

MOST IMMEDIATE

File No.23014/2/2015-CPD
Government of India
Ministry of Coal
<<>

New Delhi, the 16th July, 2015

OFFICE MEMORANDUM

Subject: Meeting of the Standing Linkage Committee (Long-Term) for Power/Sponge/ Cement Sectors to review the status of existing coal linkages/LoAs and other related matters to be held on 17th July, 2015 at 11.00 A.M.

In continuation of this Ministry's OM of even No. dated 06.07.2015 on the above mentioned subject, I am directed to enclose herewith the agenda items to be discussed in the above meeting. The venue of the meeting is "Bhaba Chamber, Scope Convention Centre, Scope Complex, 7 Lodhi Road, New Delhi-1100 03. It is requested to kindly make it convenient to attend the meeting. The project proponents whose cases are mentioned in the agenda may also attend the meeting, if they wish to represent their case before the SLC (LT).

Pillari - R 16/7/2015
(Pilli Ravi Kumar)

Under Secretary to the Govt. of India

To

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. Shri Manoj K Akhouri, Executive Director, T. T. (F), Room No. 261, Railway Board, Ministry of Railways	Member
10. Chairman-cum-Managing Director, CIL, Coal Bhawan, New Town, Razar Hat, Kolkata-700156	Member
11. Director(Marketing), CIL, Coal Bhawan, New Town, Razar Hat, Kolkata-700156	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, Coal Bhawan, New Town, Razar Hat, Kolkata-700156 ii) GM(S&M), CIL, Coal Bhawan, New Town, Razar Hat, Kolkata-700156, iii) CGM(CP), CIL, Coal Bhawan, New Town, Razar Hat, Kolkata-700156 iv) Shri G.K. Vashishtha, GM(S&M), CIL, Scope Minar, Laxmi Nagar, Delhi.

Copy also to:-

1. OSD to Minister of State (I/C) for Coal 2. PS to Minister of State (I/C) for Power, Coal and N&RE,
3. PSO to Secretary(Coal), 4. PPS to Additional Secretary(Coal), 5. PPS to Joint Secretary(RKS), 6.
PPS to Joint Secretary(RPG), 7. Director (CPD).

Pillari - R 16/7/2015
(Pilli 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.

Copy to: Nodal Officer, Social Media, Ministry of Coal.

No.23014/2/2015-CPD
Government of India
Ministry of Coal
CPD Section

New Delhi, Dated 16th July, 2015

Agenda for the meeting of the Standing Linkage Committee (Long Term) for Power to be held on 17th July, 2015.

A meeting of the Standing Linkage Committee (Long Term) for Power will be held on 17.07.2015 under the chairmanship of Additional Secretary (Coal) to review the status of LoAs issued by Coal India Ltd and its subsidiaries in pursuance of the recommendations of the Committee and other related matters. The agenda shall be as follows:

Agenda Item & No.	Brief Description of the Agenda item
Agenda Item No. 1 Confirmation of Minutes of the SLC (LT) meeting held on 12.03.2015	Confirmation of Minutes of the SLC (LT) meeting held on 12.03.2015
Agenda Item No. 2 Coal India Limited (CIL) – Furnishing of the comprehensive list of TPPs with revised CODs by CEA as per decision of the SLC (LT) meeting held on 23.12.2014.	Issue: Furnishing of the comprehensive list of TPPs with revised CODs by CEA as per decision of the SLC (LT) meeting held on 23.12.2014 CIL has stated that the matter regarding acceptance of revised CODs for the plants which could not achieve COD within 12 months of their expected CODs (as communicated by CEA in past) was taken up in the SLC (LT) meeting held on 22.09.2014 and following was recommended at Item No. 3 (ii): i) Notice for cancellation issued due to non-achievement of COD may be kept in abeyance in all such cases

- ii) CEA and CIL should formulate a common policy in the matter.
- iii) CEA should furnish a comprehensive list of TPPs with revised COD and there should not be any slippage beyond that and
- iv) The issues of imposition of penalty due to non-achievement of COD to be decided thereafter.

CIL further stated that in the meeting of SLC (LT) held on 23.12.2014, the matter was again deliberated and certain modifications were made in the above recommendations, as under:

The Committee recommended that in respect of item no. 3(ii) of minutes of SLC (LT) held on 22.09.2014, 'CEA and CIL' may be replaced by 'CEA and MOP' as CIL does not have a role in policy formulation with regard to COD.

CEA shall furnish the comprehensive list of TPPs with revised CoD by 15 January, 2015.

Wherever commissioning/carpet is coal required as per CEA's communication, it shall be made available by CIL for achievement of COD."

However, no comprehensive list of TPPs with revised CODs has been received by CIL even upto 30.06.2015.

In view of the above, CIL has requested that the matter to be placed to the SLC (LT) for the following decision:

1. MoP/CEA to furnish a comprehensive list of TPPs with revised COD superseding the earlier CODs communicated by CEA, in reference to SLC (LT) decisions.
2. Issuance of policy by CEA & MoP regarding termination of plants for non-compliance of COD.

