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13016/26/2004-CA-I/CA-III (Pt.) (Vol.II) Government of India Ministry of Coal

> Shastri Bhawan, New Delhi, Dated: the Manuary, 2017

#### MEETING NOTICE

Subject:

Meeting of the Technical Committee (TC) on Auction by Competitive Bidding of Coal Mines Rules, 2012 under the Chairmanship of Advisor (Projects), Ministry of Coal.

.....

I am directed to refer to the subject mentioned above and to convey that a meeting under the Chairmanship of Advisor (Projects) will be held on  $20^{th}$  January, 2017 (Friday) at 11.00 AM at Room No.307, A-Wing,  $3^{rd}$  Floor, Shastri Bhawan, New Delhi (MoC's Conference Room) to examine the issue of allocation of an alternative coal block in lieu of Tentuloi coal block allocated to M/s. Odisha Thermal Power Corporation Ltd. as per the Terms of Reference of the TC (copy enclosed). Agenda for the above-mentioned meeting is also enclosed herewith.

2. It is, therefore, requested to send a representative of your organisation, not below the rank of Director / Deputy Secretary, to attend the aforesaid TC meeting as per the above-mentioned time, date and venue.

(Rishan Ryntathiang)

Under Secretary to the Government of India

Tel: 23073936

Encl: As above.

To,

- 1. Vice Chairman, NITI Aayog, Sansad Marg, New Delhi-110001.
- 2. Secretary, Ministry of Power, Shram Shakti Bhawan, New Delhi.
- 3. Secretary, Ministry of Steel, Udyog Bhawan, New Delhi-10107
- 4. Secretary, Department of Industrial Policy & Promotion, Ministry of Commerce & Industry, Udyog Bhawan, New Delhi-110107.
- 5. Chairperson, Central Electricity Authority, Room No.201 (North), Sewa Bhawan, R.K. Puram, Sector-1, New Delhi-110066.
- 6. CMD, CMPDIL, Gondwana Place, Kanke Road, Ranchi-834031.

#### Copy for information to:-

(i) PPS to JS (VB) / PPS to Advisor (P) / Director (CBA-I)

- V(ii) Technical Director (NIC) with the request to upload this meeting notice on the website of MoC.
  - (iii) SO (Admn.), MoC with the request to confirm the booking of MoC's Conference Room on 20.01.2017 [11.00 AM onwards] and also to make arrangements for tea/coffee, snacks, stationery, laptop for presentation, etc.

## No. 13016/26/2004-CA-I(Part) Government of India Ministry of Coal <<>>

Shastri Bhawan, New Delhi, Dated the 28th January, 2013

## OFFICE MEMORANDUM

Subject:- Constitution of Technical Committee under Rule 4(3) of 'Auction by Competitive Bidding of Coal Mines, Rules, 2012' for examination/evaluation of applications received in Ministry of Coal for allotment of Coal Blocks to Government Companies/Corporations for Power and Specified end use and Mining - reg.

In pursuance of Rule 4(3) of 'Auction by Competitive Bidding of Coal Mines, Rules, 2012', framed under Mines and Minerals (Development and Regulation) Act, 1957, a Technical Committee under the Chairmanship of Advisor (Projects), Ministry of Coal, with the following members is proposed to be constituted for examination/evaluation of applications received in Ministry of Coal for allotment of Coal Blocks to Government Companies/Corporations for Power and Specified end use and Mining, with the approval of competent authority:

1:/	Advisor (Projects), Ministry of Coal	_	Chairman
2.	Representative of Ministry of Power/CEA		
3.	Representative of Ministry of Steel	-	Member
4.	Populative of Millistry of Steel	-	Member
	Representative of DIPP	•	Member
5.	Representative of Planning Commission	_	
6.	Shri R.K. 5achdev, Consultant, MoC	-	Member
7.	Director (Tech.)(P&D), CMPDIL	-	Me <b>m</b> ber
	Director (Tech.)(PAD), CIVIPDIL	-	Member
o,	Director (CA-III), Ministry of Coal	_	Member Secretary

#### The proposed Terms of Reference (TOR) of the Technical Committee are as under: 2.

- To examine/evaluate the applications received in Ministry of Coal for allotment of i. Coal Blocks to Government Companies/Corporations for Power and Specified end use and Mining and for onward recommendation of IMC:
- To forward the applications to Inter-Ministerial Committee for recommendation. ii.
- Any other issue as may be deemed necessary by the Committee. iit.

H. Jaun (Hemant Jain) Director to the Government of India Tel. No. 23388043

Copy to:

Advisor (Project), MoC, Shastri Bhawan, New Delhi.

Secretary, CEA, Ministry of Power, Shram Shakti Bhawan, New Delhi )

Secretary, Ministry of Steel, Udyog Bhawan, New Delhi

Secretary, DIPP, Udyog Bhawan, New Delhi

Advisor (Energy), Planning Commission, New Delhi

They are requested to nominate a representative not below the rank of Director/Deputy Secretary

...2/-

-2-

Shri R.K. Sachdev, Consultant, MoC, 1332 A/B, Vasant Kunj, New Delhi.

Director(CA-III), Ministry of Coal.

CMD, CMPDIL, Ranchi

Copy for kind information to:

PS to Minister of Coal.

iii.

īv.

v.

PS to Minister of Coal.

PS to Minister of State for Coal.

Sr. PPS to Secretary (Coal). (No.)

PPS to AS(Coal)

PS to JS&FA, Ministry of Coal (Ministry of Coal)

Technical Director (NIC) — requesting for uploading on the website of Ministry of Coal. ٧i.

> H. Jam (Hemant Jain) Director to the Government of India

(iv) Baitarni West Block: This block is listed in Schedule-I of the Coal Mines (Special Provisions) Act, 2015 and Ministry of Coal may decide for allocation of this Block to Odisha Government.

(In the meantime, Baitarni West Block has **been allotted** to Odisha Mining Corporation Ltd. for sale of coal vide allotment letter No.103/3/2016/NA dated 29-09-2016 under the provisions of Coal Mines (Special Provisions) Act, 2015.)

