**Shining India dims**

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October 28, 2021

India stakes its claim of being a regional power with aspirations of becoming a global one. All such claims are based on the country’s economic muscle. The main lifeline for any country’s economic prosperity is based on its energy generation, availability and capacity in order to support the industrial sector and others for development. India’s desires have not matched its performance and wherewithal in this area.

Shining India has started to dim due to its impending power crisis. 70 percent of the country’s electric power is generated with coal, which has started to show strains due to severe shortages. India has the fourth largest coal reserves in the world. Nevertheless, 25 percent of the coal used in its power plants is imported. In fact, India is the second largest importer of coal after China. With a shortage of coal in the domestic and international markets as well as increasing coal prices globally, Indians are staring at a major power crisis.

['Thats hilarious', Shoaib Akhtar responds to PTV's statement about off-airing him](https://nation.com.pk/28-Oct-2021/thats-hilarious-shoaib-akhtar-responds-to-ptv-s-statement-about-off-airing-him)

This situation has arisen because of the revival of economic activity after the slowdown caused by COVID-19 and increasing demand in domestic and industrial sectors. The major players in the coal business never expected that the markets would bounce back so quickly to post-COVID revival and cause a gap between supply and demand. Additionally, a delayed monsoon has slowed down the mining process from its domestic supplies due to flooding and poor administration.

High coal costs have especially hit the Indian power sector adversely. India’s chosen coal provider from its neighbourhood, Indonesia raised prices as high as US$ 200 per tonne in September 2021, which was US$ 60 in March 2021. Australian Newcastle coal prices have risen by 250 percent between September 2020 to September 2021. China and western countries are also buying and exploring new options of coal markets due to the global energy crisis. They can afford to buy coal at steeper prices as compared to India. Unfortunately for India, buying is not easy. The Chinese buy 50 percent of the world’s coal and at better prices from the sellers.

[Assange defense insists suicide risk persists If WikiLeaks founder extradited to US](https://nation.com.pk/28-Oct-2021/assange-defense-insists-suicide-risk-persists-if-wikileaks-founder-extradited-to-us)

India meets 75 percent of its coal demand from its domestic sector and 25 percent from imports. Due to a shortage of coal, 13 thermal plants were shut down, six in Maharashtra, four in Kerala, and three in Punjab. The National Thermal Power Corporation (NTPC)—the largest thermal power generating company in India—adopted measures to cap its production to 55 percent per day to keep its stocks at decent levels by curtailing its output.

There was a myth of surplus power in India. The present crisis has shattered it. Other than coal-run plants facing issues, approximately 25 GW of gas-run facilities are lying idle due to the very high cost of gas.

The power situation in India is being seen as a ‘perfect storm’ by analysts, meaning nothing is working well to help improve the situation immediately. There are aspersions that the politically supported coal mafia is benefitting from the prevailing crisis—the longer the crisis, the more benefits for the middlemen.

[Abdul Quddus Bizenjo stands unopposed to become new CM of Balochistan](https://nation.com.pk/28-Oct-2021/abdul-quddus-bizenjo-stands-unopposed-to-become-new-cm-of-balochistan)

An impending global coal shortage in the power sector was always predicted. Coal is not a product which can be purchased off the shelf. Therefore, orders need to be placed so that the supply chain follows its course, thereby meaning a time lag which the Indian government did not anticipate.

The Indian power sector could not have imagined a worse nightmare, when most of the states are breathing down the government’s neck demanding that it fix their energy shortfalls. Most state governments are telling their consumers to cut down on the utilisation of power, suggesting low consumption during peak hours. Some have even announced power cuts to aggressively manage the crunch. The most affected states include Punjab, Rajasthan, Kerala, Gujarat, Tamil Nadu, Bangalore, and to some extent, Delhi too.

While the Indian government has been claiming that it has ‘ample coal’ available for power generation, the data and situation on-ground appears to be otherwise. Such pressure is likely to force the Indian government to run all its coal-fired power plants (and others) to sustain domestic demand. With a large number of coal-run plants in operation, India’s emissions reduction target will also be tested. It has purported to reduce its carbon emissions by 33 percent till 2030 and achieve 40 percent renewable energy capacity.

[PTV takes Nauman Niaz, Shoaib Akhtar off-air for embroiling in spat on live show](https://nation.com.pk/28-Oct-2021/ptv-takes-nauman-niaz-shoaib-akhtar-off-air-for-embroiling-in-spat-on-live-show)

Indian consumers will face power cuts and price hikes in their energy bills in the coming days and months. To meet demand as well as overheads of poor government planning and mismanagement will be diverted on the consumers. There were also some jolts to the Indian stock market recently due to red flags in the power sector. How the financial impacts hit India due to energy generation problems—time will tell. As of now, the situation remains precarious and looks likely to continue for a minimum of six months and beyond. The common man in India will continue to face the wrath of mismanagement and political machinations of the BJP government in the power sector.