

**GOVERNMENT OF INDIA  
COAL  
LOK SABHA**

UNSTARRED QUESTION NO:6559

ANSWERED ON:16.05.2012

AMENDMENT IN COAL MINES ACT

Singh Shri Rajiv Ranjan (Lalan);Yadav Shri Dinesh Chandra

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

- (a) whether the Bill seeking to amend the Coal Mines (Nationalisation) Act, 1973 is pending since long;
- (b) if so, the details since when it is pending and the reasons for such pendency; and
- (c) the likely changes to take effect after the enactment of this bill and the benefits likely to accrue therefrom?

**Answer**

MINISTER OF STATE FOR COAL (SHRI PRATIK PRAKASHBAPU PATIL)

(a)&(b) : Yes Sir. The Central Government decided to amend the Coal Mines (Nationalisation) Act, 1973 to allow Indian companies, both in the public and private sectors to mine coal in the country without the existing restriction of captive mining and to be engaged in exploration of coal in the country. Accordingly a Bill, namely the Coal Mines (Nationalisation) Amendment Bill, 2000, was introduced in the Rajya Sabha on 24.04.2000.

The major reason for delay is due to the resistance of all the major Central Trade Unions. Though, attempts have been made at the level of the Minister of Coal and the Minister of Finance, several times in the past, no positive result could be achieved. The first Group of Minister (GOM) was constituted to sort out the issues with the trade unions in 2001, which decided that until the final decision is taken, the said Amendment Bill would not be taken up for consideration in the Parliament. In 2004, it was again decided that the Bill will not be moved in the Parliament without arriving at a consensus with the trade unions. Also, a view was taken in the Energy Coordination Committee that the Bill shall be moved only after a consensus is arrived at. The present GOM under the chairmanship of the Finance Minister was constituted in Aug'2009, to further carry forward the dialogue with the trade unions.

(c): The said Bill would allow the Indian companies in public sector as well as private sector to explore and mine coal and lignite in the country, without the existing restriction of captive mining. The Bill is expected to promote liberalisation in the coal sector, while ensuring that the benefits derived during the period of nationalisation are preserved. It is also expected to address the need for augmenting coal production in the country in the coming decades through wider participation of private coal mining companies in the coal industry. By opening up the sector to private investment and also putting pressure on the public sector coal companies to perform more efficiently, the proposed amendment is more in tune with the public interest than relying on imported coal or other fuels for our energy needs as a nation.