

**GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION NO. 2788
TO BE ANSWERED ON 06.08.2025**

Clean Coal Technology

2788. Md. Rakibul Hussain:

Will the Minister of COAL be pleased to state:

- (a) the details of key initiatives taken by the Government to boost coal production in the country;
- (b) whether India has exported coal to other countries till date and if so, the details thereof;
- (c) the details of the main markets for Indian coal;
- (d) the steps taken by the Government to promote the use of clean coal technologies;
- (e) the estimated potential of India's clean coal reserves; and
- (f) the details of the potential of coal bed methane in the country?

**ANSWER
MINISTER OF COAL AND MINES
(SHRI G. KISHAN REDDY)**

(a): The key initiatives taken by the Government to boost coal production in the country 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.

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. Digital transformation has been implemented on a pilot scale in 7 of its mega mines.

- 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.

(b): Coal exports by the country during the last three years and the current year (upto May, 2025) are as under:

(Figures in Million Tonne)	
Year	Coal export quantity
2022-23	1.166
2023-24	1.545
2024-25 (Provisional)	1.908
2025-26 (upto May, 2025) (Provisional)	0.328

(c): Most of the coal produced in the country is consumed domestically. The major coal consuming sectors in the country are Power (including captive power production), Steel, Cement, Sponge-Iron and Fertilizers.

(d): The Government has taken the following steps to promote the use of clean coal technologies:

- i. Under commercial mining scheme, 50% rebate in the revenue share for coal used in gasification has been introduced in commercial coal block auctions, provided that at least 10% of the total coal production is used for gasification purposes.
- ii. The Government has created a sub-sector 'Production of Syn-Gas leading to coal gasification' under the Non-Regulated Sector linkage auctions to support coal gasification initiative. Considering the clean coal initiatives, floor price of the linkage auctions for this sub-sector is kept as Run of Mine (ROM) Price of the Regulated sector and applicable to the coal gasification projects commissioning within a period of seven years.
- iii. For promoting coal gasification in the country, seven projects (three for joint venture of PSUs and four in private sector) have been approved by the Government as part of ₹8500 crore financial incentive scheme to provide Viability Gap Funding (VGF).
- iv. Government of India has notified Underground Coal Gasification (UCG) Policy in September, 2016 to enable the development of UCG so as to maximize the utilization of difficult to mine coal and lignite resources and promote Clean Coal Technologies.
- v. Government of India had formulated Coal Bed Methane (CBM) Policy in 1997 for development of CBM. As per the policy, Ministry of Petroleum and Natural Gas became the administrative Ministry and Directorate General of Hydrocarbons (DGH) was made the nodal agency for development of CBM in the country. Ministry of Petroleum and Natural Gas, in consultation with Ministry of Coal, has identified and offered CBM blocks from coal bearing areas. In partial modification of CBM Policy, 1997, vide notification dated 08.05.2018, Government of India granted the exploration and exploitation rights of CBM to Coal India Limited and its subsidiaries in coal bearing areas for which they possess coal mining rights.
- vi. Government is also promoting beneficiation of coking coal in the country by setting up of coal washeries.

(e): There is no specific concept to estimate Clean Coal Reserve. However, as per the "Indian Coal and Lignite Resources – 2024" published by Geological Survey of India (GSI), the total estimated coal resource in the country as on 01.04.2024, is 3,89,421.34 Million Tonnes.

(f): As per Directorate General of Hydrocarbons, the estimated Coal Bed Methane resources in the Country as on 31.03.2024 is about 2,600 Billion Cubic Meter (BCM).
