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COAL / FREE TRIAL REPORT

India coal outlook: from tonnes to delivered fuel security

India's coal story is becoming more differentiated: domestic output, thermal imports, metallurgical exposure and transport availability are moving on different tracks. This trial report translates verified public evidence into a delivered-fuel framework, with reproducible cost and inventory models for power producers, industrial buyers and strategy teams.

15 NOVEMBER 2026 / ENALYT RESEARCH

A public-source research sample with original analysis, stated assumptions and reproducible decision tools. Prepared independently; no affiliation with the organisations discussed is implied.

THE DECISION IN BRIEF

Executive perspective

01 National output and plant-level fuel security answer different questions. FY 2025-26 domestic production declined 0.7%, while thermal-plant coal imports fell 27.4%; these observations do not establish a single causal explanation.

02 Procure usable heat and reliable delivery, not the lowest rupee-per-tonne quotation. In the stated scenario, domestic fuel costs 2.86 INR/kWh before non-fuel costs, versus 3.62 INR/kWh for the imported alternative.

03 Annual tonnage agreements leave transport, quality and intramonth inventory risk unresolved. A source-route-plant view is more useful than national surplus language.

04 Treat coking-coal exposure separately. Raw domestic production, washed yield and qualified blend performance are different quantities; growth in one does not establish substitution in another.

1,040.08 MT	Domestic production - FY 2025-26; coal, not coal plus lignite
45.4 MT	Thermal-plant imports - FY 2025-26; a subset of all coal imports
USD 67.56/t	Illustrative CFR break-even - Conditional on the input table; not a live market quote

HOW TO READ THIS REPORT

Source dates and reporting boundaries matter. Observed evidence, derived indicators and illustrative scenarios are identified in the exhibits and notes. Use the source register and methodology before applying a result to a procurement or investment decision.

01 / The commercial question has changed

An Indian coal buyer has at least three different problems: obtaining enough physical fuel, obtaining fuel that performs in the boiler or process, and obtaining it at a cost compatible with the business's output price. A national production milestone can improve the first condition without resolving the other two. A procurement strategy built around one aggregate demand forecast therefore misses much of the commercial risk.

The working thesis of this report is that the next increment of value comes from reconciling the supply chain rather than collecting more unqualified headlines. The buyer should connect mine-level commitments to dispatch capability, the nominated route to actual transit variability, and the invoice specification to the quality received at the plant. Each reconciliation changes the interpretation of a nominal discount.

The official fiscal-year record illustrates why segmentation matters. Domestic coal output was 1040.08 MT in FY 2025-26 against 1047.52 MT a year earlier. Separately, captive and commercial blocks produced 210.46 MT. These are observations about production and ownership composition, not delivered availability for a particular consumer.[S2] A commercial mine selling to third parties and a captive block serving its owner have different implications for an external buyer's addressable supply.

> **ANALYST VIEW**
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> For a buyer with fixed process requirements, the useful question is: which combination of source, quality, route and stock policy delivers the required energy at the lowest risk-adjusted cost? The answer may differ from the national narrative.

02 / Read the annual balance without mixing scopes

EXHIBIT 1 / Annual observations: five different market signals

Indicator	FY 2024-25	FY 2025-26	Interpretation
Domestic coal production, MT	1,047.52	1,040.08	-0.71%; Enalyt calculation
All coal imports, MT	243.63	246.37	+1.12%; includes coking and non-coking
Coking-coal imports, MT	57.58	66.33	+15.20%; different end-use mix
Non-coking-coal imports, MT	186.05	180.04	-3.23%
Thermal-plant coal imports, MT	62.5	45.4	-27.36%; subset, not additional tonnes

Production:[S2]. Import-category table:[S1]. Thermal-plant subset:[S4]. Rounded source data; percentage changes are Enalyt calculations. Do not add the thermal subset to total imports.

The important analytical result is the divergence, not a claim that one number is more correct. Overall imports can rise while a large end-use subset falls because other categories or users move differently. The annual category table and the thermal-plant disclosure have separate boundaries. Neither permits an exact national consumption balance without exports, stock movements, coverage reconciliation and calorific-value adjustments.