The SLC (LT) to take a view in the matter.

<p>Agenda Item No. 3</p> <p>Coal India Limited (CIL) –</p> <p>Modification in quantity due to de-commissioned/closed/de-rated units of pre-2009 TPPs.</p>	<p>Issue: Modification in quantity due to de-commissioned/closed/de-rated units of pre-2009 TPPs.</p> <p>CIL has stated that the issue of reduction in quantity due to de-commissioned/closed/de-rated units of pre-2009 TPPs was first deliberated in the SLC (LT) Meeting for Power held on 23rd December, 2014, wherein, vide Agenda No. 2, the Committee recommended that quantity of FSAs corresponding to decommissioned units would be reduced on pro-rata basis and consequent change in the supply scenario would be analyzed with a view to improve materialization.</p> <p>CIL has also stated that however, in the SLC (LT) Meeting held on 12.03.2015, while confirming the Minutes of SLC (LT) Meeting held on 23rd December, 2014, the Committee recommended that instead of pro-rata reduction in ACQ for all plants having decommissioned units MOP's inputs should be taken into account while deciding on reduction in ACQ or otherwise. But, till date (14.07.2015) no inputs of MOP/CEA has been received although CIL has already written to CEA and MOC in this regard.</p> <p>A considerable time has lapsed and the coal companies are pressing hard for immediate direction of CIL in terms of FSA in the matter. Therefore CIL has modified the FSA quantity due to de-commissioned/closed/de-rated units of pre-2009 TPPs in line with the direction of SLC (LT) based on the information given by the coal companies and available in the public domain. The best of pro-rata quantity and normative quantity at the lowest available grade for the remaining balance capacity has been considered for deriving the modified quantity.</p> <p>CIL has requested that the above issue may be placed before SLC (LT) for ratification of the revised reduced quantity as mentioned in Annexure -1.</p> <p>The SLC (LT) to take a view in the matter.</p>
<p>Agenda Item No. 4</p> <p>Coal India Limited (CIL) –</p>	<p>Issue: Signing of FSA with Bakreshwar unit-5 of 210 MW of M/s. WBPDC</p> <p>CIL has stated that the unit was recommended for issuance of LOA in the SLC (LT)</p>

<p>Signing of FSA with Bakreshwar unit-5 of 210 MW of M/s. WBPDCCL</p>	<p>meeting held on 22/23.10.2008 but due to non-submission of requisite CG on time, LOA was not issued to the unit. On request of condoning the delay in submission of CG and willingness to submitting the CG, the matter was discussed in the SLC (LT) meeting held on 27.06.2014, wherein, the delay was condoned and it was decided that the unit will submit the requisite CG to coal company within 3 months and thereafter LOA will be issued by CIL. Accordingly, after submission of requisite CG, LOA has been issued to the unit from ECL for a quantity of 0.714 MT in A/B/C/D/E erstwhile grade of coal.</p> <p>Further, CIL has stated that the unit submitted milestones documents which were found okay and consequently, it was decided to sign FSA with the unit. However, during the execution of FSA, WBPDCCL failed to submit the "no Coal Block Allocation" declaration. However, WBPDCCL has submitted a declaration wherein it is stated that certain coal blocks have been allocated to WBPDCCL as a whole and no specific information has been provided for Bakeswar Unit-5. Under the circumstances, FSA could not be executed for Bakeswar Unit 5 as per the provisions of the FSA.</p> <p>CIL has requested that the above issue may be placed before SLC (LT) for deliberation and a general decision as there are other similar cases.</p> <p>The SLC (LT) to take a view in the matter.</p>
<p>Agenda Item No. 5</p> <p>Swapping of Domestic and Imported coal between GSECL and NTPC – Inclusion of Korba Coalfield under swapping arrangement.</p>	<p>Swapping of Domestic and Imported coal between GSECL and NTPC – Inclusion of Korba Coalfield under swapping arrangement.</p> <p>The proposal for allowing swapping of coal between State utilities and Central power utilities for bridging the gap between coal requirement and availability of domestic coal and to minimize the transportation cost and to avoid criss-cross movement in the over congested railways network was discussed in SLC (LT) meeting of 11.08.2014. Swapping of coal between GSECL's SECL- Korea – Rewa coal with imported coal of NTPC was also discussed during the SLC (LT) meeting held on 11.08.2014. The Committee recommended that the proposal of GSECL and NTPC may be agreed. The domestic coal against FSA of GSECL from Korea-Rewa may be allowed to be used by NTPC for their Sipat plant. Only destination change of domestic coal may be allowed,</p>

