



MONTHLY UPDATE – APRIL 2023

# COAL & COKE



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- India’s coal production increased by 12.03% to 107.84 MT from 96.26 MT during Mar'23 as compared to Mar'22. During Mar'23, CIL, SCCL & Captives/ Others registered a growth of 4.06%, 8.53% & 81.35% respectively.

Coal Production						
Subs	Mar'23	Mar'22	% Growth	Apr'22-Mar'23	Apr'21-Mar'22	% Growth
CIL	83.51	80.26	4.06	703.22	622.63	12.94
SCCL	7.00	6.45	8.53	67.14	65.02	3.26
Captives/ Others	17.33	9.56	81.35	122.38	90.56	35.14
Total	107.84	96.26	12.03	892.74	778.20	14.72

Coking Coal Production						
Subs	Mar 23	Mar 22	% Growth	Apr'22-Mar 23	Apr'21-Mar'22	% Growth
CIL	6.81	7.10	-4.02	54.62	46.60	21.04



# INDIAN COAL DISPATCH TO DIFFERENT SECTORS

- India's coal despatch increased by 7.49% to 83.18 MT from 77.38 MT during Mar'23 as compared to Mar'22. During Mar'23, CIL, SCCL and Captives/Others registered a growth of 3.40%, 12.61% & 31.15% by despatching 64.15 MT, 6.70 MT & 12.32 MT respectively
- The Power utilities despatch has increased by 4.36% to 68.36 MT during Mar'23 as compared to 65.51 MT in Mar'22.

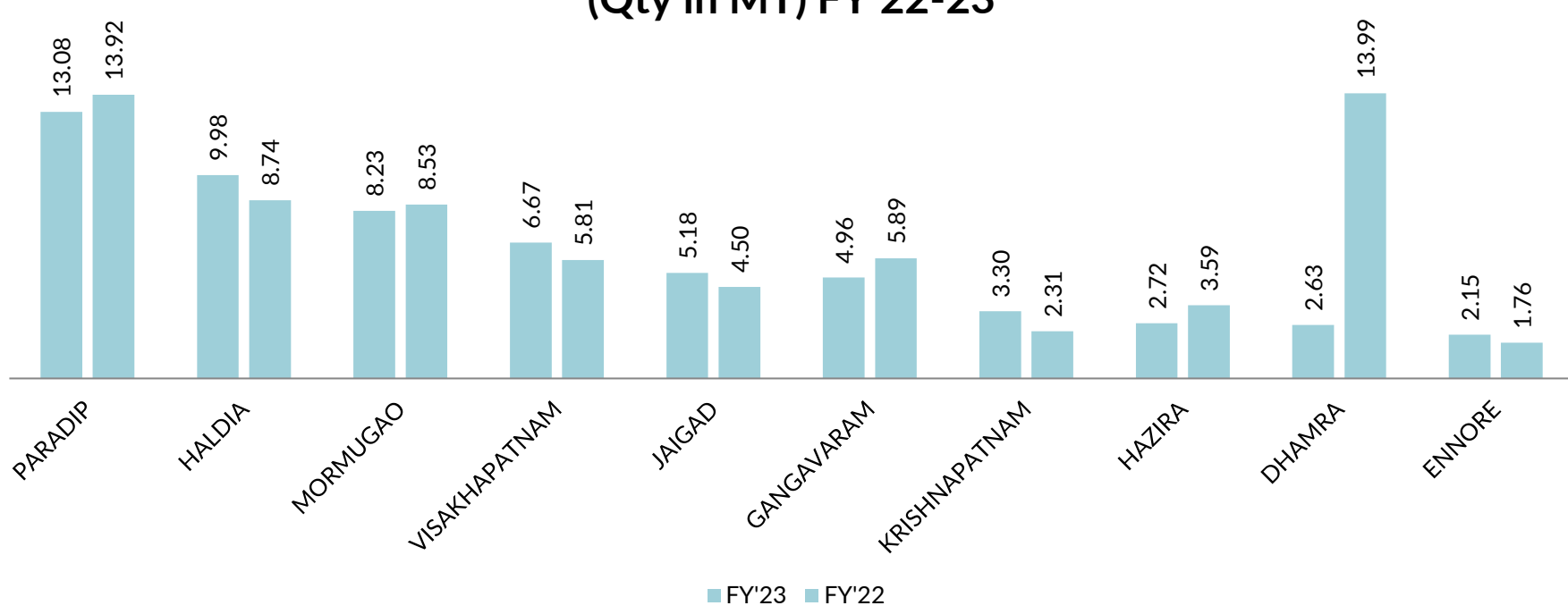
Coal Dispatch to different sectors						
Sectors	Mar'23	Mar'22	% Growth	Apr'22-Mar'23	Apr'21-Mar'22	% Growth
Power	68.36	65.51	4.36	737.93	676.32	9.11
CPP	4.86	2.61	86.26	46.11	42.65	8.12
Steel	0.87	0.68	27.39	9.44	6.48	45.66
Cement	0.82	0.63	31.20	8.27	7.33	12.75
Sponge Iron	0.66	0.65	0.92	7.60	8.09	-6.01
Others	7.60	7.31	3.95	68.11	78.49	-13.23
Total	83.18	77.38	7.49	877.45	819.36	7.09

