

**GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
STARRED QUESTION NO. 22
TO BE ANSWERED ON 03.02.2021**

Commercial Coal Mining

***22 SHRI JAYANT SINHA :**

Will the Minister of COAL be pleased to state:

- a. the key benefits of commercial coal mining policy;
- b. the amount of revenue generated from such exercises as on date;
- c. the share received by Jharkhand in such revenue; and
- d. the details of coal mines auctioned in Jharkhand under the said policy, district-wise?

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

(a) to (d) : A statement is laid on the Table of the House.

**STATEMENT IN REPLY TO THE LOK SABHA STARRED QUESTION NO.22 TO
BE ANSWERED ON 03.02.2021 ASKED BY SHRI JAYANT SINHA, HON'BLE M.P.
REGARDING COMMERCIAL COAL MINING**

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(a) The commercial coal mine auction is an attempt to attract private investment into the coal mining sector. It will bring in new investments and create employment, both direct and in-direct. The opening of coal sector would help in creating a market-based coal economy in the country. While the end user industries will benefit from securing their input coal supplies in a transparent manner, coal mine allocattees will benefit from the introduction of competition in the coal sector.

The entire revenue from the auctions would accrue to the coal bearing State Governments, thus it is expected to bring in immense socio-economic benefits to coal-bearing states like Jharkhand, Chhattisgarh, Madhya Pradesh, Maharashtra and Odisha. Incentives like rebate on quoted revenue share has been provided to successful bidders for early production and Gasification/Liquefaction of coal.

(b) In the recent auction of coal blocks for commercial mining, 19 coal blocks have been auctioned successfully. However, no revenue has been generated from e-auction of coal mines / blocks for commercial mining till now. But total annual revenue generation once mines are operationalised is estimated at Rs.6656 crore considering production at aggregated Peak Rate Capacity level of 51 Million Ton Per Annum. Total upfront amount of Rs.262 crore will be received by the States during the financial year FY-2020-21 and the remaining upfront amount of Rs.786 crore will be received by the States subsequently, based on the milestones mentioned in the bid documents. It is estimated to attract the capital investment of Rs. 7658 Crores along with employment generation to around 69,000 persons.

(c) No revenue to Jharkhand State has been generated from e-auction of coal mines / blocks for commercial mining so far. However, 5 coal mines located in Jharkhand with an aggregate peak rated capacity of 20.20 Million Tonnes Per Annum (MTPA) have been e-auctioned for commercial mining and it is expected that annual revenue amounting to Rs.2690 crores would be generated considering production at aggregated Peak Rated Capacity of 20.20 MTPA.

(d) Details of coal mines successfully e-auctioned in Jharkhand for commercial mining, district-wise is as under:-

Sl. No.	Coal Mine	PRC (MTPA)	District
1.	Brahmadiha	0.15	Giridih
2.	Chakla	5.30	Latehar
3.	Gondulpara	4.00	Hazaribagh
4.	Rajhara North (Central & Eastern)	0.75	Palamu
5.	Urma Paharitola	10.00	Dumka & Pakur
