

Ministry of Coal Transfers Rs 704 crores Upfront Amount received from Coal Mine Auctions to State Governments

Chhattisgarh, Jharkhand, Madhya Pradesh, Maharashtra, Odisha and West Bengal Benefitted

Next three Instalments to be given directly to States by Bidders

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The Ministry of Coal has transferred Rs. 704 crores upfront amount received from auction of coal mines to six coal bearing States - Chhattisgarh, Jharkhand, Madhya Pradesh, Maharashtra, Odisha and West Bengal. This financial transfer marks a substantial initiative to empower and support developmental growth of these states.

The allotted amount of Rs 704 crores represents the first instalment of upfront amount for 18 coal mines that were successfully auctioned under 6th round and 2nd attempt of 5th round of commercial coal mine auctions.

State-wise details of amount transferred is as below:

S.No	State	Sum of 1st installment of upfront amount
1.	Chhattisgarh	₹ 1,47,18,30,625
2.	Jharkhand	₹ 1,30,99,10,684
3.	Madhya Pradesh	₹ 1,88,85,92,781
4.	Maharashtra	₹ 18,75,00,000
5.	Odisha	₹ 1,99,81,43,795
6.	West Bengal	₹ 18,75,00,000
Grand Total		₹ 7,04,34,77,885

Reform of Coal Mine Development and Production Agreement (CMDPA) paved the way for this significant development. As per the CMDPA, successful bidders have submitted the first instalment of the upfront

amount to the Ministry of Coal. Notably, the remaining three installments will be directly submitted by the bidders to the respective State Governments, further amplifying their contribution to the development of these states.

This substantial financial infusion will be utilized by state governments to fuel development in their regions. It will enable strategic investments in infrastructure development, educational facilities, healthcare services and various welfare initiatives, uplifting communities and fostering overall growth.

Since the inception of commercial coal mining, the coal sector has been significantly contributing revenue to the State governments. Moreover, once the coal mines become operational, they will also contribute to the states' prosperity through royalties and monthly premiums. The revenue generated from these mines could be channelled by the states to strengthen their financial capacity for essential welfare programs, uplift marginalized communities, and support other key development projects.

BY/RKP

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