# PORT ANALYSIS

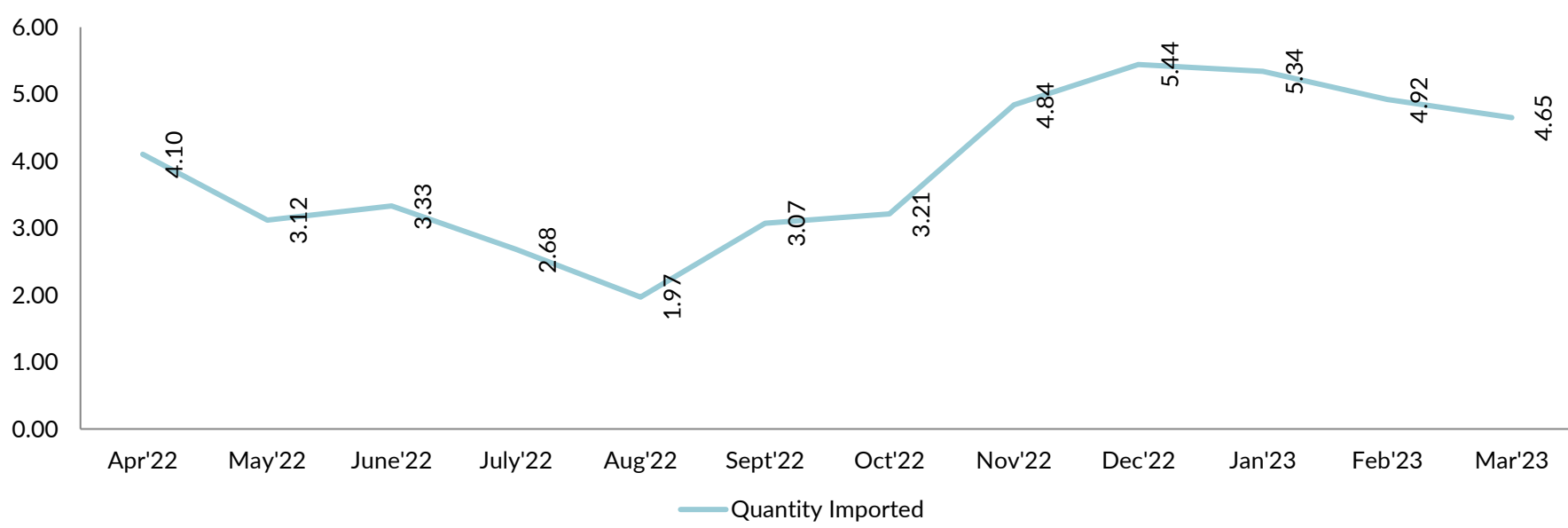
## Coking Coal Import Traffic at Indian Ports

- Coking coal imports through Indian ports was recorded at 63.26 MT. During Mar'23, The imports were recorded at 4.65MT.
- During Apr-Mar'22 Paradip Port recorded the highest traffic at 13.08 MT followed by Haldia port at 9.98MT.

