



Ease Of Doing Business In Mining Sector: An Updates And Reforms

2020

Proposed Reforms in Indian Mining Industry

- In order to increase the speed of mineral production and employment generation, Central Government is **redefining the norms of exploration for auction of Mineral Blocks** and ensuring seamless transition from exploration to production. This will boost up the confidence of Private players to foray into mining industry, wherein the Private entities to be engaged in the exploration work.(Regional Exploration) and these exploration work of private entities to be funded from NMET which has been carried out by Government agencies like GSI MECL, DMGs as per current practices.
- Developing and adoption of a market determined **National Mineral Index** (For various minerals) on the lines of National Coal Index for determination of different levies payable to government :At present royalty, DMF, and NMET are all calculated on the basis of Average Sale Price (ASP) of minerals published by Indian Bureau of Mines (IBM).

A central Ministry proposes to **amend provisions related to Section 10A(2)(b)** which pertains to the leases where reconnaissance permit & grant of prospecting license and **10A(2)(c)** relates to grant of mining leases (ML) **of Mines and Minerals (Development and Regulation) Amendment Act, 2015**, to pave the way for auctioning of 500-odd non-coal/Minerals, non-fuel blocks, which were allocated before the amended Act came into effect but have not started production yet. The amendment will bring a transparent auction of this block for the Miners and end users.

An announcement in Commercial Coal Mining

- The coal ministry has **withdrawn five mines situated in Chattisgarh, namely, Morga South Coal Mine, Fatehpur East, Madanpur (North), Morga-II, and Sayang Coal Mines** from the list of mines that were proposed to be offered for commercial mining and it has **added three mines, namely, Dolesara, Jarekela and Jharpalam-Tangarghat Coal Mines in Chhattisgarh**. Therefore, 38 coal mines are offered for auction for commercial mining under 11th Tranche of Auction under CM(SP) Act, 2015 and 1st Tranche of Auction under MMDR Act, 1957.
- The central government is considering a proposal to **allowing the acquisition of land** under the Coal Bearing Areas (CBA) Act, 1957 and then lease it to private players to expedite the development of coal blocks allocated for commercial mining. This will be a prudent step to start an early production from these blocks to meet country's coal demand.
- For **Coal Gasification**, India will **invest around Rs 20,000 crore** (USD 2.66 Billion) in four major projects for conversion of 100 million tonne (MT) of coal into gas by the end of this decade. India has set the target that by 2030 it will gasify 100 MT of coal under four major projects. Also the coal gas will be used for domestic purpose and Industries like, Transportation, Urea, Steel and Fertiliser etc..
- The Ministry of Coal (MoC) has not yet revised timelines under Commercial Coal Mining. The existing dates for revised list of 38 coal blocks are shown in table below:

Sr.No.	Event	Revised Dates
1	Last date of receiving written queries from Bidders	Friday, September 11, 2020
2	Last date of receiving written requests for Site Visit	Friday, September 18, 2020
3	Last date for written responses to queries by the Nominated Authority	Monday, September 21, 2020
4	Last date for registration of bidder at the website of MSTC	Tuesday, September 22, 2020
5	Last date for sale of Tender Document at the website of MSTC	Friday, September 25, 2020
6	Bid Due Date	Tuesday, September 29, 2020

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- aXYKno – Britmind- Exagogi, a leading Global Advisors having expertise in Technical Advisory, Entry Strategy with strong coal focused capabilities
- Pioneering Competitive Bidding Process in the Coal Sector through MDO / PPP Route in India. And has successfully advised for more than 30 + coal blocks in India.
- Advising leading mining companies in Indonesia, Australia and India for sustainable and optimum production and cash flows.
- Expertise in Project feasibility, Geotechnical studies, Exploration service (mapping to JORC compliant reporting), Project Due diligence (Technical, Financial, Legal), Mine Management and Mine Planning, Exploration Management, Operational Efficiencies, as well as Coal Chain Management Services, etc.
- Deep understanding of 350 + Corporate Bidding Trends in coal sector
- Focused team of experts; Mining Engineers, Geologists, Mineral Economists, Exploration Experts, Financial, Legal & Regulatory Experts with strong domain knowledge in the coal sector.



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