

No. 23011/79/2014-CPD
Government of India
Ministry of Coal

New Delhi, the 23rd June, 2015.

OFFICE MEMORANDUM

Subject : Minutes of the meeting of the pending issues related to Stage-I Recommendation of coal linkage.

The undersigned is directed to forward herewith a copy of the minutes of the meeting of the pending issues related to Stage-I Recommendation of coal linkage held on 08.06.2015 under the Chairmanship of Dr. A.K. Dubey, Additional Secretary, Ministry of Coal for information and necessary action.

Encls. As above.

09-4-23/6/2015

(Pilli Ravi Kumar)

Under Secretary to the Govt. of India.

To

1. Ms Jyoti Arora, Joint Secretary, Ministry of Power, Shram Shakti Bhawan, New Delhi.
2. Shri S. Abbasi, Joint Secretary, Ministry of Steel, Udyog Bhawan, New Delhi.
3. Shri H.S. Bajwa, Director TT (G), Ministry of Railway, Rail Bhawan, New Delhi.
4. Ms Gauri Karol, Director, Deptt. of Industrial Policy & Promotion, Udyog Bhawan, New Delhi.
5. Shri Anant K. Saran, Director (Ports), Ministry of Shipping, Transport Bhawan, Parliament Street, New Delhi.
6. Chairman, Central Electricity Authority, Sewa Bhavan, R.K. Puram, New Delhi
7. Chairman/Mng.-Director, Coal India Limited, 10, Netaji Subhas Road, Kolkata.
8. Chairman, NTPC, SCOPE Complex, Lodhi Road, New Delhi.
9. Chairman/Mng.-Director, Singareni Collieries Company Limited, PB No. 18, Red Hills, Khairatabad, Hyderabad.
10. CMDs of all subsidiary coal companies of CIL.
11. Chairman/Mng.-Director, Gujarat State Electricity Corporation Ltd., Vidyut Bhawan, Race Course, Vadodara, India .
12. Shri B.K. Saxena, Director (Mktg.), Coal India Limited, 15, Park Street, Kolkata.
13. Shri G.K. Vashisht, General Manager (S&M), Coal India Ltd., SCOPE Minar, Laxmi Nagar, Delhi.

Copy also to :-

- i) PPS to Additional Secretary (Coal)
- ii) PPS to Joint Secretary (RKS)
- ✓ iii) Technical Director, NIC Cell, Ministry of Coal with the request to upload it on the Website of the Ministry for information of all concerned.

Minutes of the meeting on the pending issues related to Stage-I Rationalization of coal linkage held on 08.06.2015

List of Participants

1. Dr, A.K. Dubey, Additional Secretary (Coal), MoC
2. Shri R.K. Sinha, Joint Secretary, MoC
3. Shri Pilli Ravi Kumar, Under Secretary, MoC
4. Shri Gurdeep Singh, Managing Director, GSECL
5. Shri M.D. Joshi, C.E. GSECL
6. Shri G. Ravindra, Executive Director (FM), NTPC
7. Shri Swami Dayal Prasad, GM (Corporate Fuel Movt), NTPC
8. Shri Srinivas Nanduri, Executive Director (Coal Movt), SCCL
9. Shri B.K. Mishra, Director (Technical), WCL
10. Shri S.N. Prasad, GM (S&M), WCL
11. Dr. Anurag Garg, Chief Manager (S&M), WCL
12. Shri Rajesh Bhushan, GM (S&M), CIL
13. Shri G.K. Vashisht, GM (S&M), CIL
14. Shri Rajesh Mishra, Sr. Manager (S&M), CIL
15. Shri V.K. Singh, GM (S&M), ECL
16. Shri S.K. Roy, Sr. Manager (FM), SECL

1. JS (LA), Ministry of Coal welcomed AS (Coal), and all the participants and briefed on the pending issues related to implementation of Stage-I of IMTF report.
2. CIL submitted that only five cases are pending for finalization of rationalized sources because of cost plus price issues of WCL and average e-auction price of SCCL.
3. GSECL submitted that interchange of quantity from one company to other should be done on notified price only and saving of cost in landed price is not viable if coal is supplied on cost plus price from WCL. Mutual discussions between GSECL/WCL/CIL have been held with the last meeting held on 2nd June 2015 with better avenues to finalize the supply on the basis of rationalized sources, it may take a few months to finalize the rationalized allocation.
4. While submitting their comparative pit head price of pre rationalized sources from SECL (Korea Rewa and Korba in 22% and 78% ratio) to post rationalized SECL price and WCL cost plus price (SECL & WCL in 50:50

ratio), WCL informed that there was no increase in coal prices and saving on account of railway freight will be available as per IMTF recommendations.

5. AS (Coal) advised GSECL and WCL/CIL to finalize the process of implementation early. Necessary directive would be issued by the Ministry to operationalize the rationalized sources according to the recommendation of IMTF.
6. NTPC submitted that rationalized allocation for Simhadri and Ramagundam are needed to be seen together as viability of ECL high grade coal for Simhadri is partially met by SCCL supply at notified price for Ramagundam STPS. SCCL prices are already higher than CIL prices and e-auction prices may further effect landed cost so much that they may not get schedule for generation due to higher tariffs.
7. SCCL informed that they have to commit additional quantity for Ramagundam and Kothagudem from the quantities allocated for e-auction and issue of non availability of additional quantities on long term basis are prohibiting them to ensure coal on normal notified prices.
8. Additional Secretary (Coal) directed SCCL to revisit the rationale for application of e-auction price for FSA coal. Higher price of coal after rationalization would also increase power tariff. SCCL would complete the process in two weeks so as to accomplish stage-I rationalization of sources as per recommendation of the IMTF.
9. JS (LA), Ministry of Coal summarized the discussion and directed coal companies and power GenCos to review the issue at the earliest possible. Ministry of Coal may issue necessary directives to operationalize the pending rationalized allocations. He also requested to have a meeting on an early date to discuss Stage II swapping of linkages.

Meeting ended with a vote of thanks to the chair.
