

BY SPEED POST

**F.No. 47011/1(20)/2000-CPAM/CA/CA-I
Government of India
Ministry of Coal**

New Delhi, dated ~~the~~ ^{7th} March, 2014

To

M/s. Abhijeet Infrastructure Limited,
ENI, Insignia Towers,
3rd Floor, Salt Lake,
Sector V,
KOLKATA - 700 091

Sub: Deduction and encashment of proportionate amount of Bank Guarantee of Brinda, Sisai and Meral coal blocks allocated to M/s Abhijeet Infrastructure Pvt. Limited - Regarding.

Sir,

I am directed to refer to this Ministry's allocation letter No. 47011/1(20)/2000-CPAM/CA/CA-I dated 26th May, 2005 (**Annexure -I**) and to this Ministry's show cause notice of even no. dated 10th June, 2013 (**Annexure- II**) and your reply to the show cause notice and the Presentation made/ documents submitted by you on **24th/25th October, 2013** before the Inter Ministerial Group (IMG) on the above subject.

2. Brinda, Sisai and Meral coal blocks were allocated to M/s Abhijeet Infrastructure Pvt. Limited on 26th May, 2005 in pursuance of the provisions contained in Section 3(3)(a)(iii) of the Coal Mines (Nationalisation) Act, 1973 subject to certain conditions. Condition No. 2 of allocation letter is reproduced below in this regard:-

"2. Allocation/ mining lease of the coal block may be cancelled, inter-alia, on the following grounds:-

- a. Unsatisfactory progress of implementation of their end use sponge iron plant/power plant.*
- b. Unsatisfactory progress in the development of coal mining project.*
- c. For breach of any of the conditions of allocation mentioned above.*

The De-allocation/cancellation of mining lease shall be without any liability to the Government or its agencies, whatsoever. Any expenses incurred by the allocatee or any right or liability arising on the allocatee out of the measures taken by him shall solely be to his account and in no way be transferred to or borne by the Government or its agencies."

3. The progress of the allocated coal block as well as linked/associated end use project has been reviewed by the Ministry through an Inter-Ministerial Review Committee from time to time wherein the allocatee company give presentation in

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respect of the development made by the company with reference to the milestones prescribed in the allocation letter during which it was noted as following :-

- i) In the Review Meeting held on 20/21.07.2010 the Committee noted that FC, ML are pending. FC is on progress would be obtained by next 7/8 months. ML is pending with State Govt. since 2006.
- ii) In the Review Committed meeting held on 11/12.01.2012 the Committee noticed that the progress of the coal block was not satisfactory. The Committee expressed concern over the unsatisfactory progress and advised to expedite the development of the coal block. Accordingly, a caution letter dated 26.04.2012 was issued to the company with the direction to expedite the development of the coal block and be careful in future with respect to the milestones stipulated.

4. In the meantime, the Government constituted an Inter-Ministerial Group (IMG) on 21.06.2012 under the chairpersonship of Additional Secretary, Ministry of Coal having members from Ministry/Department of Power, Steel, Industrial Policy & Promotion, Legal Affairs and Economic Affairs. IMG has been given the mandate to review the progress of development of allocated coal blocks and associated end use projects and to recommend action including de-allocation, if required. IMG in its 18th meeting held on 01.05.2013 inter alia considered the status of the development of the Brinda, Sisai and Meral coal blocks prepared by the Coal Controller's Organisation (CCO) as on 31st December, 2012 and noted that no significant progress has been made by your company towards development of the coal block. It has been noticed that a number of important/critical milestones are pending. Keeping in view the unsatisfactory progress, IMG recommended issuing show cause notice for delay in development of coal block. The recommendation of IMG has since been considered and accepted by the Government. A show cause notice was issued on 10th June, 2013.

5. The case of the allocatee company was referred to IMG. Accordingly, the IMG gave opportunity to the allocatees company to make the Presentation before it on the progress of development of allocated coal block and associated end use project. The representatives of the allocatees company gave presentation on 24th October, 2013 before the IMG. The IMG considered the presentation and associated EUP prepared by Ministry of Coal and Coal Controller's Organisation (June, 2013) (**Annexure -III**). The progress of development of the block with reference to the milestones and their achievement is as under:-

Mile Stones	Schedule date of Completion	Actual date of Completion	Slippage in YY/MM (as on June'13)	Remarks	Special Observati on
Purchase of GR	10.7.2005 (45 days from DOA)	29.9.2006 (B-S) & 8.1.2007 (Meral)	1Yr 2 months/1Yr 6 months		
Submission of Bank	26.8.2005 3 months	8.5.2006	9 Months	BG introduce	

