

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

STARRED QUESTION NO:141
ANSWERED ON:04.08.2010
NEW GUIDELINES FOR COAL BLOCKS
Panda Shri Prabodh;Tarai Shri Bibhu Prasad

Will the Minister of COAL be pleased to state:

- (a) whether the Government has formulated new guidelines for allocation of coal blocks for specified end use including underground coal gasification;
- (b) if so, the salient features of the same: and
- (c) the benefits likely to be accrued therefrom? ANSWER

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) to (c): A statement is laid on the table of the House.

STATEMENT REFERRED TO IN ANSWER TO PARTS (a) TO (c) OF THE LOK SABHA STARRED QUESTION NO 141 FOR REPLY 04.08.2010 ASKED BY SHRI BIBHU PRASAD TARAI & SHRI PRABHODH PANDA

(a) Govt. has formulated guidelines for allocation of coal/lignite blocks for Underground Coal Gasification (UCG) on 13.07.2009 as well as for carrying out UCG operations. These guidelines have also been put on the web-site of this Ministry <http://coal.nic.in/letters.htm>

(b) Guidelines for allocation of captive blocks for Underground Coal Gasification (UCG) include (i) Selection of block (ii) Eligibility criteria (iii) Submission of Application for allocation of block (iv) Exploration of the block (v) UCG operation by allottee companies (vi) Conditions for allotment.

Guidelines for carrying out UCG operations include: (i) Filling of application (ii) Submission of Plan to carry out UCG operation (iii) Implementation of approved Plan (iv) Payment of Royalty (v) Safety and Conservation aspects.

Other features of the guidelines are:- The Coal/Lignite blocks for UCG will be identified where conventional mining methods are not economically viable. Blocks already identified for development by Coal India Ltd. (CIL)/ Singareni Collieries Company Ltd. (SCCL)/ Neyveli Lignite Corporation (NLC) should not be offered to others. The applicant company should have minimum net worth of Rs. 200 crore. The Ministry of Coal will invite, through advertisement/ public notice, applications for allocation of identified coal blocks for UCG projects from interested parties. In respect of fully explored blocks, geological data may be obtained from Central Mine Planning and Design Institute Ltd. (CMPDIL), NLC or the State agency concerned, as the case may be, on nominal charges. Where only regionally explored blocks are offered for allocation, the detailed exploration/prospecting in the said blocks shall be done by the allottee company in conformity with the guidelines prescribed by the Ministry of Coal.

(c) In India, almost 40% of the available coal resources are deep seated i.e., beyond 300 meters depth. Winning these deposits through conventional mining techniques is difficult as well as capital intensive. With promotion of clean coal technologies like UCG it is possible to utilize the energy available from the resources where conventional underground or opencast operation cannot be carried out.