	<p>keeping all other terms constant, subject to railway logistics. Arrangement with respect to imported coal may be on their mutual terms, subject to decision in this regard by CEA/MoP.</p> <p>MoP forwarded a letter of Gujarat State Electricity Corporation Ltd (GSECL) regarding swapping of Korea Rewa Coal of GSECL with Import coal of NTPC. Accordingly, the swapping of coal actually commenced from 21.10.2014. Now GSECL has requested to include Korba Coalfields in addition to Korea Rewa under the swapping arrangements. MoP requested that a suitable amendment in the minutes of SLC (LT) held on 11.08.2014 may be done, so that the GSECL coal from Korba coal fields can also be supplied to NTPC under swapping mechanism. However, NTPC has reservations regarding materialisation of its existing quantity under MGR dedicated system. Railways may also have operational issues in movement of coal in congested railway network in Korba area.</p> <p>The SLC (LT) to take a view in the matter.</p>
<p>Agenda Item No. 6</p> <p>Dhariwal Infrastructure Pvt. Ltd (DIPL)</p>	<p>Issue: Change of name from Dhariwal Infrastructure Pvt. Ltd (DIPL) to Dhariwal Infrastructure Ltd. (DIL).</p> <p>Brief Background :-</p> <p>Dhariwal Infrastructure Pvt. Ltd. (DIPL) was issued two LoAs - one dated 20.8.2008 and a second one dated 6.6.2009 by SECL. After achieving the milestones, as required under the LoAs, DIPL approached SECL for signing the FSAs. Subsequently, it applied to MoC for change of name from DIPL to Dhariwal Infrastructure Ltd. (DIL). The change of name was proposed consequent upon the change in shareholding pattern in the company. DIPL claimed that when it approached SECL for signing the FSA, it was pointed out that the permission as required under clause 5 of LoA was not taken by DIL, before change in shareholding pattern. Viewing this as a case of non-compliance with the stipulation under clause 5 of LoA, the Ministry did not agree for the change in name</p>

due to the following reasons:-

- i. The share transfer is tantamount to violation of para 5 of the Letter of Assurance (LoA) dated 20.8.2008 issued by SECL;
- ii. It is violative of para 5 of the LoA dated 6.6.2009 issued by SECL;
- 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
- iv. As on 26.8.2009, Dhariwal Group and Prithvi Group held 55% and 45% of the shares respectively. However, as on 19.8.2013, CESC Infrastructure Ltd. owned 99.99% of shares, with Subhasish Mitra holding 0.01% of shares. Consequent to this complete transfer of shares, the management of the company has changed.

Para 5 of both LoAs clearly stipulates that the party shall not without express prior written consent of Assurer (i.e. the coal co.) may assign any third person the LoA or any right, benefit, obligation or interest therein or thereunder.”

This was communicated to the applicant vide letter dated 13.09.2013.

DIL approached the Hon'ble High Court of Chhattisgarh for relief vide WP No.2467 of 2014. The Hon'ble High Court vide order dated 3.3.2015 directed as follows:

“ The respondents have taken a clear stand that the only issues surviving for considering violation of the LoA are as contained in communication dated 7.11.2014. The Respondents have not raised issues that the project and location for which LoA had been granted has been altered or that the conditions of the LoA changed. A reasonable conclusion therefore is that the communication dated 13.09.2013 for violation of clause 5 of the LoA has been waived by the Respondents themselves.

Let the Respondents in the SLC(LT) consider issues in the light of their own policy guidelines 5.8.2008 and 18.4.2011 and take a final decision in accordance with law by passing a reasoned and speaking order displaying application of mind within a maximum of eight weeks from the date of receipt and/or communication of this order,

subject to cooperation by the Petitioner. Liberty is also granted to the Petitioners to supplement their stand before the Respondents. If the Petitioners request for a personal hearing, it shall be granted to them.”

Pursuant to HC order, DIL had contented in their representation dated 19.03.2015 that both the units have been fully commissioned after achievement of the milestones as per LoAs and that a total investment of Rs. 3670 crores has been made in the project, out of which Rs. 2600 crores has been financed by Indian Commercial Banks. Further, change in name had been duly approved by Registrar of Companies, West Bengal. The LoA does not specifically debar change in shareholding pattern, which has taken place under the relevant provisions of Companies Act, 1956 and 2013. Since there is no assignment to any third party, transfer of shareholding would not trigger the assignment clause. The LoA was granted in favour of DIPL and remained in its name even after change in shareholding pattern. Further, the project for which the linkage was given remained unaltered and its location has not changed and the conditions under which the original linkage was given has also remained unaltered. These conditions fulfill requirements regarding change of name vide SLC (LT) decision dated 05.08.2008 and 18.04.2011. DIL vide its letter dt. 19.3.2015 also requested for a personal hearing. Accordingly, a personal hearing was accorded to DIL on 6.5.2015.