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Guarantee				d in March.20 05	
Mining Lease Applicatio n	26.8.2005 3 months	10.1.2006	5 months	ML:- 1377.62 Ha (B-S) and 1021.89 Ha (Meral)	
Submissio n of Mining Plan	26.11.2005 6 months	28.12.2005	1 months		
Approval of Mining Plan	26.1.2006 8 months	28.9.2006 (B- S)/10.1.20 08 (Meral)	8 months		
Application of Previous approval	26.3.2006 10 months	10.1.2006 (B-S) 9.1.2012 (Meral)	Advance (B-S) 5Yrs 10 Months (Meral)		
Granting of Previous approval	26.4.2006 11 months	15.2.2012 (B-S) Pending (Meral)	5yr 9 months (B-S) 7yr 2 months (Meral)		
Application of Forest clearance	26.5.2006 12 months	10.4.2006 (B-S) (No forest for Meral)	-		
Grant of Forest Clearance	26.11.2006 18 months	-	6 yr 7 months	No forest land in Meral block.	Stage-I forest clearance for B-S block obtained on 11.2.2011
Application EMP Clearance	26.5.2006 12 months	3.3.2006 (B-S) 5.5.2008 (Meral)	- 2yrs (Meral)		
Grant of EMP Clearance	26.11.2006 18 months	17.5.2007 (B-S) 23.9.2009 (Meral)	6 months (B-S) 2yrs 10 months (M)		
Grant of Mining	26.5.2007 24 months	Pending	5 yrs 7 months		

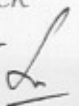
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Lease					
Application of Land Acquisition	26.12.2006 19 months 26.2.2006 (M) (9 months)	22.7.2006	-		Forest land- 632.67 Ha (Brinda Sasai)
Completion of Land Acquisition	26.5.2008(B-S) 36 Months 26.11.2007(Meral) 30 Months	Pending	5 yrs(B-S) 1 m 5 Yrs 7months (M)		
Application for opening permission	26.9.2008 (B-S) 40 Months 26.3.2008 (Meral) (34 Months)	Pending	4yrs 9 Months (B-S) 5 yrs 3 months (M)		
Grant of Opening permission	26.10.2008(B-S) (41 Months) 26.4.2008 (Meral) (35 Months)	Pending	4yrs 8 months 5yrs 1 months		
Coal Production	26.11.2008(42 Months) 26,5.2008(Meral) (36 Months)	Pending	4 yrs 7 months 5yrs 2 months		OC mine with forest land for Brinda-Sasai & OC mine without forestland for Meral

6. After detailed deliberations, the IMG made its recommendation for, **IMG recommends deduction and encashment of proportionate Bank Guarantee (BG) as per the terms and conditions of allocation** which was allocated to M/s Abhijeet Infrastructure Pvt. Limited in its meeting held on 24th & 25th October, 2013. The recommendations made by the IMG are as follows:-

“7, 8 & 9: BRINDA, SISAI & MERAL COAL BLOCKS allocated to M/s ABHIJEET INFRASTRUCTURE PVT. LTD.

Brinda, Sisai and Meral coal blocks were allocated to M/s Abhijeet Infrastructure Pvt. Ltd. on 26.05.2005. The normative date of production as per Coal Controller's Organisation (CCO) report was 26.11.2008 for Brinda-Sisai coal blocks and 26.05.2008 for Meral coal block. The progress of block

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development was reviewed by the IMG in its 18th meeting held on 01.05.2013 and as per the recommendations of the IMG, the allocatee company was issued a show cause notice (SCN) vide MoC's letter dated 10.06.2013. The reply of the allocatee company to the SCN dated 24.06.2013 was sent to the State Govt. for comments. However comments of the State Govt. were not received.

The IMG considered the terms and conditions of allocation, the show cause notice issued, the reply of the block allocatee to the show cause notice issued, status report of CCO, presentation made by the allocatee company on 24.10.2013 along with the status paper presented to the IMG.

IMG noted that as per CCO's status report, GR has been purchased, BG submitted, mining plan approved, previous approval of mining lease granted by MoC in r/o Brinda-Sisai coal blocks, EC obtained, FC (Stage-I) obtained for Brinda-Sisai coal blocks. No forest land in Meral block; however, there have been delays in achieving milestones. Execution of mining lease and land acquisition are pending.

