

93% in 2030 considering economic growth and crude oil supply in the country. Currently, natural gas production from the block KG-DWN-98/3 is about 31 MMSCMD, which accounts for 25% of total natural gas production of the country. Crude oil production is of the order of 13500 barrels per day (0.67 MMT per annum), which is about 1.9% of the total crude oil production of the country. On achieving peak production of 80 MMSCMD from this block, natural gas production of the country would double as compared to the production during 2008-09. Crude oil production from this block would reduce the import bill to the extent of oil production from the block and natural gas production would reduce the existing demand.

Auction of coal blocks for captive mines

*330.SHRI N.K. SINGH:

SHRIMATI SHOBHANA BHARTIA:

Will the Minister of COAL be pleased to state:

(a) whether various apex bodies of miners have strongly opposed Government's move to auction coal blocks for captive mining;

(b) if so, the details thereof;

(c) whether auctioning of coal blocks is illogical, which would increase the cost of coal in the country;

(d) if so, whether Government proposes to adopt any other policy, rather than auctioning of coal blocks for captive mining; and

(e) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI SRIPRAKASH JAISWAL): (a) and (b) Allocation of coal blocks through auction by competitive bidding would be the most transparent and objective process. There has been no strong opposition to it. However, during an interaction with the stakeholders such as industrial and business associations, some reservations were expressed, which were, *inter-alia*, as follows:-

(i) It will add to the cost of coal and will lead to increased price of end products.

(ii) There will be discrimination between the existing allocatees and the future allocatees.

(iii) There will be discrimination between the future allocatees and CIL/SCCL, who will continue to have blocks without the associated cost of competitive bidding.

(iv) The three permitted sectors for captive mining cannot be treated equally. While steel and cement sectors produce commodities, power sector is a utility and operates in a regulated environment. The power sector, therefore, cannot pay a higher price that the steel and the cement sector can afford to. Further, they differ in their scales of investment and priority in the economy. Viewed in this context, competitive bidding would lead to a sectoral imbalance.

(v) Steel, Cement and sponge iron need higher grades of coal with some specific properties, whereas power sector can use any kind of coal. Use of higher grade coal for power sector through competitive bidding will lead to sub-optimal use of higher grade coal.

(vi) The techno economic feasibility and viability of those projects that were planned on the basis of existing procedure and have since progressed substantially will be adversely affected in case of change in the selection process midstream.

(vii) Competitive bidding should be based on technical and physical parameters and not on financial parameters.

These issues were considered and addressed by the Government. Recently similar observations have been received from the Federation of Indian Mineral Industries (FIMI).

(c) No, Sir. Impact on the cost of production of coal is estimated to be only marginal as the bidding would be driven by rational market behaviour.

(d) and (e) Do not arise in view of the reply given at (c) above.

Simultaneous elections for Lok Sabha and Vidhan Sabhas

*333.SHRI JAI PRAKASH NARAYAN SINGH: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether Government is considering the concept of simultaneous elections to Lok Sabha and Vidhan Sabhas, in order to save money and manpower;

(b) if not, the reasons therefor;

(c) whether Government would also consider to allow one person to contest for one Lok Sabha/Vidhan Sabha seat only; and

(d) if not, the reasons therefor?

THE MINISTER OF LAW AND JUSTICE (DR. M. VEERAPPA MOILY): (a) and (b) There is no such proposal under active consideration of the Government.

(c) and (d) The Election Commission of India from time to time makes recommendation in respect of the changes in the election laws. On the last occasion, in July, 2004 the Election Commission of India has sent a set of 22 proposals which *inter-alia* includes the proposal relating to restriction on the number of seats from which one may contest.

While the matter was under consideration with the Government, the Chairman, Rajya Sabha has referred the entire matter of electoral reforms (consisting of 22 proposals) to the Department Related Parliamentary Standing Committee on Personnel, Public Grievances, Law and Justice for examination and report. Presently, the matter is under consideration with the said Committee.