A speaking order was passed on 3.6.2015 in accordance with direction of High Court. The Competent Authority “after examining the matter in detail and carefully considering the same, particularly taking into account the fact that:-

- (i) neither the location nor the nature of end use plant has changed which accords with the SLC(LT) stipulation dated 5.8.2008;
- (ii) that Rs. 2625 cr. Investment has been made (though not before transfer of shares);
- (iii) Hon'ble High Court has observed that clause 5 of LoA has been waived off and in view of the Ministry's letter dated 19.9.2014 and 7.11.2014, the communication dated 13.9.2013 no more holds good;
- (iv) the issues that survive are the reason for not taking prior approval of MoC

	<p>before name change and certain details about share transfer and investments, which has been attempted to be explained by DIL; and</p> <p>(v) change in shareholding is neither prohibited under the LoA nor under the Companies Act, the request for change of name should be considered on these lines :-</p> <p>a) It is a fact that there is serious omission on the part of party in not taking prior permission for change of name. However, the matter has now to be decided in the light of the order of Hon'ble High Court.</p> <p>b) To ensure fulfillment of procedural requirements, these proceedings should be brought before the very next meeting of SLC(LT) for considering the request for change of name on these lines. At that time, the appellants too shall be present".</p> <p>Accordingly, the request for change of name is put up before SLC (LT) for consideration.</p> <p>The SLC (LT) to take a view in the matter.</p>
<p>Agenda No. 7</p> <p>M/s. HJI Division of Orient Paper Mills</p>	<p>Issue: Enhancement in the capacity of CPP from 15 MW to 30 MW of M/s. HJI Division of Orient Paper Mills.</p> <p>The applicant company has requested for enhancement in the capacity of CPP from 15 MW to 30 MW. Original LoA was issued on 25.06.2010 for a capacity of 15 MW CPP.</p> <p>SECL has stated that the LOA holder increased the capacity of CPP from 15 MW to 30 MW and the milestone documents submitted by them was also of 30 MW capacity. All the milestones were found to be achieved/fulfilled for 30 MW capacity. Ministry of Power forwarded view of CEA that where the additional coal is not requested by the project developer, the enhanced capacity may be considered by MoP. MoP has not furnished their specific comments in the matter.</p>

	<p>In this regard it may be mentioned that as per the extant instructions , enhancement in capacity upto 20% of unit size without additional coal commitment can be considered. Enhancement in capacity by more than 20% is not permitted.</p> <p>The SLC (LT) to take a view in the matter.</p>
<p>Agenda No. 8</p> <p>Urja (Niji Nivesh) Prokoth Uttar Pradesh Shasan –Karchana Power Plant</p>	<p>Issue: Development of Karchana Power Project by UPRVUNL – Issue regarding LoA.</p> <p>Urja (Niji Nivesh) Prokoth Uttar Pradesh Shasan has represented that during SLC(LT) meeting held on 02.08.2007, the competent authority approved grant of LoA to 1320 MW Karchana Power Plant/UP Government. With a view to conduct bidding process and to select developer for the said project the shell company which was an SPV, was converted as a subsidiary company by UPPCL. By the bidding process, M/s. Jaiprakash Associates Limited emerged as the successful bidder and the SPV M/s. Sangam Power Generation Company Ltd was transferred to them. Later on due to some reasons M/s Jaiprakash Associates Ltd expressed to withdraw from the project.</p> <p>Since a number of activities for the development of the project were already completed, UP govt. tried to revive this project and decided to develop the Karchana project through UPRVUNL, an undertaking of Govt. of UP by transferring shell company M/s. Sangam Power Generation Company Ltd from M/s Jaiprakash Associates Limited to UPRVUNL. Urja (Niji Nivesh) Prokoth Uttar Pradesh Shasan had submitted a request for transfer of the shell company M/s. Sangam Power Generation Company Ltd from M/s Jaiprakash Associates Limited to UPRVUNL.</p> <p>The above proposal was examined and was placed before the SLC (LT) meeting</p>

	<p>held on 27.06.2014. The Committee recommended that the matter may be examined by MoP and based on the recommendations of MoP appropriate decisions would be taken. MoP vide their communication dated 13.03.15 has stated that they have “ no objection if the status quo of coal linkage, which was initially provided to Karchana Power Project/UP Govt. vide Ministry of Coal’s OM dated 29.08.2007, is maintained. Govt. of Uttar Pradesh intends to develop this project through UPRVUNL. Any request to transfer the linkage in future for any other project/developer may not be considered.”</p> <p>In this regard, it is mentioned that LoA was issued by NCL on 22.1.2009 to UPPCL. Later on, based on request of CMD/UPPCL, MoC approved transfer of LoA from UPPCL to the shell company viz. M/s Sangam Power Generation Ltd. vide order dated 07.09.2010. As on date, LoA stands issued in the name of shell company M/s Sangam Power Generation Ltd.</p> <p>The SLC (LT) to take a view in the matter.</p>
<p>Agenda Item No. 9</p> <p>Indiabulls Realtech Limited (IRL). (now known as Rattan Nasik Power Limited)</p>	<p>Issue: Extension of Condition Precedent – Clause No. 2.8.2.3 of FSA</p> <p>The applicant company Indiabulls Realtech Limited (IRL), (now known as Rattan Nasik Power Limited) has stated that they are developing 1350 MW Nasik Thermal Power Project at Additional Sinnar Industrial Area, Nasik District, Maharashtra. Unit 1 has achieved COD and balance Units are under implementation. Project has coal linkage from MCL and SECL. Fuel supply Agreements with MCL and SECL was signed on 23rd August, 2013 and 03rd September, 2013 respectively.</p> <p>As per Clause no.2.8.2.3 of FSA, company has to furnish long term Power Purchase Agreement, entered directly with the Distribution Companies (Discoms) or through Power Trading Companies who have back to back PPA’s with Discoms within 24 months from</p>

