

Coal Ministry Holds Investor Conclave For Opportunities in Coal Sector

Per Capita Power Consumption to Double by 2040 – Shri Pralhad Joshi

Ministry Reiterates Support to Prospective Bidders

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The Ministry of Coal held first ever investor conclave today at Indore. Union Minister of Coal, Mines and Parliamentary Affairs, Shri Pralhad Joshi chaired the conclave. Member of Parliament, Shri Shankar Lalwani was present on the occasion .



Shri Pralhad Joshi reaffirmed that the demand for coal is going to stay at least for the next 25-30 years and that India is currently not even having one tenth of the per capita consumption of power as compared to some of the other developed economies in the world and it is estimated that the per capita consumption is going to double by 2040 for which coal is the necessity. The focus of the present government under the guidance of Prime Minister, Shri Narendra Modi is to become net zero carbon emission country by adopting better technological processes.

Shri Amrit Lal Meena, Secretary, Ministry of Coal reiterated the commitment of the Ministry in supporting the coal industry and informed that Ministry of Coal is there to extend any help required by the prospective bidders. Shri Pramod Agrawal, Chairman, Coal India Limited lauded the efforts of the Ministry in taking various initiatives to extend support to the coal sector players and thereby contributing to the vision of making India Aatmanirbhar in coal.

Additional Secretary & Nominated Authority, Shri. M. Nagaraju informed the forum about the reforms undertaken by Ministry of Coal to improve the attractiveness of coal auction process and make it more investor friendly. Shri. Manoj Kumar, CMD, CMPDIL gave a presentation on the technical details of the coal blocks being offered in the largest ever auction process and Shri. Shubham Goel, Vice President, SBI Capital Markets delivered a presentation on the terms and conditions of the auction process.

Ministry of Coal has completed the successful auction of 64 coal mines in the first five tranches. Also launched the process for auction of 133 coal mines under 6th round of commercial auctions and 8 coal mines under 2nd attempt of 5th tranche of commercial auctions where single bids were received in the first attempt.

Key features of the auction process include reduction in upfront amount and bid security amount, permission to relinquish part of the coal mine in case of partially explored coal mines, introduction of National Coal Index and National Lignite Index, ease of participation with no entry barriers, full flexibility in coal utilisation, optimized payment structures, efficiency promotion through incentives for early production and use of clean coal technology.

The sale of tender document commenced on November 03, 2022. Details of the mines, auction terms, timelines etc. can be accessed on MSTC auction platform. The auction shall be held online through a transparent 2 stage process, on the basis of Percentage Revenue Share. SBI Capital Markets Limited, the sole Transaction Advisor to Ministry of Coal for the commercial coal mine auctions, is assisting the Ministry of Coal in conduct of the auction.

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