

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:1557

ANSWERED ON:10.12.2008

IMPORT OF COAL

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Will the Minister of COAL be pleased to state:

- (a) whether the Coal India proposes to import coal as reported in the Hindu dated 06 September,2008;
- (b) if so,the details thereof and the reasons therefor along with the quantity of coal imported during the last three years and the current year country-wise;
- (c) the cost of imported coal as compared to indigenously produce coal;and
- (d) the steps taken by the Coal India to boost its production?

Answer

MINISTER OF STATE IN THE MINISTRY OF COAL(SHRI SANTOSH BAGRODIA)

(a)&(b): During the meeting convened in Planning Commission in September,2008,inter-alia, the position relating to supply of coal to power utilities during 2008-09 having regard to projected demand of power utilitiesandsupply of coal from various sources including planned import was discussed and it was decided that in order to meet the power generation target and to have some cushion in coal supplies,additional 11 million tonnes need to be imported,out of which Coal India Limited (CIL) was advised to import 4 million tonnes.Coal India Limited(CIL) Board has approved import of 4 million tonnes of coal by CIL for power utilities during November 2008-March,2009.

CIL did not import any coal during the past including last three years.During 2008-09,4 million tonnes is proposed to be imported and the modalities are being worked out by CIL in consultation with concerned agencies.

(c): The cost of imported coal depends on various factors like International demand, availability,location of consumer etc.By and large,at present,the cost of imported coal is higher than the cost of indigenous coal,on a comparable basis, except in some specific coastal based locations.

(d): The following steps have been taken by Coal India Limited to increase production:-

(i) procurement action has been initiated for high capacity shovel and dumpers in opencast mines.

(ii) Locations have been identified for mechanization inunderground mines.

(iii) Standard Notice Inviting Tenders (NITs) are being procured to avoid delay in finalization of tenders for procurement of equipments and major development activities.

(iv) 18 projects have been approved in 2007-08 for an ultimate capacity increase of 66.36 million tonnes per year.