The Ministry's production webpage also retains a historical April-November production panel next to a more recent annual import series.[S1] A dashboard that simply scrapes every visible table as the same observation date can generate a misleading comparison. The minimum data model needs a period start, period end, unit, commodity definition, reporting boundary and revision flag for every series.

For commercial monitoring, separate thermal power, coking coal, industrial non-coking demand and inventories. An annual fiscal series is useful for structural exposure; it is too slow for a cargo nomination or an intramonth fuel-security decision. The appropriate next observation is usually a plant, route or shipment event rather than another national total. This distinction also prevents an unjustified extrapolation of one fiscal-year change into an assured future trend.

03 / A reproducible delivered-heat model

Comparing invoice prices per tonne silently assumes that each tonne contains the same usable energy and produces the same operating result. It does not. The official grading system uses gross calorific value for non-coking coal and different quality measures for coking coal.[S3] Thermal comparisons should begin on a common, contractually defined measurement basis. An as-received number cannot be substituted uncritically for an air-dried certificate.

EXHIBIT 2 / Illustrative thermal-coal inputs: a teaching model, not current quotations

Input	Domestic case	Imported case
Delivered domestic price	INR 5,000/t	Not applicable
CFR imported price	Not applicable	USD 90/t
Foreign exchange	Not applicable	INR 85/USD
Imported port plus inland costs	Included in delivered quote	INR 1,400/t
GCV, same assumed basis	4,200 kcal/kg	6,000 kcal/kg
Station heat rate	2,400 kcal/kWh	2,400 kcal/kWh

All inputs are analyst-selected scenarios. Taxes, financing, losses, efficiency differences and non-fuel costs are excluded. CFR already includes ocean freight: do not add it twice.

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Delivered import INR/t = CFR USD/t x INR/USD + port and inland INR/t; fuel INR/kWh =
delivered INR/t x station heat rate / (GCV x 1,000).
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GCV is kcal/kg; station heat rate is kcal/kWh.1,000 converts tonnes to kilograms. This is gross fuel cost per generated kWh, not a tariff or marginal dispatch bid.

The resulting costs areINR 2.86/kWh for the domestic case andINR 3.62/kWh for the imported case, rounded. At the same assumed efficiency, the domestic option is cheaper on energy, even though a higher-quality imported tonne contains more heat. Solving the equation in reverse gives an imported CFR break-even ofUSD 67.56/t at the stated exchange rate and logistics cost. This threshold is conditional, not a price forecast.

EXHIBIT 3 / Imported CFR sensitivity at fixed FX, quality and logistics

CFR, USD/t	Delivered INR/t	Fuel INR/kWh	Difference vs domestic INR/kWh
70	7,350	2.94	+0.08
90	9,050	3.62	+0.76
110	10,750	4.30	+1.44

Enalyt scenario calculation using the preceding input table. Rounding may affect displayed differences.

Before converting this screen into a purchase decision, replace every assumed value with contemporaneous bids and independently reconcile moisture, ash, handling constraints, efficiency, credit terms and rejection rights. Higher heat content may reduce tonne movements, but operational incompatibility or a quality dispute can dominate that saving. A robust model records these adjustments as explicit items rather than hiding them in a miscellaneous premium.

04 / The scarce product may be a reliable route

A coal purchase has a geographical identity. Mine availability, siding readiness, rake placement, corridor congestion, unloading and last-mile handling are linked operations. An attractive ex-mine quotation is only useful if the buyer can move the contracted quantity on the required days. Conversely, an alternative route can be valuable even when its average freight is higher, if it reduces a material interruption exposure.

The July 2026 government update reported 72 commissioned first-mile-connectivity projects with about 589 MTPA handling capacity, within a larger 139-project programme.[S5] Those capacities are infrastructure indicators. They should not be treated as incremental coal production or automatically accessible capacity for every consumer. A project can remove one bottleneck while a downstream junction remains constrained.

