

Development of coking, non-coking coal mines in Maharashtra

1884. SHRI RAJKUMAR DHOOT : Will the Minister of COAL be pleased to state :

- (a) the details of steps taken by the Ministry and the Coal India Ltd. in developing coking and non-coking coal deposits and mines in Maharashtra; and
- (b) the results obtained therefrom?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL): (a) and (b) Coal India Limited is operating non-coking coal mines in Maharashtra through its subsidiary coal company Western Coalfields Limited (WCL). Out of the total geological reserves of 14.503 Billion Tonnes (BT) falling in WCL command area, 10.964 BT of reserves fall in Maharashtra. Out of total coal production of 39.003 Million Tonnes (MT) in 2012-13 from Maharashtra, the production from the mines of WCL has been 35.97 MT. Based on demand and supply position new areas are taken up for mining after completion of exploration and preparation of Geological Report and Project Report.

In addition to the mines of Coal India Limited, Govt. of India has allocated 22 coal blocks having about 876.882 MT of coal reserves of which 8 blocks have been deallocated. Out of 14 blocks of reserves 428.70 MT, 9 blocks of reserves of about 205.86 MT have commenced coal production and about 3.026 MT was the contribution from these blocks in 2012-13.

Monopoly of CIL in coal sector

1885. SHRI T.M. SELVAGANAPATHI: Will the Minister of COAL be pleased to state :

- (a) whether it is a fact that Government is considering more players in coal sector;
- (b) if so, the details thereof;
- (c) whether it is also a fact that the Coal India Ltd. monopoly on coal sector is forcing the escalation of cost of all other products; and
- (d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL): (a) and (b) To supplement the coal production in India, the Ministry of Coal has been allocating coal blocks for captive use to the companies engaged in Power, Cement, Iron and Steel, Coal To Liquid (CTL) sectors. The coal blocks have also been allocated to Government Companies for mining purposes. 12 coal blocks have also been allocated for setting up of Ultra Mega Power Projects (UMPP) as well as power projects based on tariff based bidding. Under the amended provisions of the Mines and Minerals (Development and Regulation) Act, 1957 the Government of India is authorized to select for the purpose of grant of mining rights in respect of area containing coal (i) through auction by competitive bidding to a company engaged in permitted end use activities; (ii) for allocation to Government Company; and (iii) to a company that has been awarded a power project on the basis of competitive bids for tariff.

Coal Block allocation is an on-going process and the Ministry of Coal has decided to allocate 14 coal blocks to Government Companies/Corporations/CPSU for end-use power and 03 coal blocks earmarked for mining end-use to State mining companies/corporations of Bihar, Jharkhand, Madhya Pradesh, Chhattisgarh and Odisha in the year 2013. Further, applications for 5 Lignite blocks for Power/ Mining/ Underground Coal Gasification (UCG) and 4 coal blocks for tariff based bidding for power have been called for from Government Company / Corporations.

(c) and (d) The pricing of the coal has been fully deregulated after the Colliery Controller Order, 2000 was notified with effect from 1st January, 2000 in suppression of the Colliery Control Order, 1945. The factors which determine the price of coal decided by the Coal India Limited (CIL) *inter-alia* include general increase in price of commodities in the market leading to increase in the cost of inputs in the production of coal, capacity of the company to absorb the increase in cost, impact of revision in wages of non-executive employees and revision in pay of executives as per Government guidelines as and when such revision takes place, need for capital investment in new projects and modernization of existing mines to augment coal production to bridge the demand supply gap.

As per the present policy followed by CIL in case of regulated sectors like power, fertilizer etc., the price offered is thirty five per cent less than the price of coal for non-regulated sectors.