

**E-auctioning of coal blocks**

1554. SHRIMATI AMBIKA SONI: Will the Minister of COAL be pleased to state:

- (a) whether there is a proposal to e-auction certain coal blocks in view of cancellation of blocks by the Supreme Court recently;
- (b) if so, the details thereof;
- (c) whether swapping of coal blocks among common end-users would be allowed;
- (d) whether any agreements would be entered into for optimum utilization of coal mine for end-use in the public interest and to achieve cost efficiency; and
- (e) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI PIYUSH GOYAL): (a) and (b) Hon'ble Supreme Court of India in its judgment dated 25.08.2014 and order dated 24.09.2014 passed in Writ Petition (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 arbitrary and 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.

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 interests in the mines/blocks 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 Ordinance and Rules made thereunder in a time bound manner to ensure that there is no disruption in supply of coal. The auction of coal blocks is decided to be carried out in e-auction mode in order to keep the process transparent.

(c) to (e) Section 20 of the Ordinance provides that a successful bidder or allottee or coal linkage holder shall, with prior approval of the Central Government and in accordance with such rules as may be prescribed, be entitled to enter into certain agreements or

arrangements with other successful bidder or allottee or coal linkage holder, as the case may be, for optimum utilization of coal mine for the same end uses in the public interest and to achieve cost efficiencies. Further, a successful bidder or allottee may also use the coal mine from a particular Schedule I coal mine for any of its plants engaged in common specified end uses, in accordance with such rules as may be prescribed.

#### **Re-allocation of coal blocks**

1555. SHRI C.P. NARAYANAN: Will the Minister of COAL be pleased to state:

(a) whether cancellation of allocation of coal blocks on the basis of Supreme Court judgement entails a loss of revenue to Government;

(b) if so, to what extent;

(c) whether the e-allocations would be the best method for fast re-allocation of coal blocks;

(d) whether Government's agencies would make coal available to thermal stations and other consumers result in financial loans to States; and

(e) if so, to what extent?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI PIYUSH GOYAL): (a) No, Sir.

(b) Does not arise in view of reply given at (a) above.

(c) Auction of cancelled coal blocks has been decided to be made in e-auction mode since e-auction process is fast and transparent.

(d) and (e) Allocation of coal is done on the basis of availability of coal, eligibility of entities and an agreement entered into with such entities.

#### **Supply of coal to Rajasthan**

†1556. SHRI ASHK ALI TAK: Will the Minister of COAL be pleased to state:

(a) whether it is a fact that the generation of power has been affected in Rajasthan due to non supply of coal to the State on time; and

(b) if so, the details of concrete arrangements made by Government to ensure availability of coal to the State on time in future?

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†Original notice of the question was received in Hindi.