

MOST IMMEDIATE

No.23014/3/2016-CPD
Government of India
Ministry of Coal

New Delhi, the 17th June, 2016

OFFICE MEMORANDUM

Subject: Meeting of the Standing Linkage Committee (Long-Term) – **SLC/LT No. 03/2016.**

In continuation of this Ministry's O.M. of even No. dated 1st June, 2016 on the abovementioned subject, the undersigned is directed to enclose herewith agenda items to be discussed in the abovementioned meeting. Venue of the meeting shall be "Bhaba Chamber, Scope Convention Centre, Scope Complex, 7 Lodhi Road, New Delhi-110003. It is requested to 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).

Encls. – As above.

17-6-2016
(Pilli Ravi Kumar)

Under Secretary to the Govt. of India

To

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| 1. Special Secretary, Ministry of Coal | Chairperson |
| 2. Principal Advisor(Energy), NITI Aayog, 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. Executive Director, T. T. (F), Railway Board, Room No. 261, Rail Bhawan, New Delhi. | Member |
| 10. Chairman-cum-Managing Director, Coal India Limited. | Member |
| 11. Director(Marketing), Coal India Limited. | 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
17. Joint Secretary (CA-III Section), Ministry of Coal
18. Managing Director, U.P. Rajya Vidyut Utpadan Nigam Ltd., 8th Floor Shakti Bhawan Extn., Ashok Marg, Lucknow – 226001.
19. Director (Projects), Rajasthan Rajya Vidyut Utpadan Nigam Ltd., Vidyut Bhawan, Janpath, Jyoti Nagar, Jaipur – 302 005.
20. Executive Director (Fuel Management), M. P. Power Generating Co. Ltd., Block No.6, Shakti Bhawan, Rampur, Jabalpur – 482 008.
21. Executive Director (Electrical), S J V N Ltd., BL-162, Sector 2, Salt Lake City, Kolkata – 700 091.
22. MD, Bihar State Power Generation Company Ltd., Vidyut Bhawan, Bailey Road, Patna-800021.
23. MD, Andhra Pradesh Power Generation Corporation Limited, Vidyut Soudha, Khairatabad, Hyderabad-500082, A.P.

Member
Special Invite

Copy to:

(i) Director(Technical), CIL ii) GM(S&M), CIL, Kolkata, iii) CGM(CP), CIL, Kolkata, iv) GM(S&M), CIL, Delhi.

Copy also to:-

1. OSD to MoS (I/C) for Coal
2. PS to Minister of State (I/C) for Power, Coal and NRE,
3. PSO to Secretary(Coal),
4. PPS to Special Secretary(Coal),
5. PPS to Joint Secretary (RKS),
6. PPS to Joint Secretary(RPG),
7. PPS to Joint Secretary (VB)
8. Director (CPD)

17/6/2016

(Pilli Ravi Kumar)

Under Secretary to the Govt. of India

No. 23014/3/2016-CPD
Government of India
Ministry of Coal

New Delhi, Dated 17th June, 2016

Subject: Agenda for the meeting of the Standing Linkage Committee (Long Term) for Power Sector to be held on 21.06.2016.

A meeting of the Standing Linkage Committee (Long Term) for Power Sector will be held on 21.06.2016 under the Chairmanship of Special Secretary (Coal) to review the status of existing coal linkages/LOAs, to consider grant of Bridge Linkages and other related matter. The agenda shall be as follows:

Agenda	Brief description of the Agenda item
Agenda No. 1 Confirmation of Minutes of the SLC (LT) meeting held on 18.03.2016	Confirmation of Minutes of the SLC (LT) meeting held on 18.03.2016
Agenda No. 2 Condition Precedent	Issue: Extension of Condition Precedent — Clause No. 2.8.2.3 of FSA. The issue was discussed in SLC (LT) meeting dated 27 th January, 2016. The Committee recommended that MoP/CEA may furnish its comprehensive comments on MoC's letter dated 18.01.2016 which would be examined thereafter and used for evolving a policy in this regard. Ministry of Power vide O.M. No. FU-4/2016/IPC dated 21.03.2016 has furnished their reply that the matter has been examined in consultation with Central Electricity Authority and comments of MoP are as

