

# **AUCTION OF COAL MINES FOR SALE OF COAL**

**(23<sup>RD</sup> TRANCHE OF AUCTION UNDER THE COAL MINES (SPECIAL PROVISIONS) ACT, 2015)**

**(13<sup>th</sup> TRANCHE OF AUCTION UNDER THE MINES AND MINERAL (DEVELOPMENT AND REGULATIONS) ACT, 1957)**

## **Queries & Responses**

**Pursuant to Standard Tender Document dated August 21, 2025**

**October 13, 2025**

**Nominated Authority**

**Ministry of Coal, Government of India**

**A. Queries and Responses to Standard Tender Document dated August 21, 2025**

The following clarifications are applicable to the Standard Tender Document dated August 21, 2025 as well as to mine-specific Tender Documents dated August 21, 2025 pursuant to auction under 23<sup>rd</sup> Tranche of auction under the CMSP Act 2015 & auction under 13<sup>th</sup> Tranche of auction under the MMDR Act 1957.

Sl. No.	Query	Response
1.	<p><b>Clause 3.8 – Schedule of Tender Process</b></p> <p>a. Considering the time required for due diligence, preparation of technical bid, and financial modelling, we request an extension of at least 4 weeks to the Bid Due Date.</p> <p>b. We would like to bring to your kind attention that several of the offered coal blocks are partially explored, which necessitates additional time for carrying out detailed due diligence for overall commercial viability. Further, the ongoing and upcoming festive season has also slowed the pace of evaluation, thereby constraining prospective bidders in completing their assessments within the stipulated timelines. In view of the above, we humbly request the Ministry to kindly consider granting an extension of four (04) weeks to the current bid due date.</p>	<p>The bid due date shall be October 27, 2025. In case of any revision in the schedule of the tender process, the updated schedule will be uploaded on the MSTC website. Bidders are requested to regularly visit MSTC for updates.</p>
2.	<p><b>Clause 7 – Performance Security</b></p> <p>The y-o-y Performance Security Bank Guarantee revision is based on the Grade that is declared in the summary document during the time of auction. It is requested to change this to the grade declared by CCO in the start of every financial year when the coal mine is in operation. In many instances we are seeing that the declared grade in the summary document is G10 whereas the mine is producing G14 or G15. Hence the burden of PSBG is huge because of this grade slippage.</p>	<p>The grade of the coal mine for determining the amount of Performance Security shall be the grade as per Geological Report and is not merely dependent upon the summary document provided at the time of auction.</p>
3.	<p><b>Clause 9.2 - Production Schedule for Fully Explored Mines</b></p>	<p>The production schedule provided in the tender document at the time of auction process where mining plan is not yet prepared, is conservative and tentative and the bidder is</p>

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	The Successful Bidder needs to ensure scheduled coal production as per the approved Mining Plan is equal to or more than the year-on-year production schedule of the Coal Mine as specified in Annexure I (“Production Schedule”). It is requested that for fully explored coal mines, the Production Schedule shall be determined only after preparation and approval of the Mining Plan by the Successful Allocatee, in consultation with the Competent Authority.	allowed to revise the Mining Plan upwards for extraction of more coal from the coal mine.
4.	<p><b>Clause 9.5 - Relinquishment of Partially Explored Mine</b></p> <p>The allottee are not entitled for reimbursement of exploration expense upon surrender of the partially explored block after completion of the exploration activity. It is suggested that when the allottee finds the coal block to be unviable, post completion of the exploration activity. As most of the coal block that come up for auction of late are partially explored with very less BH density. Now when the allottee makes expenses and the block is found unviable for mining, then the expenses should be reimbursed.</p>	<p>As per the provisions of Clause 9.5.2, Upon withdrawal of the Vesting Order of a Partially Explored Mine on account of any reason whatsoever, including relinquishment of Coal Mine, surrender of Coal Mine, failure to complete the prospecting operations as per the Mandatory Work Program and/ or failure to prepare the Geological Report which is acceptable to the Central Government, the Successful Bidder shall not be entitled for:</p> <p>a) Reimbursement of the expenses incurred by the Successful Bidder towards prospecting/ exploration operations, preparation of Geological Report; and</p> <p>b) Compensation towards following components of Fixed Amount: [cost borne by the Prior Allottee for the preparation of geological report; cost borne by the Prior Allottee for obtaining all statutory licenses, permits, permissions, approvals, clearances or consents relevant to the mining operations;]or [cost incurred by CMPDIL and other Government agencies, if any, in deriving detailed geographical boundary coordinates and in preparing geological report, if any;]</p>
5.	<p><b>CMDPA Clause 10 - Efficiency Parameters</b></p> <p>Complete timeline for both Explored block as well as partially Explored block. Provide separate timelines for both separately with mentioning timeline for different activities and payments.</p>	For Partially Explored coal mines, the Successful Bidder is required to obtain the Mine Opening Permission within 66 months from the date of issuance of Vesting/ Allocation Order, whereas, in case of Fully Explored coal mines, the timeline is 51 months.
6.	<p><b>Clearances:</b></p> <p>Process of Forest clearance for both Partially explored block And fully explored block. One competent Authority</p>	The Successful Bidder shall be responsible for obtaining clearance/ approvals etc. in accordance with Applicable Law, at its own costs. Also, a Project Monitoring Unit has been set up at the Office of Nominated Authority for assisting bidders in obtaining clearances.

