

**GOVERNMENT OF INDIA  
MINISTRY OF COAL  
RAJYA SABHA  
UNSTARRED QUESTION NO. 521  
TO BE ANSWERED ON 12.12.2022**

**FOREIGN DIRECT INVESTMENT IN COAL SECTOR**

**521. SHRI JAYANT CHAUDHARY :**

Will the Minister of COAL be pleased to state :

- (a) The details of the number of foreign companies that participated in the auction of coal mines since the first auction in the year 2020 and the companies that won the bid and currently working in this sector;
- (b) The details of investments made under foreign direct investment in the sector, year-wise and state-wise;
- (c) The steps taken by Government to attract foreign investments in the sector;
- (d) Whether all the operating coal mines have valid environment clearances, if not, the reasons therefor?

**ANSWER  
MINISTER OF COAL, MINES & PARLIAMENTARY AFFAIRS  
(SHRI PRALHAD JOSHI)**

- (a) No foreign company is eligible to participate in auction for commercial mining as per extant policy. However, companies incorporated in India are eligible to participate.
- (b) Foreign Direct Investment of Rs.119.19 crores in FY-2022-23 has been made for one coal mine located in Jharkhand.
- (c) Government has reviewed the Foreign Direct Investment (FDI) policy in the coal mining on 18.09.2019 allowing 100% FDI under automatic route for sale of coal, coal mining activities including associated processing infrastructure subject to the provisions of the Coal Mines (Special Provisions) Act, 2015 and Mines and Mineral (Development & Regulation) Act, 1957 as amended from time to time and other relevant Acts on the subject. Associated processing infrastructure includes coal washery, crushing, coal handling and separation (magnetic and non-magnetic). DPIIT has circulated consolidated FDI policy circular 2020 vide OM dated 17.12.2020.

Further, according to the Press Note 3 of 2020, the Central Government further amended the FDI Policy to prescribe a requirement to seek prior Government approval if such foreign direct investment is by an entity from a country which shares land borders with India or where the beneficial owner of such foreign direct investment into India is situated in or is a citizen of any such country.

- (d) All the currently operating coal mines have valid environmental clearances for the part of the mine which is in operation. For a mine to become operational environmental clearance is mandatory.

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