The IMG considered the reply of the allocatee to the show cause notice wherein the allocatee has mainly stated that the state government of Jharkhand delayed in forwarding of Mining Lease application for previous approval to MOC and further rectification of the previous approval granted by the MOC. There is further delay in forest clearance as Stage-I forest clearance was granted only on 11.02.2011. As regards land acquisition 16% of the land is forest land and diversion of forest land is pending with forest department. However, as 89% of total lease area is for UG operations, the acquisition of land would require after exhaustion of life of open cast mine. Life of open cast mine is 32 years. The allocatee has also stated that the grant of previous approval in case of Brinda-Sesai Coal blocks was granted on 15.02.12. The request of allocatee for rectification of the mining lease area in the previous approval is under examination of Ministry of Coal. However, without Stage-II clearance, further action for granting approval for opening the mine cannot be taken.

Further, the allocatee company was requested to submit proof of ownership of land acquired for coal blocks. In response, the company has provided document from SBICAP indicating mortgage of land admeasuring 60.6988 acres and 175.9099 acres of land within Thana Kharsawan and Saraikella, etc. without indicating whether this parcel of land mortgaged with banks is the land acquired for coal block.

CA Certificates on the investment made in the coal block and EUP were not provided by the allocatee company.

Recommendation: Taking into account the facts brought before it including the fact that EC obtained and FC (Stage-I) obtained for Brinda and Sisai blocks as well as the fact that against the scheduled date of production of 26.05.2008 for Meral and 26.11.2008 for Brinda and Sesai, the mines are not yet

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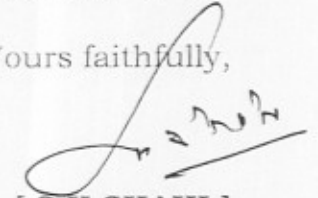
operational, IMG recommends deduction and encashment of proportionate Bank Guarantee (BG) as per the terms and conditions of allocation."

7. The recommendation of the IMG has since been considered and accepted by the Government.

8. Accordingly, the Bank Guarantee (BG) to the extent of **Rs. 5.31 crore in respect of Brinda coal block, Rs. 2.45 crore in respect of Sisai coal block and Rs. 7.48 crore in respect of Meral coal block** be invoked and deposited with the Government in the relevant Head of Account. (The calculation of BG amount is given in **Annexure -IV**).

Encls: As above.

Yours faithfully,



[S.K.SHAHI]

Director

Tel. 23382807

COPY TO:-

1. The Chief Secretary, Government of Jharkhand, Ranchi.
2. The Secretary, Ministry of Steel, Udyog Bhawan, New Delhi.
3. The CMD, CMDPIL, Ranchi.
4. The Chairman, Coal India Limited, 10- Netaji Subhash Road, Kolkata.
5. The Coal Controller's Organisation, 1, Council House Street, Kolkata with the direction to take necessary steps to **deduct** the Bank Guarantee and deposit the same with the Govt.
6. The CMD, Bharat Coking Coal Limited, Koyla Bhawan, Koyla Nagar, Dhanbad.
7. ✓ NIC Cell, Ministry of Coal for placing the letter on the Website of Ministry of Coal.

Annex-1
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No. 47011/1(20)/2000-CPAM/CA/CA-I
GOVERNMENT OF INDIA
MINISTRY OF COAL

New Delhi, the 26th May, 2005.

To

M/s. Abhijeet Infrastructure Pvt. Ltd.,
178, Light Industrial Area,
Bhillai,
Chhattisgarh - 490 026.

Subject: Allocation of Sisai, Brinda & Meral block in the State of Jharkhand for captive mining of coal by M/s. Abhijeet Infrastructure Pvt. Ltd. for their Sponge Iron capacity of 7 ltpa.

Sir,

I am directed to refer to your letters No. AIPL/Sponge/MOC/03/11 dated 15.7.2003, No. AIPL/MOC/03/259 dated 30.10.2003, No. AIPL/MOC/03/264 dated 10.11.2003, No. AIPL/MOC/04/001 dated 6.1.2004 and AIPL/MOC/04/132 dated 30.8.2004 requesting for allocation of Brinda, Sisai, Dumri and Meral blocks in the State of Jharkhand to meet the coal requirement of your 7 lakh tonne per annum capacity sponge iron project at Chandwa, district Latehar in Jharkhand and to state that the Central Government, after considering your request, has decided to allocate Sisai, Brinda and Meral blocks to you. This allocation is in pursuance of the provisions contained in Section 3(3)(a)(iii) of the Coal Mines (Nationalisation) Act, 1973 and is subject to the following conditions:-

- i) The allocation of the Sisai, Brinda and Meral blocks to M/s. Abhijeet Infrastructure Pvt. Ltd. has been made to meet the coal requirement of 11.2 lakh tonne per annum for their 7 ltpa capacity sponge iron production at Chandwa in the district of Latehar in Jharkhand. The coal produced from the block shall not replace any coal linkage given to M/s. Abhijeet Infrastructure Pvt. Ltd. by the Coal India Limited/its subsidiary companies and/or by the Singareni Collieries Company limited, without prior permission of this Ministry.
- ii) The block is meant for captive use in their own specified end use projects i.e. sponge iron project.
- iii) The Company will blend the coal from the three blocks as proposed so that the coal is used in the sponge iron plant as far as possible without washing. In case it is required to beneficiate the inferior grade coal instead of blending, the middling generated shall be used for power generation in their own power plant i.e. the useable middlings/rejects generated during beneficiation shall be used captively by the allocatee. The modalities of disposal of surplus coal/ middlings/ rejects if any, would be as per the prevailing policy/ instructions of the Government at the relevant point in time and could also include handing over such surplus coal/ middlings/rejects to the local CIL.

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subsidiary or to any person designated by it at a transfer price to be determined by the Government.

- iv) The coal production from the captive blocks shall commence within 36 months (42 months in case the area is in forest land) of the date of this letter in OC mine and in 48 months (54 months in case the area fall under forest land) from the date of this letter in UG mine. The end use project schedule and the coal mine development schedule should be modified accordingly and submitted to this Ministry within 3 months from the date of this letter.
- v) The Company shall buy the Geological report from CMPDIL within six weeks of the date of this letter.
- vi) The company shall submit a bank guarantee for Rs. 15.24 crores i.e. Brinda Rs. 5.31 crores, Sisai Rs. 2.45 crores & Meral Rs. 7.48 crore (equal to one year's royalty amount based on mine capacity of 0.5, 0.18 and 0.5 mtpa assessed by CMPDIL, grades of coal from A to G grades and the weighted average royalty @ Rs. 106.22, Rs. 136.03 and Rs. 149.66 per tonne) within 3 months of the date of this letter. Subsequently, upon approval of the mining plan the Bank Guarantee amount will be modified based on the final peak/rated capacities of the mines.
- vii) The company shall submit a mining plan for approval by the competent authority under the Central Government within six months from the date of this letter.
- viii) The progress of the mine will be monitored annually with respect to the approved mining plan, which will mention the zero date. In case of any lag in the production of coal, a percentage of the bank guarantee amount will be deducted for the year. This percentage will be equal to the percentage of deficit in production for the year with respect to the rated/peak capacity of the mine, e.g., if rated/peak capacity is 100, production as per the approved mining plan for the relevant year is 50 and actual production is 35, then $(50-35)/100 \times 100 = 15\%$ will lead to deduction of 15% of the original bank guarantee amount for that year. Upon exhaustion of the Bank Guarantee amount the block shall be liable for de-allocation/cancellation of mining lease. M/s. Abhijeet Infrastructure Pvt. Ltd. shall ensure that the Bank Guarantee remains valid at all times till the mine reaches its rated capacity or till the Bank Guarantee is exhausted.
- ix) No coal shall be sold, delivered, transferred or disposed of except for the stated captive mining purposes except with the previous approval of the Central Government.
- x) Mining of Coal from the allocated captive coal block shall be carried out in accordance with the applicable Statutes/Rules/Orders/Directions governing the mining of coal in the country.

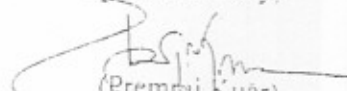
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- xi) Those of the above conditions relevant at the time of grant of mining lease shall be included as additional conditions in the mining lease in addition to any further conditions imposed by or agreed to by the Central Govt.
 - xii) The State Government at the time of seeking previous approval for the grant of mining lease shall submit a draft of the mining lease containing the above relevant conditions for vetting by the Central Govt. The final mining lease shall be as vetted/modified by the Central Govt. Any deviation from the vetted/modified draft shall render the mining lease deed *ab-initio* null and void and without effect.
2. Allocation / mining lease of the coal block may be cancelled, inter-alia, on the following grounds :-
- (a) Unsatisfactory progress of implementation of their end use sponge iron plant / power plant.
 - (b) Unsatisfactory progress in the development of coal mining project.
 - (c) For breach of any of the conditions of allocation mentioned at (i) to (xi) above.

The De-allocation/cancellation of mining lease shall be without any liability to the Government or its agencies, whatsoever. Any expenses incurred by the allocatee or any right or liability arising on the allocatee out of the measures taken by him shall solely be to his account and in no way be transferred to or borne by the Government or its agencies.

