

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

STARRED QUESTION NO:169

ANSWERED ON:17.12.2013

DEVELOPMENT OF COAL BLOCKS

Gaikwad Shri Eknath Mahadeo;Khaire Shri Chandrakant Bhaurao

Will the Minister of COAL be pleased to state:

- (a) whether various companies which were allocated coal blocks have either failed to start their production or utilise the coal blocks for the purpose for which they had been allocated;
- (b) if so, the details in this regard, company-wise;
- (c) the action taken by the Government against such companies along with the outcome thereof; and
- (d) the measures taken/being taken by the Government for development of coal blocks in the country?

Answer

MINISTER OF COAL (SHRI SRIPRAKASH JAISWAL)

(a) to (d): A statement is laid on the table of the House.

Statement referred to reply given at part (a) to (d) of Lok Sabha Starred Question No. 169 for answer on 17.12.2013.

(a) to (c): Development of coal blocks involves a gestation period of 3 to 7 years for reaching the production stage and another two to three years for reaching the optimal production capacity. As per the guidelines, coal production from a captive coal block should commence within 36 months (42 months in case the area falls in forest land) in case of open cast mines and in 48 months (54 months in case the area falls in forest land) in case of underground mine, from the date of allocation. If a coal block is not explored, additional two years are allowed for detailed exploration and three months for preparation of geological report. The responsibility of developing the coal block as per the prescribed guidelines and milestone chart attached with the allocation letter rests with the allocatee company. The allocatees of coal blocks, who have not started production so far, are in various stages of obtaining statutory clearances and mining lease, preparing mining plan, acquisition of land, procuring machinery and equipment etc. for both mining as well as end-use project. A total of 218 coal blocks were allocated to various public and private sector companies. A list of 218 coal blocks along with the name of the allocatee companies and the status of coal blocks (producing, non-production and de-allocated) is at Annexure.

Government periodically monitors and reviews the development of allocated blocks as well as end use plants by the allocatee companies in the review meetings. Further, an Inter-Ministerial Group (IMG) has been constituted on 21.06.2012 under the chairmanship of Additional Secretary (Coal) to review the progress of development of allocated coal/lignite blocks and associated end use projects of the allocatees and make recommendations to Government including recommendation for de-allocation. Wherever delays are noticed, Government issues show cause notices and advisories to such allocatees cautioning them to bring the coal blocks into production as per the guidelines/milestones chart. Based on the recommendations of the then Review Committee and the IMG, the Government has so far de-allocated 47 coal blocks. Out of the 47 de-allocated blocks, 2 blocks were allocated again and in respect of 5 blocks allotted to National Thermal Power Corporation Ltd./Damodar Valley Corporation Ltd./Jharkhand State Electricity Board, de-allocation letters were withdrawn. The review of captive coal blocks is an on-going continuous process.

(d): The Government from time to time takes up the matter with the concerned authorities to expedite grant of various clearances to enable coal block allocatees to develop coal blocks. In order to expedite development of captive coal blocks and improve monitoring of development of coal blocks at State level, Chief Secretaries of coal bearing States have been requested to set up a Monitoring Committee under the chairmanship of Chief Secretary of the State to undertake review of development of allocated coal blocks.