

Unleashing Coal: New Hopes for Atmanirbhar Bharat

Government of India to launch auction for commercial coal mining on 18th June 2020

Posted On: 11 JUN 2020 6:31PM by PIB Delhi

The Government of India will launch auction of coal mines for commercial mining with the theme “UNLEASHING COAL: NEW HOPES FOR ATMANIRBHAR BHARAT” on June 18, 2020. Hon’ble Prime Minister Shri Narendra Modi will grace the occasion as chief guest in the launching Programme to be virtually held at New Delhi.

“We are launching first-ever commercial coal auctions in country on 18th June. Event will be graced by PM @NarendraModi Ji. It is his vision & guidance to make #AtmaNirbharBharat in coal. I am proud that we are well on our way to achieve it” Union Minister of Coal & Mines Shri Pralhad Joshi tweeted today.

It will be a historic day when Indian coal sector will break free from the shackles of restrictions to charter new growth.

As India has recently embraced Atma Nirbhar Bharat Abhiyan under the visionary and decisive leadership of Prime Minister Shri Narendra Modi, the coal & mining sector has started gearing up to make the country Atma Nirbhar (self-reliant) in coal mining through structural reforms in the coal sector.

The commercial coal mining auctions are completely different from earlier regime of restricted sectors, use and price. Now there are no such restrictions at all. The proposed auctions have terms and conditions which are very liberal allowing new companies to participate in the bidding process, reduced upfront amount, adjustment of upfront amount against royalty, liberal efficiency parameters to encourage flexibility to operationalize the coal mines, transparent bidding process, 100% FDI through automatic route allowed and reasonable financial terms and revenue sharing model based on National Coal Index. The successful bidders also will have flexibility in coal production unlike past and have provision for incentives for early production and coal gasification.

The coal mines auction process will lay strong foundation for energy security in the country by producing additional coal providing large scale employment and huge opportunities for investment in coal sector. These efforts will supplement the 01 billion tonne coal production likely from Coal India in FY 23-24 and meet full requirement of domestic thermal coal.

(Release ID: 1630919)