- (v) **Kardabahal Block**: Ministry of Coal may decide for allocation of this block, however, stripping ratio is not favorable.
- (vi) **Brahmanbil Block**: Ministry of Coal may decide for allocation of this block, however, stripping ratio is not favorable.
- 3. The said report was referred to Energy Department of Government of Odisha who have observed that Tentuloi coal block will not be suitable for the power plant of OTPCL due to technical and operational adversity likely to be felt in extraction of coal from this coal block. To bring about more clarity on this issue, a Committee was constituted by CMPDI which also comprised CEO (In-charge) of OCPL as member of the Committee nominated by Government of Odisha. The Committee in its report (Annexure-E) has recommended the following regarding Tentuloi coal block:-

"Based on the available geo-mining information and subsequent deliberations it can be construed that there are some adverse mining issues in Tentuloi coal block vis-a-vis OTPCL coal requirement."

- 4. In view of the above recommendation of the committee and further deliberation, it has been decided with the approval of the Competent Authority to refer **Kardabahal** and **Brahmanbil** coal blocks to Technical Committee/Inter-Ministerial Committee (TC/IMC) for consideration in lieu of Tentuloi coal block.
- (Annexure-F) have been received wherein the State Government has made reference to the report of the Committee constituted by CMPDIL to look into the issue of Tentuloi coal block as well as alternate coal blocks wherein it has been reported that Kardabahal and Brahmanbil coal blocks have high stripping ratios. As such, they have now requested to consider the allocation of Chendipada & Chendipada II coal blocks or alternatively Utkal-B1 & Utkal B2 and Utkal-A coal blocks located adjacent to each other which have a combined total reserve of around 674 MT. It has also been mentioned in their letter that the Terms of Reference accorded by Ministry of Environment, Forests & Climate Change for environmental clearance in respect of OTPCL's power plant will lapse on 5<sup>th</sup> March, 2017 in the absence of allocation of suitable coal block in lieu of Tentuloi coal block.
- 6. With regard to Chendipada & Chendipada II, Utkal-B1 & Utkal B2 and Utkal-A coal mines, it is informed that these coal mines are listed in Schedule-I of the Coal Mines (Special Provisions) Act, 2015' the allocation of which are made under the provisions of the said Act and Rules made

thereunder. The present status of these coal mines is as under:

Chendipada and Chendipada II coal mines were offered for allotment to Government Companies for specified end use 'Power' as per the provisions of the Coal Mines (Special Provisions) Act, 2015. Notice Inviting Application with regard to the allotment was issued by the Nominated Authority on 18.02.2015. However, Chendipada and Chendipada II coal blocks could not be allotted to any of the Government Companies keeping in view the criteria adopted for allotment. These two coal blocks have not been allocated so far.

**Utkal B1 & Utkal B2 coal mines** - The Ministry has filed SLP Nos. 8612-8613 of 2015 before Hon'ble Supreme Court of India against order of Delhi High Court in relation to Utkal B1 and B2 coal mines and the matter is sub-judice. Thus, the allocation of coal mines can be considered only after the final disposal of the court cases.

Utkal A coal mines - Based on the recommendations of the Technical Committee (TC), the Utkal A coal mine along with 18 other coal mines (classified for Coal India Limited by TC) were proposed for allotment to Coal India Limited under the provisions of Section 5 of the Coal Mines (Special Provisions) Act, 2015 read with Rule 11 (10) of the Coal Mines (Special Provisions) Rules, 2014. A final decision on the allocation of Utkal A coal block is yet to be taken.

The Tentuloi coal block was allocated to M/s.OTPCL under the provisions of Auction by Competitive Bidding of Coal Mines Rules, 2012 of the Mines and Minerals (Development and Regulation) Act, 1957. Whereas, the coal mines/blocks for which Government of Odisha has requested (Annexure-F) for allocation in lieu of Tentuloi coal block viz. Chendipada & Chendipada – II, Utkal-B1 & Utkal B2 and Utkal-A coal mines/blocks which are listed in Schedule-I of the Coal Mines (Special Provisions) Act, 2015' the allocation of which are made under the provisions of the said Act and Rules made thereunder. The earlier requests were received for allocation of alternate coal blocks viz. Baitarni East, Kardabahal and Brahmanbil coal blocks.

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Jatuaik Jeury, Odishu



Phone: (491 674) 253 4300/6700 Fax: (491 674) 253 6660 Email: esori@nic.in

mnexure\_ A

D.O. No.IV(Coal)SM-48/12/847CS(S&M) Bhubaneswar, dated the 25%February, 2013

Bills Sai Suivaglava.

Sub: Allocation of Coal Blocks to Government Companies/ Corporations under 'Auction by competitive bidding of Coal Mines Rules, 2012'- Processing the Applications- reg.

I am desired to invite a reference to letter No.13011/4/2013 dated 11.2.2013 of the Ministry of Coal requesting for examination of the applications filed by different Govt. Companies/Corporations in response to the notice dated 31.12.2012 inviting applications in respect of 5 (five) coal blocks of the State of Odisha and to say that the proposal submitted by the State Government vide letter No.602/SM dated 22.1.2013 has not been considered particularly for earmarking Kudanall-Luburi Coal Block for "mining" purpose instead of "captive use for power generation".

As a matter of policy, the State has been time and again requesting the Ministry of Coal to give due consideration first to the requirement of coal for the State based Industries through State PSUs. However, the present applications as transmitted for examination do not fulfill the said criteria.

Hence, in view of the above, the State Govt. does not recommend allotment of coal blocks in favour of any of the applicants except the following:-

- 1. Tentuloi Coal Block! for "captive use for power generation" to Odisha!
  Thermal Power Corporation Ltd; a State PSU
- 2. Chandrabila Coal Block: for "captive use for power generation" to Odisha Power Generation Corporation, a State PSU
- 3. Sarapal-Nuapara Coal Block: for "captive use for power generation" to Odisha Hydro Power Corporation Ltd, a State PSU
- 4. Kudanali-Luburi Coal Block: for "commercial mining" to Odisha Mining Corporation Ltd, a State PSU



5. Brahmani Coal Block: for "commercial mining" to Odisha Mineral Development Corporation (Central PSU) for supply of the coal extracted

A statement showing the detalls of justification for allocation of the aforesaid 5 (five) blocks to the recommended PSUs Is enclosed for better appreciation of the aforesaid proposal. Encl: As above

Yours sincerely,

Shri S.K. Srivastava, IAS Secretary, Ministry of Coal A-Wing, Shastri Bhawan, Dr. Rajendra Prasad Road, New Delhi-110001

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# ANNEXURE

# STATEMENT SHOWING THE DETAILS OF JUSTIFICATION FOR ALLOCATION OF COAL-BLOCKS

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	Corporation) .	
	Corporation)	Angul (Odisha). 2512 acres of land is unde acquisition. Approval of State Government for drawal of 80 cu sec of water from Rive Brahmani exists.
4. Kurtanali		Hence, the State Govt. recommends allocation of Sarapai-Nuapara coal-block to OHPC.
4. Kudanali- Luburi	O.M.C (Odisha Mining Corporation)	Only one coal block namely, Brahmani had been identified / notified by MoC for "commercial mining" in Talcher coal-field, But as a substantial portion of coal reserve of this small coal block (with only 59 MT of coal reserve) is under high flood level (HFL) of river Brahmani, this coal block is not suitable for "commercial mining".  Hence, the State Govt., through its letter No. 602/SM dated 22.01.2013 had requested the MoC to allocate Kudanali Luburi coal block for "commercial mining", instead of "captive use for power".  Accordingly, OMC Ltd has submitted its application for allocation of this coal block for "commercial mining".
		The State Government recommends allocation of Kudanali Luburi coal block to OMC Ltd for "commercial mining" for supply of coal for the on-going industrial plants in Odisha State.
	.M.D.C Odisha Mineral evelopment Orporation Ltd)	OMDC, an Odisha based PSU of Central Government (under Ministry of Steel, GoI) proposes to develop this coal block for "commercial mining" in Odisha State and hence Odisha based industries will be able to get their coal requirement from this coal block.
		Hence, the State Govt recommends allocation of Brahmani coal block to OMDC.

CHIEF SECRETARY, ODISHA

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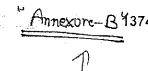
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# File No.13016/26/2004-CA-I/CA-III (Pt.) (Vol.II)

Receipt No: 57,069/2017/CA3

No.13016/26/2004-CA-I/CA-III(Pt.)(Vol.II) Government of India Ministry of Coal



Shastri Bhawan, New Delhi, Dated the 3 1st March, 2015

To

The CMD,
Odisha Thermal Power Corporation Ltd.
3rd Floor, Setu Bhawan,
OBCC Building, Nayapally,
Bhubaneswar-751012

Subject: Allotment of Tentuloi Coal Block located in the state of Odisha to M/s Odisha Thermal Power Corporation Ltd. (the "Mine Allocattee") for end use power under Rule 4 of the 'Auction by Competitive Bidding of Coal Mines Rules, 2012'.

Sir,

I am directed to refer to this Ministry's letter No.13016/26/2004-CA-I (Pt.) dated 05.08.2013 addressed to the Chief Secretary, Government of Odisha (copy enclosed for ready reference) and to say that the Competent Authority has approved allotment of Tentuloi Coal Block in the State of Odisha to your Company for generation of Power as per details indicated below:

Name of Coal Block	Location	Estimated Geological Coal Resource of the Coal Block (Million Tonnes)	Allottee Company	End Use Plant Project considered vis a vis allocated reserves of Coal Block
Tentuloi	Odisha	1234	Odisha Thermal Power Corporation Ltd.	2400 (3x800) MW TPP at Kamakhyanagar in Dhenkanal Distt

- 2. In accordance with Rule 7 of the Auction by Competitive Bidding of Coal Mines Rules, 2012 the Coal Block Allottee is required to enter into an agreement namely, Coal Mine Development and Production Agreement (CMDPA) with the Central Government. A copy of the model CMDPA containing the terms and conditions of allotment is enclosed. The date and time for signing the CMDPA shall be intimated in due course.
- 3. The Mine Allottee is required to provide to the Central Government, an irrevocable and unconditional guarantee (the "Performance Security") as will be prescribed in CMDPA, within 30 days from the date of signing of CMDPA.

....2:/-

- Rule 4(6)(ii) of Auction by Competitive bidding of Coal Mines, Rules, 2012 mandates that every Allottee Company or Corporation shall comply with the following terms and conditions of allotment:
  - The Allocatee company shall utilize the coal for captive purpose only in the specified end use for which the area containing coal has been allocated and in case of washing, the middlings shall be utilized for captive power generation only with the approval of the Central Government or agency authorized by it in this behalf.
  - The Allocatee company shall be responsible for development of 2. area containing coal as per the specified mile stones.
  - The Central Government or, as the case may be, the State Government shall institute a mechanism and regular physical inspections to ensure monitoring of development of the area containing coal as per specified milestones and submitting quarterly reports to the Central Government in the Ministry of Coal or and agency authorized by it, in addition to the monitoring or inspection by the Central Government.
  - The production of coal shall be as per the approved Mining Plan and the terms and conditions of the Mining Lease.
  - The Mining Lease shall be in the name of the allocate company and shall remain with a Government Company and the formation of joint venture by the company with any private company shall not be permitted for development of areas containing coal allocated under this dispensation.
  - The allocatee company shall file an annual return regarding utilization of coal to the Coal Controller and the agency authorized by the Central Government or as the case may be, the State Government.
  - The allocate company shall submit the Bank Guarantee as may be specified by the Central Government in this behalf.
- The reserve price shall be payable by the allocate company as specified in the allocation letter or the agreement and in case the reserve price is yet to be determined, the allocate company shall furnish an undertaking for paying the reserve price within the specified time, after the reserve price is determined by the Central Government, failing which the allocation shall stand cancelled.
- In case the mine is developed through Mine Developer and Operator, the selection of the Mine Developer and Operator shall be through a competitive bidding process and the allocate company shall inform the State Government about the engagement of the Mine Developer and Operator and the terms and conditions of such engagement, as soon as it is finalized.

