

New Delhi, dated: 9th August, 2014

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 11th August, 2014 at 10.30 A.M - forwarding Agenda.

In continuation of this Ministry's OM of even No. dated 05.08.2014 on the above mentioned subject, I am directed to forward herewith the agenda items to be discussed in the above meeting.

(Pilli Ravi Kumar)
Under Secretary to the Government of India

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

Copy with a request to attend the meeting:

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

Copy for information and necessary action to:-

- PS to Minister of State (I/C) for Power, Coal and New & Renewable Energy, 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).

(Pilli Ravi Kumar)
Under Secretary to the Government 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.23014/1/2014-CPD
Government of India
Ministry of Coal
CPD Section**

New Delhi, Dated 9th August, 2014

Agenda for the meeting of the Standing Linkage Committee (Long Term) for Power to be held on 11th August, 2014

A meeting of the Standing Linkage Committee (Long Term) for Power will be held on 11.08.2014 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.

Agenda Item & No.	Brief Description of the Agenda item
Agenda Item No. 1	Confirmation of Minutes of the SLC(LT) review meeting held on 27.06.2014
Agenda Item No. 2- Review of pending LoAs issued for Power Sector (IPPs)	<p>177 LoAs were issued by the CIL and its subsidiaries for power projects to be commissioned during the 11th & 12th 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 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 160 FSAs for a capacity of 73,075 MW. In the remaining 12 cases some issues related to change of ownership, extension of coal supplies beyond the period admissible under Tapering Linkage Policy, etc are involved. Such issues are being considered as Agenda Item Nos. 4 (ii) to 4 (xiii). The details of these 12 cases are enclosed at Annexure-I.</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>
Agenda Item No. 3. Policy for swapping of	<p>Subject: Formulation of a Policy for swapping of coal</p> <p>In the recent past request have been received from Ministry of Power for allowing swapping of coal</p>

<p>coal linkage</p>	<p>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.</p> <p>In view of the request received from Ministry of Power, at this point of time, a policy is to be formulated regarding swapping of coal. In this regard following points may be discussed / finalized by SLC(LT) meeting:-</p> <ul style="list-style-type: none"> (i) Each proposal of swapping shall be decided on a case to case basis, depending upon merits. There shall be no automatic route for swapping between two entities. (ii) Swapping of coal shall be done on long term basis, including concomitant modifications in FSA. No short term swapping shall be permitted. (iii) The swapping of coal shall be allowed among State power utilities and also between State and Centre power utilities only. No such swapping shall be allowed for private parties. (iv) Each proposal of swapping shall be deliberated and approved by SLC (LT). For this purpose, SLC (LT) shall meet on monthly basis, if required. The decision shall be conveyed within a time period of 30 days. (v) The proposal for swapping of coal must be based on cogent reasons. It shall be examined by SLC (LT) whether the reason is cogent or not, (vi) Each proposal of swapping of coal shall have prior concurrence of Ministry of Railways from logistics point of view, if the proposal involves movement by rail. (vii) CIL shall examine each proposal for availability of coal and feasibility of movement, before it is taken up in SLC (LT). <p>SLC (LT) is to consider the above or any other clauses and finalise the policy guidelines.</p> <p>SLC (LT) is to take a view in the matter.</p>
<p>Agenda Item No. 4- Miscellaneous Items 4 (i) Issues related to Biomass Plants for changing in the category from CPP to IPP</p>	<p>Issue: Issue of changing of the category from CPP to IPP of bio mass plants.</p> <p>The issue is related to the requests received from the Biomass plants for changing of the category from CPP to IPP of bio mass plants.</p> <p>This matter was discussed in the SLC (LT) meeting held on 27.06.2014. During the meeting representative of CIL informed that CERC has issued guidelines on 18.03.2014 prohibiting use of fossil fuels in Biomass plants. Therefore, it would not be possible to supply coal to any of the Biomass Plants. The representative of MoP also supported the view of CIL.</p> <p>The Committee had recommended as under:-</p>