<p>Agenda item No. 3</p>	<p>follows:</p> <p>Not many states have invited bids for procurement of power in recent past. Besides, many projects have been delayed due to delay in various clearances and land acquisition. As a result, power developers are facing lot of uncertainty beyond their control leading to delays in execution of power plants. In view of the above and in accordance with the spirit of decision of committee of secretaries dated 9.10.2015 following policy may be adopted for signing of FSA and supply of Coal:-</p> <p>Extension of time for fulfilling the Purchaser's Conditions Precedent covered under clause No. 2.8.2.3 of FSA, ie. relating to signing of PPA may be granted up to 31st March, 2020.</p> <p>As MOP has recommended extension of time for CP under clause 2.8.2.3 only which relates to signing of PPA. However, MOP has not furnished views/recommendations on extension of time for fulfilling all the conditions precedent of all power projects which are affected due to delays etc. MOP was again requested to furnish its recommendations or otherwise regarding all other CPs also apart from 2.8.2.3 vide MoC's letter dated 19.04.2016.</p> <p>In response, MOP vide their letter dated 3.05.2016 informed that it had already recommended for extension of time for fulfilling of Purchaser's Conditions Precedent covered under clause 2.8.2.3 up to 31st March, 2020. MOP has indicated that due to various reasons, the commissioning of Thermal Power Projects is delayed from scheduled commissioning. Many of the reasons are beyond the control of the project developer. MOP has further mentioned that the revised CODs/anticipated commissioning scheduled intimated by MoP/CEA vide letter dated 31.08.2015 have already been approved by MoC vide O.M. dated 15.10.2015. MoP has stated that this addresses the extension of time for other Conditional Precedents of Purchaser covered under 2.8.2.1 and 2.8.2.2 of FSA.</p> <p>MOP has requested Ministry of Coal to consider the extension of the time period for fulfilment of Condition Precedents mentioned in Clause 2.8.2 for FSA holders upto revised date of COD/anticipated commissioning.</p> <p>The SLC (LT) to take a view in the matter.</p> <p>In accordance with the policy/guidelines of Bridge Linkage notified vide MoC's OM No. 23021/3/2015-CPD dt. 08.02.2016, UPRVUNL vide their letter No. 309 UNL/CE(NCB)/Obra C dated 12.02.2016 has</p>
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<p>Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. (UPRVUNL)</p> <p>Obra 'C' Thermal Power Project, (2 x 660 MW) Obra, Dist. Sonehadra, Uttar Pradesh</p>	<p>submitted an application for grant of Bridge linkage in respect of their 2 x 660 MW capacity Obra C Thermal Power Project being setup in Uttar Pradesh under State Sector.</p> <p>In the year 2007, UPRVUNL submitted request for grant of Long Term linkage for 2 x 500 MW, Obra C, TPP, Obra, Dist. Sonehadra, Uttar Pradesh with processing fee.</p> <p>In the application for grant of Bridge Linkage UPRVUNL stated that Saharpur-Jamarpani Coal Block was allotted on 13.08.2015. Scheduled date of start of Coal Production from Mine/Block as per the Coal Mines Development and Production Agreement/Coal Block Development and Production Agreement is 66 Months from date of allotment of RE Saharpur-Jamarpani Coal Block. Actual/expected date of commissioning of specified End Use Plant is September, 2020.</p> <p>Comments of MoP – MoP vide their OM No. FU-6/2016-IPC dt. 07.03.2016 stated that the said Thermal Power Plant was listed in the list of TPPs that were furnished to MoC vide their OM No. FU-11/2010-(Vol-VI)-IPC dt.08.12.2015 which have been allocated coal block under Government Sector and recommended for the requirement of Coal for tapering linkages (Bridge Linkage). The list was prepared and examined by CEA and the same had the approval of Secretary, Power.</p> <p>Further, MoP stated that MoC may also consider for bridge linkage as per guidelines for all the other TPPs which have been allocated coal blocks under Government Sector that were recommended earlier vide Annexure B of the MoP's letter dt. 08.12.2015.</p> <p>Obra C TPP figures at S.No. 35 of the Annexure B of the MoP's OM dt. 08.12.2015.</p> <p>This issue was discussed in the SLC(LT) meeting held on 18.3.2016, the Committee recommended that In view of the cancellation of LOA and forfeiture of BG due to non-achievement of milestones, the Committee recommended that the M/s UPRVUNL may apply afresh with applicable processing fee. Accordingly they have applied afresh vide application no. 180316/NCB/SE dated 18.03.2016 along with the processing fee.</p> <p>The SLC (LT) to take a view in the matter.</p> <p>In accordance with the policy/guidelines of Bridge Linkage notified vide MoC's OM No. 23021/3/2015-CPD dt. 08.02.2016, RRVUNL vide their letter No. RVUN/CMD/ACE(Fuel)/F-978 dated 16.05.2016 has submitted an application for grant of Bridge linkage for 2 x 660 MW Chhabra Supercritical TPP Unit-5&6</p>
<p>Agenda item No.4 RRVUNL</p>	

