

File No: CPD-23011/28/2024-CPD (Comp. No.360926)

Government of India

(भारत सरकार)

Ministry of Coal

(कोयला मंत्रालय)

Shastri Bhawan,
New Delhi, the 19th December, 2025

To

1. Chairman-cum-Managing Director,
Coal India Limited,
Coal Bhawan, New Town,
Rajarhat, Kolkata – 700156
2. Chairman-cum-Managing Director,
Singareni Collieries Company Limited,
PB No. 18, Khairatabad, Hyderabad, Telangana

Subject: Auction of Coal Linkage for Seamless, Efficient & Transparent Utilisation (CoalSETU) by creation of new window named “CoalSETU window” in the Non-Regulated Sector (NRS) Linkage Policy to utilise coal for any industrial use and export

Sir,

I am directed to refer to Ministry of Coal letter No. 23011/51/2015-CPD(Pt.I) dated 15.02.2016 and letter No. CLD-23011/13/2020-CLD dated 01.06.2020 laying down the policy guidelines for auction of coal linkages of Non-Regulated Sector and to say that with the approval of the Cabinet Committee on Economic Affairs (CCEA), the policy dated 15.02.2016 and 01.06.2020 on auction of coal linkages of Non-Regulated Sector has been amended to the following effect:

(A) Creation of CoalSETU window under the NRS Linkage Auction Policy:

- i. Allocation of coal linkages on auction basis for sectors without the requirement of any specified end use through a separate window in the NRS Linkage Auction Policy of 2016 wherein any domestic buyer requiring coal can participate in the linkage auction.
- ii. This new window shall be termed as ‘CoalSETU’ window to utilise coal for any industrial use and export.
- iii. Traders shall not be allowed to participate in the CoalSETU window.
- iv. Coal linkage obtained under CoalSETU window shall be for own consumption, export of coal, or any other purpose (including coal washing) except resale in the country.
- v. The present auction for the specified end-user sub-sectors, as per the NRS Linkage Auction Policy, 2016, shall continue.

- vi. The specified end-user (s), can also participate in this window.
- vii. The broad modalities for the CoalSETU window are as follows:
 - a. Auction under the CoalSETU window to be held after conducting auctions of end-use specific sub-sectors (as per the NRS Linkage Auction Policy of 2016) in a specific tranche of NRS linkage auction. 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.
 - b. The base / floor price of coal at any source for the auction in the CoalSETU window to be fixed at reserve price not below the notified price, as may be decided by the coal company. The reserve price for the NRS linkage auctions shall be suitably indexed by Coal India Limited (CIL) / Singareni Collieries Company Limited (SCCL) for subsequent years, however, the bid premium shall remain constant over the contract period.
 - c. Coal to be allocated from area or mine within a subsidiary.
 - d. The tenure of the Fuel Supply Agreements may be for a maximum period of 15 years.
 - e. Auctions shall be conducted by CIL / SCCL and the procedure including a transparent auction methodology, shall be devised by CIL / SCCL in a manner that induces adequate competition and prevent cartelization.
 - f. Coal linkage holders may be eligible to export coal upto 50% of their coal linkage quantity.
 - g. Coal linkage holders may flexibly utilize the coal obtained under this window as per their requirement amongst its Group companies
 - h. Coal offered through this CoalSETU auction window shall be subject to CIL / SCCL meeting the coal linkage requirements against existing linkages for the specified end users viz. Power and NRS, and also the future linkages to these specified end use sectors.
 - i. Coking coal shall not be offered under this window.

(B) Provisions for coal linkages of the specified end use sub-sectors in the existing NRS linkage auctions: Administrative Ministries shall finalize / review the normative requirement for the specified end use sub-sectors, i.e. norms for coal consumption of the Industries / sub-sector under their Administrative Control and communicate the same to the Ministry of Coal. In the event of norms for coal consumption not provided by the Administrative Ministries, the norms finalized by the coal companies shall be considered for the purpose of assessment of normative requirement. Coal companies viz. CIL / SCCL, shall supply coal to the NRS specified end users to meet their full requirement for all the future coal linkages.

2. Coal India Limited and its subsidiaries and Singareni Collieries Company Limited are requested to take further action for implementation of the decision of the CCEA. The action taken report shall be sent to Ministry of Coal from time to time.

3. The data on utilization of coal by the linkage holder under CoalSETU window may be maintained by CIL / SCCL and be provided to this Ministry, as and when required.

Yours faithfully,

Pradeep Raj Nayan
19/12/25

(Pradeep Raj Nayan)

Under Secretary to the Government of India

Tel. No. 011-23383568/ email – nayan.pradeep@gov.in

For information and necessary action to:

1. Secretary, Ministry of Power, Shram Shakti Bhawan, New Delhi
2. Secretary, Department of Economic Affairs, Ministry of Finance, North Block, New Delhi
3. Secretary, Department of Expenditure, Ministry of Finance, North Block, New Delhi
4. Secretary, Department of Financial Services, Jeevan Deep Building, New Delhi
5. CEO, NITI Aayog, Yojana Bhawan, New Delhi
6. Chairman, Railway Board, Rail Bhawan, New Delhi
7. Secretary, Ministry of Steel, Udyog Bhawan, New Delhi
8. Secretary, Ministry of Law and Justice, Department of Legal Affairs, Shastri Bhawan, New Delhi
9. Secretary, Ministry of Chemicals and Fertilizers, Department of Fertilizers
10. Secretary, Ministry of Mines, Shastri Bhawan, New Delhi
11. Secretary, Department for Promotion of Industry and Internal Trade, Udyog Bhawan, New Delhi
12. CMDs- CMPDIL, ECL, BCCL, CCL, NCL, WCL, SECL, MCL
13. Director (Marketing), Coal India Limited, Coal Bhawan, New Town, Rajarhat, Kolkata
14. ED (Coal Movement), SCCL, PB No. 18, Red Hills, Khairatabad, Hyderabad
15. Coal Controller, Coal Controller Organisation, SCOPE MINAR 5th Floor, Core - II, Laxmi Nagar, Delhi - 110092

Copy also to:

1. Prime Minister's Office, (Kind Attn. - Shri Parthiban P, Director), South Block, New Delhi

2. Cabinet Secretariat (Kind Attn. - Shri. S.G.P. Verghese, Joint Secretary), Seva Teerth-2, New Delhi
3. Chief Secretaries of all States / UTs

Copy for information to:

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2. PS to Minister of State for Coal
3. PPS to Secretary, Ministry of Coal
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6. Sr. PPS to AS & FA, Ministry of Coal
7. PS to JS (SKK), Ministry of Coal
8. PS to JS (LSC), Ministry of Coal
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10. PA to DDG, Ministry of Coal
11. PS to EA, Ministry of Coal
12. PS to DS (CPD), Ministry of Coal

Copy to Director, NIC, Ministry of Coal – with the request to upload it on the website of Ministry of Coal