

**GOVERNMENT OF INDIA  
COAL  
LOK SABHA**

UNSTARRED QUESTION NO:1952

ANSWERED ON:17.12.2013

ALLOTMENT OF CAPTIVE COAL BLOCKS

Bapurao Shri Khatgaonkar Patil Bhaskarrao;Paranjpe Shri Anand Prakash;Singh Shri Yashvir

**Will the Minister of COAL be pleased to state:**

- (a) whether many of the coal companies which were allocated mining coal blocks for captive use are slow in developing the mines;
- (b) if so, the details thereof and the reasons therefore, State-wise;
- (c) whether the inter-ministerial group has suggested that show-cause notices be issued to companies that have been slow in developing the blocks;
- (d) if so, the action taken by the Government against such companies; and
- (e) the other steps taken by the Government to remove regulatory hurdles faced by the coal companies for fast track development of coal mines in the country?

**Answer**

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

(a) to (e): 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 State-wise break-up of 178 coal blocks which stand allocated as on date and 37 blocks which have come into production is given in Annexure.

The allocatees of the 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. 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.

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.