<p>2 x 660 MW Chhabra Supercritical TPP Unit-5&6 and 2 x 660 MW Suratgarh Supercritical TPP Unit-7&8 of Rajasthan Rajya Vidyut Utpadan Ltd</p>	<p>and 2 x 660 MW Suratgarh Supercritical TPP Unit-7&8 of Rajasthan Rajya Vidyut Utpadan Ltd.</p> <p>In the year 2009, RRVUNL submitted request for grant of long term coal linkage for Chhabra and Suratgarh STPPs with processing fee.</p> <p>In the application for grant of Bridge Linkage RRVUNL stated that Kente Extension coal block has been allotted on 31.03.15. Scheduled date of start of Coal Production from Mine/Block as per the Coal Mines Development and Production Agreement/Coal Block Development and Production Agreement is 44 months from the date of execution of CBD&PA (i.e. 26.10.15). Actual/expected date of commissioning of specified End Use Plant Chhabra STPP Unit-5&6 is December 2016 & January 2018 and for Suratgarh STPP Unit-7&8 is July 2017 and October 2017.</p>
<p>Agenda item No.5 RRVUNL</p>	<p>Comments of MoP – MoP vide their OM No. FU-6/2016-IPC dt. 07.03.2016 stated that the said Thermal Power Plant was listed in the list of TPPs that were furnished to MoC vide their OM No. FU-11/2010-(Vol-VI)-IPC dt.08.12.2015 which have been allocated coal block under Government Sector and recommended for the requirement of Coal for tapering linkages (Bridge Linkage). The list was prepared and examined by CEA and the same had the approval of Secretary, Power.</p> <p>Further, MoP stated that MoC may also consider for bridge linkage as per guidelines for all the other TPPs which have been allocated coal blocks under Government Sector that were recommended earlier vide Annexure B of the MoP's letter dt. 08.12.2015.</p> <p>2 x 660 MW Chhabra STPP Unit- 5 & 6 and 2 x 660 MW Suratgarh STPP Unit- 7 & 8 figures at S.No. 27 & 28 of the Annexure B of the MoP's OM dt. 08.12.2015.</p> <p>Comments of CA-III Section –</p> <p>The SLC (LT) to take a view in the matter.</p> <p>In accordance with the policy/guidelines of Bridge Linkage notified vide MoC's OM No. 23021/3/2015-CPD dt. 08.02.2016, RRVUNL vide their letter No. RVUN/CMD/ACE(Fuel)/F-979 dated 16.05.2016 has submitted an application for grant of Bridge linkage for 2 x 250 MW Chhabra TPP Unit-3&4 and 2 x 600 MW Kalisindh TPP Unit-1&2 of Rajasthan Rajya Vidyut Utpadan Ltd.</p>
<p>2 x 250 MW Chhabra</p>	

<p>TPP Unit-3&4 and 2 x 600 MW Kalisindh TPP Unit-1&2 of Rajasthan Rajya Vidyut Utpadan Ltd</p>	<p>In the year 2009, RRVUNL submitted request for grant of tapering linkage of coal for 2 x 250 MW Chhabra TPP Unit-3&4 and 2 x 600 MW Kalisindh TPP Unit-1&2 with processing fee.</p> <p>In the application for grant of Bridge Linkage RRVUNL stated that Parsa coal mine was allocated by Nominated Authority, Ministry of Coal on 24.03.2015. Scheduled date of start of Coal Production from Mine/Block as per the "Allotment Agreement" is 44 months from the date of allotment order. Date of Commencement (COD) has already been achieved for Chhabra TPP Unit-3&4 and kalisindh TPP Unit-1&2 and all four units are in regular operation.</p> <p>Comments of MoP – MoP vide their OM No. FU-6/2016-IPC dt. 07.03.2016 stated that the said Thermal Power Plant was listed in the list of TPPs that were furnished to MoC vide their OM No. FU-11/2010-(Vol-VI)-IPC dt.08.12.2015 which have been allocated coal block under Government Sector and recommended for the requirement of Coal for tapering linkages (Bridge Linkage). The list was prepared and examined by CEA and the same had the approval of Secretary, Power.</p> <p>Further, MoP stated that MoC may also consider for bridge linkage as per guidelines for all the other TPPs which have been allocated coal blocks under Government Sector that were recommended earlier vide Annexure B of the MoP's letter dt. 08.12.2015.</p> <p>Kalisindh TPP Unit- 1 & 2 figures at S.No. 26 of the Annexure B of the MoP's OM dt. 08.12.2015. Chhabra TPP Unit- 3 & 4 does not figure in the list of TPPs of MoP's OM dt. 08.12.2015.</p> <p>Comments of CA-III Section – CA-III vide their OM No. 13016/09/2016-CA-III dt. 06.06.2016 confirmed that Allotment Order No. 103/24/2015/NA dt. September 8th, 2015 has been issued to M/s RRVUNL and the Specified End Use Plant mentioned in the said order is Chhabra TPP Unit-3 to Unit 6 (2 x 250 MW) & (2x660 MW, Kalisindh TPP Unit-1 and Unit 2 (2 x 600 MW), and Suratgarh STPP Unit-7 and Unit 8 (2 x 660 MW) of Rajasthan Rajya Vidyut Utpadan Ltd.</p> <p>The SLC (LT) to take a view in the matter.</p>
<p>Agenda item No. 6</p>	<p>In accordance with the policy/guidelines of Bridge Linkage notified vide MoC's OM No. 2302/13/2015-CPD dt. 08.02.2016 SJVN vide their letter no SJVN/55/04/102/2016-933 dt. 20.05.2016 submitted an application for grant of Bridge Linkage 1320 MW Buxar Thermal Power Project of SJVN.</p>
<p>SJVN Limited</p>	