	<p><i>Committee directed to ascertain in respect of CERC order regarding ban on using fossil fuels in Biomass plants from MOP. This may be done before the next meeting. All these issues will be taken thereafter.</i></p> <p>Following the directions of the Committee, MoP has been requested to ascertain the facts in this regard. The same are still awaited.</p> <p>SLC (LT) is to take a view in the matter.</p>
<p>4 (ii) LANCO Babandh Power Ltd., Phase-I, Unit-1* 660 MW from MCL</p>	<p>Issue: Clarification whether Unit-I of 660 MW of total 1320 MW of M/s. Lanco Babandh Power Limited may be treated as a long term linkage or tapering.</p> <p>The applicant represented MoC in 2014 for clarification in respect of coal linkage granted to them for their Unit-1 of 660 MW by the SLC(LT) in its meeting on 02.08.2007.</p> <p>This matter was considered by the SLC (LT) in its meeting held on 27.06.2014.</p> <p>During the meeting, representative of the applicant stated that they had applied for 4x660 MW capacity in 2006. Out of which for unit # 1 they have been granted long-term coal linkage and unit 2 & 3 are linked with coal block. Therefore, unit # 1 is not at all linked with the coal block and they may be allowed for signing FSA for this unit on long-term basis.</p> <p>It was observed that CCO vide letter dated 01.11.2013 furnished the quantification of coal linkage of 660 MW TPP on tapering basis at Babandh Village, Dhankenal, Odisha for which long-term linkage was granted by SLC(LT) on 02.08.2007. The CCO made this quantification on the basis of the status report submitted by the applicant to them indicating that the capacity associated with the coal block is phase-I (2x660 MW), unit 1 & 2, out of which 1000 MW capacity of EUP is linked with the coal block.</p> <p>It was further pointed out from the records that the applicant company initially applied for coal linkage on 05.09.2006 for its 2400 MW STPP with a configuration mentioned in the application as 3x800 MW or 4x660 MW.</p> <p>The company vide its letter dated 26.03.2007 has submitted that based on the advice and directions of the State Government, they had revised the capacity of their power plant from 2400 MW to 1320 MW.</p> <p>AS (Coal) enquired about this reduction from the applicant. But applicant could not reply to the query.</p>

	<p>The status of the units was ascertained from the representative of MoP / CEA, they confirmed that only two units of the plant are coming up. The representative of the company informed that they can submit some more papers/ documents to establish their claims. The Committee recommended as under:-</p> <p><i>Contentions of the party may be examined with respect to the supporting papers, in consultation with CCO, if necessary, and then, may be placed before this Committee.</i></p> <p>Following the directions of the Committee, matter is being examined on file in the Ministry.</p> <p>SLC (LT) is to take a view in the matter.</p>
<p>4 (iii) DB Power (CG) Unit-2 (Tapering) 600 MW from SECL</p>	<p>Issue: Signing of FSA is pending.</p> <p>Request of the applicant for grant of LoA in respect of the power plant with a capacity of 2x600 MW, was placed before the SLC (LT) for power in its meeting held on 12.11.2008. The committee recommended as under:-</p> <p><i>CEA informed that land and water for the project is available and the developer has placed the order for plant package (BOP). CEA informed that the developer has also been allocated a coal block which can sustain power generation capacity upto 600 MW. Having regard to recommendation of CEA/MOP, the Committee recommended issuance of LoA by CIL for capacity of 1200 MW (600 MW on permanent basis and 600 MW on tapering basis) in accordance with the provisions of New Coal Distribution Policy (NCDP).</i></p> <p>Accordingly, applicant has signed FSA in respect of unit-1 with SECL on 29.08.2013. But signing of FSA in respect of Unit-2 is still pending.</p> <p>In this regard comments of CIL were sought for. CIL has informed that consumer has not come forward for signing of the FSA.</p> <p>Since this unit is a part of 78,000 MW capacity, for which competent authority has directed in 2013 for signing of the FSAs, a decision in this regard is to be taken by SLC (LT).</p> <p>It is submitted in this regard that a representation was received from M/s. D. B. Power Ltd. regarding non fulfilment of contractual obligation by SECL by misrepresenting / twisting the interpretation of the terms of the FSA and PPA with TANGENCO. The request of the applicant was examined and on perusal of records following facts</p>

came into the notice:-

- Applicant applied for allocation of captive coal block in January, 2007. In the application, the capacity of the power plant was mentioned 2x500 MW = 1000 MW to be setup at Village Karmitaka, Distt. Jashpur, Chhattisgarh. The applicant has also mentioned in its coal block application in the column VI (phasing of project) that commissioning of 1st & 2nd unit of 1000 MW project would be 48 months and 52 months from the dated of coal block allotment respectively. As per the allocation letter dated 06.11.2007, company was allocated Durgapur II / Saraiya coal block for its above mentioned power plant.
- Applicant company applied for coal block much earlier than the application made for long term coal linkage.
- Coal block was allocated on 06.11.2007 well before the grant of long term / tapering coal linkage i.e. on 12.11.2008.
- Company has never intimated MoC about the increased capacity of its power plant initially from 1000 MW in coal block application and 1320 MW for coal linkage which was revised to 1200 MW for long-term coal linkage as intimated by CEA during the SLC (LT) meeting held on 12.11.2008.
- Applicant has indicated three different locations of its power plant i.e. one in Village Karmitaka, Distt. Jashpur, Chhattisgarh at the time of submission of coal block application, second Distt. Raigarh, Chhattisgarh in their initial linkage application and the third one as intimated by CEA during the SLC(LT) in its meeting held on 12.11.2008 as Jhanjgir, Distt. Champa, Chhattisgarh in respect of linkage.

