

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:2478

ANSWERED ON:22.07.2009

ALLOTMENT OF COALFIELDS FOR CONVERSION OF COAL TO PETROLEUM

Maadam Shri Vikrambhai Arjanbhai

Will the Minister of COAL be pleased to state:

- (a) whether the Government proposes to allot coalfields to private parties for converting coal to petroleum;
- (b) if so, the names of the companies which have been allotted and are proposed to be allotted coalfields for the purpose;
- (c) the quantity of petrol/gas likely to be produced annually by each of these companies; and
- (d) the time by which the product is likely to be available for domestic consumption?

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): Coal blocks are allotted for both public and private companies under the Coal Mines (Nationalisation) Act, 1973 for specified approved end uses including coal-to- liquid project.

(b): On the basis of the examination of the recommendations of an Inter-Ministerial Group (IMG), Government allocated one coal block each, namely, North of Arkhapal and Ramchandi Promotional having 1500 million tonnes of geological reserves each, in the Talcher Coalfields, to M/s Strategic Energy Technology Systems Ltd. and M/s Jindal Steel & Power Ltd., respectively, for their Coal-to-Liquid projects.

(c): Each Coal-to-Liquid project is likely to produce 80,000 barrels per day (bbl/day) of oil and oil products, as per the submission made by the two companies at the time of presentation before IMG.

(d): As per the guidelines, coal production from a 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 under ground mine, from the date of allocation. If the coal block is not explored, additional two years are allowed for detailed exploration and preparation of geological report. M/s Strategic Energy Technology Systems Ltd. during its presentation made before the IMG has proposed that production of oil would start from 102nd month from the date of allocation of coal block whereas M/s Jindal Steel & Power Ltd. has proposed to start oil production and power generation by 84th month from the date of allocation of coal block.