

MOST IMMEDIATE/MEETING NOTICE BY FAX
File No. 23011/66/2008-CPD
Government of India
Ministry of Coal

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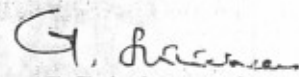
New Delhi, the July 18, 2008

OFFICE MEMORANDUM

Subject: Standing Linkage Committee (Long-Term) on Power, Cement and Sponge to be held on 31st July, 2008 at 10.30 AM.

The undersigned is directed to say that the meeting of the Standing Linkage Committee (Long-Term) on Power, Cement and Sponge iron will be held on **31st July, 2008 at 10.30 AM at Bhaba Scope Convention Hall, Scope Complex, Lodhi Road, New Delhi** under the Chairmanship of Dr. S.P. Seth, Additional Secretary, Ministry of Coal.

Kindly make it convenient to attend the meeting. Agenda for the meeting is enclosed.

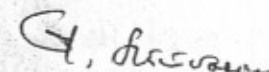

(G.Srinivasan)

Under Secretary to the Government of India
Tele: 23384285

1)	Additional Secretary (Coal) Ministry of Coal	Chairman
2)	Principal Adviser(Energy), Planning Commission, Yojana Bhawan New Delhi. (Attn: Dr. Surya Sethi, Advisor Coal, Room No. 346).	Member
3)	Additional Secretary (LA), Ministry of Coal	Member
4)	Advisor (Projects), Ministry of Coal	Member
5)	Shri V.P.Joy, Joint Secretary, Ministry of Power, Shram Shakti Bhawan, New Delhi.	Member
6)	Executive Director(Transport Planning), Ministry of Railways, Rail Bhawan, New Delhi,	
7)	Joint Secretary (Ports), Ministry of Shipping, Transport Bhawan, New Delhi.	Member
8)	Joint Secretary, Ministry of Steel, Udyog Bhawan, New Delhi (Kind. Attn: Shri U.P. Singh)	
9)	Joint Secretary, Ministry of Commerce & Industry, Deptt. of Industrial Policy and Promotion, Udyog Bhawan, New Delhi, (Cement Division)	Member
10)	Chairman, CIL, 10-Netaji Subhas Rd., Kolkata.- 700001	Member
11)	CMD's of BCCL, CCL, ECL, MCL, NCL, SECL & WCL	Members
12)	Chairman-cum-Managing Director, Central Mine Planning & Design Institute Ltd., Gondwana Place, Kanke Rd., Ranchi.	Member
13)	Chairman-cum-Managing Director, SCCL, P.O. Kothagudem Collieries, Distt. Khammam-507101	Member
14)	Chairman, NTPC, Scope Complex,, Lodhi Road, New Delhi-110003	Member

Copy for information and necessary action to:-

- 1) PS to MOS(Coal)
- 2) Sr. PPS to Secretary(Coal), Ministry of Coal.
- 3) Director (CPD), Ministry of Coal.
- 4) Director(Marketing), 15- Park Street, Kolkata.
- 5) CGM(S&M) CIL, 15- Park Street, Kolkata.
- 6) Director(Technical), CIL, 10, Netaji Subhas Road, Kolkata.
- 7) Chief General Manager(CP), CIL, 10-Netaji Subhas Rd., Kolkata.
- 8) Shri M.L.Gupta, GM, CIL, Scope Complex, Lodi Road, New Delhi


(G.Srinivasan)

Under Secretary to the Government of India

Copy also to: NIC for placing the same on Ministry of Coal's Website.

MINISTRY OF COAL
AGENDA FOR THE MEETING OF THE STANDING LINKAGE COMMITTEE
(LONG-TERM) TO BE HELD ON 31st JULY,2008

Item No.1 :Regularisation of Linkage for facilitating signing of FSA

There are number of power utilities who are not having formal "LT linkage "and have been traditionally getting coal through SLC(ST). With a view to enter into FSA under the New Coal Distribution Policy they were advised to apply for regularization of their linkage. However, now a decision has been taken on file by the Ministry authorizing coal companies vide order 47011/4/2002/CPD dated 1st/2nd May,2008 to enter into FSA with the consumers not having a formal LT but have been otherwise drawing coal as per SLC(ST) allocation during,2007-08 without insisting on formal issuance of LT Linkage order. **SLC (LT) may ratify the aforesaid decision communicated to the coal companies for regularizing linkage in respect of Power Utilities and steel plant CPPs.**

Item No. 2: Review of implementation of decisions/recommendations of SLC(LT) meetings during 2006-07, 2007-08.

A large number of consumers in Power, Cement and Sponge have been recommended for LOAs/linkage as per extant policy. In terms of New Coal distribution Policy, LoAs are to be issued subject to furnishing of Commitment Guarantee and FSA is to be signed subject to completion of milestones indicated in LoA. In the case of linkage also, the FSAs are required to be signed within stipulated time. In order to have a realistic assessment of commitment to supply coal, there is need to review the present status of implementation of the decisions/recommendations of SLC (LT). CIL has recently

furnished certain details which indicate that out of 473 consumers recommended for LoAs, only 188 have furnished Commitment Guarantee (CG) till 30.6.2008 and only 41 LoAs have been issued so far. In fact, in the case of recommendations made in March,2008 they are still in the process of issuing notice for Commitment Guarantee. There are other recommendations where CIL is in the process of deciding further course of action as regards their implementation. These are recommendations where SLC(LT) has directed CIL to either enter into FSA or make certain specific commercial arrangements. CIL has informed that coal commitment can only be known after the last date for submission of CG is over and process of execution of entering into FSAs with existing consumers is still continuing and for which CIL has sought extension upto 31st July,2008 for consumers other than power and 30th September,2008 for Power utilities. **An implementation status is enclosed at Annexure I for information and discussions.**

Item No. 3: Review of old cases of linkages where coal drawal has not yet commenced nor FSA has been signed

A large number of applicants (**Annexure-II**) in Power sector, who had been granted linkages in the past, have so far not sought commencement of supply of coal. In view of New Coal Distribution Policy (NCDP) all existing as well as future commitment to supply coal is to be regulated by FSA. In the absence of FSA, coal companies would not be able to plan their production to meet the commitments. Therefore, all linkages which are over 30 months old and where the linkage holders have not yet entered into FSA, need to be reviewed and following action can be taken:

- i) A definite ~~deadline~~ of 1-2 months can be given to conclude the FSA.
- ii) Giving 12 months time to each of the above units for achieving the milestones stipulated under the LOAs under NCDP without seeking deposition of Commitment Guarantee charge **OR**

- iii) Converting the above old linkage into fresh LOAs based on the terms applicable for new consumers under NCDP which would mean deposition of Commitment Guarantee, milestones as well as the fresh validity as stipulated in new LOAs.

SLC (LT) may take a view.

Item No.4 : Review of LoAs having validity of 30/24 months with a view to consider them as 11th Plan projects

While the LOAs given to power sector under earlier policy is having validity of 30 months, under New Coal Distribution Policy it is having 24 months only. Therefore, having regard to the fact that as per the assessment of the Ministry of Power, if these LOAs holders or applicants recommended for LOAs are unable to place the Letter of Award (LOA) for their main plant by 30th September, 2008, then all such cases should be reviewed after 30th September, 2008 and in absence of any valid reason acceptable to the committee, their LOA should be made effective only for 12th Plan period or is withdrawn with a condition that they may apply afresh after reaching milestones. **SLC (LT) may take a view.**

Item No.5 : Criteria for considering requests for LoAs in respect of 11th Plan projects.

It is observed that during last three years, about 37,000 MW capacity in Power sector (Utilities/TPPS/IPPs) have been extended linkages/LoAs and overall 60,000 MW capacities having linkage/LoAs have not been commissioned so far. Similarly in the case of cement and sponge iron units also, substantial capacity has been extended linkages/LoAs. Therefore, considering the linkages/LoAs already provided to power sector (Utilities, IPPs and CPPs) in the recent past and the coal based capacity addition programme of Ministry of Power during 11th Plan, it is observed that sufficient capacity has already been extended coverage of linkage/LoA in the power sector. MoP is of the view that some of the capacities may not come up during 11th Plan or may eventually not come up at all,

therefore, the emphasis should be on providing linkage/LoAs to serious developers who have attained certain level of preparedness. In addition, cases of the existing linkage holders/LoA holders/LoA recommendees should be reviewed on the basis of the status regarding placement of Letter of Award (LOA) for their main plant latest by 30th September, 2008. Those applicants/developers who have failed to place the order by 30th September, 2008 shall be liable to be declared as 12th Plan project and FSA will be signed accordingly subject to meeting the milestones. However, in case milestones are not met within the stipulated period, the LoA would lapse. **SLC (LT) may take a view.**

Item No.6: Processing/receiving new requests

Large number of applications have been received in the prescribed format along with requisite fees. Considering the existing capacity addition programme, linkages/LoA already granted/recommended, it is likely that all the applications may not get disposed off in the near future. Thus, it is for consideration whether Ministry should temporarily suspend accepting fresh applications till such time the pending applications are adequately disposed off. **SLC (LT) may take a view.**

Item No. 7: Tapering linkages

A number of applicants in the categories of Power Utilities/TPPs, IPPs and CPPs have either specifically requested for tapering linkage in view of their having allotted coal blocks or have applied for normal linkage despite having blocks. It is for the consideration of the Committee whether tapering linkages should be given to such applicants or they should be asked to synchronize their mine development plans with their end use plant(s). **SLC (LT) may take a view.**

Item No. 8: Tapering Linkages for part capacity

There are cases where applicants having blocks have sought part permanent linkage for their project while meeting part requirement through captive blocks. It is for consideration of the Committee whether in such cases part linkage should be considered on permanent basis or otherwise. **SLC (LT) may take a view.**

Item No. 9: Tapering linkages in respect of coal block allocattees

A large number of applicants who have been recommended by SLC (LT) and approved for issuance of LOA are also having blocks either in their own name or indirectly through different legal entity i.e SPV. It is for consideration whether in the absence of any tie up projects to such blocks, existing LOA /linkage should be converted into tapering linkage or otherwise. Moreover, in the case of tied up projects for the block having not made substantial progress, the possibility of linking the block already allocated to the project for which linkage has been sought may be explored. **SLC (LT) may take a view.**

Item No. 10 :Linkage/LoA for coastal Plants

There are certain projects which are located in the costal areas where the applicants have either asked for full linkage for the full capacity or part linkage only. It is for the consideration of the Committee whether such costal projects should be based on 100% imported coal or part import and part indigenous coal rather than on full indigenous coal. **SLC (LT) may take a view.**

Item No. 11: Cutoff capacity for entertaining requests for LoAs in respect of IPPs/CPPs

CEA/MOP is generally not in favour of encouraging setting up of IPPs below 250 MW and CPPs below 25 MW. However, CEA has recommended certain cases of IPPs whose capacity is less than 250 MW on the ground that it is either a "bio-mass plant" or is "based on rejects" whereas in other cases of less than 250 MW they have not recommended the case of IPP/Utilities and for less than 25 MW in the case of CPPs. It is for the consideration of the Committee whether reject based IPP/CPP and bio mass plant should be treated as a different class as compared to coal based plants and their request for coal linkage considered accordingly or otherwise. It is for consideration whether the cutoff for considering IPPs/CPPs cases should be applied retrospectively or should be made applicable prospectively. Further, it is also for consideration whether any maximum cap (say 500/600/660 MW or 1000/1200/1320 MW) can be fixed for linkages and any capacity beyond that should be considered only through blocks. **SLC (LT) may take a view.**

Item No. 12 : Linkage/LOAs for Merchant Power Plants (MPPs)

A number of applications for linkages have been received from Merchant Power Plants (MPP). Since MPP by its very nature is to operate on a commercial basis and is free to have commercial tariff and Load factor based of demand and supply situation, it is for consideration whether such MPPs should be provided long-term assurance through LoA/FSA on the same terms and conditions as applicable to Utilities/IPP. Further, MPPs should preferably source their coal through coal blocks or import. **SLC(LT) may take a view.**

Item No. 13: Old and deferred cases not considered for linkage/LoA despite repeated consideration by SLC (LT)

In the past, various requests for Linkages/LOAs have been deferred from time to time on grounds of either the project/plant not coming up during 11th Plan or on account of non-submission of updated status and other relevant information etc. to Ministry of Power. SLC (LT) may consider dropping such cases which are not specifically recommended by Ministry of Power with the directions that the applicant may apply afresh, if they so desire after reaching certain level of preparedness. **SLC (LT) may take a view.**

Item No. 14 : Transfer of linkage/LoA/FSA consequent upon change of name, ownership, location etc.

At present there is no well defined policy for transferring linkages/LoAs/FSA from one entity to another entity. Generally requests are being received for change in name or transfer of linkage rights on account of various reasons including :

- i) On change from Pvt. Limited to Public Limited
- ii) On change of controlling share holding patterns
- iii) Acquisition/merger
- iv) BIFR cases i.e. acquisition through auction of BIFR properties
- v) Joint ventures
- vi) SPV
- vii) Sale through scheme of arrangement approved by Courts

At present request for change in names are being considered on merit in each case subject to the following conditions

- a) that the project for which linkage/LoA has been given remain unaltered and its location is not changed. **and**
- b) the conditions under which linkage/LoA has been given remain unchanged.

Thus, a view may be taken whether the linkage is vested in the "project" irrespective of its ownership or change in legal entity owning or controlling the said project or otherwise. In such event request for transfer can be examined in the light of above guidelines. However, if this is not considered as "asset" linked to a particular project, than each change in ownership for whatever reason will require re-consideration of existing linkage. This may cause disruption in working of the project as well as smooth transition of business made on commercial basis. **SLC (LT) may take a view.**

Item No.15 :Coal consumption norms

As per NCDP, coal companies are mandated to supply "normative quantity" subject to satisfaction level (100% or 75%). Thus, norms assume significance as it would determine normative quantity. Having regard to provisions under NCDP and the fact that coal is a scarce and depleting commodity, which must be used in a most economic and efficient way, norms should be such which should encourage use of energy efficient technology, processes, handling etc. Inefficient use of coal should be discouraged by introducing internationally bench marked norms. **SLC (LT) may take a view.**

Item No. 16 : Supply under FSA

Generally the FSA is signed for normative quantity for the entire installed capacity whereas the plants may either operate below or some times even above installed capacity while in the case of former, their satisfaction level rises, in case of later, they are unable to source their entire requirement which hampers operating beyond installed capacity. Certain basis may be incorporated to supply coal as per operating capacity (with a cap of 105 to 110% of installed capacity) so as to create level playing field for both inefficient and efficient capacity utilization. **SLC (LT) may take a view.**

Item No.17: Transparent and fair distribution of implementation system

Over a period of time, a large number of consumers have been provided linkages/LoAs which need to be implemented and monitored by Coal companies. The entire gamut of coal distribution is required to be made more consumer friendly devoid of human interface with more reliance on information technology. A time bound action plan needs to be put in place by coal companies to introduce IT enabled distribution and grievance redressal system. There should also be complete transparency in all issues concerning distribution of coal by placing all details concerning transactions by coal companies in the public domain. **SLC (LT) may take a view.**

Item No. 18 :Validity of FSA

Normally, the FSAs are valid for a period of 20 years and further extendable by 5 years. In other words there is a certain specified period for which the FSAs are executed. In the past, linkages have been given and coal is being supplied in terms of SLC(ST) allocations or the allocation orders issued by CIL from time to time. Under the NCDP, the supply to all consumers will be only under FSA. As the life of the plant may not be same as validity period of FSA, a view needs to be taken as to how to regulate distribution of

coal to such plants who desire to continue to get coal beyond the normal validity period. One of the option could be that on expiry of normal validity period of say 20 years from the date of commencement of supply of coal under linkage or FSA which ever is earlier, the unit may seek fresh LoA/FSA which will be considered as per the extant policy. Alternatively, any modernization or replacement of plant leading to change in configuration, capacity, technology etc. would require re-negotiation of FSA or grant of fresh LoA/FSA as per extant policy. **SLC (LT) take a view.**

Item No. 19 : Substitution of Import

Traditionally, due to locational and cost advantage a large number of consumers in cement and sponge iron units have been using imported coal. However, since last two years due to hardening of international coal price and steep rise in last 6-8 months there is sudden shift towards substituting imported coal by indigenous coal which is still relatively cheaper compared to imported coal. This trend of substitution by exiting units has increased the demand of indigenous coal from these sectors and thereby affecting committed supplies to other consumers in short run. **SLC (LT) may take a view.**

Item No. 20: Brief on supply of coal by WCL on 'cost plus pricing formula'

The SLC(LT) had granted certain linkages, from WCL, prior to 2002, on 'cost plus pricing' formula. Under this formula, WCL was to develop specific project for supply of coal to the consumer and the cost of supplies was to be worked out by WCL, based on IRR of the project.

However, due to various reasons, supplies to those consumers who were granted long term coal linkage on 'cost plus pricing', were either made on 'notified price', or on commitment charges basis. This is apparently because WCL could not develop specific project as was envisaged and agreed upon mutually and supplied coal out of other existing mines/projects.

A decision was taken in Standing Linkage Committee (LT) meeting held on 30-4-2002, that where the consumer calls for linkage from specific mine or require specific quality of coal and made available by developing new project by the Coal Company for the purpose, the issue of 'cost plus pricing' would still be an option and the linkages granted would be conditional to it. The relevant extracts of the minutes are reproduced below:-

"the Committee decided that only in those cases where the consumer had called for linkage from specific mine or required coal of specific quality which could be made available only by developing new project by the coal company for the purpose, the issue of cost plus pricing would still be an option and the linkages so granted would be conditional to it."

In the recent past, certain cases have been brought to the notice of Ministry of Coal, where disputes on methodology of pricing in such cases have arisen.

In view of the decision taken in the SLC (LT) in 2002, the following issues are placed before SLC (LT):-

- a. Whether WCL/any other coal company may be allowed to continue supply of coal to those linkage holders where no specific project has been developed, who were granted linkages on 'cost plus pricing' basis on 'notified price' or otherwise.
- b. What should be the mechanism or cost of coal already supplied by WCL/ any other coal company to a consumer, who was originally granted long-term coal linkage on 'cost plus pricing' basis but WCL/coal company could not develop any specific project/mine for meeting their requirements.
- c. What should be the mechanism or cost of coal in respect of future supplies to such consumers. **Standing Linkage Committee (Long Term) may take a view.**

Annexure I

Sub : Issuance of LoA and conclusion of FSA by coal companies with coal consumers
Ref : MOC letter No.23011/66/2008 dt.25.06.2008 & 23011/56/2008-CPD dt.23.05.2008

With reference to your above letter dt.25.06.2008, the requested information are furnished below:

- (a) The number of cases / consumers who have been recommended for issue of LoA, restoration of linkages, regularization of linkages, additional linkage for processing etc. as per the minutes of the SLC(LT) meetings held in Aug'07, Nov'07 and Mar'08 and their comprehensive implementation status.

- (a-1) Position relating to LoA (upto 26.6.2008).

Particulars	Power Utility	CPP	Cement	Sponge Iron	Total
No. of Consumers who have been issued notices inviting payment of Commitment Guarantee as per NCDP	32	167	44	230	473
No. of applicants who have deposited commitment guarantee charges till-date	4	49	24	111	188
No. of LoAs issued against Commitment Guarantee charges deposited	1	19	6	15	41

In respect of LoAs approved by SLC(LT) in its meetings held in Aug'07 & Nov'07, as per the notice issued to the applicant they are entitled to deposit commitment guarantee charges within the period of 3 months. Further, time for payment of commitment guarantee charges has been extended by 15 days vide letter No.CIL/CMO/47252/New Pol/866 dt.26.06.2008. Therefore, they are now entitled to deposit CG upto 3rd week of Jul'2008

In respect of 14 LoAs approved by SLC(LT) in its meeting held in Mar'2008, Coal Companies are in the process of issuing notice to the applicant requesting payment of Commitment Guarantee within three months from the date of issuance of the notice.

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Thus it may be seen that a clear picture about commitment and coal balance can be expected not earlier than next three months i.e., before Oct'2008.

(a-2) Position relating to restoration of linkages, regularisation of linkages, additional linkage for processing etc.

Vide Item No.5 &6 and Additional Item No.3 in the minutes of SLC(LT) meeting for CPPs held on 6.11.2007, CIL was advised to conclude FSA in terms of provisions of NCDP in respect of 13 CPPs.

For 4 CPPs which were listed under Item 4 - Change or Priority Cases, CIL has advised coal companies to conclude FSA for CPP portion at 100% of the normative quantity applicable for CPPs. Coal Companies have also been advised that in case if these units want to sign FSA as Cogeneration CPPs, FSA would be signed only for CPP portion and clarification would be sought from MOC as to whether these plants are to be treated as CPPs or Cogeneration plants giving details of existing MPQ and normative quantity for these units.

For 7 CPPs which were listed under Item 6-Allocation of coal to cogeneration plants and for 1 CPP listed under Item 5-Cases drawing coal on short-term basis, and for 1 CPP listed under Additional Item-III, CIL has advised coal companies to conclude FSA at the level of 100% of normative quantity for CPP and separate FSA for process quantity at 75% of balance MPQ quantity i.e., 75% of (MPQ for 2008 minus normative quantity for CPPs), if any, as per applicable grades of supply. In case, where MPQ is less than normative quantity for CPP, no FSA is to be signed for process quantity.

In respect of 11 Cement Plants (Out of 14 Cement Plants 3 are related to SCCL), 3 Sponge Iron Plants and 4 CPPs of less than 5 MW, listed below, SLC(LT) had advised CIL to conclude FSA as per provisions of NCDP taking into view their capacity.

List of Cement Plants / CPPs / Sponge Iron Plants, where clearances for enhancement / restoration was given by SLC(LT) in its meeting held on 6.11.2007 & 20.11.2007

Sponge Iron Plants

- (i) 97500 TPA 1st Kiln of M/s. Bindal Sponge Ltd.
- (ii) 1st Kiln (capacity 30000 TPA) of M/s. Jay Iron & Steel Ltd. and
- (iii) 1st 2 Kilns (capacity 240000 TPA) of M/s. Tata Sporige Ltd.

Captive Power Plants

- (i) 0.85 MW CPP of M/s. Nobletex Industries Limited, B-309, N.G. No. 8, Baleshwar, Tal. Palsana, Surat, Gujarat
- (ii) 1.2 MW CPP of M/s. Pratibha Fabrics Limited, 164, 165, 198, 399, GIDC. Pandesara, Surat, Gujarat
- (iii) 1.2 MW CPP of M/s. Maruti Textile Pvt. Ltd., 268-270 GIDC, Pandesara, Surat, Gujarat.
- (iv) 1.2 MW CPP of M/s. Poiner Syntex Pvt. Limited, 309, GIDC Pandsera, Surat, Gujrat

Cement Plants

- (i) 17.50 LTPA Cement Plant of Grasim, Aditya Cement, Adityapuram, PO Shambhupura, Chittorgarh, Rajasthan

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- (ii) 30 LTPA Cement Plant of Grasim , Vikram Cement , Vikram Nagar, Khore, Distt-Neemuch,MP
- (iii) 26.52 LTPA Cement Plant of M/s. J. K. Cement Ltd, (Nimbahera Cement Plant), Rajasthan
- (iv) 7.50 LTPA Cement Plant of Mangrol Cement Plant, Rajasthan
- (v) 10 LTPA Cement Plant of M/s. Kalyanpur Cements Ltd, Banjari, Bihar.
- (vi) 25 LTPA Cement Plant of Ambuja Cements Ltd, Village Marwar Muridwa, Nagur, Rajasthan.
- (vii) 35 LTPA Cement Plant of Dalmia Cement (Bharat) Ltd, Kallkudi Pallangavathu, Perambalur, Tamilnadu
- (viii) 3.30 LTPA Cement Plant of Bagalkot Udyog Ltd, (formerly Kanoria Industries Limited), Karnataka
- (ix) 2 LTPA Cement Plant of J&K Cements Ltd. Khrew, Phulwama, J&K
- (x) 1.654 LTPA Cement Plant of Lemos Cement Limited, Khalari Cement Works, PO-Khalari Distt-Ranchi, Jharkhand.
- (xi) Existing Cement Plant of Lafarge India Pvt. Limited (Arasmita Cement Plant), Bilaspur, (Capacity not indicated)

For all the above listed units, based on consultations with coal companies and then in CMDs Meet held on 11.6.2008, it has been decided to conclude FSA for these units through LoA route in respect of enhanced requirement over and above their existing long-term linkage and these cases will be considered for recommending LoA by Committee on Letter of Assurance in its next meeting.

(b) The likely Commitment in each category once LoAs/FSAs are executed

Coal commitment can only be available only after the last date for submission of Commitment Guarantee is over. Further, execution of FSAs are under process for existing consumers and it may take some time for Power sector consumers. Therefore, CIL is not in a position to furnish the required details presently. As detailed in earlier paragraph, **it may be seen that a clear picture about commitment and coal balance can be expected not earlier than next three months i.e., not before Oct'2008.**

(c) Achievement / Action taken so far by CIL/SCCL against all the recommendations made by SLC(LT) in the aforesaid meetings.

Action taken so far by CIL against all the recommendations made by SLC(LT) in the meetings held in Aug'2007, Nov'2007 and Mar'2008 are already detailed vide (a) and (b) above.

The above reply also covers reply to MOC's earlier letter No.23011/56/2008-CPD dt.23.05.2008 regarding follow-up action on the minutes of SLC(LT) on CPPs held on 6.11.2007.

Annexure II

**Total linkages/LOA granted during 2003-2007 to Power Sector
(only SEBs and IPPs)**

Year	Capacity (in MW)	Quantity (in MTPA)
Till 2002 (cases where linkages given and projects yet to be commissioned till December 2007)	12000	61.23
2003	8380	39.11
2004	2000	9.36
2005	500	2.23
2006	20655	95.43
2007	16280	75.21
Total	59815	282.57

LONG TERM COAL LINKAGES GRANTED TILL 2002

1996

Sl. No.	Name of TPP	Capacity (MW)	Coal linkage granted (quantity in mtpa)
1..	Seepat TPS (NTPC)	2000	10.00
Total		2000	10.00

1998

Sl. No.	Name of TPP	Capacity (MW)	Coal linkage granted (quantity in mtpa)
1.	Maithon TPS - Damodar Valley Corporation (now a joint venture between Tata Power and DVC)	1000	4.86
Total		1000	4.86

1999

Sl. No.	Name of TPP	Capacity (MW)	Coal linkage granted (quantity in mtpa)
1.	Vijay Nagar TPS (KPCL)	500	2.50
Total		500	2.50

March/December 2000

Sl. No.	Name of TPP	Capacity (MW)	Coal linkage granted (quantity in mtpa)
1.	Barh TPS, NTPC(Mega Power)	2000	10.00
2.	North Karanpura STPS NTPC (4x500)	2000	10.24
3.	Sanjay Gandhi TPS Extn. St-II MPEB	500	2.80
4	Vindhyachal TPS (NTPC)	1000	4.41
Total		5500	27.45

7.9.2001

Sl. No.	Name of TPP/CPP/Cement Plant	Capacity (MW)	Coal linkage granted (quantity in mtpa)
1.	Seepat STPS, St-II NTPC-2x500 MW	1000	5.04
2	Feroz Gandhi Unchahar TPP St-III NTPC	500	2.56
3	Kahalgaon STPS, St-II- 3x500 MW	1500	8.82
Total		3000	16.42

**LONG TERM COAL LINKAGE GRANTED TO POWER SECTOR
DURING 2003, 2004, 2005, 2006 and 2007**

6th January, 2003

Sl. No.	Name of TPP/IPP	Capacity (MW)	Coal linkage granted (quantity in mtpa)
1.	Parichha TPP, UPRVUNL	420	1.90
2.	Anpara "C", UPRVUNL	1000	4.50
3.	Korba East(2x250) & Korba West(2x250 MW)/CSEB	1000	5.00
4.	Santalidih TPP/WBPDCL	250	1.30
5.	Chandil TPP/Jharkhand S.E.B.	1000	5.00
6.	Amarkantak TPP-Extn. Unit-5/MPSEB	210	1.00
7.	Yamunanagar TPS/HVPNL	500	2.25
Total		4380	20.95

26th August, 2003

1.	Mejia TPs Ext Unit 5 & 6, DVC	500	2.08
2.	Chandrapur Extn. Unit-7 & 8,DVC	500	2.08
3.	Nabinagar Power Stn, NTPC	1000	5
TOTAL		2000	9.16

10th November 2003

Sl. No.	Name of IPP	Capacity	Coal linkage granted (quantity in mtpa)
1.	ISN International, IPP	2000 MW	9 MTPA
		2000 MW	

27.10.2004

Sl. No.	Name of TPP	Capacity	Coal linkage granted (quantity in mtpa)
1.	Mouda TPS, NTPC	1000 MW	5.00
2.	Farakka STPP Stage III, NTPC	500 MW	2.20
3.	Bhoopalpally TPS, APGENCO	2x250 MW	2.16
	Total	2000 MW	9.36

2.6.2005

Power Utilities

(quantity in mtpa)

1.	Korba STPS Expansion St-II, MPSEB	1x500 MW	2.23
	Total	500 MW	2.23 MTPA

11-5-2006

Power Utilities

quantity in tpa

1.	Tuticorin Neyveli Lignite Corporation Limited, Neyveli, Tamilnadu	1000 MW	4624000
2.	Parichha Extension TPP 2x250 MW, Parichha, Jhansi, UP Uttar Pradesh Rajaya Vidyut Utpadan Nigam Limited (UPRVUNL)	500 MW	4624000
3.	Paras TPS Expansion Project Unit-2 Maharashtra State power Generation Co. Ltd	250 MW	1863000
4.	Bhusawal, TPS Maharashtra State power Generation Co. Ltd	1000 MW	4624000
5.	Kota STPS, Kota, State-V (Unit-VII) Rajasthan Rajasthan Rajya Vidyut Utpadan Nigam Limited	195 MW	958000
6.	Suratgarh STPS, State-IV (Unit-VI) Suratgarh, Distt. Sriganganagar, Rajasthan Rajasthan Rajya Vidyut Utpadan Nigam Limited Stage-IV (Unit-VI)	250 MW	1204000
7.	Parli TPS Unit-2 Maharashtra State power Generation Co, Ltd.	250 MW	1204000
8.	Khaperkheda TPS Expansion Maharashtra State power Generation Co. Ltd	500 MW	2312000
9.	Raichur TPS (8th unit) M/s. Karnataka Power Corporation Limited (KPCL)	210 MW	1011000
10.	Malwa Madhya Pradesh State Electricity Board - GSEB Joint Venture	1000 MW	4624000
11.	Kothagudem Stage-VI, At Kothagudem Khammam Distt. Andhra Pradesh. Andhra Pradesh Power Generation Corporation (APGENCO)	500 MW	2312000
12.	Harduaganj Extension TPP(2x250 MW) Aligarh, UP Uttar Pradesh Rajaya Vidyut Utpadan Nigam Limited (UPRVUNL)	500 MW	2312000
13.	Chhabra Distt. Baran About 100-125 Km from Kota Rajasthan Rajasthan Rajya Vidyut Utpadan Nigam Limited	500 MW	2312000
14.	Neyveli Lignite Corporation Limited, Orissa,	500 MW	2312000
	TOTAL	7155 MW	3,52,96,000 or say 35.29 MTPA

IPPs

1.	Lanco Amarkantak Power Pvt. Ltd.	2 x 300 MW II Phase	1445000
2.	M/s. EMCO Ltd. (Maharashtra)	2x135 mw	1327000
3.	M/s. KVK Nilachal Power Private Ltd	4x250 Mw (First Phase 250 MW)	1204000
4.	Nava Bharat Power Pvt. Limited	2 x 520 MW (First Phase 520 Mw)	2404000
5.	M/s. Jindal Photo Ltd. at District-Angul, Orissa	250 MW	1204000
6.	M/s Tata Power Company, Chola,	500 MW	1975000
	TOTAL	2390 MW	95,59,000 or say 9.56 MTPA

**LOA approved by the Standing Linkage Committee (Long-Term)
meeting held on 20.12.2006**

S.No.	Name of Thermal Power Plant	Capacity in MW	Source	Coal Quantity in as per MOP norms (mtpa)
1.	NCPP Dadri Stage-II- Second Unit (NTPC) Gautam Budh Nagar, UP	980	CCL	4.62
2.	Badarpur TPP Stage-II, (NTPC) Badarpur TPP Stage-II, Delhi	980	MCL	4.70
3.	Power Project Jhajjar Distt. Of Haryana (NTPC) Near Vill. Gorla Jhajjar Distt. Haryana.	1500	MCL	6.94
4.	Koderma TPS (DVC) Koderma, Jharkhand	1000	MCL	4.62
5.	Bokaro TPS-A (DVC) Bokaro Thermal Bokaro Jharkhand	500	CCL	2.31

6	Neyveli Lignite Corporation Limited, Neyveli, Tamilnadu Sasan, Madhya Pradesh.	1000	NCL	4.62
7.	Krishanapatnam Thermal Power Project AP	800	MCL	3.69
8.	Bongaigaon TPS, 3 rd unit(NTPC) Assam.	250	ECL	1.20
9.	Yamuna Nagar TPS(HPGCL) Haryana	100	CCL	0.52
10.	Tamil Nadu Electricity Board Mettur TPS, Mettur Dam, Salem Distt. Tamil Nadu	500	MCL	2.31
11.	Tamil Nadu Electricity Board North Chennai Thermal Power Station, Puhudivakkam Village Ponneri Taluk Thiruvallur Ennore Distt. Tamil Nadu	500	MCL	2.31
12	Hissar TPS, Haryana	500	MCL	2.31
13	National Thermal Power Corporation Limited (NTPC) Simadhari Expn (Coastal based)	500	MCL	2.31
14.	TNEB/JV-NTPC(NTECL) Ennore TPS Tamilnadu	1000	MCL	4.62
15.	Durgapur Steel TPS(DVC) Durgapur, Burdwan, WB	1000	ECL	4.62
16	Hissar (Balance capacity - ratified in file)	700	MCL	2.31
	Total coal linkage	11110		96.55

Thermal Power Plants & IPPs – LOA recommended and approved in the meeting held on 2.8.2007

S.No.	Name of the Power Plant for which LOA recommended	Capacity for which LOA recommended (MW)
1	Bellary TPS, Unit II	500
2	DVC, Ragunathpur	500
3	DPL	300
4	Anpara D	500
5	Obra	500
6	Rayalseema Unit 5	210
7	Rihand-III	500
8	Rayalseema Unit 6	500
9	Simhadari	660
10	Hissar (ratification case)	700
11	Bara, Allahabad, U.P.	1980
12	Karchana, Allahabad, U.P.	660
13	Talwandi Sabho, Punjab	1800
14	Nabha, Punjab	1200
15	Jhajjar case II, Haryana	1320
	Total of Power utilities	11830

IPPs

16	Ind Bharat	250
17	Sterilite	600
18	GMR	500
19	Dheeru	350
20	RKM Powergen	350
21	CESC – Haldia	600
22	Lanco – Dhenkanal	660
23	Dhariwal	270
24	Korba West	300
25	Kedia Power	300
26	SKS Ispat	220
27	KVK Nilachal (addl.)	50
		4450
	Grand Total	16280 MW