



Bharat Coking Coal Limited



भारत कोकिंग कोल लिमिटेड  
(कोल इण्डिया लिमिटेड की एक अनुषंगी कंपनी)  
**Bharat Coking Coal Limited**  
(A Subsidiary of Coal India Limited)  
(एक मिनीरतन कंपनी / A Miniratna Company)  
(भारत सरकार का उपक्रम / A Government of India Undertaking)

Ref. No: - BCCL/M&S/2025-26/ 2138

Date: - 16-01-2026

## Minutes of Consumer Meeting (MoM) with consumers/ stake holders

Date: 22.12.2025

**Venue:** Annapurna Hall, Koyla Bhawan, BCCL

**Chair:** Chairman-cum-Managing Director (CMD), BCCL

### Participants

- CMD, BCCL
- Director (Technical/Operations)
- Shri Manoj Kumar, Ex-CMD, WCL
- Shri S. K. Sarangi, Ex-CVO, CIL
- Shri P. S. Saxena, Ex-ED, RRVUNL
- Shri J. K. Jha, GM (M&S)
- Representatives from Consumers / Associations (DVC, MJPJ, CESC, SAIL, HPGCL, UPRVNL, DPL, MPL, Hard Coke Units, MSMEs, Logistics Representatives, IGI – TPA, etc.)
- Officials from Operations, Sales & Marketing, and Quality Control Departments

1. Shri Nishant Kumar Virmani welcomed all the delegates and participants.

In the opening address, Shri J. K. Jha, GM, M&S, once again welcomed the consumers and conveyed that the meeting has been convened with the purpose emphasize on the major concern being faced by the esteemed consumers of BCCL.

Shri S. K. Sarangi reiterated that the objective of the meeting was to facilitate an open, candid, and detailed discussion on issues related to FSA implementation, coal quality, logistics, and pricing. Consumers were encouraged to raise their concerns freely and were assured that all issues would be examined objectively.

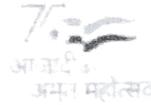
## 2. Key Issues Raised and Discussions

### 2.1 Quality and Grade Slippage

- Consumers reported grade slippage of 3–4 grades, with extreme cases showing variation up to 7–8 grades at the receiving end.



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- Inconsistencies in sampling methodology at loading and unloading ends were highlighted.
- Presence of stone, shale, and other foreign materials in coal at certain sidings (AKK, ABBB, KSDK, etc.) was reported.
- Consumers suggested to consider Unloading end sample test results along with loading end results.
- Adoption of weighted average grade based on both dispatch and receiving-end analysis for reconciliation and financial settlement was suggested.

## 2.2 Sampling and Testing Procedure

- Auger sampling system was reported to be installed at only one siding of BCCL, i.e. at Sijua Siding but not fully functional.
- Installation of additional auger samplers at the remaining sidings was suggested.
- Joint sampling and sample preparation on a consensus basis was proposed.

## 2.3 Annual Contracted Quantity (ACQ) Determination

- ACQ is presently determined based on representative grade; however, consumers reported significant deviation of grade from the representative grade at the receiving end. Determination of ACQ on actual received quality was discussed.

## 2.4 Performance Incentive (PI) Issues

- Multiple representations were received regarding PI calculation methodology.
- Consumers objected to flat charging of PI @ 40% on dispatch beyond 100% supply.
- Key suggestions included

• PI applicability only beyond 100% dispatch.

• Capping or abolition of PI.

• PI calculation based on weighted dispatched grade as per FSA.

• PI (Performance Incentive) to be calculated on the basis of total dispatch from all CIL subsidiaries against the overall ACQ of all subsidiaries combined, instead of calculating PI subsidiary-wise. At present, PI is computed on individual subsidiary dispatch vis-à-vis its respective ACQ.

- Due to non-supply by one subsidiary, the purchaser is often compelled to lift coal from another subsidiary. In such cases, Performance Incentive (PI) is imposed based on subsidiary-wise shortfall, which is perceived as unfair, despite overall compliance with the total ACQ at the CIL level.
- The committee noted that PI requires detailed examination and further deliberation.

## 2.5 OL / UL / RRF / Engine Haulage and Other Charges

- Consumers raised concerns regarding imposition of overloading, engine haulage, Railway Factor (RRF), and other charges despite no fault on their part.
- RRF was reported to be imposed without adequate documentation in compensation cases.
- Suggestions included:
  - Charges to be borne by the seller or shared equitably in cases beyond control of both parties.
  - Mandatory documentation for imposition of RRF or third-party charges.
  - Penal freight and load adjustment charges to be borne by the seller.

## 2.6 Logistics and Railway Issues

- Railway charges being included in RR without consumers' consent were highlighted like imposing charges a/c Double engine movement due drawing ducts being damaged in one of the sidings was reported.
- It was requested for equitable sharing of those railway charges between buyer and seller particularly those which are beyond the control of both the parties.

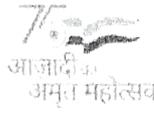
## 2.7 Sector-wise Inputs

### DVC

- ACQ based on billed grade does not reflect actual received quality.
- Foreign materials at certain sidings adversely affect plant performance.
- Weighted average of coal at loading and unloading end for final grade determination was suggested.



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- Complaint/Feedback registers at Gol-6 and Gol-9 sidings was not readily available at the time of loading.
- Crushed stone mixed with coal causes crusher and belt breakdowns and PLF reduction, forcing procurement of additional coal and resulting in PI imposition.
- PI applicability only beyond 100% dispatch proposed.
- Overloading charges to be borne by seller since all loading activity is under the purview of seller.

#### SAIL

- Engine haulage and overloading charges being unfairly passed on to consumers.
- PI imposed due to non-supply by one subsidiary and forced lifting from another.
- PI (Performance Incentive) to be calculated on the basis of total dispatch from all CIL subsidiaries against the overall ACQ of all subsidiaries combined, instead of calculating PI subsidiary-wise. At present, PI is computed on individual subsidiary dispatch vis-à-vis its respective ACQ.

#### HPGCL

- As per the provisions of the Fuel Supply Agreement (FSA), compensation is payable by the concerned subsidiary in the event of short supply of coal against the Annual Contracted Quantity (ACQ) as per terms and conditions of FSA. But subsidiary raised force major clause of Railway Factor without proper documentation.
- Railway factor and third-party involvement to be clearly incorporated in FSA.
- Abolition of PI suggested.
- Ambiguous clauses in FSA regarding unweighted rake claim period was raised (10 vs 30 days).

#### UPRVNL

- BCCL coal pricing perceived as high and financially unviable.
- Strict GCV-based pricing and grading requested.

#### DPL

- Grade slippage observed at most areas except KKC Main and KKC Link.
- Penal freight, load adjustment, and overloading charges to be borne by seller.

- Underloading charges calculation issues due to PCC/SCC discrepancies.
- The committee noted that underloading charges calculation methodology has been clearly defined in FSA.

#### MPL

- Price of coal to be based on GCV instead of ash percentage since they require coal for thermal uses only.
- At present, ACQ is determined on the basis of a representative coal grade. However, consumers have reported receipt of coal of multiple grades at the receiving end, deviating from the representative grade. In view of this variation, revision of ACQ based on the weighted average GCV/grade of coal actually received has been proposed.
- Billing for load adjustment rakes is to be based on RR, not EPS.
- Inconsistency noted between debit and credit notes with respect to royalty, DMF, and other charges.

#### CESC

- PI to be charged only beyond 100% ACQ dispatch.
- Further analysis required on PI slabs and rates.
- Concerns raised regarding royalty at market-derived rates and increase in Jharkhand Mineral Land Bearing Cess.

#### MJPI

- No additional issues; concerns largely covered by other consumers.

#### Hard Coke Units / MSMEs

- Continuous coal supply required for sustained plant operations.
- Restarting of shut plants involves high cost and long gestation period.
- No dedicated e-auction or linkage platform for hard coke industries.
- Renewal of FSA requested; current dependence only on CIL e- auction scheme highlighted.

#### Logistics Representatives

- Railway charges deducted from RR without buyer consultation.

- Derailment and loco charges also deducted unilaterally in Adra Division which needs to be addressed and credit note to be issued.

### 2.8 Billing, Debit and Credit Notes

- In debit notes, royalty, DMF, and other statutory charges are added over notified price. However in credit notes, only price difference is adjusted, leading to imbalance.
- Uniform treatment in debit and credit notes was requested.

