

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:3452

ANSWERED ON:29.07.2009

ALLOTMENT OF COAL BLOCKS

Patasani Dr. (Prof.) Prasanna Kumar;Sahu Shri Chandulal Chandu Bhaiya;Satpathy Shri Tathagata

Will the Minister of COAL be pleased to state:

- (a) the details of the companies who have applied for allocation of coal blocks in the country particularly in Chhattisgarh and Orissa;
- (b) the number of coal blocks allotted to them during the last three years and the current year, State-wise, company-wise and year-wise;
- (c) whether the Government has received any complaint for non-allotment of coal blocks;
- (d) if so, the details thereof and the reasons therefor, State-wise, company-wise and year-wise;
- (e) whether the Government has devised any mechanism for allotment of coal blocks in a transparent manner; and
- (f) if so, the details thereof and the time by which the pending applications are likely to be cleared?

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): Government had invited applications from the State Governments and Central Ministries for allocation of 27 coal blocks under the Govt. company dispensation on 7th November, 2006 to Central/State Public Sector Undertakings under their control. A total of 183 applications were received from the country including 14 applications each from Chhattisgarh and Orissa. Similarly, the Government had invited applications for allocation of 38 captive coal blocks under the captive dispensation (Screening Committee route) on 13th November, 2006. A total of 1422 applications were received from public/private sector companies, including 493 applications for blocks located in Chhattisgarh and 189 applications for blocks located in Orissa.

(b): The number of coal blocks allotted to various public/private companies during the last three years and the current year, State-wise, company-wise and year-wise is given at Annexure.

(c) and (d): Representations of general nature are received from different quarters. Such representations are examined and duly replied, wherever necessary. As may be seen from the reply to part (a) above, the number of applications received were far in excess of the coal blocks on offer. Therefore, it was not possible to meet the demand of each and every applicant.

(e) and (f): With progressive allocation of coal blocks, the number of coal blocks available for allocation is declining, while the number of applicants per block is increasing, as the demand for coal keeps increasing. This has made the selection of an applicant in respect of a block difficult and vulnerable to criticism on the ground of lack of transparency and objectivity. Therefore, there is an urgent need to bring in a process of selection that is not only objective but also demonstrably transparent. Auctioning through competitive bidding is one such acceptable selection process. Accordingly, the Mines and Minerals (Development and Regulation) Amendment Bill, 2008, auctioning through competitive bidding for coal blocks offered for captive use in specified end-uses only has been introduced in the Parliament.