

**GOVERNMENT OF INDIA  
MINISTRY OF COAL  
LOK SABHA  
UNSTARRED QUESTION NO 238  
TO BE ANSWERED ON 03.02.2021**

**Coal Auction**

**238. SHRI BALUBHAU ALIAS SURESH  
NARAYAN DHANORKAR:**

Will the Minister of COAL be pleased to state:

- a. whether Government has decided to auction of new coal and mineral blocks in the country?
- b. If so, the details thereof, State-wise including Maharashtra?
- c. The details of modifications made in the revenue sharing mechanism in the coal sector; and
- d. The steps taken by the Government to minimise the import of coal from other countries?

**ANSWER**

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

- a. Yes, Sir.
- b. Ministry of Coal has recently successfully e-auctioned the 19 coal mines in the first tranche of commercial coal auction. The Coal Mine Production and Development Agreement have been signed for these 19 coal mines. The list of successfully auctioned coal mines state-wise is given at Annexure-I.

Under the Mines and Minerals (Development and Regulation) Act, 1957 and the Rules framed thereunder, the State Governments are empowered to carry out auction of mineral blocks in accordance with the prescribed law. As per the information received from respective State Governments, a total of 61 mineral blocks are in pipeline for auction. The state-wise details are at Annexure-II.

- c. The details of modifications made in the revenue sharing mechanism in the coal sector is tabulated below:-

Previous Mechanism	Revenue Share Mechanism
<b>● Bid Parameter</b>	
<input type="radio"/> Rs. Per tone <input type="radio"/> Floor Price: NPV on DCF method, Not less than Rs. 150 per tonne <input type="radio"/> Ascending forward auction	<input type="radio"/> Revenue Share <input type="radio"/> Floor percentage at 4%; bid increment in multiples of 0.5% up to revenue share upto 10% & thereafter, in multiples of 0.25% <input type="radio"/> Highest bidder to be preferred bidder
<b>● Revenue share payable</b>	
<input type="radio"/> Rs. per tonne with	<input type="radio"/> Payable on monthly basis

yearly escalation linked to WPI	<ul style="list-style-type: none"> <li>○ <i>(Percentage of revenue share quoted) x (quantity of coal on which statutory royalty is payable during the month) x (higher of notional price and actual price)</i></li> <li>○ <b>Notional Price:</b> Price arrived after adjusting representative price with sub-index of National Coal Index (NCI) of relevant basket of coal grade(s) on the date on which royalty becomes payable,</li> <li>○ <b>'Representative price'</b> is product of: <ul style="list-style-type: none"> <li>□ Weights (volume of coal in different components of notified price, auction price and imported price channels) of base year, and</li> <li>□ Prices of components at time of issuance of tender</li> </ul> </li> <li>○ <b>Actual Price:</b> sale invoice value of coal, net of statutory dues. In addition, statutory dues are payable</li> </ul>
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d. An Inter-Ministerial Committee (IMC) has been constituted in the Ministry of Coal on 29.05.2020 for the purpose of coal import substitution. 8 meetings of the IMC have been held. The IMC provides a platform for discussions on a larger forum with the Administrative Ministries so as to encourage the coal consumers of their respective sector to eliminate imports of coal. IMC has decided that the Administrative Ministries would engage with the coal importers of their sector on a regular basis alongwith coal supplier companies, coal transporters as well as Ministry of Coal to resolve issues, if any, in the coal import substitution. These meetings provide an opportunity to understand and resolve the sector specific coal related issues and target the individual coal consumers by providing them with domestic coal. Ministry of Power / Central Electricity Authority (CEA), Ministry of Steel, Department for Promotion of Industry & Internal Trade (DPIIT), Ministry of Micro, Small & Medium enterprises (MSME), Ministry of Mines and Ministry of Shipping has conducted meetings with the coal consumers of their sector to understand the reasons for coal imports and also to inform the consumers about the availability of coal and logistic facilities. IMC has also directed development of a Coal Import Data System of Ministry of Coal to monitor the imports of coal.

#### ANNEXURE-I

List of successfully auctioned coal mines state-wise

Sl. No.	Mine	State	Preferred Bidder	PRC (MTPA)
1	Brahmadiha	Jharkhand	The Andhra Pradesh Mineral Development Corporation Ltd	0.15
2	Chakla		Hindalco Industries Limited	5.30
3	Gondulpara		Adani Enterprises Limited	4.00
4	Urma Paharitola		Aurobindo Reality And Infrastructure Private Limited	10.00
5	Rajhara North (Central & Eastern)		Fairmine Carbons Private Limited	0.75

6	Sahapur East	Madhya Pradesh	Chowgule And Company Private Limited	0.70
7	Bandha		EMIL Mines And Mineral Resources Limited	5.00
8	Dhirauli		Stratatech Mineral Resources Private Limited	3.00
9	Sahapur West		Sarda Energy And Minerals Limited	0.60
10	Urtan		JMS Mining Private Limited	0.65
11	Urtan North		JMS Mining Private Limited	0.60
12&13	Gotitoria (East) & Gotitoria (West)		Boulder Stone Mart Private Limited	0.30
14	Gare-Palma-IV/1	Chhattisgarh	Jindal Power Limited	6.00
15	Gare-Palma-IV/7		SARDA ENERGY AND MINERALS LIMITED/64896	1.20
16	Radhikapur (West)	Odisha	Vedanta Limited	6.00
17	Radhikapur (East)	Maharashtra	EMIL Mines And Mineral Resources Limited	5.00
18	Marki Mangli-II		Yazdani International Private Limited	0.30
19	Takli-Jena-Bellora (North) & Takli-Jena-Bellora (South)		Aurobindo Reality And Infrastructure Private Limited	1.50

## ANNEXURE-II

### **Mineral blocks in pipeline for auction as per the information received from State Governments**

S No	State	No. of mineral blocks in pipeline
1	Andhra Pradesh	3 mineral blocks
2	Chhattisgarh	6 mineral blocks
3	Gujarat	13 mineral blocks
4	Karnataka	3 mineral blocks
5	Madhya Pradesh	7 mineral blocks
6	Maharashtra	18 mineral blocks
7	Odisha	11 mineral blocks
<b>Total</b>		<b>61 mineral blocks</b> (22 limestone, 17 bauxite, 10 iron ore, 3 manganese ore, 3 graphite, 2 copper ore, 1 base-metal, 1 rock phosphate, 1 REE-RM, 1 kyanite & sillimanite)

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