

GOVERNMENT OF INDIA
MINISTRY OF COAL
RAJYA SABHA
QUESTION NO 06.12.2010
ANSWERED ON
DEVELOPMENT OF COAL BLOCKS

2798

Smt. Gundu Sudharani

Will the Minister of COAL be pleased to state :-

- (a) the details of companies to which coal blocks have been allocated but could not come into production even after the gestation period of 3-7 years;
- (b) whether it is also a fact that coal production from captive coal blocks should commence within a period of three years; (
- (c) if so, the details of companies whom captive coal blocks have been allocated but could not come into production even after the lapse of three years; and
- (d) what action the Ministry has taken or proposed to take to cancel the licence given to those companies which could not commence their production?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF COAL AND MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION

(SHRI SRIPRAKASH JAISWAL)

(a) to (c) : As per the guidelines, coal production from a captive coal block should commence within 36 months (42 months in case the area falls in forest land) in case of open cast mines and in 48 months (54 months in case the area falls in forest land) in case of underground mines, from the date of allocation. If a coal block is not explored, additional two years are allowed for detailed exploration and three months for preparation of geological report. The allocatees of coal blocks, who have not started production so far, are in various stages of obtaining statutory clearances and mining lease, preparing mining plan, acquisition of land, procuring machinery and equipment etc. for both mining as well as end-use project. The details of companies to which coal blocks have been allocated but could not come into production even after the gestation period of 3-7 years are at Annexure-I.

(d):In order to ensure that allocatees strictly adhere to the time schedule approved for development of coal mine and end-use project, the Coal Controller has been authorized to monitor all the stipulations incorporated in the allotment letter of captive coal block. Specific milestones with time frame are prescribed for completion of various activities connected with development of captive blocks. The Coal Controller has been asked to send a six monthly status report on the progress in respect of allotted captive mining blocks. Based on reports furnished by the Coal Controller, strict corrective measures are taken. While making allocation in these cases a system of obtaining bank guarantee has been introduced in order to ensure timely development of mines. If the actual production falls short of targeted production as per the approved mining plan, appropriate deduction is effected from the bank guarantee. If the guarantee is exhausted on account of continuous shortfall in production, the coal block is liable to be deallocated / mining lease to be cancelled. Regular review meetings are taken at the level of Additional Secretary (Coal) with the coal block allocatees. Due to unsatisfactory progress towards the end-use plants and development of coal mining blocks, so far 10 coal blocks have been de-allocated.