3. The company may approach CMPDIL for the geological report and contact the State Government authorities concerned for the necessary permissions/clearances etc. for attaining mining rights and related matters. The arrangement of transport of coal will have to be worked out by the company.

Yours faithfully,


(Premraj Kumar)
Section Officer

26/5/05
Recd copy as above
Jed (S. Singh)

No. 47011/1(20)/2000-CPAM/CA/CA-I
Government of India
Ministry of Coal

New Delhi, dated 10th June, 2013

To,

The Managing Director,
M/s Abhijeet Infrastructure Pvt. Limited,
ENI, Insignia Towers, 3rd Floor,
Salt Lake, Sector V, Kolkata- 700 001

10/6/13
S. IS P

Subject: Show cause notice in respect of Brinda, Sasai and Meral coal blocks.

Sir,

I am directed to refer to this Ministry's letter No. 47011/1(20)/2000-CPAM/CA-I dated 26th May, 2005 conveying allocation of **Brinda, Sasai and Meral** coal blocks in pursuance of the provisions contained in Section 3(3)(a)(iii) of the Coal Mines (Nationalization) Act, 1973, subject to certain conditions. One of the conditions of allocation was that coal production from the captive block shall commence within 36 months (42 months in case the area is in forest land) in case of open cast mine and in 48 months (54 months in case the area falls under forest land) in case of UG mine from the date of allocation letter. The end- use project schedule and the coal mine development schedule should be modified accordingly and submitted to the Ministry within 3 months from the date of allocation.

2. In order to expedite the development of the coal block, review meetings were held from time to time. In the review meeting held on 11/12.01.2012, it was noticed that the progress of the **Brinda, Sasai and Meral coal blocks** allocated to company was not satisfactory. The Committee expressed concern over unsatisfactory progress and advised to expedite the development of the coal block. Accordingly, a caution letter dated 26.04.2012 was issued to the company with the direction to expedite the development of the coal block and be careful in future with respect to the milestones stipulated.

3. In the meantime, the Government constituted an Inter-Ministerial Group (IMG) on 21.06.2012 under the chairpersonship of Additional Secretary, Ministry of Coal having members from Ministry/Department of Power, Steel, Industrial Policy & Promotion, Legal Affairs and Economic Affairs. IMG has been given the mandate to review the progress of development of allocated coal blocks and associated end use projects and to recommend action including de-allocation, if required. IMG in its 18th

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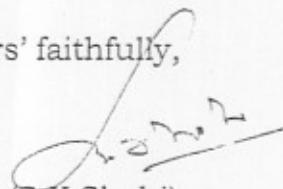
meeting held on 01.05.2013 inter alia considered the status of the development of the Coal Block prepared by the Coal Controller's Organisation (CCO) as on 31st December, 2012 and noted that no significant progress has been made by your company towards development of the **Brinda, Sasai and Meral coal blocks**. The IMG noted that land acquisition, mine opening permission etc. are still pending in your case. Keeping in view the unsatisfactory progress, IMG recommended issuing show cause notice for delay in development of coal block. The recommendation of IMG has since been considered and accepted by the Government.

4. Under the above circumstances, you are hereby called upon to show cause, on various stages for development of coal block, to this Ministry within a period of **20 days** from the date of issue of this show cause notice as to why the delay in the development of coal block should not be held as violation of the terms and conditions of the allotment of **Brinda, Sasai and Meral** coal blocks failing which it would be presumed that your company has no explanation to offer and action as appropriate would be taken for de-allocation of **Brinda, Sasai and Meral** coal blocks.

5. You are also requested to furnish a detailed status note on the progress of end use plant(s) (EUPs) for which the above mentioned coal block was allocated to you.

Yours' faithfully,

gc


(S.K. Shahi)
Director
Tel: 23382807

Copy to:

- (i) The Coal Controller, Coal Controller Organisation, Kolkata.
- (ii) NIC, M/o Coal for uploading the letter on Ministry's website .