<p>Agenda item No.7</p> <p>MPPGCL</p> <p>Phase-II (2 x 660 MW) of Shri Singaji TPP (SSTPP) project</p>	<p>In accordance with the policy/guidelines of Bridge Linkage notified vide MoC's OM No. 23021/3/2015-CPD dt. 08.02.2016, MPPGCL vide their letter No. 07/03/FM/Coal Block/MoC/493 dt. 10.05.2016 has submitted an application for grant of Bridge linkage for Phase-II (2 x 660 MW) of Shri Singaji TPP (SSTPP) project, Khandwa.</p> <p>In the year 2009, MPPGCL submitted request for grant of long term coal linkage for extension capacity of 2 x 600 MW Stage-II of Malwa TPP (now known as Shree Singaji TPP) in Dist. Khandwa, Madhya</p>
<p>Buxar Thermal Power project (2 x 660 MW), Chausa, Dist. Buxar Bihar</p>	<p>Bihar State Electricity Board (BSEB) earlier in 2008 submitted an application for grant of long term linkage for 2x660 MW TPP at Chausa, Dist. Buxar, Bihar along with processing fee. Vide MoC, s OM dated 7.6.2016 Mop was requested to confirm as to whether , if SJVN has taken over the project from BSEB, so that the fee of Rs. 5,00,000/- deposited by BSEB can be considered for SJVN. The reply is awaited.</p> <p>In the application for grant of Bridge Linkage SJVN stated that Deocha-Pachami Coal Block has been allotted on 06.09.2013. Scheduled date of start of Coal Production from Mine/Block as per the Coal Mines Development and Production Agreement/Coal Block Development and Production Agreement is yet to be finalized. Actual/expected date of commissioning of specified End Use Plant is expected to be commissioned during the year 2021.</p> <p>Comments of Mop – Mop vide their OM No. FU-6/2016-IPC dt. 07.03.2016 stated that the said Thermal Power Plant was listed in the list of TPPs that were furnished to MoC vide their OM No. FU-11/2010-(Vol-VI)-IPC dt.08.12.2015 which have been allocated coal block under Government Sector and recommended for the requirement of Coal for tapering linkages (Bridge Linkage). The list was prepared and examined by CEA and the same had the approval of Secretary, Power.</p> <p>Further, Mop stated that MoC may also consider for bridge linkage as per guidelines for all the other TPPs which have been allocated coal blocks under Government Sector that were recommended earlier vide Annexure B of the MoP's letter dt. 08.12.2015.</p> <p>Buxar TPP Unit- 3 & 4 figures at S.No. 16 of the Annexure B of the MoP's OM dt. 08.12.2015.</p> <p>The SLC (LT) to take a view in the matter.</p>

<p>of 2x660 of SSTPP, Khandwa.</p>	<p>Pradesh with processing fee.</p>
<p>In the application for grant of Bridge Linkage MPPGCL stated that Gond Bahera Ujhani (west) Coal Block has been allotted 31.03.2015. Scheduled date of start of Coal Production from Mine/Block as per the Coal Mines Development and Production Agreement/Coal Block Development and Production Agreement is January 2020. Actual/expected date of commissioning of specified End Use Plant is March, 2018 (1st unit)/ July 2018 (2nd unit).</p> <p>Comments of MoP – MoP vide their OM No. FU-6/2016-IPC dt. 07.03.2016 stated that the said Thermal Power Plant was listed in the list of TPPs that were furnished to MoC vide their OM No. FU-11/2010-(VoI-VI)-IPC dt.08.12.2015 which have been allocated coal block under Government Sector and recommended for the requirement of Coal for tapering linkages (Bridge Linkage). The list was prepared and examined by CEA and the same had the approval of Secretary, Power.</p> <p>Further, MoP stated that MoC may also consider for bridge linkage as per guidelines for all the other TPPs which have been allocated coal blocks under Government Sector that were recommended earlier vide Annexure B of the MoP's letter dt. 08.12.2015.</p> <p>SSTPP TPP Unit- 3 & 4 figures at S.No. 30 of the Annexure B of the MoP's OM dt. 08.12.2015.</p> <p>Comments of CA-III Section – CA-III vide their OM No.54022/1/2016-CA-III dt. 03.06.2016 confirmed that Allotment Order No.103/29/2015/NA dt. 8.9.2015 has been issued to M/s MPPGCL and the Specified End Use Plant mentioned in the said order is 2 x 660 MW (1320 MW) Shree Singaji Thermal Power Project, Phase-II, Khandwa, Madhya Pradesh and 1 x 660 MW Extension unit at Satpura TPS, Sarri, Dist. Betul, MP.</p> <p>The SLC (LT) to take a view in the matter.</p>	<p>Issue: a. To revalidate the present LoA dated 18.03.2009 b. To exempt for submission of additional CGs c. To sanction additional 1.2 million MT of Coal for increased capacity of 100 MW.</p> <p>Brief background of the case-</p>
<p>Agenda No.8 APGENCO</p>	

It has been stated by the project proponent that -

Standing Linkage Committee(Long Term) in its meeting held on 02/08/07 has sanctioned coal linkage of 2.31 million MT per annum from M/s Mahanadi Coalfields Ltd to RTPP-Unit-6 and Letter of Assurance (LOA) was issued on 18/03/2009 with validity for two years. As per the terms & conditions of LOA, APGENCO has furnished commitment Bank Guarantee for Rs.10.17 Cr to M/s MCL with validity upto 07/10/2017.

