

GOVERNMENT OF INDIA  
MINISTRY OF COAL  
LOK SABHA  
UNSTARRED QUESTION No.4054  
TO BE ANSWERED ON 18.03.2020

Production of Coal

4054. SHRI MAGUNTA SREENIVASULU REDDY:

Will the Minister of COAL be pleased to state:

- (a) the policies governing the production of coal in India;
- (b) the provisions that are created to monitor the implementation of the said policies; and
- (c) the way in which these policies have assisted in the sustainable production of coal?

**Answer**

**MINISTER OF PARLIAMENTARY AFFAIRS, COAL AND MINES**  
**(SHRI PRALHAD JOSHI)**

(a)&(b): The focus of the Government is on accelerating domestic production of coal through allocation of more coal blocks, pursuing with State Government for assistance in land acquisition and coordinated efforts with Railways for movement of coal.

Recent steps taken up for growth in coal sector which are expected to result in enhanced coal production are as follows:

- Methodology for allowing allocatees of coal mines for specified end use or own consumption to sell upto 25% of actual production in open market (RoM basis) with payment of additional premium on such sale has been approved and 10 mines have been allocated in the year 2019 under this methodology.
- Mineral Laws (Amendment) Bill, 2020 has been passed by both houses of Parliament which has enabled the allocation of coal blocks for composite prospecting license-cum-mining lease (PL-cum-ML) which will help in increasing of the inventory of coal/ lignite blocks for allocation.
- This Bill also provides that the repetitive and redundant provision requiring previous approval of Central Government even in cases where the allocation or reservation of coal/ lignite block has been made by the Central Government itself has been done away with. This would significantly reduce the time taken for operationalisation of coal/ lignite mines.
- Earlier, the mines in Schedule II and III of Coal Mines Special Provision (CMSP) Act could only be auctioned to companies that were engaged in specified end use. The passing of this Bill has provided flexibility to the Central Government in deciding the end use of Schedule II and III coal mines under the CMSP Act.

This would allow wider participation in auction of Schedule II and III coal mines, for a variety of purposes such as own consumption, sale or for any other purpose, as may be specified by the Central Government.

(c): On account of various policy measures taken by the Government, all India raw coal production has increased from 565.77 MT in 2013-14 to 730.35 MT in 2018-19. Absolute increase in all India coal production during this period was 164.58 MT as compared to an increase of 73.01 MT achieved in the preceding five years (2008-09 to 2013-14). Coal India Limited (CIL) has also increased its production from 462.41 MT in 2013-14 to 606.89 MT in 2018-19, an absolute increase of 144.48 MT as compared to increase of coal production of 58.68 MT between 2008-09 and 2013-14.

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