Annexure - III

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Coal Controller Office, Kolkata
Updated Status of Coal Block as on June 2013
(As per Status report submitted by the company)

19. Name of Company:- Abhijeet Infrastructure Ltd.
 20. Name of Coal Block:- Brinda Sasai & Meral (OC)/Pvt
 21. Name of Owner/Address etc.:- G.M. (Mines), Abhijeet Group, 3rd & 4th Floor, Mapla Plaza, Opp Gate No. 2, Ashok Nagar, Ranchi-834 002
 22. Date of Allocation:- 26.5.2005
 23. Location: North Karanpura/JH
 24. Project cost :- Rs. 295.25 Cr.
 25. Total investment made Cr (As per status report) :- Rs. 476.256 Cr. (June'13)
 26. Reserve (Mill tonnes):- 77 (Geological)
 27. Mineable Reserve in MT:- 35
 28. Yearly rated capacity (MTPA):- 1.12
 29. Grade of Coal:- B-G
 30. Cost of GR:- Rs. 7.54 Cr.
 31. BG Amount :- Rs. 5.31, 2.45 & 7.48 Cr (BG introduced in March.2005)
 32. Type of EUP:- SIP
 33. Location of Project:- Saraikela/JH
 34. Capacity of Project:- 7.00 LTPA
 35. Explored/Un explored:- Explored
 36. Type of Mine:- OC
 19 Zero Date:- 26.5.2005(As per block allocation letter)
 19 Previous Recommendation, if any:- Caution notice issued by MOC as per decision of review meeting dated 11/12.1.2012. Again in 18th IMG held on 01.05.2013 advised to issue show cause notice.

Mile Stones	Schedule date of Completion	Actual date of Completion	Slippage in YY/MM (as on June'13)	Remarks	Special Observat
Purchase of GR	10.7.2005 (45 days from DOA)	29.9.2006 (B-S) & 8.1.2007 (Meral)	1Yr 2 months/1Yr 6 months		
Submission of Bank Guarantee	26.8.2005 3 months	8.5.2006	9 Months	BG introduced in March.2005	
Mining Lease Application	26.8.2005 3 months	10.1.2006	5 months	ML:- 1377.62 Ha (B-S) and 1021.89 Ha (Meral)	
Submission of Mining Plan	26.11.2005 6 months	28.12.2005	1 months		

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Approval of Mining Plan	26.1.2006 8 months	28.9.2006 (B-S)/10.1.2008 (Meral)	8 months		
Application of Previous approval	26.3.2006 10 months	10.1.2006 (B-S) 9.1.2012 (Meral)	Advance (B-S) 5Yrs 10 Months (Meral)		
Granting of Previous approval	26.4.2006 11 months	15.2.2012 (B-S) Pending (Meral)	5yr 9 months (B-S) 7yr 2 months (Meral)		
Application of Forest clearance	26.5.2006 12 months	10.4.2006 (B-S) (No forest for Meral)	-		
Grant of Forest Clearance	26.11.2006 18 months	-	6 yr 7 months	No forest land in Meral block.	Stage-I forest clearance for B-S block obtained on 11.2.2011.
Application EMP Clearance	26.5.2006 12 months	3.3.2006 (B-S) 5.5.2008 (Meral)	- 2yrs (Meral)		
Grant of EMP Clearance	26.11.2006 18 months	17.5.2007 (B-S) 23.9.2009 (Meral)	6 months (B-S) 2yrs 10 months (M)		
Grant of Mining Lease	26.5.2007 24 months	Pending	5 yrs 7 months		
Application of Land Acquisition	26.12.2006 19 months 26.2.2006 (M) (9 months)	22.7.2006	395 Acres Doc. Evidence of land - submitted by Sect 1.	Forest land- 632.67 Ha (Brinda Sasai)	
Completion of Land Acquisition	26.5.2008(B-S) 36 Months 26.11.2007(Meral) 30 Months	Pending	5 yrs(B-S) 1 m 5 Yrs 7months (M)		
Application for opening permission	26.9.2008 (B-S) 40 Months 26.3.2008 (Meral) (34 Months)	Pending	4yrs 9 Months (B-S) 5 yrs 3 months (M)		
Grant of Opening permission	26.10.2008(B-S) (41 Months)	Pending	4yrs 8 months		

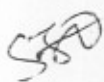
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	26.4.2008 (Meral) (35 Months)		5yrs 1 months	
Coal Production	26.11.2008(42 Months) 26,5.2008(Meral) (36 Months)	Pending	4 yrs 7 months 5yrs 2 months	OC mine with forest land for Brinda-Sasai & OC mine without forestland for Meral

Observation of Field Office of CCO during inspection of the block	
Date of Inspection	24.11.2012
Infrastructure development	As per site inspection carried out by OSD office at Nagpur, it was reported that, Company established one site office at Daltongan one temporary site office and construction of primary and secondary crusher and surge bunker was going on.
Activities related to coal transportation	• No
Presence of mining equipment.	• No
Any sign of mining activities.	• No
Escrow A/c for mine closure	• No
Other activities	Company had acquired some private land to start the mine and it was learnt that company was in process of procurement of suitable land for rehabilitation.
Engagement of MDO	• MDO has already been finalized.

