

GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION NO. 1869
ANSWERED ON 11.02.2026

BALANCING DOMESTIC COAL PRODUCTION AND IMPORT

1869. Shri Rajesh Verma:
Smt. Shambhavi:
Dr. Lata Wankhede:

Will the Minister of **COAL** be pleased to state:

- (a) whether the Government has any updated policies to manage the balance between domestic coal production and imports amid global energy market fluctuations and if so, the details thereof;
- (b) the details of coal imports during the current financial year as compared to previous years, volume and source-wise;
- (c) the manner in which the Government is supporting coal supply to power plants and industries to prevent shortages and price volatility;
- (d) whether any new initiatives are underway to align coal sector operations with India's renewable energy transition goals and if so, the details thereof; and
- (e) the manner in which the Government plans to facilitate the gradual reduction of carbon footprint from coal use while ensuring energy security?

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

(a): The Government has taken the following measures to increase coal production in the country:

- 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.

Most of the requirement of coal in the country is met through indigenous production / supply. The focus of the Government is on increasing the domestic production of coal and to eliminate non-essential import of coal in the country. The efforts made by the Government to encourage use of domestically produced coal and to reduce coal import dependency are as under:

- i. The Annual Contracted Quantity (ACQ) has been increased upto 100% of the normative requirement, in the cases where the ACQ was either reduced to 90% of normative requirement (non-coastal power plants) or where the ACQ was reduced to 70% of normative requirement (coastal power plants). Increase in the ACQ would result in more domestic coal supplies, thereby, reducing the import dependency.
- ii. Vide amendment to the Non-Regulated Sector (NRS) linkage auction policy introduced in 2020, the tenure of coking coal linkages in the NRS linkage auction has been revised for a period upto 30 years. Increase in tenure of coking coal linkages in the NRS linkage auction for a period upto 30 years is expected to have a positive impact towards coal imports substitution.
- iii. Government decided in 2022 that coal to meet the full Power Purchase Agreement (PPA) requirement of all the existing linkage holders of Power Sector shall be made available by the coal companies irrespective of the trigger level and ACQ levels. This decision of the Government of meeting the full PPA requirement of the linkage holders of the Power Sector is expected to reduce dependence on imports.
- iv. Efforts are being made on a continuous basis to ensure more domestic supplies of coal. Thus, the entire substitutable imported coal is expected to be met by the country and no import, other than the very essential should happen.
- v. A new sub-sector 'Steel using Coking coal through WDO route' has been created in March, 2024 under the NRS linkage auctions which will lead to increase in the domestic coking coal consumption and also increase availability of washed coking coal in the country, thereby, reducing coking coal imports.
- vi. Coking Coal Mission has been launched to enhance coking coal supply to the Steel Sector to reduce imports of coking coal. Initiatives have been taken to enhance coking coal production.

- vii. Imported Coal Based (ICB) Plants have been allowed to secure coal under the Revised SHAKTI Policy, 2025. The coal availability for ICB Plants under this Policy is expected to reduce dependence of these ICB plants on imported coal.
- viii. Existing Fuel Supply Agreement (FSA) holders have been allowed to secure coal under the Revised SHAKTI Policy, 2025 after procuring 100% of the ACQ coal under existing FSA. Coal availability beyond the ACQ to existing FSA holders will benefit the power producers to meet the full requirement of the power plants.

(b): The quantity of coal imported from different countries of the world to India during the current financial year (till November, 2025) as compared to same period of last year is as under:

[Figures in Million Tonnes]

Country wise import of coal to India		
Country	FY 2025-26 (till November, 2025)	FY 2024-25 (till November, 2024)
AUSTRALIA	24.781	23.477
BAHARAIN IS	0.002	0.003
CANADA	1.146	1.343
CHINA P RP	0.145	0.263
COLOMBIA	1.259	1.630
HONG KONG	0.342	0.486
INDONESIA	66.331	74.260
MOROCCO	-	0.017
MOZAMBIQUE	6.284	6.084
NETHERLAND	-	0.072
NEW ZEALAND	0.200	0.136
OMAN	0.000	0.001
PERU	0.001	-
PHILIPPINES	0.073	-
RUSSIA	20.081	15.605
SAUDI ARAB	0.008	0.006
SINGAPORE	8.825	7.425
SOUTH AFRICA	21.103	19.255
SRI LANKA DSR	0.001	-
SWEDEN	0.001	-
SWITZERLAND	0.727	1.377
TANZANIA REP	0.434	0.136
TURKEY	0.002	0.003
U ARAB EMTS	3.182	2.298
U S A	15.335	14.089
VIETNAM SOC REP	0.023	0.000

(c): The supply of coal to the power plants is a continuous process. Coal supply is continuously monitored by the coal companies, power companies and by an Inter-Ministerial Sub-Group comprising of representatives from Ministry of Power, Ministry of Coal, Ministry of Railways,

Central Electricity Authority (CEA), Coal India Limited and Singareni Collieries Company Limited which meets regularly to take various operational decisions to enhance supply of coal to Thermal Power Plants. The meetings of the Sub-Group Committee are attended by the representatives of the power plants. Based on the requirement and the coal stock position, allocation of rakes is recommended by the Sub-Group. The Sub-Group closely monitors rake allocation and movement to maintain supply continuity. Logistical interventions by coal companies and the Sub-Group, undertaken in collaboration with Railways, ensure allocation of sufficient railway rakes to the power plants, as well as faster coal movement from coal mines to its power plants, thereby reducing transit delays & ensuring steady plant operations.

(d): The extent of renewable energy capacity developed by coal PSUs and the plan for the year 2030 are as under:

- i. CIL has set a target of installing 9437 MW of Renewable Energy (Solar power capacity) by FY 2029–30, out of which installed capacity is 241.79 MW.
- ii. NLCIL has planned to establish 10,110 MW of Renewable Energy capacity by 2030, out of which the commissioned capacity is 1781 MW.
- iii. SCCL has planned to establish 504.50 MW of Renewable Energy (Solar power capacity) by 2030, out of which the commissioned capacity is 245.50 MW.

(e): The Government has taken the following steps to facilitate the gradual reduction of carbon footprint from coal use while ensuring energy security:

- i. Improving the efficiency of Thermal Power Plants: Thermal power plants capacity addition is being promoted by Ministry of Power through more efficient technologies like Super-critical/ Ultra Super-Critical thermal units over sub-critical thermal units.
- ii. Biomass co-firing in Thermal Power Plants: Ministry of Power in November, 2017 had issued a policy on ‘Biomass Utilization for Power Generation through co-firing in Coal-based power plants’, as revised from time to time.
- iii. Carbon Capture, Utilization and Storage (CCUS) is one of the emerging areas for Research and Development in Power Sector. NTPC Limited, a CPSE under the administrative control of Ministry of Power have been taken up two pilot projects for CO₂ capture and utilization. A carbon capture and utilisation (CCU) project has also approved by Coal India Limited has been started with the support of Jawaharlal Nehru Centre for Advanced Scientific Research (JNCASR), Bangalore, as principal implementing agency.
