

**GOVERNMENT OF INDIA  
COAL  
LOK SABHA**

UNSTARRED QUESTION NO:72  
ANSWERED ON:08.08.2012  
MINING LEASE  
Patel Shri Bal Kumar

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

- (a) whether Prakash Industries Limited acquired a mining lease for extracting coal exclusively for its sponge-iron plant at district Janjger Chamba, Chhattisgarh in the year 2003;
- (b) if so, the details thereof;
- (c) whether the lease was granted to double the sponge-iron production of the company by the year 2004;
- (d) if so, whether the company doubled the sponge-iron production by 2004 and if so, the details thereof;
- (e) if not, whether the company over extracted coal from the leased block; and
- (f) if so, the details thereof and the action being taken by the Government in this regard?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL)

(a) & (b): M/s Prakash Industries Ltd. was allocated Chotia coal block on 04.09.2003 for its proposed 4 lakh tonnes per annum (LTPA) expansion capacity of sponge iron plant under Section 3(3)(a)(iii) of the Coal Mines (Nationalisation) Act, 1973. For its existing 4 LTPA capacity sponge iron project and captive power plant, the company was having coal linkage from Coal India Ltd. The company requested for surrender of coal linkage and sought permission to use coal from Chotia block on account of delay in developing the additional capacity of 4 LTPA.

(c) & (d): The mining lease for Chotia coal block was executed between the allocatee company and the State Government concerned in 2006 and the coal production from Chotia coal block started from 2006. The proposed expansion capacity has not come up by 2004.

(e) to (f): There are no reports of over extraction from Chotia coal block.