

Coal Sector Contribution Crucial to India's Economic Growth- Defence Minister Rajnath Singh

With 14 % Growth Coal Production to touch 880 Million Tonne this Fiscal-Minister Pralhad Joshi

Coal Ministry Launches 7th round of Commercial Coal Mine Auction; 106 Coal Blocks on Offer

Posted On: 29 MAR 2023 4:57PM by PIB Delhi

Defence Minister Shri Rajnath Singh urged the coal sector of the country to further ensure energy security of India to meet the requirements of our fast growing economy. Addressing a function organized by the Ministry of Coal here today as chief guest, for the launch of 7th round of commercial coal mines auction and signing of agreements with successful bidders of the 6th round of auctions, Shri Rajnath Singh complimented Coal Ministry's successful efforts in ensuring totally transparent online auction of coal blocks in the country. He pointed out that the reforms initiated by the present Government has made India a sought after investment destination globally.



Presiding over the function Coal, Mines & Parliamentary Affairs Minister Shri Pralhad Joshi stated that with 14 % increase, coal production is expected to touch the record figure of 880 million tonne this fiscal and off take is likely to touch 900 million tonne. Touching upon varied reforms initiated by the Coal ministry, Shri Joshi disclosed that coal production exclusively from captive /commercial mines has crossed 100 million tonne for the first time. The minister said that the coal sector is fully geared to meet the growing demand. All efforts are on to further enhance production and export of thermal coal by the year 2025-2026, he added. Calling upon the private sector to participate more actively in coal mines auctions, Shri Joshi highlighted the incentives given by the ministry for early production of coal.



Minister of state for Coal, Mines & Railways Shri Raosaheb Patil Danve who addressed the function as guest of honour pointed out that power demand is fast growing and the coal sector performance is crucial to give further fillip to economic growth.

Addressing the function, Coal Secretary Shri Amrit Lal Meena and Additional Secretary & Nominated Authority Shri M Nagaraju highlighted different initiatives undertaken by the ministry to ensure sustainable coal production. The focus of commercial auction is centred around competition, capital investment, use of latest technology and enhanced participation.



Ministry of Coal has today launched the process for 7th round of commercial coal mines' auction with a total of 106 coal blocks on offer. The mines offered are a mix of coal mines under CMSP Act and MMDR Act. Out of 106 coal mines, 101 mines are being put up for auction under 17th/ 7th Tranche under CMSP/ MMDR Act and 5 coal mines are being offered under 2nd Attempt of 16th/ 6th Tranche under CMSP/ MMDR Act. Of the 101 coal mines being offered under 17th/7th Tranche, 32 are new coal mines and 69 mines are being rolled over from earlier tranches. Additionally, five coal mines under 2nd attempt of 16th/ 6th Tranche under CMSP/ MMDR Act are also being launched where single bids were received in the first attempt.

The mines being auctioned are spread across coal/ lignite bearing states of Jharkhand, Chhattisgarh, Odisha, Madhya Pradesh, Maharashtra, West Bengal, Andhra Pradesh, Telangana, Rajasthan, Tamil Nadu and Bihar.

The Ministry has also signed agreements for 29 coal mines which were auctioned under 6th round of commercial coal mines auction. The cumulative PRC of 29 coal mines is 74 MTPA. These mines upon

operationalisation will generate Annual Revenue of Rs. 14,497 crores calculated at PRC of these coal mines and will provide employment to about one lakh people.

The commencement of sale of tender document starts from today, March 29, 2023. 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 conducting the auction process.

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(Release ID: 1911837)