

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:2089
ANSWERED ON:09.03.2011
PRICES OF COAL
Rawat Shri Ashok Kumar

Will the Minister of COAL be pleased to state:

- (a) whether the Government has decontrolled the prices of coal extracted by Coal India Limited (CIL) and its subsidiary companies;
- (b) if so, the details thereof and the manner in which consumers' interests are likely to be protected as a result thereof; and
- (c) the extent to which State Governments are likely to be benefited from the enhanced prices?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL)

(a) & (b): Yes Sir. The price of coal has been fully deregulated w.e.f. 1.1.2000. Since the coal pricing is deregulated, Coal companies are fixing the price of coal themselves from time to time on the basis of market forces like the demand of coal, increase in the input of cost for producing coal and change in the landed price of the imported coal.

(c): The coal bearing State Governments are benefiting from the enhanced prices as increase in price of the coal leads to the increase in royalty. The royalty paid by the Coal India Limited and its subsidiary companies has increased to Rs.4599.24 crore in 2009-10 from Rs.1897.78 crore in 2000-01