

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:3259
ANSWERED ON:16.03.2011
COAL LINKAGE
Pandey Shri Ravindra Kumar

Will the Minister of COAL be pleased to state:

- (a) whether the Government has permitted certain companies particularly electro-steel company for coal linkage to establish steel plants/power plants in coal producing States including Jharkhand;
- (b) if so, whether the said companies have been permitted for production, sale and transportation of coal;and
- (c) if so, the details of the works undertaken by the said companies in areas of production, sale and transportation of coal during the last two years and the current year ?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL)

(a) to (c) Based on the recommendations of the inter-ministerial Standing Linkage Committee (Long Term) (SLC (LT)), the following linkage/Letter of Assurance has been approved in respect of M/s Electrosteel Casting Limited for their sponge iron plants to be located at Haldia, District Purba, West Bengal:-

(i) Linkage Order in September, 2006 for coal allocation of 28,800 tonnes per annum for 30,000 tonnes per annum capacity sponge iron plant (1st Kiln) from Eastern Coalfields Limited ; and

(ii) Authorization by SLC(LT) for issue of Letter of Assurance (LoA) for supply of 36,000 Tonnes per annum of coal from Mahanadi Coalfields Limited (MCL) for 30,000 Tonnes per annum sponge iron capacity (2nd Kiln) in November, 2007.

In addition, two coal blocks has been allocated to M/s Electro Steel Castings Limited. Parbatpur Central coal block located in the State of Jharkhand has been allocated in July, 2005 for utilization of coal for their steel plants at Khardah, West Bengal and Kalahasti, Andhra Pradesh. North Dhadu coal block located in Jharkhand has been allocated, along with other co-allocatees, in January, 2006, to meet the coal requirement for their sponge iron plant at Jharkhand.

Out of two coal blocks allocated, Parbatpur Central coal block has started coal production since November, 2008. The details of coal production during 2008-09 and 2009-10 and current year 2010-11 (upto January,2011) are given below:

Name of the company	Name of the Coal Block	Coal Production in Million Tonnes
---------------------	------------------------	-----------------------------------

Electro Steel Casting Ltd	Parbatpur Central	2008-09 0.013	2009-10 0.055	2010-11 (upto January 2011) 0.023 (Provisional)
---------------------------	-------------------	---------------	---------------	---

Coal produced from the Parbatpur coal block is transported to the coke making facility and sponge iron facility at Haldia and thereafter these products are transported to pig iron facility at Kharda, Kolkata.

Both the coal blocks have been allocated for captive use and no sale or transfer of coal from the allocated coal blocks is permitted as per the terms and conditions of the allocation letters.