

MOST IMMEDIATE

File No.23014/2/2014-CPD  
Government of India  
Ministry of Coal

<<>

New Delhi, the 7<sup>th</sup> November, 2014

To

1. The Chairman,  
Coal India Limited  
10, NS Road, Kolkata
2. The Chairman-cum-Managing Director,  
Singareni Collieries Company Limited,  
18, Red Hills, Khairatabad PO, Hyderabad, AP.

**Subject:** Minutes of the Standing Linkage Committee (Long-Term) for Power/Sponge/ Cement Sectors held on 22<sup>nd</sup> September, 2014 to review the status of existing coal linkages/LoAs and other related matters

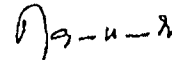
Sir,

I am directed to forward herewith the minutes of the Standing Linkage Committee (Long-Term) for Power/Sponge/ Cement Sectors held on 22<sup>nd</sup> September, 2014 to review the status of existing coal linkages/LoAs and other related matters as approved by the Competent Authority.

2. It has been decided that once these minutes are issued, there would be no necessity to issue separate order in cases individually taken up by the Committee in the above said meeting. CIL/SCCL and Ministry of Power will ensure that the recommendations, as indicated in the approved minutes, are implemented in full.

3. CIL/SCCL and Ministry of Power are accordingly requested to take follow up action to ensure that the directions/recommendations of SLC(LT) are implemented urgently. The status report on action taken may be intimated to this Ministry, from time to time.

Yours faithfully,



Encl: as above

(Pili Ravi Kumar)  
Under Secretary to the Govt. of India  
Tel: 23384286

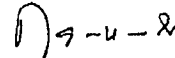
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|--|-------------|
| 1. Additional Secretary, Ministry of Coal  | Chairperson |
| 2. Principal Advisor(Energy), Planning Commission, Yojana Bhawan New Delhi   | Member      |
| 3. Joint Secretary (Coal), Ministry of Coal  | Member      |
| 4. Advisor (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, Department of Industrial Policy & Promotion, Udyog Bhawan, New Delhi                           | Member      |
| 9. Director (Transport Planning), Ministry of Railways, Rail Bhawan, New Delhi                                     | Member      |
| 10. Chairman-cum-Managing Director, CIL, 10-Netaji Subhas Rd., Kolkata- 700001                                     | Member      |
| 11. Director(Marketing), Coal India Limited, 15-Park Street, Kolkata   | Member      |
| 12. CMD's BCCL, CCL, ECL, MCL,NCL, SECL & WCL  | Members     |
| 13. Chairman-cum-Managing Director, Central Mine Planning & Design Instt Ltd., Gondwana Place, Kanke Road, Ranchi. | Member      |
| 14. Chairman-cum-Managing Director, SCCL, P.O. Kothagudem Collieries, Distt. Khammam-507101                        | Member      |
| 15. Chairman, Central Electricity Authority, Sewa Bhawan, RK Puram, New Delhi                                      | Member      |
| 16. Chairman, NTPC, Scope Complex,, Lodhi Road, New Delhi-110003   | Member      |

Copy to:

- (i) Director(Technical), CIL, 10, NS Road, Kolkata, ii)GM(S&M), CIL, 15-Park Street, Kolkata, iii)CGM(CP), CIL, 10 NS Road, Kolkata. iv) Shri A.C.Varma, GM(S&M), CIL, Scope Minar, Laxmi Nagar, Delhi

Copy also to:

1. PS to Minister of State (I/C) for Power, Coal and NRE, 2. Sr. PPS to Secretary(Coal), 3. PPS to Additional Secretary(Coal), 4. PPS to Joint Secretary(SKS), 5. PPS to Joint Secretary(AKB), 6. Director (CPD).



(Pili Ravi Kumar)  
Under Secretary to the Govt. of India

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

F. No.23014/2/2014-CPD  
Government of India  
Ministry of Coal  
CPD Section

New Delhi, Dated 7<sup>th</sup> November, 2014

**Minutes of the meeting of the Standing Linkage Committee (Long Term) for Power held on 22<sup>nd</sup> September, 2014**

A meeting of the Standing Linkage Committee (Long Term) for Power was held on 22.09.2014 under the Chairmanship of Additional Secretary (Coal) to review the status of Letters of Assurance (LoAs) issued by subsidiary coal companies of Coal India Ltd. and SCCL in pursuance of the recommendations of the Committee and other related issues. A list of participants is attached as 'Annexure-I'.

