

**GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION NO. 2886
TO BE ANSWERED ON 15.12.2021**

Demand and Supply of Coal

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Will the Minister of Coal be pleased to state:

- (a) the steps taken to increase coal production in the country, in view of hike in demand;
- (b) the demand and supply position of coal, month-wise and State-wise during the last six months;
- (c) whether all power plants have been supplied coal to keep a buffer stock in the country; and
- (d) if so, the action taken to meet the coal supply by import of coal as a strategic measure?

ANSWER

MINISTER OF PARLIAMENTARY AFFAIRS, COAL AND MINES

(SHRI PRALHAD JOSHI)

(a): The following steps have been taken for further enhancement of coal production in the country:

1. **Commercial Auction of coal on revenue share mechanism:** Auction of commercial mining on Revenue Sharing Mechanism was launched on 18.06.2020. Under this scheme, total of 2 tranches have been successfully completed and third Tranche is currently under process. From the two tranches total of 28 coal mines have been successfully auctioned.
2. **Allowed sale of excess coal production:** The Ministry of Coal has amended Mineral Concession Rules, 1960 with a view to allowing sale of coal or lignite, on payment of additional amount, by the lessee of a captive mine up to 50 percent of the total coal or lignite produced in a financial year, after meeting the requirement of the end use plant linked with the mine. Earlier this year, the Mines and Minerals (Development & Regulation) Act had been amended to this effect. This is applicable for both the private and public sector captive mines. With this amendment, the Government has paved the way for releasing of additional coal in the market by greater utilization of mining capacities of captive coal and lignite blocks, which were being only partly utilized owing to limited production of coal for meeting only their captive needs.
3. **Rolling auction:** In order to expedite the process for conducting auction and to carryout more rounds of auction in a year, a mechanism of rolling auctions of coal mines has been planned. Under this mechanism, upon completion of the electronic auction process of a tranche, the next tranche of auction would be launched for following mines:
 - i. Mines where no bid or only single bid was received in the previous tranche of auction (except for those mines where Ministry of Coal decides to go for second attempt of auction)

ii. New mines, if any, identified by Ministry of Coal

In the current III tranche of commercial auction, total of 48 coal mines have been rolled over from the II tranche of mines.

4. **Single Window Clearance:** The Union government has already launched Single Window Clearance portal on 11.01.2021 for the coal sector to speed up the operationalisation of coal mines. It is an unified platform that facilitates grant of clearances and approvals required for starting a coal mine in India. Now, the complete process shall be facilitated through Single Window Clearance Portal, which will map not only the relevant application formats, but also process flow for grant of approval or clearances.
5. Coal India Limited (CIL) has envisaged a coal production programme of one Billion Tonne from CIL mines by the year 2023-24. CIL has taken the following steps to achieve the target of augmentation of coal production capacity:
 - i. 15 Projects identified with a Capacity of about 160 MTPA (Million Tonnes per Annum) to be operated by Mine Developer cum Operator mode.
 - ii. Capacity addition through special dispensation in Environment Clearance under clause 7(ii) of Environmental Impact Assessment (EIA) 2006
 - iii. CIL has taken steps to upgrade the mechanized coal transportation and loading system under 'First Mile Connectivity' projects.

(b): Demand and supply position of coal, month-wise and State-wise during the last six months is given at **Annexure**.

(c): In 2021-2022 (upto November'21) , Coal India limited has supplied coal to the tune of 339.89 Million Tonnes (MT) to Power Sector against 277.44 MT during the same period of last year, thereby achieving a growth of 23% over same period of last year . Due to this enhanced supply, coal stock at domestic coal-based power plants has improved from the level of 7.24 MT as on 08.10.2021 to 19.06 MT as on 08.12.2021 which is sufficient for 11 days consumption.

(d): As per the 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 their contractual prices on payment of applicable duty. In the last three years, coal import by power sector as been continuously reducing due to increased supply of domestic coal. The details of coal import by power sector from April-October of previous three years is as below:

(Fig in MT)

	2019-20 (Apr-Oct)	2020-21 (Apr-Oct)	2021-22 (Apr-Oct)
Domestic coal based power plants	13.84	6.563	5.054
Imported coal based power plants	26.097	20.223	13.09
Total imports by power sector	39.937	26.786	18.144

June- November'21 coal supply by CIL to different States against contractual commitments

Name of State	June 2021		July 2021		August 2021		September 2021		(provisional) October 2021		(in Million tonnes) November 2021	
	Trigger Level quantity	Supply	Trigger Level quantity	Supply	Trigger Level quantity	Supply	Trigger Level quantity	Supply	Trigger Level quantity	Supply	Trigger Level quantity	Supply
Andhra Pradesh	2.44	1.20	2.15	1.68	2.15	2.15	2.15	2.21	2.44	2.57	2.44	2.06
Bihar	1.65	2.18	1.46	1.95	1.46	1.92	1.46	1.99	1.65	2.18	1.65	2.41
Chhattisgarh	4.58	4.80	4.03	5.02	4.03	4.81	4.03	4.48	4.58	6.43	4.58	6.16
Gujarat	1.78	1.40	1.57	0.91	1.57	1.00	1.57	1.09	1.78	1.25	1.78	1.68
Haryana	1.39	0.87	1.22	0.85	1.22	0.60	1.22	0.94	1.39	1.57	1.39	1.49
Jharkhand	1.04	1.20	0.92	1.20	0.92	1.28	0.92	1.09	1.04	1.39	1.04	1.43
Karnataka	0.37	0.11	0.33	0.02	0.33	0.03	0.33	0.08	0.37	0.26	0.37	0.32
Madhya Pradesh	3.98	3.97	3.51	3.70	3.51	3.50	3.51	3.98	3.98	5.34	3.98	5.37
Maharashtra	5.23	4.74	4.61	4.48	4.61	4.44	4.61	4.40	5.23	5.77	5.23	6.07
Odisha	2.57	2.96	2.26	2.86	2.26	2.91	2.26	2.54	2.57	2.75	2.57	2.15
Punjab	1.24	0.89	1.10	1.41	1.10	0.88	1.10	0.96	1.24	1.35	1.24	1.28
Rajasthan	1.45	0.51	1.28	0.48	1.28	0.59	1.28	1.02	1.45	1.19	1.45	1.52
Tamil Nadu	2.17	2.09	1.91	1.89	1.91	1.65	1.91	1.43	2.17	1.94	2.17	2.16
Uttar Pradesh	6.78	6.23	5.97	6.17	5.97	6.24	5.97	6.84	6.78	7.05	6.78	6.55
West Bengal	3.13	2.97	2.75	2.74	2.75	3.13	2.75	3.07	3.13	3.35	3.13	3.26
Assam	0.19	0.07	0.17	0.06	0.17	0.06	0.17	0.11	0.19	0.15	0.19	0.05
Grand Total	40.02	36.17	35.21	35.42	35.21	35.21	35.21	36.25	40.02	44.54	40.02	43.94