

**GOVERNMENT OF INDIA  
MINISTRY OF COAL  
LOK SABHA  
UNSTARRED QUESTION NO.5309  
TO BE ANSWERED ON 28.3.2018**

**Flexible Mode of Transportation of Coal**

**5309. SHRI B. SRIRAMULU:**

Will the Minister of COAL be pleased to state:

(a) whether the Coal Ministry is planning to adopt flexible mode of transportation using Roadways and Railways, both for easy evacuation of coal and if so, the details thereof;

(b) whether the Government is aware that during the second tranche of linkage auction of 15 million tonnes of coal, the mining companies could not conclude the fuel supply agreements since there were supply constraints from Mahanadi Coalfields Limited (MCL), South Eastern Coalfields Limited (SECL) and Central Coalfields Limited (CCL);

(c) if so, the Government's reaction thereto;

(d) whether the CIL's e-auction and linkage auction has not been in parity with its production and off take infrastructure;

(e) if so, the details thereof; and

(f) the other steps being taken by the Government for maximum utilization of coal resources?

**ANSWER**

**MINISTER OF RAILWAYS AND COAL  
( SHRI PIYUSH GOYAL)**

**(a)** : Coal is supplied to the Power Sector under Fuel Supply Agreement (FSA) as per the mode convenient to the Power Plant. For non-power consumers, a dispensation for change of mode from Rail to Road has been extended by CIL.

**(b) & (c)** : In the second tranche of Linkage Auction for Non-regulated sector, 14.8 Million Tonnes of coal linkage was booked. Out of this booked quantity, FSAs of about 14 MT quantity have already been signed which is around 95% of the linkage quantity. For the balance 0.8 MT of coal linkage, the provisional successful bidders have to submit requisite documents with the company to overcome the deficiencies which have been found during the verification process.

**(d) to (f)** : E-auction of coal and coal linkage are two different modes for coal supply. Through auction route, long term linkages are given to the consumers and

subsequently FSAs are signed. For non-power consumers, FSAs are valid for 5 years and renewable for another term of five years, whereas for power sector, FSAs are valid for 20 years or till the end of plant life or period of Power Purchase Agreement (PPA), whichever is the earliest. E-auctions are generally conducted for shorter duration for the buyers with seasonal/periodic demand or in short term need of coal. Coal companies allocate fresh linkages through linkage auction or sell coal through e-auctions keeping in view various factors like production, existing commitments, logistics availability, evacuation infrastructure, market demand etc.

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