....3/-

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Receipt Na : 57069/2017/CA3

- The allocate company shall ensure that the criteria of bidding for engagement of Mine Developer and Operator is not linked to the notified price of the Coal India Limited.
- The Mine Developer and Operator shall maintain all records as required to be maintained and shall provide such records for inspection by the allocate company, the State Government and the Central Government.
- In case area containing coal is allocated for power generation, the allocattee company shall utilize coal from the allocated area containing coal for the power plants owned by it for which Power Purchase Agreement had been signed on or before the 05th January 2011.
- Further, in accordance with rule 4(6) (i) and (ii) of the Auction by Competitive Bidding of Coal Mines Amendment Rules, 2012' (Ministry of Coal Notification dated 27th December, 2012) the reserve price payable on actual production of coal and the upfront payment shall be payable by the allocattee company as specified in the allocation letter or the agreement and as the reserve price and upfront payment [as per Article-14] is yet to be determined, the allocattee company shall furnish an undertaking for paying the reserve price and upfront payment within the specified time (after the reserve price and upfront payment is determined by the Central Government), failing which the allocation shall stand cancelled.
- You may collect Geological Report/Available Geological information / data from CMPDIL/GSI/MECL on payment basis.
- Any violation of the above terms and conditions of allotment and as laid down in CMDPA, shall render the allotment liable for cancellation and resultantly, termination of the Coal Mine Development and Production Agreement.

Yours faithfully,

(A. Sanjay Sahay) Under Secretary to the Government of India Ph. No. 23073936

Encl: As above. Copy to:

1. Secretary, Ministry of Power, Shram Shakti Bhawan, New Delhi.

2. Chief Secretary, Government of Odisha, Bhubaneswar.

3. Chairman, Coal India Ltd., 10, Netaji Subhash Marg, Kolkata-700001.

4. CMD, Central Mine Planning & Design Institute Ltd.(CMPDIL), Kanke Road, Ranchi - 834031, Jharkhand.

5. Director General, Geological Survey of India27, J.L.Nehru Road Kolkata-

6. CMD, Mineral Exploration Corporation Ltd. (MECL), Nagpur (MH)

7. CPAM Section / Guard File

No. 13016/26/2004-CA-l (Pt.) Government of India Ministry of Coal

> Shastri Bhawan, New Delhi, Dated the 51k July, 2013 Arguit

Τo

The Chief Secretary, Government of Odisha, Secretariat, Bhubaneswar - 751001

Subject:- Coal Allocation to Government Companies/Corporations and CPSUs under Rule 4 of the Auction by Competitive Bidding of Coal Mines Rules, 2012, -reg.

Sir,

This has reference to this Ministry's Notice Inviting Application (NIA) dated 31.12.2012, under Rule 4 of the Auction by Competitive Bidding of Coal Mines Rules, 2012, where in the Government has decided allocation of suitable-coal blocks to the Government Companies / Corporation and Central Public Sector Undertakings (CPSU's).

2. These applications which were complete in the prescribed proforms were evaluated and scrutinized and after proper examination of the comments obtained from Ministry of Power / Central Electricity Authority and other stake holders, the Government has decided to allocate 1234 Million Tonnes of estimated geological coal reserves to your State Government Company/ Corporation as indicated below:

Name of Coal Block	Location	Estimated Geological Coal Reserves of the Coal Block (Million Tonnes)	Estimated Geological Coal Reserves allocated (Million Tonnes)	State Government Company/ Corporation	End Use Power Project considered for allocation as per the essential requirement of PPA's submitted by the Company
Tentuloi	Odisha	1234	1234	Odisha Thermal Power Corporation Ltd. (OTPCL)	TPP (2400 MW at Dhenkanal Disit, Odisha

-2:

- 3. In accordance with section 7 of the Auction by Competitive Bidding of Coal Mines Rules, 2012' (Ministry of Coal Notification dated 2<sup>nd</sup> February, 2012) the Central Government has to enter into an agreement with the allocatee end use plant of the identified Government Company/ Corporation/ CPSU along with relevant terms and conditions to be incorporated in the agreement.
- 4. Further, in accordance with rule 4(6) (i) and (ii) of the 'Auction by Competitive Bidding of Coal Mines Amendment Rules, 2012' (Ministry of Coal Notification dated 27<sup>th</sup> December, 2012) the reserve price shall be payable by the allocattee company as specified in the allocation letter or the agreement and in case the reserve price is yet to be determined, the allocattee company shall furnish an undertaking for paying the reserve price within the specified time (after the reserve price is determined by the Central Government), failing which the allocation shall stand cancelled.
- 5. You are requested to indicate the end use plant of the Government Company/ Corporation with which the required agreement has to be entered into. The ownership (share holding pattern) of the Company may also be provided.

H. Jaw (Hemant Jain) Director to the Government of India Ph. No. 23388043 d/

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# NAVEEN PATNAIK

CHIEF MINISTER, ODISHA

Secy (coal) Pl.

27819/E0/mockelb



Telephone

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0. 0. No. LIM-01/2016-75/CM

Dans Prime Minimum Ti.

Dated \_\_ 2.2.03.2016

कायोलय सकि। Secy. (Co.s. डा. सं. 27842

Sub: Cancellation of Tentuloi Coal Block and allocation of a suitable Coal Block in favour of M/s Odisha Thermal Power Corporation Ltd.

Odisha Thermal Power Corporation Ltd. (OTPCL), a Joint Venture Company of two State Government Undertakings is establishing a 3200 MW (4 X 800 MW) Coal based Super Critical Thermal Power Plant near Kamakhyanagar in Dhenkanal District. The project authorities have completed the land acquisition and have also conducted the public hearing. All statutory clearances have been obtained except the environment clearance which is pending. It may be worthwhile to mention here that Tentuloi Coal Block was allocated to OTPCL as no other alternative Coal Block was available at that point of time. As the cost of extracting Coal from this deep cast mine will be prohibitively high, the Ministry of Coal, Government of India have been requested several times for cancellation of the said Coal Block. In this regard, my D.O. letters No.UM-28/2013 dt.02.09.2013 and No.UM-32/2015-258/CM dt.28.11.2015 addressed to Hon'ble Union Minister of Coal may kindly be referred to. I had requested to allot Chhendipada and Chhendipada II Coal Block in lieu of Tentuloi Coal Block to OTPCL. But no Coal Block has been allocated in favour of OTPCL so far.

The State of Odisha has the largest deposits of power grade coal in the country. The demand for power in the State is growing rapidly due to increased coverage of households and higher consumption. Therefore, State Government is setting up this major Thermal Project in the State Sector for the benefit of the people of the State. Allocation of a suitable coal block to OTPCL will help in making power

available at low cost to the consumers of Odisha.