Top 10 Portwise Imports of Coking Coal on Indian Ports  
(Qty in MT) FY 22-23



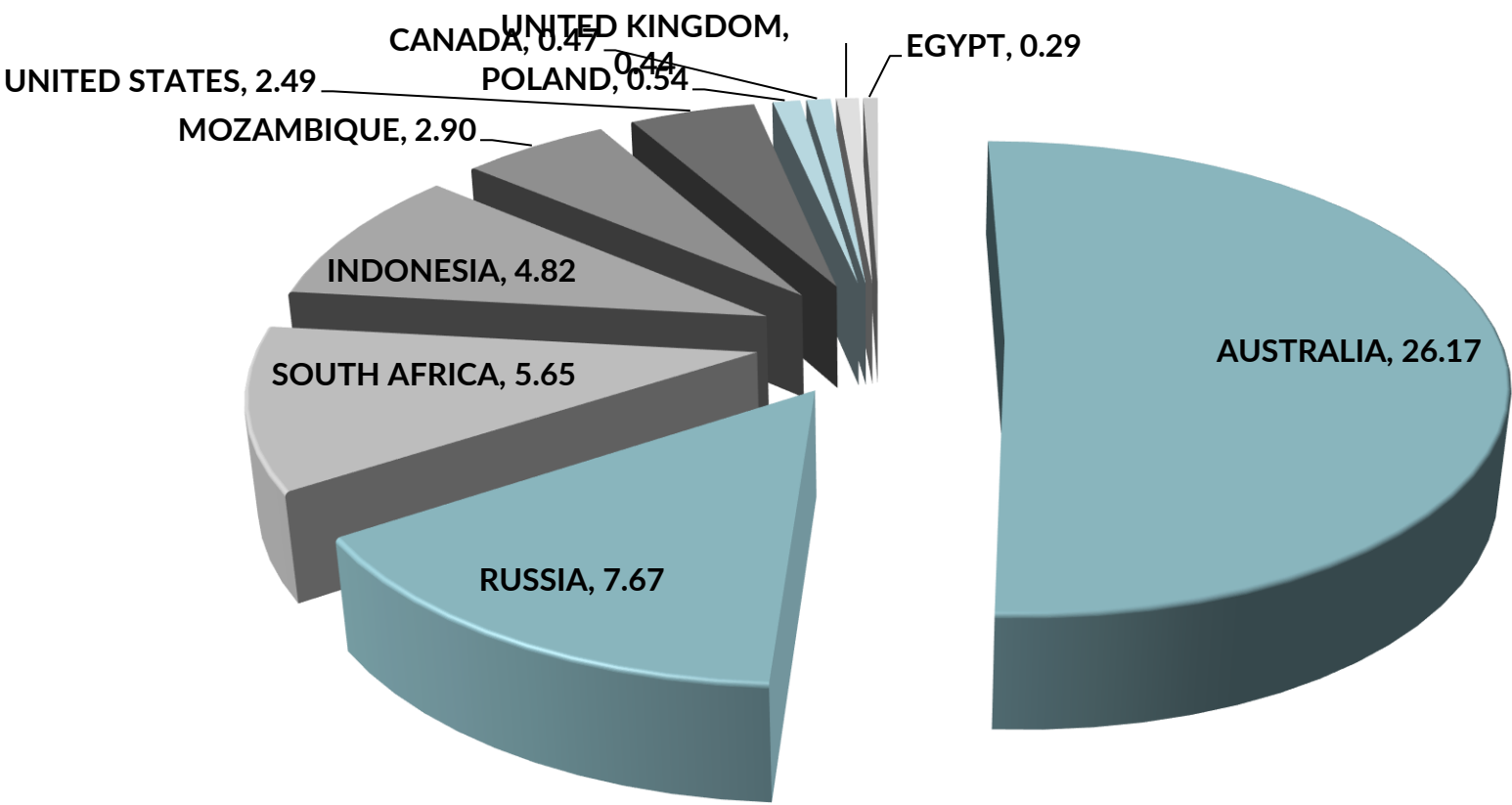
Monthly Coking Coal Imports in FY'23  
(Qty in MT) FY 22-23



# PORT ANALYSIS

Major Coking coal importers (QTY in Million tonnes)	
Importer	FY'23 Import Qty
STEEL AUTHORITY OF INDIA LTD.	12.83
JINDAL SAW LTD.	12.77
JSW ENERGY LTD.	11.12
TATA STEEL	8.18
ARCELOR MITTAL NIPPON STEEL INDIA LTD.	3.04
RASHTRIYA ISPAT NIGAM LTD.	2.72
BHUSAN POWER & STEEL LTD.	1.59
VEDANTA LTD. (CAIRN OIL AND GAS)	0.84
ELECTRO CASTING LTD.	0.82
RAWMET CO.	0.67

Top 10 Country-wise Imports of Coking Coal in FY'23  
(Qty in MT)



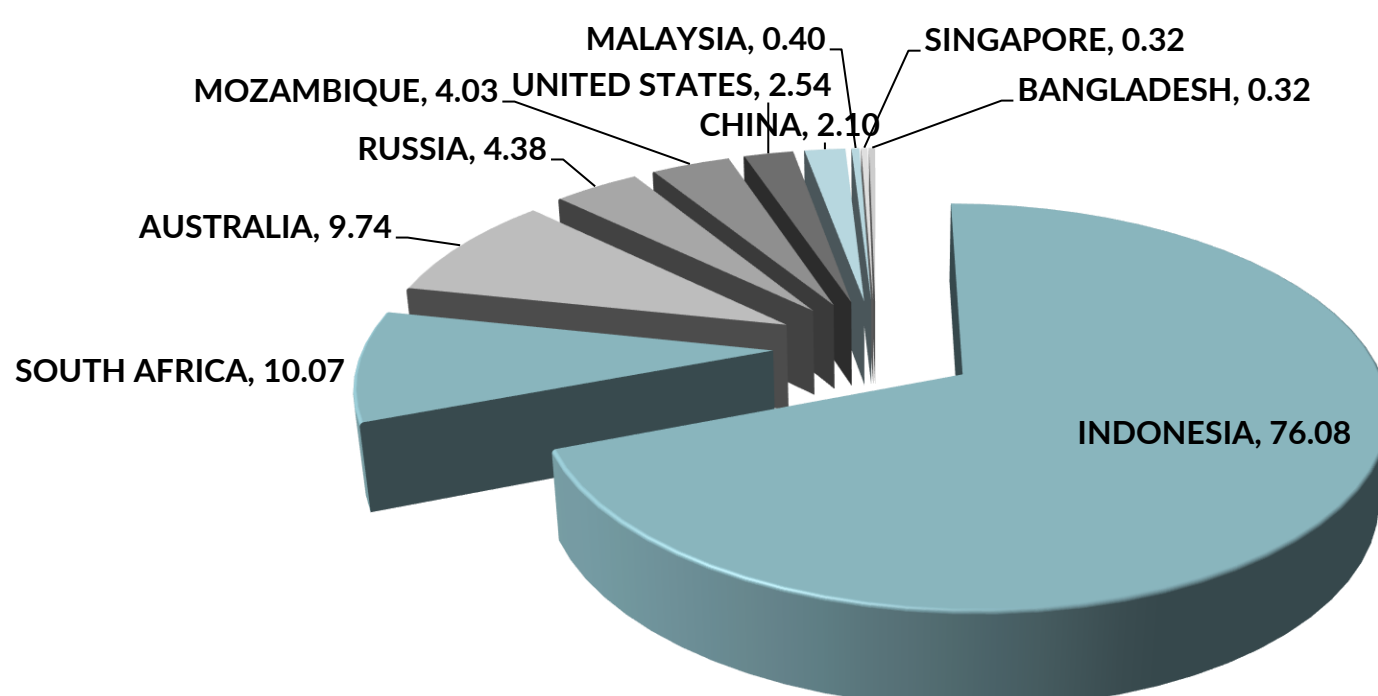
# PORT ANALYSIS

## Non-Coking Coal Import Traffic at Indian Ports

- Non-Coking coal imports through Indian ports during the Apr'22-Mar'23 have been recorded at 131.02.
- During Apr'22-Mar'23 Mundra Port recorded traffic at 18.61mt.

Major Non-Coking coal importers (Qty in Million Tonnes)	
Importer	FY 22-23 QTY imported
ADANI ENTERPRISES LTD.	41.87
AGARWAL COAL CORPN.	8.59
TATA LTD.	6.76
SEMBCORP ENERGY INDIA LTD.	4.95
JSW MINERALS TRADING PVT. LTD.	3.95
COASTAL GUJARAT POWER LTD.	3.48
RELIANCE INDUS. LTD.	3.31
MOHIT MINERALS PVT. LTD.	2.56