Sl. No.	Query	Response
	from MoEF must in the Pre- bid meeting to clarify forest related issues.	
7.	<p><b>Grade of Coal:</b></p> <p>It has been learnt that that grade and resource of coal given in the geological report of this explored block (prepared before 2017) are based on Useful Heat Value (UHV) of coal. However, at present grading and pricing of non-coking coal is based on Gross Calorific Value (GCV) of coal. The calculation of Upfront Amount for an auctioned coal block is GCV based pricing.</p> <p>It may further be noted that the transition from Useful Heat Value (UHV) to Gross Calorific Value (GCV) based grading and pricing for non-coking coal in India was announced by the Ministry of Coal, effective January 1, 2012.</p> <p>Further, Indian Standard Procedure-2017 (ISP-2017) and subsequent revision ISP-2022 was adopted by the Ministry of coal. The procedure of coal resource estimation and GCV based grading of non-coking coal in India is described in detail in ISP-2022. The Carbonaceous Shale was redefined in ISP-2017 as Carbonaceous Shale Low (Ash% + M%=55.1% to 65.0%) and Carbonaceous Shale High (Ash% + M%=65.1% to 75.0%). Carb Shale Low is part of coaly matter now and Carb Shale High is only treated as combustible band. Earlier Carb Shale occurring at immediate roof or floor of a coal seam was not considered part of the seam, but after adoption of ISP-2017, only Carb Shale High is not considered part of the seam whereas Carb Shale Low occurring at roof / floor of a seam is now considered part of the seam. This change calls for revisiting the thickness of coal seams decided earlier and given in the geological reports prepared before adoption of ISP-2017. This may increase the thickness of the coal seams and in effect, increase the resource of the seam.</p>	<p>It is not required. However, if same is desired by successful bidder, additional timeline will be provided depending on case to case basis.</p>

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	<p>To convert UHV based coal resource/reserve into GCV based resource/ reserve following steps are involved:</p> <ol style="list-style-type: none"> <li>1. Borehole wise seamwise calculation of workable seam thicknesses applying GCV norms from band-by-band analysis of different coal seams available in the GR.</li> <li>2. Preparation of isochore Plans for all the seams considering the thicknesses as calculated above.</li> <li>3. Calculation of Gradewise seamwise reserve/ resource on the basis of isochore plans prepared as at 2 above.</li> </ol> <p>In view of the above, and considering the time required for such conversions, it is recommended that additional time be granted under Schedule E efficiency parameters for coal blocks with Geological Reports (GRs) prepared prior to 2017. This would allow for accurate and comprehensive reassessment of coal resources/reserves under the GCV framework.</p> <ol style="list-style-type: none"> <li>1. For an average sized coal block the process of converting UHV based coal resource/reserve into GCV based coal resource/reserve it may take a period of three months. In addition, the Ministry may require further time for review and formal approval of the revised Geological Report (GR).</li> <li>2. Conversion of UHV based coal resource /reserve into GCV based resource/reserve may result in enhancement of overall resource/reserve depending the number and thicknesses of High shale ‘Carbonaceous Shale’ bands in different seams present in the block.</li> </ol>	
8.	<p><b>Land:</b></p> <p>On what capacity the Prospective bidder checks the land details as the land schedule is sometime provided sometime not provided at State Govt.? The land transfer both</p>	<p>The Successful Bidder shall be responsible for land acquisition/ obtaining clearance/ approvals etc. in accordance with Applicable Law, at its own costs. Also, a Project Monitoring Unit has been set up at the Office of Nominated Authority for assisting bidders in obtaining clearances.</p>