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Continuation Sheet

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In this connection, I would like to bring to your kind notice that Baltarani East Coal Mine having a tentative reserve of about 600 MT of coal has been allocated to MCL, but geographically it is situated far away from the command area of operation of MCL. It will be easier on the part of the State PSU to develop this Coal mine as it is bordering another Coal mine i.e. Baltarani West Coal mine recently allocated to the State Government.

I would, therefore, request you to kindly consider allocating Baltarani East Coal Block in favour of OTPCL to cater to the requirement of the Power Project being set up by it in Dhenkanal District. Alternatively, Karadabahal & Brahmanibil Coal Blocks, which are also located nearby and having adequate reserves to cater to the requirement of the aforesaid power project may be considered for allocation to the State PSU, OTPCL.

This will go a long way in ensuring the energy security of the State and attainment of the goal envisioned by both the State Government and Government of India of providing 24 X 7 Power for All.

With regards,

Yours Sincerely,

(NAVEEN PATNAIK)

SHRI NARENDRA MODI, Prime Minister of India, New Delhi. Receipt No: 57069/2017/C CHILF MINISTER, ODISHA

STATE SECRETARIAT BHUBANESWAR

D.O. NO. UM-32/2015-258/CM Dated 28.11.2015

lon 03 DEC 2015

Sub: Cancellation of Tentuloi Coal Block and allocation of Chhendipada & Chhendipada-II Coal Block in favour of M/s. Odisha Thermal Power Corporation Ltd.

Odisha Thermal Power Corporation Ltd.(OTPCL), a Joint Venture Company of two State Government undertakings is establishing a 3200 MW Coal based Super Critical Thermal Power Plant at Kamakhyanagar Tahasil in Dhenkanal District. The project authorities have completed land acquisition and conducted public hearing. All statutory clearances have been obtained except the environment clearance which is pending. Tentuloi Coal Block was allocated to OTPCL as there was no other natternative available at that point of time. The cost of extracting Coal إدرين from this deep cast mine will be prohibitively high for which the Ministry Will of Coal, Govt. of India has been requested several times for cancellation of the same. In this regard, my D.O. letter No.UM-28/2013, dt. 2.9.2013 (copy enclosed) may be referred to. The project authorities had applied allocation of two Coal Blocks, namely Chhendipada Chhendipada-II, through the Government dispensation route to meet the coal requirement of 16 MT per annum. These blocks have not been allocated to anyone so far.

Receipt No: 57069/2017/IGA3Sheet

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The State of Odisha has one of the largest deposits of power grade coal in the country. The demand for power in the State is growing rapidly due to increased coverage of households and higher consumption. We are, therefore, setting up this major project in the public sector for the benefit of the people of the State. Allocation of these coal blocks to OTPCL will help in making available power at a cheap rate for the consumers of Odisha.

I would, therefore, request you to allot Chhendipada and Chhendipada-II in lieu of Tentuloi Coal block to OTPCL at an early date.

With regards,

Yours sincerely,

(NAVEEN PATNAIK)

SHRI PIYUSH GOYAL, Minister of Coal, Power, & Renewable Energy, Government of India, New Delhi.

# NAVEEN PATNAIK

CHIEF MINISTER, ODISHA



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E. Mail-cmo @ nic.ir

0. 0. No. UM-28/2013

BHUBANESWAR

Dated 02.09.2013

Dans Shir Jais and i

Odisha is currently facing an unprecedented rise in demand for power fuelled by industrial and economic development. To meet the power demand of Odisha, four PSUs of the State had applied for coal blocks in response to the Ministry of Coal's (MoC) notification dated 31.12.2012, duly recommended by State Government.

However, MoC, GoI has allocated only one coal block, i.e. "Tentuloi" coal block to Odisha Thermal Power Corporation Ltd (OTPCL) to meet the fuel requirement of its proposed power project at Kamakhyanagar in the district of Dhenkanal (3X800 MW).

I would like to bring to your kind notice that in spite of repeated requests and recommendations from State Government for allocation of coal blocks in Odisha to the PSUs of Odisha, the Ministry has arbitrarily allocated the coal blocks of Odisha to other state PSUs and Central PSUs despite their fallure to develop the coal blocks & produce coal on time. Allocation of only one coal block (Tentuloi) to Odisha Government PSU is a total injustice to a coal producing State like Odisha.

Interestingly, though the total capacity of "Tentuloi" block is 1235 MT, the estimated reserve within 300 mtrs depth is only 25 MT (2%). You may be aware that open cast mining for coal in India is presently operating up to a maximum depth of 300 mtrs. Safe and techno-commercial mining viability of Tentuloi block up to a depth of 900 mtrs is questionable for any organisation. Further, given the available estimated resource at reasonable depth and techno-economical feasibility; it will not be possible to cater to the fuel requirement of the power plant to be set up by OTPCL.

While the State of Odisha has a total estimated coal reserve of 73710 million tons, so far the PSUs of Odisha put together have a share of only 2.89 % of the coal reserves, whereas 10.55 % of reserves have been allocated to private companies, 5.41 % to other state PSUs and 32.53 % to other Central PSUs Including MCL. The remaining reserves have not been allocated by the MoC.

inuation Sheet

Odisha is getting seriously affected due to the development and operation of the coal blocks within the State. Land acquisition to the extent of 325 Sq. km displacement of more than 2 lakh people and huge environmental degratiation with be a serious concern for the State. On the other hand, PSUs of the State are being deprived of their legitimate share of coal by the Government of India.

In view of the facts stated above, I request your personal intervention to allocate an alternate coal block with significant reserves in the State of Odisha to OTPCL, in lieu of Tentuloi block, which will help in meeting the future power demand of Odisha.

With regards.

Yours sincerely

(NAVEEN PATNAIK)

SHRI SRIPRAKASH JAISWAL Minister of Coal, Government of India, Shastri Bhawan, New Delhi: File No.13016/26/2004-CA-I/CA-III (Pt.) (Vol.II)

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Receipt No: 57069/2017/CA3

Rajesh Verma, LAS.

