

GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION NO – 2578
TO BE ANSWERED ON 04.08.2021

AUCTION OF COAL MINES

2578. SHRI BHARTRUHARI MAHTAB:

Will the Minister of COAL be pleased to state:

- (a) whether the Government proposes to auction 14 coal blocks from Odisha for commercial coal mining;
- (b) if so, the details thereof;
- (c) the details of coal blocks of the State that shall be placed for auctions;
- (d) the revenue that the Union Government and State Governments are likely to get from said auctions; and
- (e) the provisos and mechanism under which said auctions will be conducted?

ANSWER

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

(a) to (c): 67 coal mines have been offered in the current tranche of auction for sale of coal. Out of these 67 coal mines, 14 coal mines are located in Odisha. List of these 14 coal mines is given below:

S. No.	Coal Mine
1	Machhakata
2	Mahanadi
3	Nuagaon Telisahi
4	Ramchandi Promotion Block
5	Alaknanda
6	Bartap
7	Burapahar
8	Dip Extn of Belpahar
9	Dip Side of Chatabar
10	Kardabahal-Brahmanbil
11	Kosala West
12	Phuljhari East & West
13	Saradhapur North
14	Tentuloi

(d): No auction revenue will accrue to the Union Government. Revenue to the State Governments concerned from 67 coal mines offered in the current tranche of auction for sale

of coal can not be estimated during the auction process as out of these 67 coal mines, 30 coal mines are partially explored and the number of mines, which will get auctioned can not be known.

(e): Coal mines are auctioned under the provisions of Coal Mines (Special Provisions) Act, 2015 and Mines and Minerals (Development and Regulation) Act, 1957. Methodology for auction of coal and lignite mines/blocks for sale of coal/lignite on revenue sharing basis was issued on 28.05.2020. Salient features of the Methodology are as under:

- Based on Revenue sharing mechanism. Floor percentage at 4%.
- Applicable to fully explored as well as partially explored coal blocks.
- Upfront amount is based on value of estimated geological reserves.
- Successful Bidder to pay monthly revenue share based on percentage of revenue share quoted, total quantity of coal and notional or actual price whichever is higher.
- Incentives for early production, gasification and liquefaction of coal.
- Exploitation of Coal Bed Methane is allowed.
- No restriction on the sale and/ or utilisation of coal. More flexibility in coal production schedule.
