

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:5255
ANSWERED ON:14.08.2014
REFORMS IN COAL SECTOR
Scindia Shri Jyotiraditya Madhavrao

Will the Minister of COAL be pleased to state:

- (a) whether the Government intends to introduce reforms in the coal sector so as to attract private investment in a transparent manner;
- (b) if so, the details thereof;
- (c) the manner in which the Government intends to introduce transparency for attracting private investment;
- (d) whether there is a proposal for privatisation of coal mining; and
- (e) if so, the details thereof?

Answer

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

(a) to (e): Under the amended provisions of Section 11-A of the Mines and Minerals (Development and Regulation) Act, 1957 and rules thereunder, the Government has decided to allocate area containing coal for specified end use through auction by competitive bidding.

For augmentation of coal production in the country through Public Private Participation, a Model Concession Agreement (MCA) for engagement of Mine Developer cum Operators in Coal India Limited (CIL) and its subsidiary companies was finalized in consultation with Planning Commission and other concerned Ministries and the same has been sent to CIL for its adoption by their Board.

Coal Mines (Nationalization) Amendment Bill, 2000 was introduced in Rajya Sabha on 24.04.2000 to amend the Coal Mines Nationalization Act, 1973 to allow Indian companies in the private sector to mine coal in the country without the existing restriction of captive mining. All stakeholders will be consulted before the Bill is taken up.