

# Enhanced Coal Demand & Production

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India is the world's fastest growing major economy and is expected to become the world's third largest economy in the coming years. With the rapid industrial growth, the demand for energy has increased over the last decade and will continue to increase in the near future.

In order to meet the energy requirements of our nation, the Government has undertaken several initiatives to scale up domestic coal production. Therefore, as against the increased coal demand, domestic coal production has also increased. In 2022-23, the domestic coal production increased by 14.77% to reach 893.19 MT from 778.21 MT in 2021-22. Further, in the current financial year, till November 2023, the country has produced about 591.40 MT of coal as compared to 524.72 MT during the same period of last year with a growth of about 13%.

As a result of increase in domestic production, the coal import has declined by 5% during April to September 2023 in the current financial year compared to the same period of last financial year. This shows a reduction in import dependency of coal in the country.

The total coal consumption in the coal-based power plants of the country has increased from about 608 MT during 2017-18 to about 777 MT during 2022-23 with a compound annual growth rate (CAGR) of about 5%. As per the National Electricity Plan-Volume-I: Generation (Notified vide Extra ordinary Gazette No. 3189, SI. No. 329, under part-III, Section IV dated 18.05.2023), for the year 2031-32, the domestic coal requirement has been estimated to be 1025.8 Million Tonnes and estimated requirement of imported coal for the plants designed to run on imported coal to be 28.9 MT. Further, as per 20th Electric Power Survey Report, the projected electrical energy requirement and peak electricity demand on all-India basis is 2473.7 BU and 366.4 GW for year 2031-32 respectively.

Domestic coal production is expected to grow by 6-7% annually in next few years to reach about 1.5 billion tonnes in 2029-30. For smooth transit of coal to end-users, steps are also being taken to improve evacuation infrastructure through new rail projects and to mechanize loading of coal through First Mile Connectivity (FMC) projects.

While prioritizing growth in coal production, the Government is also cognizant of our responsibility towards sustainability and is taking rapid strides towards sustainable harnessing and conservation of energy.

Pan India coal movement through rail mode is the domain of Ministry of Railways. However, for improving coal evacuation infrastructure, Coal India Limited has also invested about Rs. 20000 Cr. in the construction of seven new railway lines for its expansion mining projects in brownfield areas and new mining projects in Greenfield areas in the State of Chhattisgarh, Odisha and Jharkhand. This is in addition to the construction of new railway sidings and renovation and capacity enhancement of old sidings under its command area. This information was given by Union Minister of Coal, Mines and Parliamentary Affairs Shri Pralhad Joshi in a written reply in Rajya Sabha today.

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**BY/RKP**

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