## Top 10 Country-wise Imports of Coking coal in FY'23 (Qty in MT)

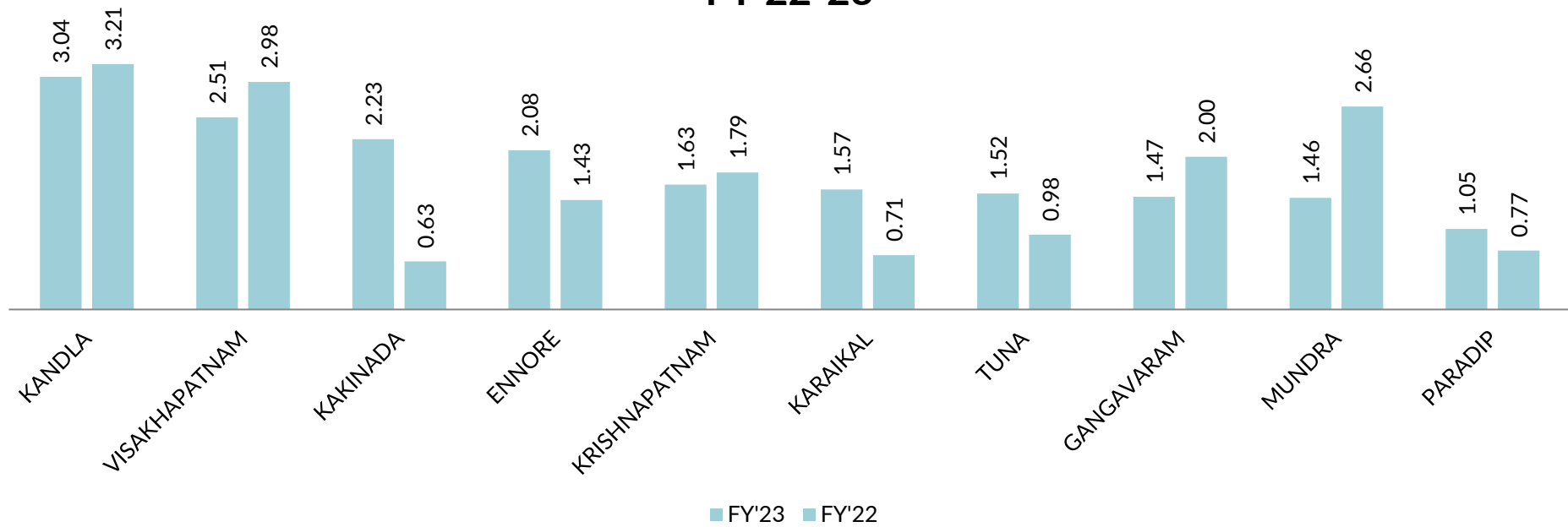


# PORT ANALYSIS

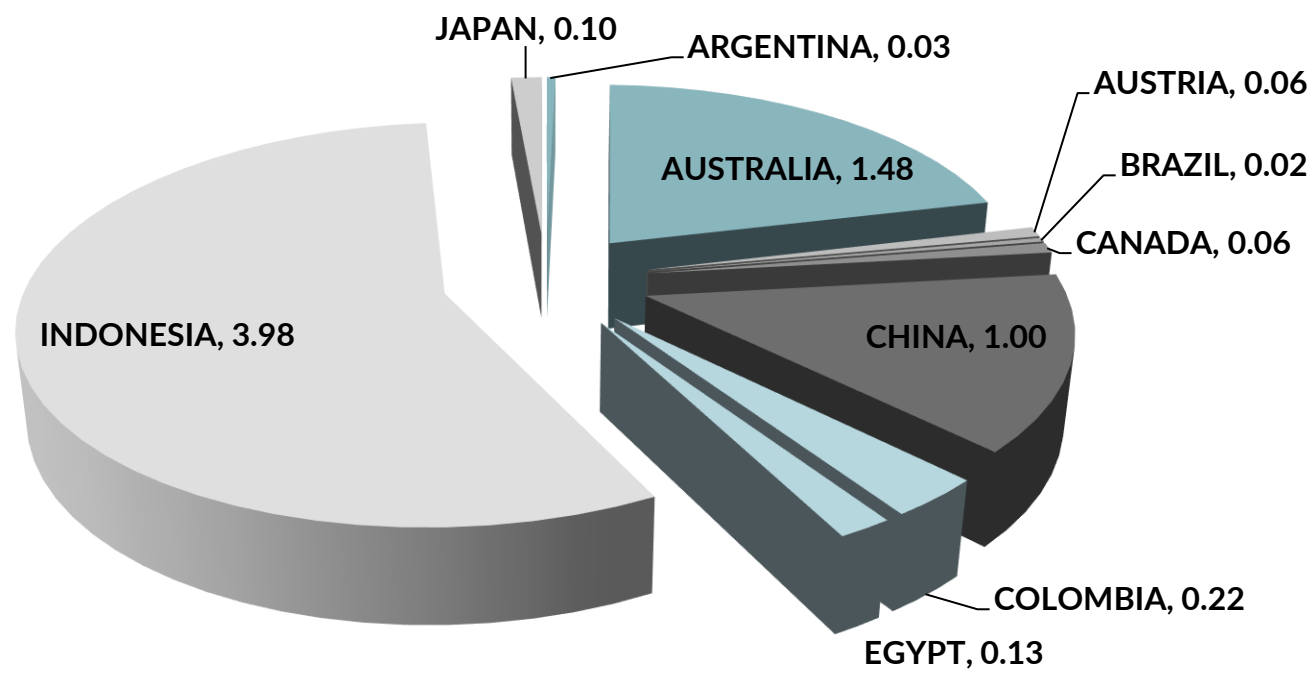
## Coke Import Traffic at Indian Ports

- Coke imports through Indian ports during the Apr'22-Mar'23 recorded at 23.05 MT
- During Apr'22-Mar'23 Kandla port recorded highest traffic at 3.04MT followed by Visakhapatnam Port at 2.51MT.

