

**GOVERNMENT OF INDIA  
COAL  
LOK SABHA**

UNSTARRED QUESTION NO:897

ANSWERED ON:27.11.2012

PRICE POOLING OF COAL

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

- (a) whether the Union Government is considering to bring price pooling on the imported and domestic coal in the country;
- (b) if so, the details thereof along with the likely impact on the domestic coal price and electricity tariff to the common man;
- (c) whether the Government has received any response from the coal bearing States on the price pooling policy; and
- (d) if so, the details thereof and the reaction of the Union Government thereto ?

**Answer**

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

(a)&(b): Ministry of Power (MoP) and Central Electricity Authority (CEA) had mooted a proposal that Coal India Limited (CIL) import coal to fulfill its Fuel Supply Agreement (FSA) obligations towards power stations, for supplies at Gross Calorific Value (GCV) parity price of domestic coal. Supply of such coal would be decided on the basis of the location of the plants, irrespective of the plants being in public or in private sector, provided such plants have Long Term Power Purchase Agreements (PPAs) with DISCOMs. The burden of supplying imported coal to power stations at GCV parity price of domestic coal is to be loaded on the price of the domestic coal so that there is no revenue loss for CIL.

CEA and CIL are jointly working on the scheme of price pooling and will submit the same to Ministry of Power for consideration.

The impact of price pooling on electricity tariff and the common people can be ascertained only after the proposal is finalized.

(c)&(d): Government of West Bengal have expressed their reservations on the proposed price pooling. The Government will duly take it into consideration while deciding the matter.