M/s MCL had requested to submit additional commitment Guarantee (CG) for the milestones not achieved as per clause 3.3 of the LOA. Out of the five milestones to be achieved within six months, 2 milestones viz land acquisition and environmental clearance were not achieved within due date and the remaining three milestones were achieved within the due date. Accordingly, additional commitment bank guarantee for Rs.2,03,40,000/- was furnished to M/s MCL for two milestones which were not achieved within the stipulated time. Status of all milestones was submitted to M/s MCL on 16.3.2011.

Subsequently, M/s MCL had informed M/s APGenco to furnish additional CGs for five milestone Nos.2,3,4,5 & 8 out of which additional CG for two(2) milestones were submitted, which were valid till 18/03/2011. Additional Commitment Guarantees were not furnished for the remaining 3 milestones as they were already achieved before due date and status was reported to SLC (LT).

Further, on the advice of CEA, APGenco opted for 600 MW instead of 500 MW. Ministry of Coal was communicated on 18.02.2010 on the above development that lead to the decision taken over for enhancement of plant capacity and about the restriction of MOEF & CC Clearance to 500 MW only due to lack of firm coal linkage for full capacity. Hence APGenco has requested M/s Coal India Ltd and SLC (LT) to sanction additional 1.2 million MT of coal for additional increased capacity of 100 MW.

APGENCO has requested for the following.

- a. To revalidate the present LOA dt. 18.03.2009.
- b. To exempt for submission of additional CGs.
- c. To sanction additional 1.2 million MT of coal for increased capacity of 100 MW.

	<p>Comments of MCL is as follows:</p> <ul style="list-style-type: none"> i) APGENCO, Rayalseema TPS (Stage-III, Unit-VI) was issued LOA dtd. 18.03.2009 for a capacity of 500MW. LOA was valid till 17.03.2011. ii) MOC vide letter dtd 04.05.2010 approved the enhancement of capacity from 500 MW to 600 MW. iii) Late submission of documents in respect of milestone no.(2) Investment decision, no.(3) DPR & no.(8) Commitment of Equity. The consumer didn't furnish Addl. CG in respect of the above delay. iv) Late submission of documents in respect of milestone no. (4) Land Acquisition & no.(5) Environment Clearance. Addl. CG furnished which expired on 18.03.2011 and was not renewed by the party. v) As per direction of SLC (LT), dtd. 31.05.2013, reconciliation was made and accordingly, the same was informed to the consumer by MCL vide letter dtd.19.10.2013. IVICL once again vide letter dated 15.07.2014 briefed the consumer regarding this. vi) No BG against ACG has been furnished by the consumer as yet. Delay in submission of additional CGs needs to be condoned by SLC(LT) to proceed further. vii) Does not appear in Ministry of Coal's list, dated 17.07.2013. <p>The SLC (LT) to take a view in the matter.</p>
<p>Agenda No. 9 M/s ESSAR Power</p>	<p>Issue: Refund of Bank Guarantee (Commitment Guarantee) on ground of "Force Majeure" submitted in respect of LoA issued by Mahanadi Coalfields Ltd. (MCL) to M/s Navbharat Power Private Ltd.</p> <p>It was stated by the project proponent that –</p> <p>Mahanadi Coalfields Ltd. (MCL) issued Letter of Assurance (LoA) (LOA No. MCL/GM/S&M/LOA/Nava Bharat/2010/842) to M/s Navbharat Power Private Ltd. (NPPL) (now known as Brahmani Thermal Power Private Ltd.) dated 13th August, 2010 for tapering coal linkage for its 1050 MW Thermal Power Project in Dhenkanal District of Odisha. As per terms of LoA, company provided commitment Guarantees in the</p>

