

GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION NO. 5449
ANSWERED ON 25.03.2026

IMPACT OF REVISED SHAKTI POLICY

5449. SHRI DHAVAL LAXMANBHAI PATEL:

Will the Minister of **COAL** be pleased to state:

- (a) the impact of the Revised Scheme for Harnessing and Allocating Koyala Transparently in India (SHAKTI) Policy on coal availability and allocation for the non-regulated sector during the year 2025;
- (b) the key features and present operational status of the CoalSETU window introduced for linkage holders including provisions for flexibility in transfer or utilisation of allocated coal;
- (c) whether any industries in Gujarat have benefited from the flexibility in coal linkage policy and if so, the details thereof; and
- (d) the measures taken by the Government to ensure transparent price discovery of coal through the National Coal Index (NCI)?

ANSWER

MINISTER OF STATE FOR COAL AND MINES
(SHRI SATISH CHANDRA DUBEY)

(a): Coal linkages under the Revised SHAKTI Policy are granted to the Power Sector only. The reforms undertaken by the Government have resulted in adequate coal availability in the country.

(b) & (c): The Policy on Auction of Coal Linkage for Seamless, Efficient & Transparent Utilisation (CoalSETU) by creation of a new window named “CoalSETU window” under the Non-Regulated Sector (NRS) linkage auction Policy dated 15.02.2016 of Ministry of Coal was issued by the Government on 19.12.2025. The key features of the CoalSETU window are as under:

- i. Allocation of coal linkages shall be on auction basis for sectors without the requirement of any specified end use.
- ii. Any domestic buyer requiring coal can participate in the linkage auction.
- iii. Coal linkage obtained under this window shall be for own consumption, export of coal, or any other purpose (including coal washing) except resale in the country.
- iv. Present auction for the specified end-user sub-sectors as per the NRS linkage auction policy shall continue.
- v. Auction under this window shall be held after conducting auctions of end-use specific sub-sectors in a specific tranche of NRS linkage auction.
- vi. The source-wise offered quantity for the new window to be fixed considering the residual quantity of the concerned source in the end use specified sub-sectors of concerned tranche of NRS Linkage auction.

- vii. The base / floor price of coal at any source for the auction to be fixed at reserve price not below the notified price.
- viii. The reserve price shall be suitably indexed, however, the bid premium shall remain constant over the contract period.
- ix. The tenure of the Fuel Supply Agreements may be for a maximum period of 15 years.
- x. Auctions to be conducted by Coal India Limited (CIL) / Singareni Collieries Company Limited (SCCL) based on the transparent auction methodology.
- xi. Coal linkage holders may be eligible to export coal upto 50% of their coal linkage quantity.
- xii. Coal linkage holders may flexibly utilize the coal obtained under this window as per their requirement amongst its Group companies.
- xiii. Coking coal shall not be offered under this window.
- xiv. Traders are not allowed to participate.

Coal linkage holder industries in Gujarat, if any, can flexibly utilize the coal obtained under the CoalSETU window as per their requirement amongst its Group companies. Linkage auction under CoalSETU window will be held by Coal India Limited in the upcoming 10th Tranche of NRS linkage auctions.

(d): The National Coal Index (NCI) and Representative Prices (RP) play very important role in the auction process of coal blocks for commercial mining. The following measures have been taken to ensure transparent price discovery of coal through National Coal Index:

- i. The concept and design of the Index, along with the Representative Prices, have been developed by the Indian Statistical Institute, Kolkata.
- ii. The NCI is a comprehensive price index that combines coal prices across all sales channels - Notified Prices, Auction Prices, and Import Prices.
- iii. Domestic prices are obtained from Coal India Limited and Singareni Collieries Company Limited, along with certificates of authenticity, to ensure the reliability and accuracy of the data used for the compilation of the NCI.
- iv. Import price are obtained directly from Directorate General of Commercial Intelligence and Statistics (DGCIS), Ministry of Commerce and Industry.
- v. The Standard Operating Procedure issued by the Ministry of Coal is followed at all stages of the compilation of the NCI and Representative Prices.
- vi. The data and index are carefully and thoroughly checked and verified at multiple levels before release.
