

Reduction in Coal Import in India

Posted On: 19 DEC 2024 3:18PM by PIB Delhi

India, despite possessing the fifth-largest coal reserves globally, faces a significant shortfall in certain coal types, particularly coking coal and high-grade thermal coal, which are not adequately available from domestic sources. This gap in supply necessitates coal imports to sustain key industries, including steel production, and to meet the growing energy demand.

Coal imports during April-October period of FY 2024-25 experienced a notable decrease of 3.1%, reaching 149.39 million tonnes (MT) compared to 154.17 MT in the corresponding period of last year. Additionally, Non-Regulated Sector (other than power) witnessed a more significant drop of 8.8%, during Apr-Oct'24 as compared to the same period of last year.

Although there was a significant growth of 3.87% in coal-based power generation from April 2024 to October 2024 compared to the same period last year, imports for blending purposes by thermal power plants decreased substantially by 19.5% during the same period. This decline underscores India's steadfast commitment to achieving self-sufficiency in coal production and reducing reliance on imports. Increase in coal import for power sector is attributed to the import of coal by imported coal-based power plants (designed to utilize imported coal only) i.e. 30.04 MT during this period, up from 21.71 MT, reaching a growth of 38.4% in the corresponding timeframe last year.

Moreover, coal production during the April-October 2024 period demonstrated a commendable increase, reaching 537.57 MT compared to 506.93 MT in the same period of FY 2023-24, marking a growth of 6.04 %. This upward trend reflects the government's ongoing efforts to streamline coal usage and enhance domestic production.

The Ministry of Coal continues to implement strategic initiatives aimed at bolstering coal production and improving availability. These efforts are not only focused on safeguarding foreign reserves but also on enhancing the nation's energy security. The proactive measures taken by the government to increase domestic coal output will ultimately reduce dependence on imports and contribute to the overall sustainability of India's energy landscape.

Sunil Kumar Tiwari

(Release ID: 2085989)