Accordingly applicant was requested to furnish clarification on the following points:-

- (i) Keeping in view of the details mentioned in the coal block application submitted by the applicant in Jan, 2007 that Unit 1 & 2 are linked to the coal block, it is not clear on what account applicant in its representation dated 26.05.2014 has bifurcated the units as unit-I will be catered by Long term coal linkage and unit II will be linked with the coal block.
- (ii) It is not clear that applicant at what point of time has requested MoC for revision of the capacity of its power plant initially from 1000 MW (in the coal block application) and 1320 MW which was finally revised to 1200 MW (for the linkage).
- (iii) The change of location of the power plant i.e. from Village Karmitaka, Distt. Jashpur, Chhattisgarh as indicated in the coal block application to village Baradarha in Jhanjgir, Distt. Champa, Chhattisgarh.
- (iv) It is not clear that based on what calculation, CEA had informed during the SLC (LT) meeting held on 12.11.2008 that the coal block allocated to the company can sustain power generation capacity upto 600 MW. This aspect needs to be clarified by CIL/CMPDIL.

	<p>No response from the applicant company has been received in the ministry so far. It is also pertinent to mention that applicant has also made representation to the PMG. In the PMG meetings, representative of MoC apprised the status to PMG with a mention that applicant has not submitted clarifications in the matter. PMG directed applicant to submit the desired clarifications but he failed to do the same. Subsequently, applicant withdrew its case from PMG.</p> <p>Since clarification sought for from the applicant are yet to be received, further examination in the matter is still pending. In view of the above, till the queries raised by the Ministry are answered by the applicant, further course of action may be kept in abeyance.</p> <p>SLC (LT) is to take a view in the matter.</p>
<p>4 (iv) KSK Mahanadi Unit-3 (Tapering) 600 MW from ECL</p>	<p>Issue: Singing of FSA is pending.</p> <p>This unit is a part of 78,000 MW capacity, for which competent authority has directed in June, 2013 for signing of the FSAs.</p> <p>It is stated that there were 24 TPPs / units with tapering linkages within identified capacity of 78,000 MW. Out of these 24 units, in respect of 9 units, development of coal block was delayed due to the 'Go-No-Go' Policy of the Ministry of Environment & Forests. Since these 9 projects were covered within the identified 78,000 MW projects approved by CCEA on 21.06.2013 and formed a distinct category as they were affected by the Government policy introduced subsequent to the allocation of the coal blocks, CCEA had decided that these 9 power projects with tapering linkage, be allowed coal supplies subject to maximum approved percentage of domestic quantity as indicated in the Presidential Directive dated 17.07.2013 for a period upto 30.09.2016 or till such time the production actually starts from the blocks, whichever is earlier. For this, FSA shall be entered into with these 9 units. The CCEA further decided that FSA conditions for these 9 projects will be reviewed at an interval of six months beginning March 2015 and that FSA conditions for these projects could be revised, if required. No further extension in the above arrangement shall be granted beyond three years. However, in exceptional circumstances of a case, extension may be considered after appraisal by an expert committee on the technical and operational aspects of the development of the linked coal blocks and depending upon the domestic coal availability. Accordingly, CIL has been directed for signing of FSA with these power plants. KSK Mahanadi unit 3 is one of these 9 units.</p> <p>In this regard status was called for from CIL. CIL has informed that the consumer has been asked by ECL</p>

	<p>to sign the FSA. Consumer is not signing the FSA.</p> <p>SLC (LT) is to take a view in the matter.</p>
<p>4 (v) Chandrapura Unit 8 (DVC) 250 MW from CCL</p>	<p>Issue: Singing of FSA is pending.</p> <p>This unit is within the 24 TPPs / units with tapering linkages included in the identified capacity of 78,000 MW, for which competent authority had directed in June, 2013 for signing of the FSAs.</p> <p>Out of these 24 units, in respect of 9 units, development of coal block was delayed due to the 'Go-No-Go' Policy, competent authority had directed to sign FSAs under certain conditions.</p> <p>In respect of the remaining 15 cases matter was placed before the SLC (LT) in its meeting held on 04.10.2013. Out of these 15 cases, 6 cases viz. Mejia TPS Phase-II, Unit-2, Ukai TPS, Unit-6, Tiroda TPS Phase-I, Unit-2, Bellary TPS Unit-2, Parli TPS Unit-8 and Tiroda Phase-II, Unit-1 were found fit for the extension. In the same meeting on 04.10.2013 the issue of Chandrapura Unit-7 & 8 was also discussed. In view of the request made by MoP representative that coal supplies to unit-7 should not be stopped by the coal company without the approval of Ministry of Coal / SLC (LT), the committee recommended the same.</p> <p>In this regard comments of CIL were called for. CIL has informed that FSA cannot be signed with Unit-8. As per CCO letter dated 20.08.2013, the unit is the end use plant of Gondulpada coal block whose normative date of production is 17.09.2009. Since tapering linkage period is over, matter may be informed to SLC(LT).</p> <p>SLC (LT) is to take a view in the matter.</p>
<p>4 (vi) to 4 (ix) DVC Mejia TPS Phase-II Unit no.-8 (Tapering) 500 MW from BCCL</p>	<p>Issue: Singing of FSA is pending, but three years tapering period is over.</p> <p>These 4 units are within the 24 TPPs / units with tapering linkages included in the identified capacity of 78,000 MW, for which competent authority had directed in June, 2013 for signing of the FSAs. Out of these 24 units, in respect of 9 units, development of coal block was delayed due to the 'Go-No-Go' Policy, competent authority had directed to sign FSAs under certain conditions.</p> <p>In respect of the remaining 15 cases matter was placed before the SLC (LT) in its meeting held on</p>

