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Nation  
Calcutta  
Bengal  
Foreign  
Business  
Sports  
Horse Racing  
t2  
Opinion

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Northeast  
Jharkhand  
Bihar  
Odisha

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Jobs Tue  
You Thu  
Howrah Fri  
Salt Lake Fri  
7days Sun  
Graphiti Sun

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Sudoku  
Sudoku New  
Crossword  
Jumble  
Gallery

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## Bengal wins crucial coal comfort

Sambit Saha & Pinak Ghosh

### THE EAST SIDE STORY

#### WBPDC

- Barjora
- Barjora North\*
- Gangaramchak
- Gangaramchak Bhadulia
- Kasta East\*
- Pachwara North\*\*
- Tara East
- Tara West

\*DVC was prior allottee,  
\*\*Block in Jharkhand



#### DVC: Khagra Joydev

**NTPC:** Chhatti Bariatu, Chhatti Bariatu (South), Kerandari, Talaipalli and Dulanga

**SAIL:** Sitanala

#### Other state utilities

**Bihar:** Badam

**Chhattisgarh:** Gare Palma III, Gidhmuri, Patoria

**Jharkhand:** Banhardih

**Odisha:** Manoharpur, Manoharpur Dipside

**Calcutta, March 24:** Bengal has turned out to be the biggest beneficiary of the allotment of coal blocks by the Narendra Modi-government today, bagging eight of the 38 blocks on offer, which is two more than it held previously.

Bengal's power utilities will now have no problem with coal to fire its plants, driving away the spectre of power cuts.

When the Supreme Court cancelled all coal blocks allotted to private parties and state PSUs in September last year, it took away six blocks from the state utilities.

In today's allotment, Bengal utilities got back all those six (now realigned to four by merging geographically close blocks for ease of mining) and two more which were previously leased to Damodar Valley Corporation (DVC).

"I am very happy with today's outcome of allotment. There will be no shortage of coal for Bengal power plants," Gopal Krishna, state power secretary, said.

Bengal gets around 15 million tonnes from Coal India and mines around 4-5 million tonnes from captive sources. Krishna said the state government had targeted to step up its own coal production to 6 million tonnes.

WBPDC's total installed power generation capacity is 3,860 megawatts across five plants - Kolaghat, Bakreshwar, Bandel, Sagardighi and Santaldih.

Bengal finance minister Amit Mitra in his budget speech had announced that WBPDC would add 1000MW(500x2) to its capacity at Sagardighi in 2015-16.

Vivek Bhardwaj, the nominated authority for coal block auction and allocation in the Union coal ministry, said Bengal's interest had been kept in mind while allocating the blocks. "It got two more than the state previously had."

Incidentally, Durgapur Power, a state entity, managed to keep the Trans Damodar block to itself during the auction. This block was leased to the West Bengal Mineral Trading and Development Corporation before the apex court cancelled the allocation.

#### Focus on production

Bengal power utilities will now have to step up captive production from their own blocks as Coal India would progressively cut back supplies over the next few years.

At present, the Emta group runs the mining operations in Tara East and West, Barjora and Pachwara North on behalf of the WBPDC through a joint venture company. However, the arrangement will be scrapped after March 31.

Krishna said the government would call for a global tender for the selection of a mine development operator (MDO). "It would take 3-6 months to select the MDO," he said. In the interim, Emta is likely to continue mining the existing blocks.

The new MDO will have to scale production from existing ones and also start mining from Kasta East, Gangaramchak and Gangaramchak Bhadulia.

#### Other entities

Under the original plan, the government had to allot 43 mines but it came out with a list of 38 as there were no applications for some coal blocks, officials said.

All the allotted blocks are for the power sector, barring one Sitanala mine marked for steel which was given to SAIL. The Damodar Valley Corporation was allotted the Khagra Joydev block

National Thermal Power Corporation (NTPC) has bagged five mines. NTPC said the blocks allotted to it will help boost power production.

"Our over 24,000 MW capacity is under construction. The allocations will help us generate new capacity," an NTPC spokesperson said.

Karnataka Power Corporation has been given six blocks, while Rajasthan Rajya Vidyut Utpadan Nigam was allotted three blocks. Chhattisgarh State Power Generation Company has been given three mines and Odisha Coal and Power has bagged two blocks.

Tenughat Vidyut Nigam, Singareni Collieries Companies and the state utilities of Punjab, Telangana, Jharkhand, Bihar, UP, Gujarat and Maharashtra all bagged a block each.

The blocks which were not allotted included Mara II Mahan, Mahanadi Machchhakata, Chendipada and Chendipada II.

Additional reporting by R. Suryamurthy in New Delhi



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