Top 10 port-wise Import Traffic of Coke on Indian Ports (Qty in MT)  
FY 22-23



Top 10 Country-wise Imports of Coke in India  
(Qty in MT) FY 22-23



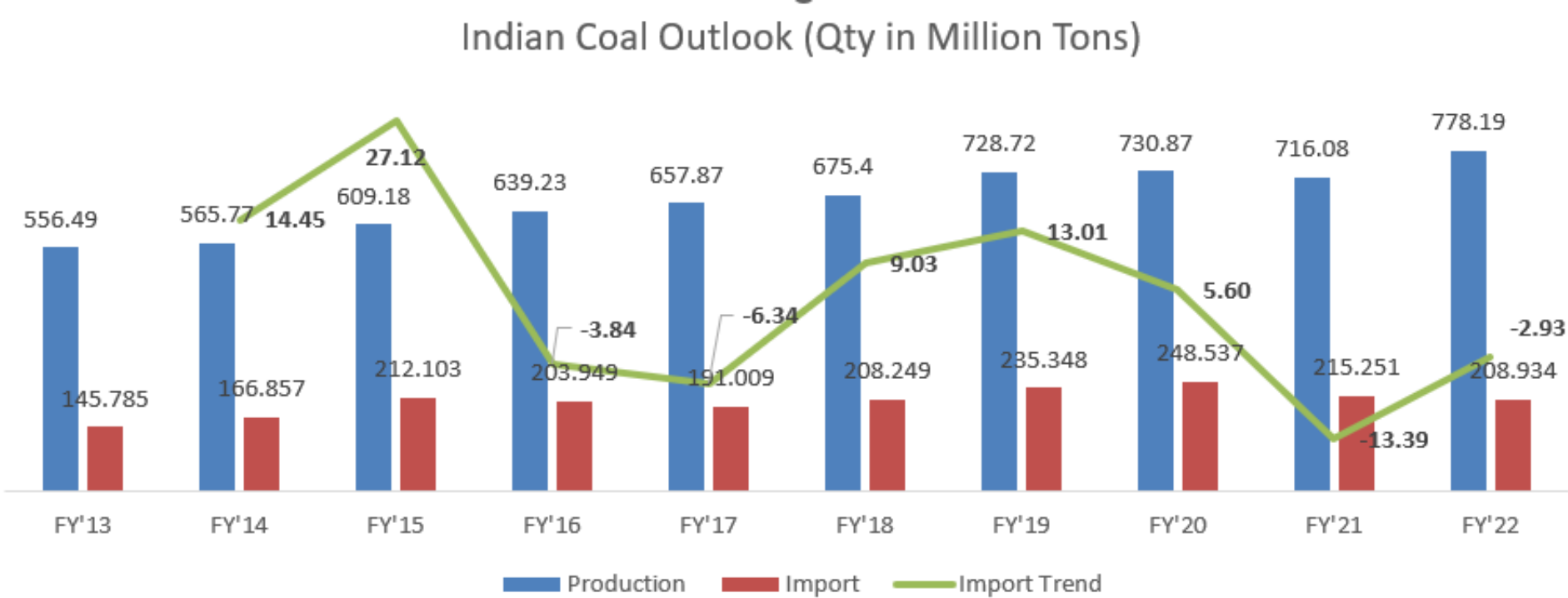
# MARKET ANALYSIS

## COAL MARKET OVERVIEW(To be edited)

- India is amongst the largest consumers of coal in the world. It consumes about 12.5% of the total global consumption of coal. India is also amongst the largest importers of coal, attributed to its high energy demand. India's domestic coal production has increased to 892.21million ton in FY'23 at growth rate of 14.25%.
- India's coal demand is expected to grow by 7% in coming months of 2023. This can be attributed to the 4.7% increase of electricity demand in India over the years. Coal production would also see a growth to 1 billion tonnes by 2024 as per forecast by IEA.
- At present coal attributes to 74% of the total source required for power generation. The coal fired generation process increased by 7.7% in 2022 and is set to increase up until 2025. As the peak power generation is set to rise, the government has set the target of 1,017 MT of overall coal production for FY'24, While the coal demand for the power generation sector is expected to be approx. 1,087 MT. Along with this, the coal ministry is planning to maintain a cumulative stock of 110 million tonnes (mt), which includes 65 million tonnes (mt) at pitheads of mines run by Coal India (CIL), and 40-45 mt of reserve stocks at thermal power plants (TPPs), by March 2023.
- Ind-Ra, An Indian rating agency expects significant thermal capacity additions in FY24 of 13.5GW and 9.5GW in FY25 by central and state entities which is likely to keep PLFs flattish post FY24. the energy transition in terms of increasing generation from renewable sources would continue over the medium term.
- Owing to the unexpected heat in February, the demand surge for power generation has led to a scarcity in the coal stocks. The targets of cumulative coal stocks, that was supposed to be met by gencos and coal production companies, have not been met, which has resulted in the government considering nighttime power cuts in various states of India during April-June period expecting a shortfall of coal of more than 20MT in the peak season. The power demand is expected to reach 229 GW in April.