### 3. Observations by CMD and Committee

- CMD welcomed all delegates and emphasized immediate escalation of issues regarding quality at siding/face level for faster resolution.
- Joint inspections and action plans to be prepared wherever quality or logistics issues persist.
- Transparency, documentation, and strict adherence to FSA provisions were emphasized.
- Issues relating to PI, ACQ revision, quality determination, and logistics charges require policy-level examination.

#### Director (Technical/Operations):

- Siding-wise issues raised by consumers will be reviewed and resolved.
- Discussion held on implementation of auger sampling practices similar to plant-end systems.

#### Committee Observations:

- ACQ determination to be examined based on received vis-a'-vis weighted average grade of dispatched grade and received grade.
- Multiple consumer suggestions received on calculation of PI to be examined.
- Railway factor and compensation mechanisms require detailed examination and discussion.
- Quality issues reported at multiple sidings need to be addressed by the coal company.
- Overloading, idle freight, and railway charges related to overloading, by and large, are borne by buyers as per FSA. The issue needs to be re-examined.

- Uniform loading as per Permissible Carrying Capacity acknowledged as challenging even after deployment of payloaders equipped with weightometers due to technical limitations even in latest products available in the market at present.
- Underloading charges based on stencilled carry capacity may be reviewed in consultation with Railways.
- The issue that the Billing to be done on RR basis instead of EPS in case of load adjustment needs detailed deliberation at appropriate level.
- Coking coal has coking properties also and is a scarce commodity. Therefore the suggestion reading parity in GCV and pricing of Coking & Non Coking coal cannot be considered and the price in terms of GCV equivalence of Coking coal cannot be at par with non-coking coal.
- Total transition from manual to mechanical methodology of coal sampling was recommended by phasing out sampling procedures which requires manual intervention in order to bring more uniformity in the sampling process being practiced at loading end and unloading in order to minimise grade related disputes between both the parties.

#### 4. Proposed Action Points

1. **Review and strengthen sampling mechanisms; ensure functionality of auger systems**

It was deliberated that accurate and representative sampling is critical for determination of coal quality. Existing sampling mechanisms, particularly auger sampling systems, require periodic review to ensure proper installation, calibration, and continuous functionality at loading points. Strengthening third-party oversight and timely maintenance of sampling infrastructure was emphasized to avoid quality-related disputes.

2. **Examine feasibility of weighted average grade/GCV for ACQ determination**

The issue of supply of multiple coal grades against a single representative grade was discussed. It was deliberated that determining ACQ based on the weighted average GCV/grade of coal actually received may provide a more realistic and equitable basis, reflect ground-level supply conditions.

3. **Conduct detailed analysis of PI structure and applicability**

The existing Performance Incentive (PI) structure and its subsidiary-wise applicability were deliberated in detail. It was felt necessary to examine whether the present PI mechanism adequately reflects overall supply performance, particularly in cases



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where short supply by one subsidiary is compensated by enhanced supply from another.

**4. Review imposition and sharing of OL, UL, Load adjustment, and engine haulage charges**

It was deliberated that the imposition and sharing of Overloading (OL), Underloading (UL), Load adjustment, engine haulage charges and other railway charges need to be reviewed for uniformity and transparency. Clarification on such charges between coal companies, railways, and consumers was considered essential to avoid ambiguity and recurring grievances.

**5. Strengthen grievance redressal mechanisms at sidings and receiving ends**

The need to strengthen grievance redressal mechanisms was deliberated, particularly at sidings and receiving ends where most operational issues arise. Establishing clearly defined escalation matrices, time-bound resolution processes, and improved coordination between subsidiaries and consumers was emphasized.

**6. Examine sector-specific issues of Hard Coke units, MSMEs, and power utilities**

It was deliberated that sector-specific operational and policy issues faced by Hard Coke units, MSMEs, and power utilities require focused examination. Tailored solutions, keeping in view the unique consumption patterns, logistical constraints, and regulatory frameworks applicable to each sector, were considered necessary.

**5. Conclusion**

CMD thanked all participants for their constructive and valuable inputs and assured that all representations would be examined in consultation with concerned departments and in line with prevailing policy guidelines.

16/01/26

General Manager(M&S)  
BCCL, Koyla Bhawan

Distribution to: -

1. CMD, BCCL
2. DT(OP), BCCL
3. DT (P&P), BCCL
4. D(F), BCCL
5. GM (QC), BCCL
6. GM (WD), BCCL
7. All Areas' General Manager