

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL): (a) and (b) Ministry of Power (MoP) and Central Electricity Authority (CEA) had mooted a proposal that Coal India Limited (CIL) import coal to fulfil its Fuel Supply Agreement (FSA) obligations towards power stations, for supplies at Gross Calorific Value (GCV) parity price of domestic coal. Supply of such coal would be decided on the basis of the location of the plants, irrespective of the plants being in public or in private sector, provided such plants have Long Term Power Purchase Agreements (PPAs) with DISCOMs. The burden of supplying imported coal to power stations at GCV parity price of domestic coal is to be loaded on the price of the domestic coal so that there is no revenue loss for CIL.

(c) The Independent directors of CIL had expressed their reservations on the proposal. The Board of CIL has *inter-alia* opined that there should be unanimity in the matter amongst all power stations, both users and non-users of imported coal and asked CIL to write to the power stations accordingly. CIL has done the needful.

(d) CEA and CIL are jointly reworking the scheme of price pooling and will submit it to the Ministry of Power for consideration. The Government would formulate its views upon receipt of the revised scheme.

Irregularities in coal blocks allocation

325. SHRI RAM KRIPAL YADAV: Will the Minister of COAL be pleased to state:

(a) whether Government has constituted Inter Ministerial Group (IMG) to find out irregularities in coal blocks allotment scam and who are the members of this IMG;

(b) the number and dates of meetings conducted by IMG since its notification;

(c) the outcome of these meetings and whether any reports have been submitted to Government by IMG so far; and

(d) if so, the details thereof and the action being taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL): (a) to (d) 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 with the following terms of reference.

- (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 & 12th 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 details of which are given below. 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 Public Sector Undertakings and after hearing the allocatees, the IMG recommended de-allocation 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.

Meeting	Date
1st	03.07.2012
2nd	25.07.2012
3rd	08.08.2012
4th	03.09.2012
5th	6th, 7th, 8th Sept., 2012
6th	12.09.2012
7th	14.09.2012
8th	15.09.2012
9th	17.09.2012
10th	18.09.2012
11th	19.09.2012
12th	20.09.2012
13th	24.09.2012
14th	9th and 10th Oct., 2012
15th	05.11.2012
16th	06.11.2012
17th	20.11.2012

Cancellation of coal blocks

326. SHRI N. BALAGANGA:

SHRI BASAWARAJ PATIL:

SHRI THAAWAR CHAND GEHLOT:

Will the Minister of COAL be pleased to state:

(a) whether Government has taken a decision to cancel the coal blocks allocated during the last eight years;

(b) if so, the details thereof and the reasons therefor;

(c) whether courts have expressed any opinion about cancellation of coal blocks, in the light of the observations made by the C&AG in its report; and