

**GOVERNMENT OF INDIA  
COAL  
LOK SABHA**

STARRED QUESTION NO:26  
ANSWERED ON:14.03.2012  
DEVELOPMENT OF COAL RESOURCES  
Reddy Shri Modugula Venugopala

**Will the Minister of COAL be pleased to state:**

- (a) whether coal resources of the country are being developed in an optimal manner;
- (b) if so, the details thereof including the steps taken in this regard during the last three years;
- (c) whether the Government proposes to set up a Coal Regulatory Authority in the country;
- (d) if so, the details including the salient features thereof;
- (e) whether the views of the various stakeholders have been obtained; and
- (f) if so, the details thereof and the time by which the authority is likely to be set up?

**Answer**

MINISTER OF COAL(SHRI SRIPRAKASH JAISWAL)

(a) to (f): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) IN RESPECT OF LOK SABHA STARRED QUESTION NO. 26 FOR REPLY ON 14.03.2012 ASKED BY SHRI MODUGULA VENUGOPALA REDDY REGARDING DEVELOPMENT OF COAL RESOURCES

(a) & (b) : Yes, Sir. Development of coal includes both exploration and production of coal. Out of 18279 sq. kms. of potential coal bearing area of the country, 14013 sq. kms. of area (77%) stands covered under regional exploration till the end of 11th Five Year Plan. Similarly, the area covered by detailed exploration is 7188 sq. kms. (about 40%). As a result of Regional, Promotional and Detailed exploration carried out by Geological Survey of India, Mineral Exploration Corporation Limited, Central Mine Planning & Design Institute Limited (CMPDIL), Singareni Collieries Company Limited (SCCL) and some State Mining & Geology Departments the coal resources in the country have increased from 267.211 BT (Billion Tonnes) in 2009 to 285.862 BT in 2011. Further the proved reserves have increased from 105.720 BT to 114.002 BT. Details are given in the table below.

As on Coal Resources (in Billion Tonnes)  
Proved Indicated Inferred

01/04/2009	105.720	123.570	37.921
01/04/2010	109.798	130.654	36.359
01/04/2011	114.002	137.471	34.389

Exploration is a continuous process and action has been initiated for enhancing the efforts for exploration of coal through both increasing the drilling capacities of CMPDIL and also through outsourcing. The objective is to quickly bring the available resources into proved category for projecting the reserves and taking up new projects in line with the rapidly increasing coal demand in the country.

The different steps taken in enhancing coal production include taking up of a number of new projects by the public sector coal companies and allotment of a number of captive coal blocks to both private and government companies, enhancing the delegation of powers of Public Sector coal companies, persuasion and close interaction with the State and Central Authorities for facilitating statutory clearances, land acquisition and related rehabilitation & resettlement etc. have resulted in increase of coal production of the country from 492.757 MT in 2008-09 to 533.076 MT in 2010-11. Company-wise details of coal production are given below.

(in Million tonnes)

Company	Year		
	2008-09	2009-10	2010-11
CIL	403.73	431.26	431.32
SCCL	44.55	50.43	51.33

Captive Blocks	30.01	35.46	34.64
Others	14.47	14.89	15.79
Total	492.76	532.04	533.08

(c): Yes, Sir.

(d): The details and the salient features of the proposed Regulatory Authority are as under.

Government decided to set up a Coal Regulatory Authority in the country to regulate and conserve resources in the coal sector, protect the interests of consumers and producers of coal and for matters connected therewith or incidental thereto. The major objectives of the proposed authority would be more optimal development of coal resources and to ensure that the Indian coal companies raise their level of competence to be at par with international competitors.

The proposed Regulatory Authority is envisaged to perform the following functions

- (a) grant authorization to any person for undertaking mining operations, production and supply of coal and for establishing washeries;
- (b) Suspend or cancel authorization;
- (c) specify by regulation terms & conditions for authorization and alter such conditions;
- (d) specify by regulation standards of performance and operational norms;
- (e) specify by regulation grades or quality of coal;
- (f) monitor and enforce closure of mines as per approved mine project plan towards closure of mines;
- (g) ensure adherence of approved mining plan;
- (h) determine the price of raw coal and washed coal and any other by-product generated during the process of coal washing;
- (i) recover amount of penalty imposed;
- (j) call for information, record or other documents from the entities and publish statistics and other data in relation to the coal industry;
- (k) monitor utilisation of funds for implementation of coal conservation and development;
- (l) Take measures including providing incentives for taking up clean coal technologies, coal bed methane, gasification etc.
- (m) determine and levy fees in such manner as may be specified by regulation;
- (n) specify by regulations procedure for automatic coal sampling and weighment.

(e)&(f): Ministry of Coal engaged Administrative Staff College of India (ASCI) as a consultant to draft the Coal Regulatory Authority Bill. During the course of preparation of the draft Bill, ASCI had held wide-scale consultations with all stakeholders. The draft Bill prepared by them was circulated to various Ministry/Departments for their comments. Views/comments of concerned Ministries/Department have been obtained and suitably incorporated in the draft Bill. The Draft Bill is under finalization in consultation with Ministry of Law for its introduction in Parliament and after the passing of the Bill, the Regulatory Authority will be set up immediately.