

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:3876

ANSWERED ON:19.03.2015

OVERSEAS ACQUISITION OF COAL ASSETS

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Will the Minister of COAL be pleased to state:

- (a) whether Coal India Limited (CIL) has been directed by its board to withdraw from the five-way joint venture-International Coal Ventures Limited (ICVL) for the overseas acquisition of coal assets;
- (b) if so, details thereof and the reasons therefor;
- (c) the details of the other partners of ICVL with their stake; and
- (d) the time by which the final decision is likely to be taken in this regard?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF COAL, POWER AND NEW AND RENEWABLE ENERGY
(SHRI PIYUSH GOYAL)

(a) to (d): Coal India Limited Board in its 311th meeting had decided that Coal India Limited (CIL) should withdraw from International Coal Ventures Limited (ICVL). The response of CIL is under examination in the Ministry of Coal.

International Coal Venture Limited (ICVL), a Joint Venture (JV) company under the Ministry of Steel, promoted by 5 Public Sector Undertakings viz. Coal India Limited (CIL), Steel Authority of India (SAIL), Rashtriya Ispat Nigam Limited (RINL), National Mineral Development Corporation (NMDC) & National Thermal Power Corporation Limited (NTPC) was formed in 2009 to secure coal supplies from its acquired coal assets overseas. The reasons for opting out of ICVL by CIL is that:

ICVL is primarily focused on securing metallurgical coal for the captive consumption of constituent steel companies, while CIL's priority is meeting the nation's ever increasing thermal coal demand, which it has to sell to the consumer.

ICVL was formed in 2009 with an initial authorized capital upto Rs. 10,000 crores and an initial equity capital of up to Rs.3,500 crores to be contributed by the members. CIL's share of equity capital in ICVL was Rs.1000 Crores (28.57%) The shareholding pattern of the constituent partners are as follows:

- (i) SAIL & CIL (each having 28.57% of stakes)
- (ii) NMDC, RINL & NTPC (each having 14.28% of stake)