File No.23014/1/2016-CPD Government of India Ministry of Coal

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New Delhi, the 22nd January, 2016

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 27th January, 2016 at 11.30

In continuation of this Ministry's OM of even No. dated 18.01.2016 on the above mentioned subject, I am directed to enclose herewith the agenda items to be discussed in the above meeting. The venue of the meeting is "Bhaba Chamber, Scope Convention Centre, Scope Complex, 7 Lodhi Road, New Delhi-1100 03. It is requested to kindly make it convenient to attend the meeting.

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

Τo

1.	Special Secretary, Ministry of Coal	Chairperson
2.	Principal Advisor(Energy), Planning Commission, Yojana Bhawan New Delhi.	Member
3.	Joint Secretary (Coal), Ministry of Coal	Member
3. 4.	Advisor (Projects), Ministry of Coal	Member
5.	Joint Secretary(Thermal), Ministry of Power, Shram Shakti Bhawan, New Delhi	Member
5. 6.	Joint Secretary (Ports), Ministry of Shipping, Transport Bhawan, New Delhi	Member
0. 7.	Joint Secretary, Ministry of Steel, Udyog Bhawan, New Delhi	Member
7. 8.	Joint Secretary, Named of Industrial Policy & Promotion, Udyog Bhawan, New Delhi	Member
0. 9.	Shri Manoj K Akhouri, Executive Director, T. T. (F), Room No. 261, Railway Board, Ministry of	Member
9.	Railways	
10 11	Chairman-cum-Managing Director, CIL, Coal Bhawan, New Town, Razar Hat, Kolkata-700156 Director(Marketing), CIL, Coal Bhawan, New Town, Razar Hat, Kolkata-700156	Member 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,	Member
	Kanke Road, Ranchi.	
14	Chairman-cum-Managing Director, SCCL, P.O. Kothagudem Collieries, Distt. Khammam-507101	Member
15	Chairman, Central Electricity Authority, Sewa Bhawan, RK Puram, New Delhi	Member
16	Chairman, NTPC, Scope Complex,, Lodhi Road, New Delhi-110003	Member

Copy to:

(i) Director(Technical), CIL, Coal Bhawan, New Town, Razar Hat, Kolkata-700156 ii) GM(S&M), CIL, Coal Bhawan, New Town, Razar Hat, Kolkata-700156, iii) CGM(CP), CIL, Coal Bhawan, New Town, Razar Hat, Kolkata-700156 iv) Shri G.K. Vashishtha, GM(S&M), CIL, Scope Minar, Laxmi Nagar, Delhi.

Copy also to:

1. OSD to Minister of State (I/C) for Coal 2. PS to Minister of State (I/C) for Power, Coal and N&RE, 6. PPS to Joint to Secretary(Coal), 4. PPS to Special Secretary(Coal), 5. PPS to Joint Secretary(RKS), Secretary(RPG), 7. Director (CPD). Na-4-22.1.2016

Under Secretary to the Govt. of India

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

No.23014/1/2016-CPD Government of India Ministry of Coal CPD Section

New Delhi, Dated 22nd January, 2016

Agenda for the meeting of the Standing Linkage Committee (Long Term) for Power to be held on 27th January, 2016.

A meeting of the Standing Linkage Committee (Long Term) for Power will be held on 27.01.2016 under the Chairmanship of Special Secretary (Coal) to review the status of LoAs issued by Coal India Ltd and its subsidiaries in pursuance of the recommendations of the Committee and other related matters. The agenda shall be as follows:

