

Government of India/भारत सरकार

Ministry of Coal/कोयला मंत्रालय

Shastri Bhawan, New Delhi

Dated: 16th February 2026

NOTICE

Subject: Public consultation on revision of milestones and their timeline in the Efficiency Parameters of the CMDPA/CBDPA

India, with the world's fifth-largest coal reserves and status as the second-largest coal consumer, continues to depend on coal for energy security. Coal provides 55% of the country's energy mix and over 70% of its power generation. India crossed a major milestone by producing over 1 Billion Tonnes of coal in FY 24–25, and the coal imports fell 8.4%, saving foreign exchange and reducing dependency. Captive/commercial blocks contributed over 18% of total production in FY 24–25, and their share has risen to ~20% in FY 25–26 (up to Dec'25). Studies project coal demand at 1.5 BT by 2030 and 1.75 BT by 2047, noting that coal will remain essential for power, steel, cement and other sectors. To strengthen energy security and support the goal of Viksit Bharat, the Ministry of Coal is boosting domestic production. The Ministry's policy approach focuses on ensuring reliable coal availability through auctions and expediting coal operationalization, while improving efficiency and sustainability.

In 2020, the Government introduced the Commercial Coal Auction Policy, implementing an auction-based system for allocating coal blocks for commercial use. This reform opened the coal mining sector to private entities, removed end-use restrictions, and enabled the sale of coal in the open market.

The Coal Mine/Block Development and Production Agreement (CMDPA/CBDPA) for commercial mine allottees establishes a structured, milestone-based framework. It links performance security to the scheduled timelines for each milestone, ensuring accountability in timely mine operationalization.

As per the vision of the Government to encourage early operationalization, the Coal Block/Mine Development and Production Agreement (CBDPA/CMDPA) also provides a 50% incentive on revenue share for early production. Additionally, it includes a provision for returning any appropriated Performance Bank Guarantee (PBG) if the block becomes operational within the scheduled timeframe. However, when an allottee fails to achieve a milestone within the stipulated period, the delay is referred to a Scrutiny Committee comprising coal industry experts and representatives from the Central and State Governments. The reasons for delay are reviewed and the allottee's submissions are evaluated and actions are recommended in accordance with the provisions of the Agreement.

The Ministry provides continuous support to coal block allottees by conducting regular review meetings that bring together relevant stakeholders from Central and State agencies. In addition, the Ministry has appointed a dedicated Project Monitoring Unit (PMU) to assist allottees in early operationalization of coal mines.

Ease of doing business remains a key focus area for the government, aligning with the vision of 'Atmanirbhar Bharat' in the energy domain. Accordingly, the Ministry of Coal has undertaken several

policy initiatives to improve ease of doing business and expedite coal-mine operationalization. Key measures taken since launch of commercial auctions include:

- Prospecting Licence (PL): Obtaining a PL used to be one of the most time-consuming activity in the exploration process. To address this, the Ministry notified accredited private agencies under Section 4(1) of the MMDR Act 1957, to allow exploration without the requirement of a PL, saving approximately 6–8 months.
- Geological Report (GR) approvals: Through an Office Memorandum dated 28 November 2025, the Ministry introduced a new evaluation methodology under which GR approval is no longer required, reducing timelines by about 2-3 months.
- Mine Opening Permission: Amendments to the Colliery Control (Amendment) Rules, 2025 eliminate the need for mandatory Mine Opening Permission from the Coal Controller's Organization, vesting approval with the company's Board and saving 1-2 months.
- Coking Coal: Coking Coal has been notified as a Critical and Strategic Mineral under the MMDR Act, 1957. Critical minerals receive exemptions such as waiver of public hearings for EC and the degraded forest land as Compensatory Afforestation (CA) in lieu of Non-forest land, reducing operationalization time by 4–5 months.
- Single Window Clearance System(SWCS): End to end online processing for submission and approval of Mining Plan and Mine Closure Plan.

MoEF&CC, based on the Ministry of Coal's request, has also undertaken measures to streamline forest permissions required for exploration and Environment Clearance (EC)/Forest Clearance (FC) for coal mining.

