

Allocation of coal blocks on preferential basis

632. SHRI PARSHOTTAM KHODABHAI RUPALA:

SHRI BHARATSINH PRABHATSINH PARMAR:

Will the Minister of COAL be pleased to state:

- (a) whether the Ministry has adopted transparent process while allocating coal blocks;
- (b) why public sector coal units are not allocated coal blocks on preferential basis;
- (c) how many coal blocks are allocated to private sector during the last seven years and among them, how many blocks are operational as on date;
- (d) why the Ministry is not taking stringent action on such coal operators who has not started the operation yet; and
- (e) whether Government has taken maximum royalty from the private coal players and the details of the guidelines determining the royalty?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL): (a) Yes Sir.

(b) Public sector coal companies are entitled for allocation of coal blocks under all the routes of allocations. Under Government Dispensation route only public sector companies are entitled for allocation of coal blocks and no private sector company is eligible for allocation.

(c) During the last 7 years, 93 coal blocks have been allocated to private sector companies. Out of the above, 4 coal blocks have been de-allocated. Among the remaining 89 allocated coal blocks, 2 have come into production.

(d) One of the conditions of allocation of coal block is that coal production from the blocks shall commence within 36 months (42 months in case the area is in forest land) in case of open cast mines and within 48 months (54 months in case the area is in forest land) of the date of issue of letter of allocation in underground mines. Further 24 months time would be allowed in case of unexplored blocks. The allocation letter also stipulated that the allocation of coal block may be cancelled, *inter-alia*, on the ground of unsatisfactory progress in the development of coal mining project. In order to

expedite the development of the coal blocks, various review meetings were held from time to time with the representatives of allocate companies. Based on the recommendations of various review meetings and also keeping in view the other facts, so far 25 coal blocks have been de-allocated.

(e) Royalty is payable to the concerned State Governments where the block is located and is paid at uniformly applicable rates. Presently, the royalty is determined on the basis of composite formulae which is combination of fixed and *ad valorem* components.

Requirement of coal

633. SHRI P. RAJEEVE: Will the Minister of COAL be pleased to state:

(a) the estimated coal requirement to meet the electricity generation targets of the Twelfth Five Year Plan;

(b) whether it is a fact that the country is facing a shortage in domestic coal production;

(c) the estimated requirement of coal imports to meet electricity generation goals of the plan; and

(d) what would be the estimated cost of the those imports?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL): (a) to (d) The Twelfth Five Year Plan is yet to be finalized by the Planning Commission.

Availability of coal for power plants

634. SHRI P. RAJEEVE: Will the Minister of COAL be pleased to state:

(a) what is the requirement of coal during 2011-12 for power plants in the country that are designed to run on indigenous coal;

(b) what is the availability of coal for these power plants for the current fiscal; and

(c) what steps, if any, are being taken to ensure that targets are met in future?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL): (a) and (b) As per the assessment made by the Central Electricity Authority (CEA), the