Agenda Item & No.	Brief Description of the Agenda Item	Summary of Discussions	Recommendations with the Reasons
Agenda Item No. 1	Confirmation of Minutes of the SLC(LT) review meeting held on 11.08.2014	A representation was received from M/s Vidarbha Industries Power Limited, wherein it was pointed out that at Agenda Item No. 4 (xvi) in the deliberation column, it was mentioned that SECL was still asking for the SHA documents. It should be WCL instead of SECL. This was confirmed by CIL.	The correction pointed out was noted. Minutes amended accordingly.
Agenda Item No. 2- Review of pending LoAs issued for Power Sector (IPPs)	177 LoAs were issued by the CIL and its subsidiaries for power projects to be commissioned during the 11 <sup>th</sup> & 12 <sup>th</sup> Plan. These LoAs cover a capacity of about 1,08,000 MW projects. Out of these CCEA has directed for coal supplies in respect of projects with 78,000 MW	The details were reconciled with CIL. CIL informed that out of 1,08,000 MW projects, following the CCEA directions for signing of FSAs with the projects with 78,000 MW	Committee noted the status.

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	<p>capacity. Accordingly a presidential directive was issued to CIL. For these projects FSAs were to signed for 172 units covering 134 LoAs. Out of this 78,000 MW capacity as on date CIL has signed 161 FSAs for a capacity of 73,675 MW. Status of these 11 pending FSAs was reviewed in the last SLC LT Meeting held on 11.08.14.</p> <p>The remaining 43 LoAs are not covered within the 78,000 MW projects. Out of this, 24 projects with a capacity of 18,315 MW have already achieved their milestones as reported by CIL and 2 LoAs have been cancelled, however, 7 LoAs are sub-judice due to various reasons. Therefore, these projects are not included for review by the Committee. Out of the remaining 10 pending cases where milestones documents are under verification and 2 cases where notice of cancellation has been issued are also being put up for review before the committee.</p>	<p>capacity, out of the 172 FSAs covering 134 LoAs, as on date, CIL has signed 161 FSAs for a capacity of 73,675 MW.</p> <p>There are 43 LoAs, which were not covered within the 78,000 MW projects. Out of this, 25 projects with a capacity of 19635 MW have already achieved their milestones. In 9 cases milestones are under verification or the matters are sub-judice. In the remaining 9 cases, 1 full LoA and 1 part LoA have been cancelled. However, in 4 full LoAs and 1 part LoA, CG has been forfeited and matters are sub-judice. In 3 LoAs tapering linkage period has expired.</p>	
<p>3 (i) Dhariwal Infrastructure TPP, Unit-1 (DIL) 300 MW from SECL</p>	<p><b>Issue: Signing of FSA is pending due to Name Change</b></p> <p>The applicant had applied for grant of long term coal linkage in respect of 4 units of 135 MW each. The proposal was placed before the SLC (LT) in its meeting held on 02.08.2007 and the Committee recommended for issuance of LoA for 2x135 MW (Phase-I). Further, applicant vide letter dated 24.10.2008 informed that on advice of CEA, they had changed their plant size</p>	<p>The representative of the company was asked to explain the matter. The applicant informed that the plant had been commissioned and a PPA with TENGEDCO is in place. The plant was within the 78,000 MW capacity for which CCEA had directed to sign FSA. He also informed that about Rs. 3600 crores had</p>	<p>Committee directed the applicant for submission of details in respect of the following :-</p> <p>(i) Why prior approval from MOC was not taken before the name change of the company, as it involved change in shareholding pattern?</p> <p>(ii) To submit the shareholding</p>