<p>Bellary TPS, Unit-2 (Tapering) KPCL 500 MW from MCL</p> <p>Ukai TPP, Unit-6 (Tapering) (GSECL) 500 MW from SECL</p> <p>Parli Unit-8 (Tapering) (MAHAGENCO) 250 MW from WCL</p>	<p>04.10.2013. Out of these 15 cases, 6 cases viz. Mejia TPS Phase-II, Unit-2, Ukai TPS, Unit-6, Tiroda TPS Phase-I, Unit-2, Bellary TPS Unit-2, Parli TPS Unit-8 and Tiroda Phase-II, Unit-1 were found fit for the extension and the committee decided that <i>the coal supply may be continued on MOU basis for further one year beyond the expiry of the tapering linkage</i>. The decision could not be operationalized as the matter was slated to be placed before CCEA. The position still remains the same.</p> <p>The matter was again placed before the SLC (LT) Committee in its meeting held on 27.06.2014. The Committee recommended as under:-</p> <p><i>that the earlier decision for supply of coal on MOU basis subject to availability of coal shall stand but it shall be for a period of 6 month or until the CCEA approval is obtained, whichever is earlier. The decision shall apply to all similar cases covered in the same CCEA note.</i></p> <p>In this regard, status was sought for from CIL. CIL has informed that the 3 years tapering linkage period is over, no linkage on tapering basis is admissible presently. Therefore, not eligible for signing of FSA.</p> <p>Since, the issues have already been decided by the SLC (LT), the units may take up the issue with CIL.</p> <p>SLC (LT) is to take a view in the matter.</p>
<p>4 (x) Mihaan Unit 1-4 (Abhijeet MADC Nagpur Energy Pvt. Ltd.) 240 MW from WCL</p>	<p>Issue: Singing of FSA is pending.</p> <p>The applicant had applied for long term coal linkage for their proposed 100 MW CPP in SEZ area at Nagpur. Subsequently they enhanced the capacity to 200 MW and then to 240 MW. The SLC (LT) in its meeting held in January, 2010 recommended for issuance of LoA for their 4x60 MW CPP project. LoA was issued by WCL on 10.08.2011.</p> <p>Later on, the category of the plant was changed from CPP to IPP on 27.02.2012. This unit was not included within the identified capacity of 60,000 MW which was finalized by MoP in 2012.</p> <p>This list of identified power plants was revised by MoP in respect of 78,000 MW capacity power plants commissioned or likely to be commissioned during 01.04.2009 and 31.03.2015. The said project has been included the list of 78,000 MW capacity, for which in June, 2013, competent authority directed for signing of the FSA.</p>

	<p>The updated status was called for from CIL. CIL has informed that the unit has been advised to sign FSA under cost plus. The identification of cost plus mines are under process.</p> <p>SLC (LT) is to take a view in the matter.</p>
<p>4 (xi) Athena Singhtarai Unit-1 (ACPPL) 600 MW from SECL</p>	<p>Issue: Singing of FSA is pending.</p> <p>The applicant Company was recommended LoA for its 2x660 MW power plant by the SLC(LT) for power in its meeting held on 12.11.2008. The Committee recommended as under:-</p> <p><i>CEA informed that land and water for the project is available. The developer has placed order for equipment in respect of two units of 660 MW each. Committee noted that the developer has been allocated. Fatehpur East Coal Block jointly with other companies. The developer has applied for tapering linkage as the development of mines will take about six years. However, CEA has recommended consideration of only one unit of 660 MW and did not recommended tapering linkage. Having regard to recommendation of CEA, the Committee authorized issuance of LOA by CIL for capacity of 660 MW in accordance with the provisions of New Coal Distribution Policy (NCDP).</i></p> <p>Subsequently, SLC (LT) in its meeting held on 07.01.2013 has also accorded its approval for the change of the capacity of the proposed plant from 2x660 MW to 2x600 MW.</p> <p>Since this unit was a part of 78,000 MW capacity, for which competent authority has directed in 2013 for signing of the FSAs, a letter was received from CIL seeking clarification in respect of signing of FSA with the Unit I of M/s Athena Chattisgarh Power Limited (ACPL) on normal basis or on tapering basis. Keeping in view of the queries raised by CIL, clarifications were sought for from the applicant on the following issues:-</p> <p><i>that the coal block was allocated to the applicant for catering to the proposed 1000 MW capacity as per the coal block application dated 22/23.01.2008, whereas as per the applicant coal linkage application dated 27.07.2007 (which is much earlier than coal block application) the applicant had applied for coal linkage for 2x660 MW capacity which was subsequently revised to a capacity of 1200 MW (2x600 MW). It is therefore not clear that as to how and on what account the claim for long term linkage for one unit of 660 MW is justifiable.</i></p> <p>Comments of the applicant have been received and the same are under examination in the Ministry.</p> <p>SLC (LT) is to take a view in the matter.</p>

<p>4 (xii) & 4 (xiii) Dhariwal Infrastructure TPP, Unit-1 (DIL) 300 MW from SECL</p>	<p>Issue: Singing of FSA is pending.</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 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 11th 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> <ul style="list-style-type: none"> (i) The share transfer is tantamount of violation of para 5 of the LoA dated 20.08.2008 issued by SECL; and (ii) It is violative of para 5 of the LoA dated 06.06.2009 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 26.08.2009, Dhariwal Group and Prithvi Group held 55% & 45% of the 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. (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>This matter was forwarded for the advice of Ministry of Law & 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>
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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>4 (xiv) Dheeru Powergen Ltd.</p>	<p>Subject: Revalidation of the cancellation of the LoA</p> <p>M/s. Dheeru Powergen Ltd has been issued 2 LoAs by SLC(LT) in the year 2007 and 2008 for their 350 MW and 2x350 MW power plants. LoAs were issued by SECL on 06.06.2009 and 14.12.2009. The validity of the LoAs expired on 05.06.2011 and 13.12.2011.</p> <p>The applicant was not able to achieve some milestones viz. acquisition of land, forest clearance and start of construction work, in respect of the first LoA, for which SECL asked them to deposit additional CG.</p> <p>Accordingly, applicant requested MOC that all 3 milestones are on account of delay in obtaining forest clearance, therefore they may be allowed to submit the additional CG only for 1 milestones and not for all. As it is the same project of total 1050 MW, the time line applicable to both the LoAs be allowed as 13.12.2011. The matter was examined and comments of CIL / SECL were called for. In the meantime, a letter was issued from MOC to CIL / SECL on 29.08.2011 with the advice not to take any coercive action in the matter.</p> <p>The matter was reviewed in the SLC (LT) meeting dated 31.05.2013. The coal company informed that the LoA holder failed to achieve milestones related to technical feasibility studies, forest clearance, financial closure and start of construction within the LoA validity period. The notice for cancellation of LoA and encashment of CG was issued. The CEA pointed out that EC issued for the project had been cancelled by the National Green Tribunal (NGT). The applicant requested for extension of time for achievement of the milestones. The Committee deferred the matter.</p> <p>The matter was again take up in the SLC (LT) meeting held on 20.12.2013. During the meeting, it was expressed by SECL official that milestone no. 3,4,6,9 & 10 are deficient. The representative of the developer stated that after quashing of EC granted for the project by NGT, it had filed an appeal before the Supreme Court, which was pending. The Committee recommended SECL to take further action as per terms of LoA.</p> <p>Following the directions of SLC(LT), SECL has issued a notice for cancellation / withdrawal of LoA and</p>

	<p>encashment of commitment guarantee on 17.02.2014.</p> <p>Subsequently, IDFC had represented that cancellation of the EC was beyond the control of DPL and the same amounted to a force majeure event under the LoAs. It said that while it was the prerogative of the MoC to decide on the cancellation of the LoAs after evaluating the circumstances of the case, invoking the BG when the project could not be developed because EC clearance had been cancelled was not justified. Accordingly, IDFC has requested to instruct SECL to withdraw the bank guarantee invocation letters sent to Yes Bank Limited and HDFC Bank Ltd.</p> <p>In this regard, comments of CIL/SECL were called for on the representations of IDFC. CIL/SECL has not responded.</p> <p>It may also be pertinent to mention here that on a no. of occasions, applicant has revised the overall capacity of the power plant as applied originally for 2x250 MW to 2x300 MW, 2x350 MW & finally 3x350 MW. It has also been observed from the request of the applicant that the applicant has mentioned the capacity of the power plant as 2x525 MW instead of 3x350 MW in the loan agreement signed for Rs. 4,332 crores with the consortium of 17 banks & financial institution with State Bank of India as the lead bank. But at no point applicant has informed to the Ministry for change in the configuration of the power project i.e. 2x525 MW.</p> <p>SLC (LT) to take a view in the matter.</p>
<p>4 (xv) Divine Vidyut Limited. 1x20 MW CPP at Palgam, Chandil (Jharkhand)</p>	<p>Subject: Request for resumption of supply of coal against FSA with CCL for 1x20 MW CPP at Palgam, Chandil (Jharkhand).</p> <p><u>Brief Background</u></p> <p>The applicant had submitted an application for grant of coal linkage for 1x20 MW CPP, at Chandil, Dt Saraikela, Jharkhand on 20.08.2007. The request of the applicant was placed before the SLC (LT) for power on 06.11.2007. The committee recommended as under:-</p> <p><i>Keeping in view of the recommendation of the MOP and the comments from the coal companies based on physical verification carried out by them, SLC (LT) recommended issue of LoA by CIL for 20 MW CPP on normative basis as per provision of NCDP.</i></p>

Fuel Supply Agreement (FSA) of the CPP was executed by CCL for supply of coal on 09.05.2011.

Recently, a representation has been received from the applicant with a request for resumption of supply of coal against their FSA with CCL for 1x20 MW CPP at Chandil, Jharkhand and waive off the compensation bill raised by CCL. The applicant has stated that FSA was executed on 09.05.2011. Within the built up period i.e. within 6 months from the execution of the FSA the 1st coal rake was supply to them by CCL.

Applicant stated that in the Subsequent year Jharkhand State Pollution Control Board (JSPCB) denied to renew the Consent to Operate for the plant, due to which the coal supply to the plant was stopped by CCL. The JSPCB has accorded its approval on 18.06.2014. During the year 2011-12 and 2012-13 due to non-lifting of coal against the FSA, CCL has also raised a compensation bill of Rs. 54,62,096. In this regard, applicant has requested to consider their request as a Force Majeure, since approval of JSPCB was totally beyond their control.

Accordingly, comments of CCL were called for. CCL vide its letter dated 24.07.2014 has quoted the definition of Force Majeure. It has been stated that Force Majeure Act means *circumstances or event is not reasonably within the control of and not caused by the fault or negligence of the affected party*. Further, in this regard certain categories of the event have also been mentioned. As per the category at para 17.1 (h) it has been mentioned that *any delay or directions or order on the part of Government of India or relevant State Government or denial or refusal to grant or renew, or any revocation, or modification of any required permit or mining lease or Governmental approvals including those related to land acquisition or environment / forest clearances provided that such delay, modification, denial, refusal or revocation was not due to a caused attributable to the affected party*.

CCL has also mentioned that as per the Force Majeure clause 2.9.2 the FSA that *the target start period may be extended on account of Force Majeure in accordance with clause 17 to a maximum 180 days*.

CCL has also informed that FSA was executed through LoA route on 09.05.2011. The year wise lifting status of the unit against the ACQ 1 lac tonnes, out of which, applicant had lifted only 3824.25 tonnes in 2011-12 and there is no lifting during 2012-13 and 2013-14. Applicant has submitted BG of Rs. 77.40 lac, which is valid upto 31.08.2016 and further one more BG of Rs. 15 lac was also deposited by the unit with the validity upto 12.08.2018.

CCL has also stated that the applicant vide letter 10.12.2012 informed them that due to technological up gradations of the end use plant, the unit was not in the position to draw the required power except the power used

	<p>in the intermittent testing's. The unit had not taken any coal as the EUP was not in operational mode. Vide this letter applicant informed that EUP was ready and requested for the regular supply of coal. But did not submit the rake programme from December, 2011. The annual documents as well as monthly documents were also not submitted by the applicant for the year 2012-13. Therefore, CCL has raised a compensation bill of Rs. 54,62,096. CCL has further informed that the applicant has also not deposited the compensation amount, which may lead to termination of FSA.</p> <p>In view of the above, it appears that the applicant never informed CCL about Force Majeure within the 180 days time period for the same. On the contrary, applicant informed CCL on 10.12.2012 that end use plant is under up gradation, therefore they are not able to draw power from the CPP. The Force Majeure conditions due to cause attributable to the party is not considered as such. It should have been due to factors beyond the control of the party. Further, there is a change in the registered office address as mentioned in the application of coal linkage. The party claims that consent to operate was not renewed by JSPCB. However, the latest Consent to operate dated 18.06.2014 mentions about previous consent to operate dated 21.10.2011.</p> <p>SLC (LT) to take a view in the matter.</p>
<p>4 (xvi) M/s. Vidarbha Industries Power Limited</p>	<p>Subject : Request for signing of FSA with Unit 1 and supply of coal in respect of Unit 2 of 2x300 MW power plant at Butibori.</p> <p>A request has been received from M/s VIPL requesting for the following:-</p> <ul style="list-style-type: none"> (i) 2x300 MW power plant at Butibori being unfairly denied coal supply despite VIPL fulfilling all criteria for Unit 1 and having FSA with WCL for Unit 2. (ii) Unit 1 already under shut down; Unit 2 of 2x300 MW on the verge of shut down due to scarcity of coal. (iii) The crisis exacerbated by the new restriction of 25 MT on the quantity of coal available through e-auction coal for FY 2014-15. <p>As regard request at (i) & (ii) above, it is stated that as far as Unit 1 of the plant is concerned the category of the plant was converted from GCPP to IPP by the SLC (LT) in its meeting held on 21.02.2014. Since, the unit is not within the 78,000 MW capacity as identified by MoP and for which CCEA has directed to sign FSA. In this regard applicant has also represented to Ministry of Power vide letter dated 24.03.2014. MoP examined the matter and vide its OM dated 07.04.2014 has informed that <u>MoP does not recommend inclusion of this project in the list of project constituting 78,000 MW (approved by CCEA).</u></p>

