

Judgment heightens raw material security for power & steel players

Executive Summary

In a landmark judgment on September 24, 2014, the Hon'ble Supreme Court (SC) termed 214 (out of 218) coal block allocations since 1993 'illegal'. The court further observed that as per provisions of the Coal Mines (Nationalization) Act 1973, coal mining is allowed only by a Central Government company, or a Government/private company having the specified end-use of iron & steel, power, cement, washing of coal, and syn-gas (coal to liquid) (*for details please refer to Annexure 1*). The SC cancelled all coal blocks allotted since 1993 (except a block each allotted to NTPC and SAIL and two blocks of Sasan UMPP-won by Reliance Power) and imposed a retrospective Rs.295/tonne penalty on coal mined so far. However, keeping in view operational level challenges, SC has offered a leeway to current operators till March 2015, post which Coal India will take over these mines till they are auctioned. The order is likely to significantly impact iron & steel and power sectors.

CARE Ratings estimates the impacted power generation capacity, after SC judgment on coal de-allocation, stands at 45.4GW, of which only 19.2GW is operational. Further, only 23.8GW has fuel pass-through arrangements and 6.7GW is competitively bid (*for details please refer to Annexure 2*). Consequently, CARE Ratings believes the cost competitiveness of power utilities is likely to be adversely impacted in case of competitively bid projects. Moreover, the state DISCOMs and consumers are also likely to hit, where project PPAs allow full fuel pass-through. Additionally, the SC judgment has directly affected 12MTPA of iron and steel manufacturing capacity, which may render them uncompetitive.

CARE Ratings believes that the SC judgment on Coal de-allocation in near term is likely to make coal import stay at elevated levels on account of 1) slower than expected ramp-up of CIL mines and 2) no-ramp in captive coal production due to de-allocation.

In the long term, the SC judgment has brought in clarity in regulatory scenario and setup a stage for these coal blocks to be auctioned/re-allocated afresh. However, the scenario in the medium term crucially depends on

- 1.) how fast Coal India can take-over these mines and provide linkages to all the affected players given the acute domestic coal shortage
- 2.) the time-frame and methodology for fair auctioning/re-allocation of these blocks again and
- 3.) ability of GoI through Coal India to smoothly re-allocate these coal blocks to private players

Background

Coal mines in India were nationalized following a legislation of Coal Mines (Nationalization) Act (CMN), 1973, which led to the control and transfer of mining rights of all operational mines to the central government, with exception of few coal mines of Tata Steel, SAIL and DVC. However, with increase in demand for coal, the GoI subsequently (during 1976-2007) opened up domestic coal sector through amendments in CMN Act by following means:

- **Captive dispensation:** for specified use of both Government and private IPPs
- **Government dispensation:** No end-use specified, however made to only central and state PSUs
- **Ultra Mega Power Projects (UMPP):** blocks allotted to UMPP power IPPs based on recommendations of Ministry of Power.

Highlights of SC order:

The Hon'ble SC in judgment has observed that the screening committee guidelines for captive dispensation did not have any objective criterion for allocating coal blocks and lacked transparency, healthy competition and equitable treatment. Further, the screening committee had primarily relied upon information submitted by applicants and failed to verify their details (such as experience in developing end-user projects, operational history, balance sheet strength, etc).

The SC ruled that as per CMN Act, the coal blocks allocated through government dispensation route to state PSUs are also illegal and also stated that any JV mechanism under this Act is also not allowed. Finally, the court remarked that diversion of coal from captive coal blocks allotted to UMPPs is prohibited and is not available to only specified end-user projects.

The Coal Ministry had allocated 218 coal blocks till date with total geological reserves of 50.5 billion tonnes since 1993, of which 132 blocks were allocated through captive dispensation route, 72 blocks through government dispensation, 12 blocks to UMPPs and two blocks for coal to liquid conversion, based on recommendation of Inter-Ministerial Group (IMG). As seen from Table 1, power sector was allocated 59% of total geological reserves (50.5 billion tonnes). Additionally, of total geological reserves of 50.5 billion tonnes, 80% were allocated during 2006-10.

Summary of Sector-wise coal blocks de-allocated after SC order:

Sectors	Government Companies	Private Companies	UMPPs	Total Blocks	Total Reserves (MT)
Power	55	28	12	95	29811
Iron & Steel	4	65		69	10105
Commercial	41			41	7074
Coal to Liquid		2		2	3031
Cement		8		8	496
Small & isolated		3		3	9
Total Blocks allocated	100	106	12	218	50527

Source: Ministry of Coal & CARE Ratings

Year of allocation	Govt. companies		Private companies		UMPP		Total	
	No. of block	GR (MT)	No. of block	GR (MT)	No. of block	GR (MT)	No. of block	GR (MT)
1993 to 2005	29	6295	41	3337	0	0	70	9632
2006	32	12363	15	3793	6	1635	53	17792
2007	34	8779	17	2111	1	972	52	11862
2008	3	510	20	2940	1	100	24	3550
2009	1	337	12	5217	3	1339	16	6893
2010	0	0	0	0	1	800	1	800
Total	99	28284	105	17397	12	4846	216	50527
<i>% of total reserves</i>	<i>56%</i>		<i>34%</i>		<i>10%</i>		<i>100%</i>	

Source: Ministry of Coal & CARE Ratings

Impact assessment

Given the sector allocations of coal blocks, the most affected end-user sectors are power and iron and steel (sponge iron). In the following sections, CARE Ratings estimates the impacts on both these sectors.

Impact assessment for the Power sector

De-allocation of coal blocks to affect IPP/state PSU capacity of power sector

CARE Ratings estimates the total power capacity affected by the supreme coal order to be ~45.4GW (installed capacity 52GW), of which the operational capacity stands at 19.2GW. The operational projects are subjected to elevated fuel risks from FY16 onwards, once the mining rights over the coal blocks are taken back by GoI and transferred to Coal India.

Block owners	Installed capacity	Capacity linked to coal block	Under Construction	Commissioned	Pass-through (capacity MW)
State Govt. PSU capacity	33270	33270	8400	9930	18330
Private IPP capacity	18810	12140	7430	9290	5451
Total captive coal capacity	52080	45410	15830	19220	23781

Source: CEA, CARE Ratings

Worst affected are DISCOMs of Punjab and West Bengal

The SC order has affected mostly power generation companies in states like Punjab and West Bengal, where the state PSU generation companies were allotted coal blocks, which are operational. Punjab State Power Corporation Ltd (PSPCL) had been allocated Pachhara coal block (with linked capacity 2640MW and geological reserves of 562MT). This coal block supplies 60% of the coal to PSPCL and the company may face coal shortage till the time CIL awards new linkage. For West Bengal Power Development Company (WBPDC), six operating coal blocks having production of 4-5MTPA, are de-allocated (with linked capacity is 3860MW, geological reserves 358MT). The coal from these blocks caters to 30-35% of fuel requirement of WBPDC. Assuming WBPDC would take coal from Eastern Coalfields Ltd (ECL) (a CIL subsidiary) @Rs1,000/tonne, the fuel cost for the company is expected to increase by 11.6% translating into fuel surcharge (FAC) alone on account of SC judgment, to the tune of 27 paise/kWh.

Thermal coal imports set to stay at elevated levels in FY16/FY17E to 188.4/190.4MT

Before the SC order on coal de-allocation, CARE Ratings had estimated thermal coal imports for FY16/17 to be 140.4/148.8MT respectively. This was based on the assumption of captive coal mine output increasing to 63.6/68.7MT in FY16/17 and CIL ramping up its coal production to 536/564MT. With CIL missing its annual target (by 23MT in FY14) and coal blocks being de-allocated (post this SC ruling), the coal imports are expected to increase to 188.4/190.4MT by FY16/FY17E respectively.

Moreover, for some of the power plants/steel/sponge iron units, which are located in land locked areas, the coal imports may become unviable and all of them may not even get e-auction coal. Thus, the raw material risk gets heightened for them.

Coal imports scenario-Pre-deallocation and SC ruling							
Total coal supply (MT)	FY11	FY12	FY13	FY14E	FY15E	FY16E	FY17E
CIL	431.3	435.8	452.2	474.5	505.7	535.9	563.8
SCCL	51.3	52.2	53.1	54.3	55.2	56.3	57.4
Captive + Others	50	52	52.4	55.1	58.9	63.6	68.7
Domestic coal supply	532.6	540.0	557.7	583.9	619.8	655.8	689.9
coking coal imports	28.0	31.5	32.5	34.1	35.8	37.6	39.5
Non-coking coal imports	49.4	71.0	102.7	116.1	128.8	140.4	148.8
Total coal supply (MT)	610.0	642.5	692.9	734.1	784.4	833.8	878.2
Source: MOC, CARE Ratings estimates							
Coal imports scenario-Post de-allocation and SC ruling							
Total coal supply (MT)	FY11	FY12	FY13	FY14	FY15E	FY16E	FY17E
CIL	431.3	435.8	452.2	463.0	486.0	511.0	537.0
SCCL	51.3	52.2	53.1	54.3	55.2	56.3	57.4
Captive+ Others	50	52	52.4	52.4	52.4	52.4	52.4

Domestic coal supply	532.6	540.0	557.7	569.4	593.9	619.8	647.0
coking coal imports	28.0	31.5	32.5	41.4	43.0	44.8	46.5
Non-coking coal imports	49.4	71.0	102.7	131.3	187.0	188.4	190.4
Total coal supply (MT)	610.1	642.5	710.8	742.1	824.0	853.0	883.9
Source: MOC, CARE Ratings estimates							

Impact on the iron and steel sector

Sponge iron producers' worst affected

Of the allocated 218 captive coal blocks, around 32% or 69 coal blocks were allocated to the iron and steel sector. However, amongst the allocation to the private sector, it accounted for a share of about 61% with 65 blocks of the overall 106 blocks allocations.

While the share may sound large in percentage terms (61%), in reality only about 20% (10 billion tonnes) of the overall captive coal block reserves (50 billion tonnes) were allocated to the iron and steel sector.

Moreover, within the iron and steel sector, the sponge iron producers are the worst affected. These players account for a whopping share of about 80% of the overall captive coal blocks being allocated to the iron and steel sector. About 8 billion tonnes of captive coal block reserves were allocated to different sponge iron producers and the rest of 2 billion tonnes were allocated to steel (1.5 billion tonnes) and pig iron (0.5 billion tonnes) manufacturers. While at this juncture it is uncertain to assess how the sponge iron manufacturers may be able to meet coal requirement post March 31, 2015 (through linkage, e-auction or imports). CARE Ratings has estimated the impact on cost of coal for these companies if it were to be fully imported vis-a-vis captive coal cost as shown in Table 5 given below.

Coal from Captive Mines	(Rs/Tonne)	Imported Coal	(Rs/Tonne)
Cost of Coal Mining*	800	Imported Coal CIF** (US \$)	75
Royalty #	218	Exchange Rate	60
Duties& Cess.	200	Landed cost of coal at port	4500
		Import Duty and Cess.	220
Domestic Freight Handling	100	Domestic Freight Handling	100
Cost of coal at plant	1318	Cost of coal at plant	4955
Sponge Iron I/O Norm (x)	1.5	Sponge Iron I/O Norm (x)	1.1
Coal cost per MT of Sponge Iron (A)	1977	Coal cost per MT of Sponge Iron (A)	5450.5
Coal cost/sponge iron prices (%) A/B	9.0	Coal cost/sponge iron prices (%) (A/B)	24.8
Sponge Iron (Ex-factory price) (B)	22000	Sponge Iron (Ex-factory price) (B)	22000
Source: Industry & CARE Ratings			
* mining cost assumed at 20% above the Coal India mining cost**Cost including freight and loading unloading charges			
# Avg. Royalty paid by Coal India			

¹Assumption of Avg. coal GCV of Rs4000 Kcal/kg for sponge iron unit

As depicted in the above table, the coal cost for sponge iron producers would increase by about Rs.3,500/tonne which will not only significantly impact the profitability of these players, but is also likely to raise concerns about the project viability of many small and medium-size sponge iron manufacturers. Further, there is no clarity on the possible relief to these sponge/steel manufacturers through coal linkages which charts out a rather uncertain path for these players going ahead.

Significant steel capacity to be impacted with the Supreme Court judgment

Till date, only about 13 coal blocks (with capacity of 16-18MT per annum) which are allocated to the iron and steel sector remain operational. These coal blocks over the years have cumulatively mined about 100MT of coal since the commencement of these mines. During FY13, captive mines allocated to the iron and steel sector produced about 11MT of coal.

Coal mined through captive mines has supported about 8MT of steel capacity and about 4MT of sponge iron capacity. While the above-mentioned capacity is likely to have a direct impact, many other steel producers, which are in the process of developing/bidding for new coal mines are likely to face severe competition in the bidding process thereby resulting into cost escalation of new projects. India currently has a steel-making capacity of about 95MT and sponge iron capacity (coal-based) of about 28MT.

Rs.30 billion, additional levy to impact liquidity position for sponge iron players

The Supreme Court judgment has imposed a penalty through additional levy of Rs.295/tonne for the coal, which has been mined from these allocated blocks since commencement of mining operations till date. With an estimated approximately 100MT of coal mined by various iron and steel producers, the aggregate penalty would work out to a whopping Rs.30 billion to be paid before December 31, 2014, which is likely to significantly affect the short-term liquidity positions of these players.

Moreover, the ruling is likely to impact various integrated steel producers using the sponge iron and EAF/IF route of steel making more than steel producers using the blast furnace route. Any increase in linkage/market prices will have an adverse impact on profitability of steel players. While stand-alone secondary players are unlikely to be impacted directly by the de-allocation judgment, any increase in sponge iron prices in the market, as a result of a cost push for integrated players, would increase their raw materials costs as well.

The companies which have been allocated coal blocks, but are under development/non-operational will also be impacted significantly. While they stand to lose their entire investments in development/allocation of these coal blocks, these projects will also be deprived from getting the benefits of the linkage price vis-a-vis imported coal prices eroding the competitiveness of these entities.

Annexure:**Annexure 1: List of Operational coal blocks affected by Supreme Court ruling on Sept, 24, 2014**

Sr. No.	Block Allocated	Name of the Company	Date of Allotment	State	End Use	Geological Reserves (MT)
1	Gare-Palma- IV/4	Jayaswal Neco Ltd	16.08.1999	Chhattisgarh	Sponge Iron	125.0
2	Chotia	Prakash Industries Ltd	04.09.2003	Chhattisgarh	Sponge Iron	34.5
3	Namchi Namphuk	Arunachal Pradesh Mineral Dev. Corporation	28.10.2003	Arunachal Pradesh	Commercial	27.0
4	Belgaon	Sunflag Iron Steel Ltd	28.03.2005	Maharashtra	Sponge Iron	15.3
5	Baranj – I	KPCL	10.11.2003	Maharashtra	Power	68.3
6	Baranj – II	KPCL	10.11.2003	Maharashtra	Power	
7	Baranj – III	KPCL	10.11.2003	Maharashtra	Power	
8	Baranj – IV	KPCL	10.11.2003	Maharashtra	Power	
9	Kiloni	KPCL	10.11.2003	Maharashtra	Power	39.5
10	Manora Deep	KPCL	10.11.2003	Maharashtra	Power	44.7
11	Kauthia	Usha Martin Ltd	29.09.2003	Jharkhand	Sponge Iron	29.8
12	Parbatpur-Central	Electrosteel Castings Ltd	07.07.2005	Jharkhand	Pig Iron	231.2
13	Gare-Palma-IV/7	Raipur Alloys & Steel Ltd (Sarda Energy)	25.04.2000	Chhattisgarh	Sponge Iron	156.0
14	Barjora	WBPDC	23.06.2003	West Bengal	Power	8.0
15	Barjora (North)	Damodar Valley Corporation	03.03.2005	West Bengal	Power	85.5
16	Sarisatolli	RPG Industries/CESC Ltd	10.08.1993	West Bengal	Power	140.5
17	Tara (East)	WBSEB	14.07.1995	West Bengal	Power	84.5
18	Tara (West)	WBPDC	17.04.1996	West Bengal	Power	125.7
19	Gare-Palma-IV/1	Jindal Steel & Power Ltd	20.06.1996	Chhattisgarh	Sponge Iron	124.0
20	Gotitoria (East)	BLA Industries	21.06.1996	Madhya Pradesh	Under S.3(3)(c) (i)small isolated dispensation	5.2
21	Gotitoria (West)	BLA Industries	21.06.1996	Madhya Pradesh	Under S.3(3)(c)(i)small isolated dispensation	4.2
22	Gare-Palma-IV/5	Monet Ispat and Energy Ltd	21.06.1996	Chhattisgarh	Sponge Iron	126.0
23	Pachwara Central	Punjab State Electricity Board	28.12.2001	Jharkhand	Power	562.0
24	Marki Mangli-I	B.S. Ispat	25.04.2001	Maharashtra	Sponge Iron	34.3
25	Marki Mangli-II	Veerangana Steel Ltd	06.09.2005	Maharashtra	Sponge Iron	19.0
26	Marki Mangli-III	Veerangana Steel Ltd	06.09.2005	Maharashtra	Sponge Iron	
27	Trans Damodar	West Bengal Mineral Dev. Trading. Corp.	14.01.2005	West Bengal	Commercial	103.2
28	Ardhagram	Sova Ispat Ltd	06.12.2007	West Bengal	Sponge Iron	121.0
29	Parsa East	RRVUNL	25.06.2007	Chhattisgarh	Power	180.0
30	Kanta Basan	RRVUNL	25.06.2007	Chhattisgarh	Power	180.0
31	Gangaramchak	WBPDC	23.06.2003	West Bengal	Power	10.0

32	Gangaramchak-Bhadulia	WBPDCCL	23.06.2003	West Bengal	Power	4.0
33	Amelia (North)	Madhya Pradesh State Mining Corporation	12.01.2006	Madhya Pradesh	Commercial	101.2
34	Pachvara North	WBPDCCL	26.04.2005	Jharkhand	Power	125.7
35	Gare-Palma-IV/2	Jindal Power Ltd	01.07.1998	Chhattisgarh	Power	123.0
36	Gare-Palma-IV/3	Jindal Power Ltd	01.07.1998	Chhattisgarh	Power	123.0
37	Talabira-I	Hindalco Industries	25.02.1994	Orissa	Power	22.6
38	Tokisud North	GVK Power (Govindwal Sahib) Ltd	07.01.2002	Jharkhand	Power	92.3
39	Kagra Joydev	Damodar Valley Corporation	03.03.2005	West Bengal	Power	196.2
40	Sial Ghoghri	Prism Cement Ltd	29.05.2007	Madhya Pradesh	Cement	30.4
41	Mandla North	Jaiprakash Associates Ltd	17.09.2007	Madhya Pradesh	Cement	195.0
42	Bicharpur	Madhya Pradesh State Mining Corporation (MPSMC)	25.07.2007	MP	Commercial	36.0
Total operation coal block reserves (MT)						3733.5
Source: Ministry of Coal, SC judgment and CARE Ratings						

Annexure 2.1: Details of state PSU capacity and coal block reserves and its status (operational/Under Construction)

Sr. No.	Block Allocated	Name of the Company	End Use	Geological Reserves (MT)	Installed capacity	Capacity linked to coal block	UC	Comm.	Pass-through capacity (MW)
1	Tara (East)	WBSEB	Power	84	3860	3860		3860	3860
2	Tara (West)	WBPDCCL	Power	126					
3	Gangaramchak	WBPDCCL	Power	10					
4	Barjora	WBPDCCL	Power	8					
5	Gangaramchak-Bhadulia	WBPDCCL	Power	4					
6	Pachvara North	WBPDCCL	Power	126					
7	Pachwara Central	Punjab State Electricity Board	Power	562	2620	2620		2620	2620
8	Badam	Tenughat Vidyut Nigam Ltd	Power	145	1000	1000		1000	1000
9	Baranj – I	KPCL	Power	68					
10	Baranj – II	KPCL	Power						
11	Baranj – III	KPCL	Power						
12	Baranj – IV	KPCL	Power						
13	Kiloni	KPCL	Power						
14	Manora Deep	KPCL	Power	45					
15	Utkal 'E'	NALCO	Power	194	1000	1000	500	500	1000
16	Gidhmuri	CSEB	Power	80					
17	Patoria	CSEB	Power	269					
18	Talabira II	MCL	Power	152					
	"	NLC	Power						
19	Utkal-A	MCL	Power						
20	Gondulpara	Tenughat Vidyut Nigam Ltd	Power	140	2640	2640			
	"	Damodar Valley	Power						

		Corporation							
21	Barjora (North)	Damodar Valley Corporation	Power	85					
22	Kagra Joydev	Damodar Valley Corporation	Power	196					
23	Kasta (East)	Damodar Valley Corporation	Power	105					
24	Tadicherla-I	Andhra Pradesh Power Generation Corpn. Ltd	Power	61	600	600	600		
25	Talaipali	NTPC	Power	965	2000	2000	2000		2000
26	Kerandari	NTPC	Power	229					
27	Chatti Bariatu	NTPC	Power	243					
28	Dulanga	NTPC	Power	260					
29	Brahmini	NTPC + CIL JV	Power	1900					
30	ChichroPatsimal	NTPC + CIL JV	Power	356					
31-32	Mahanadi Machhakata	GSECL	Power	480	4500	4500	0	0	0
	"	MSEB	Power	720	5870	5870	3230		3230
33	Parsa	Chhattisgarh State Electricity Board	Power	150	1000	1000	500	500	1000
34	Gare Pelma Sector II	Maharastra State Mining Corpn	Power	768					
	"	Tamil Nadu State Electricity Board	Power						
35	Rajbar E&D	Tenughat Vidyut Nigam Ltd	Power	385					
36	Banhardih	Jharkhand State Electricity Board	Power	400	2640	2640			
37	Mara II Mahan	NCT of Delhi, Delhi	Power	478					
	"	Haryana Power Generation Corp Ltd. (HPGCL)	Power	478					
38-39	Chendipada, Chendi-II	UPRVUNL	Power	795	2520	2520			
	"	CMDC	Power	500					
	"	MAHAGENCO	Power	295					
40	Baitarni West	Kerala State Elec. Board	Power	201					
	"	Orissa Hydro Power Generation Corp	Power	201					
	"	Gujarat Power Generation Corp	Power	201					
41	Mandakini B	Assam Mineral Dev. Corp	Power	300					
	"	Meghalaya Mineral Dev. Corp	Power	300					
	"	Tamil Nadu State Electricity Board	Power	300					
	"	Orissa Mining Corporation	Power	300					
42	Chhati Bariatu South	NTPC	Power	354					
43	Saharpur Jamarpani	Damodar Valley Corporation	Power	600					

44	Manoharpur	Orissa Power Generation Corporation	Power	182	1320	1320	1320		1320
45	Dipside Manoharpur	Orissa Power Generation Corporation	Power	350					
46	Naini	GMDC	Power	500					
	"	PIPDI CL	Power						
47	Urma Paharitora	JSEB	Power	437					
	"	BSMDCL	Power	263					
48	Parsa East	RRVUNL	Power	180					
49	Kanta Basan	RRVUNL	Power	180					
50	East of Damogoria (Kalyaneshwari)	West Bengal Power Development Corporation Ltd (WBPDC)	Power	337					
51	Anesttipali	Andhra Pradesh Power Generation Corpn. Ltd	Power	27					
52	Punkula-Chilka	Andhra Pradesh Power Generation Corpn. Ltd	Power	38					
53	Penagaddppa	Andhra Pradesh Power Generation Corpn. Ltd	Power	111					
Total coal block for Govt. PSUs				17261	33270	33270	8400	9930	18330

Source: CEA, Ministry of Coal, CARE Ratings

Annexure 2.2: Details of private IPP capacity and coal block reserves and its status (operational/UC)

Sr. No.	Block Allocated	Name of the Company	End Use	Geological Reserves (MT)	Installed capacity	Capacity linked to coal block	UC	Commissioned	Pass-through (capacity MW)
54	Takli-Jena-Bellora	Central Collieries Ltd (cancelled)	Power	40					
55	Bhandak West	Shree Baidyanath Ayurved Bhawan Ltd	Power	36					
56	Patal East	Bhushan Power and Steel Ltd	Power	200					
57	Sayang	AES Chhattisgarh Energy Pvt. Ltd	Power	150					
58	DurgapurII/Sarya	DB Power Ltd	Power	92					
59	DurgapurII/Taraim ar	Balco	Power	211					
60	Lohara West Extn	Adani Power Ltd	Power	170					
61	Mandakini	Monet Ispat and Energy Ltd	Power	97					
	"	Jindal Photo Ltd	Power	97					
	"	Tata Power Company Ltd	Power	97					
62	Seregarha	Arcelor Mittal India Ltd	Power	83					
	"	GVK Power (Govindwal Sahib) Ltd	Power	67	540	540		540	540
63	Mahuagarhi	CESC Ltd	Power	110					
	"	Jas Infrastructure Capital Pvt Ltd	Power						

64	Amarkonda Murgadangal	Jindal Steel and Power Ltd	Power	205					
	"	Gagan Sponge Iron Pvt. Ltd	Power	205					
65-66	Rampia & Dip Side of Rampia	Sterlite Energy Ltd. (IPP)	Power	112	2400	1000		1000	750
	"	GMR Energy (IPP)	Power	112	1050	550		550	263
	"	Arcelor Mittal India Ltd (CPP)	Power	84					
	"	Lanco Group Ltd (IPP)	Power	112	1320	660	660	0	330
	"	Navbharat Power Pvt. Ltd (IPP)	Power	112					
	"	Reliance Energy Ltd (IPP)	Power	112					
67	Fatehpur East	JLD Yavatmal Energy Ltd	Power	99					
	"	R.K.M. Powergen Pvt. Ltd	Power	99	1440	550	550		540
	"	Visa Power Ltd	Power	99	1200	600	600		425
	"	Green Infrastructure Pvt Ltd	Power	99					
	"	Vandana Vidyut Ltd	Power	54	540	540	0	540	203
68	Fatehpur	SKS Ispat and Power Ltd	Power	74					
	"	Prakash Industries Ltd	Power	46					
69	Ganeshpur	Tata Steel Ltd	Power	138					
	"	Adhunik Thermal Energy Ltd	Power		540	540	0	540	135
70	Gourangdih ABC	Himachal EMTA Power Ltd	Power	69					
	"	JSW Steel Ltd	Power	69					
71	Sarisatolli	RPG Industries/CESC Ltd	Power	140	700	700		700	
72	Talabira-I	Hindalco Industries	Power	23					
73	Takli-Jena-Bellora	Central Collieries Ltd (cancelled)	Power	40					
74	Utkal-C	Utkal Coal Ltd (formerly ICCL)	Power	209					
75	Gare-Palma-IV/2	Jindal Power Ltd	Power	123					
76	Gare-Palma-IV/3	Jindal Power Ltd	Power	123	1000	1000	0	1000	200
77	Tokisud North	GVK Power (Govindwal Sahib) Ltd	Power	92	2620		2620	2620	
78	Bhandak West	Shree Baidyanath Ayurved Bhawan Ltd	Power	36					
	"	Hindalco Industries	Power						
	"	JSW Steels Ltd./Jindal Thermal Power Ltd	Power	333					
	"	Jindal Stainless Steel Ltd	Power						
	"	Shyam DRI Ltd	Power						
79	Mahan	Essar Power Ltd.	Power	144	1200			150	
	"	Hindalco Industries	Power						
80	Gare Pelma Sector III	GIDC-KSK Mahanadi	Power	210	1800	1800	600	1200	225
81	Chakla	Essar Power Ltd	Power	83	1800	1800	1800	0	990

82	Ashok Karkatta Central	Essar Power Ltd	Power	110					
83	Jitpur	Jindal Steel & Power Ltd	Power	81					
84	Tubed	Hindalco	Power	189					
	"	Tata Power Ltd	Power		660	660			
85	Mednirai	Rungta Mines Ltd	Power	81					
Total private IPP capacity				5292	18810	12140	7430	9290	5451
Source: CEA, Ministry of Coal, CARE Ratings									

Annexure 3: Details of captive coal block allocations to Iron and Steel players

Sr No.	Block Allocated	Name of the Company	Date of Allotment	State	P/G	End Use	Reserves (MT)	Current Status
1	Tasra	Steel Authority of India Ltd	26.02.1996	Jharkhand	G	Sponge Iron	285	Producing
2	Gare-Palma-IV/1	Jindal Steel & Power Ltd	20.06.1996	Chhattisgarh	P	Sponge Iron	124	Producing
3	Gare-Palma-IV/5	Monet Ispat and Energy Ltd	21.06.1996	Chhattisgarh	P	Sponge Iron	126	Producing
	"	Lloyd Metals & Engineering Ltd	29.05.1998			Sponge Iron		
4	Gare-Palma- IV/4	Jayaswal Neco Ltd	16.08.1999	Chhattisgarh	P	Sponge Iron	125	Producing
5	Utkal-B2	Monnet Ispat and Energy Ltd	16.08.1999	Orissa	P	Sponge Iron	106	Non-Producing
6	Gare-Palma-IV/7	Raipur Alloys & Steel Ltd	25.04.2000	Chhattisgarh	P	Sponge Iron	156	Producing
7	Marki Mangli-I	B.S. Ispat	25.04.2001	Maharashtra	P	Sponge Iron	34.34	Producing
8	Chinora	Field mining& Ispat Ltd	08.10.2003	Maharashtra	P	Sponge Iron	20	Non Producing
9	Warora (West) South	Field mining& Ispat Ltd	08.10.2003	Maharashtra	P	Sponge Iron	18	Non Producing
10	Chotia	Prakash Industries Ltd	04.09.2003	Chhattisgarh	P	Sponge Iron	34.48	Producing
11	Utkal B 1	Jindal Steel & Power Ltd	29.09.2003	Orissa	P	Sponge Iron	228.4	Non Producing
12	Kathautia	Usha Martin Ltd	29.09.2003	Jharkhand	P	Sponge Iron	29.76	Producing
13	Majra	Gondwana Ispat Ltd	29.10.2003	Maharashtra	P	Sponge Iron	31.5	Non Producing
14	Jamkhani	Bhushan Ltd	12.11.2003	Orissa	P	Sponge Iron	80	Non Producing
15	Belgaon	Sunflag Iron Steel Ltd	28.03.2005	Maharashtra	P	Sponge Iron	15.3	Producing
16	Moitra	Jayaswal Neco Ltd	13.05.2005	Jharkhand	P	Sponge Iron	215.78	Non Producing
17	Brinda	Abhijeet Infrastructure P. Ltd	26.05.2005	Jharkhand	P	Sponge Iron	34.72	Non Producing
18	Sasai	Abhijeet Infrastructure P. Ltd	26.05.2005	Jharkhand	P	Sponge Iron	26.35	Non Producing
19	Meral	Abhijeet Infrastructure P. Ltd	26.05.2005	Jharkhand	P	Sponge Iron	17.05	Non Producing
20	Lohari	Usha Martin	24.08.2005	Jharkhand	P	Sponge Iron	9.99	Non Producing
21	Chitarpur	Corporate Ispat Ltd	02.09.2005	Jharkhand	P	Sponge Iron	212.0 1	Non Producing

22	Panchbahini	Shree Radhe Industries	06.09.2005	Chhattisgarh	P	Sponge Iron	11	De-allocated (Sept'06)
23	Marki Mangli-II	Veerangana Steel Ltd	06.09.2005	Maharashtra	P	Sponge Iron	19	Non Producing
24	Marki Mangli-III	Veerangana Steel Ltd	06.09.2005	Maharashtra	P	Sponge Iron		Producing
25	Marki Mangli-IV	Veerangana Steel Ltd	06.09.2005	Maharashtra	P	Sponge Iron		Non Producing
26	North Dhadu	Jharkhand Ispat Pvt. Ltd	13.01.2006	Jharkhand	P	Sponge Iron	923.94	Non Producing
	"	Pavanjay Steel & Power Generation Pvt. Ltd	13.01.2006	Jharkhand	P	Sponge Iron		
	"	Electrosteel Castings Ltd	13.01.2006	Jharkhand	P	Sponge Iron		
	"	Adhunik Alloys & Power Ltd	13.01.2006	Jharkhand	P	Sponge Iron		
27	Bijahan	Bhusan Ltd	13.01.2006	Orissa	P	Sponge Iron	130	Non Producing
	"	Mahaveer Ferro	13.01.2006	Orissa	P	Sponge Iron		
28	Madanpur South	Hindustan Zinc Ltd	13.01.2006	Chhattisgarh	P	Sponge Iron	175.65	Non Producing
	"	Akshya Investment Pvt. Ltd	13.01.2006	Chhattisgarh	P	Sponge Iron		
	"	Chhattisgarh Steel & Power Ltd	13.01.2006	Chhattisgarh	P	Sponge Iron		
	"	Chhattisgarh Electricity Corporation Ltd	13.01.2006	Chhattisgarh	P	Sponge Iron		
	"	MSP Steel & Power Ltd	13.01.2006	Chhattisgarh	P	Sponge Iron		
	"	Chhattisgarh Captive Coal Mining Ltd. (Consortium of five Co)	13.01.2006	Chhattisgarh	P	Sponge Iron		
29+ 30	Nakia I + Nakia II	Ispat Godavari	13.01.2006	Chhattisgarh	P	Sponge Iron	399	Non Producing
	"	Ind Agro Synergy	13.01.2006	Chhattisgarh	P	Sponge Iron		
	"	Shri Nakoda Ispat	13.01.2006	Chhattisgarh	P	Sponge Iron		
	"	Vandana Gobal Ltd	13.01.2006	Chhattisgarh	P	Sponge Iron		
	"	Shree Bajrang Power & Ispat Ltd	13.01.2006	Chhattisgarh	P	Sponge Iron		
31	New Patrapara	Bhushan Steel & Strips Ltd	13.01.2006	Orissa	P	Sponge Iron	1042	Non Producing
	"	Adhunik Metaliks Ltd	13.01.2006	Orissa	P	Sponge Iron		
	"	Deepak Steel & Power Ltd	13.01.2006	Orissa	P	Sponge Iron		
	"	Adhunik Corp. Ltd	13.01.2006	Orissa	P	Sponge Iron		
	"	Orissa Sponge Iron Ltd	13.01.2006	Orissa	P	Sponge Iron		
	"	SMC Power Generation Ltd	13.01.2006	Orissa	P	Sponge Iron		
	"	Sree Metaliks Ltd	13.01.2006	Orissa	P	Sponge Iron		

	"	Visa Steel Ltd	13.01.2006	Orissa	P	Sponge Iron		
32	Gare Palma IV/6	Jindal Steel & Power Ltd	13.01.2006	Chhattisgarh	P	Sponge Iron	156	Non Producing
	"	Nalwa Sponge Iron Ltd	13.01.2006	Chhattisgarh	P	Sponge Iron		
33	Gare Palma IV/8	Jayaswal Neco Ltd	13.01.2006	Chhattisgarh	P	Sponge Iron	107.2	Non Producing
34	Madanpur (North)	Ultratech Ltd.	13.01.2006	Chhattisgarh	P	Sponge Iron	241.61	Non Producing
	"	Singhal Enterprises	13.01.2006	Chhattisgarh	P	Sponge Iron		
	"	Nav Bharat Coalfield Ltd	13.01.2006	Chhattisgarh	P	Sponge Iron		
	"	Vandana Energy & Steel Pvt. Ltd	13.01.2006	Chhattisgarh	P	Sponge Iron		
	"	Prakash Industries Ltd	13.01.2006	Chhattisgarh	P	Sponge Iron		
	"	Anjani Steel Pvt. Ltd	13.01.2006	Chhattisgarh	P	Sponge Iron		
	"	Chhattisgarh Captive Coal Mining Ltd. (Consortium of five Co.)	13.01.2006	Chhattisgarh	P	Sponge Iron		
35	Dumri	Nilachal Iron & Power Generation	13.01.2006	Jharkhand	P	Sponge Iron	18	Non Producing
	"	Bajrang Ispat Pvt. Ltd	13.01.2006	Jharkhand	P	Sponge Iron		
36	Nerad Malegaon	Gupta Metallics & Power Ltd	13.01.2006	Maharashtra	P	Sponge Iron	19.5	Non Producing
	"	Gupta Coalfields & Washeries Ltd	13.01.2006	Maharashtra	P	Sponge Iron		
37	Radhikapur(East)	Tata Sponge Iron Ltd	07.02.2006	Orissa	P	Sponge Iron	115	Non Producing
	"	Scaw Industries Ltd	07.02.2006	Orissa	P	Sponge Iron		
	"	SPS Sponge Iron Ltd	07.02.2006	Orissa	P	Sponge Iron		
38	Bundu	Rungta Mines Ltd	25.04.2006	Jharkhand	P	Sponge Iron	102.52	Non Producing
39	Radhikapur(West)	Rungta Mines Ltd	25.04.2006	Orissa	P	Sponge Iron	210	Non Producing
	"	OCL India Ltd	25.04.2006	Orissa	P	Sponge Iron		
	"	Ocean Ispat Ltd	25.04.2006	Orissa	P	Sponge Iron		
40	Ardhagram	Sova Ispat Ltd	06.12.2007	West Bengal	P	Sponge Iron	121	Non Producing
	"	Jaibalaji Sponge Ltd	06.12.2007	West Bengal	P	Sponge Iron	122	
41	Mahal	Rashtriya Ispat Nigam Ltd	09.12.2005	Jharkhand	G	Sponge Iron	1098.5	De-allocated (Mar'11)
42	Kosar Dongergaon	Chaman Metaliks Ltd	20.02.2007	Maharashtra	P	Sponge Iron	22.51	Non Producing
43	Biharinath	Bankura DRI Mining Co. Pvt. Ltd	20.02.2007	West Bengal	P	Sponge Iron	95.16	Non Producing
44	Warora West (North)	Bhatia International Ltd	20.02.2007	Maharashtra	P	Sponge Iron	10	De-allocated

