

Gap between Demand and Supply of Coal

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Most of the demand of coal in the country is met through indigenous production/supply. The actual demand for coal increased to 1233.86 Million Tonnes (MT) in 2023-24 from 1115.04 MT in 2022-23. As against the increased coal demand, domestic coal production has also increased. In 2023-24, the domestic coal production increased by 11.65% to reach 997.26 MT from 893.19 MT in 2022-23.

Coal demand in 2023-24 increased by about 11% over the previous year. It is estimated that coal demand will increase to about 1.5 billion tonne by 2029-30. Accordingly, Government has initiated several steps to ramp up domestic coal production and to eliminate non-essential import of coal in the country. Some of the major initiatives undertaken 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 Mine Development Operator (MDO) mode, increasing use of mass production technologies, new projects and expansion of existing projects, and auction of coal blocks to private companies/PSUs for commercial mining. 100% Foreign Direct Investment has also been allowed for commercial mining.

As per the current import policy, coal is kept under open general Licence (OGL) and consumers are free to import coal from the source of their choice as per their contractual prices on payment of applicable duty.

As of now, most of the requirement of coal in the country is met through domestic production. However, some high-grade coal like coking coal, anthracite and low ash thermal coal, used by imported coal based (ICB) power plants, are essential to import as their domestic production is non-available.

The state wise and year wise production from captive/commercial coal blocks since 2019 till now i.e. June, 2024 is as below:

(Figures in MT)

State	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (till June)
Chhattisgarh	17.77	17.75	21.20	27.78	31.47	10.79
Jharkhand	10.48	11.25	18.07	29.77	40.21	8.48
M.P.	21.68	21.54	22.30	24.27	32.29	8.58
Maharashtra	0.56	0.18	0.53	0.57	0.32	0.25
Odisha	2.56	6.13	16.89	25.03	31.18	9.29
Telangana	1.66	2.02	2.21	2.50	2.50	0.61
W.B.	4.16	4.20	4.42	6.76	9.14	1.54
Grand Total	58.88	63.08	85.62	116.68	147.12	39.53

Coal India Limited (CIL) has already introduced Mass Production Technology (MPT) using Continuous Miner (CM), Highwall (HW) miner, Powered Support Longwall (PSLW) in its mines across its subsidiaries wherever feasible. Presently 30 CMs are operational amongst ECL (11 nos.), SECL (15 nos.), WCL (3 nos.), CCL (1 no.). Longwall is operational in 2 mines, 1 each at ECL & BCCL. There are 5 HWs presently under operation, 2 in SECL, 2 in ECL & 1 in BCCL.

With the increasing nos. of Mass Production Technology (MPT) in its mine, CIL has increased its production in last FY by achieving 26.02 MT with a growth of more than 2% over previous year.

This information was given by Union Minister of Coal and Mines Shri G. Kishan Reddy in a written reply in Rajya Sabha today.

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