

MINUTES OF THE 35TH MEETING OF THE SCREENING COMMITTEE HELD ON 20TH TO 23RD JUNE, 2007 , AT SCOPE MINAR, LAXMI NAGAR, ON 30TH JULY, 2007 IN SHASTRI BHAVAN AND ON 13TH SEPTEMBER, 2007 IN SHASTRI BHAVAN, NEW DELHI TO CONSIDER ALLOCATION OF COAL BLOCKS EARMARKED FOR POWER GENERATION.

20TH TO 23RD JUNE, 2007 :

Secretary (Coal), as the Chairman of the Screening Committee, in his opening remarks drew the attention of the Committee Members to the guidelines (which are displayed on the website of the Ministry) laid down in the matter of allocation of coal blocks. It was also explained that the inter-se-priority among the applicants for allocation of coal blocks is to be determined on the basis of the criteria of suitability of the block to the requirement of the end use plant, techno-economic viability of the project, level of progress in setting up of the end-use project by the applicants, track record and financial strength of the company, recommendations of the Administrative Ministry and the State Governments concerned etc. It was decided that all the applicants will be given an opportunity to present their case one by one and thereafter the Committee will discuss and make its recommendation in respect of each block. In case an applicant has applied for more than one block, he would make his presentation for all the applied blocks together.

2. The list of participants is placed in '*Annexure-I*'. The coal blocks under consideration were - Amarkonda – Murgadangal, Ashok Karkata

Central, Durgapur-Ii-Sariya, Durgapur-Ii/ Taraimar, Fatehpur, Fatehpur East, Ganeshpur, Gourangdih ABC, Lohara West & Lohara East, Mahuagarhi, Mandakini, Patal East, Rampia, Dip Side Of Rampia, Sayang, and Seregarha.

3. The status of geological reserves of 16 blocks is as follows:

S.No	State	Coalfield	Name of coal block	Expl Status	Coking/Non coking	UG/OC	Proved	Indicated	Total
1	2	3		5	6	7	8	9	10
1	Jharkhand	Birbhum	Amarkonda-Murgadanganal	RE	Non coking	OC	-	*410	*410
2	Jharkhand	N. Karanpura	Ashok Karkata Central	RE	Non coking	OC/UG	-	110	110
3	Chattisgarh	Mand Raigarh	Durgapur-II/Sariya	E	Non coking	OC/UG	91.67	-	91.67
4	Chattisgarh	Mand Raigarh	Durgapur-II/Traimar	E	Non coking	OC/UG	211.366	-	211.366
5	Chattisgarh	Mand Raigarh	Fatehpur	RE	Non coking	OC	-	120	120
6	Chattisgarh	Mand Raigarh	Fatehpur East	RE	Non coking	OC	-	450	450
7	Jharkhand	N. Karanpura	Ganeshpur	E	Non coking	OC	137.885	-	137.885
8	WB	Raniganj	Gourangdih ABC	E	Non coking	OC	129.15	2.55	131.7
9	Maharashtra	Wardha valley	Lohara West & Lohara Extn.	E	Non coking	UG	162.12	7.712	169.832
10	WB	Rajmahal Gr	Mahuagarhi	RE	Non coking	OC	-	*220	*220
11	Orissa	Talcher	Mandakini	E	Non coking	OC	286.684	3.833	290.5

									17
12	Jharkhand	S.Karanpura	Patal East	RE	Non coking	UG	-	200	
13	Orissa	lb-River	Rampia	RE	Non coking	OC	-	285.235	285.235
14	Orissa	lb-River	Dip side of Rampia	RE	Non coking	OC	-	360	360
15	Chattisgarh	Mand Raigarh	Sayang	RE	Non coking	OC	-	150	150
16	Jharkhand	N.Karanpura	Seregarha	RE	Non coking	OC	-	150	150

4. The details of each applicant company in respect of core business, proposed capacity of end-use plant, location etc. are given at ‘**Annexure-II**’.

5. The following companies did not turn up for presentation despite notices issued to them through individual letter as well as through the Ministry’s web-site. However, their applications were also considered by the Screening Committee as per the information submitted by them in their application forms.

Date of presentation	Name of the companies who did not made presentation	Name of the block
20.06.2007	Chitarpur Coal & Power Ltd.	Amarkonda-Murgadangal
21.06.2007	Viraj Steel & Energy Ltd.	Durgapur-II/Taraimar
21.06.2007	Kedia Power Ltd.	Fatehpur
21.06.2007	Maa Kali Udyog (P) Ltd.	Fatehpur
22.06.2007	Emta Steels Energy Ltd.	Ganeshpur
22.06.2007	Trimula Industries Pvt. Ltd.	Ganeshpur
22.06.2007	Buma-SMPL JV	Gourangdih ABC
22.06.2007	Abhishak Thermal Power India Ltd.	Lohara West & Lohara Extn.
22.06.2007	Madhya Desh Papers Ltd.	Lohara West & Lohara Extn
22.06.2007	Viderbha Industries Power Ltd.	Lohara West & Lohara

		Extn
23.06.2007	Anant Thermal Energy Ltd.	Mandakini
23.06.2007	Crackers India (Alloys) Ltd.	Mandakini
23.06.2007	Sanghi Industries Ltd.	Mandakini
23.06.2007	Triupati Udyog Ltd.	Rampia

6. The applications received in the Ministry regarding all the 16 blocks were sent to the State Governments and the Central Administrative Ministries concerned for their views/ comments.

7. The Committee could not finalise its recommendations for allocation of blocks, based on its deliberation held during 20.06.2007 to 23.06.2007, as a communication was received on 22.06.2007, during the course of the meeting, from the Ministry of Power vide D.O. No. FU-10/2003-IPC (Vol.II) dated 20.06.2007. The Ministry of Power had informed that they had not made, by then, any case by case examination of the applications and, therefore, had not been able to make any recommendations in this regard. It would be possible for them to communicate their official views only after all the data and presentations made by the developers before the Screening Committee were analysed and processed on file. Therefore, they sought more time for this purpose.

30th July, 2007 :

8. Subsequently, another meeting of the Screening Committee was convened on 30.07.2007. Recommendations of the Ministry of Power were received on 30.07.2007 during the course of the meeting. It was noted that Ministry of Power had furnished their views with the observation that authenticity of data/ comments submitted need to be separately verified. Accordingly, the Committee decided that the State Governments may be asked to carry out a quick verification of the data used by the Ministry of Power for techno-economic evaluation of end use

projects. It was also suggested that in order to expedite the process, Ministry of Coal may devise a format and circulate it to the State Governments.

13th September, 2007 :

9. The next meeting of the Screening Committee was convened on 13.09.2007. The verification reports from most of the State Governments, as requested, were received. The information received was compiled and placed before the Screening Committee. Financial strength of applicant companies was scrutinized independently with the help of financial experts from CIL.

10. Based on the data furnished by the applicants, and the feedback received from the State Governments and the Ministry of Power, the Committee assessed the applications having regard to matters such as techno-economic feasibility of end-use project, status of preparedness to set up the end-use project, past track record in execution of projects, financial and technical capabilities of applicant companies, recommendations of the State Governments and the Administrative Ministry concerned etc. Taking cognisance of the advice given by the Ministry of Power that in view of the capacity constraints in transmission network, plant capacity should be limited to 500 – 1000 MW, the Committee agreed that this should be taken as the guiding principle. Therefore, 1000 MW would be taken as the maximum limit for allocation of coal blocks, in case the capacity indicated in the application is higher than that. In view of the large number of applications and limited number of coal blocks on offer, the Committee felt that it would be reasonable to have a satisfaction level in the range of around 40-70 %, to the extent feasible.

11. The representatives from the State Governments reiterated that location of end-use project within the coal bearing State and a Memorandum of Understanding (MOU) with that State Government should be the main consideration for allocation of coal blocks. The Chairman observed that while the views expressed by the State Governments would be given due weightage, these cannot be accepted as the sole basis or a mandatory qualifying prerequisite for allocation of coal blocks. This would not be in conformity with the guidelines laid down for allocation of coal blocks. There are many other factors which would have to be taken into account before the Screening Committee makes its recommendations. Coal is a national resource, and needs to be tapped optimally to sub-serve the economic interests of the whole country.