	<p>As regard, request made by applicant at (i) & (ii) above for coal supplies for Unit 2 is concerned, it is submitted that FSA has been executed by the WCL for Unit 2. VIPL has signed FSA with the Side Agreement only for supply of coal at 140% of the notified price. The applicant has mentioned in its representation that VIPL is not liable to sign the mine specific FSA and submit BG against financial risk. Therefore, it appears that WCL has been asked to sign mine specific FSA and submit BG against financial risk, for which VIPL is not agreeable. Since, this issue appear is of commercial nature, for which WCL is to take appropriate steps as per norms, SLC (LT) has no role to play in this regard.</p> <p>The applicant at para (iii) has contended that the new restriction of 25 MT on the quantity of coal available on the e-auction is not justified. It is submitted in this regard that SLC (LT) has no role in this regard.</p> <p>SLC (LT) to take a view in the matter.</p>
<p>Agenda Item No. 5 Review of Pending of LoAs for CPPs</p>	<p>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.</p>

**F. No.23014/1/2014-CPD
Government of India
Ministry of Coal
CPD Section**

New Delhi, Dated 9th August, 2014

Agenda for the meeting of the Standing Linkage Committee (Long Term) for Sponge to be held on 11th August, 2014

A meeting of the Standing Linkage Committee (Long Term) for Sponge will be held on 11.08.2014 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.

Agenda Item & No.	Brief Description of the Agenda Item
Agenda Item No. 1- Confirmation of the Minutes of the meeting held on 27.06.2014	Confirmation of Minutes of the SLC(LT) review meeting held on 27.06.2014
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.

**F. No.23014/1/2014-CPD
Government of India
Ministry of Coal
CPD Section**

New Delhi, Dated 9th August, 2014

Agenda for the meeting of the Standing Linkage Committee (Long Term) for Cement to be held on 11th August, 2014

A meeting of the Standing Linkage Committee (Long Term) for Cement will be held on 11.08.2014 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.

Agenda Item & No.	Brief Description of the Agenda Item
Agenda Item No. 1 Confirmation of the Minutes of the meeting held on 27.06.2014	Confirmation of Minutes of the SLC(LT) review meeting held on 27.06.2014.

Details of 12 cases covered under Presidential Directives, where FSAs are yet to be signed/cannot be signed (As on 25th July, 2014)												
SL. No.	Unit/Plant Name (Details)	Company Name	Name Of subsidiary company	Capacity as per LOA (MW)	Quantity as per LOA (Million Tonne)	Narmative Date of Production	Quantity admissible under tapering linkage for first year (MT)	Quantity admissible under tapering linkage for second year (MT)	Quantity admissible under tapering linkage for third year (MT)	Relevant SLC(LT)/MOC decisions (if any)	Details of Coal Block allocated as per CCO letter No. CC/MCBA/101/04/06/Policy/Linkahge/Vol-IV dated 23.8.13 along their remarks	Reason (s) for not signing of FSA
1	LANCO Babandh Power Ltd., Phase-1, Unit-1*	LANCO Babandh Power Ltd.	MCL	660	2.830	17.10.2013	(18.10.2013 to 17.10.2014) 2.1225	(18.10.2014 to 17.10.2015) 1.415	(18.10.2015 to 17.10.2016) .707	The issue was discussed in the SLC(LT) Meeting held on 27th June, 2014, wherein the Committee directed MOC that the contention of the party may be examined with respect to the supporting papers, if necessary, and then may be placed before the Committee.	As per CCO letter No. CC/MCBS/504/10/Lonkage/2010 dated 01.11.2013, Rampa & Dip Side of Rampa Coal Block having normative date of production on 17.10.2013 has been allocated to this consumer on 17.01.2008.	The consumer has represented that their 660 MW (unit 1) is having normal linkage and they are ready to sign normal FSA. However, as per CCO quantification, the linkage is a tapering one.
2	DB Power (CG) Unit-2 (Tapering)	DB Power Ltd	SECL	600	2.497	06.05.2011	(07.05.2011 to 06.05.2012) -	(07.05.2012 to 06.05.2013) -	(07.05.2013 to 06.05.2014) 0.312	SLC (LT) meeting held on 04.10.2013 noted that the unit was scheduled to be commissioned in March, 2014 and the block was expected to start production by May 2014. The existing tapering linkage is valid till May 2014. Therefore, the coal block and EUP are progressing in a synchronized manner and no further recommendation was considered necessary. The plant is not coming forward to sign FSA	Durgapur -II/Sariya Block was allocated for 1000 MW TPP at Village Karmitaka, Distt. Jaspur, Chhattisgarh.	The consumer not came forward sign FSA.

