

3. COMPENSATION PAYMENT ORDER

The Coal Mines (Special Provisions) Act, 2015 ensures that compensation is granted to the previous allottees in relation to the 204 coal blocks that were cancelled by the Hon'ble Supreme Court of India. This compensation is provided for the expenditures incurred by the previous allottees in establishing mine infrastructure, acquiring coal bearing land, and preparing Geological Reports.

1. Mine infrastructure: mine infrastructure includes mining infrastructure such as tangible assets used for coal mining operations, being civil works, workshops, immovable coal winning equipment, foundations, embankments, pavements, electrical systems, communication systems, relief centres, site administrative offices, fixed installations, coal handling arrangements, crushing and conveying systems, railway sidings, pits, shafts, inclines, underground transport systems, hauling systems (except movable equipment unless the same is embedded in land for permanent beneficial enjoyment thereof), land demarcated for afforestation and land for rehabilitation and resettlement of persons affected by coal mining operations under the relevant law.
2. Coal Bearing Lands: The coal bearing land acquired by the prior allottee and lands, in or adjacent to the coal mines used for coal mining operations acquired by the prior allottee. In accordance with the provisions of the CMSP Act and rules framed thereunder, the compensation payable to the Prior Allottee may be determined by the Nominated Authority for the 204 cancelled coal blocks.
3. Geological Reports (GR): Geological Reports (GR) of coal blocks have been prepared by prior allottees for their respective coal mines. GR is a crucial document which is required by successful bidder for obtaining various statutory clearances. Also, prior allottees have deposited money with MoEF&CC and State Forest Departments as 'Cost of Consent' for obtaining forest clearances which gets vested with the successful bidder. Therefore, Ministry has decided to compensate prior allottees for their cost incurred on preparation of Geological Report and Cost of Consents.

The determination/ re-determination of the compensation for all 204 coal mines under CM(SP) Act is being made in accordance with the interpretations of CM(SP) Act and rules by the Hon'ble Delhi High Court order dated 09.03.2017 along with the recommendations of the "Report of the Committee for valuation and assessment of 204 coal mines dated 16.11.2018."

As on February 2024, out of 147 coal blocks allocated (including terminated blocks) under CMSP Act 2025, compensation has been settled in respect of 77 coal blocks.

Compensation Status (December 2023)	
Coal Mines under CMSP Act, 2015	204
Allocated/Vested Coal Mines	123
Coal Mines for which Compensation Settled	77