Enalyt's suggested route register contains the source mine, loading point, rail corridor or modal chain, contractual handover point, dispatch lead time, median and adverse transit time, unloading capacity and inventory buffer. The adverse transit measure should be defined from observed delivery distributions. Where no sufficient history exists, use a clearly labelled stress assumption and revise it when evidence improves.

Route diversification must also pass a correlation test. Two suppliers using the same constrained siding may provide less resilience than their supplier count suggests. A coastal alternative adds port and transshipment interfaces; it should be assessed on the full chain, including cargo size, berth access, inland connectivity and demurrage allocation. This is a portfolio problem: minimise common failure points rather than multiplying vendor names.

05 / Inventory: reconcile actual days with normative days

Stock days are a ratio, so changing the denominator can change the headline without moving a single tonne. The historical CEA framework published by the Power Ministry sets month-varying norms using 85%PLF, with different ranges for pithead and non-pithead plants.[S6] Operational dashboards also calculate coverage against actual or planned burn. A well-run dashboard shows both and identifies the applicable plant category and month.

EXHIBIT 4 / Illustrative 1,000 MW plant: the denominator matters

Assumption or result	Value
Heat rate / coal GCV	2,400 kcal/kWh /4,200 kcal/kg
Daily coal at 85%PLF	11,657 t
Daily coal at 70%PLF	9,600 t
Stock equivalent to 22 days at 85%PLF	256,457 t
Same stock at 70%PLF	26.7 days
Additional stock:26 rather than 22 normative days	46,629 t
Incremental cash atINR 5,000/t	INR 23.31 crore
Annual carrying cost at 12%	INR 2.80 crore

Enalyt model; rounded.22 and 26 days are illustrative comparison points, not a recommendation or certification of regulatory compliance. Assume all stock usable, no losses, constant prices and capacity.

The carrying-cost calculation supplies one side of the decision. The other is the expected cost of fuel-related interruption, including lost contribution, replacement purchases, contractual consequences and recovery time. Those values are plant-specific; this report does not invent them. A procurement committee should compare inventory cost with a documented interruption scenario and identify who accepts the residual exposure.

A snapshot also needs an observation date. The Power Ministry disclosed 42.8 MT of thermal-plant stock on 12 July 2026, described as 14 days at 85%PLF.[S8] That is a dated national observation, not a live November stock assessment. The useful operating signal is the trajectory of usable stock, confirmed incoming deliveries and expected burn over the next planning window.

06 / Coking coal is a different exposure

The same fuel-market narrative should not be applied mechanically to steel. A thermal buyer screens energy and boiler performance; a coke-making or blast-furnace supply chain must also preserve metallurgical blend performance. Domestic raw output, washery input, clean-coal yield and qualified blend tonnes are separate stages. Adding raw tonnes does not establish an equivalent reduction in imported blend requirements.

The January 2026 government notification designated coking coal as a critical and strategic mineral.[S7] The investment implication is a need to examine the conversion chain: geological quality, mining access, washing performance, logistics and customer qualification. The designation itself is not evidence that a mine has been commissioned, that washing economics are attractive, or that a steel producer will accept the product.

