

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:1217

ANSWERED ON:05.03.2013

PRICING OF COAL BLOCKS

Adhalrao Patil Shri Shivaji; Adsul Shri Anandrao Vithoba; Dharmshi Shri Babar Gajanan; Yadav Shri Dharmendra

Will the Minister of COAL be pleased to state:

- (a) whether the Ministry of Power has demanded that the reserve price of coal blocks to be offered through the bidding route be set at 90 per cent discount on the intrinsic value of the mine;
- (b) if so, the details thereof;
- (c) whether the Ministry of Steel has argued that there is no need to give any discount on the intrinsic value of coal blocks to steel companies to be auctioned through the impending competitive bidding process;
- (d) if so, the reasons extended by the Ministry of Steel in support of its arguments; and
- (e) the reaction of the Government in this regard?

Answer

MINISTER OF STATE FOR COAL (SHRI PRATIK PRAKASHBAPU PATIL)

(a) & (e) :The Government has appointed M/s. CRISIL Infrastructure Advisory as consultant to suggest methodology for fixing the floor/reserve price of the coal mines for allocation to the Government Companies/Corporations under 'Auction by Competitive Bidding of Coal Mine Rules, 2012'. Consultations are being held with various stake holders including Ministry of Power, Ministry of Steel and Finance Ministry on various issues which include valuation of coal blocks also. The final report is yet to be submitted by the consultant.