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## **Government monopoly in coal a major hurdle for power sector**

*Friday, 03 Jul, 2009*

PTI reported that making a case for private sector's entry into the coal sector, the pre budget Economic Survey quoted the nationalized coal sector Economic Survey is a major roadblock in the steady growth of power sector, which is the largest consumer of the dry fuel.

The Economic Survey 2008-09 tabled in the Parliament said "As long as the coal sector remains a public sector monopoly, it could remain a bottle neck for accelerated development of the power sector."

It recommended private entry into coal mining under a well regulated and competitive coal sector to help reverse the substitution of domestic coal by imported oil and coal.

The reasons for the lower growth in power generation during the last financial year were shortage of coal and gas, shortfall in capacity addition, delay in achieving commercial operation or commencement of full generation from the plants etc.

The survey said the Plant Load Factor or the efficiency of the coal based thermal power plants declined during the period due to loss of generation because of shortage of fuel among other things.

Meanwhile, the power sector consumes nearly 74% of the country's coal production. Coal fired thermal plants account for 66% of the total 1,49,392 MW power generation in the country.

(Sourced from Press Trust of India)

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