

# Energy Security by Domestic Coal Reserves

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India has sufficient domestic coal reserves to contribute to the country's energy security and it accounts for 55% of the country's energy needs. According to the Geological Survey of India (GSI), as on 01.04.2024, the coal and lignite resources of the country are 389.42 Billion Tonnes and 47.29 Billion tonnes respectively.

The existing coal reserves of the country are being effectively utilised. To enhance extraction and processing efficiency, Coal companies have introduced mass production technologies with minimal manual intervention to boost productivity, reduce costs, and enhance safety. Continuous Miners (CMs) in underground mines and Surface Miners in opencast mines are also deployed for coal-cutting and large sized Heavy Earth Moving Machinery (HEMM) for overburden removal.

The focus of the Government is on increasing the domestic production of coal to meet the energy requirement of the country. The country has witnessed highest highest-ever coal production in the year 2023-24. The all-India domestic coal production in the year 2023-2024 was 997.826 MT in comparison to 893.191 MT in the year 2022-2023 with a growth of about 11.71 %. In the current year 2024-25, the country has produced 929.15 MT (provisional) of coal (up to February 2025) in comparison to 881.16 MT in the corresponding period of the last year 2023-24 with a growth rate of 5.45%.

The steps taken by the Government to increase the coal production in the country to ensure energy security are as under:

- i. Regular reviews by the 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 mines 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 in such manner as may be prescribed by the Central Government on payment of such additional amount.
- iii. Single Window Clearance Portal for the coal sector to speed up the operationalization of coal mines.
- iv. Project Monitoring Unit for hand-holding of coal block allottees for obtaining various approvals/clearances for early operationalization of coal mines.
- v. Auction of commercial mining on revenue sharing basis launched in 2020. Under commercial mining scheme, a rebate of 50 % on final offer has been allowed for the quantity of coal produced earlier than the 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:

Coal companies have adopted several measures to increase coal production. Introduction of Mass Production Technologies (MPT) in underground mines, mainly with Continuous Miners (CMs), wherever feasible, and Highwall Miners (HW). In its Opencast (OC) mines, the introduction of State-of-the-Art technology in its high-capacity Excavators, Dumpers, and Surface Miners and developing infrastructure for evacuation of coal like Coal Handling Plants (CHPs), Crushers, Mobile Crushers, Pre-weigh-bins etc.

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.

The details of the coal imported during the last two years and the current year (till December 2024) are as under:

Import of Coal (Quantity in Million Tonne & Value in Million Rs.)						
	Coking Coal		Non Coking Coal		Total Coal	
	Quantity	Value Rs.	Quantity	Value Rs.	Quantity	Value Rs.
2022-23	56.05	1538399.74	181.62	2297444.02	237.67	3835843.7
2023-24	58.81	1330003.62	205.72	1772150.89	264.53	3102154.5
2023 - 24 - Dec-23	44.39	974011.49	155.80	1363711.82	200.19	2337723.3
2024 - 25 - Dec-24	42.75	798179.53	140.67	1116387.09	183.42	1914566.6
Growth %	-3.68	-18.05	-9.72	-18.14	-8.38	-18.10

The steps taken by the Government to substitute coal imports are as under:

- i. Enhanced domestic coal production
- ii. Launch of Coking Coal Mission to enhance coking coal supply to the Steel Sector to reduce imports of coking coal.

Coal mining works are a site-specific activity. The environmental impacts are managed and kept within the prescribed standards by planning and implementation of sustainable mining and environmental control measures as per the approved Environment Management Plan.

A detailed Environment Impact Assessment (EIA) is carried out for each project considering pre and post-mining conditions for preparing Environment Management Plans (EMPs). On the basis of the same, Environment Clearance (EC) is granted. While granting EC, conditions/ mitigation measures are stipulated for implementing the EMPs, which have to be complied with by the project proponents. On obtaining EC, the project proponent also secures Consent to Establish (CTE) - one time and Consent to Operate (CTO) – periodic, under the provisions of Water and Air Acts from the concerned State Pollution Control Boards (SPCB). During the course of the implementation of the project, compliance of the conditions laid in the EC, CTO, etc. is monitored regularly by regulators like MoEF&CC, SPCB etc.

To promote environmental sustainability in Coal mines in the country various sustainable & environmentally friendly initiatives have been taken such as plantation/bio-reclamation, mine water utilization for community use and development of Eco-parks, and adoption of energy efficiency measures.

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

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**Shuhaib T**

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