

OCTOBER AUCTION

CIL sees 190% jump in bookings

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New Delhi, 4 November

State-owned miner Coal India (CIL) witnessed a record 190 per cent increase in the volume of coal booked through its e-auction in October, on the back of increased demand from the power sector and several unstructured coal buyers.

It booked 16.8 million tonnes (mt) of coal in October, compared to 5.8 mt in the corresponding month last year.

During the first seven months of the current financial year (FY21), the firm booked 59 mt of coal in e-auctions, a growth of 90 per cent over the corresponding period last year.

In July, CIL launched a special category of e-auction for companies and traders which import coal to meet their requirements. Under this, 1.6 mt of coal was booked.

"The steep growth bodes well for CIL as it signals strong demand resumption for coal after a Covid-19-led hiatus," said a company statement.

Apart from long-term fuel supply agreements with power plants and several non-power companies, CIL also periodically holds e-auctions of coal for several industries.



The miner fetched a 13% premium over notified price for the coal auctioned

In the special forward e-auction for the power sector, 6.5 mt was booked in October, compared to 2 mt in September. The volume booked by the unstructured coal market, consisting of consumers and traders having no direct access to coal, was 5.4 mt. It was 2.4 mt in September.

CIL fetched a 13 per cent increase over the notified price for the coal auc-

tioned during October. In the special spot auction for coal importers, the premium received was 14 per cent over the notified value.

The company said till October this year, it has earned a premium of 10 per cent over the notified price.

With the onset of the Covid-19 pandemic, CIL brought down the reserve price of auctioned coal close to zero during the first half of FY21.

In October, CIL introduced an add-on ranging from zero to a maximum of 10 per cent over the notified price to test the market trend, said a company executive.

"From November, we have reverted to the pre-Covid status where subsidiaries of CIL will determine their own add-ons. We are confident of stable auction sales and increased premiums in the ensuing months," said the executive. The company is planning to focus more on the non-power segment as power plants have a comfortable supply situation.

Given the excessive coal stock available with CIL, the Ministry of Coal also recently approved the company's plan to supply 100 per cent of the normative requirement of the thermal power units.

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CIL's e-auction sales triple in October as demand rises

NEW DELHI, Nov 4 (PTI)

STATE-OWNED CIL's e-auction sales nearly tripled to 16.8 million tonnes (MTs) in October, amid a strong demand resumption for coal from the power sector. The quantity of coal booked under CIL's e-auctions stood at 5.8 MT in the corresponding month of the previous fiscal.

The steep growth of 190 per cent, or an increase of 11 MT, during October, bodes well for Coal India Ltd (CIL) as it signals a strong demand resumption for coal after the COVID-led hiatus, the PSU said in a statement. Volume booking in e-auctions for the first seven months of the ongoing fiscal stood at 59 MT, up 28 MT and translating into a growth of 90 per cent. For a comparable period, last year, CIL booked 31 MT, it said. The auc-

tion sale in October, in addition to the four prevailing windows, included a new auction outlet called special spot for coal importers, under which 1.6 MT of coal was booked. In a first, CIL has introduced this category meant exclusively for coal importers to contain imports from abroad.

"This opened an additional avenue for our coal companies to step up their sales," a senior executive of the company said.

Coal that went under the auction hammer during last month fetched CIL 13 per cent increase over the notified price. With the onset of the COVID-19 pandemic, CIL brought down reserve price close to zero during first half of present fiscal. It was only in October, CIL introduced an add-on ranging from zero to a maximum of 10 per cent.

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Coal India clocks 3-fold jump in Oct e-auction sales

TIMES NEWS NETWORK

Kolkata: Coal India (CIL) has recorded a threefold jump in e-auction in October 2020. The quantity of coal under e-auctions nearly tripled to 16.8 million tonne (MT) in October, 2020, compared to 5.8 MT in October last year, on the back of a big push from power sector and other coal buyers.

The steep growth of 190% or an increase of 11 MT, during the month, bodes well for CIL, as it signals a strong demand resumption for coal after a Covid led hiatus.

According to a CIL official, volume booking in e-auctions for the first seven months of the ongoing fiscal ending October at 59 MT, increased by 28 MT translating into a growth of 90%. For a comparable period last year, CIL booked 31 MT. October'20 auction sales, in addition to the four prevailing windows, included a new auction outlet called special

spot for coal importers, under which 1.6 MT of coal was booked.

CIL in a first, has introduced this category meant exclusively for coal importers to contain imports from abroad. "This opened an additional avenue for our coal companies to step up their sales," said a senior executive of the company. Coal that went through auc-

13% PRICE PUSH

tion during October'20 fetched CIL 13% increase over the notified price. Special spot for coal importers chipped in 14% increase over the notified value.

"From November onward, we have reverted back to the pre-covid status where subsidiaries of CIL, will determine their own add-ons. Gauging the response, we are confident of stable auction sales and increased premiums in the ensuing months," said the referred executive.