Principa. Secretary to Government Energy Department Government of Odisha, Bhubaneswar



कार्यालय सचिव (कायला) डा. सं. Dy. No. 31818 दिनींक Dale

Tel.: 0674-2536960 0674-2396605 Fax: 0674-2394950 Secy. (Coal) Office Mobile : +91-9937039977 E-mail:energy@nic.in

> PPD TH (1) 6/2016p Date: 02:05:2016

Respected Sir.

Sub.: Allotment of suitable coal block for the Thermal Power Plant of OTPCL (Odisha Thermal Power Corporation Limited) in lieu of Tentuloi coal block.

Ref.: Letter No. 38039/01/2013 - CA-III Dt. 23<sup>rd</sup> May, 2016 issued by the Under Secretary.

In response to Hon'ble Chief Minister, Odisha's DO letter dated 22.03.2016 addressed to Hon'ble Prime Minister on the above subject, the Ministry of Coal, through its letter dated 23.05.2016 has furnished some information regarding the results of the detailed exploration of Tentuloi coal block.

From the available information on Tentuloi coal block, it is observed that 2. although this coal block has a geological reserve of 1730 MT of coal with an extractable reserve of around 700 MT of coal in 35 coal sections from seam-II to seam-XI, with a stripping ratio of 3.2 cum per tonne, the following technical and operational adversity is likely to be felt:-

(i) (ii) The coal seams are deep-seated and no "in crop" of any coal seam is available within the coal-block area.

Regular coal production from this coal-block can be started only after the bottom-most coal seam (i.e. seam-II) is reached at a depth of around 400 mtr. for which about 7 km of access trench will be required.

Tentuloi coal-block being surrounded by the Common Rail Corridor Project and other coal-blocks, there is no space available for dumping of huge quantity of external O.B.

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- The gestation period for this coal block for regular coal production (iv) is expected to be as high as 10 to 12 years.
- The thermal power plant being developed by OTPCL a State PSU, (v) is expected to be operated in about 5 years period. Therefore, this power plant of OTPCL would get only scanty volume of coal during the first five years of its operation as against its requirement of about 80 MT of coal during this period.
- Considering the above adverse technical parameters, it is observed that 3. Tentuloi coal block will not be suitable for the power plant of OTPCL. Hence, it is requested that the Ministry of Coal may kindly consider allocating another suitable coal block to OTPCL in lieu of Tentuloi coal block.

With kind regards

Yours sincerely,

(Rajesh Verma)

Shri Anil Swarup, Secretary, Ministry of Coal, Government of India, New Delhi

Receipt No: 57069/201



सेन्ट्रल माईन प्लानिंग एएड डिजाइन इन्स्टीच्यूट लिमिटेड (बोल इंग्डिया लिमिटेड की अनुस्ती कम्पनी / भारत सरकार का एक लोक उपक्रम) गोन्सवाना प्लेस, काँकी रोड, राँची - 834 031, झारखंड (भारत)

Central Mine Planning & Design Institute Limited (A Subsidiary of Coal India Limited / Govt. of India Public Sector Undertaking) Gondwana Place, Kanke Road, Ranchi - 834 031, Jharkhand (INDIA) CORPORATE IDENTITY NUMBER — U14292JH1975GOT001223

पत्रांक संख्याःसीएम्पीडीआई/डीजी/कैपटिव/238/45०

दिनांक: 06.05.2016 SPEED POST

सेवा में.

श्री एस.के. शाही, संयुक्त सचिव, भारत सरकार, कोयला मंत्रालय, शास्त्री भवन, नई दिल्ली – 110 001

Sub: VIP reference received from Shri Naveen Patnaik, Hon'ble Chief Minister, Odisha regarding cancellation of Tentuloi Coal Block due to prohibitively high cost of extracting coal from deep cast mine.

महाशय,

Kindly refer to your D.O. No.38039/01/2013-CA.III dated 29.04.2016 and Ministry's letter of even number dated 13.04.2016 forwarding therewith a copy of letter dated 22.03.2016 received from Shri Naveen Patnaik, Hon'ble Chief Minister, Odisha on the above subject.

As desired, an exercise has been carried out for preliminary study on mining in Tentuloi coal block in respect of extractable coal reserves, difficult geo-mining conditions and high cost of extraction of coal. The comments of CMPDI are furnished below:

#### Tentulol Coal Block

a. Geological Reserves: Tentuloi coal block has been explored in detail with a total geological reserve of 1730.21 MT. A total of 35 coal sections from Seam-II to Seam-XI have been identified in the block. Seam-XI to Seam-II have been considered for open cast mining while Seam-I has underground potential. Reserves considered for open cast mining is about 1659.90MT having grade of G-11 to G-15. Whereas, reserves considered for underground mining is 70.31 MT having grade of G-5 to G-10. As referred in your letter the reserves in Tentuloi coal block estimated earlier by CMPDI was 1234MT. The block was unexplored when such information was communicated to Ministry of Coal by CMPDI. Now, the Tentuloi coal block has been explored in detail and the total reserves for the block has been estimated as 1730.21MT

Prelimenary Study on Mining of block: The extractable reserves may be around 700 MT with a stripping ratio of 3.28 cum/t, which may be amenable to opencast mining.

Reference of few other coal blocks viz., Chendipada & Chendipada II, C, Baitami West, Kardabahal and Brahmanbil have been given in the enclosed letter of Shri Naveen Patnaik, Hon'ble Chief Minister, Odisha. A brief note on these blocks based on available information are furnished below:

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UXAS WEST 043 फोन नम्बर / Prione No.: +91 651 2230001& 2230002 फैक्स नम्बर / Fax No.: +91 651 2230003, 2231447 वेब साईट / Website Address: www.cmpdi.co.in

Chendinada-I & Chendinada-II Blocks These blocks are listed in Schedule-I of the Coal Mines (Special Provisions) Act 2015.

The Chendipada- I block is explored in detail and Geological Report prepared in 2001-02. The area of the block is 8,301 sq.km. The general dip amount varies from 10 to 30 towards north. The Strike of the formation is E-W with minor variations in the eastern part. The block is traversed by 5 faults of various magnitudes. The topmost Seam IX occurs in a depth of about 15m whereas bottommost Barakar Seam-IIIB occurs in the depth range of about 20m to 138m. Most of the Barakar coal seams incrop within the block. The splits of Seam-I of Karharbari Formation occurs in the depth range of about 80m to 265m.

