministry of Coal has set the overall coal supply plan of 1150 MT for the FY 2026-27, sufficient to meet the coal requirement of 906 MT for domestic coal based power plants for FY 2026-27. As on 21.07.2026, the coal stock available with the power plants is around 37.46 MT which is sufficient for around 15 days as calculated at 85% PLF (plant load factor).

Coal supply to the power plants is continuously monitored by the coal companies, power companies and by an Inter-Ministerial Sub-Group comprising representatives from Ministry of Power, Ministry of Coal, Ministry of Railways, Central Electricity Authority (CEA), Coal India Limited and Singareni Collieries Company Limited which meets regularly to take various operational decisions to enhance supply of coal to Thermal Power Plants. The meetings of the Sub-Group Committee are attended by the representatives of the power plants. Based on the requirement and the coal stock position, allocation of rakes is recommended by the Sub-Group. The Sub-Group closely monitors rake allocation and movement to maintain supply continuity. Logistical interventions by coal companies and the Sub-Group, undertaken in collaboration with Railways, ensure allocation of sufficient railway rakes to the power plants, as well as faster coal movement from coal mines to its power plants, thereby reducing transit delays & ensuring steady plant operations.

Further, an Inter-Ministerial Committee (IMC) has also been constituted comprising 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.

(b) & (c) Coal evacuation infrastructure is being augmented in line with the projected growth in coal production through an Integrated Coal Logistics Plan launched by Ministry of Coal in coordination with concerned Ministries and stakeholders to address the issues in the coal logistics chain. The Coal Logistics Plan envisages development of 33 critical railway projects, expansion of First Mile Connectivity (FMC) infrastructure, augmentation of rail evacuation capacity in consultation with the Ministry of Railways and promotion of multimodal transportation through rail, coastal shipping and inland waterways.

To improve supply chain efficiency, 139 FMC projects having 1319 MT capacity are planned to set up by FY 2029-30. Further, coal PSUs are also implementing eight railway projects to ease coal evacuation in coal bearing States. These initiatives are enhancing mechanised coal handling, reducing loading time, improving evacuation efficiency and ensuring timely coal supplies to consuming sectors.

(d) The key initiatives taken by the Government to increase coal production and to ensure uninterrupted coal availability for all sectors are as under:

i. Regular reviews by Ministry of Coal to expedite the development of coal blocks.

ii. Enactment of Mines and Minerals (Development and Regulation) Amendment Act, 2021 [MMDR Act] for enabling captive mine 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.

iii. Single Window Clearance portal for the coal sector to speed up operationalization of coal mines.

iv. Project Management Unit (PMU) for handholding of coal block allottees for obtaining various approvals/ clearances for early operationalization of coal mines.

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 that is 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. For speedier operationalization of mines, the timelines prescribed in the Coal Block Development and Production Agreement (CBDPA) have been reduced from existing 51 months to 40 months for fully explored coal blocks. Further, for the partially explored blocks, similar downward revision from 66 months to 52 months has been done.

viii. The Government has also undertaken the following regulatory reforms and policy initiatives to simplify procedures and facilitate higher domestic coal production:

- Dispensed with the requirement of Prospecting License (PL) for accredited prospecting agencies, mine and seam opening permissions, and approval of Geological Reports (GRs) by Government;
- Declared Coking Coal as a Critical Mineral; and
- Introduction of incentives for underground coal mining.

In addition to the above, coal companies have also taken the following steps to increase domestic coal production:

i. Coal India Limited (CIL), in its Underground (UG) mines, is adopting new and modern technologies like Mass Production Technologies (MPT) with the deployment of Continuous Miners (CMs), Longwall (LW) and Highwall (HW), wherever feasible. In its Opencast (OC) mines, CIL already has State-of-the-Art technology in its high-capacity Excavators and Dumpers. Standardization of Heavy Earth Moving Machinery (HEMM) has been done in opencast mines. Surface Miners have also been deployed in opencast mines for efficient and eco-friendly mining.

ii. Regular liaison is being undertaken by Singareni Collieries Company Limited (SCCL) for grounding of new projects and operation of existing projects. SCCL has initiated action for developing infrastructure for evacuation of coal like Coal Handling Plants (CHPs), Crushers, Mobile Crushers, Pre-weigh-bins etc.

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