

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:3170
ANSWERED ON:31.07.2014
OPENING UP OF COAL MINING TO INTERNATIONAL COMPETITION
Jayadevan Shri C. N.

Will the Minister of COAL be pleased to state:

- (a) whether the Government proposes to open up coal mining in the country to the international competition;
- (b) if so, the details and objectives thereof;
- (c) whether the entire pricing mechanism for the fuel will undergo a change and will be similar to the one used for petrol, diesel and cooking gas, where rates are adjusted periodically;
- (d) if so, the details thereof and the reasons therefor; and
- (e) whether the proposed move will increase the cost of power and if so, the details thereof and the safeguards likely to be provided to cushion the consumers from possible increase in electricity tariff?

Answer

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

(a & b) : As per Section 3(3)(a)

(iii) of the Coal Mines Nationalisation Act, 1973, a private company can carry on coal mining operation, for specified end use(captive use) only and the coal so mined is not allowed for sale. However, for augmentation of coal production in the country, few projects of CIL have been identified for operation under Mine Developer cum Operator route, where international as well as domestic operator may take part, where the mining charges will be paid to the bidder duly discovered through bidding process.

(c to e) : In view of the above reply, the reply to part (c to e) does not arise.