

Ministry of Coal Releases Discussion Paper on Auction of Coal Mines for Sale of Coal

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Moving ahead after the recent amendments MMDR Act 1957 and the CMSP Act 2015, the Ministry of Coal is initiating the process for auction of coal mines for sale of coal. Expected to be held in multiple tranches, the first tranche is proposed to be launched in the current financial year. The Union Minister for Coal and Mines Shri Pralhad Joshi said that this is a historic step towards Ease of Doing Business and democratization of coal and mining sectors.

A Discussion Paper containing the draft methodology and key bidding terms and conditions on the auction of coal mines for sale of coal has been uploaded on <https://www.coal.nic.in/> and <https://www.coal.nic.in/content/nominated-authority>. A tentative list of mines along with mine-specific details are also provided at <https://coalblock-is.cmpdi.co.in/pages/dashboard.php>

The Ministry of Coal has urged interested stakeholders to view the Discussion Paper and the mine specific details and submit their views/ suggestions, indicate their preferences for the mines to be considered for auction under the first tranche, as per the instructions provided in the Discussion Paper.

The Ordinance promulgated last week, amended the CM(SP) Act, 2015 and MMDR Act, 1957, whereby the restriction on prior experience in coal mining was removed thus enabling wider participation in auction of coal mines. Further, the Ordinance also enables auction of unexplored and partially explored coal blocks for mining through prospecting license-cum-mining Lease (PL-cum-ML). These steps are expected to result in opening up of the coal sector completely for commercial mining to local as well as global firms. This would further boost economic growth and employment generation.

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