

**GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION No. 308
TO BE ANSWERED ON 12.12.2018**

Rise in Coal Imports

308. SHRI VINCENT H.PALA

Will the Minister of COAL be pleased to state:

- (a) the reasons for rise in India's coal imports by 38.2% to Rs. 1,38,477 crore in 2017-18;
- (b) the details of steps taken to address the increasing dependence on coal imports;
- (c) the details of the latest coal production data by Coal India Limited (CIL); and
- (d) whether the target to produce one billion tonne of coal by 2020 by CIL will be achieved and if so, the details thereof?

ANSWER

MINISTER OF RAILWAYS AND COAL

(SHRI PIYUSH GOYAL)

(a): The value of India's coal imports have risen by 38.2% to Rs.1,38,477 crore in 2017-18. However, the quantity of coal imports has increased only by 9.1% from 190.95MT to 208.27MT during this period.

The increase in value of coal imports is primarily due to:

- i) Increase in international coal price leading to greater value increase as compared to absolute quantity increase in 2017-18.
- ii) Increase in value of imported coking coal. India is deficient in coking coal and as such imports of coking coal are inevitable. In 2017-18 the value of imported coking coal grew by 44%, from Rs. 41,230.06 crores to Rs.59,522.63 crores.
- iii) Many thermal power station are configured to use imported coal. As such imports by these thermal power plants are inevitable. During April-October 2018, these power plants have imported 22.27 MT of coal.
- iv) The imported quantity of 2017-18 at 208.27 MT is less than the imported quantity of 2014-15 which stood at 217.79 MT even as power generation and industrial activity grew substantially after 2014-15.

This was possible due to increased production of domestic coal, better quality management as well as improvement in availability of coal by improvement in transport infrastructure.

Thus, while there is an absolute increase in the value of the imports, the reasons are multifunctional and are not directly proportionate to domestic production alone.

(b): There has been a consistent effort to increase domestic coal production so as to reduce dependence on coal imports. The all India raw coal production has increased from 565.77 MT in 2013-14 to 676.48 MT in 2017-18. Absolute increase in all India coal production from 2013-14 to 2017-18 (four years) is 110.71 MT as compared to increase of coal production of 33.73 MT from 2009-10 to 2013-14 (four years).

Coal India Limited (CIL) has also increased its production from 462.41 MT in 2013-14 to 567.36 MT in 2017-18 (four years), an absolute increase of 105 MT as compared to increase of coal production of 31.15 MT between 2009-10 and 2013-14 (four years).

Further, in the current year during April-November, 2018, all India coal production was 433.90 MT with a growth rate of 9.8% and coal production of CIL was 358.32 MT with a growth rate of 8.8% over the corresponding period of previous year.

However, coking coal will continue to be imported as there is limited availability of coking coal in the country. Further, power plants designed on imported coal will also continue to import coal.

(c): In 2018-19 (up to 30.11.2018), CIL has achieved production of 358.32 MT with a growth rate of 8.8% over the corresponding period of previous year.

(d): CIL had prepared one Billion Tonne (BT) plan of production (by 2020), which was subject to market demand for coal. However, during 2015-16 and 2016-17, there was less coal offtake due to improved coal quality and resultant enhanced efficiency of Power Plants. Coal despatch grew at the rate of 7.2 % against production growth of 9.2 % in 2015-16 and at the rate of 2.9 % against the production growth of 2.8 % in 2016-17. In view of this changed scenario, one Billion Tonne Plan by 2020 is being re-examined.
