

AUCTION OF COAL BLOCKS FOR COMMERCIAL MINING

1. Allocation Status (mines allocated under CMSP Act, 2015)

The allocation of 204 coal mines were de-allocated by Hon'ble Supreme Court in year 2014 and these mines are to be reallocated under the provisions of the Coal Mines (special Provisions) Act, 2015. Nominated

Authority has so far allocated 123 coal mines under the provisions of the Coal Mines (Special Provisions) Act, 2015 and 34 mines under MMDR Act. In addition, Ministry of Coal has also allotted 6 coal mines under the provisions of MMDR Act. The details of the above-mentioned 163 coal blocks are as under:-

Status of coal mines is as under:-

Status of the Coal Mines allocated under CM(SP) Act,2015								
S. No.	Mode of Allocation	End Use "Power"	End Use "NRS"	Sale of Coal	Total	Mines having mine opening permission	Non-operational mines	Mines under production
1	Auction	5	19	46	70	25	45	21
2	Allotment	38	2	13	53	31	22	29
Total		43	21	59	123	56	67	50
Status of the Coal Mines allocated under MMDR Act								
S. No.	Mode of Allocation	End Use "Power"	End Use "NRS"	Sale of Coal	Total	Mines having mine opening permission	Non-operational mines	Mines under production
1	Auction	0	0	34	34	0	34	0
2	Allotment	5	0	1	6	0	6	0
Total		5	0	35	40	0	40	0
Grand Total		48	21	94	163	56	107	50

Out of the 157 coal mines allocated by Nominated Authority, 56 coal mines have obtained Mine Opening Permission and 50 coal mines are under production.

The total revenue generated till December 2023 from the Coal blocks allocated by Nominated authority is Rs.18154.79 crore which includes upfront amount and monthly payment (excluding Royalty, taxes, cess etc.).

Total coal production from allocated captive/commercial blocks till March 2023 since year 2015-16 is 472.96 MT and coal production in FY 2023-24 till December, 2023 is 98.08 MT.

2. Allocation of MMDR Mines by Nominated Authority

Total of 34 coal mines have been successfully



auctioned and vested under MMDR Act, 1957 by Office of Nominated Authority.

3. Commercial Mining

The auction-based regime introduced in 2014 allowed private sector participation, however, it was limited to captive usage in own end use plants. The sector has been opened up for commercial coal mining by private players in 2020 and first ever successful auction of commercial mining was launched by the Hon'ble Prime Minister on 18.06.2020 and concluded with allocation of 19 coal mines.

Commercial coal block auctions are conducted in a two-stage online bidding process, which involves technical screening and submission of competitive initial price offer in the first stage, and a second and final stage where better price offers are intended to be received.

Commercial coal mining auctions are completely different from the earlier regime of restricted sectors, use and price. Now, there are no such restrictions at all. The auctions have terms and conditions which are very liberal, allowing new companies to participate in the bidding process.

Reduced upfront amount, adjustment of upfront amount against royalty, liberal efficiency parameters to encourage flexibility to operationalize the coal mines, transparent bidding process, 100% FDI through automatic route is allowed and reasonable financial terms and revenue sharing model based on the National Coal Index.

7 Rounds of Auction of coal / lignite mines have been conducted so far successfully auctioning 91 coal mines, details of which are as under:-

S. No	State	Number of Mines	No. of Fully Explored Mines	Royalty and Taxes (Rs. Cr.)	Revenue Share (Rs. Cr.)	Sum of Annual Revenue generated based on the PRC of mine (Rs. crore)	Sum of PRC (MTPA)	Sum of Capital Investment (Rs Crore)	Total Employment (Direct + Indirect)
1	Chhattisgarh	15	10	4603.04	3606.46	8209.50	45.81	6871.50	61935
2	Jharkhand	23	18	4164.48	1740.92	5905.39	42.40	6360.00	57325
3	Madhya Pradesh	22	14	2972.72	1869.47	4842.19	24.73	3709.50	33435
4	Maharashtra	8	6	438.10	189.01	627.11	4.22	633.00	5705
5	Odisha	18	13	8771.06	4405.93	13177.00	98.63	14794.50	133348
6	Arunachal Pradesh	1	1	52.75	120.10	172.85	0.20	30.00	270
7	Assam	2	2	4.25	34.19	38.44	0.02	3.60	20
8	West Bengal	2	2	284.85	86.33	371.18	4.89	733.50	6611
	Grand Total	91	66	21291.24	12052.42	33343.67	220.90	33135.60	298650

Since June 18, 2020, to open up the coal sector and provide a level-playing field to the public and the private sector players. Since then, seven rounds of auction have been successfully completed with 91 mines auctioned. The cumulative PRC of these successfully auctioned 91

coal mines is ~222 MTPA and are expected to generate an annual revenue of ~Rs. 33,086 crores calculated on the basis of the PRC and provide employment to 3,00,137 persons.



Progress of commercial coal mine auctions so far:

Round	Mine successfully auctioned
1 st	19
2 nd	11
3 rd	13
4 th	7
5 th	10
6 th	25
7 th	6
Total	91

Present status:

The Eight round of commercial coal mines auction was launched on 15th November 2023, where 39 coal mines have been offered. The Ninth round of commercial coal mines auction was launched on 20th December 2023, where 31 coal mines have been offered.

कोयला मंत्रालय
Ministry of Coal
भारत सरकार

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Amrit Mahotsav

Launch of
9th Round of Commercial Coal Mine Auctions
&
Star Rating Awards for Coal & Lignite Mines

20th December, 2023
New Delhi

Guest of Honour
Shri Raosaheb Patil Danve
Hon'ble Union Minister of State for Railways,
Coal & Mines, Govt. of India

Chief Guest
Shri Pralhad Joshi
Hon'ble Union Minister of Parliamentary Affairs,
Coal and Mines, Govt. of India