

- (iii) higher consumption beyond the Annual Contracted Quantity.
- (iv) less imports by many of the power houses, as compared to the targets fixed by Ministry of Power.
- (v) unloading constraints at some power houses.
- (vi) self-regulation of coal supply by some plants for their own reasons whereby supplies from CIL sources are curtailed.
- (vii) tendency of some pithead power plants to keep less stocks to keep pace with the available Merry-Go-Round (MGR) facility and daily requirements.

(b) In the Annual Plan for 2012-13, Ministry of Coal/Planning Commission has assessed the demand of coal of power plants utilities at 512 Million Tonnes. Against this, the supply plan from indigenous sources has been estimated to be 404.73 Million Tonnes. The demand-supply gap of 107.27 Million Tonnes [which is equivalent to above 71 MT of imported coal] has been envisaged to be met through imports.

By and large, CIL has been Dispatching more than 90% of the targets fixed in the supply plan finalized as part of Annual Plans by Ministry of Coal. Despatches to Power Utilities have been 96%, 91% and 95% of targets in 2009-10, 2010-11 and 2011-12 respectively, which increased to 98% during April-June 2012.

#### **Functioning of coal blocks**

318. SHRI DEVENDER GOUD T: Will the Minister of COAL be pleased to state:

- (a) whether it is a fact that Government has, so far, allocated 195 coal blocks to public and private companies;
- (b) if so, the total geological reserves contained in those coal blocks;
- (c) the details of allocation such as date of allocation, geological reserves, company to which it was allocated, date of commencement of production, etc. of each coal blocks, block-wise;
- (d) whether it is a fact that out of 195 allocated coal blocks, only 25 have started production;
- (e) if so, the reasons therefor; and

(f) what action the Ministry has taken on the remaining blocks which have yet to start their production?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL): (a) to (c) The details of 195 allocated coal blocks to public and private companies along with the date of allocation, geological reserves, status of production are given at Annexure. [See Appendix 226 Annexure No.9].

(d) to (f) Development of coal blocks involves a gestation period of 3 to 5 years for reaching the production stage and another two to three years for reaching the optimal production capacity. As per the guidelines, coal production from 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 three months for preparation of geological report.

The responsibility of developing the coal block as per the prescribed guidelines and milestone chart attached with the allocation letter rests entirely with the allocatee company. In the terms and conditions of the allocation letters, it is categorically mentioned that in the event of willful delay in the development of coal blocks and in setting up of the end use project, the Government will take appropriate action to de-allocate the said block. Further, the allocatees have to submit Bank Guarantee which remains valid at all the times till the production from the coal block reaches its peak rated capacity. The Coal Controller's office monitors on regular basis the achievement of different milestones. Government periodically monitors and reviews the development of allocated blocks as well as end use plants by the allocatee companies in the Review Meetings. As on date, based on the recommendations of review committee meetings held, the Government has de-allocated 25 coal blocks. Further, an Inter-Ministerial Group (IMG) under the Chairmanship of Additional Secretary (Coal) with representatives from the Ministries of Power, Steel, Law and Justice and Departments of Economic Affairs and Industrial Policy and Promotion has been constituted on 21.06.2012 which *inter-alia* would undertake periodic review and monitor the progress of allocated coal/lignite blocks and make recommendations on action to be taken including de-allocation, if required.

#### **Supply of coal for power plants**

319. SHRI TARIQ ANWAR: Will the Minister of COAL be pleased to state:

(a) whether it is a fact that many States have requested for supply of more coal for their power plants;