

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:845
ANSWERED ON:28.11.2005
LINKAGE OF COAL TO MINISTRY OF STEEL
Acharia Shri Basudeb

Will the Minister of STEEL be pleased to state:

- (a) whether certain sponge iron units had applied for linkage of coal to the Ministry of Steel;
- (b) if so, the details and outcome thereof, State-wise;
- (c) whether the Government is aware that these units were denied the benefit of getting coal at regulated price due to denial of coal linkage by the authorities;
- (d) if so, the details thereof; and
- (e) action taken/proposed in this regard?

Answer

MINISTER OF CHEMICALS & FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a)&(b): Yes, Sir. Sponge iron units have been applying for grant of coal linkage. Linkages were being granted after examination of individual cases by the Linkage Committee for Sponge Iron Units operating in the Ministry of Steel. However, since January, 2005 the cases were kept in abeyance due to certain policy changes being contemplated by the Government. The examination of cases has restarted after constitution of a Standing Linkage Committee (Long Term) for Sponge Iron Units on 3.10.2005 in the Ministry of Coal. State wise pendency statement is annexed.

(c)&(d): Coal prices are not regulated. In absence of linkage the sponge iron units are free to source their coal requirement from the open market.

(e) The Standing Linkage Committee (Long Term) for Sponge Iron Units functioning in the Ministry of Coal is now dealing with the pending cases.

Annexure

S.No. Name of the State Number of requests

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|-------------------|-----|
| 1. West Bengal | 63 |
| 2. Orissa | 130 |
| 3. Jharkhand | 45 |
| 5. Chhattisgarh | 110 |
| 6. Andhra Pradesh | 21 |
| 7 Karnataka | 8 |
| 8. Madhya Pradesh | 3 |
| 9. Uttar Pradesh | 1 |
| 10. Maharashtra | 8 |
| 11. Gujarat | 3 |
| 12. Goa | 1 |
| 13. Tamil Nadu | 3 |