	<p>form of Bank Guarantee (BG) to the extent of Rs 24.82 Cr to MCL. The Company, NPPL had achieved eight (8) out of ten (10) milestones stipulated in tapering coal linkage LOA except land acquisition and start of construction. The land acquisition was entrusted to state's nodal agency, IDCO, as per directive of State Govt./PICOL and in terms of MoU.</p> <p>IDCO failed to acquire the land within the timeline of LOA issued by MCL since the proposed land for the power project overlapped with the proposed Canal network planned by Water Resource Department (WRD), Govt. of Odisha, which resulted in "Force Majeure" situation. After lot of persuasion by IDCO and NPPL, the WRD, Govt. of Odisha modified the earlier canal network plan and permitted use of partial land at the proposed site subject to construction of underground tunnel and water lift system vide its letter dated 10th July 2012, but by the time, the LOA and due date for acquisition of land already expired on 10.06.2011, however, MCL initiated forfeiture action.</p> <p>Aggrieved with this situation, the company approached Orissa High Court and obtained stay and the matter became Sub-Judice. The matter was earlier discussed in SLC (LT) meeting held on 20.12.2013 and MCL was directed to follow-up the case, but not come up in subsequent meetings and matter remains as it is.</p> <p>Meanwhile, since the linked coal block viz. "Rampia & dip side of Rampia" de-allocated as per Hon'ble Supreme Court of India order dated 24.09.2014, the tapering linkage granted has no meaning and in absence of land and coal block, the company has no intention to further develop the power project.</p> <p>In line with directions of Hon'ble Odisha High Court, the company kept the BG alive and waiting for adequate resolution of the matter and return of BG and requested to review the matter in the light of "Force Majeure" situation created due to canal network which was beyond the control of the company and consider their request to refund the Bank Guarantee.</p> <p>The issue was discussed in the SLC (LT) meeting held on 20th December, 2013. MCL was directed to follow up the matter immediately and take appropriate action.</p> <p>Brief background of the case, as provided by MCL is as follows:</p> <p>M/s Nav Bharat Power Pvt. Ltd. was issued LOA 11/13.06.2010 for a capacity of 1050 MW (3x350 MW)</p>
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	<p>and MCL. LOA was valid till 12.06.2011.</p> <p>On scrutiny of milestones following deficiencies were found:-</p> <ol style="list-style-type: none"> I. Milestone no.2 - Approval of Investment Decision: Submitted by Ms Essar Power . II. Milestone no.4 - Land Acquisition: - Notification submitted. Lease Deed/ Sale Deed for land has not been submitted. III. Milestone no.6 - Forest Clearance - Submitted after validity of LOA. IV. Milestone no.7 - Water Allocation: - Final water allocation not submitted. V. Milestone no.8 - Commitment of Equity - Submitted by M/s Essar Power Ltd. VI. Milestone no.9 - Financial Closure - Final sanction letter/ loan agreement not submitted. VII. Milestone no.10 - Start of Construction: - No document submitted. VIII. Additional CG submitted against two milestones. IX. Notice issued for Cancellation of LOA on 01.08.2011. X. The consumer filed a writ petition in Cuttack High Court on 26.08.11. XI. Stay order of Cuttack High Court dt. 30.08.11 on operation of cancellation letter till disposal of case and on forfeiture of CG. XII. Counter affidavit was filed on 28.07.12 XIII. Matter was last listed on 22.03.2012. As intimated by MCL's dealing advocate because of change of Benches and non-availability of regular benches matter was not taken up for
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	<p>considerable period. Memo for date to hear the case has been submitted but till date matter has not appeared in the case list.</p> <p>XIV. BGS submitted by the consumer are valid on date.</p> <p>XV. Further one misc. petition has been filed before Hon'ble High Court of Odisha on 22.10.2014 to have a hearing on the matter. Expected to be heard before the Hon'ble Court shortly.</p> <p>XVI. The dealing advocate of MCL is being reminded regularly vide various correspondences, the latest being reminder, dtd. 11.06.2016.</p> <p>XVII. Further, they have changed their name to M/s Brahmani Thermal Power Pvt. Ltd. without any prior intimation to MCL.</p> <p>XVIII. Vide their letter, dtd. 28.12.2015, they have applied for cancellation of LOA & return of CG in view of de-allocation of coal block "Rampla and Dip side of Rampla" allotted to them & no further plan to develop the Project.</p> <p>XIX. MCL vide letter, dtd. 08.11.02.2016 has intimated the consumer that MCL can't initiate any action as the matter is sub-judice.</p> <p>XX. Does not appear in Ministry of Coal's list, dated 17.07.2013.</p> <p>The SLC (LT) to take a view in the matter.</p>
<p>Agenda No. 10 M/s Lanco Vidharbha Thermal Power Limited</p>	<p>Issue: Confirmation of fulfillment of LOA milestones of Lanco Vidharbha Thermal Power Limited by SECL.</p> <p>Brief background of the case- The project proponent in its request has stated that-</p> <p>Lanco Viddartha Thermal Power Ltd. (LVTPPL) was granted coal linkage from South Eastern Coalfields Ltd. (SECL) in the SLC-LT meetings on 29.01.2010 and 08.04.2010. Subsequently, SECL issued the Letters of Assurance (LOAs) for the 2 x 660 MW Units 1 & 2 on 11.02.2011 and 26.10.2010 respectively. LVTPPL complied with the directive given in the SLC-LT meeting on 20.12.2013, by furnishing additional</p>

commitment guarantee and submitting requisite documents like affidavit on MOEF compliance, etc. before 31.03.2014, as required. The confirmation regarding fulfillment of LOA milestones by SECL has been pending since then. In January, 2016 it had taken up this matter again with SECL and MOC and additional documents like auditors certificates related to the Project Company(LVPTL) being an SPV of the parent company, Lanco Infratech Ltd.(LITL) have been submitted to SECL and MOC. The matter was discussed in the SLC-LT on 27.01.2016 and MOM circulated on 3.02.2016 reflected the status as follows:

"SECL has received papers regarding SPV status on 25.01.2016. It may be examined expeditiously by it."

The issue was discussed in the SLC (LT) meeting dated 27.01.2016. SECL had received papers regarding SPV status on 25.01.2016. SECL has furnished its comments in the matter. SECL vide letter dated 16.03.2016 has informed that it had forwarded all the documents submitted by Lanco Vidharbha Thermal Power Limited to Legal Deptt. of SECL for appropriate scrutiny about Lanco Vidharbha Thermal Power Limited being an SPV of Lanco Infratech Limited and advise. In response, Legal Deptt. of SECL have obtained an expert opinion dated 12.03.2016 by Shri Vivek Chopda, penal advocate, which has been approved by Sr. Advocate, Shri N.K. Shukla.

