

Government of India

Ministry of Coal

Lok Sabha

Unstarred Question No. 334

To be answered on 25.02.2016

334. SHRI DALPAT SINGH PARASTE:

SHRI R. DHRUVA NARAYANA:

Will the Minister of COAL be pleased to state:

- (a) whether the Union Government plans to open the coal sector for commercial mining by the Central and State Public Sector Undertakings (PSUs);
- (b) if so, the details thereof;
- (c) the details of the coal blocks identified for allotment to Central and State PSUs for the said purpose;
- (d) the expected growth in the production of coal after such allocation of coal blocks; and
- (e) the likely impact on the price and import of coal due to commercial mining?

ANSWER

**MINISTER OF STATE (I/C) FOR COAL, POWER, NEW & RENEWABLE ENERGY
(SHRI PIYUSH GOYAL)**

(a) & (b): In order to augment production of coal to bridge the gap between demand and supply of coal in the country as well as to meet the requirement of medium, small and micro enterprises, the Government is considering allotment of coal mines to Central/State Public Sector Undertakings (PSUs) for sale of coal under the provisions of the Coal Mines (Special Provisions) Act, 2015 and the Rules made thereunder. The Government has approved the methodology for fixing Upfront Payment & Reserve Price for such allotment.

(c): The identification of coal mines for allotment to the PSUs for sale of coal is under progress.

(d): As the mines are yet to be identified and allotment is yet to be made, the expected growth in production after such allotment cannot be estimated at present.

(e): Allotment of coal mines for sale of coal would result in enhanced production and availability of domestic coal in the country and is expected to reduce import of coal. Further, such allotment may result in healthy competition in the coal sector and thus, may lead to competitive price of coal in the country.
