

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:2884
ANSWERED ON:11.12.2012
AGREEMENT TO EXTRACT COAL
Ganpatrao Shri Jadhav Prataprao

Will the Minister of COAL be pleased to state:

- (a) whether it is a fact that companies which have entered into an agreement with regard to extracting coal for their own use, have been selling coal to other parties;
- (b) if so, the details thereof along with provisions with regard to the use of coal in case of its surplus extraction;
- (c) whether some companies have got coal blocks allotted to them through unfair means and they are engaged in black-marketing of coal; and
- (d) the steps taken by the Government against such companies?

Answer

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

(a)&(b): Coal blocks are allocated to private companies for captive consumption for specified end uses in pursuance Section 3(3)(a) (iii) of the Coal Mines (Nationalisation) Act, 1973. There is no provision for sale of coal from captive blocks. Generally, the modalities of disposal of surplus coal, if any, would be as per the prevailing policy/instruction of the Government at the relevant point of time and could also include handing over such surplus coal to local Coal India Limited (CIL) subsidiary or to any person designated by it at a transfer price to be determined by the Government.

(d)&(e): Central Bureau of Investigation (CBI) has registered three Preliminary Enquiry cases to investigate the alleged irregularities in allocation of coal blocks to private companies from 2006 to 2009 and from 1993 to 2004 and a Preliminary Enquiry relating to allocation of coal blocks to Government companies. As informed by CBI, in respect of 9 private companies 9 FIRs have been registered and investigation of Regular Cases and the Preliminary Enquiry are underway on priority. Ministry of Coal has also issued Show Cause notices to 8 companies. In case of one company, the coal block was already de-allocated.