

**GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION NO 899
TO BE ANSWERED ON 07. 02. 2018**

Zero Thermal Coal Imports

899. DR. P. VENUGOPAL:

Will the Minister of COAL be pleased to state:

(a) whether the Government is aiming to bring down thermal coal imports in the power public sector undertakings to zero in the current financial year;

(b) if so, whether this move would reduce the country's import bill by about Rs. 17,000 crore;

(c) whether the Government is considering to convince private companies operating in the power space to totally stop the import of thermal fossil fuel; and

(d) if so, the steps taken in this regard?

ANSWER

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

(a) : As per 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 the contractual prices on payment of applicable duty. CEA has reported that, with 47% reduction in import, indigenous coal based power plants have imported 19.87 MT coal in 2016-17 against 37.21 MT in 2015-16. In absolute term substitution of import by indigenous coal has been 17.34 MT. In the current Fiscal, from April to December, 2017, import of coal by these plants have further reduced to 12.8 MT from 15.42 MT during same period last year. For imported coal based plants, as reported by CEA, there was an increase in coal import in 2016-17 to the tune of 2.8 MT as compared to 2015-16, due to commissioning of new plants in 2016-17. However, in the current Fiscal, from April to December 2017, import of coal by these plants have been reduced to 30.83 MT as compared to 34.6 MT during same period last year. Further, the gap between demand and supply of coal cannot be bridged completely as power plants designed on imported coal will continue to import coal for their production.

(b) : All India Coal imports upto October 2016-17 and 2017-18 is given below:-

(Quantity in Million Tonnes)			
Year	Coking Coal	Non Coking Coal	Total Coal
2016-17 #	23.65	92.64	116.30
2017-18 #	26.95	89.18	116.12
Absolute Growth	3.30	-3.46	-0.18
Growth in %	14.0	-3.7	-0.2
# Up to October			

The value of coal import depends upon the prices of coal in the International market and fluctuates accordingly.

(c) & (d): CIL had taken steps for promotion of import substitution through source rationalization with part supply from higher grade coal sources. Coal from various sources including higher grade were offered through various types of e-auction including special forward e-auction with ease-of-business terms like flexi tenure of lifting, reduction of EMD and floor price to cater to requirement of various consumers including TPPs not having FSA with CIL. These factors have also contributed to fall in coal import.
