

DISTRIBUTION

Government of India has amended the Colliery Control Order, 1945 and the new Colliery Control Order, 2000 has been notified according to which the price and distribution of all grades of coal have been deregulated with effect from 1.1.2000.

Coal Companies/Coal India Limited are allocating coking coal to steel plants for their requirements. For core sector, sale of coal is guided by linkages and allocations by the competent authorities.

For non-core Sector consumers, with a view to reaching the benefit of decontrol of coal as per Colliery Control Order, 2000, Coal India Limited has decided to authorize its subsidiary companies to formulate their own system and procedure for sale of coal to this sector. The new policy of Coal India Limited is aimed at providing a simplified, transparent and customer-friendly system and procedure. In the new policy framework the system of linkage and sponsorship for the purpose of coal supply to non-core sector is being done away with. In the emerging new policy framework for coal sale to non-core sector, stress is being given on bilateral agreement between supplying subsidiary company and consumer for well defined commitment on the part of both buyer and seller.