

No.H0111/2/2017-Coord.
Government of India
Ministry of Coal

Shastri Bhawan, New Delhi,
Dated 21st December, 2017

Office Memorandum

Subject: Monthly Summary for the Cabinet for the month of November, 2017 in respect of Ministry of Coal.

The undersigned is directed to say that unclassified portion of the Monthly Summary of the Ministry of Coal for the month of November, 2017 has been uploaded on the website of this Ministry i.e. www.coal.nic.in. This is for kind information.

2. This issues with the approval of the competent authority.



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To

- (i) Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
- (ii) Technical Director (NIC), Ministry of Coal- for uploading on website of the Ministry.

Monthly Summary for the Cabinet for the month of November, 2017 in respect of Ministry of Coal**A. Principal Activities**

The core objectives of the Ministry of Coal are to augment coal production by adopting state-of-the-art clean-coal technologies; enhancing exploration efforts with thrust on increasing proven coal resources and developing necessary infrastructure for prompt evacuation of coal for securing its availability to meet the demand of different sectors of the economy in an eco-friendly and sustainable manner.

B. (i) Important decisions taken during November, 2017

- The Ministry is formulating a policy for auction of coal blocks for sale of coal under the provisions of Coal Mine (Special Provisions) Act, 2015.

(ii) BHARAT 22 ETF

- Consequent upon the CCEA's authorisation, the Alternative Mechanism approved the composition of new exchange traded fund namely Bharat 22 ETF with 22 constituent entities including CIL and NLCIL. AS directed by DIPAM, 19299613 number of shares of CIL and 3974665 number of shares of NLCIL were transferred to DIPAM's Pooled Escrow demat account at a total value of Rs. 545.91 crores during November, 2017.

(iii) OFS of NLCIL

- Alternative Mechanism in its meeting held on 21st March, 2017 approved the proposal to divest 15% paid-up equity capital in NLC India Limited out of Government of India shareholding in NLCIL. Further, DIPAM vide OM dated 24.10.2017 informed that the Alternative Mechanism (AM) has approved the sale of 5% paid up equity capital in NLC India Limited out of 15% approved. Accordingly 76814501 no of shares were transferred for the Offer for Sale including Offer for Sale for employees during October November, 2017.
- The Coal Controller Organization has reported that the total production of coal from the allocated captive coal blocks for the month of November, 2017 is 3.039 Million Tonnes (Provisional). However, it is informed that out of the above mentioned coal production, coal production from coal blocks which have not been cancelled by the Hon'ble Supreme Court viz. Moher & Moher Amlori Extn., Tasra and Pakri Barwadih is 1.381 Million Tonnes (Provisional).

C. Report on Progress: Details of progress in coal production, dispatch, e-auction of Coal viz-a viz target for the month of November, 2017 is given below-

1. (a) Coal production**(in MT)**

Company	November, 2017		% Achievement	April- November, 2017		% Achievement
	Target	Actual		Target	Actual	
CIL	54.9	51.3	93.4%	347.7	329.3	94.7%
SCCL	5.4	4.5	83.4%	40.4	36.3	90.0%

(b) Overall coal dispatch**(in MT)**

Company	November, 2017	November, 2016	% Growth	April- November, 2017	April- November, 2016	% Growth
CIL	50.7	48.1	5.3%	368.0	340.3	8.1%
SCCL	5.7	5.5	4.2%	40.7	36.7	11.0%

(c) Coal despatch to Power Sector

Company	(in MT)					
	November, 2017	November, 2016	% Growth	April-November, 2017	April-November, 2016	% Growth
CIL	40.9	37.6	9.1%	290.6	264.6	9.9%
SCCL	4.7	4.7	-0.2%	33.9	31.3	8.1%

(d) Spot E-auction of coal

Company	(in MT)					
	Coal Qty. Allocated November, 2017	Coal Qty. Allocated November, 2016	Increase over notified price	Coal Qty. Allocated April-November, 2017	Coal Qty. Allocated April-November, 2016	Increase over notified price
CIL	52.4	31.1	35%	317.1	368.6	22%

(e) Special Forward E-auction for Power

Company	(in MT)					
	Coal Qty. Allocated November, 2017	Coal Qty. Allocated November, 2016	Increase over notified price	Coal Qty. Allocated April-November, 2017	Coal Qty. Allocated April-November, 2016	Increase over notified price
CIL	31.7	32.40	39%	274.3	371.1	25%

(f) Exclusive E-auction for Non-Power

Company	(in MT)					
	Coal Qty. Allocated November, 2017	Coal Qty. Allocated November, 2016	Increase over notified price	Coal Qty. Allocated April-November, 2017	Coal Qty. Allocated April-November, 2016	Increase over notified price
CIL	19.9	13.01	52%	105.1	43.49	28%

(g) Special Spot E-Auction

Company	(in MT)					
	Allocated November, 2017	Allocated November, 2016	Increase Over notified price	Allocated April-November, 2017	Allocated April-November, 2016	Increase over notified price
CIL	-	-	-	3.51	62.62	20%

A policy on coal linkages allocation for Power Sector has been issued on 22.05.2017 with the approval of Cabinet Committee on Economic Affairs. Thereafter a meeting was convened to finalize the implementation strategy. As a follow up action, an IMC was constituted under Chairmanship of Additional Secretary (Coal) for formulating the methodology for auction of linkages to IPPs having PPA based on domestic coal and also for those having PPA based on imported coal. With the approval of Hon'ble MoS (IC) for Coal, the methodology for auction of linkages for IPPs having PPA based on domestic coal was issued on 12.06.2017. Standing Linkage Committee in its meeting held on 29.06.2017 & 21.08.2017 recommended coal linkages to 10 Central & State Government PSUs based on recommendation of Ministry of Power. Coal supply to Thermal power plants which were part of 68,000 MW has started, wherever the plants have been commissioned.

Action Plan and Progress on implementation of Power Sector linkage policy:

Sl. No.	Policy Guidelines	Status & Timeline
A(i)	To sign FSA with pending LoA holders.	Commissioning status received from CEA and has been sent to CIL. Letter issued to CIL on 25.08.2017 for taking necessary action with regard to signing of FSA of 4 power plants
(ii)	Closure of pending applications for	Notice has been updated on MoC website and DAVP has

	LoA.	published in the leading national dailies on 19.08.2017.
(iii)	Continuation of coal supply to 68,000 MW @75% of ACQ	Implemented
(iv)	Coal supply to 19,000 MW (out of 68,000 MW) which could not be commissioned by 31.03.2015	Implemented; coal supply started for commissioned plants.
(v)	Eligibility to draw coal for medium term PPAs	Implemented; Coal companies enabled to supply coal by policy letter dated 22.05.2017
B(i)	Linkages to State/Central PSUs	SLC (LT) on 29.06.2017 & 21.08.2017, recommended linkages to 10 cases of Central & State PSUs on recommendations of MoP.
(ii)	Linkages for IPPs having PPA based on domestic coal	Linkage auction conducted from 11 th to 13 th September 2017. Maximum allocable quantity was 27.18 MT, 402 tonnes remained un-booked. CIL requested that papers related to auction by referred to M/o Power & M/o Coal for vetting & necessary direction, if any. CIL has been informed that MoC & MoP have no comments to offer in the matter.
(iii)	Linkages for IPPs without PPA	Auction process to be started in September 2017. CIL requested CEA for probable list of participants along with capacity.
(iv)	Earmarking Linkages to States for fresh PPAs	Policy guidelines to be framed by Ministry of Power
(v)	Earmarking of linkage for aggregated Power requirement of group of States	Methodology to be formulated by Ministry of Power
(vi)	Linkages to SPV for setting up of UMPP	Recommendation to be received from Ministry of Power
(vii)	Linkages to IPPs having PPA based on imported coal (without adversely impacting the coal availability to other domestic coal based plants)	Methodology for plants having cost plus PPAs circulated for necessary action. After successful implementation, methodology for plants having tariff PPAs can be attempted.

Performance of NLC India Limited in November, 2017.

S. No	Product & Unit	Target November, 2017	Actual November, 2017	Actual November, 2016	% variation Target November, 2017	% variation Actual November, 2016
1.	Overburden (LM ³)	88.50	111.59	172.74	26.09	-35.40
2.	Lignite (LT)	17.10	17.37	22.14	1.58	-21.54
3.	Power Gross (MU)	1511.79	1704.52	1597.58	12.75	6.69
4.	Power Export (MU)	1283.79	1440.55	1344.83	12.21	7.12

2. Promotional and Detailed drilling

Promotional Drilling: A programme of Promotional/NMET (Regional) drilling comprising 0.90 lakh meters in coal and 0.85 lakh meters in lignite has been drawn up in Annual Plan of CMPDI/MoC. The programme is under execution by MECL, DGM, Nagaland, Assam and CMPDI. As against this, the achievement of drilling upto the month of November, 2017 is 0.89 lakh metre, against the target of 1.01 lakh metre, registering a growth of 36% over the same period last year.

Overall Progress of Detailed Drilling in 2017-18: For 2017-18, a target of 12.50 lakh metre of drilling (Departmental: 4.75 lakh metre, Outsourcing: 7.75 lakh metre) has been envisaged. As against this, 8.21 lakh metre of drilling has been carried out upto the month of November, 2017 against the target of 7.38 lakh metre, which is 111% of the target and registering a growth of 33% over the same period last year.
