

Coal

Major Producers

Coal India Ltd. (Government of India)
Sigareni Collieries Co. Ltd. (State government owned)
Neyveli Lignite Corp. Ltd. (Government of India)
Tata Iron and Steel Co. Ltd. (TISCO) (Private)

Output/Trade

India is the world's fourth largest coal producer. Major coalfields are located in southern Bihar, the north-east, and in the centre of the country in Madhya Pradesh, Maharashtra. and Andhra Pradesh. Virtually all coal output serves the domestic market.

Total reserves are estimated at 158.5 billion tonnes, though only 17 per cent of that amount, or 5,470 million tonnes, is coking coal. With its high ash content, the poor quality Indian coals have had to be supplemented by imported coking coal for use in steel-making.

Coal represents slightly over 2/3 of overall commercial energy consumption in India. Consumption of coal, the lifeblood of Indian infrastructure, has grown steadily over the last 10 years. It increased by 5.5 per cent over the period 1982-87, and by 7.4 per cent over the period 1987-92. Annual growth of 6.3 per cent is forecast for the period 1992-97. Largely to meet targets for rapid (private sector) expansion in thermal power generation, the target for coal production in 1996/97 is 308 million tonnes (as compared to 246 MT in 1991/92). For the long term, coal demand is expected to grow to 460 million tonnes by 2006-07.

Except in the case of captive mines, coal is not one of the minerals opened to private investment in the 1993 mineral policy. Virtually all coal in India continues to be mined by the public sector company, Coal India Ltd., which employs about 700,000 people in over 450 mines. While productivity at Coal India, according to the company, has increased from 0.58 tonnes per manshift in the mid- 1970s to 1.46 tonnes per manshift in 1992/93, it remains low.

Prospects

At least one Canadian company - Met-Chem Ltd. - enjoys a successful relationship with Coal India Ltd. in the development and management of coal projects, notably the Rajmahal coal mine. Other countries have embarked on similar cooperative arrangements with the Indian coal industry. Similar prospects may arise in the future.

Coal India indicates it will continue to offer 'build-own- operate' contracts to private (foreign and domestic) companies for coal washeries. It also seeks partnerships in the application of specialized technologies for mining and beneficiation.