

Government of India
Ministry of Coal
Rajya Sabha
Unstarred Question No. 9
To be answered on 17.07.2017
Capping on allocation of coal blocks

9. SHRI N. GOKULAKRISHNAN:

Will the Minister of COAL be pleased to state:

- (a) whether it is a fact that Government is considering capping the amount of coal blocks that a company can hold;
- (b) whether it is also a fact that Government may also specify the maximum number of coal blocks or amount for coal reserves or both that may be allocated to a company or corporation or its subsidiary or associate companies;
- (c) whether Government may constitute a committee consisting of a Joint Secretary in the Ministry as Chairperson and Members from various Ministries for assessing eligibility; and
- (d) if so, the details thereof?

ANSWER

MINISTER OF STATE (I/C) FOR COAL, POWER, NEW & RENEWABLE ENERGY AND MINES

(SHRI PIYUSH GOYAL)

(a) & (b): Under the provisions of the Coal Mines (Special Provisions) Rules, 2014, the Nominated Authority may specify the maximum number of mines or coal reserves or both that may be allocated to a company or its subsidiary or associate companies based on the criteria specified by the Central Government.

As per the guidelines for the allocation of coal mines through auction under the provisions of the Coal Mines (Special Provisions) Act, 2015, Coal Mines (Special Provisions) Rules, 2014 and Tender Documents, there is no cap on the number of coal mines/ blocks for which bids can be submitted by a company. However, as per the tender condition, a bidder shall be considered eligible for bidding for a coal mine only if its requirement of coal for Specified End Use matches the reserves of the Coal Mine, in accordance with the parameters specified below:

.....2/-

“Extractable reserves of the Coal Mine should not exceed 150% of the annual coal requirement of the Specified End Use Plant(s), taken over a period of 30 (thirty) years, less the requirement of coal of such Specified End Use Plant met from any other coal mine allocated to the Preferred Bidder, Successful Bidder, Preferred Allottee or Allottee pursuant to any other auction or allotment process conducted by the Nominated Authority under the Coal Mines (Special Provisions) Act, 2015 and the Rules.”

Further, the Coal Blocks Allocation Rules, 2017, framed under the Mines and Minerals (Development and Regulation) Act, 1957, notified on 13.07.2017 provides that the Central Government may also specify the maximum number of coal blocks or amount of coal reserves or both that may be allocated to a company or corporation or its subsidiary or parent company or associate companies or group companies or its affiliate.

(c) & (d): The Coal Blocks Allocation Rules, 2017, framed under the Mines and Minerals (Development and Regulation) Act, 1957 provides that the Central Government shall constitute a committee consisting of an officer not below the rank of Joint Secretary to the Government of India in the Ministry of Coal as chairperson, such other members from various Ministries and departments of the Central Government and such technical experts from various fields as it may deem fit for considering the applications received and assessing the eligibility of the applicants based on the criteria specified in the allotment document.
