

The Odisha Gazette

EXTRAORDINARY
PUBLISHED BY AUTHORITY

No.292, CUTTACK, MONDAY, FEBRUARY 26, 2018 /FALGUNA 7, 1939

STEEL & MINES DEPARTMENT

NOTIFICATION

The 24th February, 2018

Subject: Amendment to Long Term Linkage of Iron, Chrome Ore and other minerals to the MoU signed Steel Plant Companies of Odisha through M/s Odisha Mining Corporation Ltd.

No. 1323–VSL-18/14/SM.—Whereas, the State Government have laid down the procedure to provide Long Term Linkage for Iron and Chrome Ore and Other minerals to the MoU signed Steel Plant companies of Odisha through M/s Odisha Mining Corporation Ltd. for sustained supply of raw materials over a period of five years extendable to further period(s) of five years each vide Notification No.1462, dated the 17th September, 2014.

And, whereas, in order to address the practical problems faced in course of implementation of the aforesaid notification, the Government have made certain modifications vide Steel & Mines Notification No.641, dated the 30th April, 2015, Notification No.1599, dated the 20th November, 2015 and Notification No.1412, dated the 10th August, 2016.

And, whereas, certain further amendments to the said notification have been recommended by the committee constituted by the State Government vide notification No.10414, dated the 17th October, 2015.

Now, therefore, after careful consideration, the State Government have been pleased to make the following amendments to the Notification No.1462, dated the 17th September, 2014 as amended by the Notification No.641, dated the 30th April, 2015, Notification No.1599, dated the 20th November, 2015 and Notification No.1412, dated the 10th August, 2016.

- i. In paragraph (A) General Principle, after clause (e), the following clause shall be inserted, namely;
 - (f) In the national e-auction for minerals, traders should be discouraged and normally, the end-user industries should be allowed to participate, as far as possible. Participation of traders should normally be considered only if there is persistent lack of adequate response from the end-user industries-.
- ii. After paragraph (C) CHROME ORE LINKAGE, the following paragraph shall be inserted, namely;
 - “(D) BAUXITE LINKAGE”
 - a. 70% of the saleable stock shall be made available for long-term linkage to the state-based end-users and the remaining 30% shall be sold through national e-auction to be done every six months for price discovery.
 - b. Weighted average price arrived at from the national e-auction should be the long-term linkage price for the appropriate grades of mineral. State-based end-user plants having long-term linkage can also take part in the auction.
 - c. Floor price for the national e-auction may be fixed at the cost of production plus margin of profit of 50%.

This Notification shall come into effect immediately.

By Order of the Governor

S. K. POPLI

Special Secretary to Government