	<p>the date of signing of FSA.</p> <p>It was further stated that power distribution companies can enter into long term power purchase agreement through tariff based competitive bidding only. Discoms use the standard bidding document issued by Ministry of Power for such bidding processes which restrict participation from Power Trading Companies. Hence, it leaves with only option for direct power tie-up with Discom. Power distribution companies invite tenders for long term power supply as and when long term power purchase need arises. IRL has been participating in all such bids for long term power tie-up.</p> <p>However, the number of opportunities available to enter into a competitive bidding and securing PPA for last more than six years were very low as compared to capacities being commissioned.</p> <p>IRL has stated that they have taken necessary steps for securing long term power purchase agreements for its project. Finalization of schedule of above mentioned bids and petition is beyond their control, and requested to grant extension of two years for fulfilling this Condition Precedent (clause 2.8.2.3 of FSA).</p> <p>The SLC (LT) to take a view in the matter.</p>
<p>Agenda Item No. 10</p> <p>M/s. Lanco Babandh Power Ltd. (LBPL), Unit -1 660 MW.</p>	<p>Issue: Clarification whether Unit-I of 660MW of total 1320 MW of M/s Lanco Babandh Power Limited may be treated as a long term linkage or tapering.</p> <p>M/s. Lanco Babandh Power Ltd. (LBPL) has submitted a representation with the request to resolve the issue for treating their Unit-I (660 MW) of 1320 MW Lanco Babandh Power Project as a long term linkage and allow them for signing of FSA for Unit-I (660MW) of Phase-I project with MCL on normal linkage basis.</p>

It was represented by LBPL that they had planned 2640 MW capacity. Coal linkage for Unit 1 of 660 MW was granted on 02.08.2007 and subsequently coal block for 1000 MW capacity was allocated on 17.01.2008. Unit 2 (660 MW) and part of Unit-3(340 MW out of 660 MW) were linked to the coal block. Therefore Unit # 1 is not at all linked with the coal block and FSA should be signed for Unit 1 on long term basis.

The issue was discussed in the last SLC (LT) meetings held on 27.6.2014 and 11.08.2014. The committee in its meeting held on 11.8.2014 recommended as under:-

"The Committee recommended that in view of the chronology of the events viz. coal block allocation, issuance of LoA, and also taking into account about the overall plant capacity 4x660 as confirmed by the applicant, the documents submitted by the company will be examined and an appropriate decision will be taken by MoC on file. Delay in the matter is condoned."

It was contended by LBPL in their representation that they had given application for 2640 MW on 05.09.2006 for coal linkage, which was revised to 1320 MW on 27.03.2007 on advise of Govt. of Odisha due to water allocation for 1320 MW only. Later on, they had applied for expansion of the project from 1320 MW to 2640 MW. They has submitted a number of documents on 10.07.2014 which support their contention that the total capacity planned was 2640 MW and that Unit 1 was having Normal Linkage.

However, on the contrary, there are various correspondences & communications available on file that the capacity being implemented was 1320 MW. Moreover, while applying for long-term linkage for unit 3&4 on 01.07.2008, they did not mention about allocation of coal block which was allocated earlier on 17.01.2008. When the CCO tapered their linkage vide letter dated 01.11.2013, they claimed that 1000 MW out of Unit 2 and 3 was linked with coal block and Unit 1 of 660 MW was having normal linkage.

The company was again advised to furnish relevant documents available with them

(other than those submitted by them earlier) in the matter to substantiate LBPL's claim about the ultimate capacity of plant being 2640 MW.

In response, the LBPL has furnished, apart from three less relevant documents, OM No.FU-9/2009-IPC dated 14.06.2011 sent by MoP to MoC, indicating that Lanco Babandh project capacity was 2640MW. Moreover, this OM also supports their contention of Unit 1 (660MW) having normal linkage, Unit-2 (660MW) requiring tapering linkage, 340MW of Unit 3 & 4 as requiring tapering linkage and balance 980MW of Unit 3&4 requiring long term linkage. There is another OM of MoP dated 22.12.2010 which also supports this contention. These documents substantiate their claim that Unit 1 (660MW) was having normal linkage. These letters have also to be seen in conjunction with the following facts:

- (i) SLC/LT meeting of 02.08.2007 recommended LoA for 660MW on 'normative basis' and not on 'tapering basis',
- (ii) LoA dated 29.12.2008 was issued on long term-basis and not on tapering basis,
- (iii) CCEA decision of 21.06.2013, as well as Presidential Directive of 17.07.2013, mentions Lanco Babandh Unit 1 of 660MW under projects for which FSA is to be signed under 'Normal' basis and not under projects with 'Tapering Linkage' .

In view of facts mentioned above it is now to be decided whether FSA with M/s Lanco Babandh Power Ltd. for unit 1 (660 MW) should be signed on 'Normal' basis for 660MW or on 'Tapering' basis for 320MW.

