

GOVERNMENT OF INDIA  
MINISTRY OF COAL  
LOK SABHA  
UNSTARRED QUESTION No.942  
TO BE ANSWERED ON 08.02.2023

Reduction in Import of Coal

942. SHRI RAJENDRA DHEDYA GAVIT:

Will the Minister of COAL be pleased to state:

- (a) whether the coal sector has sufficient potential to contribute substantially in achieving five trillion economy by 2024-25;
- (b) if so, the details thereof;
- (c) whether the country imports a huge quantity of coal from other countries despite huge coal reserves and if so, the details thereof; and
- (d) the major policy decisions that have been taken to drastically reduce imports and increase quality coal for use within the country by 2025?

Answer

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

**(a)&(b):** As on 01-04-2022, India had 177.18 Billion Tonne proved coal reserves. For the current year 2022-23, the total domestic coal production target has been fixed at 911 Million Tonne. In view of expected rise in coal demand due to economic growth, domestic coal production is proposed to increase to 1017 Million Tonne in 2023-24 which is further likely to increase by 9-10% in 2024-25.

**(c):** About 20-25% of the coal demand in the country is met from import. Import of coal mainly consists of essential import like coking coal and higher grade coal as their domestic production is limited due to either scarce reserves or non-availability. Power sector also imports coal for two reasons- design-led import for imported coal-based (ICB) power plants setup in coastal region which are specially designed to use imported coal and for blending purpose for domestic coal-based (DCB) power plants. Details of import of coal in the last three years are given as under:

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(Figures in Million Tonne)

Year	Total Supply/ Consumption	Import	% of import
2019-20	955.91	248.54	26.00
2020-21	906.33	215.25	23.74
2021-22	1027.92	208.93	20.33

**(d):** As mentioned at para-c above, import of coal mainly consists of essential import like coking coal, and higher grade coal due to limitation in domestic production. However, measures are being taken to replace substitutable import of coal by ramping up domestic production of coal. 100% Foreign Direct Investment has been allowed for commercial mining. Other major steps initiated to enhance domestic production of coal include Single Window Clearance, amendment of Mines and Minerals (Development and Regulation) Act, 1957 to allow captive mines to sell up to 50% of their annual production after meeting the requirement of the end use plants, production through MDO model, increasing use of modern technologies such as surface miner, continuous miner etc., taking up new projects and expansion of existing projects, and auction of coal blocks to private companies/PSUs.

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