

## COAL

9.43 Raw coal production during 2008-09 is provisionally estimated at 493.20 million tonnes (MTs) as against 457.08 MTs during 2007-08, registering a growth rate of 7.90 per cent. The coking coal production during April-February 2009 was 29.76 MTs as against 29.70 MTs (RE) in the corresponding period last year. The growth rate of raw coal production was around 6 per cent during the period from 2003-04 to 2007-08 which was increased to about 8 per cent during 2008-09. This increase was due to enhanced production by all stakeholders especially captive blocks and large public sector undertakings (PSUs) like Coal India Limited (CIL) and SCCL. There was no change in prices of coal in 2008-09. The import of coal has been increasing over the years. It is expected to be 60 MTs in 2008-09, compared to about 20 MTs till 2003-04. While the import of coking coal has increased from 12.99 MTs in 2003-04 to 27.00 MTs, the import of non-coking coal increased significantly from 8.69 MTs to as high as 33 MTs during the period which is primarily to meet the increasing demand of the power sector.

9.44 During the Tenth Five Year Plan, CIL identified 91 mining projects, of which 86 projects with a total capacity of 207.01 MTs per annum were approved. During the Eleventh Five Year Plan period, 125 projects with a total capacity of 298.18 MTs per annum have been identified. Of this, 40 projects with a total capacity of 112.37 MTs have already been approved. SCCL plans to open six underground mines and 14 open cast mines during the Eleventh Five Year Plan.

9.45 Besides, for securing metallurgical coal supplies overseas, CIL is pursuing two alternative routes viz. participation in Joint Venture of PSUs for formation of a Special Purpose Vehicle (SPV) to secure coal resources abroad and acquisition of coal mines/blocks.

9.46 Under e-auction of coal sale, initiated in 2007-08, CIL offered 13.06 MTs in 2008-09 against

which the allocation was 5.32 MTs, while SCCL sold 2.99 MTs under e-auction. While CIL secured a 43 per cent increase over the notified price under e-auction while SCCL secured 100 per cent increase over the notified price in 2008-09.

9.47 To improve quality of coal and to upgrade technology in mines, CIL and SCCL have initiated many steps for additional capacity for beneficiation of non-coking coal and supply of quality coal as per buyers' choice. CIL's initiatives include; identification of seven high capacity underground mines for development with latest technology, restart of mining in eight abandoned mines forming joint ventures with reputed mining companies, introduction of Continuous Mines as Mass Production Technology, PSLW in more mines, introduction of high wall mining and upgradation of equipment size.

9.48 As on March 31, 2009, 201 coal blocks with geographical reserves of coal of 45.89 billion tonnes (BTs) have been allocated to eligible companies. Of the 201 blocks, 3 blocks have been de-allocated and mining lease of one block has been declared void. Out of remaining 197 blocks, 97 blocks with reserves of 27.59 BTs have been allocated to PSUs. Out of the 100 blocks allocated to private companies with geographical reserves of 17.93 BTs, production has commenced in 23 blocks. During April-February 2008-09, the production from these coal blocks was 27.82 MTs.

9.49 CIL was conferred Navratna status in October 2008 on the condition that the company will be listed within three years. Five subsidiaries of CIL — Mahandadi Coalfields Limited, Northern Coalfields Limited, South Eastern Coalfields Limited, Western Coalfields Limited and Central Coalfields Limited — have been granted Mini Ratna (category-I) status.

9.50 In pursuance of the recommendations of the Energy Coordination Committee, the Administrative Staff College of India (ASCI), Hyderabad was appointed as a consultant for preparing a report on the appointment of a Coal Regulator.