

MOST IMMEDIATE

No. 23014/2/2017-CLD  
Government of India  
Ministry of Coal

.....

New Delhi, the 4th July, 2017.


OFFICE MEMORANDUM

Subject : Minutes of the Standing Linkage Committee (Long Term) meeting held on 17.05.2017 under the Chairmanship of Additional Secretary (Coal) to review the issues related to M/s. Prakash Industries Limited.

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The undersigned is directed to forward herewith a copy of the minutes of the Standing Linkage Committee (Long Term) meeting held on 17.05.2017 under the Chairmanship of Additional Secretary (Coal) to review the issues related to M/s. Prakash Industries Limited duly approved by the Competent Authority for information and necessary action.

Encls. As above.



(Dominic Dung Dung)

Under Secretary to the Govt. of India.

To

1. Additional Secretary, Ministry of Coal
2. Principal Advisor (Energy), NITI Aayog,

Chairperson

- |   |                 |
|---|-----------------|
| Yojana Bhawan, New Delhi  | Member          |
| 3. Joint Secretary (Coal), Ministry of Coal   | Member          |
| 4. Advisor (Projects), Ministry of Coal   | Member          |
| 5. Joint Secretary (Thermal), Ministry of Power, Shram Shakti Bhawan, New Delhi.  | Member          |
| 6. Joint Secretary (Ports), Ministry of Shipping, Transport Bhawan, New Delhi.  | Member          |
| 7. Joint Secretary, Ministry of Steel, Udyog Bhawan, New Delhi  | Member          |
| 8. Joint Secretary, Deptt. of Industrial Policy & Promotion, Udyog Bhawan, New Delhi.   | Member          |
| 9. Executive Director TT (F), Railway Board, Room No. 261, Rail Bhawan, News Delhi.   | Member          |
| 10. Chairman/Mng.-Director, Coal India Limited, Coal Bhawan, Premise No. 04- MAR, Plot No. AF-III, Action Area-1A, New Town, Rajarhat, Kolkata – 700 156. | Member          |
| 11. Director (Marketing), Coal India Limited, Coal Bhawan, Premise No. 04-MAR, Plot No. AFIII, Action Area-iA, New Town, Rajarhat, Kolkata - 700 156.     | Member          |
| 12. CMDs BCCL, CCL, ECL, MCL, NCL, SECL & WCL   | Member          |
| 13. Chairman/Mng.-Director, Central Mine Planning & Design Institute Limited, Gondwana Place, Kanke Road, Ranchi.   | Member          |
| 14. Chairman/Mng.-Director, SCCL, P.O. Kothagudem Collieries, Distt. Khammam, Telangana   | Member          |
| 15. Chairman, Central Electricity Authority, Sewa Bhawan, R.K. Puram, New Delhi.  | Membe           |
| 16. Chairman, NTPC, SCOPE Complex, Lodi Road, New Delhi.  | Member          |
| 17. Joint Secretary (RPG), Ministry of Coal   | Special Invitee |
| 18. Joint Secretary (VB), Ministry of Coal  | Special Invitee |
| 19. Director (CBA-I), Ministry of Coal  | Special Invitee |

Copy to :

- (i) Director (Technical), CIL, Kolkata
- (ii) GM (S&M), CIL, Kolkata,
- (iii) GM (S&M), CIL, Delhi.
- (iv) Coal Controller, CCO, Kolkata

Copy also to :

1. PS to MoS (I/C) for Power, Coal, NRE and Mines.
2. OSD to MOS (I/C) for Coal
3. PSO to Secretary (Coal)
4. PPS to Addl. Secretary (Coal)
5. PPS to JS (RPG)
6. PPS to JS (VB)
7. PPS to JS (RKS)
8. PS to Director (CBA-I)
9. PS to Director (CLD)
10. CBA-I Section

Copy to ✓ : NIC, Ministry of Coal with a request to place it on the Website of the Ministry for information of all concerned.

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Minutes of SLC (LT) held under the Chairmanship of  
Additional Secretary (Coal) on 17.05.2017

1. Record of Discussion:

i) Addl. Secy. (Coal) & Chairman SLC (LT) welcomed rep. from NITI Aayog, M/o Steel, CEA, CIL, CCO, CCL, SECL, WCL, NTPC who were present to attend the meeting and enquired if Project Proponent (PP), namely Prakash Industries Limited (PIL), is present. The SO of CLD Division informed that PP is not present although the SLC (LT) meeting notice was issued to the PP via e-mail and FAX.

ii) The list of participants is at Annexure.

iii) The agenda note circulated for the SLC (LT) meeting was read out and it was stated that PIL was granted two coal linkages for its 15 MW and 50 MW CPP from SECL and that PIL was also allocated three coal blocks, namely, Chotia, Madanpur (North) and Fatehpur for sponge iron production and captive power generation, as per the allocation letters issued in each case. As per the Tapering Linkage Policy, the tapering linkages were to be considered by the SLC (LT) and approved by the Competent Authority.

iv) Director CBA-I, informed that a copy of the Application Form for allocation of Madanpur (North) coal block to PIL was sent to Ministry of Steel on 01.11.2004 for offering their comments, but no comments were received from Ministry of Steel. Representative of Ministry of Steel was asked by Chairman whether they had furnished any comments/recommendations to Ministry of Coal in respect of application of PIL for allocation of Madanpur (North) coal block which was sent to Ministry of Steel. "Representative of Ministry of Steel stated that the requisite details shall be provided to Ministry of Coal by tomorrow". It was also enquired whether

