**Subject: Methodology for Auction of Coal Mines/Blocks for sale of coal under the Coal**

**Mines (Special Provisions) Act, 2015 and the Mines and Minerals (Development and**

**Regulation) Act, 1957.**

The undersigned is directed to refer to Order dated 28.05.2020 (Copy enclosed) on the

subject mentioned above and to say that on the recommendation of Empowered Committee of

Secretaries, the Central Government has approved the following modification in the

methodology for auction of coal mines/blocks identified under the relevant Act for sale of

coal as mentioned in *para* 2 below:

**2.** The para 2.1.4 (b) of Order dated 28.05.2020 (Copy enclosed) on the subject mentioned

above shall stand modified as under:

**Gasification or Liquefaction of coal:** If the successful bidder consumes the coal

produced either in its own plant(s) or plant of its holding, subsidiary, affiliate, associate for

coal gasification or liquefaction or sells the coal for coal gasification or liquefaction process, a

rebate of 50% on the percentage revenue share quoted by the successful bidder will be

allowed on the total quantity of coal consumed or sold or both for gasification or liquefaction

on an yearly basis, subject to the following conditions:

(i) At least 10% of scheduled coal production as per approved mining plan for that year shall

be consumed or sold for gasification or liquefaction;

(ii) that Coal Controller’s certification would be required for the quantity of coal consumed or

sold or both for gasification or liquefaction.

3. The aforesaid modification shall be applicable for ongoing and successive tranches of

auction for sale of coal.

4. All other terms of Order dated 28.05.2020 shall remain the same.

This issues with the approval of Competent Authority.