

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

UNSTARRED QUESTION NO:3541
ANSWERED ON:20.08.2004
RATE AND ROYALTY OF COAL IN MADHYA PRADESH
Gehlot Shri Thaawar Chand

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

- (a) Whether there has been any change in supply of coal against its fixed quota as also in its rate, royalty etc. in respect of Madhya Pradesh in 2004;
- (b) If so, the dates on which these changes have been made and the modalities adopted for this purpose alongwith details;
- (c) The reasons therefor and whether similar changes have been made for any other State; and
- (d) If so, the details thereof and if not, the reasons why such changes have been made only for Madhya Pradesh?

Answer

THE MINISTER OF STATE FOR COAL & MINES (DR. DASARI NARAYANA RAO)

(a): Supply of coal is not being made on the basis of fixed quota state-wise. Supply of coal to the various states are made on the basis of the demand from the various coal consuming sectors. There is no change in respect of the rate of royalty payable to Madhya Pradesh on account of coal supplies. However, Coal India Limited revised the price of coal from 16.6.2004.

(b)&(c): The coal price was revised effective from 16.6.2004 for the various grades of coal by Coal India Limited(CIL). CIL from time to time revises the price of coal on the basis of the following consideration:

- i) Increase in the price of cost of inputs for production of coal
- ii) Acceptability of coal price in the market and its impacts on cost of power generation and of steel.
- iii) Demand and supply scenario
- iv) Landed cost of imported coal

The revision in coal prices is applicable to all the states in India,

(d) : Does not arise in view of reply to (b)&(c) above.