

Government of India
Ministry of Coal
Lok Sabha
Unstarred Question No. 5026
To be answered on 24.07.2019
Auctioning of Coal Mine to Private Sector

5026. SHRI MAGUNTA SREENIVASULU REDDY:

Will the Minister of COAL be pleased to state:

- (a) whether the Government is currently working out the modalities with other Ministries on the topic of auctioning of coal mines to private sector entities for commercial mining;
- (b) if so, the details thereof and the likely outcome of the said decision;
- (c) whether CIL is likely to remain the dominant commercial coal supplier in India despite initial steps been taken towards the creation of a competitive coal market in India; and
- (d) if so, the details thereof?

ANSWER

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

(a) & (b): The methodology for auction of coal mines/blocks for sale of coal under the provisions of the Coal Mines (Special Provisions) Act, 2015 and the Mines and Minerals (Development and Regulation) Act, 1957 has been approved by the Government and the Order in this regard has been issued on 27.02.2018. The objective of the policy for auction of coal mines/blocks for sale of coal is to create a market place for coal with multiple producers to drive competition and adopt best practices in mining as well as environment management. Auction of coal mines for sale of coal in a transparent manner is expected to encourage transparent pricing of coal, based on market forces.

(c) & (d): In the year 2018-19, total coal production in the country was 730.35 Million Tonnes (MT). Out of this, CIL produced 606.89 MT which is 83% of the total domestic production. Further, in order to meet the increasing energy demand of the country, CIL has drawn up a road-map for enhanced coal production.
