

**GOVERNMENT OF INDIA  
COAL  
LOK SABHA**

STARRED QUESTION NO:26

ANSWERED ON:06.08.2013

AUCTIONING OF COAL BLOCKS .

Dharmshi Shri Babar Gajanan;Kumar Shri P.

**Will the Minister of COAL be pleased to state:**

- (a) whether there has been delay in allotment of captive coal mines through auction and if so, the reasons therefor;
- (b) whether the Government has set up an Inter-Ministerial Committee (IMC) to suggest bidding methodology for auctioning of coal mines/blocks;
- (c) if so, the details thereof along with the recommendations/suggestions made by the IMC including determining the floor and reserve price of a coal block;
- (d) whether there is any proposal to bring in a minimum work programme for coal blocks on the lines of the policy currently being adopted under the New Exploration Licencing Policy for oil and gas blocks; and
- (e) if so, the action taken by Government thereon?

**Answer**

MINISTER OF COAL (SHRI SRIPRAKASH JAISWAL)

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

6th Position

Statement referred to in reply to parts (a) to (e) in respect of Lok Sabha Starred Question No.26 for reply on 06.08.2013 asked by Shri Gajanan D. Babar and Shri P. Kumar regarding Auctioning of Coal Blocks.

(a) to (c) : The "Auction by Competitive Bidding of Coal Mines Rules, 2012" notified by the Central Government, in exercise of its power conferred by clause (d) of sub-section (2) of Section 13 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), envisages bidding methodology for auctioning of coal blocks including fixation of floor price and reserve price and other issues regarding procedure for allocation of area containing coal. The Ministry of Coal has engaged M/s CRISIL Infrastructure Advisory as consultant through Central Mine Planning & Design Institute Ltd. to suggest methodology for fixing floor price/reserve price, to draft model tender document and draft agreement to be entered into with the successful bidders. The Inter-Ministerial Committee (IMC) which was set up to consider and examine all issues regarding the allocation of coal blocks through auction, comprising of various stakeholders including Ministry of Finance, considered the report submitted by M/s.CRISIL Infrastructure Advisory and after discussion and deliberation, it has been decided to obtain comments from the concerned Ministries for which a note has been circulated.

(d) & (e) : The draft model agreement prepared by M/s.CRISIL Infrastructure Advisory inter alia, provides for timelines for development of the blocks, relinquishment, work programme etc. The detailed report submitted by M/s.CRISIL Infrastructure Advisory on the above issues have been examined by the IMC and it has been decided to obtain comments from the concerned Ministries. A detailed note has been circulated for such purpose.