

No. PS1-13011/15/2023-PS1
GOVERNMENT OF INDIA
MINISTRY OF COAL
P&S-I Section

Shastri Bhawan, New Delhi
Dated, the 10th August, 2023

OFFICE MEMORANDUM

Subject: Minutes of 53rd meeting of the Inter-Ministerial Group (IMG) under the Chairmanship of Additional Secretary, Ministry of Coal to review the issue of Bank Guarantee.

The undersigned is directed to forward herewith minutes of the 53rd meeting of the Inter-Ministerial Group to review the issue of Bank Guarantees of prior allottees held under the Chairmanship of Additional Secretary, Ministry of Coal on 03.07.2023 for information and necessary action.

Encl.: As stated above.



(Rishan Ryntathieng)
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To,

1. Joint Secretary (IE), Department of Economic Affairs, Room No .67B, North Block, New Delhi.
2. Joint Secretary (Thermal), Ministry of Power, Shram Shakti Bhawan, New Delhi.
3. Joint Secretary, Department of Industrial Policy & Promotion, Udyog Bhawan, New Delhi.
4. Joint Secretary, Ministry of Steel, Udyog Bhawan, New Delhi.
5. Joint Secretary, Department of Legal Affairs, Shastri Bhawan, New Delhi.
6. Additional Secretary & NA, Ministry of Coal.
7. JS&FA, Ministry of Coal.
8. Advisor (Projects), Ministry of Coal
9. CMD, CMPDIL, Gondwana Place, Kanke Road, Ranchi.
10. Coal Controller, Scope Minar, Laxmi Nagar District Centre, Delhi
11. Director (P&S-I), Ministry of Coal.
12. DM (Legal), Legal Cell, Ministry of Coal.
13. Prior allottees of the coal blocks as per attached list.
14. Chief Secretaries of the State Govt. of Maharashtra and West Bengal

SL. NO.	NAME OF COAL BLOCK	STATE	NAME OF ALLOTTEE COMPANY
1	Sitarampur	West Bengal	West Bengal Mineral Development and Trading Corporation.
2	Gondkhari	Maharashtra	1. M/s Maharashtra Seamless Limited 2. M/s Dhariwal Infrastructure (P) Ltd.
3	Khappa & Extn.	Maharashtra	1. Sunflag Iron and Steel Ltd. 2. Dalmia Cement (Bharat) Ltd.
4	Dahegaon/Makardhokra-IV	Maharashtra	1. IST Steel and Power Ltd. 2. M/s Gujarat Ambuja Cements Ltd. 3. Lafarge India Pvt. Ltd.
5	Gourangdih ABC	West Bengal	1. Himachal EMTA Power Ltd. 2. JSW Steels Limited

Minutes of 53rd meeting of Inter- Ministerial Group under the chairmanship of Additional Secretary & Nominated Authority, Ministry of Coal held on 03.07.2023 to review the issue of Bank Guarantees of prior allottees of coal blocks at Conference Hall, Ministry of Coal, Room No. 315-A wing, Shastri Bhawan, New Delhi-110001

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List of participants is placed at Annexure- I. Member from DPIIT was not present for the meeting. The prior allottees, members of IMG and representative from Government of Maharashtra attended the meeting physically. No one was present on behalf of the West Bengal Government.

2. Additional Secretary & Nominated Authority, Chairman, Inter Ministerial Group ('IMG') welcomed all participants and asked Director (P&S) to start the proceedings. Director (P&S) informed the IMG members that the 5 coal blocks scheduled to be heard as per the agenda of the instant meeting are Sitarampur, Gondkhari, Dahegaon Makardhokra-IV, Gourangdih ABC, and Khappa and Extension. The State Governments of all 5 coal blocks and prior allottees were requested to provide written submissions with supporting documents for the arguments on each milestone as per allocation letter for the arguments/ contentions they were intending to make before IMG, in addition to the replies to Show Cause Notice ('SCN') dated 28.07.2020, vide meeting notice dated 27.04.2023. The detailed reply/ additional documents as per previous meetings were submitted by the prior allottee. The schedule of the meeting, Standard Operating Procedure ('SOP') to be followed by IMG and Agenda of the meeting was circulated to all members, prior allottees, respective State Governments along with meeting notice.
3. Members of IMG were provided with copies of replies of prior allottees during the meeting. Copy of all relevant documents, including the Allocation Letters of coal blocks, Deallocation/ BG invocation letter (as last reviewed), block- wise BG calculation details prepared by CCO, SCN, reply to SCN received from the prior allottee, written submissions made by the prior allottees, response of the State Government concerned, as and when received, etc. were also provided to the members during the meeting. The comments of prior allottee were shared with the respective State Governments for providing comments.
4. The written submissions made by prior allottees of coal blocks and other documents received from various stakeholders have been kept in the custody of P&S-I Section, MoC. List of names of the Authorised Representatives who made their arguments/ submissions in the hearing is attached as Annexure II. List of names of the representatives of State Governments is attached as

Annexure III. Deliberations and recommendations of the IMG for the blocks which were heard by the IMG are given below:

A) Sitarampur

Prior allottee: West Bengal Mineral Development and Trading Corporation (WBMDTCL)

State : West Bengal

- I) Sitarampur was allocated to WBMDTCL vide allocation letter dated 27.12.2007. It was a regionally explored block. As per the contention of the prior allottee in the written submissions, the rate of royalty considered for calculation of BG amount was Rs. 96/- per tonne, whereas as per the Notification no. GSR 522 (E) dated 01.08.2007 royalty for Washery grade I coal in West Bengal is Rs. 7/- per tonne. Hence, royalty of one year for Sitarampur coal block shall be @ Rs. 7.00, for 1 MTPA i.e. 0.70 crore only in place of Rs. 9.60 crore as has been erroneously calculated by MoC. This was brought to the notice of MoC vide letter no. MDTC/F&A/BG/1/1056 dated 12.08.2015.
- II) Following were the main contentions by the prior allottee regarding the Sitarampur block for slippage of milestones:
- i) The Block was regionally explored by GSI with only 4 boreholes which revealed that there were multiple coal seams and splits down to the depth of 1100 meter.
 - ii) No details were available from GSI or CMPDIL or MECL
 - iii) WBMDTCL was apprised of aforesaid situation by CMPDIL vide letter no. CMPD/ DG/ 033.4/201-02 dated 01.02.2008. Following were submitted to be the bottlenecks in preparation of GR: -
 - a) Clarity on block boundary- During exploration block boundary given by CMPDIL and block boundary as per mouza map provided by West Bengal Govt were different. Block boundary overlapped with BCCL, ECL and IISCO. MoC was apprised of difficulty on 20.04.2011 and 07.07.2011.

- b) **Limitation on exploration: -**
MECL started exploring block in May 2008. Due to limited availability of deep drilling equipment only 12707 m drilling could be done in the block at extremely slow rate.
- c) **Engagement of private drilling agencies:**
MoC cleared engagement of private drilling agencies with in-house geological supervision that other drilling companies were engaged to expedite exploration activities. Due to non- availability of indigenous deep drilling equipment such companies required time to develop resources and expertise.
- d) **Result:**
Complete 59 boreholes of total 344362 m length were drilled. Some boreholes were drilled beyond 1000 m. depth.
- e) **Technical difficulties: -**
Geographical complexities with faults in large numbers were there, which required state of art technology. Since no such agency with adequate experience and infrastructure was found within country, an agency from foreign was engaged for exploration. This agency completed fieldwork and data processing in June 2011.
- f) GR was prepared using computerized modelling and submitted in March 2012.

