

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:1059
ANSWERED ON:09.12.2003
COAL MINING BY STATE PUBLIC SECTOR UNDERTAKINGS
GANTA SRINIVASA RAO

Will the Minister of COAL be pleased to state:

- (a) whether the Union Government has decided to allow State Public Sector Undertakings to take up coal mining outside their state boundaries and sell it in the open market anywhere;
- (b) if so, whether the States having no substantial coal reserves can actually set up their own coal reserves producing entities and start operation in coal rich states such as Andhra Pradesh; and
- (c) if so, the details thereof?

Answer

MINISTER OF STATE FOR COAL (SHRI PRAHLAD SINGH PATEL)

(a) to (c) : In 1979 the Union Government took a decision that State Government Undertakings can carry out coal mining operations of non-coking coal in opencast mines in isolated small pockets. This policy was further liberalised in 2001 by allowing the State Government Undertakings to mine coal without the existing restriction of working the non-coking reserve by opencast method in isolated small pockets alone. Coal mining operations can be carried out by a State Government Undertaking authorised to do coal mining under its Memorandum and Articles of Association, any where in the country and the coal so extracted can be sold in the open market.