Ministry of Power had given comments on the application of the coal block for PIL. The representative of CEA intimated that in case of CPP it only assesses the normative coal requirement.

v) Representative of SECL stated that CCO in its letter dated 03.05.2017 had indicated that Madanpur (North) block is for SIP and CPP and quantification was not possible due to absence of capacity of the EUP. On further enquiry, representative of CCO informed that quantification was done for those 39 blocks, including Madanpur (North), which were having linkages. As the quantification was not done in 2010, CCO representative was asked the basis on which the quantification was subsequently done by CCO in 2014. CCO representative stated that the quantification was done based on the EUP mentioned in the allotment letter which stated end use as SIP and CPP. In the Agenda Form submitted by PIL, it was mentioned that the EUP for the coal block shall be SI Plant and CPP of 65 MW capacity plant and 125 MW of proposed capacity. The Agenda Form also stated that a washery of 1 MT shall be established by December, 2007 and that the commissioning date for the CPP was December, 2006. Representative of CCO also referred to status report dated 05.07.2012, in respect of PIL submitted by Madanpur (North) Coal Company Private Limited to CCO, wherein at serial number 8(d) it was stated that the middlings generated from washery beneficiation shall be utilized in the Captive Power Plant. The Provisional Production Schedule stated that 0.132 MT and 0.264 MT of middlings were to be produced in the year 2010-11 and 2011-12 respectively. It was also informed by representative of CCO that as per the status report dated 05.04.2011 for quarter ending March, 2011 by Madanpur (North) Coal Company Private Limited, it was stated at serial number 8(b)(3): Production of End Use Project as 65 MW existing CPP. In this report, the total CPP capacity was mentioned as 65 MW and there has been no mention of expansion and proposed expansion of CPP.

vi) The documents referred to above in the discussion were taken on record.

1. Recommendations of SLC (LT):

The Committee considered the inputs given by participants and observed that the allocation letter number 13016/34/2005-CA-I dated 13.01.2006 for Madanpur (North) coal block has mentioned that coal is for use in their plants for sponge iron production and captive power generation. It was noted that the mention of CPP in allocation letter was general in nature and that no specific CPP unit was mentioned in the allocation letter. Thus, for the purpose of identification of the specific CPP linked with the coal block, the Committee relied on the set of documents which were submitted for PIL to the various Government agencies during the process of coal block allocation and mine development. It was observed that the PP has stated in the Agenda Form (VI Phasing of Project) that a 1 MT washery shall be set up by December 2007 and the CPP was mentioned as '65 MW existing capacity' and '125 MW proposed capacity', (II Proposed End Use Project & VI Phasing of Project) which was supposed to be ready by December 2006. Thus, from these records it was evident that the PP has planned to wash coal before use in the SI plant and use the middlings in the CPP. The Status Report submitted for the PP on 05.07.2012, confirmed the same wherein it was stated that the middlings shall be used in the CPP. The CPP capacity was mentioned as 65 MW and in the columns where details about the status of the EUP (expansion/ proposed) was required to be mentioned, the PP has given details only about SI plant and has made no mention of the CPP. The same was also reflected in the Status Report dated 05.04.2011. Thus, it may reasonably be concluded that the middlings generated from the washery were to be used in the 65 MW CPP. This CPP capacity had regular linkages from CIL. Thus, these linkages for this capacity of the CPP were to be tapered off as per the extant policy.

ANNEXURE

Name of the Officers participated in the  
Standing Linkage Committee (Long Term)  
meeting held on 17.05.2017

Ministry of Coal

1. Shri Suresh Kumar, Additional Secretary  
- Chairman
2. Shri R.K. Sinha, Joint Secretary
3. Shri Mukesh Chowdhury, Director
4. Shri Anurag Kapil, Director
5. Ms Pratishta Bhatnagar, AM (Legal)

NITI Aayog, Yojana Bhawan, New Delhi

6. Dr. Ranjan Kumar Pradhan, Sr. Research Officer (Chem.  
Engg.)

Ministry of Steel, Udyog Bhawan, New Delhi

7. Shri K.B. Nair, Under Secretary

Central Electricity Authority, Sewa Bhawan,  
R.K. Puram, New Delhi

8. Shri N.S. Mondal, Director

Coal Controller Organisation, Kolkata

9. Shri K. Mukhopadhyay, OSD (Project)

Coal India Limited

10. Dr. Anurag Garg, General Manager (S&M)
11. Shri Rajesh Bhushan, General Manager (S&M)

12. Shri G.K. Vashishtha, General Manager (S&M)
13. Shri V. Raghunathan, Sr. Manager (S&M)

South Eastern Coalfields Limited

14. Shri A.K. Gupta, General Manager (S&M)
15. Shri S.K. Roy, Sr. Manager (S&M)

Central Coalfields Limited

16. Shri Satyendra N. Tiwari, General Manager (Sales)
17. Shri M.S. Bhutani, Sr. Manager (S&M)

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Mahanadi Coalfields Limited

18. Shri Rajesh Mishra, HOD (S&M)
19. Shri R.K. Majhee, Sr. Manager (S&M)

National Thermal Power Corporation

20. Shri S.D. Prasad, General Manager (Corp Fuel Mgmt)
21. Shri Vineet Jain, AGM (Fuel Mgmt)

Singareni Collieries Company Limited

22. Shri N. Bhaskar, Resident Officer