

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:336
ANSWERED ON:10.11.2010
REFORMS IN COAL MINING
Khaire Shri Chandrakant Bhaurao

Will the Minister of COAL be pleased to state:

- (a) whether the Government is considering to bring radical reforms in the coal mining;
- (b) if so, the details thereof;
- (c) whether the Government proposes to involve private and foreign investors in coal mining to enhance the production capacity in the country;
- (d) if so, the details thereof; and
- (e) the current status of implementation of the said reforms in the coal mining in the country?

Answer

MINISTER OF STATE (IC) IN THE MINISTRY OF COAL AND MINISTER OF STATE (IC) IN THE MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION (SHRI SRIPRAKASH JAISWAL)

(a) & (b): Yes, Sir. The Government had constituted an Expert Committee under the Chairmanship of Shri T.L. Shankar to suggest measures to reform the coal sector. The Committee has submitted Part-I and Part-II of the report. The details of recommendations contained in these reports and action taken by the Government thereon is given in the Annexure.

(c) to (e): Yes, Sir. Captive mining of coal is now permissible by private companies engaged in generation of power, production of iron and steel, production of cement, coal gasification and coal liquefaction and such other specified end uses as may be notified by the Government from time to time. As far as foreign direct investment (FDI) in coal sector is concerned, 100% FDI under the automatic route is allowed by the Government. Besides, the Coal Mines (Nationalization) Amendment Bill 2000 was introduced in Rajya Sabha in April, 2000, which seeks to permit private participation in coal mining, without the existing restriction of captive use, in order to augment coal production in the country. A new Group of Minister (GOM) under the Chairmanship of Hon'ble Finance Minister has been set up to consider issues related to Coal Mines (Nationalization) Bill, 2000. The GOM will make specified recommendation on policy measures in exploration and mining of coal, including the issues relating to pursuing the said Bill.