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	On paper and physical must be the responsibility of MOC. As the land purchased by the earlier Bidder Left un-utilised and people are again occupying that land illegally and sometime some dispute is existing on that land. So, in such situation unless until you have not become a successful bidder you cannot deal the issue legally. So, why the successful bidder resolves the previous land related issues. Hand-over of land must be the responsibility of MOC, as MOC is auctioning its mineral resource property not the landowner.																																																	
9.	<b>Royalty Payment:</b>  Royalty Payment calculation. Provide illustration like given for other payments.	Illustration is as provided below: <table><tr><th>Qty. of Coal on which royalty is payable (MT)</th><th>Notional Price (Rs./ Tonne)</th><th>Actual Price (Rs./ Tonne)</th><th>Max. of Notional Price or Actual Price (Rs./ Tonne)</th><th>Total Revenue Share (Rs. Cr.)</th><th>Final Offer (%)</th><th>Revenue Share Payable (Rs. Cr.)</th><th>Royalty (14%*E)</th></tr><tr><td>(A)</td><td>(B)</td><td>(C)</td><td>(D=Higher of B or C)</td><td>(E = D*A)</td><td>(F)</td><td>(G = F*E)</td><td>(H = 14%*C*A)</td></tr><tr><td>0.50</td><td>1600</td><td>1700</td><td>1700</td><td>85.00</td><td>10%</td><td>8.50</td><td>11.90</td></tr><tr><td>1.00</td><td>1600</td><td>1500</td><td>1600</td><td>160.00</td><td>10%</td><td>16.00</td><td>21.00</td></tr><tr><td>2.00</td><td>1600</td><td>1800</td><td>1800</td><td>360.00</td><td>10%</td><td>36.00</td><td>50.40</td></tr><tr><td>3.50</td><td colspan="3">TOTAL</td><td></td><td></td><td>60.50</td><td>83.30</td></tr></table>	Qty. of Coal on which royalty is payable (MT)	Notional Price (Rs./ Tonne)	Actual Price (Rs./ Tonne)	Max. of Notional Price or Actual Price (Rs./ Tonne)	Total Revenue Share (Rs. Cr.)	Final Offer (%)	Revenue Share Payable (Rs. Cr.)	Royalty (14%*E)	(A)	(B)	(C)	(D=Higher of B or C)	(E = D*A)	(F)	(G = F*E)	(H = 14%*C*A)	0.50	1600	1700	1700	85.00	10%	8.50	11.90	1.00	1600	1500	1600	160.00	10%	16.00	21.00	2.00	1600	1800	1800	360.00	10%	36.00	50.40	3.50	TOTAL					60.50	83.30
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**B. Mine Specific Queries and Responses**

Sl. No.	Name of Mine	Query	Response
1.	<b>Rawanwara North</b>	<b>1. Mine Dossier:</b> a. The scanned plates (e.g., “Rawanwara IIB” under “Plates-01” folder) are poorly scanned and distorted. Request clear legible copies.	Plates are thoroughly checked. All the plates are found legible.
2.	<b>Sarai East (North)</b>	<b>1. Mine Dossier:</b> a. Minex Model files are unresponsive and fail to open, as confirmed by Modelling Expert. Request functioning and verified model files.	The minex model prepared for original ‘Sarai East’ block will be uploaded in the mine dossier.
3.	<b>Dongeri Tal II</b>	<b>1. Mine Dossier:</b> a. The file “ANNX. NO. IB” referred to in the List of Annexures is missing. Kindly provide the missing file. Upload and make available the missing “ANNX. NO. IB” document under Geological Report section.	All the available data, as submitted by the prior allottee, is already shared with dossier.
4.	<b>Marwatola I</b>	<b>1. Mine Dossier:</b> a. Minex Model files are unresponsive and fail to open, as confirmed by Modelling Expert. Request functioning and verified model files.	The model provided in the dossier is functioning. The model is for original ‘Marwatola-I &II’ block.
5.	<b>Rajdhar</b>	<b>1. Mine Dossier:</b> a. Minex Model files are unresponsive and fail to open, as confirmed by Modelling Expert. Request functioning and verified model files.	The model provided in the dossier is functioning.