

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:3296
ANSWERED ON:11.02.2014
LOSS OF PROFIT BY CIL
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Will the Minister of COAL be pleased to state:

- (a) whether it is true that the net profits earned by Coal India Limited (CIL) have decreased during the first half of 2013-14;
- (b) If so, the details thereof, month-wise;
- (c) whether the ever increasing inflation has resulted in higher cost of coal production by the CIL; and
- (d) if so, the measures being taken by the Government/CIL to stabilize the coal prices?

Answer

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

(a)&(b) Audited results for Coal India Limited and its subsidiaries is consolidated Quarter-wise. Month-wise breakup of profits is not available. The quarter-wise breakup of profits is given below:

(Rupees in Crores)

Profit After Tax (PAT)	2013-14	2012-13
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First Quarter (April - June)	3731.00	4469.26
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Second Quarter (July - September)	3052.36	3078.08
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First Half (April - September)	6783.36	7547.34
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(c) & (d) Whereas the average increase of AICPI (All India Consumer Price Index) and Wholesale Price Index (WPI) for the period April to September, 2013 in comparison to the same period of 2012 is 10.75% and 5.74% respectively, the cost of coal production of CIL for the period April- Sept. 2013 compared with the same period during the previous year is as under:

(Rupees in Crores)

Particulars	2013-14 (up to 30.09.2013)	2012-13 (up to 30.09.2012)	% Increase/ Decrease
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Salaries & Wages 13786.81 12666.44 (+) 8.85%

Other Cost 12331.16 11676.04 (+) 5.61%

Total Cost 26117.97 24342.48 (+) 7.29%

The pricing of the coal has been fully deregulated with effect from 1st January, 2000. The factors which determine the price of coal decided by the Coal India Limited inter alia include general increase in price of commodities in the market leading to increase in the cost of inputs in the production of coal, capacity of the company to absorb the increase in cost, impact of revision in wages of non-executive employees and revision in pay of executives as per Government guidelines as and when such revision takes place, need for capital investment in new projects and modernization of existing mines to augment coal production to bridge the demand supply gap. CIL has always been endeavoring to absorb the increased cost by improving operational efficiency.