

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:397
ANSWERED ON:26.02.2013
CAPTIVE COAL MINING
Jakhar Shri Badri Ram

Will the Minister of COAL be pleased to state:

- (a) the details of coal blocks identified for "Captive End Use" and allotted to Government and private sectors and the revenue generated as a result thereof during each of the last three years and the current year, coal block-wise;
- (b) the manner in which these coal blocks have been allocated;
- (c) the details of coal blocks where mining has started;
- (d) whether the Government is contemplating to allocate more coal blocks for captive coal mining to power, iron, steel and cement sectors;
- (e) if so, the details thereof, State/UT- wise and coal block-wise; and
- (f) the time by which these coal blocks are likely to be allocated in various States?

Answer

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

(a) The Government has allocated 218 coal blocks in total so far. Out of the above 47 coal blocks have been de-allocated. 2 coal blocks were allocated again, and the de-allocation in respect of 3 coal blocks has been withdrawn. Accordingly, 176 coal blocks with reserves of around 40 billion tonnes stand allocated. Royalty is paid to the concerned State Governments after the production commences. The details of the royalty paid during the last 3 years is as under:

Year	Rs in lakh
2009-10	29058.80
2010-11	29963.26
2011-12	32800.71

(b) Before the introduction of competitive bidding as method of allocation, the coal blocks were allocated to private companies and government companies under the following three processes:

(i) Captive dispensation route through Screening Committee The allocation of coal blocks to public/ private parties was done through the mechanism of an inter-Ministerial inter-Governmental body called the Screening Committee. The Screening Committee was chaired by the Secretary (Coal) and has representation from Ministry of Steel, Ministry of Power, Ministry of Industry and Commerce, Ministry of Environment and Forest, Ministry of Railways, Coal India Limited, CIL Subsidiaries, CMPDIL, NLC and the concerned State Governments. Allocations were decided by the Govt. on the recommendations of the Screening Committee taking into account, inter-alia, techno-economic viability of end-use project, state of project preparedness, compatibility in terms of quality and quantity of coal in a block with the requirement of end user and track record of applicant company, recommendations of the State Government and Administrative Ministry concerned etc. Allocations were decided by the Govt. in pursuance of Section 3(3)(a)

(iii) of the Coal Mines (Nationalisation) Act, 1973.

(ii) Under Government Company dispensation: Under the Govt. Company dispensation route, the list of blocks identified was circulated to all the Central Ministries/ State Governments applications were invited from the State Governments/Central Govt. for Government companies. Under this route, only Government companies are allocated coal blocks both for specified end use and for commercial mining by the government companies where there is no restriction of captive use. Under this arrangement, allocations were determined on the basis of, inter-alia, preference to the States which have not been allocated any coal blocks earlier, priority to the host States in order to encourage value addition within the coal bearing State, past performance of applicants in developing coal blocks, proximity of coal blocks to the proposed end use projects, recommendation / support of State Government concerned etc. Allocation was decided by the Govt. without referring it to the Screening Committee and on the basis of Revised Coal Mining Policy 2001 in pursuance of Section 3(3)(a)

(i) of the Coal Mines (Nationalisation) Act, 1973.

(iii) Tariff based bidding route: Coal blocks were also earmarked for the power projects to be set up on the basis of tariff based

competitive bidding system. Under Tariff Based Bidding route, identified coal blocks were placed at the disposal of the Ministry of Power which determines the linkage of coal blocks with the power projects proposed to be awarded on the basis of Tariff Based Competitive Bidding by calling applications from eligible companies. The Ultra Mega Power Project (UMPP) is awarded to the successful bidder. For power projects to be selected through tariff based bidding, coal blocks are allotted based on the recommendations of the Ministry of Power in pursuance of Section 3(3)(a)

(iii) of the Coal Mines (Nationalisation) Act, 1973. The terms and conditions are same as applicable for blocks allocated under the Captive dispensation through Screening Committee route.

(c) As per the information provided by Coal Controller Organization coal production has started in 33 coal blocks and production from the captive blocks during 2011-12 was 36.2 million tonnes.

(d) & (e): 54 coal blocks have been identified for allocation. Under Rule 4 of the Auction by Competitive Bidding of Coal Mines Rule 2012, the Government has invited applications from the government companies/undertaking (central and state) on 31.12.2012 for allocation of 17 coal blocks (out of 54 above) for power and mining purposes, the details of which are given below.

Sl.No.	Coalfield Block	Opencast/ Under-ground	State	Remarks
1	Mand Raigarh Jilga-Barpali	UG	Chhattisgarh	Power
2	Brahmani Kalyanpur-Badalpara	OC	Jharkhand	Power
3	Singrauli Gondbahera-Ujhani -		Madhya Pradesh	Power
4	Talcher Kudanali-Laburi	OC	Odisha	Power
5	Talcher Sarapal-Naupara	UG	-do-	-do-
6	Talcher Tentuloi	UG	-do-	-do-
7	Rajmahal Pachwara South	OC	Jharkhand	Power
8	Kamptee Mahajanvadi	UG	Maharashtra	Power
9	Talcher Chandrabila -		Odisha	Power
10	Mand Raigarh Baisi	UG	Chhattisgarh	Power
11	Birbhum Deocha-Pachmi	UC/UG	West Bengal	Power
	Dewanganj- Harinsingha	OC/UG		
12	Mand Raigarh Banai	OC/UG	Chhattisgarh	Power
13	Mand Raigarh Bhalumuda	OC/UG	-do-	-do-
14	Hasdeo-Arand Kente Extn	OC	-do-	-do-
15	Talcher Brahmani	OC/UG	Odisha	Mining
16	Auranga Gowa -		Jharkhand	Mining
17	Korba Kerwa	UG	Chhattisgarh	Mining

(f) The applications from Government companies/corporations in respect of 17 coal blocks (14- Power and 03-Mining) have been received and the same are under evaluation.