The SLC (LT) to take a view in the matter.

No.23014/2/2015-CPD
Government of India
Ministry of Coal
CPD Section

New Delhi, Dated 16th July, 2015

Agenda for the meeting of the Standing Linkage Committee (Long Term) for Non-Power to be held on 17th July, 2015.

A meeting of the Standing Linkage Committee (Long Term) for Non Power will be held on 17.07.2015 under the chairmanship of Additional Secretary (Coal) to review the status of LoAs issued by Coal India Ltd and its subsidiaries in pursuance of the recommendations of the Committee and other related matters. The agenda shall be as follows:

Agenda Item & No.	Brief Description of the Agenda item
Agenda No. 1 Pawan Solvents & Chemicals.	Issue: Shifting of Plant to New Location The applicant company M/s. Pawan Solvents & Chemicals has represented that they had established Hardcoke manufacturing unit in Village-Sewta, P.O.-Marar, Dist-Ramgarh in the year 1984. The plant executed an FSA with CCL on 30.4.2008 which was renewed on 14.8.2013 for a further period of 5 years i.e., up to 30.04.2018. The site of plant is around 1.5 Km away from Ramgarh town and is at the border of Ramgarh Cantonment. In last 30 years, due to urbanization, the area around their plant has developed. They are getting regular consent from Jharkhand State Pollution Control Board. But they find that the local inhabitants feel problems due to pollution and for the sake of community, they have decided to change the location of the unit

from Village-Sewta, P.O.-Marar, Dist- Ramgarh to Vill-Kanjagi, P.O. Argada, Distt.- Ramgarh.

The applicant company has further stated that they had purchased a land at vill-Kanjagi, P.O.-Argada, Dist-Ramgarh which meets all the standards of Pollution Board. They had also applied to pollution Board for No Objection Certificate (NOC). The land is approx. 9 Km away from present site in same district.

The applicant company also stated that they had requested General Manager, District Industries Centre, Hazaribagh to permit them to shift to new location. The GM, DIC Hazaribagh vide their order dated 31.1.2015 permitted them to shift the plant to new location i.e. Vill-Kanjagi, P.O.-Agrada. Dist- Ramgarh.

The applicant company also stated that on receiving permission they can establish the plant in 6 months. They cannot establish the plant without consent. The plant will be constructed with fresh fire bricks and new machineries. The old machineries are nearly 30 years old and dismantling and installation at new site will cost more. Till the plant is constructed at new site, the old unit will continue to run.

Therefore, the applicant company has requested for change in the location of plant so that the FSA can continue at new site and also the community can live in peace.

CIL has also stated that the plant, a cokery unit, has represented that due to environmental hazardness they had to shift the plant to a new location and has also established the plant with new machineries, Therefore, CIL has requested to place the matter in SLC (LT) meeting for deliberation & consideration.

In this regard it may be mentioned that there are no extant guidelines for change in location in case the plant is up and running for the past many years. There are guide

	<p>lines dated 5.4.2011 which are applicable in case of power projects, that too at LoA stage only. The present proposal is not a case of LoA holder.</p>
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The SLC (LT) to take a view in the matter.

No.23014/2/2015-CPD
Government of India
Ministry of Coal
CPD Section

New Delhi, Dated 16th July, 2015

Agenda for the meeting of the Standing Linkage Committee (Long Term) for Sponge Iron to be held on 17th July, 2015.

A meeting of the Standing Linkage Committee (Long Term) for Sponge Iron will be held on 17.07.2015 under the chairmanship of Additional Secretary (Coal) to review the status of LoAs issued by Coal India Ltd and its subsidiaries in pursuance of the recommendations of the Committee and other related matters. The agenda shall be as follows:

Agenda Item & No.	Brief Description of the Agenda item
Agenda Item No. 1 Confirmation of Minutes of the SLC (LT) meeting held on 12.03.2015	Confirmation of Minutes of the SLC (LT) meeting held on 12.03.2015
Agenda Item No. 2 Discrepancy in allocation of coal to Sponge Iron Units	Issue: Decisions taken in SLC(LT) dated 12.5.2006 and 6.11.2007 have created discrepancy in allocation of coal to Sponge Iron Units. <u>Brief Background:-</u> M/s. S. A. Iron & Alloys Pvt. Ltd. has represented that they were granted coal linkage by the MoC to the extent of 60% of requirement as Coal quantity recommended by

the Ministry of Steel as per the decision taken during the SLC (LT) meeting held on 26.10.2005 and 12.05.2006. Thereafter, in subsequent SLC (LT) meeting held on 06.11.2007 a decision was taken to give coal to the extent of 75% of the requirement of the unit to all the new sponge manufacturing units.

It was further stated that the above minutes of the meeting circulated had not clarified that the subsequent decision taken in above referred meeting(6.11.2007) is in supersession of the earlier decision taken in the meeting held on 12.05.2006 and it will be applicable to all the units, who have commissioned earlier also. The omission of the above clarification has resulted in discrepancies as S.A. Iron and Alloys (P) Ltd. is getting only 60% of required quantities of unit whereas the units who have come in existence later in 2008 are getting 75% of their requirement of normative quantity.

