

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

STARRED QUESTION NO:22
ANSWERED ON:26.02.2013
DE ALLOCATION OF COAL BLOCKS
Alagiri Shri S.

Will the Minister of COAL be pleased to state:

- (a) whether the Government has de-allocated all the coal blocks recommended by the Inter-Ministerial Group for de-allocation, so far;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) whether the de- allocation of coal blocks had been stayed by the court;
- (d) if so, the reaction of the Government thereto along with the present status thereof; and
- (e) the action plan prepared/being followed to ensure transparency in the process of allocation of coal blocks?

Answer

MINISTER OF COAL (SHRI SRI PRAKASH JAISWAL)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO REPLY GIVEN AT (A) TO (E) OF THE LOK SABHA STARRED QUESTION No.22 FOR ANSWER ON 26.02.2013

(a) & (b): The Inter-Ministerial Group (IMG) has recommended de-allocation of 24 coal blocks. Out of which, 22 coal blocks have been de-allocated. The recommendations in respect of Urma Paharitola block allotted to M/s Bihar Rajya Khanij Ltd. and M/s Jharkhand State Electricity Board is pending consideration of the Govt. and the recommendation of the IMG regarding Brahamadiha block is accepted by the Govt. but is pending in view of the orders of Hon'ble High Court of Jharkhand in W.P.No.6658 of 2012.

(c) & (d): The details of cases filed in various cases is as per Annexure. The Government would file counter affidavits in concerned courts to defend the action of the Government.

(e): The Mines and Minerals (Development and Regulation) Amendment Act, 2010 provides for grant of reconnaissance permit, prospecting licence or mining lease in respect of an area containing coal and lignite through auction by competitive bidding, on such terms and conditions as may be prescribed. This, would however, not be applicable in the following cases:-

where such area is considered for allocation to a Government company or corporation for mining or such other specified end use;

where such area is considered for allocation to a company or corporation that has been awarded a power project on the basis of competitive bids for tariff (including Ultra Mega Power Projects).

The Government has notified the "Auction by Competitive Bidding of Coal Mines Rules, 2012" on 2nd February, 2012 and the notification on the commencement of the said Amendment Act, 2010 has also been notified by the Ministry of Mines on 13th February, 2012

Further the Government has notified the "Auction by Competitive Bidding of Coal Mines (Amendment) Rules, 2012" on 27th December, 2012 regarding the allocation of coal blocks to the Government Companies. It contains detailed terms and conditions for selection of Govt. company for allocation on the basis of pre-determined criteria and for utilization of coal.

With regard to allocation of coal blocks through auction, M/s CRISIL Infrastructure Advisory has been appointed as consultant to suggest methodology for fixing floor price/ reserve price, model tender document and draft agreement to be entered into with the successful bidders. The Ministry is consulting various stakeholders including Finance Ministry in the matter.