

**GOVERNMENT OF INDIA
MINISTRY OF COAL
RAJYA SABHA
UNSTARRED QUESTION NO.2923
TO BE ANSWERED ON 27.03.2023**

Allotment of surplus coal

2923. SHRI BINOY VISWAM:

Will the Minister of *COAL* be pleased to state:

- (a) whether Government has any policy with regard to providing approval to developers of Captive Coal Blocks for the usage of surplus coal for other projects, if so, the details thereof;
- (b) Whether the Empowered Group of Ministers' recommendation that power generated by utilising incremental coal from Captive Coal Blocks of Sasan Ultra Mega Power Project (UMPP) be sold through tariff-based competitive bidding has been followed;
- (c) if not, the reasons therefor and number of such instances wherein the recommendation has not been followed; and
- (d) the companies to whom such allocation has been made?

ANSWER

MINISTER OF COAL, MINES & PARLIAMENTARY AFFAIRS
(SHRI PRALHAD JOSHI)

(a) The Section 8 clause (5) of Mines and Mineral (Development and Regulation) Act, 1957, allows sale of coal or lignite, on payment of additional amount as specified in Sixth Schedule of the Act, by the lessee of a captive mine up to 50 per cent of the total coal or lignite produced in a financial year, after meeting the requirement of the end use plant linked with the mine.

(b to d) Based on the Empowered Group of Ministers' recommendation dated 14.08.2008, MoC had allowed RPL for supplying surplus coal up to 9MT per annum from Moher, Moher Amlohri Extn. and Chhatrasal coal blocks to the thermal power plant owned by Chitrangi Power Pvt. Ltd. subject to the condition that power generated by utilising incremental coal from Captive Coal Blocks be sold through tariff-based competitive bidding.

Further, the Hon'ble Supreme Court vide judgement dated 25.08.2014 passed in W.P. (Crl.) No.120/2012- Manohar Lal Sharma vs Principal Secretary, directed that the coal blocks allocated for UMPP would only be used for UMPP and no diversion of coal for commercial exploitation would be permitted. In view of the judgement of the Hon'ble Supreme Court disallowing the diversion of coal from UMPPs for which the coal blocks were allocated, Ministry of Coal vide Gazette notification dated 17.05.2015 de-allocated the third coal block (Chhatrasal) on 07.05.2015 and also withdrew the permission for supplying surplus coal up to 9MT per annum from Moher, Moher Amlohri Extn. and Chhatrasal coal blocks to the thermal power plant owned by Chitrangi Power Pvt. Ltd. of Reliance Power Ltd.