Agenda Item & No. Brief Do	Brief Description of the Agenda item
Agenda Item No. 1	
Confirm	Confirmation of Minutes of the SLC (LT) meeting held on 17.07.2015
Confirmation of Minutes	
of the SLC (LT)	
meeting held on	
17.07.2015	
Agenda Item No. 2 Issue:	Issue: Revision of ACQ of Rajghat TPS.
Coal India Limited (CIL) - Revision of ACQ of Genera Rajghat TPS 14, Raj reduced Dispate the years. Lakh T	CIL has stated that NCL entered into Fuel Supply Agreement with Indraprastha Power Generation Company Ltd (IPGCL) on 17.09.2009 for 8.00 Lakh Tonnes per annum as per the quantity allocated by CEA for per-2009 power plants. However, since the year 2013-14, Rajghat TPS has been lifting coal quantities even below 50% of its ACQ on the plea of reduced generation target setting by the statuary regulatory authority namely State Load Dispatch Center. The power station has lifted only 3.59 and 3.50 Lakh Tonnes of coal in the year 2013-14 and 2014-15 had approached NCL for reduction of ACQ for the said years. During the current Financial Year 2015-16, the power plant had lifted only 0.39 Lakh Tonnes and GM, Rajghat TPS vide letter dated 22.08.2015 informed NCL that the

2015. Besides this, Rajghat TPS is withholding transit fee arrear of Rs.16.04 Crore regular coal supplies payable to forest department of UP and Outstanding dues of Rs.1.36 Crore against June 2015 and reported no requirement for coal for the period from August - October,

to other power houses is getting disturbed. ACQ of Rajghat TPS, since due to this short lifting of coal, the supply commitment of NCL CIL has requested that appropriate action may be taken for the permanent reduction of

CIL has requested that the matter may be taken up in the SLC(LT) meeting. Comments of MoP have been called for in the matter. The same are awaited.

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

Issue: Change of name from Dhariwal Infrastructure Pvt. Ltd (DIPL) to Dhariwal Infrastructure Ltd. (DIL).

Pvt. Ltd (DIPL)

Dhariwal Infrastructure

Agenda Item No. 3

of the judgement of the Hon'ble High Court of Chhattisgarh dated 03.03.2015, the meeting dated 17.07.2015'. change in name from Dhariwal Infrastructure Pvt. Ltd (DIPL) to Dhariwal Infrastructure i.e. 17.07.2015, the Committee recommended that the request of the Company for during the course of personal hearing granted to them on 06.05.2015, the Speaking representation of the Project Proponents dated 19.03.2015, the submissions made the SLC (LT) meeting held on 17.07.2015. The Committee recommended that 'in view The issue regarding change of name from DIPL to DIL was deliberated at length during interpretation based on the judgements quoted by the project proponents in course of Ltd (DIL) may be approved, subject to confirmation from Deptt. of Law, of the Order dated 03.06.2015, and submissions made before the Committee (SLC/LT) today

sought in the matter. DLA stated that pursuant to judgment dated 03.03.2015 of Hon'ble Accordingly views of Deptt. of Legal Affairs (DLA), Ministry of Law and Justice were High Court of Chhattisgarh and taking into account the representation and submissions

for change in name from Dhariwal Infrastructure Pvt. Ltd. to Dhariwal Infrastructure Ltd made by the concerned party in the matter, the SLC/LT has already approved the request

violation of law in the matter and the Hon'ble High Court has pointed that the respondent challenged before the higher court. There is also nothing on record to indicate any attained finality as there appears nothing on record to indicate that the same has been themselves have waived violation of clause 5 of the LoA. DLA has further stated that it appears that the judgment of Hon'ble High Court has

SLC (LT) to take a view in the matter as directed by the Hon'ble High Court in terms of policy guidelines 5.8.2008 and 18.4.2011 and take a final decision in accordance with law High Court that "let the respondent in the SLC (LT) consider issues in the light of their own policy and precedent prevailing in this regard by passing a reasoned and speaking order displaying application of mind..." it is for the DLA has concluded that viewed in totality and taking into account the direction of Hon'ble

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

get the supply of coal restoration of the B. G. encashed by CCL and execution of FSA enabling them to Issue: Extension of the validity period of the LoA by condoning the delay,

M/s. Shyam Sel Ltd.

Agenda No. 4

encashed by CCL and execution of FSA in respect of 3x30 MW CPP of M/s. Shyam Sel report with remarks of CIL may be placed before SLC (LT). recommended that the case be re-examined by the CCL and a report sent to CIL. The Ltd. was placed before the SLC(LT) in its meeting held on 12.3.2015. The Committee The proposal for extension of validity period of LoA, condoning the delay, B.G.

CIL/S&M/47252(New Pol)/981 dated 13.11.2015 forwarded the comments of CCL vide In this connection a report was sought from CIL. CIL vide their letter No. their letter no CCL/HQ/C-4/Shyam Sel/2015/10402 dated 8.10.2015.

In their letter CCL has stated the following:-

- $\widehat{\Xi}$ \equiv a quantity of 4,52,000 tonnes per annum of Grade E coal for its 3x30 MW CPP. An LOA was issued to M/s Shyam Sel & Power Ltd. by CCL on 10.9.2008 for Due to incomplete/partial submission of the required documents related to
- \equiv some milestones after expiry of LOA period, LOA was cancelled and Bank Hon'ble High Court of Calcutta vide GA No. 987 of 2012 and CS No.77 of Aggrieved with the action of CCL, M/s Shyam Sel & Power Ltd. approached the Guarantee forfeited by CCL vide letter dated 22.3.2011
- 3 Hon'ble High Court of Calcutta on 5.5.2015 has passed the following order:

order as to costs." stands disposed of with the aforesaid direction. However, there shall be no week from the date of passing of the order. The application, accordingly, date of communication of this order upon giving a reasonable opportunity of representation to the Review Committee within two weeks from date. The decide the matter afresh. The petitioner if desires can make any further made by the petitioner on 6th December 2010. The Review Committee shall consideration the documents produced by the petitioner and the representation Review Committee shall communicate its decision to the petitioner within a hearing and shall dispose of the representation by a reasoned order. The Review committee shall decide the matter within a period of 12 weeks from the "The authorities concerned shall review the matter afresh taking into

- 3 afresh and a Reasoned Order dated 26.9.2015 was passed by the Review Committee stating the following: Accordingly Review Committee, constituted by Dir(F), CCL, decided the matter
- (a) Whereas M/s Shyam Sel & Power Ltd. was issued a letter No. CCL/HQ/Cbe taken in reference to the documents submitted earlier in the office of GN Power Ltd. to make any further representation, if any, otherwise, decision may 4/LOA/ShyamSel/2015/6836-38 dated 11.6.2015 requesting M/s Shyam Sel & (S&M), CCL. In response to above letter, no representation was received trom

as above, was attended by the representatives of both the CCL and M/s Shyam CCL/HQ/C-4/Shyam Sel/CPP/2015-16/8053-56 dated 23.7.2015. The meeting fixed as 31st July, 2015 which was communicated to the party vide letter No. as in view of GM Co-ordination meeting at CCL HQ and the revised date was issued to M/s Shyam Sel & Power Ltd. for attending in the office of the GM the party. Again a letter No. CCL/HQ/C-4/2015/7785-88 dated 14.7.2015 was Sel & Power Ltd. on 31.7.2015. Court. The proposed meeting of 24th July,2015 was deferred for 31st July,2015 (S&M), CCL on 24th July,2015 to review the matter afresh as directed by the

(b) Whereas the representative of CCL informed that an LoA was issued to M/s the LOA within 24 months from the date of issue of LOA....." Shyam Sel Power Ltd. Vide letter no. CCL/HQ/C-4/LOA/8553-58 dated 3/10.9.2008. As per Clause 2.1 of LOA, "the assured (M/s Shyam Sel & Power Ltd.) shall undertake to complete all the activities as mentioned in Annexure-I to

Accordingly, the party had to complete all the milestones within two years i.e. upto 9.9.2010. The review committee of CCL after going through the documents submitted by M/s Shyam Sel & Power Ltd. has come to the conclusion that:

- Documents submitted against the milestones regarding existence of business submitted late i.e. after 9.9.2010. entities, land acquisition, torest clearance and water allocation have been
- $\bar{\omega}$ (i) Environment clearance that issued by MOEF dated 18.3.2009 refers to clearance of 2 x 250 MW CPP.
- for 1000 MW Thermal Power Project. Deptt., Govt. of West Bengal again refers to drawing of water from Ajay River (ii) Sanction for water allocation letter issued by Irrigation and Waterways

