

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

UNSTARRED QUESTION NO:6947  
ANSWERED ON:13.05.2002  
INTRODUCTION OF REGULATORY MECHANISM  
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**Will the Minister of COAL AND MINES be pleased to state:**

- (a) whether the Government propose to introduce a regulatory mechanism for coal sector to monitor prices and competitive bidding procedures, etc.;
- (b) if so, the details thereof; and (
- (c) if not, the reasons therefor ?

**Answer**

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

(a) to (c) : In the context of Government's decision to open up the coal mining sector to private investment, it was decided in 1997 that an Independent Body maybe set up to perform the functions of monitoring and processing the proposals for exploration of coal and lignite in the country and allotment of new coal and lignite blocks to Indian companies both in public and private sector, on the basis of competitive bidding. As the proposal was conceived in the context of the amendment to the Coal Mines (Nationalisation) Act, 1973, requisite action in the matter could be taken only after the Coal Mines ( Nationalisation) Amendment Bill, 2000 is enacted by the Parliament. A regulatory body to resolve coal price disputes between the producers and consumers, is felt to be inconsistent with the frame-work of the deregulated pricing.