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45 Coal-Fired Power Plants Running on Critically Low Fuel Stocks

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Every fact web-verified against primary sources

> *Government data as of* **August 25, 2026**, *reported on August 27, shows* **45 coal-fired power plants** *operating with* **critically low coal inventories**, *up sharply from* **31 at the end of July**. *Of these,* **40** *are domestic-coal-fired.*

WHAT "CRITICAL" MEANS

The definition is precise and examinable:

> *A plant's coal stock is when inventory falls* **below 25 per cent of the required level**, *or when it holds* **under three days' worth** *of generation.*

INDICATOR	POSITION
Plants at critical stock, August 25	45 (40 domestic-coal-fired)
Plants at critical stock, end-July	31
Aggregate coal stock at power plants	30.95 million tonnes
Days of requirement covered	About 10 days, down from 12 in July
Drawdown from end-July	About 19 per cent

WHY STOCKS FELL

The proximate cause is **heavy rainfall in Odisha, Jharkhand and Chhattisgarh**, the three states at the core of India's coal belt. Monsoon rain affects coal supply through two distinct channels that are worth separating:

Production. Open-cast mining, which accounts for the large majority of Indian coal output, floods. Pit water must be pumped out, benches become unstable, and heavy earth-moving equipment cannot operate on saturated ground.

Evacuation. Even coal already mined must reach the plant. Wet coal is heavier and sticks in wagons, rail formations are vulnerable to waterlogging, and rake availability is the binding constraint in normal times, let alone disrupted ones.

Note that the wire copy attributes the elevated demand to hotter-than-usual weather, and reports that India is headed for its **weakest monsoon since 2009**, with the uneven rainfall described as **El Nino-linked**. That attribution belongs to the source rather than being an established fact, and should be reported as such.

THE INSTITUTIONAL LANDSCAPE

BODY	ROLE
Coal India Limited (CIL)	Maharatna CPSE under the Ministry of Coal; the world's largest coal producer
Singareni Collieries Company Limited (SCCL)	Joint venture between the Government of Telangana and the Centre
Central Electricity Authority (CEA)	Publishes the daily coal-stock monitoring reports on which this data rests
Ministry of Coal	Policy and allocation

Policy Instruments

INSTRUMENT	CONTENT
SHAKTI	Scheme for Harnessing and Allocating Koyala Transparently in India, governing coal linkage auctions
Commercial coal mining	Opened to the private sector through auctions from **2020**
Coal Bearing Areas (Acquisition and Development) Act, 1957	Land acquisition for coal mining
Section 11, Electricity Act, 2003	Empowers the Government to direct a generating company to operate in extraordinary circumstances; used in past crises to compel imported-coal plants to run
PM Gati Shakti	Multi-modal connectivity planning, including dedicated coal evacuation corridors

CRITICAL ANALYSIS

Monsoon coal stress is structural, not episodic. It recurs annually because its causes are seasonal and predictable: mining slows in the rains, evacuation slows in the rains, and demand is elevated. A hazard that arrives every year on schedule is a planning problem. The instruments that would address it, **mine-mouth stocking ahead of the monsoon, rake availability guarantees and washery capacity**, are known and unbuilt.

Coal remains roughly three-quarters of India's electricity generation, which is the fact that makes this a macroeconomic story rather than a sectoral one. A supply squeeze transmits directly into load-shedding, industrial output and discom finances.

This sits in direct tension with the decarbonisation pathway, and the tension is genuine rather than rhetorical. India has met its 50 per cent non-fossil **capacity** target early, and still depends on coal for the majority of **generation**, because solar and wind have far lower capacity utilisation factors and do not generate at the evening peak. Coal security and climate commitments are both real obligations, and India is managing them simultaneously rather than choosing between them.

The genuine answer is storage and flexibility rather than more coal capacity. If the problem is that renewable generation does not coincide with demand, adding coal capacity solves it expensively and permanently, while **battery and pumped storage plus demand-side management** solve it in a way consistent with the transition. That is why the storage cost question matters so much to India's energy strategy.

Federal friction runs underneath all of it. State distribution company dues to generators, imported-coal blending mandates that raise costs, and the political difficulty of passing those costs to consumers together determine whether plants can afford to hold adequate stock in the first place. A plant short of coal is sometimes short of working capital.

UPSC RELEVANCE

GS Paper 3 (Economy and Infrastructure): Infrastructure, energy; growth and development; conservation and environment.

Prelims focus: The definition of critical stock as below 25 per cent of requirement or under three days; CEA as the publisher of daily coal-stock data; Coal India as a Maharatna CPSE; SHAKTI's full form; commercial coal mining opened in 2020; Section 11 of the Electricity Act, 2003; the leading coal-producing states.

Mains angle: Argue that India's coal problem is one of **logistics rather than of reserves**. India holds very large coal reserves and still runs short at plants, which locates the constraint in evacuation, rake availability and pre-monsoon stocking rather than in geology. That reframing changes the policy response from "mine more" to "move and store better".

Way forward: Mandate and audit **pre-monsoon stock build-up** at plants, since the shortage is seasonal and foreseeable; expand dedicated rail freight corridors and rake availability for coal under PM Gati Shakti; expand washery capacity to reduce the weight and ash content moved; accelerate storage and demand-side management so that peak demand does not rest solely on thermal availability; and resolve discom dues so that generators can finance adequate inventory.

FACTS CORNER — KNOWLEDGEPEDIA

THE DATA:

- 45 power plants at critically low coal stocks as of August 25, 2026; 40 of them domestic-coal-fired
- Up from 31 plants at end-July
- Aggregate stock 30.95 million tonnes, about 10 days of requirement, down from 12 days in July; a drawdown of about 19 per cent
- "Critical" means stock below 25 per cent of required inventory, or under three days' generation

CAUSE:

- Heavy rainfall in Odisha, Jharkhand and Chhattisgarh disrupting mining and rail evacuation, with elevated demand

INSTITUTIONS:

- Coal India Limited: Maharatna CPSE under the Ministry of Coal; the world's largest coal producer
- SCCL: Singareni Collieries, a Telangana-Centre joint venture
- Central Electricity Authority publishes daily coal-stock monitoring

POLICY INSTRUMENTS:

- SHAKTI: Scheme for Harnessing and Allocating Koyala Transparently in India
- Commercial coal mining auctions opened in 2020
- Coal Bearing Areas (Acquisition and Development) Act, 1957
- Section 11, Electricity Act, 2003: power to direct generating companies in extraordinary circumstances

OTHER RELEVANT FACTS:

- Coal accounts for roughly three-quarters of India's electricity generation
- Top coal-producing states: Chhattisgarh, Odisha, Jharkhand, Madhya Pradesh
- India met its 50 per cent non-fossil capacity target early; capacity share and generation share are different measures

Sources: Business Standard, Central Electricity Authority, Ministry of Coal

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