

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:2193
ANSWERED ON:07.12.2005
ALLOCATION OF COAL BLOCKS
Khan Shri Sunil

Will the Minister of COAL be pleased to state:

- (a) whether coal blocks are allotted to private sponge iron owners for linkage of coal;
- (b) if so, whether the coal-block in Mijia Block Development area in West Bengal was allotted to private sponge iron owner;
- (c) whether one of the owners of that block has created problems for another owner whose productivity is much more higher than that of the former;
- (d) if so, the details thereof; and
- (e) the steps taken in this regard ?

Answer

MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYANA RAO)

(a) : Coal blocks are allocated to producers of power, iron and steel and cement for mining of coal for captive use in their power, iron & steel or cement plants. Production of iron & steel includes production of sponge iron as well.

(b)to(e) : Yes, Sir. In the Mijia Block Development area, the Ardhagram coal block has been offered for allocation jointly to M/s Sova Ispat Ltd. and M/s Bengal Sponge Manufacture Mining Pvt. Ltd. (BSMML), which is a consortium company, with Sova Ispat as leader.

They have also been asked to indicate jointly their preference for the options offered to work the mine, along with a draft agreement, to the Ministry, before formal allocation of the coal block is made to them.