

**GOVERNMENT OF INDIA  
COAL  
LOK SABHA**

UNSTARRED QUESTION NO:3209  
ANSWERED ON:11.12.2014  
COAL BLOCKS  
Arunmozhithevan Shri A.

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

- (a) whether the Government has started identifying the suitable coal blocks that could come back to its kitty after the Supreme Court's hearing on the coal block allocation;
- (b) if so, the details thereof;
- (c) whether the Government's pilot round of coal block auctions last year did not elicit any response from the steel and cement companies, forcing it to scrap the offer; and
- (d) if so, the details thereof?

**Answer**

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

(a) & (b) : Hon'ble Supreme Court of India in its judgment dated 25.08.2014 and order dated 24.09.2014 passed in Writ Petition (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 interests in the mines/blocks 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. The allocation of coal blocks would now be made in pursuance of the provisions of Ordinance and Rules made thereunder in a time bound manner to ensure that there is no disruption in supply of coal. The auction of coal blocks is decided to be carried out in e-auction mode in order to keep the process transparent.

(c) & (d) : For allocation of area containing coal through auction by competitive bidding for specified end use under the provisions of Rule-3 of the 'Auction by Competitive Bidding of Coal Mine Rules, 2012', from the companies engaged in the business of specified end uses, a Notice Inviting Applications (NIA) offering 3 coal blocks (for Steel, Sponge Iron & Cement) was issued on 26.02.2014 and 2 bids were received upto the bid due date (25.06.2014) for Andal Babuisol coal block for Sponge Iron. However, it was decided to cancel the above mentioned auction as issues concerning prior clearances etc. were to be revisited.