Key EC initiatives:

- Integration of Consent to Establish (CTE) with EC approvals
- Delegation of powers to State Level Environmental Impact Assessment Authority (SEIAA) for coal mining projects less than 500 hectares
- Online processing of EC through PARIVESH 2.0 portal for ease of processing and increased frequency of EAC meetings
- Standard Terms of Reference for EIAs of underground coal-mining projects
- Exemption of 'Pilot projects of UCG' from prior EC.
- Conditions made more feasible in Terms of Reference (ToR)
- Enhancing the validity of EC – making it co-terminus with Mining Lease
- Expansion in production capacity up to 50% without requirement of public hearing

Key FC initiatives:

- Introduction of a Project Screening Committee (PSC) for smoother procedural movement.
- More frequent Forest Advisory Committee (FAC) meetings to accelerate approvals.
- Issuance of Stage-II FC without requiring prior notification of Compensatory Afforestation land as Reserved/Protected Forest.
- Auto-forwarding features in PARIVESH for EDS and compliance submissions to reduce delays.

- Reintroduction of dispensation of degraded forest land double in extent (DDFL) in lieu of non-forest land for the purpose of Compensatory Afforestation (CA), for Central PSUs and for the captive coal blocks of State PSUs
- Delinking of FC proposals from fulfillment of FC conditions related to adjacent mines or other diversion proposals of the same mine
- Introduction of Accredited CA Land concept
- Exemption of individual Wildlife Management Plan (WLMP) where regional WLMP is available

It is expected that the initiatives taken by the MoEF&CC, will reduce time taken in the EC/FC process by 5-6 months. Further, the MoEF&CC, considering the time taken in obtaining forest permission for exploration in forest area, took the following key initiatives to expedite the process:

- Forest Borehole Exemption: MoEF&CC raised the limit of boreholes permitted without Forest Clearance to 62 (from 25) per 10 sq. km
- Authority Delegation for Forest Approvals: MoEF&CC empowered District Forest Officer (DFO) to approve NOC
- Permitting pitting and trenching in forest areas for exploration without Net Present Value (NPV) and CA charges

Through above mentioned landmark initiatives, the Ministry has effectively taken steps to remove bottlenecks in the process of obtaining clearances, from exploration to mine opening. These measures are expected to have a positive impact and lead to a significant reduction in timelines for commencement of mining operations.

In reference to the above-mentioned significant policy changes and initiatives implemented by the Ministry to facilitate early operationalization the ministry constituted a committee of industry experts to review the milestones and their stipulated timelines of the Efficiency Parameters of the CMDPA/CBDPA. The Ministry examined the recommendations of the committee and has proposed new timelines for incorporation in the Efficiency Parameters of the Agreement.

The proposed amendments to the milestones and their timelines in the Efficiency Parameters of the CMDPA/CBDPA are drafted and made available in **Annexure I**. All stakeholders are requested to send their comments/suggestions by e-mail in MS-Office word format to following e-mail ids (nomauthority.moc@nic.in & arvind.kumar70@nic.in) within 15 days of publication of this notice. The subject of the email should be: “Comments/Suggestions on the proposed efficiency parameter timelines”. Alternatively, comments/suggestions may also be addressed to the Under Secretary (NA section), Ministry of Coal, Government of India, Room no 120, F-wing, Shastri Bhawan, New Delhi 110001. The envelope may be superscripted on top with: “Comments/Suggestions on the proposed efficiency parameter timelines”

Office of Nominated Authority

EFFICIENCY PARAMETERS

For Coal Mines under the Mines and Mineral (Development and Regulation) Act, 1957 and under the Coal Mines (Special Provisions) Act, 2015 (other than Schedule II coal mines)

Activities	Completion Time	Milestone (MS) No.	Fully Explored Mines	Partially Explored Mines
			% of Performance Security to be appropriated for delay in completion of MS	% of Performance Security to be appropriated for delay in completion of MS
Preparation of land schedule, and vetting of exploration program	-			
Permission for exploration in forest area (if applicable)	-			
Prospecting Licence or Notification under section 4 of the CBA Act, 1957, (if applicable)	-			-
Completion of Drilling/Exploration in accordance with Clause 14	-			-
Preparation and vetting of Geological Report (GR)	Within 12 months from date of allocation (Additional 3 months, if drilling meterage > 50,000m)	MS-1	Not Applicable	0
	After 12 months up to 21 months from date of allocation			25%
	After 21 months from date of allocation			25% (in addition to previous 25%)
Submission of Mining Plan subject to provisions of Clause 15	-			-
Approval of Mining Plan/Project Report	5 months from the completion of previous MS / If	MS-2		10%

