

GOVERNMENT OF INDIA
MINISTRY OF COAL
RAJYA SABHA
STARRED QUESTION No.71
TO BE ANSWERED ON 26.07.2021

Slump in coal demand during COVID-19 pandemic

*71. SHRI SAMBHAJI CHHATRAPATI:

Will the Minister of COAL be pleased to state:

- (a) whether decrease in coal demand was experienced during the COVID-19 pandemic period in the country;
- (b) if so, the quantum of fall in demand during the period and whether similar slump had been experienced in other countries also;
- (c) whether the demand has gone up to the level of the pre-COVID-19 period; and
- (d) whether there is any further plan by Coal India Limited to increase the production of coal and, if so, the details thereof?

Answer

MINISTER OF PARLIAMENTARY AFFAIRS, COAL AND MINES
(SHRI PRALHAD JOSHI)

(a)to(d): A statement is laid on the table of the House.

**STATEMENT IN REPLY TO RAJYA SABHA STARRED QUESTION NO. 71
FOR ANSWER ON 26/07/2021 BY SHRI SAMBHAJI CHHATRAPATI, M.P.
REGARDING SLUMP IN COAL DEMAND DURING COVID-19 PANDEMIC**

(a): Yes, Sir. There was a decline in coal demand during COVID-19 pandemic period in the country.

(b): During 2020-21, demand for coal was 905.88 MT as compared to 955.72 MT in 2019-20 signifying a decline of around 5%. While domestic coal dispatch contracted by 2.3%, imports contracted by 13% in 2020-21.

Authentic data on the effect of COVID-19 pandemic on global coal demand is not available. However, as per Global Economic Prospects June 2021, published by World Bank, Covid-19 pandemic caused a 3.5% contraction in the global economic activity in 2020.

(c): The momentum of growth of coal demand which began in the last quarter of fiscal 2020-21 continued in the 1st quarter of the current Fiscal as well. During the first quarter of FY' 2021-22, the domestic dispatch reached 195.2 MT which is significantly higher than 144.7 MT attained in the 1st quarter of 2020-21 and 185.1 MT attained in the 1st quarter of 2019-20 (pre-COVID-19 period).

(d): Looking forward to the future demand scenario and in order to reduce non-essential import in the country, a plan has been prepared by Coal India Limited to increase coal production to 1 BT by 2023-24.
