

**GOVERNMENT OF INDIA  
COAL  
LOK SABHA**

STARRED QUESTION NO:34  
ANSWERED ON:10.11.2010  
ALLOTMENT OF COAL BLOCKS  
Singh Chaudhary Lal;Vardhan Shri Harsh

**Will the Minister of COAL be pleased to state:**

- (a) the details of the coal blocks allotted to private and public sector companies during each of the last three years and the current year, State-wise and company-wise;
- (b) whether coal production has started in all the allocated coal blocks;
- (c) if so, the details thereof and if not, the reasons therefor alongwith the names of the defaulting companies;
- (d) whether the Government proposes to cancel allotment of those captive coal blocks which have not yet started coal mining;
- (e) if so, the details thereof; and
- (f) the steps taken/proposed to be taken for proper utilization of allotted coal blocks by these companies?

**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 (f): A statement is laid on the table of the House.

STATEMENT REFERRED TO IN ANSWER TO PARTS (a) TO (f) OF THE LOK SABHA STARRED QUESTION NO. 34 FOR REPLY ON 10.11.2010 ASKED BY SHRI HARSH VARDHAN AND SHRI CHAUDHARY LAL SINGH

(a): As on date a total of 208 coal blocks have been allocated with combined geological reserves of about 50 billion tonnes. Out of 208 coal blocks, 90 coal blocks have been allocated during the last three years and the current year. The details of coal blocks allocated during the last three years, State-wise and company-wise, till date are given at Annexure.

(b): None of the coal blocks allocated during the last three years and the current year have come into production. However, 26 coal blocks out of the 208 allocated coal blocks have come into production as on date.

(c) to (f): Majority of the coal blocks have been allocated after 2005. 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 incase 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 a coal block is not explored, additional two years are allowed for detailed exploration and three months for preparation of geological report. The allocatees of coal blocks, who have not started production so far, are in various stages of 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. The responsibility of developing the coal block as per the prescribed guidelines and milestone chart attached with the allocation letter rests entirely with the allocatee company. In the terms and conditions of the allocation letters, it is categorically mentioned that in the event of willful delay in the development of coal blocks and in setting up of the end use project, the Govt would take appropriate action to de-allocate the said block. Government periodically monitors and reviews the development of allocated blocks as well as end use plants by the allocatee companies in the review meetings. Wherever delays are noticed, Government issues show cause notices and advisories to such allocatees cautioning them to bring the coal blocks into production as per the guidelines/ milestones chart. After the review meeting held in June, 2009 show cause notices were issued to allocatees of 48 coal/lignite blocks. Based on the recommendations made by the Review Committees on the basis of progress made by allocate companies, 10 blocks have been deallocated and mining lease in respect of one block has been declared void till date. The State Govts. were requested to form a Monitoring Committee headed by the Chief Secretary to facilitate expeditious development of coal/lignite blocks. The Coal Controller's office is also monitoring on regular basis the achievement of different milestones.

The last review meeting was held on 20th and 21st July, 2010 with all the coal block allocatees to review the development of coal blocks and the end use projects. Accordingly, the Review Committee has recommended to issue show cause notices to 45 Govt. companies and 48 private companies.