

# Coal Ministry to Organise Roadshow in Ranchi on Commercial Coal Mines Auction & Opportunities in Coal Sector

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To enhance participation in commercial auction of coal mines, the Ministry of Coal is organising a roadshow at Ranchi on January 16, 2024. The Secretary, Ministry of Coal Shri Amrit Lal Meena will be the Chief Guest for the event and Shri M Nagaraju, Additional Secretary & Nominated Authority will be the Guest of Honour.

The Ministry of Coal has launched the process for auction of 39 coal mines under 8<sup>th</sup> round of commercial auctions and 31 coal mines under 9<sup>th</sup> round of commercial auctions. These 70 coal mines are from the coal bearing states of Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Maharashtra, Odisha, Telangana and West Bengal. Of the total 70 coal mines, 27 are fully explored ones and 43 are partially explored. Further, seven are coking coal mines and remaining are non-coking coal mines. The mines have been finalized post detailed deliberations and mines falling under protected areas, wildlife sanctuaries, critical habitats, having forest cover greater than 40%, heavily built-up area etc. have been excluded. The block boundaries of some of the coal mines where there was presence of dense habitation, high green cover or critical infrastructure etc have been modified basis comments received during stakeholder consultations to enhance bidders' interest and participation in these coal blocks.

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. Rebate in Performance Security of Underground coal mines, ease of participation with no entry barriers, full flexibility in coal utilisation, optimized payment structures, incentives for early production and on use of clean coal technology are the other important highlights of on-line commercial auction.

The sale of tender document commenced on November 15, 2023 for 8<sup>th</sup> round and December 20, 2023 for 9<sup>th</sup> round of commercial coal mine auctions. Details of the mines, auction terms, timelines etc. can be accessed on MSTC auction platform. The auction shall be held online through a transparent two 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 in conduct of the auction.

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**BY/RKP**

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