	<p>from 540 MW to 600 MW (2x300 MW). The matter was placed before the SLC (LT) in its meeting held on 12.11.2008. The Committee noted that LoA for 270 MW has already been issued in 2007. The CEA informed that both the units of 300 MW each are coming up in 11<sup>th</sup> Plan itself, therefore, LoA may be considered for 330 MW, taking total linkage to 600 MW. On the recommendation of CEA, Committee authorized issuance of LoA by CIL for a capacity of 330 MW in accordance with NCDP.</p> <p>In the year, 2013 a request was received from the applicant for change in the name of the company from M/s. Dhariwal Infrastructure Private Limited to Dhariwal Infrastructure Limited. The matter was examined in detail and the competent authority did not agree with the request of the applicant due to the following reasons:-</p> <p>(i) The share transfer is tantamount of violation of para 5 of the LoA dated 20.08.2008 issued by SECL; and</p> <p>(ii) It is violative of para 5 of the LoA dated 06.06.2009 issued by SECL;</p> <p>(iii) Entire shareholding of M/s Dhariwal Infrastructure (P) Ltd was transferred to M/s. Haldia Energy Ltd., itself a subsidiary of CESC Ltd. This transfer of ownership was without prior approval of the Ministry of Coal; and</p> <p>(iv) As on 26.08.2009, Dhariwal Group and Prithvi Group held 55% &amp; 45% of the</p>	<p>been invested in the project.</p> <p>The Chairperson of the Committee inquired about the shareholding pattern of the company before and after the name change of the company. The applicant could not fully clarify the issues.</p> <p>The applicant was asked whether change in the shareholding of the company was tantamount to an assignment of LoA as defined under clause 5.2 of LoA.</p> <p>The applicant, instead of a clear explanation, informed that they had taken the legal opinion before investing in the company and proceeded in the matter accordingly.</p> <p>The applicant was also asked whether they had taken approval of competent authority before the name change of the company. The representative of the company explained that this was not done, as they were under the impression that a mere change in the name of the</p>	<p>pattern of the company before and after the name change of the company duly certified by the Company Secretary of the company. Similarly, the quantum of investments before and after the change in shareholding pattern was also required to be mentioned clearly. If the shares were sold at premium the total share premium quantum and its utilisation (in which investment) may also be given.</p> <p>After receipt of the same, the matter will be examined accordingly.</p>
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	<p>shares respectively. However, as on 19.08.2013, CESC Infrastructure Ltd owned 99.99% of shares, with CESC Infrastructures Ltd with Subhasis Mitra holding 0.01% of shares. Consequent to this complete transfer of share, the management of the company has changed.</p> <p>(v) The same was communicated to CIL on 06.09.2013. Consequent upon that, applicant company again represented with a request to accept the name change of the company.</p> <p>This matter was forwarded for the advice of Ministry of Law &amp; Justice. Ministry of Law suggested that since the matter under reference involved interpretation of the provisions of the Company Law, in the first instance comments of Ministry of Corporate Affairs may be obtained in the matter. Thereafter if needed the matter may be referred to them with specific question of law so that opinion of law officer may be obtained. Therefore, file was referred to Ministry of Corporate Affairs for the advice/comments. MCA has returned the file asking for a brief note for specific comments, if any for the comments of MCA.</p> <p>The matter was also discussed in the SLC (LT) held on 11.08.2014. Since, the representative of the company could not explain, the issue was deferred.</p>	<p>company from Private Limited to Public Limited did not require approval. The applicant was also asked as to the level of investment made in the company at the time of name-change i.e. when shareholding was transferred. He could not give a satisfactory reply.</p>	
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	<p>It is also pertinent to mention that a comprehensive policy to address the issues of change of name of the company due to amalgamation, take-over, change in ownership/shareholding pattern etc. is under formulation.</p> <p>SLC (LT) is to take a view in the matter.</p>		
<p>3 (ii) M/s. Indiabulls Power Limited.</p> <p>M/s. Indiabulls Realtech Limited.</p>	<p><b>Issue: Acceptance of revised COD as November &amp; December, 2014 in respect of Amravati Phase-I Unit-3 (270 MW) of Indiabulls Power Limited &amp; Nashik Phase-I Unit-2 (270 MW) of Indiabulls Realtech Limited.</b></p> <p>The Indiabulls Power Limited has informed they have been implementing 1350 MW (5x270 MW) coal based Amravati Thermal Power Project at Nandgaonpet, Amravati, Maharashtra. They have further informed that the BTG has been sourced from BHEL on EPC basis. Due to unavoidable circumstances faced by EPC contractor, there is a delay in the declaration of COD. The same has been brought to the notice of CEA. CEA has acknowledged the position and circulated the revised estimated schedule for the unit. The applicant has enclosed the copy of CEA letter dated 08.08.2014 regarding revised COD details in respect of Amravati Phase-I Unit-3 (270 MW) of Indiabulls Power Limited. CEA has informed that the revised COD date for this unit may be considered as November, 2014.</p>	<p>Representative of the company gave brief progress report of Amravati Phase-I Unit-3 (270 MW) of Indiabulls Power Limited &amp; Nashik Phase-I Unit-2 (270 MW) of Indiabulls Realtech Limited.</p> <p>He informed that Amravati Phase-I Unit-3 power plant is expected to be commissioned in November, 2014. The Nashik Phase-I Unit-2 is expected to be commissioned in December, 2014. Both have received environmental clearance last month.</p> <p>He explained that due to unavoidable circumstances faced by EPC contractor and disruption in transportation of coal from Rahuri Railway Siding by local public, resulting in de-notification of the said</p>	<p>The Committee recommended the following:-</p> <p>(i) Notice for cancellation issued due to non-achievement of COD may be kept in abeyance in all such cases.</p> <p>(ii) CEA and CIL should formulate a common policy in the matter.</p> <p>(iii) CEA should furnish a comprehensive list of TPPs with revised CoD, and there should be no slippage beyond that.</p> <p>(iv) The issue of imposition of penalty due to non-achievement of CoD to be decided thereafter.</p>

