

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:3234

ANSWERED ON:14.12.2005

CANCELLATION OF COAL LICENCES

Adhalrao Patil Shri Shivaji;Adsul Shri Anandrao Vithoba;Rao Shri Sambasiva Rayapati;Verma Shri Ravi Prakash

Will the Minister of COAL be pleased to state:

- (a) whether the Government has cancelled the licences issued to public and private power utilities for exploration and production of coal;
- (b) if so, the reasons therefore alongwith its impact on NTPC;
- (c) the steps taken or proposed to be taken to meet the requirements of the coal in the country;
- (d) the quantum of coal likely to be imported during 2006-07 ; and
- (e) the steps taken or proposed to be taken to overcome shortage of coal and reduce import thereof in the country?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYANA RAO)

(a) & (b): No, Sir. The Government has not cancelled prospecting licences or mining leases granted to any public or private power utilities, except for one case where the mining lease granted to a private company, namely, M/s Central Collieries Company Ltd., over Takli-Jena-Bellora (South) block has been cancelled for violation of the condition of captive use of coal mined from the leased area in their power plant. The cancellation of lease is not connected with NTPC and hence the question of any impact thereof on NTPC does not arise.

(c): The estimated total demand of raw coal of 445.65 million tonnes in 2005-06 on all India basis is planned to be met by domestic supply of 406.48 million tonnes, which includes all India domestic production of 405.38 million tonnes and stock liquidation of 1.10 million tonnes from GIL sources. This leaves a gap of 39.17 million tonnes. With proposed import of 31.39 million tonnes (23.89 million tonnes of coking and 7.50 million tonnes of non-coking coal) a gap of 7.73 million tonnes still persists. In view of the gap between demand and supply of indigenous coal, Government has already taken a decision to import 13.45 million tonnes coal to Power Utilities during 2005-06.

(d): As per the assessment of the Planning Commission, the amount of coal likely to be imported during the year 2006-07 is 46.62 million tonnes.

(e): The Planning Commission has assessed a demand of 473.18 million tonnes of coal for the year 2006-07. Against this demand, a supply plan of 426.56 million tonnes has been made from indigenous sources, which leaves a gap of 46.62 million tonnes. It is envisaged in the plan to import 24.19 million tonnes of coking coal for steel sector and 22.43 million tonnes of non-coking coal for Power, Cement and other sectors to overcome the shortage of coal.