

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

STARRED QUESTION NO:142

ANSWERED ON:10.08.2011

COAL LINKAGE

Gowda Shri D.V. Sadananda;Joshi Shri Pralhad Venkatesh

Will the Minister of COAL be pleased to state:

- (a) whether the Union Government has received requests from various State Governments, Public Sector Undertakings (PSUs) and private companies for providing coal linkages for power, steel and cement sectors during the last three years and the current year;
- (b) if so, the details thereof, year-wise, company-wise and State-wise;
- (c) details of the proposals cleared during the last three years and the current year, year-wise, State-wise and company-wise and the criteria followed in the allotment of coal linkage;
- (d) the number of projects still pending, State-wise and company-wise alongwith the reasons therefor and the time by which these pending proposals are likely to be cleared;
- (e) whether the Government has given preference to the requests of private companies for coal linkages over State owned companies; and
- (f) if so, the details thereof and the reasons therefor?

Answer

MINISTER OF COAL (SHRI SRIPRAKASH JAISWAL)

(a) to (f): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (f) of Lok Sabha Starred Question No.142 for 10.8.2011

(a): Yes, Sir.

(b): A statement showing the details of applications received from power sector, cement sector and sponge iron sector during 2008, 2009, 2010 and 2011, year-wise and State-wise is at Annexure I.

(c): Due to limited availability of coal in the coal companies of Coal India Ltd as well as Singareni Collieries Company Ltd, the meetings of the Standing Linkage Committee (Long Term) for cement and sponge iron have not been held since December, 2007 and, therefore, no new Letter of Assurance has been authorized for cement plants and sponge iron plants during 2008 till 2011 so far. However, the details of the Letters of Assurance authorized to power sector, for which meetings of Standing Linkage Committee(Long Term) were held during 2008 and 2010, are given at Annexure II.

During 2008 and 2010, 164 power projects, including Captive Power Plants, from both Government and private sector, involving proposed capacity addition of 54,160 MW, were authorized Letter of Assurance by the Standing Linkage Committee (Long Term). In addition, five State/Central power projects approved on "Bulk Tendering basis" involving capacity addition of 7260 MW, to be commissioned during the 12th Plan, have also been authorized Letter of Assurance by the Competent Authority in 2010. The Standing Linkage Committee (Long Term) only authorizes Letter of Assurance and the source/coal company is decided by Coal India Limited subsequently.

The Standing Linkage Committee (Long Term) takes into consideration the recommendations of the concerned Central administrative Ministry, coal availability and other relevant factors while taking a view on the applications taken up by them. Only those cases which are recommended by the concerned Central administrative Ministries are taken up for discussion/decision. The decision in respect of each case and the reason for approval/deferment/rejection are given against each case by the Committee, which are recorded in the minutes of the meetings of the Committee.

(d): The number of pending applications, state-wise and year-wise is given at Annexure III. These applications would be taken up by the respective Standing Linkage Committee (Long Term) in its meetings, as and when held, subject to the recommendations by the concerned administrative Ministry, coal availability and other relevant factors. In view of limited availability of coal, no time frame can be specified in this regard.

(e): No, Sir.

(f) Does not arise, in view of reply given to part (e) above.