

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:800

ANSWERED ON:27.11.2012

INTER-MINISTERIAL GROUP ON COAL BLOCKS

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Will the Minister of COAL be pleased to state:

- (a) the details of Inter-Ministerial Group (IMG) on coal blocks set up along with the terms and references of the said group;
- (b) the details of the coal blocks so far examined/reviewed by the said group along with the names of the companies found violating the terms and conditions of allotment norms of such coal blocks; and
- (c) the details of the action taken by the Government against them on the basis of the IMG's recommendations?

Answer

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

(a) Inter-Ministerial Group (IMG) is headed by Additional Secretary (Coal) having representatives from the Ministries of Law & Justice, Power, Steel, Deptt. of Economic Affairs and Indl. Policy and Promotion. The Terms of Reference (ToR) of IMG are:

- i) To undertake periodic review of the progress of the allocated coal blocks and to recommend action including de-allocation if required.
- ii) To consider replies to show cause notices and recommend action.
- iii) To make assessment and recommend action as to deduction of Bank Guarantee.
- iv) Any matter where a reference is made by the Competent Authority.

(b) & (c) The IMG has reviewed 66 coal blocks so far in its 17 meetings. With respect to the allocations made to the Private Companies, after hearing the allocatees the IMG has recommended de-allocation of 13 coal blocks allocated to 29 companies, deduction of Bank Guarantee in the cases of 14 blocks allocated to 19 companies and imposition of BG in case of 1 coal block. No action has been recommended in cases of 3 coal blocks allocated to 2 companies. The recommendations of the IMG have been accepted by the Government and action is initiated accordingly. The details of the said private companies alongwith blocks allocated are as under:

| Sl. No. | Name of the Coal Block Allocatee | Name(s) of the Company (s) | Recommendation of IMG |
|---------|----------------------------------|----------------------------|-----------------------|
|---------|----------------------------------|----------------------------|-----------------------|

| | | | |
|----|--|--|--|
| 1. | Utkal B2 M/s Monnet Ispat & Energy Limited | | Introduction and submission of Bank Guarantee (BG) |
|----|--|--|--|

| | | | |
|----|--------------------------------------|--|---------------|
| 2. | Bramhadih M/s Castron Mining Limited | | De-allocation |
|----|--------------------------------------|--|---------------|

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|-----|----------------------------------|-----------------------------------|---------------|
| 3-4 | Chinora and Warora Southern Part | M/s Fieldmining and Ispat Limited | De-allocation |
|-----|----------------------------------|-----------------------------------|---------------|

| | | | |
|----|---------------------------|-------------------|----------------------------------|
| 5. | Moitra Industries Limited | M/s Jayaswal Neco | Deduction of Bank Guarantee (BG) |
|----|---------------------------|-------------------|----------------------------------|

| | | | |
|----|--------|-------------------------|------|
| 6. | Lohari | M/s Usha Martin Limited | -do- |
|----|--------|-------------------------|------|

7. Chitarpur M/s Corporate Ispat -do-
Alloys Limited
8. Lalgarh North M/s DOMCO Private Limited De-allocation and full
forfeiture of Bank Guarantee
9. North Dhadu M/s Electro steel Castings De-allocation with forfeiture
Limited. of BG.
M/s Pawanjay Steel & Power
Limited.
M/s Jharkhand Ispat Pvt. Ltd.
M/s Adhunik Alloys and Power
Ltd.
10. Nerad Malegaon M/s Wani Coalfields Private Deduction of Bank Guarantee
Limited
11. Dumri M/s Nilanchal Iron & Steel Deduction of BG out of 50% BG related
Limited to shortfall in production for
M/s Bajrang Ispat Pvt. shortfall in production from the
Limited, normative date may be made as per
the formula provided in the terms
and conditions of allocation.
The balance BG, if any, may be returned.
12. New Patrapara M/s Bhushan Steel Limited De-allocation and BG may be returned
M/s Adhunik Metaliks Ltd. in full.
(Formerly Neepaz Metaliks Ltd)
M/s Deepak Steel & Power Ltd.
M/s Adhunik Corporation Ltd.
M/s Orissa Sponge Iron Ltd.
M/s SMC Power Generation Ltd.
M/s Metaliks Ltd.
M/s Visa Steel Ltd.
(formerly VISA Industries Ltd.)
13. Radhikapur M/s Tata Sponge Iron Limited Deduction of Bank Guarantee.
(East) M/s Scaw Industries pvt. Ltd,
M/s SPS Sponge Limited
14. Jitpur M/s Jindal Steel & Power Deduction of Bank Guarantee
15. Tubed M/s Hindalco Industries -do-
M/s Tata Power Corp. Ltd.
16. Durgapur M/s DB Power Limited -do-
-II/Sariya
17. Seregraha M/s Arcelor Mittal India Out of 50% BG related to shortfall in
Limited production, the IMG noted that due date
M/s GVK Power (Govindwal Sahib) for start of production has still
Limited not commenced. The IMG does not
therefore, recommend any deduction
in BG for shortfall in production.
18. Choritand M/s Rungta Mines Limited De-allocation and deduction
Tailaya M/s Sunflag Iron & Steel Ltd. of BG out of 50% BG related to
shortfall in production.
19. Macherkunda M/s Bihar Sponge Iron Limited De-allocation and full BG

may be returned to the allocatee company.

20 Gondkhari M/s Maharashtra Seamless Ltd. De-allocation with forfeiture of BG.
M/s Dhariwal Infrastructure
(P) Ltd.
M/s Kesoram Industries Ltd.

21. Bhaskarpara M/s Electrotherm (India) De-allocation and deduction of BG out
Limited, of 50% BG related to shortfall in
M/s Grasim Industries Ltd. production.

22. Dahegaon M/s IST Steel & Power Ltd. De-allocation and deduction of BG out
Makardhokra IV M/s Gujarat Ambuja Cements Ltd. of 50% BG related to shortfall in
M/s Lafarge India Pvt. Ltd. production.

23 Gourangdih ABC M/s Himachal EMTA Power Ltd. De-allocation and 50% of BG related
M/s JSW to development of coal block may
be forfeited.

24 Rawanwara North M/s SKS Ispat & Power Limited De-allocation and deduction of
BG for first year's shortfall in
production from date of normative
production.

25-27. Marki M/s Shri Virangana Steels Deduction of Bank Guarantee
Mangli-II, Limited.
Marki
Mangli-III
and Marki
Mangli-IV

28 Bijahan M/s Bhushan Limited Deduction of Bank Guarantee
M/s Mahavir Ferro Alloys
Pvt. Ltd.

Further, the IMG took up the cases of PSUs and after hearing the allocatees, the IMG recommended de-allocation of 11 blocks, deduction of BG in 5 cases, imposition of BG in 11 cases and no action in 6 cases including 3 cases on account of Court orders.