

GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION NO - 3945
TO BE ANSWERED ON 18.03.2020

CAPTIVE COAL MINING

3945. SHRI KANUMURU RAGHU RAMA KRISHANA RAJU:
SHRI Y.S. AVINASH REDDY:

Will the Minister of COAL be pleased to state:

- (a) whether the Government has taken a decision to end the Captive Coal Mining regime in the country with a view to attract private participation in the coal production;
- (b) if so, the details thereof; and
- (c) the manner in which this relaxation will boost the coal production in the country to achieve self sufficiency?

ANSWER

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

(a) to (c): Under Section 5 (1) of the Coal Mines (Special Provisions) Act, 2015 [CMSP Act], a Schedule I coal mine can be allotted to a Government Company for own consumption, sale or for any other purpose. Till now, a Schedule I coal mine, other than Schedule II and Schedule III coal mines, could be auctioned for own consumption, sale or for any other purpose under Section 4(2) of the CMSP Act. The Mines & Mineral (Development and Regulation) Act 1957 [MMDR Act] and the CMSP Act have been amended by the Mineral Laws (Amendment) Act, 2020. Prior to this amendment, the mines in Schedule II and III of CMSP Act could only be auctioned to companies that are engaged in specified end use. Now, the omission of sub-section (3) of Section 4 of CMSP Act has provided flexibility to the Central Govt. in deciding the purpose for auction of Schedule II and III coal mines. This would allow wider participation in auction of Schedule II and III coal mines, for a variety of purposes such as for sale of coal, own consumption or any other purpose.
