

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:3306
ANSWERED ON:11.02.2014
NAINI COAL BLOCK
Jawale Shri Haribhau Madhav

Will the Minister of COAL be pleased to state:

- (a) whether it is a fact that Naini Coal Block allocated to a Gujarat State PSU has been de-allocated;
- (b) if so, whether the Ministry/ Government has proposed to allocate an alternate coal block in lieu of the de-allocated block; and
- (c) if so, the details thereof and the time by which it is likely to be allocated?

Answer

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

(a) Naini coal block was allocated to M/s. Gujarat Mineral Development Corporation Ltd. (GMDCL), a PSU of Gujarat State on 25.07.2007. Inter-Ministerial Group (IMG), which was constituted by the Government to review the progress of allocated coal blocks and linked/ associated end use projects, after having reviewed the progress of Naini coal block has recommended de-allocation of the same along with forfeiture of 50% bank guarantee (BG) related to development of this block. The recommendations of IMG have been accepted by the Government and the block has since been de-allocated on 10.12.2012.

(b) to (c) There is no proposal under consideration of the Ministry/Government to allocate an alternate coal block in lieu of the de-allocated Naini coal block. The Mines and Minerals (Development & 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 02.02.2012. Further, the notification on the commencement of the said Amendment Act, 2010 has also been notified by the Ministry of Mines on 13.02.2012. The coal/lignite blocks can only be allocated under the amended Act and above mentioned Rules.

Government had allocated 14 coal blocks to various Government Companies/ Corporations engaged in power generation under Rule 4 of Auction by Competitive Bidding of Coal Mines Rules, 2012. These blocks include one blocks namely 'Mahajanwadi' which was allocated jointly to Gujarat and Maharashtra.