After obtaining GR in 2012, following milestones were taken up as per schedule: -

- iv) **Submission and approval of Mine Plan: -**
 - a) Mine plan submitted on 03.08.2012, just six months within preparation of GR.
 - b) The presentation before MoC was scheduled on 26.04.2013, eight months after submission of mine plan.
 - c) Various clarifications were sought by MoC vide letter dated 08.07.2013 which were submitted on 13.08.2013.

- d) Mine plan was finally approved on 28.04.2014 almost 19 months after submission of mine plan.
- v) **Application and grant of EMP clearance: -**
- a) Application for ToR was submitted to MoEF on 21.09.2011 and same was granted by MoEF on 18.10.2011.
 - b) MoEF directed to prepare integrated EIA and EMP report for Sitarampur and Kulti.
 - c) Draft EIA- EMP report of project was submitted to State Pollution Control Board on 31.01.2013 for conducting public hearing, a copy was also given to MoEF.
 - d) Public hearing was earlier scheduled on 04.06.2013, however, it was rescheduled on 04.09.2013 due to Panchayat election in the state.
 - e) Final EMP report was submitted on 25.10.2013
 - f) MoEF asked the prior allottee to approved final Mine plan, which was submitted in May 2014 (Mine Plan was approved on 28.04.2014).
 - g) Project was considered for EIA presentation for EC on 25.07.2014.
 - h) Environmental clearance was granted on 25.09.2014.
- vi) **Submission of ML application and grant of prior approval: -**
- a) After preparation of GR in March 2012, land related documents were collected from District Land and Reforms officer and ML application was submitted on 09.05.2012 i.e. within 3 months of preparation of GR.
 - b) As per letter dated 16.07.2014 from the State Govt of West Bengal, regarding the application for prior approval, considering the CBI investigation and Court cases (ML Sharma) was pending, the State Government sought guidance from Central Government for grant of prior approval.
- vii) **Application & Completion of Land acquisition: -**
- The project was underground project and it required only 26 Ha of land. This land was direct purchase from land owners so application for land application was not required.
- viii) **Grant of Mining Lease: -**
- Prior approval not received by Govt of West Bengal, hence, ML could not

be granted.

III) Comments of CMPDIL: -

- i) Allottee vide letter dated MDTC/PM-5/921/1608 dated 08.01.2008 inquired about the block boundary, geological details etc. from CMPDIL.
- ii) CMPDI vide letter dated 01.02.2008 provided the tentative block boundary and informed that only regional exploration has been carried out by GSI and no exploration activity has been carried out by CMPDIL and requested allottee to approach GSI for the actual cost of GR.
- iii) Proposal submitted by allottee for modification in Kulti block with adjacent Sitarampur block on date 11.03.2008 which was agreed upon by CMPDI vide letter dated 21.03.2008.
- iv) Allottee informed that as CMPDIL was unable to take up exploration, exploration activity in the block was to be taken up by engaging outsourced party under the guidelines prepared by CMPDIL vide letter dated 03.07.2008.
- v) CMPDIL vide letter dated 11.07.2008 informed that exploration in the block may be carried out as per the guidelines provided by MOC. (As per the Allocation letter, Prospecting License has to be obtained within 3 months of allocation letter issued and completion of exploration and preparation of geological report within 27 months from the date of allocation and hence the delay cannot be attributed to CMPDIL).
- vi) In reference of letter from allottee dated 28.05.2009 related to grant of PL the Chief Mining Officer, West Bengal vide letter dated 21.07.2009 stated that area considered for PL is exclusive of areas leased to other coal companies (ECL, BCCL, IISCO).
- vii) Allottee vide letter dated 10.03.2010 raised the issue to CMPDIL on date 22.03.2010. CMPDIL vide letter dated 29.03.2010 and 08.09.2010 referred the above matter to Regional Institute I and II. BCCL opined that the overlapped area falls in Damagoria Colliery area inherited by BCCL as per nationalization act.

Exploration in the Block was carried out by outsource agency. (GR submitted on March 2012.)

IV) Comments of State Government

No representative of State Government was present in the meeting and no comments to the written submission or show cause or reply to show cause was given by the State Government.

Observations and recommendations made by the members of IMG:

i) The issue of the BG amount (based on rate of royalty) was not raised by the prior allottee during the hearing before IMG. No substantial relevant documents were placed on record by the prior allottee in this regard.

ii) a) There was substantial delay in the first milestone for exploration and preparation of GR. As per the terms and conditions of Allocation letter, Clause (iv), detailed exploration was to be carried out on their own; further as per clause (ix), the prior allottee could have approached CIL, CMPDIL/ GSI to obtain the available geological data on the block. As seen, the block was regionally explored by GSI. Further, for carrying out detailed exploration within the time stipulated, was the responsibility of the prior allottee. Before allocation of coal block, the prior allottee was deemed to be aware of the conditions of the block.

b) Considering issue of resolution of block boundary, 3 months relaxation was considered to be given for preparation of GR and other subsequent milestones.

iii) Delay due to boundary issue has cascading effect on achievement of other milestones.

iv) Regarding submission of BG, there was a delay of 5 months and a sovereign bond was submitted by the State of West Bengal.

v) Considering delay in approval of mine plan, additional relaxation of 8 months was considered.

vi) No rival contentions are made by State Government for delay in grant of previous approval/ forest clearance/ EMP clearance or mining lease.

The IMG therefore, recommended to deduct proportionate BG for milestones of Sitarampur coal mine considering relaxation as considered for preparation of GR and approval of mine plan. Same relaxation will also be considered for subsequent milestones.

B) GONDKHARI

Prior allottees: M/s Kesoram Industries Limited, Maharashtra Seamless Limited, Dhariwal Infrastructure Pvt. Limited (Gondkhari Coal Mining Limited- JV Company)

State: Maharashtra

- I) The Gondkhari block was allocated to M/s Kesoram Industries Limited, Maharashtra Seamless Limited, Dhariwal Infrastructure Pvt. Limited ('prior allottee') vide allocation letter dated 21.11.2008. As per the Clause 2(i) and (ii) of the Allocation letter, a joint venture company was required to be formed within 60 days of the Allocation letter.
- II) Following were the main contentions by the prior allottee regarding the Gondkhari block for slippage of milestones:
- a) Regarding purchase of GR: -**
- i) M/s Kesoram Industries Ltd applied to CMPDIL for purchase of GR on 29th August, 2008.
 - ii) CMPDIL replied that Geological Report can be provided only to the Joint Venture Company and on receipt of a copy of the Allocation letter.
 - iii) Kesoram Industries Ltd, thereafter, on behalf of the joint allocatees, applied to CMPDIL for Geological Report vide its letter dated 19th September, 2008 and requested information on the amount payable for Geological Report.
 - iv) CMPDIL vide its letter dated 18th November, 2008, informed the Petitioner that the photocopy of the Geological Report can be made available to the Petitioner on payment of Rs. 29,214/-
 - v) The Company on 29th November 2008 made the payment and it was informed that the copy of the Geological Report would be ready for collection on 23rd December, 2008. Upon perusal of the copy of the Geological Report on 23rd December, 2008 it was noticed that in the Geological Report, two wrong drawings had been received by the Petitioner. The Geological Report to Gondkhari Coal Block contained two drawings for Khappa coal block.
 - vi) The correct drawings for Gondkhari coal block were received by the Petitioner only

on 14th February, 2009. The information provided by the CMPDIL at the first instance was incomplete.

- vii) The deficiencies in the Geological Report and further information thereto were received by the JVC only on 29th September, 2009.
- viii) Thereafter, CMPDIL vide letter dated 2nd August, 2010 informed the JVC that the recoverable cost of exploration in respect of Gondkhari coal block as Rs. 11,48,66,048 to be deposited with PAO, Ministry of Coal. The JVC, under protest, deposited the said amount through RTGS to PAO, Ministry of Coal on 26th August, 2010 and intimated the same to CMPDIL vide letter dated 26th August, 2010.
- ix) That vide letter dated 26th November, 2010 CMPDIL informed the JVC that the original Geological Report was ready and could be collected on 30th November, 2010.

b) Regarding submission of BG

- i) In terms of the Allocation letter dated 22nd November, 2008, a JV company was constituted which was incorporated on 22nd June, 2009.
- ii) Since the Joint Venture Company was newly incorporated, therefore, it was unable to arrange the funds for submitting the Bank Guarantee of Rs. 11.87 crores as required by the Allocation letter
- iii) MoC informed the Company on 10th February, 2010 after almost six months that the bank guarantee had to be submitted in the name of the JVC.
- iv) The JVC vide its letter dated 15th March, 2010 submitted 2 separate Bank Guarantees totalling the requisite amount of Rs 11.87 crores.

c) Regarding application for mining lease

The JVC applied for Mining Lease on 23rd June, 2010. The JVC was required to obtain No-Objection certificates from various concerned Tehsildars and Patwaris which took time. The JVC upon receiving all the requisite No-Objection certificates approached the District Mining Officer, Nagpur for submission of the application for Mining Lease. The District Mining Officer however refused to accept the application. The refusal of the District Mining Officer was without any reason. Consequently, the JVC vide its letter dated 19th June, 2010 sought assistance from Directorate of Geology and Mining, Government of Maharashtra for submission of the application and accordingly the Mining Lease application was submitted vide letter No GCML/M/2010-11 dated 23rd

June, 2010 to Collector, Nagpur through District Mining Officer, Nagpur.

d) Submission of Mine Plan: -

- i) In view of the delay in getting the final GR, the JVC vide its letter dated 29th September, 2009 requested the MoC for extension of time for preparation of Mine Plan until 30th November, 2009.
- ii) Copy of the Mining Plan and Progressing Mine Closure Plan was submitted to MoC on 30.10.2009 for approval.

e) Approval of Mine Plan: -

- i) Presentation was given at MoC on 18.01.2010. MoC pointed out some observations to comply. After incorporation of the suggested points, JVC submitted the revised Mining Plan and Mine Closure Plan on 23rd March, 2010.
- ii) MoC approved the Mining Plan on 07th January, 2011.

f) Application for Forest Clearance: -

In the review meetings held on 22nd June, 2009 and 23rd June, 2009 and then again on 20th July, 2010 and 21st July, 2010 it was observed by the Review Committee of MoC that no forest land was involved, however, subsequently the JVC was informed around 15th March, 2011 that out of the total area of 977 ha of coal mining area, 101.16 ha is forest land under Forest (Conservation) Act, 1980 and therefore a prior approval is required from Central Government by the party who requires the forest land for use of non-forest purpose. The JVC thereafter applied for diversion of 101.16 ha of Jhudpi Forest Land for underground mining of coal on 9th February, 2012.

g) Grant of Forest Clearance: -

- i) The JVC also applied to Collector, Nagpur for the issuance of certificate regarding Barest Minimum Demand of Forest Land for the proposed coal mining project on 13th June, 2012.
- ii) The Deputy Conservator of Forests, Nagpur vide letter dated 21st April, 2012 informed the JVC about the various deficiencies and vide letter dated 30th August, 2012, the JVC informed the Deputy Conservator of Forest that they have complied with all the suggestions.

h) Application for EMP clearance

For Environment Clearance, the JVC vide its letter dated 30th October, 2009 and 18th November, 2009 to Ministry of Environment and Forests enclosed the Application for Prior Environmental Clearance in the prescribed form as per Notification No.1533 dated 14th September, 2006.

i) Grant of EMP clearance

- i) The JVC applied for Terms of Reference ('ToR') on 18th November, 2009 and the MoEF was pleased to issue ToR vide its letter dated 23rd September, 2010 and was pleased to note that no rehabilitation or reclamation work was to be done by the JVC.
- ii) The total project area for coal mining was initially 1130 ha, which was revised to 977 ha and accordingly, the JVC sought the modification of ToR vide letter dated 15th October, 2010. The modification of ToR was considered in the Expert Appraisal Committee meeting held on 24-25th January, 2010 and the modified ToR was issued only on 21st March, 2011.
- iii) The JVC prepared the Environment Impact Assessment and Environment Management Plan Report as per ToR. The JVC submitted the same with Maharashtra Pollution Control Board and requested for holding public consultation under the EIA Notification.
- iv) The Regional Officer, Maharashtra Pollution Control Board wrote to the District Magistrate for holding the Public Hearing who then nominated the Sub-Divisional Magistrate, Nagpur to chair the meeting. However, despite various efforts by JVC, the date for public hearing was not fixed, the Winter Session of Maharashtra Legislature was on and soon thereafter the district Panchayat and Municipal Corporation elections were held in January and February, 2012.
- v) The Ministry of Environment and Forests issued circular dated 18th October, 2011 stating that Public Hearing held under supervision of an officer other than stipulated officer may be rejected and the stipulated officer as per the Circular dated 18th October, 2011 is District Magistrate or representative not below the rank of Additional District Magistrate under the EIA Notification, 2006. The JVC applied to Member Secretary, Maharashtra Pollution Control Board as per the changed policy and represented to them as to why the public hearing could not be conducted for nearly 10 months after submission of EIA/EMP Report by the JVC.

- vi) Maharashtra Pollution Control Board vide its letter dated 22nd March, 2012 directed its Sub Regional officer to conduct the public hearing as per EIA Notification 2006. However, JVC received a letter only on 4th May, 2012 for submission of EIA/EMP Reports in the local language i.e. in Marathi. The JVC promptly submitted the EIA/EMP Reports by letter dated 27th June, 2012.
- vii) The JVC received the ToR only on 23rd September, 2010 which was modified on 21st March, 2011. Despite the same, the JVC had prepared the draft EIA/EMP Report and has been pursuing with the Maharashtra Pollution Control Board for conduct of public hearing for environmental clearance since 17th May, 2011. However, for reasons beyond the control of the JVC, the same was not conducted and hence the environmental clearance was not granted to the JVC.

j) Application for Land Acquisition and completion: -

- i) 30.62 acres land acquired through direct purchase.
- ii) The JVC had initially required 62.65 hectares of land for the necessary infrastructure for underground mining out of which 32.03 ha was government land and 30.62 ha was private land. The JVC approached the private land owners but was unable to succeed in acquiring the land as the private land, being used for housing and for farm house/resort and the owners were not interested in selling their land. The JVC further sought the assistance of the District Administration of Nagpur and later, the MoC for initiating the process of acquisition of private land. After various efforts and reduction of the private land to be acquired from 30.62 ha to 19 ha the JVC finally executed the Agreements to Sell with the private land owners on 19th May, 2012.
- iii) As the private land was agricultural land, the JVC was required to obtain permission for conversion of land use under and for purchase of land by a non-agriculturalist under Section 89 of Bombay Tenancy and Agricultural Land before the Final Sale Deed could be executed.

III) Comments of CMPDIL: -

- a) Allottee vide letter dated 02.12.2008 informed CMPDI that M/s Kesoram Industries Ltd will represent on behalf of all the three parties and formation of JV was under process. Allottee requested for cost of GR in the same letter.

- b) CMPDI vide letter dated 02.12.2008 provided the Nominal Cost of GR Rs. 29,214 and the final cost of GR will be paid separately after the formation of JV. (Nominal Cost was provided to the allottees due to the fact that JV between the allottees were under Formation)
- c) Allottee submitted the Nominal GR cost vide letter No. nil dated 23.12.2008. Allottee also requested to send the GR through courier service.
- d) CMPDI handed over the photocopy of the GR to the authorized representative of the allottee along with money receipt vide letter dated 23.12.2008.
- e) The allottees engaged the service of 3rd party for preparation of Mine Plan during which allottees observed that additional data was required for submission of plan. CMPDI vide letter dated 28.08.2009 provided the data and stated that none of the issues raised will hamper the preparation of Mine Plan. Mine Plan was submitted in October 2009.
- f) After the submission of Mine Plan, Section Officer (MoC) enquired confirmation of payment of final cost of GR made by the allottees in respect of the coal block vide letter dated 23.11.2009 and 28.05.2010. In response to letter of MoC dated 23.11.2009 CMPDI vide letter CMPDI/DG/033.7/5576 dated 18.12.2009 informed MoC that GR on Nominal Cost was provided to the allottee, however the party has not approached CMPDI for depositing the cost of Exploration. Reference of the same reply was provided to MoC for letter dated 28.05.2010.
- g) M/s Gondkhari Coal Mining limited inquired about the final cost of GR vide letter dated 01.07.2010.
- h) CMPDI vide letter dated CMPDI/DG/033.7/2256-60 dated 30.07.2010 informed about the cost of GR which is to be deposited with the PAO, Ministry of Coal (Rs 11,48,66,048).
- i) Allottee vide letter No. CMPDI/GR/2010-11 dated 11.08.2010 enquired about the justification for the cost of GR. CMPDI vide letter CMPDI/DG/033.7/2434 dated 18.08.2010 informed that cost is worked as per the rate applicable for the year 2010-11 and this cost is valid upto March, 2011.
- j) Allottee submitted the cost of GR on date 26.08.2010 to PAO, MoC
- k) Allottee vide letter CMPDI/GR/payment /2010-11 dated 26.11.2010 authorized their personnel to collect over the GR from CMPDI.
- l) GR of the block was handed over to authorized representative vide letter no. CMPDI/DG/033.4/2856 dated 30.11.2010.

IV) Comments of Government of Maharashtra: -

- m) The representative of Govt of Maharashtra had no comments to offer in reply to the contentions of the prior allottee.

Observations and recommendations made by the members of IMG:

- i) The allocation of the block was made to prior allottees in 21.11.2008, however, the JV was formed on 22.06.2010. JV had to purchase the GR as per the Clause 2 (ii) of the allocation letter. Looking at the entire conspectus of the delay in achieving of milestone for GR, a period of total 5 months may be condoned.
- ii) Submission of BG was the responsibility of the JV company as per the allocation letter [Clause 2 (ix)]. However, 3 months delay may be condoned for submission of PBG by JV.
- iii) Considering delay in approval of Mine Plan, additional 8 months delay can be condoned in approval of mine plan.
- iv) The cascading effect of delay in purchase of GR and approval of Mine Plan was on other milestones as well.
- v) For delay in application and grant of previous approval, the prior allottees, did not have any submission to make.
- vi) For application for Forest Clearance, the prior allottees were asked if they had any supporting documents to prove that the JVC was subsequently informed of forest land or if they have letter dated 15th March, 2011. However, the prior allottees failed to produce any document. Even as per the Review Committee Minutes in 2012, it is seen that there was no forest land. Hence, the exemption may not be given.
- vii) Representative of Maharashtra government did not have any explanation or rival contentions regarding the delay in public hearing, hence 5 months in that respect may be condoned.
- viii) Regarding application for Land Acquisition, it is submitted that the land was private land, hence, no application was required to be made. No application for land acquisition was pending with the State Government.

In view of this, IMG recommends to deduct proportionate BG for delay in achievement of milestones after considering relaxation as considered for preparation of GR and approval of Mine Plan including cascading effect for delay for subsequent milestones.

C) KHAPPA & EXTN.

Prior allottee: Sunflag Iron and Steel

Dalmia Cement Limited

State : Maharashtra

I) Khappa and Extn. coal block was allocated to Sunflag Iron and Steel and Dalmia Cement Limited ('prior allottees') vide allocation letter dated 29.05.2009. As per Clause 2 (ii) of the Allocation letter, a JV was to be formed. Accordingly, a JV by the name of Khappa Coal Company was constituted. Following were the main contentions submitted by the prior allottee: -

i) Purchase of GR: -

- a. Immediately upon the receipt of the Allocation letter, the JV Company formed by the prior allottees applied to the CMPDIL for purchase of the GR on 10.06.2009, within the time stipulated for the purchase of GR. Since no response was received to the aforesaid letter, the JV Company was constrained to issue a reminder on 01.08.2009 to the CMPDIL for purchase of GR.
- b. In response to the JV Company's letter dated 01.08.2009, CMPDIL vide its letter dated 02.09.2009 communicated the cost of purchase of the GR as INR.12,48,01,216/-. CMPDIL in its response also suggested that the JV Company should contact the DGM Maharashtra regarding the cost of the exploration to be paid and that the amount should be deposited with Western Coalfields Ltd. and Directorate of Geology and Mining ("**DGM**"), Maharashtra. Further, its approval was required be taken in confirmation of such payment having been received.
- b) Thereafter, as the cost of the GR assessed by the CMPDIL was high, the JV Company vide its letter dated 16.09.2009 requested the CMPDIL to provide the breakup of the exploration cost of the coal block along with justification for the cost of the GR. On the same day i.e. 16/18.09.2009 the JV Company issued another letter to DGM, Government of Maharashtra requesting for

the cost incurred on drilling of exploratory bore holes in Coal Block. Clarification on the issue of cost was eventually provided by CMPDIL vide its letter dated 12.10.2009.

- c) A letter dated 25.09.2009 on the aforesaid issue was also issued to the MoC, wherein the JV Company enclosed the aforesaid letters which had been issued to the CMPDIL and the DGM, Government of Maharashtra.
- d) Pursuant to the instructions received from CMPDIL (as per the letter dated 02.09.2009) and after obtaining clarifications on the issues pertaining to the cost of the GR, the JV Company issued letter dated 23.11.2009 to the Director (DGM), Government of Maharashtra. The Director (DGM), Government of Maharashtra in response to the letter dated 23.11.2009 vide its letter dated 30.11.2009, requested the JV Company to submit the block boundary map. The said map was submitted by the JV Company on 04.12.2009.
- e) After almost three months, letter dated 11.03.2010 was issued by the Director (DGM), Government of Maharashtra to CMPDIL stating that it has no objection to release the GR to the JV Company. A copy of the same was marked to JV Company. Based on this letter, the payment towards the GR was made by the JV Company to Western Coalfields Ltd.
- f) The payment for purchase of the GR was made on 23.03.2010.

ii) Application for Mining Lease:-

The JV Company could apply for grant of mining lease prior to the date of purchase of the GR, as a copy of the GR was purchased by SISCO in 2008 itself. The application for grant of mining lease was submitted by the JV Company well within time. Hence, there is no delay which is attributable to the JV Company in this regard.

iii) Submission of Mine Plan: -

The mining plan was submitted shortly after the receipt of GR (i.e. 23.03.2010), on 07.04.2010, well within time.

iv) Approval of Mine Plan: -

- a) After submitting the mining plan vide letter dated 07.04.2010, a presentation for approval of mining plan was requested for and the same was to be held on 06.07.2010 which was communicated vide letter dated 23.06.2010.
- b) After the presentation, several suggestions were made by the MoC which were provided vide letter dated 19.07.2010, which were required to be incorporated into the mining plan of the JV Company.
- c) The said suggestions were duly complied with and a revised mining plan was submitted on 15.09.2010. The mining plan ultimately came to be approved on 20.01.2011.

v) **Application and grant of Previous Approval: -**

The achievement of this milestone was not within the control of the JV Company as the application was required to be made by the State Government to the Central Government. It is pertinent to mention that as per the tentative milestone chart annexed with the Allocation letter, the application for Previous Approval ought to have been made within eight months from the date of application for grant of Mining Lease. However, the mining lease application was made on 11.11.2009 and the application for previous approval had not been forwarded by the State Government to the Central Government till the date of de-allocation of the instant Coal Block on 06.01.2014.

vi) **Application of Forest Clearance: -**

- a) Despite the JV Company having taken adequate steps to expeditiously seek grant of FC, four months after the application was made, the Conservator of Forest ("CF") vide its letter dated 03.05.2010 *inter alia* intimated new guidelines with respect to preparation of forest proposal for diversion of Judpi jungle for coal project. The CF vide its letter further pointed out certain discrepancies in the application made by the JV Company.
- b) In pursuance of the letter dated 03.05.2010, the JV Company submitted its proposal again on 24.12.2010 after having removed the discrepancies pointed out. The JV Company vide its letter dated 24.12.2010 also enclosed the compliance report under Schedule Tribes and Other Traditional Forest Dwellers (Recognition of Rights) Act, 2006. The time taken in this regard is squarely attributable to various

authorities from whom approvals were required to comply with the directions dated 03.05.2010.

- c) On 19.09.2011 i.e. after almost nine months, the forest department raised further queries. The said queries/ discrepancies were removed by the JV Company vide its letter dated 18.10.2011. Thereafter, the JV Company vide its letter dated 14.01.2012, highlighted that the coal block in question is an underground coal block and that no forest area will be disturbed on surface and that the entire Judpi jungle area will be used for underground mining of coal. Vide the aforesaid letter, the JV Company further requested the forest department to process its application at the earliest.
- d) On 13.04.2012, Deputy Controller of Forest ("**DCF**"), Nagpur informed the JV Company that the joint inspection of the areas affected by the project would be conducted on 17.04.2012.
- e) After the inspection, the DCF, Nagpur forwarded the inspection report to Chief Conservator of Forest ("**CCF**") on 07.05.2012. Pursuant to the above, the CCF vide its letter dated 25.07.2012 and 30.07.2012 raised further queries to the DCF. A copy of the same was marked to the JV Company. The said queries were answered by the JV Company vide its letter dated 06.08.2012.
- f) Thereafter on 23.08.2012, DCF directed the JV Company to submit a resolution in favour of the authorized signatory of the JV Company. It further directed the JV Company to furnish the Bio-data of the authorized signatory. Pertinently, the letters on behalf of the JV Company were signed by its Director, Mr. V.K. Agarwal and it did not seem necessary to seek a board resolution in his favour. The JV Company however, in compliance to the request made by the DCF, furnished the aforesaid information vide its letter dated 03.09.2012.
- g) Thereafter the proposal was forwarded by DCF to CCF and by the CCF to PCCF. The PCCF then raised certain concerns vide its letter dated 03.01.2013. DCF vide its letter dated 22.01.2013 directed the JV Company to comply with the conditions raised above by the PCCF. The said concerns were resolved by the JV Company vide its letter dated 29.01.2013.
- h) Despite the persistent efforts of the JV Company, no progress was made by the Forest Department since the submission of the JV Company on 29.01.2013. The application in the instant case was made on 01.01.2010; however, the FC in favour of the JV Company was not granted till the de-allocation of the Coal Block in 2014.

The delay in this regard is squarely attributable to the State Forest Department and was beyond the control of the JV Company.

vii) Grant of EMP Clearance: -

- a) Though the application for EC was filed well within time period, the same was not granted to the JV Company till the de-allocation of the coal block. After submission of the application, a meeting was held by the MoEF on 09.07.2010, pursuant to which Terms of Reference ("**TOR**") was prescribed by the MoEF vide its letter dated 30.07.2010.
- b) Thereafter, the JV Company prepared its EIA/EMP report and submitted its application for public hearing to the Maharashtra Pollution Control Board ("**MPCB**"). Subsequently, a public hearing took place on 08.07.2011. The minutes of the hearing was forwarded to the Regional Officer (HQ), MPCB on 13.10.2011. The Final EIA/EMP report was submitted with changes made to the original EIA/EMP, based on issues raised in the public hearing, on 15.12.2011. This was accompanied with a request for processing the application for grant of EC expeditiously. The time taken in this regard is attributed to the various changes which were directed to be incorporated by the JV Company subsequent to the public hearing.
- c) On 23.01.2012, the JV Company observed from the website of MoEF, that a recommendation for grant of EC was made in the favour of the JV Company by Expert Advisory Committee ("**EAC**"), subject to fulfilment of certain conditions.
- d) The MoEF vide its letter dated 20.08.2012 sought further information which was duly provide on 19.10.2012. However, upon no action having been taken by the MoEF for grant of EC thereafter, reminders were sent by the JV Company vide letters dated 17.01.2013 and 30.05.2013 to the Director, MoEF.
- e) It is pertinent to note that the MoEF, vide its letter dated 20.12.2013 had given its in-principle approval for grant of EC for the instant coal block. By way of the letter dated 20.12.2013, the MoEF informed the JV Company that the proposal for grant of EC was considered in the 41st meeting of the EAC, which was held on 23-24.01.2012, wherein the EAC recommended the grant of clearance. However, the MoEF stipulated that a formal EC would only be granted after issuance of Stage-I FC in respect of the forest area involved. The MoEF further prescribed a maximum period of one year for obtaining the said FC, during which the project was directed

to be kept in abeyance, and prescribed that in case the formal FC was not submitted within this period, the earlier proposal for grant of EC would stand rejected.

- f) The JV Company, accordingly, vide its letter dated 20.12.2013 communicated to the Additional Secretary, (Chairman of the IMG), MoC, as regards the developments in respect of the MoEF letter dated 20.12.2013 and communicated that most of the important milestones had already been achieved, to the exclusion of the EC and Mining Lease which were pending at the end of the State authorities, over which the JV Company had no control. It was also informed that the MoEF had accorded in principle grant of EC. In view of the foregoing, the JV Company requested that no steps be taken towards de-allocation of the coal block, due to the inaction of the State authorities.

viii) Grant of Mining Lease: -

- a) The JV Company had applied for grant of the mining lease for the coal block much before the prescribed time limit on 11.11.2009, and continuously followed up with the District Mining Officer ("**DMO**"), Nagpur on its application in order to obtain a timely grant of the mining lease.
- b) Several reminders were issued on 28.01.2010, 19.05.2010, 15.07.2010 and 09.03.2011 in this regard.
- c) On 27.04.2011, the DMO Nagpur *inter alia* informed the JV Company that part of the underground mine was falling within the coal block boundary and that the same was in the name of the Government of India, Military Estate Officer. In view of the same, the JV Company was required to obtain a no-objection certificate ("**NOC**") from the concerned officer. Thereafter, the JV Company issued various letters to the concerned officers for grant of NOC in terms of the above. An inspection of the area was carried out as well. The JV Company had further specified that surface rights would not be required as the instant mine was an underground mine.
- d) Vide letters dated 21.05.2011 and 30.11.2011, the JV Company repeatedly sought to seek the required NOC from the concerned officer, as there was no response. Vide letter dated 30.03.2012, Defence Estates Officer issued a belated response stating that since Ministry of Defence approval had not been annexed with the proposal of the JV Company, such NOC could not be granted.

- e) Thereafter, the JV Company on 16.05.2012 made an application to the Director, Directorate General, Defence Estate, New Delhi with a copy to the Under Secretary, MoC, for grant of the necessary permission/NOC in this regard. A reminder to the said letter was issued on 18.09.2012.
- f) Since there was no response to the JV Company's repeated requests, the application was submitted once again vide letter dated 05.11.2012 to the Defence Estates Officer, Mumbai.
- g) Finally, on 09.11.2012 and 22.11.2012, the Principal Director, Ministry of Defence, Pune forwarded the representations and proposals of the JV Company for necessary action.
- h) Further, even otherwise, the mining lease could not have been granted/ executed unless the EC and FC were granted in favour of the JV Company. The JV Company had diligently made every attempt to obtain the said clearances from the State and Central agencies.

II) Comments of Government of Maharashtra: -

The representative of Govt of Maharashtra had no comments to offer in reply to the contentions of the prior allottee.

III) Comments of CMPDIL: -

- i) M/s Khappa Coal Company Private Ltd requested for cost for the purchase of GR on date 10.06.2009. In reply CMPDIL vide letter dated 17.06.2009 requested allottee to submit the details of JV formed as per Allocation letter.
- ii) Allottee requested for cost of GR vide Letter dated 01.08.2009 & 17.08.2009. The cost of GR was communicated to allottee vide letter CMPDI/DG/033.7/4265-69 dated 03.09.2009.
- iii) Allottee requested for breakup of exploration cost of GR and justification for the same vide letter dated 16.09.2009. CMPDIL in reply to the above letter provided the breakup of the cost of GR vide letter CMPDI/DG/033.7/4719-23 dated 12.10.2009.
- iv) The cost of GR was submitted by allottee on date 22.03.2010 to WCL. Confirmation from WCL related to the cost of payment of GR was received on 27.03.2010.

- v) Allottee authorized personnel to collect the GR from CMPDI on date 07.04.2010 and the GR was handed over to the party on 14.04.2009 vide letter CMPDI/DG/033.7/1006-08 dated 14.04.2009.

Observations and recommendations made by the members of IMG:

- i) Regarding purchase of GR: -
- a) As per the Clause 2 (viii) of the allocation letter, the JV had to purchase GR from CMPDIL within 45 days of the allocation of the block i.e. by 14.07.2009. The company first applied for GR on 10.06.2009, which is well within the prescribed time limit for achievement of milestone. Then, after 2 reminders and after submission of JV agreement, CMPDIL informed the cost of GR on 02.09.2009.
 - b) The block was an explored block, and the prior allottee had to go and purchase the GR from CMPDIL to achieve milestone. Dispute, if any with regard to the cost of GR could have been raised later on. The same cost was anyway paid by the prior allottee.
 - c) Later, CMPDIL, referred the prior allottees to DGM, Maharashtra for payment of exploration cost which was delayed.
 - d) Hence, the delay in purchase of GR was not attributable to the prior allottee.
- ii) No explanation is given for delay in application of previous approval.
- iii) No rival contentions are made by State Government for delay in grant of previous approval/ forest clearance/ EMP clearance or mining lease.

In view of this, IMG recommends to deduct proportionate BG for milestones after considering relaxation considered for delay in purchase of GR for all milestones.

D) DAHEGAON MAKARDHOKRA-IV

Prior allottee: IST Steel and Power Limited

Dalmia Cement Limited

Lafarge India Limited

State: Maharashtra

- I) The Dahegaon Makardhokra-IV block (explored block) was allocated to IST Steel and Power Limited (ISTSPL), Dalmia Cement Limited and Lafarge India Limited vide allocation letter

dated 17.06.2009. As per the allocation letter, the three companies had to form a Joint Venture Company which had to purchase the GR. The JV was formed in January 2010. Following arguments were made by the prior allottees:

i) Purchase of GR: -

ISTSPL applied for GR on behalf of the allocatees of block on 30.06.2009 to CMPDIL, Ranchi. However, on 10.07.2009, CMPDIL informed that the GR may be obtained from DGM, Nagpur. Considering the GR was to be obtained from CMPDIL, as per allocation letter, ISTSPL approached CMPDIL, Nagpur on 20.07.2009. Vide letter dated 27.07.2009, CMPDIL, Nagpur informed that exploration of the block had been carried out by DGM, Nagpur. Hence, they be approached for GR. ISTSPL then approached DGM, Nagpur on 10.08.2009. The JV Company addressed a letter dated 25.01.2010 requesting DGM, Nagpur for expeditious hand over of the Geological Report. DGM, Nagpur vide letter dated 27.01.2010 for producing an affidavit from the JV company. On 05.02.2010, the JV company submitted the affidavit complete in all respect with DGM, Nagpur. Thereafter, the GR was handed over on 16.02.2010. This caused the delay of 6 months in obtaining GR. Hence, delay was not on their part. This caused cascading effect on other milestones as well.

ii) Submission of Bank Guarantee: -

The delay in submission of BG was because the then newly constituted JV had to open a bank account in the name of JV company which was opened on 11.02.2010.

iii) Mining Lease application and grant of Mining Lease: -

Delay in submission of mining lease application was the cascading effect of delay in obtaining GR. The grant of mining lease was pending till cancellation of block at the end of the state government.

iv) Submission and approval of Mining Plan: -

Delay in submission of mining plan was partially due to cascading effect of delay in obtaining GR and also while preparation of mine plan, it was realized that coal block was only capable of development of underground mining. There was a water reservoir in the South boundary and a state highway was also passing through the coal block. Thus, there was a requirement of 2 more survey reports. The mine plan was submitted on 31.01.2011. These facts were not made available to the allottee at the time of allocation of block and

was only brought to its notice upon provision of GR. After more than 8 months of submission of mine plan, MoC vide letter dated 10.10.2011 called upon the JV company to make presentation on 17.10.2011. Thereafter, vide letter dated 24.11.2011, MoC made several observations. The revised mine plan was submitted on 11.01.2012 which was approved by MoC on 08.05.2012.

v) **Application and grant of Previous Approval: -**

The JV company followed up with the State Government for their scrutiny. The mining lease application was processed through DMO and DGM and was recommended to Principal Secretary (Industries), Government of Maharashtra and same remained pending with the Government of Maharashtra since May 2012.

vi) **Application and grant of Forest Clearance: -**

Application for FC was made on 10.10.2011. Delay in the application and grant was because of cascading effect of delay in GR and approval of mine plan. Despite JV company taking necessary steps for follow up, the application remained pending with DFO, Nagpur.

vii) **Application and grant of EMP clearance: -**

On 02.02.2011, the JV company applied for EMP clearance. However, the state government authorities took time to issue ToR and hold public hearing after which the application of EMP clearance was kept pending till the cancellation of block.

viii) **Application and completion of Land Acquisition: -**

The land was private land and the negotiations could not have commenced without approval of mine plan, hence, only after approval of mine plan the land acquisition could have commenced. However, the block got cancelled before achievement of milestone for completion. Further, there was no requirement of making an application for land acquisition considering it was a private land.

II) **Comments of State Government: -**

The representative of Govt of Maharashtra had no comments to offer in reply to the contentions of the prior allottee.

III) **Comments of CMPDIL: -**

CMPDIL had the same comments as the prior allottee with respect to purchase of GR. However, they objected to delay on their part.

Observations and recommendations made by the members of IMG:

- i) The JV company had to apply for GR as per the terms and conditions of allocation letter, however, the JV was constituted belatedly and consequently, there was delay in applying for GR. Had the JV company requested to CMPDIL timely, they could have known that DGM, Nagpur explored the block, hence GR was to be obtained from them. Even after informing by CMPDIL, Ranchi, the JV company approached CMPDIL, Nagpur who again informed the JV that DGM, Nagpur was the appropriate authority. Hence, the delay is attributable to prior allottee. However, 2 months relaxation may be given.
- ii) Delay in BG submission was attributable to prior allottee. However, 2 months relaxation may be given.
- iii) The delay in preparation of GR had cascading effect on other milestones as well. However, as stated, relaxation of 2 months may be given.
- iv) For submission of mine plan, the prior allottee has itself contended that the developments could not have been known to prior allottees after the handover of GR, hence, it is expected that prior allottee knew about the mine. However, the delay of approval of mine plan till its presentation could not be attributable to prior allottee and relaxation may be granted for 5 months.
- v) The delay in purchase of GR and approval of mine plan had cascading effect on other milestones as well. However, relaxation may be given.
- vi) For previous approval and grant of mining lease, the delay till May, 2012 may be attributed to allottee.
- vii) No rival contentions are made by State Government for delay in grant of previous approval/ forest clearance/ EMP clearance or mining lease.
- viii) There was no requirement of application for land acquisition, hence no delay can be observed.
- ix) With regard to completion of land acquisition, it was the responsibility of the prior allottee and no Government/ agencies were involved. Hence, deduction may be made accordingly.

In view of this, IMG recommends to deduct proportionate BG for delay in achievement of

milestones considering relaxation as considered above for purchase of GR and approval of mine plan including cascading effects on other milestones (including recommendation at SI No. (v)) as per the observations above.

E) GOURANGDIH ABC

Prior allottee: Himachal EMTA Power Limited

JSW Steels Limited

State : West Bengal

I) Gourangdih ABC coal block was an explored block and was allocated on 10.07.2009 to Himachal EMTA Power Limited and JSW Steels Limited. As per the allocation letter, the two companies had to form a Joint Venture Company. Following arguments were made by the prior allottees:

i) Purchase of GR: -

Immediately after allocation, the JV company approached CMPDIL for purchase of GR on 13.07.2009. However, after allocation, it was found that ECL was already working on the boundaries of the block. Further, the 'B' patch wasn't workable since it was densely populated with connecting roads, highways and other infrastructure were laid out at the various stretches of the area. After various communications with the authorities, the prior allottees decided on their own to drop patch 'B' from the block. CMPDIL was reminded to provide the GR by the JV company in September 2009, however, CMPDIL only provided the GR on 21.12.2009.

ii) Application and grant of Mining Lease: -

In continuation of submissions given at (i) above, the prior allottees contended that due to the delay in finalization of the land schedule and other necessary documents, there was delay in submission of Mining Lease application. For this, several correspondences with the Government and CMPDIL. The mining lease was not granted in favour of the Company till the date of cancellation of the coal block and remained pending with the District Mining Officer, Asansol until such cancellation.

iii) Submission and approval of Mine Plan: -

Application for approval of the Mining Plan was made on 17.11.2010. Pertinently, the delay caused due to the infringing activities of ECL and the non-responsiveness of the various authorities to whom such concerns were addressed. MoC vide letter dated 09.04.2011 informed the company that the Technical Committee has some observation of the Mining Plan and asked to submit a revised Mining Plan incorporating the observations. The company submitted the Revised Mining Plan vide letter dated 02.05.2011, incorporating all the observation. Finally, the Mining Plan was approved by MoC vide letter dated 28.06.2011.

iv) Application and grant of Previous Approval: -

Due to cascading effect as explained above, there was delay in application of previous approval which was submitted on 26.06.2012. The grant remained pending till cancellation.

v) Application and grant of Forest Clearance: -

Even though the application for grant of previous approval was made on 26.06.2012, it remained pending at the office of the District Mining Officer, Asansol, till the de-allocation of the instant coal block on 23.11.2012. Hence, the cascading effect caused the delay in submission of application for forest clearance. The application remained pending with the State authorities till its cancellation.

vi) Application and grant of EMP clearance: -

The application for grant of the Terms of Reference ("TOR") was made on 31.12.2010 after preparation of Mining Plan, excluding Patch B of the coal block area. The cascading delay caused due to the illegal mining carried out by ECL, leading to the delay in preparation of Mining Plan, and subsequently the delay in the finalization of land schedule of the Mining Area was directly responsible for the delay in the submission of the application for grant of environmental clearance. The 1st Presentation was made before the Environment Appraisal Committee ("EAC") on 25.01.2011 and subsequently the 2nd Presentation was made before the EAC on 22.02.2011. Thereafter, the 3rd Presentation before the TOR was finally approved by the MoEF vide letter no. J- 11015/12/2011-IA.II (M) dated 30.06.2011. The draft EIA/EMP was thereafter submitted to the West Bengal Pollution Control Board on 03.09.2012. Public Hearing was not scheduled by West Bengal Pollution Control Board, till the cancellation of the Coal Block.

vii) Application for land acquisition and its completion: -

The cascading effect on achievement of other milestones caused delay in achievement of these milestones.

