

GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION NO – 1488
TO BE ANSWERED ON 28.07.2021

CAPTIVE MINES

1488. DR. VISHNU PRASAD M.K.:

Will the Minister of COAL be pleased to state:

- (a) whether the Government is aware of the constraints faced by some PSU steel plants in view of non-availability of captive mines and if so, the details thereof;
- (b) whether these steel plants are forced to buy coal from open market/import from other countries at an exorbitant cost, resulting in losses;
- (c) if so, the efforts being made to allocate captive mines to such plants;
- (d) the details of captive mines allocated on nomination basis to various steel plants in the country, steel plant-wise; and
- (e) the manner in which present procedure of allocation of captive mines is different from earlier one?

ANSWER

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

(a) & (b): Yes, sir. It is a fact that there is a shortage of coking coal used in steel plants and some part of their requirement is met by the companies from imported coking coal. Steel plants require low ash content of coal for their sustainability with respect to techno-economics as well as environmental aspects. The overall availability of coking coal from indigenous sources is inadequate to meet the requirement of steel plants. The ash content in unwashed indigenous coking coal is typically in the range of 22-35% whereas technological requirement of ash content in coking coal for use in steel plants is normally about 10-12%. High ash indigenous coking coal is washed in coal washeries to reduce ash content. Even after washing, indigenous coking coal typically contains about 18-20% ash.

(c) & (d): Six coal mines were allocated to PSU steel plants. Details of these mines are given below:

S.No.	Name of coal mine	State in which mine is Located	Allottee	Remarks
1	Sitanala	Jharkhand	SAIL	Allottee requested for surrender of mine. Allotment agreement/order was terminated in the year 2018.
2	Parbatpur-Central	Jharkhand	SAIL	Allottee requested for surrender of mine. Allotment agreement/order was terminated in the year 2019.

3	Rabodih OCP	Jharkhand	RINL	Allotted on the request of Ministry of Steel/RINL under Rule 11(10) of Coal Mines (Special Provisions) Rules, 2014.
4	Chasnalla	Jharkhand	SAIL	-
5	Jitpur	Jharkhand	SAIL	-
6	Ramnagore	West Bengal	SAIL	-

(e): Earlier, coal blocks were allotted under the Coal Mines (Nationalisation) Act, 1973 [CMN Act] through screening committee constituted for screening proposals for allocation of coal/lignite blocks for manufacture of iron/steel, captive production of power and production of cement in the public/private sector. Now, allocation of coal mines are made under the provisions of the Coal Mines (Special Provisions) Act, 2015 [CMSP Act] and the Mines and Minerals (Development and Regulation) Act, 1957 [MMDR Act]. Allocation is made through e-auction to public and private sector companies. Allocation to Government companies was made through allotment under CM(SP) Act, 2015 and MM(DR) Act, 1957. Recently, coal block allocation for commercial mining through auction has been introduced and the PSUs may participate in the auctions for coal block to meet their requirements.
