

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:650
ANSWERED ON:22.10.2008
MINING IN CAPTIVE COAL BLOCKS
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Will the Minister of COAL be pleased to state:

- (a) whether the coal mining companies can undertake mining of coal blocks reserved for captive use;
- (b) if so, the details thereof;
- (c) the details of the perspective planning regarding demand and supply of coal including the indigenous availability of coal; and
- (d) the steps proposed to be taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI SANTOSH BAGRODIA)

(a) & (b): An independent coal/lignite mining company can be allocated a captive block on the condition that the entire coal/lignite so mined would be transferred to an end user company(ies) for their captive consumption in the specified end uses; provided that the said mining company has firm back-to-back tie up with the specified end user company(ies), supported by legally binding and enforceable supply contract/agreement.

(c): As per the Eleventh Five Year Plan (2007-12) document, sector-wise projected demand of coal for the terminal year of Eleventh Five Year Plan (2011-12) is as under:-

S.No. Sector Projected Demand
(Figures in Million Tonnes)

1. Coking Coal	
Steel/Coke Oven/cokerries	27.65
Steel (Import)	40.85
Sub-Total	68.50
2. Non-Coking Coal	
Power (Utilities)	
Raw Coal	483.00
Power (Captive)	
Raw Coal	57.06
3. Cement (including CPPs)	31.90
4. Sponge Iron/CDI	28.96
5. others (Raw Coal)	61.68
Sub-Total	662.50

Total-Raw coal 731.00

To meet the demand of 731.00 million tonne, source-wise indigenous production of coal for the terminal year of Eleventh Five Year Plan (2011-12) will be as follows:-

Source Production in million tonnes (prov.)

Coal India Limited 520.50

Singareni Collieries 40.80
Company Limited

Others 118.70

Total Indigenous production 680.00

(d): The following steps have been taken by the Government to augment the indigenous availability of coal:-

91 projects were identified in Tenth Five Year Plan in Coal India Limited, out of which 87 projects have been approved.

Additionally another 125 projects have been identified with capacity of 298 million tonnes in the Eleventh Five Year Plan Period.

193 captive coal blocks have been allocated to public and private sector companies from which 104 million tonnes of coal is likely to be produced by the terminal year (2011-12) of the Eleventh Five Year Plan.