

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:3353
ANSWERED ON:13.12.2012
DEMAND AND SUPPLY OF ENERGY RESOURCES
Deo Shri Kalikesh Narayan Singh

Will the Minister of POWER be pleased to state:

- (a) the current levels of demand and domestic supply of energy resources in the country;
- (b) the details of effort made by the Government to ensure energy security in the country;
- (c) whether the Government has been able to purchase foreign assets that might ensure energy security;
- (d) if so, the details thereof;
- (e) whether any public sector companies have made bids for energy reserves and failed to acquire them; and
- (f) if so, the details thereof?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF POWER (SHRI JYOTIRADITYA M. SCINDIA)

(a) : The total requirement of coal for the current year has been calculated as 500 Million Tonne (MT) including 476 MT indigenous coal and 24 MT imported coal. The sources of indigenous coal are from Coal India Limited, Singareni Colliery Company Limited and from captive mines. The total coal availability from these sources comes to only 407 MT. To bridge the gap between demand for coal and its domestic supply as well as to build reasonable stock of coal, Power Utilities have been advised to import 46 Million Tonne during 2012- 13.

Also against a gas requirement of around 85 Million Metric Standard Cubic Meter per Day (MMSCMD) (at 90% PLF), 35 MMSCMD gas is being supplied to the gas-based power stations in the country.

(b) : To ensure energy security in the country, the following steps have been taken / are being taken by the Government:

- (i) Regular interaction with Ministry of Coal for expediting signing of fuel supply agreement by CIL with Power Utilities.
- (ii) Ministry of Coal / Coal India Limited (CIL) are being insisted up on to enhance production of coal in the country.
- (iii) Thrust on ramping up production of coal by captive coal block allottees from existing mines and expedite commissioning of new coal blocks.
- (iv) Import of coal, to the extent technically feasible, to bridge the gap between requirement of coal and its availability from domestic sources.
- (v) Re-gasified Liquefied Natural Gas (RLNG) is being imported to increase the generation from gas based power plants.
- vi) Ministry of Power has taken up the matter with Ministry of Petroleum & Natural Gas to increase the supply of KG D6 Gas to Power Sector and give the priority to power sector equivalent to the Fertilizer Sector and others.
- vii) Regasification terminal is being built up by RGPPL to facilitate the import of RLNG for future energy needs.

(c) to (f): As per information received from Ministry of Coal, with a view to bridge the increasing demand supply gap and enhance energy security of the country, Coal India Limited (CIL) has decided to acquire coal resources abroad. The thrust areas of this overseas venture are to acquire thermal coal assets, undertake their exploration & development, operate the mines and finally import the produces to India for supply to thermal power plants. The International Coal Ventures Limited (ICVL) has been set up with the approval of the Cabinet as a Joint Venture Company with Steel Authority of India Limited (SAIL), Coal India Limited (CIL), Rashtriya Ispat Nigam Limited (RINL), NMDC Ltd. and NTPC Ltd. as its promoter companies for acquisition of coal assets/ mines/ companies in overseas territories primarily to meet the current and the growing requirements of the promoter companies.

While ICVL is focused towards acquisition of metallurgical coking coal assets, it is open to acquisition of thermal coal assets depending on the interest shown by NTPC and CIL who are the main users of thermal coal.

CIL emerged as the successful bidder in the bidding process run by Government of Mozambique and has been granted two prospecting licenses for coal over a leasehold area of 224 sq.km in Tete Province, Mozambique. CIL has set up a wholly owned subsidiary in Mozambique namely Coal India Africana Limited (CIAL), for exploration and development of these coal resources. CIAL has been operationalized through posting of a multi-disciplinary team of senior executives in the city of Tete in Mozambique. Exploration and associated activities are to be taken up shortly in these coal blocks.

CIL has executed an MoU with organizations owned by the Provincial Government of Limpopo, South Africa for acquisition, exploration and development of coal assets in Limpopo Province of South Africa. CIL Board has accorded approval for setting up a wholly owned subsidiary of CIL in South Africa and process has been initiated for registration of the same.