

- (i) Production suffered mainly in Rajmahal OC project due to lack of exposure of coal due to delay in shifting of Bhoraichak village.
- (ii) Law and Order problem in BCCL, CCL & MCL
- (iii) Large number of projects got delayed on account of delay in forestry clearances.

In the financial year 2008-09, there was shortfall of 1.27 Million Tonne due to the following reasons:

- (i) Number of projects got delayed due to delay in environment and forestry clearances.
- (ii) Law and order problem mainly in BCCL, CCL & MCL
- (iii) Delays in outsourcing & procurement.

In the financial year 2009-10, there was shortfall in production of 3.74 Million Tonne due to the following reasons:

- (i) Law and order problem in BCCL, CCL & MCL
- (ii) Number of projects got delayed on account of delay in forestry clearances.

In the financial year 2010-11, there was shortfall in production of 29.18 Million Tonne due to the following reasons:

- (i) Non consideration of proposals of Environmental Clearance due to embargo of CEPI in some of the coalfields
- (ii) Delay in Forestry clearances
- (iii) Law & order problem in Jharkhand & Orissa
- (iv) Excessive Rainfall in WCL & NEC areas
- (v) Delay in possession of acquired land
- (vi) R&R Problems
- (vii) Delay in finalisation of 4 OB removal contracts due to legal problem at NCL.

Acquiring coal mines by CIL

†2032. SHRI RAM JETHMALANI:

SHRI RAMCHANDRA PRASAD SINGH:

Will the Minister of COAL be pleased to state:

†Original notice of the question was received in Hindi.

(a) whether it is a fact that due to Government's policies, the Coal India Limited (CIL) failed to acquire coal mines at international level;

(b) if so, Government's reaction thereto;

(c) the policies due to which CIL has been failed, so far; and

(d) the amount of capital invested in foreign coal mines by CIL upto September, 2011?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL): (a) to (c) The powers vested with CIL by virtue of being a Maharatna Company empowers the Board to approve investment of specified amount of capital in overseas coal assets. As a matter of fact, CIL, floated an expression of interest for selection of strategic partners from four countries namely Indonesia, South Africa, Australia and USA in July, 2009. After evaluation some of the proposals were short listed and due diligence activities were carried out for 3 brown-fielded coal assets from listed companies one each in Indonesia, Australia and USA in May-June 2010. At the time of submitting final and binding bid in May 2011 it was decided to seek guidelines from Ministry of Coal (MoC), whether CIL should invest in unlisted coal assets belonging to listed companies and what would be the minimum internal rate of return (IRR%) of investment overseas. This led to most of the acquisition activities being kept on hold for few months which have been again restarted after receipt of reply from Government/ MoC in November, 2011 to proceed with unlisted companies and preferably pursue opportunities with minimum IRR of 12%.

The Government had earlier approved formation of a Special purpose Vehicle (SPV) "International Coal Ventures Limited" (ICVL) with the participation of CIL/SAIL/RINL/NMDC & NTPC for acquisition of coal resources abroad. ICVL is also actively pursuing acquisition of one coal asset in Australia and one coal asset in Indonesia. Proposals received from several countries are being reviewed and due diligence is in progress. ICVL is also participating in bidding process for acquisition of equity in some undeveloped coal assets. However, no acquisition has been made so far.

(d) CIL till date has acquired prospecting license for two coal blocks in Mozambique through a wholly owned subsidiary Coal India Africana Limitada (CIAL) formed in Mozambique with the normal capital of USD 1000.

Coal block allocation

2033. SHRI RAMA CHANDRA KHUNTIA: Will the Minister of COAL be pleased to state: