

**GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION NO. †1586
TO BE ANSWERED ON 31.07.2024**

Process of Coal Auction

†1586 Shri Dharmendra Yadav:

Will the Minister of Coal be pleased to state:

- (a) whether the Government has proposed to amend the process of coal auction to enable small businesses to get uninterrupted and long-term supply of fossil fuels and if so, the details thereof;
- (b) the facts thereof along with the proposed changes in this regard;
- (c) the names of small businesses of the sectors that are likely to be benefitted from such changes;
- (d) whether the Government proposes to set up a separate window e-auction of long-term coal linkages without 'end use restrictions' stipulating for use of coal; and
- (e) the extent to which the proposed separate e-auction window is likely to benefit small consumers?

**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.
