

1st Stakeholders' Consultation on 2nd Tranche of Auction of Coal Mines for Commercial Mining held today

2nd tranche auctions for commercial coal mining is the biggest ever offer of coal mines in the country

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The Ministry of Coal jointly with FICCI as the Industry Partner today organised the 1st Stakeholders' Consultation on the 2nd Tranche of Auction of Coal Mines for Commercial Mining. The first in the series of two stakeholder consultations held today virtually witnessed participation of leading players from coal and mining business, equipment manufacturers, mine developers and operators (MDOs) and financial institutions.

Addressing the participants, Mr M Nagaraju Additional Secretary & Nominated Authority, Ministry of Coal, said: "We are offering 67 mines with a total resource of almost 36 bn and explored mines PRCs of about 150 million tonnes (mt) during 2nd tranche auctions of coal mines for commercial mining. This is the biggest ever offer of coal mines in the country." The offers, which are in almost all coal-bearing states, give great opportunity & chance to the industry to pick the relevant & useful mines depending on their requirements, he added.

Assuring the industry of providing all support, Mr Nagaraju said, "From this ongoing tranche of auction, Ministry of Coal is moving to a rolling auction mechanism wherein any un-auctioned mine shall remain available for auction on the portal, with more mines being added as and when available".

Mr Manoj Kumar, CMD, CMPDIL & WCL said that there are 67 coal blocks in this tranche, 23 of which are CMSP & 44 are MMDR blocks; 37 are fully explored, while the remaining 30 are partially/ regionally explored.

Mr Dilip Chenoy, Secretary General, FICCI said that the second tranche auctions of commercial coal mines are an important step towards the commitment of increasing the availability of coal across the different segments of the industries and reducing the burden on coal imports. Initiatives for ensuring environment-friendly & sustainable mining, adoption of cutting-edge technologies, including coal gasification and CBM projects will help in ensuring sustainable growth in this endeavour, he added.

After the commercial coal mining auction process was initiated last year on 18th June 2020 through a high-level launch event jointly organized by Ministry of Coal with FICCI, the 2nd tranche auction is expected to

bring in global best practices which will lead to development of a vibrant coal market, boosting economic growth and employment generation in the country.

The second tranche auction process was formally launched by Union Minister of Coal, Shri Pralhad Joshi and Shri Amitabh Kant, CEO, NITI Aayog in the presence of senior officials from Ministry of Coal and key dignitaries on 25th March 2021.

Following up with the pre-bid meeting held on April 26, 2021, Ministry of Coal is organising a series of two stakeholder consultations under the aegis of FICCI for wider outreach to potential bidders.

The auction shall be held online through a transparent 2 stage process. Key highlights of this auction process are - market linked mechanism wherein bidding shall be based on Percentage Revenue Share, National Coal Index linked payments, ease in participation with no restriction for prior coal mining experience, optimized payment structures, efficiency promotion through incentives for early production and use of clean technology, flexible operating terms etc.

The commencement of sale of tender document started from 25th March 2021 and the bid due date is 24th June 2021. Details of the mines, auction terms, timelines etc. can be accessed through the following link:

<https://www.mstcecommerce.com/auctionhome/coalblock/index.jsp>

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