								May'11
45	Ravanwara North	SKS Ispat Ltd	29.05.2007	MP	P	Sponge Iron	174.07	Non Producing
46	Brahampuri	Pushp Steel and Mining Ltd	16.07.2007	MP	P	Sponge Iron	55.05	Non Producing
47	Choritand Tailiaya	Rungta Mines Ltd	14.05.2008	Jharkhand	P	Sponge Iron	18.7	Non Producing
	"	Sunflag Iron Steel Ltd	14.05.2008	Jharkhand	P	Sponge Iron	8.72	
48	Rohne	JSW Steel Ltd	05.06.2008	Jharkhand	P	Sponge Iron	172.53	Non Producing
	"	Bhushan Power & Steel Ltd	05.06.2008	Jharkhand	P	Sponge Iron	60.23	
	"	Jai Balaji Industries Ltd	05.06.2008	Jharkhand	P	Sponge Iron	17.23	
	"	Grace Industries Ltd	27.06.2008	Maharashtra	P	Sponge Iron	16.14	
	"	Kohinoor Steel (P) Ltd	28.05.2009	Jharkhand	P	Sponge Iron		
49	Kesla North	Rathi Udyog Ltd	05.08.2008	Chhattisgarh	P	Sponge Iron	36.15	Non Producing
50	Macherkunda	Bihar Sponge Iron Ltd	05.08.2008	Jharkhand	P	Sponge Iron	23.86	Non Producing
51	Gondkhari	Maharashtra SeamlessLtd	21.11.2008	Maharashtra	P	Sponge Iron	29.91	Non Producing
	"	Dhariwal Infrastructure (P) Ltd	21.11.2008	Maharashtra	P	Sponge Iron	23.93	
52	Thesgora-B/Rudrapuri	Kamal Sponge Steel &Power Ltd	21.11.2008	MP	P	Sponge Iron	30.67	Non Producing
53	Bhaskarpara	Electrotherm (India) Ltd	21.11.2008	Chhattisgarh	P	Sponge Iron	24.69	Non Producing
	"	Grasim Industries Ltd	21.11.2008	Chhattisgarh	P	Sponge Iron	22.22	
	"	Topworth Steel Pvt. Ltd	03.06.2009	Chhattisgarh	P	Sponge Iron	11.77	
	"	Jai Balaji Industries Ltd	03.07.2009	West Bengal	P	Sponge Iron	229.5	
	"	Rashmi Cement Ltd	03.07.2009	West Bengal	P	Sponge Iron	233.27	
	"	Adhunik Corporation Ltd	06.10.2009	West Bengal	P	Sponge Iron		
	"	Howrah Gases Ltd	06.10.2009	West Bengal	P	Sponge Iron		
54	Urtan North	Jindal Steel & Power Ltd	12.10.2009	MP	P	Sponge Iron	46.55	Non Producing
	"	Monet Ispat and Energy Ltd	12.10.2009	MP	P	Sponge Iron	23.27	
55	Rajgamar Dipside(Deavnara)*	API Ispat & Powertech Pvt. Ltd	14.10.2011	Chhattisgarh	P	Sponge Iron	20.34	Non Producing
	"	CG Sponge Coalfield Pvt. Ltd	14.10.2011	Chhattisgarh	P	Sponge Iron	58.12	
	"	SKS Ispat & Power Ltd	01.11.2011	Chhattisgarh	P	Sponge Iron	16.08	
56	Sitanala	Steel Authority of India Ltd	11.04.2007	Jharkhand	G	Steel	108.8	Non Producing
57	Tenughat-Jhirki	Rashtriya Ispat Nigam Ltd	10.09.2008	Jharkhand	G	Steel	215.756	De-allocated

58	Tandsi-III& Tandsi-III Extn	Mideast Integrated Steels Ltd	05.08.2008	MP	P	Steel	17.39	Non Producing
59	Rajhara North (Central &Eastern)	Mukund Ltd	20.11.2008	Jharkhand	P	Steel	10.05	Non Producing
	"	Vini Iron & Steel Udyog Ltd	20.11.2008	Jharkhand	P	Steel	7.04	
	Bander	AMR Iron & Steels Pvt. Ltd	29.05.2009	Maharashtra	P	Steel	31.53	Non Producing
60	Khappa & Extn	Sunflag Iron Steel Ltd	29.05.2009	Maharashtra	P	Steel	53.6	Non Producing
61	Rajgamar Dipside (South of Phulakdih Nala)	Monet Ispat and Energy Ltd	03.06.2009	Chhattisgarh	P	Steel	49.93	Non Producing
62	Dahegaon/Makardhokra IV	IST Steel & Power Ltd	17.06.2009	Maharashtra	P	Steel	70.74	
63	Andal East	Bhushan Steel Ltd	03.07.2009	West Bengal	P	Steel	237.23	Non Producing
64	Moira-Madhujoire	Ramswarup Loha Udyog Ltd	06.10.2009	West Bengal	P	Steel	685.39	Non Producing
	"	Uttam Galva Steels Ltd	06.10.2009	West Bengal	P	Steel		
	"	Vikas Metal & Power Ltd	06.10.2009	West Bengal	P	Steel		
65	Brahmadiha	Castron Technologies Ltd	01.09.1999	Jharkhand	P	Iron & Steel		Non-Producing
66	Parbatpur-Central	Electrosteel Castings Ltd	07.07.2005	Jharkhand	P	Pig Iron	231.22	Producing
67	Lalgarh (North)	Domco Smokeless Fuel Pvt. Ltd	8.07.2005	Jharkhand	P	Pig Iron	30	Non Producing
68	Kotre –Basantpur	TISCO	11.08.2005	Jharkhand	P	Pig Iron	148.4	Non Producing
69	Pachmo	TISCO	11.08.2005	Jharkhand	P	Pig Iron	101.99	Non Producing

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