

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:2268
ANSWERED ON:10.03.2010
ALLOTMENT OF CAPTIVE COAL BLOCKS
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Will the Minister of COAL be pleased to state:

- (a) the details of coal blocks allotted to private and public sector companies during each of the last three years and the current year along with the dates on which the said allotment were made, State-wise;
- (b) whether the coal production has started in all the allocated coal blocks to meet the demand of the power sector;
- (c) if so, the details thereof and if not, the reasons therefor;
- (d) the names of the companies which have not started production from the coal block allotted to them till date and the action taken by the Government against them;
- (e) whether the Government has also allotted coal blocks to various companies which do not have any power projects to execute;
- (f) if so, the names of such companies and the action taken by the Government against such companies;
- (g) whether the Government has allotted coal blocks to foreign companies to meet the demand of coal in the country; and
- (h) if so, the details of these companies and the reason therefor?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF COAL AND MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION(SHRI SRIPRAKASH JAISWAL)

(a): A total of 91 coal blocks have been allocated during the last three years and current year upto February, 2010. The details of coal blocks allotted to private and public sector companies during each of the last three years and the current year, State-wise, are given in the Annexure.

(b) to (d): As on date, 208 coal blocks have been allocated. Out of this, 93 coal blocks have been allocated for generation of power. Out of 208 coal blocks allocated, production from 26 coal blocks has commenced. So far the following coal blocks allocated to various companies for generation of power have come into production:-

SI No.	Name of Coal blocks	Name of Allottee	Sector of allotment
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1. Sarsatoli CESC Pvt.

2 Talabira-1 HINDALCO Pvt.

3 Tara East WBSEB Public

4 Tara West WBPCL Public

5 GarePalmaIV/2&IV/3 Jindal Power Ltd. Pvt.

6 Panchwara Central PSEB Public

7 Baranj I-1V,KJloni,Manoradeep KPCL Public

Coal mining projects have a relatively long gestation period. Development of coal blocks involves a gestation period of 3 to 7 years for reaching the production stage and another two to three years for reaching the optimal production capacity. As per the guidelines, coal production from a captive coal block should commence within 36 months (42 months in case the area falls in forest land) in case of open cast mines and in 48 months (54 months in case the area falls in forest land) in case of underground mine, from the date of allocation. If the coal block is not explored, additional two years are allowed for detailed exploration and three months for preparation of geological report. The coal blocks from where production have not started are in various stages of development like obtaining statutory clearances and mining lease, preparing mining plan, acquisition of land, procuring machinery and equipment etc. for both mining as well as end-use project.

In order to monitor the progress of the coal blocks and to ensure that allottees strictly adhere to the time schedule approved for development of coal mine and end-use project the Coal Controller under the Ministry of Coal has been mandated to monitor the progress of the development of coal mine and installation of the end use projects as per the bar-chart/schedule of activities given by the allottees and milestone chart enclosed with the allocation letter. Coal Controller sends a quarterly and six monthly reports on the progress in respect of allocated coal blocks and the end use projects. A system of bank guarantee has also been introduced for further monitoring. Based on the report of the Coal Controller, the Ministry reviews the cases and wherever found necessary, the Ministry takes appropriate measures on merits including the deallocation of coal block where the progress is not found to be satisfactory. At the Ministry level, the progress in the development of coal blocks is reviewed by a committee under the Chairmanship of Additional Secretary (Coal). Genuine problems of allottees are highlighted during this meeting and efforts are made to sort them out.

(e) & (f): Coal blocks could be allocated for the power projects to be set up as well as for the existing power projects. The coal block so allocated is linked with the setting up of power project and the production from the coal block is synchronised with the commissioning of the power project.

(g): Coal blocks are allocated to eligible public and private sector companies registered under the Indian Companies Act, 1956 under Section 3 of the Coal Mines (Nationalisation) Act, 1973.

(h): Does not arise in view of the reply given at (g) above.