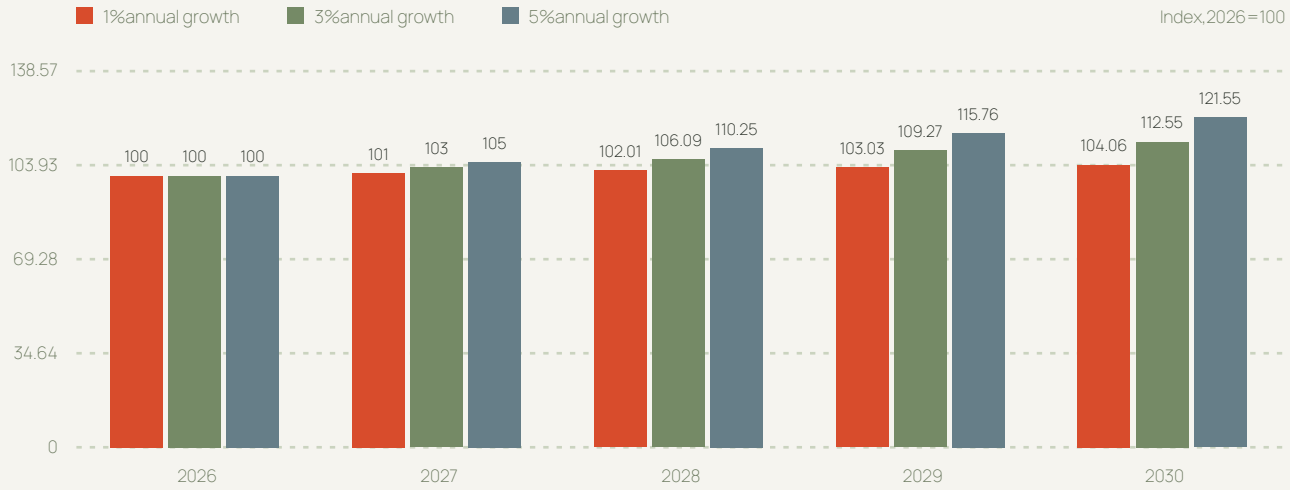
A practical procurement model should therefore use a qualified-product bridge. Start with raw tonnes, apply saleable yield, then qualification acceptance, then the share that can replace a specific imported grade without degrading the process. Keep each rate visible. A lower raw-coal price can be offset by low recovery, disposal costs, lost yield or a narrow usable blend envelope.

This also changes scenario design. An import-exposure reduction might come from more washed domestic material, a change in steel production route, improved process efficiency, or a weaker output cycle. Each has a different competitive consequence. A scenario that assumes a national output target automatically displaces imported hard coking coal is omitting the very constraints that determine commercial value.

07 / Outlook: three conditional pathways, not one point forecast

The following transparent sensitivity shows how different annual growth assumptions change a 2026 index through 2030. The exercise is designed for procurement planning: it makes the growth assumption visible and allows the reader to replace it. It is not a probability-weighted forecast or an official outlook.

EXHIBIT 5 / Illustrative coal-volume index pathways



Enalyt scenario: index_t=100 x(1+growth)^years. These are assumed pathways, not forecasts derived from an econometric model.

In a low-growth case, coal tonnage may be relatively flat while peak-hour system dependence remains material. Lower annual volume does not automatically remove the need for prompt dispatch, especially if plant operations become more variable. In a higher-growth case, mine capacity, quality and logistics all need to be tested; one aggregate supply-growth assumption is insufficient.

The procurement response should depend on the exposure that changes. A short-lead domestic buyer may prefer contractual flexibility if its production cycle is volatile. A long-route consumer may value confirmed transport and buffer stock more than a marginal price discount. A company exposed to imported metallurgical coal should maintain a separate currency and grade-risk dashboard even if thermal import dependence is falling.

The signals that would change this assessment are identifiable: sustained changes in plant burn, reliable route-level delivery improvements, the commissioning and actual throughput of processing infrastructure, and qualified substitution at industrial consumers. Monitoring these signals is more defensible than repeatedly revising a headline price target without a disclosed model.

08 / A 90-day agenda for procurement and strategy teams

The first month should establish a common data dictionary. Reconcile fiscal years, coal versus lignite, production versus dispatch, mine ownership categories, customs categories, plant receipts and stocks. Record source publication dates separately from observation dates. Assign an owner to each recurring series and require explicit sign-off when a definition changes. This work is unglamorous, but it prevents false alerts and unearned conclusions.

The second month should connect contract economics to operations. Build a delivered-heat comparison for each material supply lane, using actual quality and current commercial offers. Reconcile cash taxes, recoverable taxes, credit terms and transportation responsibilities with the finance team. Add a stock-days bridge on both actual and normative bases and show how different operating schedules change cover.

The third month should stress the portfolio. Test a delayed rake, a quality downgrade, a currency movement, an imported cargo disruption and a change in process demand. Identify which exposures occur together. Document the

procurement alternatives that remain operationally available and the lead time needed to activate them. Resilience only has value when the alternative can actually be executed.

