Deduction of bank guarantees of coal companies

319. SHRI BHUPENDER YADAV: Will the Minister of COAL be pleased to state:

(a) whether it is a fact that Government has initiated the deduction of bank guarantees of non performing companies which were allocated coal blocks; and

(b) the details of the deductions of such nature made as yet?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL): (a) and (b) In pursuance of the announcement of the Hon'ble Finance Minister in the budget speech for the year 2012-13, an Inter-Ministerial Group (IMG) headed by Additional Secretary, Ministry of Coal has been constituted on 21.06.2012 to undertake periodic review of the development of coal/ lignite blocks allotted by the Government. The terms of reference (TOR) of the IMG are:

(i) The IMG shall undertake periodic review and the progress of allocated coal mines/blocks and make recommendations on action to be taken including de-allocations, if required.

(ii) The IMG may consider the replies where the show cause notices have been given and recommend action against the allocate companies including de-allocation, wherever necessary.

(iii) The IMG may make its own assessment and recommend action as to deduction of Bank Guarantee, if required.

(iv) Any matter where a reference is made by the Competent Authority.

The IMG took up for review, the 58 cases where the show cause notices were issued consequent to the Review/recommendations by the Review Committee held on 11th & 12 January, 2012. In addition the cases where a decision was taken, on the basis of earlier reviews, to deduct BG and were pending were also taken up.

The IMG has held 17 meetings so far. The IMG has discussed and finalized the guidelines/modalities for conduct of its business and also regarding computation of deduction of BG. The IMG has also decided to give an opportunity of giving personal hearing to all the allocatee companies of coal blocks before giving its

recommendations. With respect to the allocations made to the Private Companies, the IMG has recommended de-allocation of 13 coal blocks allocated to 29 companies, deduction of Bank Guarantee in the cases of 14 blocks allocated to 19 companies and imposition of BG in case of 1 coal block. No action has been recommended in cases of 3 coal blocks allocated to 2 companies. The recommendations of the IMG have been accepted by the Competent Authority and action is initiated accordingly. Further, the IMG took up the cases of PSUs and after hearing the allocatees, the IMG recommended deallocation of 11 blocks, deduction of BG in 5 cases, imposition of BG in 11 cases and no action in 6 cases including 3 cases on account of Court orders. The recommendations are under consideration of the Government.

Allocation of coal blocks

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

(a) whether it is a fact that some rigged up firms, which were not conforming to the rules and regulations at the time of allotment, were given preferential allotment of coal blocks;

(b) if so, names and the details of each of such firms which have been made allocations during the last eight years, year-wise and company-wise;

(c) whether any enquiry has been instituted on such allotments;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL): (a) to (e) The allocations were made on the basis of recommendations of the Screening Committee. The Screening Committee was a broad based body with representation from State Governments, concerned Ministries of the Central Government and the coal companies. The procedure adopted for allocation involved wide consultations with all stakeholders. All applicants were called for making a presentation before the Screening Committee. The comprehensive details about the applicant, the group, performance of the