

**GOVERNMENT OF INDIA
COAL AND MINES
LOK SABHA**

UNSTARRED QUESTION NO:212
ANSWERED ON:19.11.2001
PROMOTION OF ANCILLARY UNITS
SUBODH MOHITE

Will the Minister of COAL AND MINES be pleased to state:

- (a) whether the Western Coalfields Limited (WCL) propose to promote more ancillary units as recommended in recent report on Development of Vidarbha;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor;
- (d) whether any strategy has been formulated to attract private investment in mining and distribution of coal by WCL; and
- (e) if so, the details thereof ?

Answer

MINISTER OF STATE FOR COAL AND MINES (SHRI RAVI SHANKAR PRASAD)

(a) & (b) :Yes, Sir. Western Coalfields Limited has been constantly pursuing programme for development of ancillary units. The details of the ancillary units in existence and proposed to be taken are given below:

- i) Number of ancillary units - 26
- ii) No. of items identified for ancillarisation for additional units - 21
- iii) Anticipated annual offtake of items as per
(ii) above - Rs.845 lakhs

(c) : Does not arise in view of reply given in parts (a) & (b) above.

(d) & (e): The Central Government deals with the policy matters relating to attracting private investment in the field of mining and distribution of coal. In order to attract more private investment in coal mining sector the Government has introduced Coal Mines (Nationalisation)Amendment Bill, 2000, in Rajya Sabha to allow private investments in coal industry. The Bill has been introduced with the following objectives :-

- i) To allow the Indian companies to mine coal and lignite in the country without the existing restriction of captive mining. In other words, the objective is to allow the Indian companies in public and private sector to mine coal and lignite and also allow them to sell off coal and lignite in the country.
- ii) To allow the Indian companies in the public and private sector to be engaged in exploration of coal and lignite resources in the country.