This discrepancy has been pointed out by many other customers and was also highlighted by Chhattisgarh Sponge Iron Manufacturers Association during Special SLC(LT) meeting held on 3.12.2014.

Comments of CIL

CIL has clarified that before introduction of NCDP, coal was supplied to sponge iron plants (SIP) as per monthly allocations derived from the long-term linkages granted by SLC (LT). Prior to 2005, SLC (LT) granted linkages as per the requirement of the sponge iron plants recommended by Ministry of Steel (MoS). However, from 2005 onwards, because of the situation of coal shortage and considering the coal availability position, SLC (LT) had restricted LT linkages at the level of 60% of normative requirement of sponge iron plants. As part of implementation of NCDP, 2007 the erstwhile LT linkages that were granted by SLC (LT) considered to be the normative requirement of SIPs and FSA was concluded at 75% of long-term linkage. However, in respect of those SIPs which were granted LT linkages from 2005 onwards @ 60% of their requirement, FSA

	<p>was concluded by CIL sources @ 100% of their LT linkage quantity in line with decision taken by CIL Board.</p> <p>In respect of SIPs which have come up after NCDP, FSA is signed on the 75% level of their normative coal requirement. However, it is worth noting that the supply mix is comprising 50% of indigenous coal and 50% of imported coal whereas in case of erstwhile LT linkages, the supply mix is only indigenous coal. Therefore, in case of SIPs which have come up after NCDP, indigenous coal supply is restricted to 37.5% of their normative coal requirement. However, the normative requirement of coal for SIPs is under formulation, upon which, as per CIL Board direction, ACQ shall be revised and modified in line with the provisions of the NCDP.</p> <p>It is for consideration of SLC(LT) whether uniform allocation @ 60% or 75% of the normative requirement across all SIPs be mandated.</p> <p>The SLC (LT) to take a view in the matter.</p>
<p>Agenda Item No. 3</p> <p>SPS Steel & Power Ltd.</p>	<p>Change of name from SPS Steel & Power Ltd. to Concast Steel & Power Ltd.</p> <p>M/s Concast Steel & Power Ltd. has represented that in November, 2010, Concast group took over 100% shares from SPS group which resulted in change in the management of SPS Steel & Power Ltd. Due to this, in March, 2011, the name of the company has been changed from SPS Steel & Power Ltd. to Concast Steel & Power Ltd. by Certificate of Incorporation issued by Registrar of Companies on 30.03.2011. A request was made on 12.07.2011 for change in name of company from SPS Steel & Power Ltd. to Concast Steel & Power Ltd. The company stated that this is not a transfer of linkage from one legal entity to another legal entity and merely their request is for change of name. Since request of the company for name change was not yet been approved, MCL stopped issue of required linkage of coal in 2011. However, the company in its subsequent request for</p>

restoration of linkage of coal stated that due to judgment of the Hon'ble Supreme Court of India on 24.09.2014, Radhikapur (East) coal block allotted to them was cancelled and subsequently the coal linkage from MCL has been terminated after completion of the tapering period.

Comments of MCL

Fuel Supply Agreement (FSA) was executed between SPS Steel & Power Ltd. and MCL on 30.04.2008 for an ACQ of 1,08,000 tes (75% of 1,44,000 tes) for kiln 1 to 3 against linkage accorded by Linkage Committee in its meeting held on 12.04.2004 for capacity of 90,000 TPA and communicated by MoC on 24.09.2004. SLC (LT) in its meeting held on 12.05.2006 recommended quantity of 28,800 tpa for the 4th Kiln on tapering basis. Although 75% of the above quantity i.e. 21,600 Tes/Annum was included in the FSA dated 30.04.2008, the tapering linkage was valid upto 31.03.2008 as per MoC letter dated 22.03.2007. Hence, it was excluded from the ACQ of the FSA dated 30.04.2008 in its subsequent amendment dated 16.05.2009.

Another FSA through LOA was executed between SPS Steel & Power Ltd. and MCL on 05.11.2009 for their Kiln-5 and 6 of capacity 60,000 GTPA for an ACQ of 72,000 TPA linkage which was accorded by SLC (LT) in its meeting held on 06.11.2007 and LOA was issued by MCL on 13.04.2009. *Further, SPS Steel & Power Ltd. was allocated Radhikapur (East) coal block and the normative date of production as per CCO was 07.08.2009 and as per the tapering policy, the three year tapering period was over on 06.08.2012.*

It has been further indicated that coal was released to the consumer against both the FSAs upto October, 2011 and no further application for release of coal is on the record of MCL. As the level of lifting by the consumer in the financial year 2012-13 against both the FSAs was NIL, notice for termination of the FSAs were issued due to

level of lifting being less than 30% of effective ACQ as per the provisions of FSA. But forfeiture of Security Deposit and termination of FSA has not yet been affected as the case for change in name is pending with MoC.

