

India has taken a major decision to fully open the coal and mining sectors for competition, capital, participation and technology: PM

Coal sector reforms will make eastern and central India, our tribal belt, into pillars of development: PM

Coal sector committed to a massive capital expenditure and employment plan for coal bearing regions: Pralhad Joshi

Auction of coal mines for commercial mining launched; 41 coal mines on offer

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Prime Minister Shri Narendra Modi launched the auction process of 41 coal blocks for commercial mining through video conference here today. It was part of the series of announcements made by the Government of India, under the AatmaNirbhar Bharat Abhiyan. The Coal Ministry in association with FICCI launched the process for auction of these coal mines. A two stage electronic auction process is being adopted for allocation of the coal mines.

Speaking on the occasion, Shri Narendra Modi said that India will overcome the COVID-19 Pandemic and the nation will turn this crisis into an opportunity. He said that this crisis has taught India the lesson of becoming AatmaNirbhar, i.e. Self-Reliant. He said an AatmaNirbhar Bharat means reducing dependency on imports, and saving foreign currency on imports. It entails that India develop resources domestically so that the country does not have to rely on imports. It also means becoming the biggest exporters of the commodities that we now import.

To achieve this, the PM said that each sector, each product, each service, should be kept in mind and worked holistically, to make India self-reliant in the particular area. He said a major step taken today will make India self-reliant in the Energy sector. He said that

this event marks not only the implementation of reforms concerning one Coal Mining Sector but also marks the beginning of lakhs of employment opportunities for the youth. He said that today we are not only launching the auction of commercial coal mining today but also freeing the coal sector from decades of lockdown.

PM said that reforms in the minerals sector have got strength from coal mining reforms since minerals like iron, bauxite and other minerals are located very close to the coal reserves. He said that the beginning of auction today for commercial coal mining is a win-win situation for all stakeholders Industries. State governments will get more revenue and a huge population of the country will get employment. There will be a positive impact on every sector.

The Prime Minister said that these coal sector reforms will make eastern and central India, our tribal belt, into pillars of development. He added that These areas have a big number of Aspirational Districts and have not been able to reach the desired level of progress and prosperity. He said that 16 aspirational districts in the country have a huge stock of coal but people of these areas have not got adequate benefit of this. People from these places have to migrate to far-flung cities for employment.

The Prime Minister said that the steps taken towards commercial mining will be very helpful to eastern and central India by providing the local population with employment near their homes. He said that the Government has taken a decision to spend 50 thousand crore rupees on creating infrastructure for coal extraction and transportation, which will also create employment opportunities.

Shri Pralhad Joshi, Union Coal and Mines Minister termed the occasion as historic and said that India's energy demands have been rising nearly 5 percent per annum. India needs all sources of energy. He said that with coal having nearly 50% share in total energy supply top the country, Coal Ministry has major responsibility to make sure that coal is made available when demanded. He added that Coal India Limited has played a key role in energy sector.

Union Coal and Mines Minister said that coal sector is committed to massive capital expenditure and employment plan for coal bearing regions. He added that the production of all mines has registered a quantum jump in last 6 years. The Minister emphasized that the laws and auction methodology for commercial mining have been framed with thorough stakeholder involvement. He added that blocks to be offered have been identified through public consultation. The Minister said that this is the best time for private companies to enter the mining sector.

In this auction process, 41 coal mines are on offer which includes fully explored and partially explored mines. These include 4 coking coal mines which are fully explored mines. These coal mines are located in states of Chhattisgarh, Jharkhand, Madhya Pradesh, Maharashtra and Odisha. The auction process will be a two-stage tender process with technical and financial bidding.

Shri Anil Kumar Jain, Secretary, Ministry of Coal said that coal industry is being unshackled, it will no longer be captive to decision making in the Government or be exclusive reserve of select corporates. He further said that commercial mining will bring coal mines and coal trade within the reach of any enthusiastic entrepreneur.

Dr Sangita Reddy, President, FICCI said, "Commercial mining of coal launched by Hon'ble PM today, will help meet the country's energy needs, reduce dependence on imports, modernise the sector and generate jobs. This landmark reform will unlock country's natural resources, stimulate the economy and catalyze India's path to a 5-trillion dollar economy. FICCI is happy to be the industry partner at the launch of this major initiative." Shri M. Nagaraju, JS, Ministry of Coal made detailed presentation on the auction process of coal mines for commercial mining. Shri N. Chandrashekar, Chairman, Tata Sons, Shri Anil Agarwal, Chairman and Founder, Vedanta Group joined the event virtually as speakers for the event. Coal India Limited and its subsidiaries were also virtually connected.

A technical session on terms and conditions of bidding and process, legal conditions and Agreements of mines, was conducted by Shri M Nagaraju, JS (Nominated Authority), Ministry of Coal.

RJ/NG

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