Shyam Sel & Power Ltd., i.e. 3 x 30 MW. The Committee has also gone to the office of CGM(S&M), CCL, Ranchi through the letter dated 6.12.2010 submitted by M/s Shyam Sel & Power Ltd. Both the above referred letters are inconsistent with the LOA issued to M/s

- (c) Whereas representative of Shyam Sel & Power Ltd informed the committee the delay in submitting the documents as pointed out by CCL is because of obtained as the Shyam Sel & Power Ltd had plans for further extension in the days. Regarding & Power Ltd and the same was made immediately, the delay was only for few pointed out the deficiencies in the documents already submitted by Shyam Sel communication gap between CCL and Shyam Sel & Power Ltd. CCL had Department, Govt. of WB for 1000 MW instead of 3x30 MW CPP, it was future, so clearance/approval was obtained for higher MW. clearance and sanction of MOEF and Water West
- (d) Whereas on query from CCL Committee as to present installed capacity and going through the documents submitted by Shyam Sel & Power Ltd earlier on obtained from MoC as the same was not known to them. The Committee after configuration from 3x30 MW for setting up of 18 MW and 43 MW was not Shyam Sel & Power Ltd have set up 2 CPPs of capacity 18 MW and 43 MW 06.12.10 and explanation submitted by the representative of PP observed as configuration of CPP consequent upon issuance of LoA, it was informed that The Shyam Sel & Power Ltd also informed that prior permission for change of
- obtained for 2x250 MW and permission for drawl of water from state Govt has submission of document regarding water allocation and EC. EC has been (i)That there has been lapses on the part of Shyam Sel & Power Ltd in been obtained for 1000 MW TPP, whereas LoA was issued for CPP of 3x30
- substantial change in configuration and capacity of CPP. The configuration and application was submitted for granting of linkage for 3x30 MW (90 MW) capacity have been changed without prior permission of MoC where the initial MW i.e. total of 61 MW whereas LoA was issued for 3x30 MW CPP. This is the (ii) Shyam Sel & Power Ltd has set up/commissioned CPP of 18 MW and 43
- (e) In view of the above lapses, gross change of configuration and capacity of CPP by Shyam Sel & Power Ltd the action taken earlier by CCL vide their letter

Bank Guarantee dt 22.3.2011 is justified in accordance with the terms and dated 22.03.2011 for cancellation of LoA and encashment of Commitment conditions of the LoA.

Agenda Item No. 5

Signing of FSAs and supply of coal to the power plants commissioned/ to be commissioned in 2015-16 (Part of 78000 MW)

after March, 2015.

issue: Signing of FSAs and supply of coal to the power plants commissioned/ to be commissioned in 2015-16 (Part of 78000 MW)

SLC (LT) in earlier meeting of 12.03.2015.

The SLC (LT) to take a view in the matter in the light of report of CIL as directed by

forwarded the COD of CIL Linked Power Plants (Post-2009 plants) (78000 MW) Ministry of Power vide their commissioned by 31.03.2015 and expected commissioning schedule of CIL linked (Post-2009) Power Plants (Part of 78000 MW) commissioned/ expected to be commissioned O.M. No. FU-11/2010-IPC (Vol.VI) dated 31.08.2015

the following: Accordingly, a letter No. 23011/19/2015-CPD dated 15.10.2015 was sent to CIL stating

after March, 2015 covered under 78000 MW list. plants. MoP has provided the expected commissioning schedule of these power plants meeting held on 17.07.2015 advised Ministry of Power to give revised CoDs of power plants could not be commissioned by March, 2015 due to various reasons. SLC (LT) in its containing the list of plants that was annexed to the Presidential Directive. Certain power be commissioned by 31.03.2015. This was on the basis of Ministry of Power's letter 17.07.2013 was regarding coal supplies to power utilities which had been or were likely to "That earlier CCEA decision of 21.06.2013, conveyed through Presidential Directive of

plants those are part of 78000 MW, commissioned/to be commissioned in 2015-16 has It was also mentioned that the issue of signing of FSAs and supply of coal to the power FSAs with such plants as are commissioned/to be commissioned in 2015-16 and supply been examined in this Ministry and it has been decided that CIL may be directed to sign coal as per FSA and Government policy to such power plants which are part of 78,000

