

# National Coal Index Shows Decline of 4.75% in December, 2023

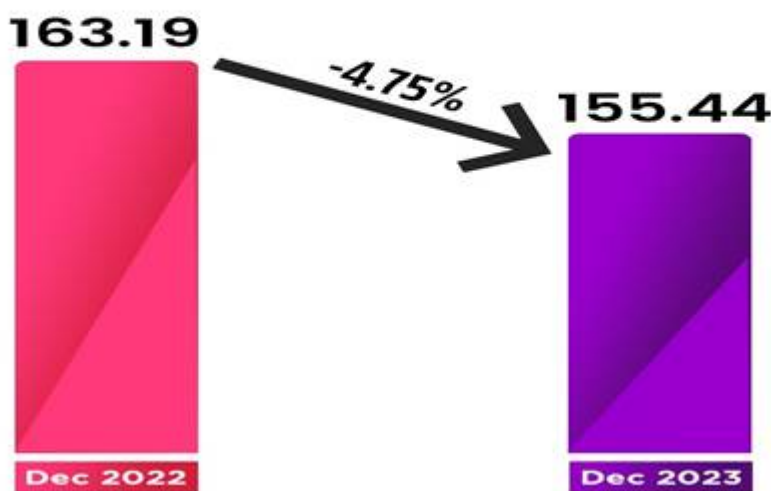
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The National Coal Index (Provisional) has shown a significant decline of 4.75 % in December 2023 at 155.44 points compared to December 2022, where it was at 163.19 points. This notable decrease indicates sufficient availability of coal in market to meet the growing demands.

The National Coal Index (NCI) is a price index that combines coal prices from all sales channels, viz. Notified Prices, Auction Prices, and Import Prices. It considers prices of coking and non-coking coal of various grades transacted in the regulated (power and fertilizer) and non-regulated sectors.

Established with the base year as FY 2017-18, NCI serves as a reliable indicator of market dynamics, providing valuable insights of price fluctuations.

## National Coal Index (Provisional)



The peak of NCI was observed in June 2022 when the index reached 238.83 points, but subsequent months have experienced a decline, indicative of abundant availability of coal in the Indian market.

Additionally, the premium on coal auctions indicates the pulse of the industry, and the sharp decline in coal auction premium confirms the sufficient coal availability in the market. The impressive growth of 10.74 % in the country's coal production during Dec'23 as compared to the corresponding period of last year ensures a stable supply for various sectors reliant on coal, significantly contributing to the overall energy security of the nation.

The downward trajectory of the NCI signifies a more equitable market, harmonizing supply and demand dynamics. With sufficient coal availability, the nation can not only address burgeoning demands but also underpin its long-term energy requisites, thereby fortifying a more resilient and sustainable coal industry and fostering a prosperous future for the nation.

**BY/ST**

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