

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

STARRED QUESTION NO:1

ANSWERED ON:08.08.2012

SUPPLY OF COAL

Namdhari Shri Inder Singh;Patil Shri Sanjay Dina

Will the Minister of COAL be pleased to state:

(a) whether Coal India Limited (CIL) and its subsidiary companies have not been able to supply coal to different consumers including power plants according to the demand and the various agreements/ annual contracts signed in this regard;

(b) if so, the details thereof and the reasons therefor along with the details of coal demanded and supplied by CIL and its subsidiaries to different consumers including the power companies located in different States during the last three years and the current year, company/State-wise ;

(c) whether some coal based industries including power plants have been shut down or are on the verge of shut down due to shortage/critical stock of coal and if so, the details thereof, State-wise ;

(d) whether various State Governments have requested for supply of sufficient quantity of coal as per their demand to different consumers including the power plants located in their States; and

(e) if so, the details thereof, State-wise and the steps taken/being taken by the Government in this regard ?

Answer

MINISTER OF COAL (SHRI SRIPRAKASH JAISWAL)

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

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No. 1 for 8.8.2012

(a) & (b): During the process of formulation of Annual Plan, Ministry of Coal/Planning Commission assess the overall demand of the country, coal consuming sector-wise. Such demand is not assessed State-wise. Based on such assessed demand, company-wise coal supply plan is formulated by Coal India Limited (CIL) for various sectors.

The Company-wise off-take performance in the last three years and current year was as under given annexure:-

The supply performance could have been better but for heavy rains affecting coal transportation and wagon loading during the 2nd quarter; wagon availability constraints commensurate with indents placed by Subsidiaries during peak production season from December to March and intermittent law and order problems in states of Jharkhand and Orissa hampering coal transportation and wagon loading.

The raw coal offtake from Coal India Limited (CIL) and its subsidiaries for various consuming sectors, including thermal power plants, has been more than 95% of the supply plan target finalized by Planning Commission as part of Annual Plan during last three years barring 2010-11 when it was 92%. In the current year upto July 2012, it has further improved to 99% of the target.

(c): Coal India Limited supplies coal to the linked consumers who have concluded Fuel Supply Agreement (FSA) / Memorandum of Understanding (MOU) with the concerned coal company. Coal India Limited has reported that no instance of any coal based industry, including power plant, which has signed FSA/MOU and is linked to the subsidiary company of CIL, being shut down or on the verge of being shut down due to shortage of coal, has been reported. There could be shortage of coal in a few units / power plants due to various reasons including operation at a level higher than normative capacity, less than targeted imports by the units, logistics constraints etc.

(d) & (e): Coal is supplied in terms of the provisions of the Fuel Supply Agreement with consumers of various sectors, including the power sector. Various State Governments like Karnataka, Uttar Pradesh, Madhya Pradesh, Haryana, Gujarat have however made requests to the Ministry of Coal for enhancement of coal supply to the power stations located in their State. Coal supplies to Power Utilities are monitored regularly by an inter-Ministerial Sub-Group comprising representatives of Ministry of Power, Ministry of Coal, Ministry of Railways and Planning Commission constituted by the Infrastructure Review Committee of Cabinet Secretariat. The Sub-Group takes various operational decisions for meeting any contingent situations relating to Power utilities including critical coal stock position. Further, Coal India Limited has been asked to increase production from existing mines and expedite production from new projects. While the consumers including power utilities are importing coal to meet the estimated gap between demand and indigenous availability, CIL is also exploring the possibility of import of coal to meet the gap between indigenous production and FSA

commitments.