

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:3068
ANSWERED ON:31.07.2014
PRICES ON INDIGENOUSLY PRODUCED COAL
Chandumajra Shri Prem Singh

Will the Minister of COAL be pleased to state:

- (a) whether any proposal is under consideration of the Government to keep the prices of indigenously produced coal at par with the imported coal;
- (b) if so, the details thereof;
- (c) whether there is approximately average difference of 40% in the prices of imported and indigenously produced coal;
- (d) if so, the facts in this regard;
- (e) whether the prices of coal are likely to be increased by implementing the said proposal; and
- (f) if so, the details thereof and the steps being taken by the Government in this regard?

Answer

MINISTER OF STATE (I/C) IN THE MINISTRY OF COAL, POWER AND NEW & RENEWABLE ENERGY (SHRI PIYUSH GOYAL)

(a&b) After complete decontrol of coal prices w.e.f. 01.01.2000, Coal India Limited (CIL) is fixing the prices of raw coking and non-coking coal produced by CIL and its subsidiary companies. The coal companies fix the coal price based on input costs, inflation index, market trends, etc. The Government evaluates various options from time to time with a view to ensure that the growth of energy sector is not adversely impacted.

(c&d) Though the prices of lower grades of domestic coal of Gross Calorific Value (GCV) from 5800 to 3400 Kcal are substantially cheaper compared to imported coal price, but comparison of quality is difficult on account of vast variation in ash and moisture content.

(e&f) Does not arise in view of reply at (a&b) above.