

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:872
ANSWERED ON:27.02.2001
SPOT PRICING MECHANISM
IQBAL AHMED SARADGI

Will the Minister of COAL be pleased to state:

- (a) whether the Government have decided to allow coal companies to introduce a spot pricing mechanism with the spot market opening up coal companies;
- (b) if so, whether Coal India Limited (CIL) and Singareni Coal Company Limited (SCCL) were allowed to sell coal in the open market;
- (c) if so, whether the spot pricing is likely to be introduced by CIL and SCCL under the scheme;
- (d) whether the coal companies will offer coal to non-lined customers of an 'as-is-where-is basis'; and
- (e) if so, the extent to which the spot pricing is likely to be helpful for the coal companies?

Answer

MINISTER OF STATE FOR COAL (SHRI SYED SHAHNAWAZ HUSSAIN)

(a) to (e) The pricing and distribution of coal has been completely deregulated by the Central Government with effect from 1.1.2000. Since then the coal companies are themselves competent to fix the prices of coal produced from their mines. The Coal India Limited and the Singareni Collieries Company Limited offer coal in the open market from time to time, depending on availability after meeting the requirement of linked consumers, at the rates and terms and conditions notified by the coal companies.