However, the advocate have also advised to obtain an Affidavit from both Lanco Infratech Limited and Lanco Vidhrabha Thermal Power Limited affirming that the equity shares of Lanco Vidhrabha are held by Lanco Infratech Limited/dits subsidiaries and the same would be maintained by them in future and further to swear that, the composition of Directors of Lanco Vidharbha is also inconsonance with the relevant rules and regulations.

Apart from the above, Legal Deptt. have also advised that additionally in the light of explanation 1(d) to sub-Rule 2 of Rule 3 of Electricity Rules' 2005, which defines the terms SPV, the holding company Lanco Infratech and its SPV Lanco Vidharbha should also swear in the same Affidavit that, the SPV would not engage in any other activity except for the purpose for which it was essentially formed, initially.

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

<p>Agenda No. 11 M/s Nabha Power Limited</p>	<p>Issue: Enhancement of Long Term Coal Linkage for 1400 MW Rajpura Project.</p> <p>A request for enhancement of Long Term Coal Linkage for 1400 MW Rajpura Project has been received from M/s Nabha Power Limited. M/s Nabha Power Limited has stated that Coal linkage of 5.55 MMTPA of G-11 (erstwhile 'F') grade coal was granted to the Project for the capacity of 1200 MW in August 2007. Fuel Supply Agreement has been signed and coal is being supplied on regular basis since February, 2014. It has been stated that the linkage of 5.55 MMTPA is not sufficient to run the 1400 MW capacity. The project needs 8 MMTPA of ROM coal (F grade or equivalent) for operation at full capacity.</p> <p>The issue was discussed in the SLC(LT) meeting held on 27.06.2014. The committee recommended that <i>"Committee noted the suggestion of the promoters that case-II bidding cases should get priority over others. Keeping in view the negative coal balance as of now and also in view of fact that there are several other cases of similar nature where demand for such additional coal would be of the order of 15-20 MT, no change in the present position is recommended"</i>.</p> <p>The SLC (LT) to take a view in the matter.</p>
<p>Agenda No. 12 M/s Vedanta Ltd.</p>	<p>Request of M/s Vedanta Ltd (VL) was received regarding inclusion of its Thermal Power Plant (3x600 MW) in CPP category. VL had mentioned that it had intended to convert its 4x600 MW thermal power plant into CPP to Orissa Electricity Regulatory Commission (OERC). OERC directed that IPP (Unit-I, 600 MW) will remain as an IPP and stay connected for supply of power to state Grid and IPP (3x600 MW) are converted into CPP units.</p> <p>Comments of MoP were called for. MoP had forwarded CEA's recommendations considering the conversion of 2 units (Unit 3 & Unit 4) of M/s Sesa Sterlite Ltd., now called M/s VL from IPP to CPP, and the same have been accepted by Ministry of Coal vide MoC's letter no. 47011/9/98-CPD (Vol.-II) dated 8th June, 2016. CIL has been requested to take further necessary action in the matter.</p> <p>Ministry of Power has been requested to furnish its comments in respect of Unit-1 of the plant.</p> <p>CIL vide letter dated 26th May, 2016 forwarded a letter of MCL stating that coal supply to the unit I and III of 600 MW each under FSA has been cancelled w.e.f. 15.04.2016 on the basis of request of M/s VL.</p> <p>This is for information of the SLC (LT).</p>

<p>Agenda No. 13 BSPGCL</p>	<p>Issue: Advising ECL to withdraw demand of Additional Commitment Guarantee for tapering coal linkage granted to 2x250 MW Barauni Thermal Power Station.</p> <p>A request from BSPGCL was received for advising ECL to withdraw demand of Additional Commitment Guarantee for tapering coal linkage granted to 2x250 MW Barauni Thermal Power Station (Extension Project). BSPGCL had mentioned that as all the referred milestones were completed well within the scheduled time-period, demand of ECL for Additional Commitment Guarantee does not hold good. It was also mentioned that ECL vide letter dated 5th December, 2014 advised BSPGCL to approach the competent authority for consideration of the case. ECL had also mentioned in the said letter that information regarding performance/completion of milestones was not received by them within the stipulated time.</p> <p>Earlier also a letter from BSPGCL on this issue was received. Comments of ECL were called for in the matter. ECL had furnished its comments vide letter dated 5/6.11.2015, wherein ECL inter-alia indicated that the matter was referred to MoC by Director (Marketing), CIL in his letter dated 16.05.2015 addressed to Joint Secretary (L/A), MoC. CIL had also mentioned that BSPGCL had not deposited the requisite Commitment Guarantee. Validity period of the LoA has also expired on 26.09.2015.</p> <p>The SLC (LT) to take a view in the matter.</p>
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No. 23014/3/2016-CPD
Government of India
Ministry of Coal

New Delhi, Dated 17th June, 2016

Subject: Agenda for the meeting of the Standing Linkage Committee (Long Term) for Cement Sector to be held on 21.06.2016.