MW. This may be got ratified by CCEA in due course.

that are commissioned/to be commissioned (part of 78000MW) in 2015-16 as mentioned CIL may take necessary action for signing of FSAs and supply of coal for the power plants

SLC (LT). This has to be got ratified by CCEA in due course. This is for information of the

Agenda Item No. 6

Extension of Condition Precedent – Clause No. 2.8.2.3 of FSA

Issue: Extension of Condition Precedent - Clause No. 2.8.2.3 of FSA

particular TPP. However, a general recommendation was made by SLC (LT). The issue was discussed in the SLC (LT) meeting held on 17.07.2015 in the context of a

document issued by Ministry of Power for such bidding processes which restrict power distribution companies can enter into long term power purchase agreement time for fulfilling this Condition Precedent (clause 2.8.2.3 of FSA). mentioned bids and petition is beyond their control, and requested to grant extension of commissioned. Project proponents have stated that finalization of schedule of above for last more than six years were very low as compared to capacities being number of opportunities available to enter into a competitive bidding and securing PPA power supply as and when long term power purchase need arises. However, the power tie-up with Discom. Power distribution companies invite tenders for long term participation from Power Trading Companies. Hence, it leaves with only option for direct through tariff based competitive bidding only. Discoms use the standard bidding 24 months from the date of signing of FSA. It was stated by Project proponents that through Power Trading Companies who have back to back PPA's with Discoms within Purchase Agreement, entered directly with the Distribution Companies (Discoms) or As per Clause no.2.8.2.3 of FSA, company having LoA has to furnish long term Power

31.03.2016.	Commissioning (which are being dealt with separately), may be granted upto	fulfilling all the Conditions Precedent of all such projects, except COD and	The SLC(LT) recommended in its meeting held on 17.07.2015 that extension of time for

approval. Competent Authority directed that "as suggested by Representative of MoP, a also be considered along with any other pending cases under a policy." PPA's have been offered in recent years. This may be finalized quickly and this case Policy may be formulated, since a large number of projects are affected and not many The above recommendation of SLC (LT) was placed before the Competent Authority for

tormulated. Reply from MoP is awaited inputs for policy and a list of such projects which are affected so that a Policy could be Accordingly an OM has been sent to MoP on 18.01.2016 with the request to furnish

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

M/s Arasmeta Captive Nower Company Pvt. Ltd.

(ACPCPL)

Agenda Item No. 7

Issue: Change in category of 2x43 MW CPP to IPP

21.02.2014. Brief background of the case is as follows: category of their 2x43 MW CPP to IPP and the issue was discussed in SLC (LT) meeting held on M/s Arasmeta Captive Power Company Pvt. Ltd. (ACPCPL) had earlier requested for change in

= their cement plants. Lafarge India Pvt. Ltd. (LIPL) for meeting the requirement of captive power for The original linkages of two units of 43 MW each were granted to CPP of M/s

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stated to be an SPV, wherein LIPL held 49% of shares and consumed 85% of authority approved transfer of this coal linkage of LIPL to ACPCPL. ACPCPL was 02.06.2005. Subsequently, on request of the parties concerned, the competent Linkage for first Unit of 43 MW CPP was approved in SLC(LT) meeting of power generated, thereby fulfilling the requirements of being a CPP under the