	<p><b>M/s. Indiabulls Realtech Limited</b> has informed they have been implementing 1350 MW (5x270 MW) coal based Nashik Thermal Power Project at Sinnar, Nashik, Maharashtra. He has further informed that the BTG has been sourced from BHEL on EPC basis. Due to unavoidable circumstances faced by EPC contractor and disruption in transportation of coal from Rahuri Railway Siding by local public resulting in de-notification of the said railway siding by Indian railway for coal handling purpose, there is a delay in the declaration of COD. The same has been brought to the notice of CEA. CEA has acknowledged the position and circulated the revised estimated schedule for the unit. The applicant has enclosed the copy of CEA letter dated 25.08.2014 regarding revised COD details in respect of Nashik Phase-I Unit-2 (270 MW) of Indiabulls Realtech Limited. CEA has informed that the revised COD date for this unit may be considered as December, 2014.</p> <p>It is pertinent to mention here that the issue of submission of COD in respect of the power plants was considered by the SLC (LT) meeting held on 07.01.2013. The Committee recommended as under:-</p> <ol style="list-style-type: none"> <li>I. The project wise COD dates as per estimation of CEA-MoP may be intimated to the Ministry of Coal. Achievement of COD within the stipulated time would be mandatory for all the power projects to avoid</li> </ol>	<p>railway siding by Indian Railways for coal handling purpose, there is a delay in the declaration of COD.</p> <p>Director (Marketing), CIL pointed out that CEA was revising COD date, again and again. Chief Engineer, CEA clarified that due to certain unavoidable reasons, COD date was being revised. Director (Mkt.) insisted that a fixed time limit for achievement of COD should be laid down so that indefinite delay is avoided.</p> <p>Chairman of the Committee desired that the issue should be revisited in totality. CEA was directed to furnish a list of the projects which are delayed due to the revision in the CoD. CEA and CIL should formulate a common policy in the matter.</p>	
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	<p>cancellation of linkages/LoAs.</p> <p>II. MoP was to provide the details of estimated CODs project-wise in respect of plants commissioned during 2009-10, 2010-11 and to be commissioned during 2011-12 within a week from the date of the last meeting. The same may be provided along with information of plants commissioned / to be commissioned during 2012-13 within 10 days.</p> <p>III. Imposition of penalty in case of non-achievement of COD may be kept in abeyance at this stage. However, action for initiation of cancellation of LoA would be initiated after following due process in case of non-achievement of COD.</p> <p>IV. Coal requirement for carpeting will be provided by CIL.</p> <p>V. Request of Ministry of Power to reconsider the charging of 30-40% higher price for carpeting may be considered by CIL on receipt of proposal from MoP.</p> <p>The issue non-achievement of COD by the power projects was also discussed in the SLC (LT) meeting held on 14<sup>th</sup> February, 2012 under Item No. 3 (i) wherein it was decided that since the achievement of COD is the basis for starting of regular supply of coal, therefore, there is need</p>		
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	<p>to monitor the date of COD in all cases. It was also decided that CEA will indicate the project wise expected date of COD.</p> <p>It was further decided that the project developer/LOA holder has to achieve the COD within the revised recommended date. If he is unable to achieve the COD within the stipulated date, penalty equivalent to 1% per month of the applicable Commitment Guarantee amount during the first six months and penalty equivalent to 2% per month of the applicable Commitment Guarantee amount for the next six months will be imposed on him. This penalty will be payable in the form of Bank Draft/Pay Order etc. and will be distinct from the Bank Guarantee furnished precedent to the issuance of LOA. If the COD is not achieved even within the extended period of 12 months, coal supplies, if commenced, would be stopped immediately and action for termination of the FSA will be taken by the concerned coal company within forty-five days of the expiry of the extended 12 month period after an intimation in writing to the FSA holder, and after providing due opportunity to be heard.</p> <p>Keeping in view the request made by the applicant, a view is to be taken in the matter.</p> <p><b>SLC (LT) is to take a view in the matter.</b></p>		
3 (iii) M/s. Korba West Power Company Limited	<p><b>Issue: Acceptance of revised COD as February, 2015 in respect of 1x600 MW (Unit – I) Power Plant of M/s. Korba West Power Company Limited</b></p>	The representatives of the company explained that the unit had been commissioned and full load operations had been demonstrated on	In view of the discussion held in respect of agenda item no. 3 (ii), the Committee recommended that the same dispensation may be applied in this matter also.

