

**GOVERNMENT OF INDIA  
MINISTRY OF MINES**

**LOK SABHA  
UNSTARRED QUESTION NO. 2737  
TO BE ANSWERED ON 14.03.2016**

**ONLINE AUCTION OF MINES**

**2737 SHRI KAMAL NATH:  
SHRI NEIPHIU RIO:**

Will the Minister of **MINES** be please to state:

- (a) Whether there was inadequate response to the recent online auction of non-coal mines in the country;
- (b) If so, the details thereof and the reasons therefore, mine-wise;
- (c) Whether the Government has consulted the State Government and the Federation of Indian Mining Industries before initiating the e-auction process, if so, the details and the outcome thereof; and
- (d) The corrective steps taken by the Government to make e-auction of mines successful?

**ANSWER**

**THE MINISTER OF STATE FOR MINES AND STEEL (SHRI VISHNU DEO SAI)**

(a) to (d):

Auction results in respect of six non-coal mines in the States of Jharkhand, Chhattisgarh and Odisha indicate overwhelming success. The details are **annexed**. However, in absence of requisite number of bidders, for the blocks put on auction for the first round, the bidding process in the State of Rajasthan, Gujarat and Maharashtra could not attain finality.

While auctioning is being conducted by the respective State Governments, for its success the Central Government has taken a number of steps. The subordinate legislation and model templates have been notified. Before notifying the same detailed deliberations with all the stakeholders including States and the Industry Associations were carried out. In addition, in order to successfully carry out of the task of auctioning of mineral concession, the Central Government through its organization and Public Sector Undertaking have provided required assistance to the concerned State Governments.

Demand and supply configuration of particular ore in the vicinity, quantity and grade of ore and economic uses, quality of the mineralization studies, land ownership pattern, Coastline environment restrictions wherever applicable, general market scenario and any end use conditions imposed by the states in the bidding documents are factors that have bearing on the response of potential bidders in the auction process. State Governments have to take a note of these factors while inviting tenders.

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## ANNEXURE

### Details of Online Auction of Mineral Blocks other than Coal

S.No	State	Name of Block	Name of Mineral	Auction for Mining Lease (ML)/Prospecting cum Mining Lease (PL cum ML)	Bid Due Date	Quote received	Reserve Price	Successful Bid	Cumulative revenue to state government for period of 50 years
1.	Chhattisgarh	Baghmara, Balodabazar-Bhatapara	Gold	PL cum ML	26.02.2016	4	1%	12.55%	Total 110 crore, inclusive of 81 Cr additional contribution through auction.
2.		Kesla, Raipur	limestone	ML	19.02.2016	3	5%	10.15%	Total 887 crore, inclusive of 314 Cr additional contribution through auction.
3.		Karhi Chandi, Balodabazar-Bhatapara	limestone	ML	18.02.2016	5	5%	58.95%	Total 5802 crore, inclusive of 4413 Cr additional contribution through auction.
4.	Jharkhand	Harihaspura Block I, Ramgarh	Limestone	PL cum ML	12.02.2016	3	10%	12%	Total 7 crore, inclusive of 3. Cr additional contribution through auction.
5.		Harihaspura Block II, Ramgarh	Limestone		12.02.2016	3	10%	12%	Total 11 crore, inclusive of 5 Cr additional contribution through auction.
6.	Odisha	Ghoraburhani-sagasahi, Sundargarh	iron ore	ML	02.03.2016	7	5%	44.35%	Total 11,328 crore, inclusive of 8216 Cr additional contribution through auction.