

**GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION NO. †259
TO BE ANSWERED ON 24.07.2024**

Bidding Process of Coal

**†259 SHRI SANJAY HARIBHAU JADHAV:
SHRI ARVIND GANPAT SAWANT:
SHRI SHRIRANG APPA CHANDU BARNE:**

Will the Minister of COAL be pleased to state:

- (a) whether the Government proposed to change/amend the bidding/auction process of coal to make small business/industries able to get constant and long-term supplies of the fossil/Bio-fuels;
- (b) if so, the facts thereof along with the changes proposed to be made in this regard;
- (c) the details/names of the small business/industries likely to be benefitted from such amendments, State-wise;
- (d) whether the Government proposes to set up a separate window of e-auctions for long-term coal linkage without imposing ban on the use of coal; and
- (e) the extent to which the small consumers are likely to be benefitted from the proposed separate window for e-auctions?

**ANSWER
MINISTER OF COAL AND MINES
(SHRI G. KISHAN REDDY)**

(a) to (e): The coal supplies from Coal India Limited (CIL) and Singareni Collieries Company Limited (SCCL) is broadly made either through coal linkages or through e-auctions conducted by these coal companies. New coal linkages to the Power Sector are granted under the provisions of the SHAKTI Policy, 2017 (and amendments in 2019 and 2023). Coal linkages to the Non-Regulated Sector (NRS) are granted under the Policy of 2016 (and amendment in 2020) for auction of linkages for the NRS.

Coal is also supplied by CIL / SCCL against the coal linkages granted under the erstwhile regimes as per the contractual terms and conditions entered

with the coal consumers. Coal linkages to the Power Sector / NRS under the aforesaid mechanisms are for specified end users only. SHAKTI Policy and the Policy for auction of linkages for the NRS have not been amended further to allow for removal of end-use restrictions.

Apart from the above, coal is also distributed to the Small / Medium / Tiny coal consuming units, whose requirement is less than 10,000 Tonnes per annum, through the State Nominating Agencies (SNAs) notified by the State Governments.

Coal is also sold by the coal companies under the Single Window e-auctions, which caters to all the sectors without any end use restrictions. The modalities for the conducting of e-auctions are decided by the coal companies.
