GOVERNMENT OF INDIA MINISTRY OF COAL LOK SABHA UNSTARRED QUESTION NO.651 TO BE ANSWERED ON 06.02.2019

Fuel Supply Agreement

651.DR. SHRIKANT EKNATH SHINDE: SHRI SHRIRANG APPA BARNE: SHRI ADHALRAO PATIL SHIVAJIRAO: SHRI ANANDRAO ADSUL: SHRI VINAYAK BHAURAO RAUT:

Will the Minister of COAL be pleased to state:

- (a) whether the average price realizations of coal sold by Coal India through the fuel-supply agreement (FSA) route fell 3.4% quarter-on-quarter and if so, the details thereof:
- (b) whether Coal India may miss out on meeting its production target of 600 million tonnes in 2017-18, going by the production pattern during the first nine months of the year 2017;
- (c) the production target for the year 2017 given to the Coal India Limited;
- (d) the extent to which it has been achieved; and
- (e) the steps taken by the Union Government to achieve the target?

ANSWER

MINISTER OF RAILWAYS, COAL, FINANCE AND CORPORATE AFFAIRS (SHRI PIYUSH GOYAL)

(a): Average price realization of coal sold by Coal India Limited (CIL) through Fuel Supply Agreements (FSA) for the Quarters ended, June, 2018 and September, 2018. are as follows:

Quarters of 2018- 19	Quarter-1 (01.04. 2018 to 30.06.2018)	Quarter-2 (01.07.2018 to 30.09.2018)	Decrease %)	(in
Average Realization for FSA sales (in Rs/Tonne)	1,313	1,308	-0.382	

The sales realization per tonne may vary with the grade mix of quantity dispatched to regulated and non-regulated sectors, dispatch ratio of higher and lower grades of coal etc.

(b) to (e): As per the Annual Plan 2017-18, the production target of Coal India Limited (CIL) was fixed as 600 Million Tonnes (MT). CIL produced 567.36 MT which was 94.6% of the target. During April-December, 2017, CIL produced 383.93 MT

which was a growth of 1.6% over the production of 377.77 MT in the corresponding period of 2016-17. Owing to the less demand of coal from January, 2017 to July, 2017 which had resulted into accumulation of coal stock in the pithead of CIL, the production had to be restricted in the early part of 2017-18. However, the offtake of coal has registered a growth of 8% during April, 2017 to December, 2017 over the corresponding period of 2016-17. The measures taken to increase the domestic production include expediting Environment Clearances & Forest Clearances, pursuing with the concerned State Governments for assistance in land acquisition and coordinating with Railways for movement of coal. A road map has been prepared by CIL to substantially enhance production by capacity addition from new projects, use of mass production technologies and identification of existing ongoing projects with growth potential.

The all India raw coal production has increased from 565.77 MT in 2013-14 to 676.48 MT in 2017-18. Absolute increase in all India coal production from 2013-14 to 2017-18 (four years) is 110.71 MT as compared to increase of coal production of 33.73 MT from 2009-10 to 2013-14 (four years).

Coal India Limited (CIL) has also increased its production from 462.41 MT in 2013-14 to 567.36 MT in 2017-18 (four years), an absolute increase of 105 MT as compared to increase of coal production of 31.15 MT between 2009-10 and 2013-14 (four years).

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