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	<p>M/s. Korba West Power Company Limited has informed that SECL has issued a show cause notice regarding non-achievement of COD of their 600 MW Unit-I Power Plant. The unit has been commissioned and full load operations have been demonstrated on 31.03.2014. The applicant has referred to the CEA letter dated 31.03.2014 addressed to CIL which inter-alia states that the said unit has been commissioned (demonstrated full load achievement). The COD of the unit has been delayed due to delay in obtaining permission from MoEF for transportation of coal by road. The expected date of COD is now February, 2015. In this regard applicant has stated that their unit is ready in all respect to start the Generation of Power and requested to direct advising to SECL to withdraw the show cause notice issued for termination of FSA in respect of their 1x600 MW (Unit – I) Power Plant.</p> <p>It is pertinent to mention here that the issue of submission of COD in respect of the power plants was considered by the SLC (LT) meeting held on 07.01.2013. The Committee recommended as under:-</p> <ol style="list-style-type: none"> <li>I. The project wise COD dates as per estimation of CEA-MoP may be intimated to the Ministry of Coal. Achievement of COD within the stipulated time would be mandatory for all the power projects to avoid cancellation of linkages/LoAs.</li> <li>II. MoP was to provide the details of</li> </ol>	<p>31.03.2014. The applicant also informed that they were in the process of making alternative arrangements for unloading of coal in view of delay in MoEF permission for coal transportation by road. They would be able to achieve CoD within 3 months' time.</p> <p>CEA also supported the statements of the applicant company and informed that the revised date of COD is February, 2015.</p> <p>SECL informed that the original date of CoD was July, 2013 and show cause notice was issued only after prescribed time of one year.</p>	
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	<p>estimated CODs project-wise in respect of plants commissioned during 2009-10, 2010-11 and to be commissioned during 2011-12 within a week from the date of the last meeting. The same may be provided along with information of plants commissioned / to be commissioned during 2012-13 within 10 days.</p> <p>III. Imposition of penalty in case of non-achievement of COD may be kept in abeyance at this stage. However, action for initiation of cancellation of LoA would be initiated after following due process in case of non-achievement of COD.</p> <p>IV. Coal requirement for carpeting will be provided by CIL.</p> <p>V. Request of Ministry of Power to reconsider the charging of 30-40% higher price for carpeting may be considered by CIL on receipt of proposal from MoP.</p> <p>The issue non-achievement of COD by the power projects was also discussed in the SLC (LT) meeting held on 14<sup>th</sup> February, 2012 under Item No. 3 (i) wherein it was decided that since the achievement of COD is the basis for starting of regular supply of coal, therefore, there is need to monitor the date of COD in all cases. It was also decided that CEA will indicate the project</p>		
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	<p>wise expected date of COD.</p> <p>it was further decided that the project developer/LOA holder has to achieve the COD within the revised recommended date. If he is unable to achieve the COD within the stipulated date, penalty equivalent to 1% per month of the applicable Commitment Guarantee amount during the first six months and penalty equivalent to 2% per month of the applicable Commitment Guarantee amount for the next six months will be imposed on him. This penalty will be payable in the form of Bank Draft/Pay Order etc. and will be distinct from the Bank Guarantee furnished precedent to the issuance of LOA. If the COD is not achieved even within the extended period of 12 months, coal supplies, if commenced, would be stopped immediately and action for termination of the FSA will be taken by the concerned coal company within forty-five days of the expiry of the extended 12 month period after an intimation in writing to the FSA holder, and after providing due opportunity to be heard.</p> <p>Keeping in view the request made by the applicant, a view is to be taken in the matter.</p> <p>SLC (LT) is to take a view in the matter.</p>		
3 (iv) Tawandi Sabo Power Ltd. and Nabha Power Ltd.- supply of additional coal.	<p><b>Issue :</b> Request for supply of additional coal in respect of their enhanced installed capacity in respect of their 1980 MW TSPL, Talwandi Sabo &amp; 1400 MW NPL, Rajpura Power Plants.</p> <p><b>Brief Background</b></p>	<p>The representatives of the companies were not present.</p> <p>CIL informed that subsidiary coal companies have been reporting negative coal</p>	<p>Committee recommended that request for supply of additional coal in respect of enhanced installed capacity of TSPL, Talwandi Sabo &amp; NPL, Rajpura Power Plants may not be</p>

