

Preface

The Report has been prepared for submission to the President of India under Article 151 of the Constitution.

This Report of the Comptroller & Auditor General of India contains the results of the Performance Audit on “Allocation of coal blocks and Augmentation of coal production”. The widening gap between the demand and domestic supply of coal and consequently the progressively increasing imports has assumed a critical situation warranting a study to examine the effectiveness of the processes adopted in allocation of coal blocks to increase coal production and in terms of transparency and objectivity. The performance by CIL in augmenting coal production to meet the demand of the core infrastructure sectors like Power, Steel and Cement has also been analysed. The issue of competitive bidding for allocation of captive coal blocks in the light of the Ministry of Coal's initiatives starting from 2004 and the likely benefits passed on to the private allottees by not resorting for Competitive Bidding has also been brought out.

Audit wishes to acknowledge the cooperation received from CIL and the Ministry of Coal at each stage of the audit process.

