

(b) if so, the details thereof, as on 1st April, 2009, with particular reference to coal mined in Jharkhand, indicating volume of coal allocated, if any, to non FSA parties and the declared end use of coal by respective allottees;

(c) the norms or criteria governing FSA;

(d) whether allottees have to prove their bonafide requirement of coal and are prohibited to divert coal to purposes other than what they have declared; and

(e) the extant mechanism of CIL to detect diversions?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI SRIPRAKASH JAISWAL): (a) As per the provisions of New Coal Distribution Policy of October, 2007, Coal India Limited and its subsidiaries are required to supply coal to consumers, under Fuel Supply Agreements (FSAs). In addition, coal is also being sold under E-auction scheme without any FSA and also distributed to small and medium consumers by State Government nominated agencies, who are required to conclude Fuel Supply Agreement.

(b) Out of a total quantity of 79.70 million tonnes dispatched from mines of Jharkhand State during 2008-09, 8.8 million tonnes was dispatched to parties under e-auction and balance 70.90 million tonnes was dispatched to the buyers for declared end use of coal by respective allottees.

(c) As per the provisions of New Coal Distribution Policy, in case of power utilities including Independent Power Producers/Captive Power Plants and Fertilizer sector, 100% of the normative requirement would be considered for supply of coal through Fuel Supply Agreement (FSA). In case of other consumers, 75% of the quantity as per the normative requirement of the consumers would be considered for supply of coal through FSA.

(d) Yes, Sir. As per provisions of FSA, allottees of coal have to certify their bonafide requirement of coal and they are prohibited to sell/divert and/or transfer the coal for any purpose whatsoever.

(e) In FSA, it is expressly clarified that the Seller reserves the right to verify including the right to inspect/call for any document from the Purchaser and physically verify the end-use of coal and satisfy itself of its authenticity. The Purchaser shall have the obligation to comply with the Seller's directions and extend full cooperation in carrying out such verification/inspection. At present there is no well established system to detect diversion, however, cases of diversion, brought to the notice of Coal India Ltd are looked into for appropriate action in terms of FSA.

Captive coal mines

875. SHRI D. RAJA:

SHRI SYED AZEEZ PASHA:

SHRI R.C. SINGH:

Will the Minister of COAL be pleased to state:

(a) whether it is a fact that a number of captive coal mines allocated to steel companies are lying unexploited; and

(b) if so, what are the details of such captive coal mines and Government's decision on these mines?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI SRIPRAKASH JAISWAL): (a) and (b) The following steel companies are yet to start production from the allocated captive coal blocks:-

Sl.No.	Name of Steel Company	Name of coal block allocated	Date of allocation
1.	IISCO/Steel Authority of India Ltd.	Tasra	October, 1995
2.	Jaiswal Neco Ltd.	Moitra	13.05.2005
3.	Domco Pvt. Ltd.	Lalgarh North	08.07.2005
4.	Tata Steel Ltd.	Kotre Basantpur and Pachmo	11.08.2005
5.	Rashtriya Ispat Nigam Ltd.	Mahal	09.12.2005
6.	Steel Authority of India Ltd.	Sitanala	11.04.2007
7.	JSW Steel, Bhushan Steel & Power and Jai Balaji Ispat Ltd.	Rohne	05.06.2008
8.	Rashtriya Ispat Nigam Ltd.	Tenughat Jhirki	10.09.2008

Tasra coal block was initially allocated to M/s SAIL on 4.10.1995. However, the block was further transferred to M/s IISCO, a subsidiary of SAIL based on the request of SAIL and recommendation of the Screening Committee in the year 2000. The progress was further delayed due to transfer of mining rights from BCCL to IISCO. This Ministry took serious note of the delay and also show cause notice was issued in this regard. The allocatee company has promised to expedite the production of coal from the allocated coal block at the earliest.

As per the guidelines, coal production from a captive coal block should commence within 36 months (42 months in case the area falls in forest land) in case of open cast mines and in 48 months (54 months in case the area falls in forest land) in case of under ground mine, from the date of allocation. If the coal block is not explored, additional two years are allowed for detailed exploration and preparation of geological report. The allocatees of coal blocks, who have not started production so far, are in various stages of obtaining statutory clearances and mining lease, preparing mining plan, acquisition of land, procuring machinery and equipment etc. for both mining as well as end-use project. Further, the progress of development of coal blocks and end use projects of the allocatee companies are monitored and reviewed from time to time by the Ministry of Coal. The last such review meeting was held on 22nd and 23rd June, 2009.

KPMGs report on corporate governance

876. SHRI M.V. MYSURA REDDY:

SHRI NANDAMURI HARIKRISHNA:

Will the Minister of CORPORATE AFFAIRS be pleased to state: