

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

STARRED QUESTION NO:403
ANSWERED ON:22.12.2014
ALLOCATION OF COAL TO STEEL PLANTS
Somaiya Dr. Kirit

Will the Minister of STEEL be pleased to state:

- (a) the details of requests received from the Steel Authority of India Limited and other Steel Public Sector Undertakings for Fuel Supply Agreements along with the projects/ proposals approved since 2009;
- (b) whether the Government has made any assessment of the adverse effect of the cancellation of allocation of coal mines to the under construction and operational steel plants in the country;
- (c) if so, the details thereof along with the extent to which it is likely to affect the steel sector;
- (d) whether the Government has received some representations from the stakeholders in this regard and if so, the details thereof; and
- (e) the corrective steps taken by the Government to ensure adequate and regular supply of coal to steel plants?

Answer

THE MINISTER OF STEEL AND MINES (SHRI NARENDRA SINGH TOMAR)

(a)to(e): A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (E) OF THE LOK SABHA STARRED QUESTION NO.403 FOR ANSWER ON 22/12/2014 TABLED BY DR. KIRIT SOMAIYA, MEMBER OF PARLIAMENT REGARDING ALLOCATION OF COAL TO STEEL PLANTS.

(a) No request for fresh Fuel Supply Agreement has been made by Steel Authority of India Limited since 2009. RINL has submitted an application dated 14.03.2012 for additional long term linkage/ FSA.

(b)&(c): Coal production from coal producing coal blocks has been permitted till 31st March, 2015. Therefore, coal supply has not been disrupted due to cancellation of coal blocks by Hon'ble Supreme Court.

For management and reallocation of cancelled coal blocks, Government has promulgated the 'Coal Mines (Special Provisions) Ordinance, 2014' on 21.10.2014 to ensure smooth transfer of rights, title and interests in the mines/blocks along with its land and other associated mining infrastructure to the new allottees to be selected through an auction or allotment to government company, as the case may be. The allocation of coal blocks would now be made in pursuance of the provisions of the Ordinance and Rules made thereunder in a time bound and transparent manner to ensure that there is no disruption in supply of coal.

(d)&(e): Representations have been received from some stakeholders stressing upon the need to maintain the supply of coal to the iron and steel sector in the new allocation process. Ministry of Steel has taken up the matter of ensuring adequate availability of coal to the steel sector with Coal Ministry.