

GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION NO. 209
TO BE ANSWERED ON 02.02.2022

AUCTION OF COAL BLOCKS

209. Shri Uttam Kumar Reddy Nalamada:

Will the Minister of COAL be pleased to state:

- (a) whether the Government has decided to auction four coal blocks of Kalyan Khani Block-6, Koyagudem Block-3, Sathupalli Block-6 and Shravanapalli instead of allocating the same to the Singareni Collieries Company Limited (SCCL) in Telangana;
- (b) if so, the details thereof alongwith the reasons behind the decision;
- (c) whether the Government has consulted the Board of Directors of SCCL before taking such a decision;
- (d) if so, the details thereof and if not, the reasons therefor;
- (e) the expenses incurred and the outcomes of the exploration exercise undertaken by the SCCL of these four coal blocks;
- (f) whether there is any application of SCCL pending for allocation of these coal blocks in the Ministry of Coal and if so, the details thereof; and
- (g) whether the Government has any plan to allocate these four coal blocks to SCCL and if so, the details thereof?

ANSWER

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

(a) to (d): The 04 coal blocks viz. Kalyan Khani Block-6, Koyagudem Block-III, Sathupalli Block-III and Shravanapalli located in the State of Telangana have been offered for allocation by way of auction for sale of coal under the provisions of Mines and Minerals (Development and Regulation) Act, 1957 and the rules made thereunder. The decision had been taken in pursuance of the following recommendations of High Level Committee, constituted under the Chairmanship of Vice Chairman, NITI Aayog on Coal Sector:

Clause 7.4.ii: Ministry of Coal shall gradually shift towards allocation of coal blocks through auction only. After one year the direct allotment route shall be closed except under exceptional circumstances to be determined by Ministry of Coal. PSUs may participate in auction and take the block.

SCCL is a State PSU (Joint Venture of State Government of Telangana and the Government of India with 51:49 equity) and the Ministry holds that reservation of coal blocks for SCCL will become a precedent for others. It was decided that there was no need for such reservation.

Accordingly, the 04 coal blocks located in the State of Telangana were included in the tranche of MMDR coal blocks, after following the due process, and directions were issued to Nominated Authority on 10.08.2021 for allocation through auction for sale of coal.

Auction for the above coal blocks was held by the Nominated Authority on 15th December, 2021. In respect of these 4 coal blocks, Office of Nominated Authority has informed that no bid was received for Sattupalli Block-III, Shravanapalli and Kalyan Khani Block-6 and the auction has been annulled. These coal mines are again put up for auction. They have further informed that one bid was received for Koyagudem Block-III. As per policy, single bids are not accepted in the first attempt.

(e): Block-wise details of coal resources and expenses incurred by SCCL are as under:

S. No.	Block Name	Measured Resources (in MT)	Cost incurred by SCCL (with base March, 2019) in Rs. Crores
1.	Kalyan Khani Block-6	71.87	12.61
2.	Koyagudem Block-III	119.60	17.59
3.	Sathupalli Block-III	69.65	7.97
4.	Shravanpalli	219.58	20.88
	Total	480.70	59.04

(f): Requests were received from SCCL for allocation of these coal blocks. However, with the decision of the Government to offer these blocks for auction for sale of coal, applications of SCCL stand disposed off.

(g): These four coal blocks have been offered for allocation through auction for sale of coal in the 3rd Tranche and 4th Tranche of auction under the Mines and Minerals (Development and Regulation) Act, 1957. Along with others, SCCL may bid for these coal blocks.
