GOVERNMENT OF INDIA
MINISTRY OF COAL

RAJYA SABHA
UNSTARRED QUESTION NO.2426
ANSWERED ON- 10.08.2026

TRANSPARENT AUCTIONS AND TRIBAL WELFARE

2426. SHRI DEVENDRA PRATAP SINGH:

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

(a) whether transparent coal block auctions by the Centre have significantly boosted revenue sharing for the State of Chhattisgarh;

(b) if so, the record revenue generated and transferred during the last three years;

(c) whether Government successfully utilized District Mineral Foundation (DMF) funds for inclusive growth in tribal and coal-bearing regions; and

(d) if so, the details of land compensation, rehabilitation, healthcare, education, and drinking water projects measures taken?

ANSWER

MINISTER OF STATE FOR COAL AND MINES
(SHRI SATISH CHANDRA DUBEY)

(a)&(b) The transparent auction of coal blocks is being done through a competitive revenue-sharing mechanism linked to the value of coal as determined by the market dynamics (National Coal Index (NCI) /wholesale price index (WPI)) has resulted in revenue accrual to coal-bearing States, including the State of Chhattisgarh. Under the transparent auction mechanism, coal mines are allocated to the bidder offering the highest revenue share to the State Government.

The revenue generation (upfront amount and monthly premium) to the Government of Chhattisgarh from all allocated mines (captive & commercial) during the last five financial years is as under:

Financial Year	Monthly premium (Rs. crore)
FY 2021-22	629.6
FY 2022-23	1581.2
FY 2023-24	1839.2
FY 2024-25	1685.8
FY 2025-26	1739.1

(c)&(d) It is stated that DMFs are funded through contributions made by mining lease holders directly to the respective District Mineral Foundation Trusts established at the district level. The objective of the District Mineral Foundations (DMFs) is to work in the interest and for the benefit of persons and areas affected by mining-related operations, in such manner as may be prescribed by the respective State Governments. The role of the Central Government is related to issuance of direction regarding composition and utilization of fund by the DMF. Accordingly, Ministry of Mines has issued Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) Guidelines, 2024.

The PMKKKY Guidelines, 2024 stipulates that the selection of projects and the approval of expenditure of funds from DMF lies solely with the Governing Council of DMF, which is headed by the District Collector/District Magistrate and also includes elected representatives such as MPs, MLAs, and MLCs as members. Further, the Guidelines also mandate utilization of at least 70% of funds in high priority sectors including drinking water supply, health care and education and up to 30% of the funds to be utilized in other priority sectors.

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