- For procurement heads: approve source-route-quality alternatives, not just a supplier shortlist.

- For operations: reconcile usable inventory with the production schedule and quality restrictions.

- For finance: track delivered-cost sensitivities, working capital and foreign-currency exposure separately.

- For strategy: distinguish structural substitution from temporary stock or dispatch effects.

The resulting database should produce an audit trail from each management conclusion back to a dated observation or a clearly stated assumption. That is the foundation for recurring market intelligence: a repeatable decision process rather than a larger collection of disconnected charts.

METHOD & LIMITATIONS

The evidence behind the analysis

This report combines public Government of India coal, trade, infrastructure and fuel-stock disclosures accessed on 15 November 2026. It preserves the boundary of each series: national coal output, all-coal customs imports, thermal-plant imports and infrastructure handling capacity are not interchangeable. The fiscal years shown are the underlying data periods, not the publication year. Percentage changes are calculated from rounded source values. The delivered-cost model is a transparent analyst-selected scenario, with no assertion that its fuel prices, exchange rate, heat rate or logistics inputs represent current executable offers. It excludes taxes, quality penalties, losses, financing and non-fuel costs unless specifically shown. Stock calculations use stated capacity, PLF, heat rate and calorific value; normative and actual-burn denominators are distinguished. The index pathways are sensitivities using assumed growth rates, with no assigned probabilities. The report does not estimate a complete national supply-demand balance, validate individual coal offers or establish engineering suitability. Plant-specific information and subsequent official amendments can materially change the conclusions.

The downloadable evidence tables and online edition accompany this report. Original public-source rights remain with their respective owners. This is research for evaluation and internal discussion, not a live price feed, an audited forecast or an executable commercial offer.

Source register

S1 / Production and supplies: coal imports by category

Ministry of Coal | FY 2024-25 and FY 2025-26; page accessed 15 November 2026 | Accessed 2026-11-15

https://www.coal.gov.in/major-statistics/production-and-supplies

The page combines several publication vintages; use the annual import table, not its older April-November production panel.

S2 / Commercial Coal Mining: Fuelling India's Journey Towards Aatmanirbhar Bharat

Ministry of Coal / PIB | 2 August 2026; FY 2025-26 results | Accessed 2026-11-15

https://www.pib.gov.in/PressReleasePage.aspx?PRID=2293366&lang=1&reg=3

S3 / Coal grades

Ministry of Coal | Official grading definitions; page last updated 6 October 2026 | Accessed 2026-11-15

https://www.coal.nic.in/index.php/major-statistics/coal-grades

S4 / Decline in coal imports

Ministry of Coal / PIB | 27 July 2026; FY 2025-26 thermal-plant imports | Accessed 2026-11-15

https://www.pib.gov.in/PressReleasePage.aspx?PRID=2289973&lang=1&reg=3

S5 / First mile connectivity and coal logistics infrastructure

Ministry of Coal / PIB | 20 July 2026 | Accessed 2026-11-15

https://www.pib.gov.in/PressReleasePage.aspx?PRID=2286593&lang=1&reg=6

Infrastructure capacities are commissioned/planned handling capacities, not coal output.

S6 / Year End Review 2021: revised coal stocking norms

Ministry of Power / PIB | 2021 policy baseline; norms issued 6 December 2021 | Accessed 2026-11-15

https://www.pib.gov.in/newsite/PrintRelease.aspx?lang=2&reg=48&relid=229178

Historical normative framework; readers must verify subsequent amendments and plant-specific applicability.

S7 / Government notifies coking coal as critical and strategic mineral

Ministry of Coal / PIB | 29 January 2026 | Accessed 2026-11-15

https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219947&lang=1&noshow=1&reg=3

S8 / Coal availability for thermal plants

Ministry of Power / PIB | 20 July 2026; stock observation 12 July 2026 | Accessed 2026-11-15

https://www.pib.gov.in/PressReleasePage.aspx?PRID=2286557&lang=1&reg=3

A historical snapshot, not the live plant-stock position.