
India to auction coal blocks for captive use

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It is reported that the Indian government is planning to take the auction route for awarding captive coal blocks to private sector. This will end the current process of selecting captive users without any specific financial commitment.

The report quoted Mr Sriprakash Jaiswal union coal minister as saying that "The bill for amendment of the mines and minerals (development and regulation) act of 1957 will be placed in Parliament in the winter session. The amendment will allow the government to auction coal blocks for captive mining."

Mr Jaiswal told newsmen on the sidelines of a seminar on coal organised by the CII said that following the proposed amendment, 78 unexplored coal blocks currently held by Coal India Ltd will be auctioned for captive mining by private players.

Mr Jaiswal said that centre is also planning to form an independent regulatory body, which would look into allocation of coal blocks, approval of mines and competitive price regulation.

He said that emphasis was being given to the deregulation and opening up of the coal sector to private players with the help of state owned organizations.

(Sourced from www.domain-b.com)

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