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	<p>Secretary, Department of Power, Govt. of Punjab requested for supply of additional coal in respect of their enhanced installed capacity in respect of Talwandi Sabo Power Limited &amp; Nabha Power Limited.</p> <p>The SLC(LT) in its meeting held on 02.08.2007 authorize LoAs to Nabha Power Ltd. in respect of 1200 MW power plant and Talwandi Sabo Power Ltd in respect of 1800 MW. The capacities of the plants were enhanced in the SLC(LT) meeting held on 18.04.2011 from 1200 to 1400 MW in respect of Nabha Power Ltd. and from 1800 MW to 1980 MW in respect of Tawandi Sabo Power Ltd., with a clear mention that no additional coal linkage would be considered on account of enhanced capacity.</p> <p>It may be pertinent to mention here that before 18.04.2011, SLC(LT) had decided the issues related to enhancement/reduction of capacity keeping in view the general principle that for the enhanced capacities no additional coal linkage / coal supply shall be allowed. Since, this issue was related to the supply of additional coal for the enhanced capacity, matter was placed for SLC (LT) for a decision.</p> <p>The matter was discussed in the SLC (LT) meeting held on 27.06.2014. The issue was deliberated in the meeting. Representative of CIL informed that due to the negative coal balance, they are not in the position to provide additional</p>	<p>balance for long. Further, there were a number of cases where decisions had already been taken for the enhancement of the capacity. The precondition for permitting such enhancement of capacity was that no additional coal linkage/coal supply was to be allowed. The same principle may continue to be adopted in these cases.</p>	<p>acceded to.</p>
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	<p>coal. He also pointed out that there are several other cases of similar nature where demand for such additional coal would be of the order of 15-20 MT. There are a number of cases where decisions have already been taken for the enhancement of the capacity, but no additional coal was granted to any of the plants. Therefore, whatever decision is taken, that may have to be applied equitably in all such cases.</p> <p>The representative of the promoter suggested that priority in such cases may be given in respect of case II bidding cases over others, since these are very less in number and would not entail too much pressure on CIL for additional coal supplies.</p> <p>Keeping in view the deliberations held during the meeting, Committee recommended as under:-</p> <p><i>Committee noted the suggestion of the promoters that case II bidding cases should get priority over others. Keeping in view the negative coal balance as of now and also in view of the fact that there are several other cases of similar nature where demand for such additional coal would be of the order of 15-20 MT, no change in the present position is recommended.</i></p> <p>The request of the Government of Punjab was reiterated during the visit of MOS (I/C) for Power, Coal &amp; NRE to Punjab on 19.08.2014. It was requested that the matter be re-considered by the SLC (LT), for Case-II bidding with 100%</p>		
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	supply to State Discoms and in case of State Utilities.  <b>The SLC (LT) is to take a view in the matter.</b>		
<b>Agenda Item No. 4 Review of Pending of LoAs for CPPs</b>	178 LoAs were issued for CPPs in various sectors. Out of which, FSAs have been signed in 112 cases. In 43 full LoAs, CG has been forfeited along with part forfeiture in some LoAs. The notice for cancellation has been issued in respect of 5 LoAs. In 8 LoAs milestones have been achieved and the FSA is under process. The remaining 10 LoAs are under process of verification.	The status was reconciled by CIL. CIL informed that out of the 178 LoAs, 114 LoAs have been converted into FSAs. In 43 full LoAs, CG has been forfeited along with part forfeiture in some LoAs. 17 LoAs are in the process of verification/signing of FSA. For 4 LoAs, notice for cancellation has been issued on account of deficient documents.	Committee noted the status.

