

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:4530

ANSWERED ON:21.12.2011

SHORTAGE IN PRODUCTION OF COAL

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Will the Minister of COAL be pleased to state:

- (a) the growth rate in percentage term fixed for production of coal during the Eleventh Five Year Plan vis-à-vis the growth rate achieved so far alongwith the reasons for shortfall, if any;
- (b) the details of coal imported/proposed to be imported during the current financial year alongwith the reasons therefor;
- (c) whether there is a mismatch in the rate of coal production and demand growth in the country and the gap between demand and supply of coal is likely to increase in the next few years;
- (d) if so, the details thereof;
- (e) whether the target fixed for coal production for 2011-12 is unlikely to be met;
- (f) if so, the details thereof and the reasons therefor; and
- (g) the measures being taken to improve the performance of the coal sector?

Answer

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

(a): The initial growth (compounded average annual growth rate) of coal production envisaged at the time of formation of 11th Five Year Plan was 9.5% against the actual growth of 5.6% achieved in the 10th Plan. This was revised in the mid-term appraisal of 11th Plan to 7.8%. However, the growth in production during the first four years of the 11th Five Year Plan has been 5.4% only.

The main reasons for shortfall in achieving growth rate include delay in land acquisition, imposition of Comprehensive Environmental Pollution Index (CEPI) coupled with delay in environment & forestry clearance of major projects, R&R issues, inadequate availability of railway wagons in different coalfields, law and order problems particularly in Jharkhand & Orissa and rainfall during the current year in major coalfields.

(b) to (d): The assessed demand for Annual Plan 2011-12 is 696.03 million tonnes and against the demand, supply from indigenous availability (including 5 million tonnes stock liquidation) has been finalized at 559.00 million tones. The gap of 137.03 million tonnes between demand and supply is envisaged to be met through import of coal which is on Open General License (OGL). As per the draft report of the Working Group on Coal & Lignite set up for formulation of 12th Five Year Plan, the gap between demand & supply of coal may increase to more than 185 million tonnes in the terminal year of 12th Five Year Plan i.e. 2016-17.

(e) & (f): The all India coal production target for the year 2011-12 was fixed at 554 million tonnes. Actual achievement upto the month of October, 2011 was 259.032 million tonnes.

The main reasons for shortfall in production during the current year have been heavy torrential rain in some of the major coalfields which restricted coal production, strike by SCCL workers due to Talengana agitation and disruptions of railway movement, coal evacuation problems, law and order problems at Jharkhand & Orissa adversely affecting coal production particularly at CCL & MCL and delays in obtaining Environmental and Forestry clearances.

(g): The Government has taken steps to expedite Environment & Forestry clearances, pursue with Ministry of Railways for enhancing availability of rail rakes and approach State Government for necessary assistance in land acquisition and in problems relating to law and order. In addition, a series of steps have been taken by Coal India Ltd. and its subsidiaries for augmenting coal production which include (i) increasing the efficiency of the equipments, regular monitoring, mechanization as programmed and strict supervision of the existing mines and ongoing projects (ii) Capacity addition from new and future projects (iii) Consistent efforts for resolving issues of environmental & forestry clearances, land acquisition and law and order problems.