- To meet this surging demand, the biggest supplier of coal, CIL, which looks after 85% of total coal requirement in India, has the available stock of 205 MT as against the demand requirement of 222 MT. According to a report by Business standard, the central power stations, of which NTPC is the largest supplier, there would be a shortfall of close to 6 mt during Q1. State-owned power plants will see a shortfall of 8.4 mt during the same period. The worst hit are the privately owned ones that would have 20.8 mt of domestic coal. With regards to railways rakes, against the demand of 428 rakes per day, the ministry is expecting 418 rakes per day at the national level during Q1. Senior power ministry officials said, states have been apprised of the gap in requirement and availability of domestic coal and they should plan in advance to bridge the gap.

# MARKET ANALYSIS

## COAL MARKET OVERVIEW



- As the harsh weather conditions begin to ease in Australia, there is estimated to be a significant drop in coking coal prices from the peak of 370\$ per tonne in 2022 and spot price of 300\$ per tonne.
- As per a report by refinitiv, Power generation rose 11.5% to 1,591.11 billion kilowatt-hours (kWh), or units, in the fiscal year ended March 2023, an analysis of daily load data from regulator Grid-India showed, the sharpest increase since year ended March 1990. Output from plants running on fossil fuels rose 11.2%, the quickest growth in over three decades, thanks to a 12.4% surge in electricity production from coal, the analysis showed, offsetting a 28.7% decline in generation from cleaner gas-fired plants as a global spike in LNG prices deterred usage. In the new fiscal year that began April 1, Indian power plants are expected to burn about 8% more coal.
- To ensure sufficient energy generation during the peak months of summer, the ministry has intensified its production of coal and is planning to make ways for transportation of coal by producing more rakes. As February closed with the stock of 33.7 MT of coal stocks, which is lower than the 45MT target set by the Government, efforts are being made to ensure adequate supply of coal through imports and domestic production by the companies.



# KEY HIGHLIGHTS

- **NTPC focuses on captive mines, coastal shipping to build coal reserves**
- **India's coal imports rise 32% to 149 MT in Apr-Feb**
- **Train crunch to spur coal imports**
- **Coal India boosts coking coal output, production up 17 per cent**
- **Tangedco received 192.67 lakh tonnes of domestic coal in 2022-23, the highest in the last 10 years.**



# MARKET HIGHLIGHTS

## NTPC focuses on captive mines, coastal shipping to build coal reserves

- NTPC will ramp up coal production from captive mines to 34 million tonnes in FY24 and transport around 9 mt of the dry fuel through coastal shipping
- As India enters the peak consuming season in April with demand likely to hit around 230 GW.

