



Revised SHAKTI Policy 2025

Source: PIB

The **Cabinet Committee on Economic Affairs (CCEA)** approved the revised **SHAKTI policy** for coal allocation to enhance **coal availability**, and promote **ease of doing business** in the power sector.

- **SHAKTI Policy (2017)** aims to make **coal allocation transparent** by moving from a nomination-based system to **auction or tariff-based bidding**.
- **Key Highlights of the Revised Policy:** It introduces two streamlined windows-**Window-I and Window-II**, replacing eight older categories to enhance the **ease of doing business**.
 - **Window-I (Coal at Notified Price):** Coal will be supplied at **fixed prices for government-owned thermal plants**, including **joint ventures (JVs)** and subsidiaries.
 - **Window-II (Premium above Notified Price):** **Power producers** can secure coal through an **auction** at a **premium** over the **notified price**.
 - Offering them **flexibility** in selling electricity via **long-term (up to 25 years)** or **short-term (up to 12 months)** contracts.
- **Coal:** India has the world's **5th largest coal reserves** and is the **2nd biggest coal consumer**.
 - Coal remains vital, contributing **55% to India's energy mix** and powering **over 74% of electricity generation**.
 - **Odisha, Jharkhand, and Chhattisgarh** are the **top three coal-rich states** in India, together holding about **69%** of the country's total coal reserves.

Read More: [Coking Coal as Critical Mineral](#)

PDF Reference URL: <https://www.drishtiias.com/printpdf/revised-shakti-policy-2025>