



KAMARAJ IAS ACADEMY
Only IAS Academy by Grandson of "Perunthalsivam Kamarajar"

Coal Production in the Country Crosses One Billion Tonnes Mark in a financial year

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Context

Apart from China, India is the only country to cross the 1 billion tonnes mark in annual coal output.

Significance of this Milestone

Fostering **Energy Security**: Coal contributes approximately **55% of India's energy mix**, and around **74% in electricity generation**.

Powering economy: Increasing production will substitute imports, contributing in foreign exchange savings.

Key Reforms

Coal Mines (Special Provisions) CMSP Act- 2015 paved way for **commercial mining** of the coal mines by private entities.

Mines and Minerals (Development and Regulation) Amendment Act, 2021, allowed Composite Prospecting Licence-cum Mining Lease (PL-cum-ML) specifically for coal.

Integrated Coal Logistic Policy and Plan, 2024

PM Gati Shati-National Master Plan in coal sector

Mission Coking Coal

National Coal Index (NCI), etc.

FDI Policy: **Allowing 100% FDI in coal mining** under the automatic route has attracted global expertise and advanced technologies.

Existing Challenges/Concern for Coal Sector

Global Pushback against Coal: Developed countries are pushing for **phasedown of coal production**.

Import dependence: India imported about 260 million tonnes of coal in FY 2023-24, dominated by non-coking coal (~77% of total imports).

Other issues: **Land acquisition, environmental degradation** due to open cast mining, etc.

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