

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:3968

ANSWERED ON:18.12.2012

LOSS FROM IMPORT OF COAL

Das Gupta Shri Gurudas;Lingam Shri P.;Singh Shri Dhananjay

Will the Minister of COAL be pleased to state:

(a) whether the Government/Coal India Limited (CIL) has received any proposals from the Central Electricity Authority (CEA) and other coal based industries to import around 20 million tonnes of coal in 2012-13 and supply the same at subsidised rates to coal based industries;

(b) if so, the details of the proposals and the expected loss to the exchequer thereby;

(c) whether the CIL has opposed this proposal as it would benefit only the independent power and other companies at the cost of the public money; and

(d) if so, the Government's reaction 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 proposed to be pooled with the price of the domestic coal so that there is no revenue loss for CIL.

(c): The Board of CIL has inter-alia opined that there should be unanimity in the matter amongst all power stations, both users and non-users of imported coal and asked CIL to write to the power stations accordingly. CIL has done the needful.

(d): Government will take appropriate decision after submission of a report in this regard, which is being worked out.