

**GOVERNMENT OF INDIA
MINISTRY OF COAL
RAJYA SABHA
UNSTARRED QUESTION NO.1963
TO BE ANSWERED ON 07.08.2023**

Non-utilization of 18 coal mines

1963. SHRI AYODHYA RAMI REDDY ALLA:

Will the Minister of *COAL* be pleased to state:

- (a) whether it is a fact that since 2015, 18 newly identified coal mines have been allocated by Government to various Government and private companies under the provisions of MMDR Act; and
- (b) whether Government is exploring potential strategies or incentives that could be implemented to encourage the utilization of these coal mines, including attracting investments, addressing infrastructure challenges, and streamlining approval processes, if so, the details thereof?

ANSWER

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

- (a) Total of 36 coal mines under provisions of Mines and Minerals (Development and Regulation) Act, 1957 have been successfully allocated to various Government and auctioned to private companies by Ministry of Coal.
- (b) By implementing following measures and incentives, the government is committed to attracting investments, addressing infrastructure challenges, and streamlining approval processes to bolster the utilization of coal mines in India:
 - (i) **Enactment of Mines and Minerals (Development and Regulation) Amendment Act, 2021** : The Act provides that captive mines owners (other than atomic minerals) may sell up to 50% of their annual mineral (including coal) production in the open market after meeting the requirement of the end use plant linked with the mine in such manner as may be prescribed by the Central Government and on payment of such additional amount. This step is an attempt to stimulate the coal block allottees to commence coal production early.
 - (ii) **Single Window Clearance** : The Union Government has launched Single Window Clearance Portal on 11.01.2021 for the coal sector to speed up the operationalization of coal mines. It is an unified platform that facilitates grant of clearances and approvals required for starting a coal mine in India.
 - (iii) **Project Management Unit (PMU)** : PMU has been appointed by Ministry for handholding of coal block allottees for obtaining various approvals / clearances for early operationalisation of coal mines.
 - (iv) **Commercial Coal Mining Scheme**: Auction of commercial mining on revenue sharing mechanism was launched on 18.06.2020 by Hon'ble Prime Minister. Terms and conditions of commercial coal mining are very liberal with no restriction on

utilization of coal, allowing new companies to participate in the bidding process, reduced upfront amount, adjustment of upfront amount against monthly payment, liberal efficiency parameters to encourage flexibility to operationalize the coal mines, transparent bidding process, 100% FDI through automatic route and revenue sharing model based on the National Coal Index.

- (v) **Early Commencement of Coal Production** : Under commercial mining scheme, Rebate of 50% on Final Offer would be allowed for the quantity of coal produced earlier than Scheduled Date of Production. Also, Ministry has granted incentives on Coal Gasification or Liquefaction (Rebate of 50% on Final Offer). These incentives are granted to enthruse the allocattees to commence early production.
