

**GOVERNMENT OF INDIA  
MINISTRY OF COAL  
LOK SABHA  
STARRED QUESTION NO.\*48  
TO BE ANSWERED ON 6.02.2019**

**Coal Linkages**

**\*48. SHRIMATI RITI PATHAK:  
SHRI DEVAJIBHAI G.FATEPARA:**

Will the Minister of COAL be pleased to state:

(a) whether the Government is aware that coal linkages provided to State Government companies or MSME organisations through PSUs like BCCL, CCL, ECL and MCL under CIL are not being operated by them and instead coal is being fraudulently sold to other big companies at a higher price;

(b) if so, whether the Government proposes to take any steps to check the said corrupt practices in the coal linkages; and

(c) if so, the details thereof and if not, the reasons therefor?

**ANSWER**

**MINISTER OF RAILWAYS, COAL, FINANCE AND CORPORATE AFFAIRS  
( SHRI PIYUSH GOYAL)**

**(a) to (c): A statement is laid on the table of the House.**

**Statement referred to in reply to parts (a) to (c) of Lok Sabha Starred Question No.48 for answer on 06.02.2019 asked by SHRIMATI RITI PATHAK and SHRI DEVAJIBHAI G. FATEPARA:**

(a) to (c): The New Coal Distribution Policy, 2007 and its subsequent amendment provide for distribution of coal to those units/consumers in small, medium and other consumers across the country whose requirement is less than 10,000 tonnes per annum and are otherwise not having any access to purchase coal or conclude Fuel Supply Agreement (FSA) for coal supply with coal companies. The earmarked coal quantity would be distributed through State Nominated Agencies (SNAs) notified by the State Governments. The quantity earmarked for distribution to SNAs is 8 Million Tonnes (MT) annually.

The SNA so notified by the State Government is required to enter into FSA with the coal company. Coal India Limited (CIL) allocates coal to SNAs based on the recommendation received from the concerned department of State Governments. The SNAs are free to devise their own distribution mechanism which inspires public confidence and results in coal distribution in a transparent manner.

The allocation of coal to SNAs is non-discriminatory in nature as the price charged to SNA is the same notified price as applicable to other FSA consumers. The SNA is entitled to charge actual freight and up to 5% margin as service charge, over and above the notified price, from their consumers.

The concerned State Government having administrative control over the SNA would be responsible to ensure that coal allotted is distributed to the targeted consumer in a fair and transparent manner and that appropriate action is taken to prevent its misuse. Any complaint received at CIL in this regard is forwarded to the concerned State Government for appropriate action. Further action, if any, required to be taken is based on the recommendation of the concerned State Government.

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