03-4-2

F. No.23014/2/2014-CPD  
Government of India  
Ministry of Coal  
CPD Section

New Delhi, Dated 7<sup>th</sup> November, 2014

Minutes of the meeting of the Standing Linkage Committee (Long Term) for Sponge Iron held on 22<sup>nd</sup> September, 2014

A meeting of the Standing Linkage Committee (Long Term) for Sponge Iron was held on 22.09.2014 under the Chairmanship of Additional Secretary (Coal) to review the status of Letters of Assurance (LoAs) issued by subsidiary coal companies of Coal India Ltd. and SCCL in pursuance of the recommendations of the Committee and other related issues. A list of participants is attached as 'Annexure-I'.

Agenda Item & No.	Brief Description of the Agenda Item	Summary of Discussions	Recommendations with the Reasons
Agenda Item No. 1- Confirmation of the Minutes of the meeting held on 11.08.2014	Confirmation of Minutes of the SLC(LT) review meeting held on 11.08.2014		Minutes of the SLC(LT) review meeting held on 11.08.2014 were confirmed.
Agenda No. 2- Review of pending LoAs of Sponge Iron Sector	197 LoAs were granted for Sponge Iron Sector. Out of this, 181 FSAs have been signed and 14 LoAs have been cancelled. The other 2 issues were discussed in the SLC (LT) meeting held on 27.06.2014. One issue was resolved and in the other issue comments are pending from Ministry of Steel.	Details were reconciled with CIL. CIL informed that out of the 197 LoAs FSAs have been signed in 181 cases and 14 LoAs have been cancelled. 2 LoAs are under the process of verification /signing of FSA.	Committee noted the status.

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<p><b>Agenda Item No. 3: Acceptance of fresh application for seeking LoAs in Sponge Iron &amp; Cement Sectors.</b></p>	<p>At present 391 &amp; 164 applications are pending in the Ministry for the grant of Letter of Assurances in Sponge Iron &amp; Cement Sectors respectively. In view of the existing LoAs and negative coal balance reported by subsidiary coal companies of CIL, a decision was taken by SLC (LT) in respect of power sector in its meeting held on 31.05.2013 viz. <i>receipt of fresh applications for LoAs from power sector be kept in abeyance for a period of two years. Thereafter matter would be reviewed. As regard unprocessed applications, it was recommended that the fees deposited by them be deposited to the Govt. account but the processing of these applications should be kept in abeyance. Whenever it would be decided to accept fresh applications for LoAs, such unprocessed applications would get precedence over fresh applications to be received.</i></p> <p>It is submitted in this regard that in the recent past about 10 applications have been received during 2013-14 and new applications for Sponge Iron and Cement Sectors have kept on coming. Since, the proposal for acceptance of fresh applications for grant of LoAs in the Sponge and Cement Sectors was pending, no new applications was forwarded to the concerned Administrative Ministry / Departments for further examination. During the period, the Demand Drafts received with the applications as processing fee have expired. Therefore, a view is to be taken by SLC (LT) in respect of acceptance of the new applications and also to decide as to whether available applications in</p>	<p>Keeping in view the negative coal balance reported by subsidiary coal companies of CIL and existing commitments of CIL, the Committee was of the view that the matter of the acceptance of new applications in the Steel/ Sponge Iron &amp; Cement sectors may also be dealt with on lines similar to the decision taken by SLC (LT) in respect of power sector in its meeting held on 31.05.2013. Representative of Ministry of Steel insisted that fresh applications should continue to be accepted and fresh linkages should be given to pending applicants. He further suggested that decision taken in the 5<sup>th</sup> meeting of IMC held on 11.06.2014 should be implemented. Further, Steel and Cement sectors should get 100% of their coal requirement instead of 75% as at present as per NCDP.</p>	<p>The Committee recommended as under:-</p> <p>(i) Receipt of fresh applications for grant of LoAs from Sponge Iron &amp; Cement sectors shall be kept in abeyance for a period of three months. The matter would be reviewed thereafter.</p> <p>(ii) In respect of the unprocessed applications, it was recommended that the fees deposited by the developers be deposited to the Govt. account but the processing of these applications should be kept in abeyance. Whenever it would be decided to accept fresh applications for LoAs, such unprocessed applications would get precedence over fresh applications to be received.</p>
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	these sectors may be forwarded to the concerned Administrative Ministries after receipt of a fresh Demand Draft from the developers or otherwise.		
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F. No.23014/2/2014-CPD  
Government of India  
Ministry of Coal  
CPD Section

