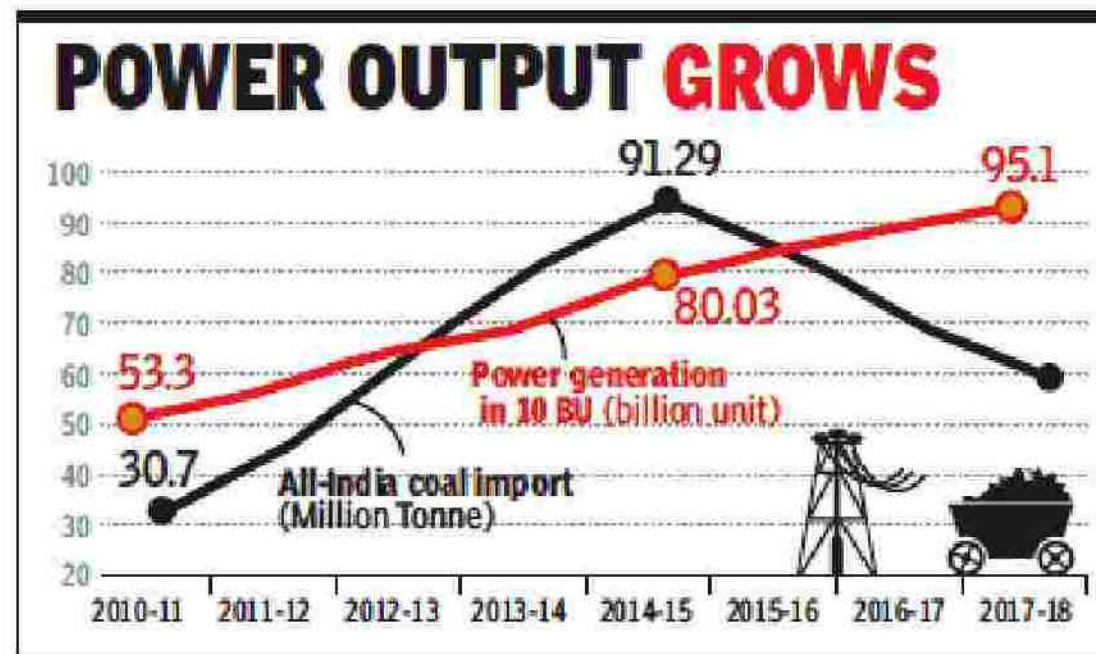


# Coal import bill down ₹1L cr in 4yrs

New Delhi: India has saved over Rs 1 lakh crore in coal import bill over the last four years as shipments brought in by the power sector — accounting for 76% of demand — came down steadily on the back of rising domestic production and improved quality control, says an internal assessment paper of the coal ministry.

The analysis, undertaken after several power stations recently ran low on coal stocks, assumes a CAGR (compounded annual growth rate) of 22.6% on the basis of average import growth rate between 2009-10 and 2014-15 to project a requirement of 380 MT (million tonne) shipments in 2017-18, valued at Rs 2.52 lakh crore. Against this projection, actual imports stood at 208 MT, valued at Rs 1.14 lakh crore, reflecting a



huge saving of forex outgo.

The paper says imports by the power sector rose by nearly 10% annually between 2010-11 and 2014-15. But shipments shrank from 91.29 million tonne (MT) in 2014-15 to 56.41 MT in 2017-18, while power generation from coal-fired stations grew at nearly 5% a year during this period.

“The rapidly growing trend of coal import between 2009-10 and 2014-15 was arrest-

ed by increased domestic production and thus the projected import of 380 MT was checked at around 200 MT without compromising the demand of a growing economy. This not only enhanced the country’s energy security, but also resulted into avoidance of extra expenditure in import bill,” says the analysis.

It argues that higher generation in spite of sliding imports became possible as coal

production rose by 110 MT between 2014-15 and 2017-18 against 31 MT in the preceding four years. Simultaneously, quality control measures in the last four years reduced coal requirement for generating each unit of electricity to lower demand by 40-50 MT.

According to the analysis, the recent uptick in imports is driven by nearly 6% annual growth in coking coal shipments brought in by cement and steel industries. It says some coal imports are inevitable since India does not have adequate quantity of coking coal and there are several power stations built to run on high grade imported coal.

A top power ministry functionary admitted to supply issues in some patches, especially power stations being fed by Central Coalfields and Western Coalfields Ltd due to various limitations in transportation and rains.