

**GOVERNMENT OF INDIA
MINISTRY OF COAL**

**RAJYA SABHA
UNSTARRED QUESTION NO. 2433
TO BE ANSWERED ON 11.08.2025**

Promotion of underground Coal mining in the State of Jharkhand

2433 # Shri Pradip Kumar Varma:

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

- (a) the districts in the State of Jharkhand where underground coal mining projects are currently active and the present level of production from these projects;
- (b) whether Government has implemented any new policy or technological innovation scheme to promote underground mining for increasing coal production; and
- (c) if so, the priority given to the State of Jharkhand under such policy or scheme, and the institutions entrusted with its implementation?

ANSWER

**MINISTER OF COAL & MINES
(SHRI G. KISHAN REDDY)**

(a): The active underground coal mines are in Dhanbad, Ranchi, Ramgarh, Hazaribagh, and Bokaro districts in the State of Jharkhand as on 01.04.2025. Raw coal production from underground mines in the State of Jharkhand during 2024-25 was 2.654 Million Tonnes.

(b) & (c): In order to give further impetus to Underground mining, the methodology dated 28.05.2020 for auction of coal and lignite mines or blocks for sale of coal and lignite on a revenue-sharing basis has been amended vide order dated 23.04.2025 to provide the bidders participating in the auction with the following incentives:

1. Reduction of the floor percentage of revenue share to 2%.
2. Complete waiver of the Upfront Amount.

The successful allocatee of coal and lignite mines or blocks, classified for underground mining on the aforementioned modified conditions of reduced floor percentage of revenue sharing and complete waiver of upfront amount, shall not be allowed to convert the Underground Mine to Open Cast or Mixed Mine at any stage during the life of the mine.

The aforesaid policy changes are applicable to all coal mines (reserved for underground mining) in the country, identified for auction for sale of coal under the CM(SP) Act, 2015 & the MM(DR) Act, 1957, including Jharkhand.
