GOVERNMENT OF INDIA
MINISTRY OF COAL
RAJYA SABHA
UNSTARRED QUESTION NO – 1442
TO BE ANSWERED ON 02.08.2021

AUCTIONING OF COAL MINES

1442. Smt. Phulo Devi Netam:
Shri Rajmani Patel:
Shri Shaktisinh Gohil:
Shri G.C. Chandrashekhar:

Will the Minister of COAL be pleased to state:

(a) the reasons Government failed to auction nearly 70 mines out of 112 mines from 2015 to 2020;
(b) whether the newly listed 41 mines include mines on the older list which were not auctioned; and
(c) whether Government is aware that 21 mines out of the newly listed mines for auction fall under the 'No-Go' areas classified in 2011, and the reasons for proceeding forward despite such classification?

ANSWER

MINISTER OF PARLIAMENTARY AFFAIRS, COAL AND MINES
(SHRI PRALHAD JOSHI)

(a): Auction of coal mines is a continuous process. Success of auction process depends on the response received from bidders. Following policy measures have been undertaken for providing more flexibility to the prospective bidders:

(i) Amendments have been made in the Coal Mines (Special Provisions) Act, 2015 [CMSP Act] and the Mines and Minerals (Development and Regulation) Act, 1957 [MMDR Act] through Mineral Laws Amendment Act, 2020 enacted on 13.03.2020 to ensure wider participation and competition in auction of coal mines. The amendments in the Acts would enable the following:

- Allocation of coal blocks for composite prospecting license-cum-mining lease which will help in increasing of the inventory of coal/lignite blocks for allocation.
- Repetitive and redundant provision requiring previous approval of Central government even in cases where the allocation or reservation of coal/lignite block has been made by the Central Govt. itself has been done away with.
- Provided flexibility to the Central Govt. in deciding the end use of Schedule II and III coal mines under the CMSP Act.

- Companies which do not possess any prior coal mining experience in India can now participate in auction of coal blocks.

(ii) Methodology for auction of coal and lignite mines / blocks for sale of coal / lignite on revenue sharing basis was issued on 28.05.2020.

(b): Ministry of Coal had launched the auction of 41 coal mines for commercial mining on 18.06.2020 under CMSP Act and MMDR Act. However, during the course of the auction process, 6 mines were withdrawn as per the consultation with Chhattisgarh and Maharastra State Government, and 3 new mines were added taking the total mines available for auction to 38. These 38 mines put up for auction in 11th Tranche under CMSP Act and 1st Tranche under MMDR Act, also included few CMSP mines, which were put up in earlier conducted tranches of auction.

(c): As per present practice, the Ministry of Environment, Forest and Climate Change (MOEFCC) ,through Forest Survey of India (FSI) and the Ministry of Coal had jointly undertaken an exercise to determine the conservation value of a number of coal blocks and with the help of Decision Support System (DSS) software the coal blocks were categorised under High Conservation Value, Medium Conservation Value and low Conservation Value. Irrespective of the conservation value of a coal block, each proposal seeking diversion of forest land for coal mining is processed and considered by Ministry of Environment, Forest and Climate Change on its merits on case-to-case basis.

*****