×	<u>×</u>	viii)	vii)	<u><</u>	iii)
decision of SLC(LT). However, FSA was renewed by SECL upto 31.12.2013 only due to exit of LIPL from CPP arrangement with ACPCPL. The coal supplies are going on at present to this unit as a CPP, in line with SLC(LT) decision of 21.02.2014. However, the plant is not supplying captive power to LIPL. The plant is supplying all its power generated to CSPTCL in terms	its meeting held on 21.02.2014. MoP representative requested for change in category of 2x43 MW CPP to IPP. The Committee recommended that the matter be examined and put up for decision. Meanwhile, coal supply would continue to the plant in the manner supplied to CPP's as was being done earlier. Thereafter, SECL resumed coal supplies to this unit, treating it as a CPP as per	from CPP to IPP subject to the condition that PPA dated 09.12.2013 is approved by the regulator and the power supply from ACPCPL to CSPDCL would be at the lower of variable charge of M/s Arasmeta and M/s KSK Mahanadi Power. The issue of conversion of this unit from CPP to IPP was discussed by SLC(LT) in	ACPCPL informed on 13.01.2014 that they had executed a long term PPA dated 09.12.2013 with CSPDCL and started supplying 75 MW power to them. CSPDCL also certified that they had started purchasing power from their plant w.e.f. 07.09.2013. MoP recommended on 18.02.2014 for change in status of 2x43 MW power plant	with effect from December, 2013 and that the entire power generated from 2x43 MW shall be supplied to Chhattisgarh State Power Trading Company (CSPTCL) who will execute back to back PPA with CSPDCL. Therefore, ACPCPL requested for approval of change in status from CPP to IPP. Pursuant to LIPL's decision not to take power from ACPCPL, SECL stopped coal supplies from October, 2013 to their first unit and January, 2014 to their second unit.	Electricity Rules, 2005. This approval dated 27.01.2006 was valid till such time the provisions of Electricity Rules, 2005 were complied with. LoA for second unit of 43 MW CPP was approved by SLC(LT) on 29.10.2010. ACPCPL confirmed on 10.08.2011 that second unit of 43 MW CPP of ACPCPL remains the SPV of LIPL. As certified by Company Secretary on 05.11.2011, LIPL held 49% of shares and consumed more than 51% of power generated. ACPCPL informed MoC on 05.12.2013 that PPA with LIPL is being terminated

<u>×</u>. company for approval of change in name as per extant guidelines in vogue. The applicant has also mentioned that they will apply to the concerned coal of the PPA executed between them.

supplied to CPPs, as per SLC(LT) decision of 21.02.2014. Further, it is also a fact that the power generated is being supplied to CSPTCL in the manner as a power utility and not be a CPP. However, coal supplies are being continued to this plant in the manner as After it started supplying power to CSPTCL w.e.f. December, 2013, the unit has ceased to In the light of above, it is a fact that the LoA was granted to this unit as a CPP of M/s LIPL.

SLC (LT) to take a view on request of applicant for change in category of 2x43 MW plant form CPP to IPP and continuation of coal supply or otherwise.

No.23014/1/2016-CPD Government of India Ministry of Coal CPD Section

New Delhi, Dated 22nd January, 2016

January, 2016. Agenda for the meeting of the Standing Linkage Committee (Long Term) for Sponge Iron to be held on 27th

A meeting of the Standing Linkage Committee (Long Term) for Sponge Iron will be held on 27.01.2016 under the Chairmanship of Special Secretary (Coal) to review the status of LoAs issued by Coal India Ltd and its subsidiaries in pursuance of the recommendations of the Committee and other related matters. The agenda shall be as follows:

Agenda Item & No. Br	Brief Description of the Agenda item
Agenda Item No. 1	Confirmation of Minutes of the SLC (LT) meeting held on 17.07.2015
Confirmation of Minutes of the SLC (LT) meeting held on 17.07.2015	

No.23014/1/2016-CPD Government of India Ministry of Coal CPD Section

New Delhi, Dated 22nd January, 2016

Agenda for the meeting of the Standing Linkage Committee (Long Term) for Cement to be held on 27th January, 2016 2016.

A meeting of the Standing Linkage Committee (Long Term) for Cement will be held on 27.01.2016 under the Chairmanship of Special Secretary (Coal) to review the status of LoAs issued by Coal India Ltd and its subsidiaries in

pursuance of the recommendations of the Committee and other related matters. The agenda shall be as follows:

Agenda Item & No.	Brief Description of the Agenda item
Agenda Item No. 1	Confirmation of Minutes of the SLC (LT) meeting held on 17.07.2015
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