### Coastal Shipping

- NTPC has floated tenders for supplying coal to four TPPs at Kudagi (Karnataka), Dadri (Uttar Pradesh), Jhajjar (Haryana) and Unchahar (Uttar Pradesh).
- The total quantity to be transported from coal blocks including Mahanadi Coalfields (MCL) and South Eastern Coalfields (SECL) to these TPPs is around 9 mt. It will take around 5-6 days to transfer coal from MCL blocks to the Dadri plant. "Kudagi is moving through Goa. For Dadri, Unchahar and Jhajjar coal can be supplied through Dahej or Kandla or Mundra. On the east coast, supply will be through Paradip and Dhamra ports and for the west coast, it will be through Mundra, Dahej and Kandla,".

**Source: The Hindu Business Line**

## India's coal imports rise 32% to 149 MT in Apr-Feb

- India's coal imports increased by 32 per cent to 148.58 million tonne (MT) in April-February FY23 against 112.38 MT in the year-ago period
- The import of coking coal rose 7.69% to 50.50 MT during April-February FY23
- "The softening of seaborne prices coupled with high domestic demand resulted in continued buying interest among Indian traders and consumers."

## Train crunch to spur coal imports

- Due to a lack of trains, Indian businesses, including aluminium smelters and paper mills, are expected to increase thermal coal imports for a second year in a row, even as state-run Coal India seeks to enhance output.
- Increased industrial demand for seaborne coal would stymie India's efforts to reduce its reliance on imports from mines in Indonesia, Australia, and South Africa, the world's second-largest producer and importer of the fuel.
- As the world's No. 2 economy is recovering from the COVID-19 pandemic, which is supporting global prices, India's demand for seaborne coal is expected to peak during the summer season starting this month.
- India's manufacturers will have to pay extra for both imported coal and transportation because the lack of trains has forced them to receive coal by truck, which is more expensive per tonne than by rail.



# MARKET HIGHLIGHTS

## Coal India boosts coking coal output, production up 17 per cent

- CoalIndia Ltd, the world's largest coal miner, on Thursday reported a 17.2 per cent rise in production of coking coal, helping cut on imports of the fuel that is an essential input for production of iron and steel. In a statement, Coal India said coking coal production has risen to 54.6 million tonnes in 2022-23, up 17.2 per cent year-on-year growth compared to 46.6 million tonnes in FY'22 (April 2021 to March 2022).
- During FY'23 coking coal imports were 56 million tonnes, down by 1.1 million tonnes compared to 57.1 million tonnes in FY'22.
- During this period, production of washed coking coal jumped to about 2.15 million tonnes compared to 1.6 million tonnes of FY'22 posting 34 per cent growth. Both the performance parameters were at six year high.

**Source- *Economic Times***

## Tangedco received 192.67 lakh tonnes of domestic coal in 2022-23, the highest in the last 10 years

- Tamil Nadu Generation and Distribution Corporation Ltd. (Tangedco) received 192.67 lakh tonnes of domestic coal during 2022-23, the highest quantum in the last 10 years, according to the Tamil Nadu Energy Department's policy note for 2023-24.
- The annual requirement of coal for Tangedco's thermal power stations with the capacity of 4,320 MW at 85% Plant Load Factor is 223.4 lakh tonnes per annum, it notes. Indian coal is procured from Mahanadi Coalfields Ltd. (MCL) through a fuel supply agreement (FSA) with a linkage of 195.63 lakh tonnes per annum and through a memorandum of understanding with the Singareni Collieries Company Limited (SCCL) for 40 lakh tonnes per annum. The total quantum is 235.63 lakh tonnes per annum, says the note.
- So far this summer, Tamil Nadu has seen an all-time high peak power demand of 18,667 MW on April 12. The daily energy consumption has hit an all-time high of 400.881 million units (MUs) on April 13. The note states that the summer peak power demand is expected to rise in the range of 18,300 MW-18,500 MW, and the daily energy consumption is likely to increase in the range of 390 MUs-395 MUs during April and May

**Source- *The Hindu***



## OTHER REPORTS FOR APRIL 2023

J. M. BAXI & CO. Monthly Agri Products Update

J. M. BAXI & CO. Monthly Automotive Logistics Update

J. M. BAXI & CO. Monthly Cement Update

**J. M. BAXI & CO. Monthly Coal Update**

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