

CIL looks to offer more coking coal to steel sector

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Coal behemoth Coal India is looking to offer more coking coal to the country's steel sector to tap the potential future market for coal consumption.

India possesses 389.42 billion tonnes of geological coal resources, including 212 bt of proven reserves. However, most of this is non-coking coal (around 89 per cent), with limited availability of high-quality coking coal, resulting in continued dependence on imports for the steel industry.

"At Coal India, our mine development priorities align with India's thermal energy needs, focusing on high-quality non-coking reserves. At the same time, we are exploring joint ventures for coking coal washeries to strengthen domestic options for steel manufacturers," the company said in its annual report for 2024-25, released on Monday.

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consumption and explore alternative uses of domestic coal, CIL intends to offer more coking coal to the steel sector and also supply coal for upcoming coal gasification projects," CIL said.

For the State-run company, coal supply to the non-regulated sector (NRS) peaked at 145.3 million tonnes (mt) last fiscal, registering an 8.1 per cent year-on-year growth over FY24. During FY25, against an offer of about 3.36 mt to the steel sector, 2.39 mt got booked with a premium of 5.28 per cent over and above the floor price.

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OFF-TAKE TARGET

Coal India has set an ambitious coal off-take target of 900 mt for this financial year, representing around 18 per

cent year-on-year growth compared to last year's achievement.

Notably, in FY25, coal off-take stood at 762.98 mt, registering a marginal 1.26 per cent y-o-y growth from 753.51 mt in FY24.

In the last financial year, the company's production was 781.06 mt with a volume increase of 7.41 mt over the previous financial year. Achievement against the target was 93.18 per cent.

"For FY 2025-26, CIL has been given a production target of 875 mt and CIL is aiming to achieve the desired growth. Coal off-take target has been specified at 900 mt," CIL Chairman-cum-Managing Director PM Prasad said in the annual report.

"Our vision is to ensure that there is no shortage of coal in the country. Coal India aims to be a commercially viable, contemporary and professional organisation that is consumer-friendly and aligned with national developmental goals," Prasad added.