The company in its letter had indicated that they have received coal quantity of 85,396.35 MT from MCL for the year 2010-11 whereas MCL has released coal to the company upto October, 2011. Further, request for the name change was made by Concast Steel & Power Ltd. on 12.07.2011 instead of SPS Steel & Power Ltd. No request/proposal before 12.07.2011 was received for name change in the Ministry.

It is pointed out that the plant has been in operation since 2005 and 100% takeover of M/s SPS Steel & Power Ltd. took place in 2010. So far as tapering linkage is concerned, three year tapering period has already expired on 06.08.2012.

It is for consideration of SLC(LT) as to whether the request for change of name from M/s SPS Steel & Power Ltd to M/s. Concast Steel & Power Ltd consequent upon takeover be approved or otherwise.

SLC(LT) to take a view in the matter.

No.23014/2/2015-CPD
Government of India
Ministry of Coal
CPD Section

New Delhi, Dated 16th July, 2015

Agenda for the meeting of the Standing Linkage Committee (Long Term) for Cement to be held on 17th July, 2015.

A meeting of the Standing Linkage Committee (Long Term) for Cement will be held on 17.07.2015 under the chairmanship of Additional Secretary (Coal) to review the status of LoAs issued by Coal India Ltd and its subsidiaries in pursuance of the recommendations of the Committee and other related matters. The agenda shall be as follows:

Agenda Item & No.	Brief Description of the Agenda item
Agenda Item No. 1 Confirmation of Minutes of the SLC (LT) meeting held on 12.03.2015	Confirmation of Minutes of the SLC (LT) meeting held on 12.03.2015

Annual Contracted Quantity (ACQ) due to de-commissioning of old units of Pre-2009 TPPs of DVC, DPL, WBPDCL, UPRVUNL, MAHAGENCO and MPPGCL

Plant name and configuration				FSA details		De-commissioned/ balance capacity (MW)		Quantity calculated on Normative basis	Quantity calculated on Pro-rata basis	Subsidiary wise recommend ed Quantitty (MT)	
Sl. No.	Name of the Power Plant	Existing Capacity (MW)	Capacity Configuration of the plant (MW)	Coal Company	FSA quantity	De- commissi oned capacity (MW)	Balance remaining capacity (MW)	Normative quantity for the remaining balance capacity	Remaining Quantity for balance capacity (MT)		
1	CHANDRAPURA	750	3X120 + 3X130	BCCL	0.655	360	390	1.637	0.341	0.655	
				CCL	1.045				0.543	1.045	
				CIL	1.700				0.884	1.700	
2	DPL	701	2X30 + 3X77 + 1X110 + 1X300	ECL	0.300	291	410	1.839	0.175	0.300	
			BCCL	1.000	0.585				0.840		
			MCL	0.900	0.526				0.700		
			CIL	2.200	1.287				1.840		
3	SANTALDIH TPS	730	4X120 + 1X250	ECL	0.400	480	250	1.116	0.137	0.200	
			BCCL	0.400	0.137				0.726		
			MCL	0.840	0.288				0.190		
			CIL	1.640	0.562				1.116		
4	HARDUAGANJ	220	1X55 + 1X60 + 1X105	BCCL	0.553	55	165	0.729	0.420	0.550	
			CCL	0.347	0.260				0.180		
			CIL TOTAL	0.900	0.682				0.730		
5	BHUSWAL	475	1X55 + 2X210	WCL	2.800	55	420	1.728	2.476	2.476	
6	Koradih	1040	4X105 + 1X200 + 2X210	SECL	3.105	420	620	2.889	1.851	1.560	
					WCL				0.615	0.367	0.500
					MCL				1.580	0.942	1.100
					CIL				5.300	3.160	3.160

Annual Contracted Quantity (ACQ) due to de-commissioning of old units of Pre-2009 TPPs of DVC, DPL, WBPDC, UPRVUNL, MAHAGENCO and MPPGCL

Plant name and configuration				FSA details		De-commissioned/ balance capacity (MW)		Quantity calculated on Normative basis	Quantity calculated on Pro-rata basis	Subsidiary wise recommen ded Quantitty (MT)
Sl. No.	Name of the Power Plant	Existing Capacity (MW)	Capacity Configuration of the plant (MW)	Coal Company	FSA quantity	De-commissi oned capacity (MW)	Balance remaining capacity (MW)	Normative quantity for the remaining balance capacity	Remaining Quantity for balance capacity (MT)	
7	NASIK	880	2X125 + 3X210	WCL	3.689	250	630	0.000	2.641	2.354
				SECL	1.011				0.724	1.011
				CIL	4.700				3.365	3.365
8	PARLI	920	2X20 + 3X210 + 1X250	WCL	2.500	40	880	3.621	2.391	2.391
9	PARAS	305	1X55 + 1X250	WCL	1.800	55	250	1.029	1.475	1.475
10	SARNI/ SATPURA	1142.5	5X62.5 + 1X200 + 3X210	WCL	6.600	312.5	830	1.172	4.795	4.795
11	Obra	1372	1X40 + 1X50 + 1X94 + 2x94 + 5X200	NCL	5.000	94	1278	-	4.647	4.647