12. The representative from the Government of West Bengal stated that the only block located in their State, namely, Gourangdih ABC, should be allotted to the West Bengal Mineral Development and Trading Corporation (WBMDTC). It was pointed out that the said company had not submitted any application for this block. Therefore, it would not be possible for the Committee to consider WBMDTC for allocation of this block. He then suggested that the coal block may not be allocated to anyone, and be reserved for allocation to WBMDTC subsequently under Government company dispensation. The Committee felt that this was beyond the mandate of the Committee, and it may be placed for consideration of the Government. However, as required, the Committee would make its recommendation in respect of Gourangdih ABC also.

13. The Screening Committee, thereafter, deliberated at length over the information furnished by the applicant companies in the application forms, during the presentations and subsequently. The Committee also

took into consideration the views/comments of the Ministry of Power, Ministry of Steel, State Governments concerned, guidelines laid down for allocation of coal blocks, and other factors as mentioned in paragraph 10 above. The Screening Committee, accordingly, decided to recommend for allocation of coal blocks in the manner as follows:

	Name of Block	Recommended Companies	End use Plant
1.	Mandakini	1. M/s Monnet Ispat & Energy Ltd. 2. M/s Jindal Photo Ltd. 3. M/s Tata Power Comp. Ltd.	Orissa Orissa Orissa
2.	Rampia & Dip side of Rampia	1. M/s Sterlite Energy Ltd. 2. M/s GMR Energy Ltd. 3. M/s Lanco Group Ltd. 4. M/s Navbharat Power Pvt. 5. M/s Mittal Steel India Ltd. 6. M/s Reliance Energy Ltd.	Orissa Orissa Orissa Orissa Orissa Orissa
3.	Durgapur II/Sariya	1. M/s D.B.Power Ltd.	Chhattisgarh
4.	DurgapurII/Taraimar	1. M/s Bharat Aluminium Co. Ltd.	Chhattisgarh
5.	Sayang	1. M/s AES Chhattisgarh Energy Pvt. Ltd.	Chhattisgarh
6.	Fathepur	1. M/s SKS Ispat & Power Ltd. 2. M/ Prakash Industries Ltd.	Chhattisgarh Chhattisgarh
7.	Fathepur East	1. M/s JLDYavatmal Energy Ltd. 2. M/s Green Infrastructure Pvt. ltd. 3. M/s R.K.M. Powergen Pvt. Ltd. 4. M/s Visa Power Ltd. 5. M/s Vandana Vidyut Energy Ltd.	Maharashtra Chhattisgarh Chhattisgarh Chhattisgarh Chhattisgarh
8.	Lohara West & Lohara East	1. M/s Adani Power (P) Ltd. (1200MW)	Maharashtra
9.	Ganeshpur	1. M/s Tata Steel Ltd. (CPP-600 MW) 2. M/s Adhunik Thermal Energy Ltd. (Equal Share) 1000 MW	Jharkhand Jharkhand
10.	Seregarha	1. M/s Mittal Steel Ltd. 2. M/s GVK (Gonvindwal	Jharkhand Punjab

		Sahib) Ltd.	
11.	Ashok Karkata Central	M/s Essar Power Ltd.	Jharkhand
12.	Patal East	M/s Bhushan Power & Steel Ltd. (750)	Jharkhand
13	Amarkonda Murgadangal	1. M/s Jindal Steel & Power Ltd. 2. M/s Gagan Sponge Iron Pvt. Ltd.	Jharkhand Jharkhand
14.	Mahuagarhi	1. CESC 2. Jas Infrastructure Capital Pvt. Ltd.	Jharkhand West Bengal
15	Gourangdih ABC	1. M/s Himachal Emta Power Ltd. and M/s JSW Steel Ltd. on equal share basis. 2. Representative from the West Bengal Govt. suggested that either the block be allotted to WBMDTC Bengal or else be left unallotted. The committee felt that since WBMTDC Bengal had not applied for the block, it would not be possible to consider them. Regarding non-allotment, the matter may be placed for consideration of the Govt.	

14. A signed copy of the recommendations of the Screening Committee is placed at '**Annexure-III**'.

The meeting ended with a vote of thanks to the Chair.