

# COAL MINISTRY AUCTIONS TWO MORE COAL MINES

## THIRTY MINES SO FAR COMMERCIALY AUCTIONED; LIKELY TO GENERATE REVENUE OF Rs.8158 Crore

Posted On: 25 DEC 2021 3:06PM by PIB Delhi

The Ministry of Coal had launched 2nd Attempt of auction of 11 coal mines for commercial mining on September 27, 2021 and bids were received for 4 mines. The auction was held for two mines that have received multiple bids. The results of the auction are as under:

S. No	Name of the Mine	State	Status of Exploration	PRC (mtpa)	Geological Reserves (MT)	Preferred Bidder	Initial Offer (%)	Final Offer (%)	Ann Revenue Gene (Rs.)
1	L a l g a r h (North)	Jharkhand	Explored	1.00	27.038	Adhunik Power and Natural Resources Ltd.	11.00	48.50	2
2	Beheraband North Extn*	M a d h y a Pradesh	Partially Explored	NA	170.00	Auro Coal Private Ltd.	8.50	9.50	

*\*This is a partially explored coal mine and therefore, the PRC is not available for this mine. Hence, the annual revenue which will be generated from this coal mines cannot be calculated at present.*

With the conduct of this auction, Ministry of Coal has successfully auctioned 30 mines till date (comprising of 23 fully explored mines and 7 partially explored mines) from the launch of first tranche in June 2020. Total Peak rated capacity auctioned till date is 63.17 MTPA with average premium of approximately 27.78% against the floor price of 4% indicating strong demand for coal mines in market. These mines are expected to generate total annual revenue of ~Rs.8158.03 Crore and estimated employment of 85,406.

Commercial coal mine auction has witnessed strong competition and several first-time participants from the 'non-end user' category like Real Estate, Infrastructure, Pharma, etc., have also emerged as successful bidders in the auction, which is a positive sentiment shared by the industry after removal of 'End Use' criteria from the bidding process and is expected to bring in more efficiency and technological advancement in the mining industry.

MV/RKP

