

(Rupees in crores)

Name of Mine	Company	Loss/Profit	Loss/Profit	Loss/Profit
		2006-07	2007-08	2008-09
Moonidih	BCCL	-38.86	-38.51	-92.72
PB Project	BCCL	-2.46	-10.40	-51.45
Madhuband	BCCL	-1.96	-4.27	-21.00
Vindhya U/G	SECL	-1041.27	-803.42	-1532
Pinoura U/G	SECL	-349.27	-701.13	-1444
Kurja U/G	SECL	177.58	-38-85	-151.50
Kapildhara U/G	SECL	2051.06	2131.19	1277

(c) and (d) Yes, Sir. Most of the underground mines of Eastern Coalfields Limited (ECL) are loss making. The main reasons for suffering losses are inheritance of large number of work force in its underground mines at the time of nationalization; stiff resistance from trade unions for redeployment of personnel to potential mines and conducting of operations in underground mines with sand stowing in order to protect the surface features leading to increased cost of operations.

(e) Closing down of uneconomic mines, opening of green field underground mines with state of the art technologies; mechanizing the manual workings wherever feasible are some of the efforts being adopted for turning around loss making mines.

#### Share of private and public sector companies in coal

†1650. SHRI SUBHASH PRASAD YADAV: Will the Minister of COAL be pleased to state:

(a) the details regarding the share of private and public sector companies in coal mining projects and the criteria of their allotment;

(b) the number of coal projects approved during the last three years and in the current financial year and the criteria thereof;

(c) whether Indian companies have been ignored in the process of allotment;

(d) if so, the reasons therefor;

(e) the details of procedure for approving the coal projects; and

(f) the details of the outcome of recently concluded meeting of the Ministers of Coal and Environment and Forests?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI SRIPRAKASH JAISWAL): (a) 201 coal blocks with geological reserves of about 45 BT have been allocated (upto May, 2009) to various public and private companies registered under the Indian Companies Act, 1956 for different end uses specified in Section 3(3)(a) of the Coal Mines (Nationalisation) Act, 1973. Out of the total 201 coal blocks, 97 coal blocks have been allocated to public sector companies and 104 coal blocks

†Original notice of the question was received in Hindi.

have been allocated to private sector companies. Allocations of coal blocks are decided by the Government taking into account, inter-alia, techno-economic viability of end-use project, state of project preparedness, compatibility in terms of quality and quantity of coal in a block with the requirement of end user and track record of applicant company, recommendations of the State Government and Administrative Ministry concerned etc.

(b) The number of coal blocks allocated during the last three years and in the current financial year is given below. The criteria adopted for allocation of coal blocks are given in reply to part (a) above.

Year	No. of coal blocks allocated
2006-07	34
2007-08	53
2008-09	19
2009-10 (Upto June, 2009)	7

(c) No, Sir, only companies registered under the Indian Companies Act, 1956 have been allocated coal blocks.

(d) Does not arise in view of reply given at (c) above.

(e) The different procedures followed for allocation of coal blocks are given below:-

(i) **Government Company Dispensation Route** - Under this arrangement, applications are invited from the State Government/Central Govt companies/enterprises. Allocation of coal blocks to State/Central Public Sector Enterprises (PSEs) is made under Section 3(3)(a)(i) of the Coal Mines (Nationalisation) Act, 1973. Under this route, only Government companies are allocated coal blocks and no private company is eligible for allocation.

(ii) **Captive Dispensation Route**- Under this dispensation, blocks identified for allocation for approved end-use for captive mining are advertised in the major National/Regional newspapers calling applications from both public and private sector companies. The applications received are placed before the Screening Committee for its recommendation. Allocation of coal blocks in favour of public as well as private sector companies under Section 3(3)(a)(iii) of the Coal Mines (Nationalisation) Act, 1973 is done by the Government based on the recommendations of the Screening Committee which is an inter-ministerial and inter-governmental committee headed by Secretary(Coal). This Committee has representatives from Ministry of Power, Steel, Industry, Environment & Forests, Railways, Coal India Limited, Central Mine Planning & Design Institute Limited, Neyveli Lignite Corporation and the concerned State Government where the block is located.

(iii) **Allocation of coal blocks under Tariff Based Competitive Bidding**:- In this case, identified coal blocks are placed at the disposal of Ministry of Power which determines the linkage of coal blocks with the power projects proposed to be awarded on the basis of Tariff Based Competitive

Bidding by calling applications from eligible companies. Coal blocks are allotted by the Ministry of Coal to power projects on the basis of bidding for tariff on the recommendations of Ministry of Power under Section 3(3)(a)(iii) of the Coal Mines (Nationalisation) Act, 1973.

(f) A meeting on 17.06.2009 was held between the Ministers of Coal and Environment & Forests.

The following major issues were discussed in the said meeting:

- i) To revisit the existing guidelines for exploratory boreholes in forest areas.
- ii) To identify "Go" and "No-Go" areas for coal exploitation.
- iii) To expedite environmental clearance of coal projects.
- iv) To expedite forestry clearances.
- v) To re-induct a representative from Ministry of Coal in the Environmental Appraisal Committee (EAC).

#### **Inspection of accounts book of big corporates**

1651. SHRIMATI MOHSINA KIDWAI: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the Ministry is looking into the accounts of big corporates with huge turnovers to assess whether these firms are reflecting correctly the losses or gains arising from transactions involving foreign currency in their account books;

(b) if so, the details thereof;

(c) whether Government has asked the Institute of Chartered Accountants of India (ICAI) to check/scrutinize the accounts of big corporates; and

(d) if so, the details of discrepancies found by ICAI in the accounts of big corporates and further action taken by Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHEED): (a) and (b) The Ministry carries out scrutiny and inspection of accounts of companies as and when required as part of its responsibility of administration of the Companies Act, 1956. During this process, compliance with Accounting Standards is also checked and Accounting Standard 11 titled 'The effect of changes in foreign exchange rates' is a part of Accounting Standards. Further, auditors of every company have to *inter-alia* report on the compliance of Accounting Standards as required under Section 227(3)(d) of the Companies Act, 1956.

(c) No, Sir.

(d) Does not arise.

#### **Inspection of accounts of Educomp Solutions Ltd.**

1652. SHRI DHARAM PAL SABHARWAL: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether it is a fact that Government has ordered inspection of the books of accounts of Educomp Solutions Ltd., following report of manipulation of accounts to push share prices;