Rayati Land (236.30 Ha): Rayati land required for the project was planned to be purchased through private negotiation, in accordance with the prevailing State Govt. policy at that time. Land acquisition through the Land Acquisition Act, 1894 was difficult. Multiple meetings were conducted with the raiyats for the negotiation of rates of land and it was at its final stage when the allocation of coal block was cancelled.

Govt. Land (27.83 Ha): An application for settlement on a long-term lease of Govt. land was submitted to the Addl. District Magistrate and District Land & Land Reforms Officer, Govt. of West Bengal, Burdwan on 03.07.2012. The application remained pending at the District Level till the allocation of coal block was cancelled.

Forest land (92.54 Ha): An application for diversion of forest land was made to the Nodal Officer & Conservator of Forest, Kolkata through the Divisional Forest Officer, Durgapur Forest Division on 20.06.2012. The application remained pending with DFO, Durgapur till the allocation of coal block was cancelled.

II) Comments of CMPDIL: -

- i) Allottee vide letter no. Nil dated 13.07.2009 requested CMPDI to communicate the cost of GR and mode of payment.
- ii) GR cost of Gourangdih ABC Block was communicated to allottee vide letter CMPDI/DG/033.7/4274-77 dated 02.09.2009; Rs 4,77,62,520.00 payment to be made in favour of ECL.
- iii) Information of formation of joint venture by the allottee was communicated on 15.12.2009 to CMDIL vide letter GCL/CMPDI/GR/2009 dated 15.12.2009.
- iv) Confirmation of payment of cost of GR by ECL to CMPDI vide letter dated ECL/PLG/Coal Block/500 dated 19.12.2009.
- v) Copy of GR handed over to Allottee on date 21.12.2009 vide letter CMPDI/DG/033.4/5583-84.

III) Comments of State Government

No representative of State Government was present in the meeting and no comments to the written submission or show cause or reply to show cause was given by the State Government.

Observations and recommendations made by the members of IMG:

- i) Regarding the purchase of GR, vide letter dated 13.07.2009, the Joint Managing Director & CEO, JSWBSL requested CMPDIL for the GR however, as per the letter, the incorporation of JV was under process. This information regarding the constitution of JV was made on 15.12.2009. Thereafter, the purchase of GR was made on 21.12.2009. Further, from the Review Committee minutes of 2010, it is observed that in the review meeting held on 20/21.07.2010, the Committee noted that JVC was formed, and BG was not submitted. All other milestones were pending. Company informed that ECL is performing extensive mining activity in two patches (namely Kairabad and Gourangdih OCP) within their coal block. It was informed that to mine coal by JVC, no notification is needed. CMPDIL informed that boundary has been defined and Kairabad is outside the block.
- ii) Considering the entire conspectus, 2 months relaxation may be given in purchase of GR and submission of BG.
- iii) Regarding submission of mining lease, it is observed that the GR was purchased in December 2009, hence by February- March the prior allottees were aware of the encroachments. The approval of mining lease remained pending with the State Government.
- iv) Regarding submission of mine plan, application for previous approval, application for forest clearance and application for EMP clearance, the cascading effect is observed.
- v) For approval of mine plan, additional relaxation of 3 months may be given.
- vi) Cascading effect of delay in purchase of GR and for approval of mile stone is there on other milestones.
- vii) No rival contentions are made by State Government for delay in grant of previous approval/ forest clearance/ EMP clearance or mining lease.

In view of this, IMG recommends to deduct proportionate BG for delay in achievement of milestones considering relaxation considered for delay in purchase of GR and approval of Mine Plan on subsequent milestone as recommended above.

The meeting ended with vote of thanks to the Chair.

Annexure-I**List of Members of IMG**

S. No.	Name & Designation	Designation	Ministry/ Department/ Organization
1	Sh. M. Nagaraju – in Chair	Addl. Secretary	Ministry of Coal
2	Ms. Santosh	Coal Controller	CCO
3	Ms. Nirupama Kotru	JS&FA	MoC
4	Sh. Anandji Prasad	Advisor (P)	MoC
5	Sh. T. Venkateshwarlu	Director	CEA
6	Sh. S.K. Gumasta	Director (T)	CMPDIL
7	Sh. Bukun Chatterjee	Sr. Manager (Geology)	CMPDIL
8	Sh. Yogesh Vats	Jr. CGA	DoLA
9	Ms. Arya B.K.	Deputy Director	DEA
10	Sh. Akshit Gupta	OSD	DEA
11	Sh. Samin Ansari	Under Secretary	Ministry of Steel
12.	Sh. Ajitesh Kumar	Director	Ministry of Coal
13.	Sh. Rishan Ryntathieng	Under Secretary	Ministry of Coal
14.	Ms. Ankita Mathur	DM (Legal)	CIL/MoC
15.	Sh. Anurag Verma	Section Officer, P&S-1	Ministry of Coal

List of Authorised Representatives of prior allottee

S. No.	Name	Designation	Name of Coal Block	Name of the Company
1	Shri Arun Acharya	GM (Projects)	Sitarampur	WBMDTCL
2	Shri Gourab Podder	Advisor (Technical)	Sitarampur	WBMDTCL
3.	Sh. Apoorva Jain		Gondkhari	Khaitan & Co.
5	Sh. Arvind Kumar Ray		Gondkhari	Khaitan & Co.
6	Sh. Santosh Rai		Gondkhari	Maharashtra Seamless
7	Sh. Dinesh Singh		Gondkhari	Kesoram Ind. Ltd.
8	Sh. Pawan Kumar	Section Head	Khappa & Extn.	Sunflag Iron & Steel Co. Ltd.
9	Sh. Ambuj Kumar		Khappa & Extn.	Dalmia Cement (Bharat) Ltd.
10	Sh. Arindam Mukherjee		Khappa & Extn.	Dalmia Cement (Bharat) Ltd.
11	Sh. Gaurav Gupta	Executive Director	Dahegaon/Makardhokra	IST Steel & Power Ltd.
12	Sh. C.K. Bansal	DGM	Dahegaon/Makardhokra	Ambuja Cements
13	Sh. Shantanu Dubey		Gourangdih	JSW
14	Sh. Partha Sarathiran		Gourangdih	HEPL
15	Sh. Aditya Ganju		Gourangdih	JSW
16	Sh. Ashok Kumar Jha		Gourangdih	HEPL

List of State Government Representatives

S. No.	Name & Designation	Designation	State Government
1.	Sh. Gajanan Kamde	DGM	Maharashtra