New Delhi, Dated 7<sup>th</sup> November, 2014

Minutes of the meeting of the Standing Linkage Committee (Long Term) for Cement held on 22<sup>nd</sup> September, 2014

A meeting of the Standing Linkage Committee (Long Term) for Cement was held on 22.09.2014 under the Chairmanship of Additional Secretary (Coal) to review the status of Letters of Assurance (LoAs) issued by subsidiary coal companies of Coal India Ltd. and SCCL in pursuance of the recommendations of the Committee and other related issues. A list of participants is attached as 'Annexure-I'.

Agenda Item & No.	Brief Description of the Agenda Item	Summary of Discussions	Recommendations with the Reasons
Agenda Item No. 1 Confirmation of the Minutes of the meeting held on 11.08.2014	Confirmation of Minutes of the SLC(LT) review meeting held on 11.08.2014.		Minutes of the SLC(LT) review meeting held on 11.08.2014 were confirmed.

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## ANNEXURE-I

**LIST OF PARTICIPANTS WHO ATTENDED THE MEETING OF THE STANDING LINKAGE COMMITTEE (LONG TERM) FOR POWER/SPONGE/CEMENT SECTORS HELD ON 22<sup>nd</sup> SEPTEMBER, 2014 TO REVIEW THE STATUS OF EXISTING COAL LINKAGES/LOAs AND OTHER RELATED MATTER**

	<b>Ministry of Coal</b>
1	Dr. A.K. Dubey, Additional Secretary (Coal)
2	Sh S.K. Singh, Joint Secretary(SKS)
3	Sh. J.S. Bindra, Director(CPD)
	<b>Ministry of Power</b>
4	Sh. P.D. Siwal, Director
	<b>Ministry of Railways, Railway Board</b>
5	Sh. H.S. Bajwa, Director
	<b>Central Electricity Authority</b>
6	Sh. Alok Saxena, Chief Engineer (OM)
7	Sh. N.S. Mondal, Director
8.	Sh. A.K. Mishra
	<b>Ministry of Steel</b>
9	Shri Anumpam Prakash, Director
	<b>Planning Commission</b>
10.	Shri Harendra Kumar, Jt. Advisor
	<b>NTPC</b>
11	Sh. D.. Saha, GM(FM)
12	Sh. D.K. Saha AGM
	<b>Singareni Collieries Company Ltd (SCCL)</b>
13	Dr. Durga Varaprasad, RO
	<b>Coal India Limited and Coal Companies</b>
14	Sh. Gopal Singh, CMD, CCL
15	Sh. B.K. Saxena, Director (Marketing)), CIL
16	Sh. A.K. Tiwari, Director (O), MCL
17	Sh. Tarak S. Roa, CIL
18	Sh. L.K. Mishra, GM(S&M), CIL GM (S&M)
19	Sh. Rajesh Bhushan, Chief Manager, CIL
20	Sh. G.K. Vashishtha, CSM, CIL, New Delhi
21	Sh. Rajeev Gupta, CCL
22	Sh. Raghu Nandan, MCL, GM, CCL
23	Sh V.K. Singh, GM (S&M), ECL
24	Sh. A.C. Verma, GM ( S&M), CIL, Delhi Office
25	Sh. S. N. Prasad, GM (S&M), WCL
26.	Shri S.K. Roy, Sr. MGR (S&M), SECL