Activities	Completion Time	Milestone (MS) No.	Fully Explored Mines	Partially Explored Mines
			% of Performance Security to be appropriated for delay in completion of MS	% of Performance Security to be appropriated for delay in completion of MS
subject to provisions of Clause 15	MS-1 not applicable, 5 months from date of allocation			
Application for Land Acquisition under relevant statute, as applicable	-			-
Application for Mining Lease	-			-
Application for Diversion of Forest Land (FC Application)	-			-
Application for ToR & Grant of ToR (for EC)	-			-
Wildlife Clearance, if applicable	-			-
Approval under PESA, if applicable	-			-
Application for Nallah/River Diversion, if required	-			-
Application for diversion of Power line/Rail/Road, if required	-			-
Application to draw Power	-			-
Application for ground water withdrawal	-			-
Forest Clearance (FC) Stage I	-			-
Environment Clearance (EC)	16 months from the completion of previous MS			10%
Forest Clearance Stage II	-	MS-4		-
Approval for Nallah/River Diversion				
Approval for diversion of Power line/Rail/Road				
Permission to draw Water				
Permission to draw Power				
Land Acquisition and R&R required for minimum 4	-			-

Activities	Completion Time	Milestone (MS) No.	Fully Explored Mines	Partially Explored Mines
			% of Performance Security to be appropriated for delay in completion of MS	% of Performance Security to be appropriated for delay in completion of MS
years of coal production as per mining plan				
Consent to Operate	-			-
Application for Labour related Permissions	-			-
Application for permission under Factories Act, 1948, if applicable.	-			-
Execution of Mining Lease or order by the Central Government under section 11 of CBA Act, 1957, as applicable	16 months from the completion of previous MS			25%
Possession of Land and R&R required for minimum 4 years of coal production	-	MS-5		-
Intimation to DGMS for Mine opening	-			-
Approval for use of Explosive & Licence for Storage of Petroleum	-			-
Permission under Factories Act, 1948, if applicable				
Permission for use of Radio Frequency Communication System	-			-
Labour related Permissions	-			-
Escrow Account	-			-
Mine Opening Permission / Board Approval	3 months from the completion of previous MS			25%

Note:

- Only the activity within the Milestone Number, against which percentage of appropriation of performance security has been assigned in the last column ('Main Activity'), will be monitored for the purpose of appropriation of performance security.

2. Activities other than Main Activity, against which percentage of appropriation of performance security has not been assigned, will be monitored for the purpose of early development of mines. However, in case of default in such activities, penalty will not be imposed.
3. The completion time provided for the Milestones does not bar the successful bidder from obtaining clearances concurrently, if allowed under the Applicable Laws.
4. In *bona fide* cases of delays not attributable to the Successful Bidder the Nominated Authority will decide on case to case basis the extension of timeline in Efficiency Parameters from the total time granted for all the Milestones, i.e. 52 months in case of mine where GR is to be prepared (Partially Explored Mines) and 40 months in case of mines where GR is not required to be prepared (Fully Explored Mines). For the said purpose, the Nominated Authority may refer the matter to Scrutiny Committee which will consider the delay caused on case to case basis and furnish its recommendation to the Nominated Authority for taking a decision.
5. For Partially Explored Mines, appropriation for delay in completion of MS-1 and MS-2 shall be from the performance security submitted pursuant to clause 6.1.3 of the Agreement and appropriation for delay in completion of remaining milestones shall be from the revised performance security submitted pursuant the said clause.
6. If the Successful Bidder is able to complete the last Milestone (i.e. Mine Opening Permission/ Board Approval MS-5) within the total time granted for all the Milestones, i.e. 52 months in case of mine where GR is to be prepared (partially explored mines) and 40 months in case of mines where GR is not required to be prepared (fully explored mines), then the amount of performance security appropriated for delay in completion of any previous Milestone (if any) may be refunded to the Successful Bidder.