Total geological reserves

: 558.98MT

Mineable opencastable reserves

474.34MT

Average Stripping Ratio

2.06CUM / T

Depth range of quarry

: 110-270m

Grade of Coal:

Bulk of the reserves in to D to G grade

Chendipada-II block is regionally explored and lies on the dip side of Chendipada- I block. The area of the block is 18.84 sq.km. The general dip amount varies from 1º to 3º towards north. The Strike of the formation is E-W with local variations. The block is tentatively traversed by 8 faults of various magnitudes. The no. of faults may change after detailed exploration. The average total thickness of coal seams is about 50m.

Estimated Indicated Reserves : about 1350 MT.

Grade of Coal

: Likely grade D to G.

Ministry of Coal may decide for allocation of Chendipada -I & II blocks.

Baltarani East Block; The Baitarani East block is a CIL block under command area of Mahanadi Coalfields Ltd.

The block is explored in detail and area of the block is 9.85 sq.km out of which 5.6 sq.km is forest covered. Chhendipada OCP is located within this block and Seams VI-VII-VIII are under mining. Total coal reserves of 2.23 MT and overburden of 1.87 mcm has been extracted till 2014-15. The general dip amount varies from 3º to 5° except for the southern part where the dip amount is comparatively high. The Strike of the formation is E-W with local swings.

The Total Quarriable geological Reserve : 857.83 Mt (Proved: 754.88MT, Indicated: 102.95MT)

Grade of Coal

: Bulk of the reserves in G9 to G12

Vertical geological stripping ratio

: 1.1.7 CUM / T.(up to Seam IH)

Baitarani East block is a CIL block having a running OCP mine, therefore, this block should not be considered for allocation to Odisha Govt.

Baltarani West Block; This block is listed in Schedule-I of the Coal Mines (Special Provisions) Act 2015.

The block is explored in detail. The area of the block is 6.44 sq.km. The block is free from any mining activity. The general dip amount varies between 1°-4° towards North in general with variation in the north-eastern and north-central parts (upto 8°). The Strike of the formation is East-West with minor variations at eastern and south-central parts. The block is traversed by 17 faults of various magnitudes.

The topmost Seam X occurs in a depth range of about 15 to 130m whereas bottommost Barakar Seam-IIB occurs in the depth range of about 100m to 180m. The 8 splits of Seam-I of Karharbari Formation occurs in the depth range of about 110m to 280m.

Total geological reserves : 602.11MT (Proved: 547.48MT, Indicated: 54.63MT)

Grade of coal

: Bulk of reserves in E and F grade

Mineable reserves

: 4.68MT Average Stripping Ratio : 1:1.53CUM / t (up to Seam-ID)

: 160-245m Depth of quarry

Ministry of Coal may decide for allocation of Baltarani West block to Odisha govt.

(v) Kardabahal Block: It is a non-CIL block and is explored in semi-detail. The area of the block is 4.4 Sq.Km, out of which about 2 Sq.Km area is explored. The general dip amount varies from 50 to 70 towards north. The Strike of the formation is E-W with local swings. The block is traversed by 7 faults of varying magnitude. The topmost Seam XVII occurs in a depth range of about 50 to 220m whereas bottommost Barakar Seam-II occurs in the depth range of about 340m to 400m. The splits of Seam-I of Karharbari Formation occurs in the depth range of about 360m to 570m.

Total geological reserves: 636.77MT (Proved: 275.54MT, Indicated: 361.23MT)

Grade of Coal

: Bulk of the reserves in G-10 to G-15 grade.

Mineable reserves

: 147MT

Average Stripping Ratio : I: 4.8 CUM / T

Quarry Depth

:350m



Ministry of Coal may decide for allocation of Kardabahal block, however, stripping ratio is not favorable.

The general dip amount varies from 6° to 9° towards north. The Strike of the formation is E-W with local swings. The Block is traversed by 15 faults of varying magnitude. The topmost Seam XVII occurs in a depth range of about 20 to 180m whereas bottommost Barakar Seam-II occurs in the depth range of about 20m to 500m.

Total geological reserves: 429.87MT (Proved: 316.66MT, Indicated: 113.21MT)

Grade of Coal

: Bulk of the reserves in G-10 to G-15 grade.

Mineable reserves

: 161MT

Average Stripping Ratio : 1: 6.0 CUM/T

Quarry Depth

: 400m

Ministry of Coal may decide for allocation of Brahmanbi block, however, stripping ratio is not savorable.

सधन्यवाद,

(शेखर सरेन) अध्यक्ष-सह-प्रबंध निदेशक



सेन्ट्रल माईन प्लानिंग एण्ड डिजाइन इन्स्टीच्यूट लिभिटेड (कोर्ल स्थिता लिमिटेड मी अनुसंगी मासनी / भारत सरकार मा एक लोक उपक्रम) गोन्द्याना प्लेम, काकि रोड, राँची = 834 931, झारखंड (भारत)

Central Mine Planning & Design Institute Limited (A Subsidiary of Coal India Limited / Govt. of India Public Sector Undertaking) Gondwana Place, Karike Road, Ranchi - 834 031, Jharkhand (INDIA) CORPORATE IDENTITY NUMBER - V14292JH1975601001223

पत्रांकः सीएमपीडीआई/मुख्या./ 20 /

दिनांक: 05.08.2016

सेवा में, Shri Ajay Kumar Section Officer, MoC, Government of India, New Delhi

विषय:-VIP reference received from Sri Naveen Patnaik, Flon'ble Chief Minister, Odisha regarding cancellation of Tentuloi Coal Block due to prohibitively high cost of extracting coal from deep cast mine.

महोदय,

I am directed to refer letter no.38039/01/2013-CA-III dated 28.06.2016 on the above subject. As desired, a Committee was constituted in CMPDI and the Committee deliberated on the issues raised by Hon'ble Chief Minister of Odisha regarding cancellation of Tentuloi coal block and to propose another suitable coal block. The Committee examined the available geo-mining information regarding Tentuloi coal block as well as the coal blocks suggested by Hon'ble Chief Minister of Odisha. The recommendations are given below:

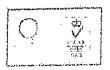
Based on the available geo-mining information and subsequent deliberations it can be construed that there are some adverse mining issues in Tentuloi coal block vis-à-vis OTPCL coal requirement.

