

(c) As the Hon'ble Supreme Court has allowed coal production from the producing coal blocks till 31st March, 2015, there is no disruption in production of coal at present. For management and re-allocation of cancelled coal blocks, Government has promulgated 'the Coal Mines (Special Provisions) Ordinance, 2014' on 21.10.2014 to ensure smooth transfer of rights, title and interest in the mines along with its land and other associated mining infrastructure to the new allottees to be selected through an auction or allotment to government company, as the case may be. The allocation of coal blocks would now be made in pursuance of the provisions of the Ordinance and Rules made thereunder in a time bound manner to ensure that there is no disruption in supply of coal.

Supply of coal to industries

778. SHRI BASAWARAJ PATIL: Will the Minister of COAL be pleased to state:

(a) the details of litigation which has hampered the economic activities for shortage of coal during the last few years; and

(b) what are the steps taken by the Ministry to overcome these problems and for normal supply of the coal for needy industries ?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI PIYUSH GOYAL: (a) Hon'ble Supreme Court of India in its judgment dated 25.08.2014 and order dated 24.09.2014 passed in W. P. (Criminal) No. 120 of 2012 and other connected matters has declared all allocations of the coal blocks made through Screening Committee and through Government Dispensation route since 1993 as illegal and has cancelled the allocation of 204 coal blocks out of 218 coal blocks (*i.e.* except, Tasra coal block allocated to Steel Authority of India Ltd. and Pakri Barwadih coal block allocated to National Thermal Power Corporation and 12 coal blocks allocated for Ultra Mega Power Projects). In case of 42 coal blocks (37 producing and 05 likely to come under production), cancellation shall take effect from 31.03.2015.

Apart from this, there are sporadic cases related to linkages etc. of individual companies.

(b) For management and re-allocation of cancelled coal blocks, Government has promulgated 'Coal Mines (Special Provisions) Ordinance, 2014' on 21.10.2014 to ensure smooth transfer of rights, title and interest in the mines along with its land and other associated mining infrastructure to the new allottees to be selected through an auction or allotment to government company, as the case may be. In order to provide sufficient coal to small consumers, medium and small enterprises, cottage industries, household consumers and to overcome the acute shortage of coal in the country and augment its production; the Ordinance has amended the Coal Mines (Nationalization) Act, 1973 to

insert section 3 (A) and the Mines and Minerals (Development and Regulation) Act, 1957 to insert section 11 (A) through the Ordinance, thereby removing the restriction of end use from the eligibility to undertake coal mining, in the national interest. The auction of coal block is decided to be carried out in e-auction mode. The decision regarding allotment of coal blocks to public sector companies and allocation by auction to private and public sector companies as well as earmarking of blocks for various eligible sectors is made keeping in view the contemporary requirement of the sector at the time of earmarking.

Coal linkage to private power plants

779. SHRI RAJEEV CHANDRASEKHAR: Will the Minister of COAL be pleased to state :

- (a) whether it is a fact that Government is granting linkages to private power plants;
- (b) what is the capacity of these power plants;
- (c) whether the reduced amount paid for the coal would result in the final consumer paying less for power supply;
- (d) if so, the details thereof; and
- (e) by how much the power tariff would reduce for the final consumer due to the subsidized coal received by the private power plants ?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI PIYUSH GOYAL): (a) As per New Coal Distribution Policy (NCDP), 2007, Standing Linkage Committee (Long-Term) is authorized to recommend the Letters of Assurance (LoAs) for supply of coal. Based on the SLC (LT)'s recommendation, so far 177 LoAs have been issued to various power plants including Central/State Government Sector as well as Independent Power Producers (IPPs).

(b) The total capacity of LoAs issued to IPPs (including Joint Ventures) is about 70938 Megawatt.

(c) and (d) Coal is being supplied to power sector as an essential input for power generation. It is being supplied to power plants having coal linkage as per Fuel Supply Agreement at Coal India Limited (CIL) notified price and having long term Power Purchase Agreement (PPA) with power distribution companies and designated agencies. Therefore, benefits of notified price of coal are passed on to consumers.

(e) There is no provision of supply of coal at subsidized price to private power plants.