A meeting of the Standing Linkage Committee (Long Term) for Cement Sector will be held on 21.06.2016 under the Chairmanship of Special Secretary (Coal) to review the status of existing coal linkages/LoAs and other related matter. The agenda shall be as follows:

Agenda No. 1 M/s Bagalkot Cement	<p>M/s Bagalkot Cement and Industries Ltd. (formerly known as Bagalkot Udyog Ltd had a coal linkage of 10,000 tonnes per month (4000 tonnes per month from WCL and 6,000 tonnes per month from SCCL. M/s Bagalkot Udyog Ltd was declared sick industrial company by BIFR on 02.06.2000. BIFR circulated the Detailed Rehabilitation Scheme (Sanctioned Scheme) on 20.9.2007 issued vide order dated 12.10.2007 which is as under:</p> <p>The Company Cement Plant shall become operational from the cut-off date. Following concessions are envisaged from various concerned parties. Ministry of Coal, Government of India to restore linkage allocation of Coal to the extent of 10,000 tons per month with Singareni Collieries Ltd with SECL and WCL.</p> <p>Accordingly, vide Ministry of Coal's letter dated 07.09.2009, WCL was advised to ensure that there is no breach of BIFRs Order.</p> <p>MOC vide letter No.23021/21/2007-CPD (Vol.II) dated 09.07.2012 informed BIFR that they had already taken appropriate action for providing coal allocation to M/s Bagalkot Cement & Industries Ltd. from WCL but signing of Fuel Supply Agreement and actual coal release had been delayed due to non-achievement of milestones by Bagalkot Cement & Industries Ltd with a copy to CMDs of CIL & WCL.</p>
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Thereafter, M/s BCIL approached BIFR vide various reliefs vide Misc Applications MA No.70/2012, MA No. 389 of 2012, MA No. 52 of 2013, MA No. 78/2013, MA No. 256 of 2013, MA No. 231 of 2014 BIFR based vide order dated 28.2.2013 in MA No.70/2012 directed MOC, CIL and WCL to restore the linkage allocation of coal to the extent of 10,000 tpm and vide order dated 23.12.2013 in MA No.256/2013 sanctioned a modified rehabilitation scheme for the revival of the company in case No.28/2000 filed by Bagalkot Udyog Ltd. which is as under:

“Ministry of Coal, Government of India/Coal India Limited or its subsidiaries to restore the linkage allocation of coal to the extent of 10,000 tonnes per month with Singareni Coal Mines Ltd and WCL as per (SS-07) clause 8(5)(a) under the head Ministry of Coal, Govt. of India after complying FSA procedure without requiring the company to go through the LoA procedure meant for the new consumers and resume supply of coal as per SS-07, failing which action will be taken as per law.”

Appeal No. 234/13 and 89/14 was filed by WCL against the BIFR Order dt. 23.12.2013 in AALFR. AALFR vide Order dated 19.01.2016 dismissed WCL's Appeals No. 134/13 and 89/2014 against the BIFR Orders dated 28.02.2013 and 23.12.2013 respectively stating that there is no merit in these appeals concluding the following:

- The Appellant is duty bound to comply with the provisions of the Sanctioned Scheme, particularly, the provisions relating to the coal linkage.
- New Coal Distribution Policy is not applicable in the case of respondent Company.
- Even if the NCDP is applicable, the respondent company fulfills the criteria of existing consumer.
- Provisions of the revival Scheme sanctioned under SICA have overriding effect on any policy or law by virtue of the non-abstente clause as provided under Section 32(1) of SICA.
- The Appellant neither challenged the original scheme nor sought any modification therein. The Appellant did not object or challenge even the modified scheme- MSS-13 which was sanctioned on 23.12.2013. As such, parameters of NCDP should not be applied while restoring the coal linkage.
- The Appellant is duty bound to implement the unimplemented part of the sanctioned scheme during the scheme period even after its net worth turns positive and it gets discharged from the purview of SICA.

AALFR has observed that it had not found any infirmity in the impugned order of BIFR. AALFR has observed

	<p>that there is no merit in the appeals and has dismissed the appeals. Impugned orders stand revived.</p> <p>WCL citing AAIFFR order dt. 19.01.2016, requested MoC to provide further course of action in the matter and indicating that if appeal has to be filed, same has to be done at the earliest, WCL also forwarded legal opinion of their Sr. Advocate, Shri S. Dharmadhikari opined that it is not advisable to challenge the decision of the tribunal which can be done only by a Writ Petition. It is well settled that the High Court would not replace its view for the view taken by the AAIFFR even when two views are possible. He further opined that Writ Petition if filed to challenge the decision of the Appellate Authority may not succeed. Under these circumstances, it would be in the fitness of things if the order of the Appellate Authority were complied with.</p> <p>The issue was examined in the Ministry of Coal. There are no sufficient legal grounds to go against AAIFFR which has dismissed WCL's appeal against BIFR order on merit. Thus the BIFR's order will have to be complied with. Accordingly, WCL was directed to comply with the BIFR's order.</p> <p>This is for information of the SLC (LT).</p>
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