 Regarding alternative blocks in lieu of Tentuloi block, a brief note on the blocks based on available information has already been communicated by CMD, CMPDI vide his letter No. CMPDI/DG/Captive/238/450 dated 06.05.2016 which are summarized below:

a. Chendipada I & Chendipada II Block: Ministry of Coal may decide for allocation of Chendipada-I & Il Block to Odisha.

b. Baitarni East Block:Baitarni East block is a CIL block having a running OCP mine. therefore, this block should not be considered for allocation to Odisha.

e. Baitarni West Block: Representative of Government of Odisha stated that Baitarni west coal block is included in the list of 16 coal blocks earmarked for State Public Sector Undertakings of Odisha for sale of coal vide MoC order dated 16.03.2016, Sn OTPCI, has not applied for this block for captive use.



फोन नम्बर / Phone No : +91 651 2230528 फैन्स नम्बर / Fax No : +91 651 2231447, 2232249 वेब साईट / Website Address : http://www.cmpdi.co/in

d. Kardabahal Block: Ministry of Coal may decide for allocation of Kardabahal block. however, stripping ratio is not favorable.

e. Brahmanbil Block. Ministry of Coal may decide for allocation of Brahmanbil block. however, stripping ratio is not favorable.

भवदीय,

(विनय दयाल)

निदेशक (तक./पी. एण्ड डी.)

Copy to:

1. Nominated Authority, MoC, Government of India, New Delhi

# SHRI PRANAB PRAKASH DAS

MINISTER OF STATE (Ind. Charge) Energy, IT., Odisha



Phone

Office: (0674) 253

232219

D.O. No. 640 /MSE,IT&DW

BHUBANESWAR

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Sub: Cancellation of Tentuloi coal block and allotment of new coal block(s) to OTPCL.

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I would like to bring to your kind notice that Odisha is currently facing unprecedented rise in demand for power due to industrial and social developments including the massive rural electrification programme. To meet the power demand of Odisha, Odisha Thermal Power Corporation Ltd. (OTPC), a State Government undertaking, is in the process of setting up a Thermal Power Plant (4x800 MW) in Dhenkanal district of Odisha.

- 2. Ministry of Coal (MoC). Government of India had allocated Tentuloi coal block to OTPC to cater to the fuel requirement of its power project. As the cost of mining of coal from this mine will be very high, the State Government has approached MoC for cancellation of Tentuloi coal block and allotment of alternative suitable coal block(s) in lieu of Tentuloi coal block. The Hon'ble Chief Minister of Odisha has also requested the Hon'ble Minister of Coal, Power & Renewable Energy and the Hon'ble Prime Minister of India for allotment of other alternative suitable coal block(s) to OTPC.
- 3. A Committee was constituted by the MoC to examine the matter regarding cancellation of Tentuloi coal block and allotment of alternative suitable coal block(s) to OTPC. The Committee has reportedly observed that Kardabahal & Brahmanbil coal blocks have high stripping ratio. Further, these two blocks are not included in the Schedule-I of the Coal Mines (Special Provisions) Act, 2015. It is also understood that the Committee has recommended to consider allocation of the Chhendipada-I & Chhendipada-II blocks to OTPC. I would, therefore, request you to kindly consider for allocation of Chhendipada-I and

<del>/</del>

# SHRI PRANAB PRAKASH DAS MINISTER OF STATE (Ind. Charge) Energy, IT, Odisha



Phone Office: (0674) 2536620 2322191

D.O. No......MSE,IT&DW

BHUBANESWAR

Date ......20.......

Chhendipada-Hi coal blocks to OTPC. As an alternative option, it is suggested that MoC may consider to allocate Utkal B1. Utkal B2 and Utkal A coal blocks, located adjacent to each other, which have a combined total reserve of around 674 MT and also have favourable stripping ratios.

- 4. We are unable to proceed further towards development of the power plant in the absence of allocation of suitable coal block(s) in favour of OTPC even when we have acquired almost the entire required land and have obtained all the requisite clearances except the environment clearance. It may be pertinent to mention here that the Terms of Reference (ToR) accorded by Ministry of Environment and Forests for environmental clearance will lapse on 5th March, 2017.
- 5. In view of the facts narrated above, I would carnestly request for your kind personal intervention in expediting cancellation of Tentuloi coal block and allocation of alternative suitable coal block(s) to OTPC, which will help immensely in meeting the power demand of the State.

With regards

Yours sincerely.

(Pranah Prakash Das)

SRI PIYUSH GOYAL

Minister of State (Independent Charge),
Power, Coal and New & Renewable Energy,
Government of India, New Delbi.

# SHRI PRANAB PRAKASH DAS

MINISTER OF STATE (Ind. Charge) Energy, Electronics & Information Technology Odisha



Office : (0674) 2536620 Phone

BHUBANESWAR

Dear, Ser,

Date 22:11. 20.16

Sub: Allocation of a suitable Coal Block in lieu of Tentuloi Coal Block to Odisha Thermal Power Corporation (OPTCL), a Government of Odisha Undertaking.

I would like to bring to your kind notice that the issue regarding allocation of a suitable Coal Block to Odisha Thermal Power Corporation in lieu of Tentuloi deep-cast mine has been taken up by the State Government with the Government of India time and again. Hon'ble Chief Minister, Odisha vide his D.O. Letter dated 22.03.2016 had also requested the Hon'ble Prime Minister of India in this regard. I have highlighted the issue at different fora and have also brought the facts to your kind notice vide my D.O. Latter dated 03.09.2016.

It would be pertinent to mention here that while granting Terms of Reference on 05.03.2016, Ministry of Environment, Forest and Climate Change, Government of India had mandated submission of final compliance within a period of three years. The said stipulated period of three years lapsed because of non-allocation of a suitable Coal Block by Government of India. Ministry of environment, forest and Climate Change, Government of India has granted extension of Terms of Reference for only one more year, which is also going to lapse on 05.03.2017.

Against the above backdrop, I would earnestly request you to kindly intervene in the matter for early cancellation of Tentuloi Coal Block and allocation of a suitable Coal Block to Odisha Thermal Power Corporation. With regards

Yours Sincerely,

(Pranab Prakash Das)

Shri Piyush Goyal Hon'ble Minister Power, Coal, New & Renewable Energy Government of India New Dellii

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