SL. No.	Unit/Plant Name (Details)	Company Name	Name Of subsidiary company	Capacity as per LOA (MW)	Quantity as per LOA (Million Tonne)	Narmative Date of Production	Quantity admissible under tapering linkage for first year (MT)	Quantity admissible under tapering linkage for second year (MT)	Quantity admissible under tapering linkage for third year (MT)	Relevant SLC(LT)/MOC decisions (if any)	Details of Coal Block allocated as per CCO letter No. CC/MCBA/101/04/06/Policy/Linkahge/Vol-IV dated 23.8.13 along their remarks	Reason (s) for not signing of FSA
3	KSK Mahanadi Unit-3 (Tapering)	KSK Mahanadi Power Co. Ltd.	ECL	600	1.763	02.05.2012	(03.05.2012 to 02.05.2013)	(03.05.2013 to 02.05.2014) 0.8815	03.05.2014 to 02.05.2015) 0.440	MOC vide its letter F No. 23011/138/2012-CPD (Vol-III) dated 16.01.2014 directed CIL to supply coal to this unit, amongsts others, subject to a maximum approved domestic quantity as indicated in the Presidential Directive dated 17.07.2013 for a period up to 30.09.2016 or till such time the production actually starts from the blocks, whichever is earlier.		The consumer has been asked by ECL to sign the FSA. May be executed at the earliest.
4	Chandrapura Unit 8	DVC	CCL	250	1.030	13.07.2009	Quantification is not given by CCO. However, on the basis of the give normative date of production by CCO, it is understood that the 3 three year of tapering period has expired.					Since tapering linkage period is over, matter informed to SLC(LT). FSA cannot be signed. As per CCO letter dated 20.08.2013, the unit is the end use plants of Gondulpada coal block whose normative date of production is 17.09.2009.

SL. No.	Unit/Plant Name (Details)	Company Name	Name Of subsidiary company	Capacity as per LOA (MW)	Quantity as per LOA (Million Tonne)	Normative Date of Production	Quantity admissible under tapering linkage for first year (MT)	Quantity admissible under tapering linkage for second year (MT)	Quantity admissible under tapering linkage for third year (MT)	Relevant SLC(LT)/MOC decisions (if any)	Details of Coal Block allocated as per CCO letter No. CC/MCBA/101/04/06/Policy/Linkahge/Vol-IV dated 23.8.13 along their remarks	Reason (s) for not signing of FSA
5	DVC Mejia TPS Phase-II Unit no.-8 (Tapering)	DVC	BCCL	500	1.580	03.09.2008 (for Barjora (north)) and 03.03.2008 (for Kagra Joydev)	04.09.2008 to 03.09.2009) -	04.09.2010 to 03.09.2011) -	04.09.2011 to 03.09.2012) -	SLC (LT) meeting held on 04.10.2013 recommended that CL may extend coal supplies for one year on MOU/ best effort basis.Competent Approval on which is yet to be received from MOC. Subsequently,in the SLC (LT) Meeting held on 27th June, 2014 it was noted by the Committee that the decision of SLC (LT) meeting held on 04.10.2013 could not be operationalized as the matter was stated to be place before CCEA and the position still remains the same. The Committee decided that the earlier decision for supply of coal on MOU basis subject to availability of coal shall stand but it shall be for a period of 6 months or until the CCEA approval is obtained, whichever is earlier.	Barjora (North) and KhagraJoydev coal blocks were allocated. Barjora (North) coal block started coal production since April, 2011.	
6	Bellary TPS, Unit-2 (Tapering)	KPCL	MCL	500	2.310	10.05.2007	(11.05.2007 to 10.05.2008) -	11.05.2008 to 10.05.2009) -	11.05.2009 to 10.05.2010) -	SLC (LT) meeting held on 04.10.2013 recommended that coal supplies may be made for one year on MOU basis.Competent Approval on which is yet to be received from MOC. Subsequently,in the SLC (LT) Meeting held on 27th June, 2014 it was noted by the Committee that the decision of SLC (LT) meeting held on 04.10.2013 could not be operationalized as the matter was stated to be place before CCEA and the position still remains the same. The Committee decided that the earlier decision for supply of coal on MOU basis subject to availability of coal shall stand but it shall be for a period of 6 months or until the CCEA approval is obtained, whichever is earlier.	Baranj I to IV, Kiloni & Manoradeep Coal block was allocated which started production in 2008. as per revised Mining Plan, production of the blocka is to go up from 2.5 MT to 5.0 MT by 2013-14. As per MOC's letter no. 23021/142/2007-CPD (Vol. II) dated 14.06.2012. Normative date is not affected by the revised mining plan.	As the 3 years tapering linkage period is over, no linkage on tapering basis is admissible presently. Therefore, not eligible for signing of FSA.
7	Ukai TPP, Uni-6 (Tapering)	GSECL	SECL	500	2.081	06.08.2009	07.08.2009.06.08.2010) -	07.08.2010 to 06.08.2011) -	(07.08.2011 to 06.08.2012) -	Considering the stage of coal block development SLC (LT) meeting held on 04.10.2013 recommended for supply of coal to the unit for two more years on MOU/ best effort basis. There is recurrent instances of GSEB not lifting coal therefore, SLC (LT) also advised to review the case after one year.Competent Approval on which is yet to be received from MOC. Subsequently,in the SLC (LT) Meeting held on 27th June, 2014 it was noted by the Committee that the decision of SLC (LT) meeting held on 04.10.2013 could not be operationalized as the matter was stated to be place before CCEA and the position still remains the same. The Committee decided that the earlier decision for supply of coal on MOU basis subject to availability of coal shall stand but it shall be for a period of 6 months or until the CCEA approval is obtained, whichever is earlier.	Mahanadui & Machakata blocks were allocated.	

