Government of India Ministry of Coal Rajya Sabha Unstarred Question No. 542 To be answered on 14.12.2018

Allocation of coal blocks through allotment and auction route

542. SHRI VIVEK K. TANKHA:

Will the Minister of COAL be pleased to state:

- (a) the number of coal blocks that have been allotted through the auctions route (with details of annual peak mining capacity and total estimated reserves), after the cancellation of coal blocks pursuant to Supreme Court order of September, 2014;
- (b) the details of the respective one-time and annual revenues accrued to State Governments from such auctioned coal blocks; and
- (c) the number of coal blocks that have been allocated to Public Sector Companies through the allotment route from 2014 till date and details of the respective one-time and annual revenues accrued to State Governments from such allotted coal blocks?

ANSWER

MINISTER OF RAILWAYS AND COAL (SHRI PIYUSH GOYAL)

- (a): The allocation of coal mines are made under the provisions of the Coal Mines (Special Provisions) Act, 2015 [CM(SP) Act, 2015] and the Mines and Minerals (Development and Regulation) Act, 1957 [MM(DR) Act, 1957]. So far, 25 coal blocks stand allocated through auction route under the provisions of the CM(SP) Act, 2015. Out of the 31 coal blocks which were auctioned, Coal Mine Development and Production Agreements (CMDPA) of 6 coal mines have been terminated. Details of the 25 auctioned coal mines along with their peak rated capacity and total extractable reserves are at Annexure-A. No coal block has been auctioned under the provisions of the MM(DR) Act, 1957.
- (b): The Successful Bidders are required to submit upfront amount which is 10% of the intrinsic value, payable upfront in 3 installments of 5%, 2.5% and 2.5%, as one-time payment. The Successful Bidders are also required to make monthly payments with respect to the coal extracted from the coal mine. The entire revenue through auction of coal mines shall devolve to the coal bearing State Government concerned during the life of mine/lease period. The details of the upfront amount as well as monthly payment actually made by the Successful Bidders are at Annexure-B.

- (c): i. From 2014 till date, 60 coal mines have been allocated to public sector companies through the allotment route under the provisions of CM(SP) Act, 2015 and the Rules made thereunder. Out of the originally 61 allotted coal blocks, Coal Mine Development and Production Agreements (CMDPA) has been terminated in respect of 1 coal mine. The entire revenue through allotment of coal mines shall devolve to the coal bearing State Government concerned during the life of mine/lease period. The details of the upfront amount as well as monthly payment actually made by the allottee companies are at Annexure-B.
- ii. From 2014 till date, 13 regionally explored coal blocks currently stand allocated to Central/State Government Companies under the provisions of MM(DR) Act, 1957 and the Rules made thereunder. One time or annual revenues have not accrued so far to the State Governments from such allotted coal blocks since these are regionally explored coal blocks. 6 coal blocks have also been allotted to CIL/its subsidiaries under the MM(DR) Act, 1957. Revenues to the State Governments will accrue only after production begins after detailed exploration and start of mining operations in these coal blocks.

Although these blocks were allocated in 2015 and afterwards, mining activities in these blocks could not progress at desired pace as it involved transfer of EC/FC, renewal of leases, approval of modification in mining plans, renewal of statutory permissions/approvals, acquisition of land, development of infrastructure etc. However, coal production from these coal blocks has picked up due to close monitoring by Ministry. The total coal production from these coal blocks has been 12.83 MT during April-October 2018 at a growth rate of 40.5 % over the same period last year. As production from this blocks will grow in future, the quantum of monthly revenue to State Government will also increase substantially.

Annexure – A

SI. No.	Name of Mine/Coal Block	Total Extractable Reserve (MT)	Peak Rated Capacity (MTPA)		
1	Sial Ghoghri	5.69	0.3		
2	Belgaon	7.14	0.27		
3	Kathautia	23.96	0.8		
4	Marki Mangli III	3.58	0.21		
5	Ardhagram	18.93	0.4		
6	Chotia	18.49	1		
7	Gare Palma IV-5	42.43	1		
8	Bicharpur	29.12	0.75		
9	Gare Palma IV-4	12.30	1		
10-11	Brinda and Sasai	25.4	0.68		
12	Moitra	29.91	1.00		
13	Meral	12.67	0.44		
14	Nerad Malegaon	10.62	0.36		
15	Dumri	46.138	1		
16	Gare-Palma Sector-IV/8	45.85	1.2		
17	Lohari	9.05	0.20		
18	Marki Mangli I	9.78	0.30		
19	Talabira-l	10.785	3		
20	Sarisatolli	51.03	3.50		
21	Trans Damodar	47.32	1.00		
22	Amelia North	70.28	2.8		
23	Tokisud North	51.97	2.32		
24	Jitpur	65.535	2.5		
25	Ganeshpur	91.8	4		

Annexure – B

(in crore Rs.)

								(in crore Rs.)		
	Mode	2014-15 *	2015-16		2016-17		2017-18		2018-19 (till Nov. 2018)	
State		Upfront Amt	Upfront Amt		Upfront Amt	Mthly Payment	Upfront Amt			Mthly Payment
	Auction	33.08	37.94	33.17	6.60	688.75	0.00	517.06	3.70	312.49
Chhatisgarh	Alltoment	66.21	339.65	54.56	30.54	80.01	34.99	84.13	11.26	86.62
	Total	99.28	377.59	87.73	37.14	768.76	34.99	601.20	14.96	399.11
	Auction	62.55	133.72	0.00	18.63	0.00	0.00	266.71	0.00	62.81
Jharkhand	Allotment	96.29	273.79	0.00	36.56	0.00	410.45	0.00	12.16	0.00
	Total	158.84	407.51	0.00	55.19	0.00	410.45	266.71	12.16	62.81
	Auction	59.49	56.79	183.95	6.11	189.53	0.00	192.66	0.00	160.04
Madhya Pradesh	Allotment	0.00	0.00	0.00	49.62	0.00	0.00	0.00	0.00	0.00
	Total	59.49	56.79	183.95	55.74	189.53	0.00	192.66	0.00	160.04
	Auction	1.97	11.54	25.73	2.75	26.54	0.00	49.72	0.00	43.04
Maharashtra	Allotment	12.61	12.61	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	14.58	24.15	25.73	2.75	26.54	0.00	49.72	0.00	43.04
	Auction	12.52	12.52	11.58	0.00	9.49	0.00	5.47	0.00	0.00
Odisha	Allotment	0.00	177.00	0.00	101.17	0.00	265.53	0.00	29.84	0.00
	Total	12.52	189.51	11.58	101.17	9.49	265.53	5.47	29.84	0.00
	Auction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Telangana	Allotment	9.51	0.00	0.00	25.00	0.00	9.51	0.00	0.00	0.00
	Total	9.51	0.00	0.00	25.00	0.00	9.51	0.00	0.00	0.00
	Auction	71.69	69.13	87.70	1.28	68.43	1.28	82.12	0.00	61.47
West Bengal	Allotment	35.05	71.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	106.73	140.31	87.70	1.28	68.43	1.28	82.12	0.00	61.47

Mthly: Monthly, Amt: Amount

^{*}No monthly payment for the year 2014-15.