Other details and constraint faced by the block allocates

- **Forest clearance:-** Registration and mutation of 114.69 Acres of CA land in f/o Forest dept. has been completed. Balance 18.00 acres land is going on.
- **ML (Brida & Sasai) :** Previous approval of granted by MOC on 15.2.2012. Process for obtaining mining lease has been initiated with the state govt.
- **ML (Meral):** For Meral, ML application for acquisition of 961.91 Ha under section 17 of LA Act to DLAO, Medinagar. State Govt forwarded application to MOC for previous approval on 9.1.12 which is pending.
- **LA (Brinda & Sasai):** Obtained administrative approval for surface right of 443 acres land in Brinda & Sasai & 961.91 Ha for Meral within ML area. 395 acres land has been registered which is sufficient for Ph-I mining operation. The land purchased by direct negotiation is under process.
- **R & R Project:** 190 families has been identified for resettlement. Sufficient land has been identified.

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- EUP: 0.7 MTPA (4x650 TPD DRI) SIP at Saraikela, Kharsawan JH is expected to be commissioned : 2012-13 (4th quarter) in co-ordination with start of coal production from the captive coal mines.

Project cost:- Rs. 846 Cr.

Investment made (as per status report):- Rs.476.256 Cr. (Till June'13)

Annexure -IV 739

1. Name of Company:-M/s M/s Abhijeet Infrastructure Pvt. Ltd.
2. Name of Coal Block:- Brinda
3. Date of Allocation:- 26.05.2005
4. Normative Date of production:-26.11.2008
5. Yearly Rated Capacity:- 0.5 MTPA
6. BG Amount:-Rs. 5.31 Crore
7. Recommendation: The IMG recommends for deduction and encashment of proportionate Bank Guarantee as per the terms and conditions allocation.
8. Allocation condition: As per condition the allocation letter, in case of any lag in the production of coal, a percentage of BG amount will be deducted for the year. This percentage will be equal to the percentage of deficit in production for the year with respect to peak rated capacity of the mine.

Therefore, in respect of Brinda coal block, calculation of BG amount to be deducted on production basis is made as under:-

Deduction for 1st year

A= Production as per the approved mining plan for the 1st year (26.11.2008 to 25.11.2009) =0 MT

B= Actual Production for the 1st year (26.11.2008 to 25.11.2009) = 0

C= Peak Rated Capacity= 0.5 MT

So, D= Percentage of amount of BG to be deducted for the 1st year (26.11.2008 to 25.11.2009)

$$= (A-B)/CX100 = (0-0)/0.5 \times 100 = 0\%$$

$$Y1 = \text{Amount of BG to be deducted for 1st year} = \text{Rs. 5.31 Crore} \times 0 = 0 \text{ Crore}$$

Deduction for 2nd year

A= Production as per the approved mining plan for the 2nd year (26.11.2009 to 25.11.2010) =0.25 MT

B= Actual Production for the 2nd year (26.11.2009 to 26.11.2010) = 0

C= Peak Rated Capacity= 0.5 MT

So, D= Percentage of amount of BG to be deducted for the 2nd year (26.11.2009 to 26.11.2010)

$$= (A-B)/CX100 = (0.25-0)/0.5 \times 100 = 50\%$$

$$Y2 = \text{Amount of BG to be deducted for 2nd year} = \text{Rs. 5.31 Crore} \times 50/100 = \text{Rs. 2.655 Crore}$$

Deduction for 3rd year

A= Production as per the approved mining plan for the 3rd year (26.11.2010 to 25.11.2011) =0.50 MT

B= Actual Production for the 3rd year (26.11.2011 to 10.11.2012) = 0

C= Peak Rated Capacity= 0.5 MT

So, D= Percentage of amount of BG to be deducted for the 3rd year (26.11.2010 to 25.11.2011)

$$= (A-B)/CX100 = (0.5-0)/0.5 \times 100 = 100\%$$

$$Y3 = \text{Amount of BG to be deducted for 3rd year} = \text{Rs. 5.31 Crore} \times 100/100 = \text{Rs. 5.31 Crore}$$

$$\text{Total amount of BG for deduction} = Y1 + Y2 + Y3 = (0 + 2.655 + 5.31) \text{ Cr} = \text{Rs. 7.965 Cr}$$

As per above calculation, amount calculated for deduction exceeds the actual BG amount of Rs. 5.31 crore. Hence, entire BG amount pertaining to production i.e. Rs. 5.31 crore is liable for deduction.

