

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:2181
ANSWERED ON:24.07.2014
ALLOCATION OF COAL BLOCKS
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Will the Minister of COAL be pleased to state:

- (a) the role of the Ministry in the allocation of coal blocks; and
- (b) the time by which allocated coal blocks are likely to be transferred to the concerned units?

Answer

MINISTER OF STATE (I/C) FOR COAL, POWER AND NEW & RENEWABLE ENERGY (SHRI PIYUSH GOYAL)

(a) & (b) : Under the amended provisions of Section 11 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Central Government may, for the purpose of granting reconnaissance permit, prospecting licence or mining lease in respect of an area containing coal or lignite, select, through auction by competitive bidding on such terms and conditions as may be prescribed to a company engaged in specified end use. The State Government shall grant such reconnaissance permit, prospecting licence or mining lease in respect of coal or lignite to such company as selected through auction by competitive bidding, provided that the auction by competitive bidding shall not be applicable to an area containing coal or lignite, –

- (a) where such area is considered for allocation to a Government company or corporation for mining or such other specified end use;
- (b) 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 allocation of coal blocks is an ongoing process and after the allocation of coal block to a successful allocatee, the allocatee obtains mining lease from the concerned State Government after all statutory clearances are obtained.