

**GOVERNMENT OF INDIA  
COAL  
LOK SABHA**

UNSTARRED QUESTION NO:874  
ANSWERED ON:27.11.2014  
ALLOTMENT OF COAL BLOCKS  
Kachhadia Shri Naranbhai

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

- (a) whether large scale irregularities and corruption are being practiced in the allotment of coal blocks of Coal India Limited (CIL) to various companies;
- (b) if so, the details thereof;
- (c) whether the Government proposes to amend the mines act to check the alleged irregularities and corruption and to make the allotment procedure simple and transparent;
- (d) if so, the details thereof;
- (e) the details of the cases regarding irregularities in allotment noticed during the last year till now; and
- (f) the action taken against the officials of the coal companies in each case?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, COAL AND NEW & RENEWABLE ENERGY (SHRI PIYUSH GOYAL)

(a) to (f): A total of 218 coal blocks with geological reserves of about 50 billion tonnes were allocated to public and private companies in pursuance of the Coal Mines (Nationalisation) Act, 1973 from 1993 till 2011. The allocation of coal blocks was challenged before the Hon'ble Supreme Court of India. The Hon'ble Supreme Court in its judgment dated 25.08.2014 and order dated 24.09.2014 passed in W.P.(Criminal) No.120 of 2012 and other connected matters has declared all allocations of the coal blocks made through Screening Committee and through Government Dispensation route since 1993 as illegal & arbitrary and has cancelled the allocation of 204 coal blocks out of 218 coal blocks (i.e. except Tasra coal block allocated to Steel Authority of India Ltd. and Pakri Barwadih coal block allocated to National Thermal Power Corporation and 12 coal blocks allocated for Ultra Mega Power Projects). In case of 42 coal blocks (37 producing and 05 likely to come under production), cancellation shall take effect from 31.03.2015.

For management and reallocation of cancelled coal blocks, Government has promulgated 'the Coal Mines (Special Provisions) Ordinance, 2014' on 21.10.2014 to ensure smooth transfer of rights, title and interest in the mines along with its land and other associated mining infrastructure to the new allottees to be selected through an auction or allotment to government company, as the case may be. With a view to bring in transparency and objectivity in coal block allocation, the Mines and Minerals (Development & Regulation) Act, 1957 has already been amended in 2010 to provide for auction for allocation of coal blocks through competitive bidding.

The Central Bureau of Investigation (CBI) has registered 3 Preliminary Enquiry (PE) cases regarding alleged irregularities in allocation of coal blocks – relating to allocation of coal blocks to private companies during the period 2006-09, relating to allocation of coal blocks to private companies during the period 1993-2004 and relating to allocation of coal blocks to Government companies. In view of the various observations of Hon'ble Supreme Court of India in W.P. (Criminal) No.120 of 2012, it would not be possible for the Ministry of Coal to obtain any details from CBI in this regard.