

are examined from the point of view of eligibility of subsidy on a case to case basis within the limits of the budget.

The existing guidelines provide for reimbursement upto 75% of the cost of protective works, 35% of cost of sand stowing and 50% of the cost of construction of roads, while the balance cost has to be borne by the concerned coal company and in some cases of road construction by the concerned State Government as well.

(c) For the year 1996-97 the following budget provision alongwith anticipated expenditure is given below:

(Rs. in crores)

		Budget provision	Anticipated expenditure
1.	Conservation including stowing	50.00	50.00
2.	Development of transport infrastructure in coalfield areas	50.00	50.00

Pact on Coal signed between India and U.K.

1499. DR. D. VENKATESHWAR RAO: Will the Minister of COAL be pleased to state:

- whether India and U.K. signed a pact on coal recently;
- if so, the details thereof; and
- the benefits India is likely to get out of the pact?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) and (b) Yes, Sir. A Memorandum of Understanding between Govt. of India and United Kingdom of Great Britain and Northern Ireland was signed on 11th Jan., 1997 for launching an Indo-British Coal Forum. The broad objective of launching the coal forum is to broaden the scope of cooperation between coal related industries of

the two countries through the creation of a productive partnership for peaceful purposes and for mutual benefit.

(c) India is likely to be benefited from cooperative activities under this Memorandum of Understanding as given below:

- Meeting of various forms, such as those of experts, the discuss and exchange information on relevant coal related project.
- Sharing information on each other's plans, capabilities and needs;
- Identifying suitable mining and related projects for cooperation;
- Identifying and exploring ways of introducing appropriate technology and efficient management practice into Indian coal mining and related industries;
- Examining and identifying suitable methods of financing;
- Exploring the possibilities of the industries of the two countries working together in third countries; and
- Cooperating in the field of skills development and training;
- Other forms of cooperative activities as may be mutually agreed.

Allocation of Coal Mines lease to Private Sector

1500. SHRI AKHILESH DAS: Will the Minister of COAL be pleased to state:

- whether Government have clearly defined for acquiring mining lease of coal mining operation to private sector;
- the number of domestic and foreign companies who have so far been allocated coal blocks and whether terms and conditions have been specified to them; and
- if so, the details in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) The detailed

procedure for obtaining mining lease for coal mining is governed by the provisions contained in the Mines & Minerals (Regulation & Development) Act, 1957 and the Mineral Concession Rules, 1960, read with the Coal Mines (Nationalisation) Act, 1973. These provisions apply equally to the private sector and the public sector.

(b) and (c) So far 19 Indian parties only, including both private companies and public sector undertaking/ organisations (other than Coal India Ltd. and its subsidiaries and Singareni Collieries Company Ltd. and the State Government Undertakings) have been identified.

The conditions governing offer of coal blocks to various parties for captive consumption, inter alia, include:—

(a) The parties have to bear full cost of exploration in the blocks offered to them respectively.

(b) the parties have to obtain the approval of the Central Government in their mining plans under the mines and Minerals (Regulation & Development) Act, 1957 and will be subject to the inspection and enforcement of the Coal Mines (Conservation & Development) Act, 1974 and enforcement of safety regulations by DGMS and the other laws.

(c) That the Coal produced by them will be utilised only for their-own consumption.

Privatisation of coal mines

1501. SHRIMATI URMILABEN CHIMANBHAI PATEL: Will the Minister of COAL be pleased to state:

(a) whether there is any move by Government to privatise coal mines;

(b) if so, whether the rules and regulations for the tender bids have been finalised; and

(c) if so, whether it allows 100% equity for foreign companies?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) The Government have, subject to legislative changes, decided to offer new coal blocks to the Indian Companies including public sector companies on the basis of competitive bidding.

(b) The rules and regulations for such bidding are under consideration in consultation with Ministries of Mines and Law.

(c) Foreign companies will not be allowed to participate in the competitive bidding.

Development of coal sector

1502. SHRI SATISH PRADHAN: Will the Minister of COAL be pleased to state:

(a) whether a substantial investment is called for in coal sector to meet the accelerated demand of coal by industrial and power sector;

(b) if so, the actual investment made during the last five years and details of steps taken/proposed to ensure adequate flow of investment in coal sector;

(c) whether Government are considering changes/amendment in Coal Mines Nationalisation Act and the Mines and Minerals Regulations Act,

(d) if so, details thereof; and

(c) the package of incentives finalised to encourage private investment in coal sector and number of blocks identified for fresh private investment, details thereof.'

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) Yes, Sir.