

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:276
ANSWERED ON:26.02.2013
FUEL SUPPLY AGREEMENT
Maadam Shri Vikrambhai Arjanbhai

Will the Minister of COAL be pleased to state:

- (a) whether the Government has directed the Coal India Limited (CIL) to enter into fuel supply agreements with power generating units of the country for supply of coal;
- (b) if so, the estimated quantum of coal required for implementing the said agreement in the country; and
- (c) the average annual production of coal by CIL and the proposed arrangements for supply of the remaining quantity of coal under the said agreements?

Answer

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

(a): Coal India Limited (CIL) has been directed to sign Fuel Supply Agreements (FSAs) with power plants that have been commissioned/ would get commissioned after 31.3.2009 and on or before 31st March, 2015, with the condition that coal supply will commence after they enter into long term PPAs (Power Purchase Agreements) with DISCOMs.

(b) : The estimated quantum of coal required for implementing the said agreements is 255.89 million tonnes, in addition to 306 million tonnes required to supply coal to plants commissioned upto 31.3.2009.

(c): Raw coal production of Coal India Limited during the last three years is given below :

| Year | Production (Million Tonnes) |
|-----------|-----------------------------|
| 2011-2012 | 435.84 |
| 2010-2011 | 431.32 |
| 2009-2010 | 431.26 |

The Coal India Limited (CIL) has to supply indigenous coal to the level of 65% of FSA quantity up to 2014-15. The shortfall in the coal supply to the power utilities would be met through import.