

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:3015
ANSWERED ON:11.12.2014
BAN ON COAL EXCAVATION AND TRADING
Chakravarty Smt. Bijoya

Will the Minister of COAL be pleased to state:

(c) whether due to ban on coal excavation and trading of coal, several coal based industries including power plants facing are acute problem; and

(d) if so, the details thereof and the steps being taken by the Government in this regard?

Answer

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

(a) & (b): As far as ban on coal excavation is concerned, a Public Interest Litigation (PIL) was filed in the Hon'ble High Court of Guwahati, which was subsequently transferred to the National Green Tribunal (NGT). In the aforesaid case, Hon'ble NGT vide its order dated 17.04.2014 has directed the State Government of Meghalaya to ensure that the rat-hole mining/ illegal mining is stopped throughout the State of Meghalaya and any illegal transport of coal shall not take place until further orders of the Tribunal.

The matter is still subjudice before the National Green Tribunal.

The case was subsequently transferred to the NGT as NGT application No. 110 of 2012.

(NGT). The Hon'ble Supreme Court, vide its order/judgment dated 25.08.2014 and 24.09.2014 in Writ Petition (Criminal) No. 120 of 2012 (Manoharlal Sharma Vs. Principal Secretary & Ors.) and Writ Petition (Civil) No. 463 of 2012 (Common Cause Vs. UOI & Ors.) as well as other connected PILs, has cancelled the allocation of 204 coal blocks out of 218 coal blocks allocated since 1993.

It was expedient in public interest for the Central Government to take immediate action in the light of the Hon'ble Supreme Court's judgment to allocate coal mines to new allocattees keeping in view the energy security of the country and to minimize any impact on core sectors such as steel, cement and power utilities, which are vital for the development of the nation. Further, in order to overcome acute shortage of coal in the country and augment its production, the Ordinance also seeks to insert Section 3(A) in the Coal Mines (Nationalization) Act, 1973 and amend Section 11(A) of Mines and Minerals (Development and Regulation) Act, 1957 thereby removing the restriction of end use from the eligibility to undertake coal mining, in the national interest.

(c) & (d): T.L. Shanker Committee had recommended restructuring of Coal India Limited (CIL) keeping in view the rapidly increasing demand for coal and the need for enhancing coal production and to make the coal industry competitive in the rapidly changing economic scenario. Accordingly, Ministry of Coal had floated an Expression of Interest (EOI) for engaging consultants for restructuring CIL to strengthen coal development in the country. Out of 17 applications received in response to the EOI, 9 companies were shortlisted and after final evaluation, the study on restructuring has been assigned to the lowest bidder on 25/9/2013. The consultant has submitted its draft report.