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1. Name of Company:-M/s M/s Abhijeet Infrastructure Pvt. Ltd.
2. Name of Coal Block:- Sisai
3. Date of Allocation:- 26.05.2005
4. Normative Date of production:-26.11.2008
5. Yearly Rated Capacity:- 0.18 MTPA
6. BG Amount:-Rs. 2.45 Crore
7. Recommendation: The IMG recommends for deduction and encashment of proportionate Bank Guarantee as per the terms and conditions allocation.
8. Allocation condition: As per condition the allocation letter, in case of any lag in the production of coal, a percentage of BG amount will be deducted for the year. This percentage will be equal to the percentage of deficit in production for the year with respect to peak rated capacity of the mine.

Therefore, in respect of Sisai coal block, calculation of BG amount to be deducted on production basis is made as under:-

Deduction for 1st year

A= Production as per the approved mining plan for the 1st year (26.11.2008 to 25.11.2009) =0 MT
 B= Actual Production for the 1st year (26.11.2008 to 25.11.2009) = 0
 C= Peak Rated Capacity= 0.18 MT
 So, D= Percentage of amount of BG to be deducted for the 1st year (26.11.2008 to 25.11.2009)
 $= (A-B)/CX100 = (0-0)/0.18 \times 100 = 0\%$
 Y1=Amount of BG to be deducted for 1st year = Rs. 2.45 CroreX0 = 0 Crore

Deduction for 2nd year

A= Production as per the approved mining plan for the 2nd year (26.11.2009 to 25.11.2010) =0.06 MT
 B= Actual Production for the 2nd year (26.11.2009 to 26.11.2010) = 0
 C= Peak Rated Capacity= 0.18 MT
 So, D= Percentage of amount of BG to be deducted for the 2nd year (26.11.2009 to 26.11.2010) = (A-B)/CX100 = (0.06-0)/0.18x100 = 33.3333%
 Y2=Amount of BG to be deducted for 2nd year = Rs. 2.45 CroreX33.3333/100 = Rs. 0.81666 Crore

Deduction for 3rd year

A= Production as per the approved mining plan for the 3rd year (26.11.2010 to 25.11.2011) =0.09 MT
 B= Actual Production for the 3rd year (26.11.2011 to 10.11.2012) = 0
 C= Peak Rated Capacity= 0.18 MT
 So, D= Percentage of amount of BG to be deducted for the 3rd year (26.11.2010 to 26.11.2011) = (A-B)/CX100 = (0.09-0)/0.18x100 = 50%
 Y3=Amount of BG to be deducted for 3rd year = Rs. 2.45 CroreX50/100 = Rs. 1.225 Crore

Deduction for 4th year

A= Production as per the approved mining plan for the 3rd year (26.11.2011 to 25.11.2012) =0.15 MT
 B= Actual Production for the 3rd year (26.11.2011 to 26.11.2012) = 0
 C= Peak Rated Capacity= 0.18 MT
 So, D= Percentage of amount of BG to be deducted for the 3rd year (26.11.2011 to 26.11.2012)
 $= (A-B)/CX100 = (0.15-0)/0.18 \times 100 = 83.3333\%$
 Y4=Amount of BG to be deducted for 4th year = Rs. 2.45 Crore X 83.3333/100 = Rs. 2.04166 Crore
 Total amount of BG for deduction =Y1+Y2+Y3+Y4= (0+0.81666+1.225+2.04166) Cr = Rs. 4.08332 Cr

As per above calculation, amount calculated for deduction exceeds the actual BG amount of Rs. 2.45 crore. Hence, entire BG amount pertaining to production i.e. Rs. 2.45 crore is liable for deduction.

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1. Name of Company:-M/s Abhijeet Infrastructure Pvt. Ltd.
2. Name of Coal Block:- Meral
3. Date of Allocation:- 26.05.2005
4. Normative Date of production:-26.05.2008
5. Yearly Rated Capacity:- 0.50 MTPA
6. BG Amount:-Rs. 7.48 Crore
7. **Recommendation:** The IMG recommends for deduction and encashment of proportionate Bank Guarantee as per the terms and conditions allocation.
8. **Allocation condition:** As per condition the allocation letter, in case of any lag in the production of coal, a percentage of BG amount will be deducted for the year. This percentage will be equal to the percentage of deficit in production for the year with respect to peak rated capacity of the mine.

Therefore, in respect of Meral coal block, calculation of BG amount to be deducted on production basis is made as under:-

Deduction for 1st year

A= Production as per the approved mining plan for the 1st year (26.05.2008 to 25.05.2009) =0 MT
 B= Actual Production for the 1st year (26.05.2008 to 25.05.2009) = 0
 C= Peak Rated Capacity= 0.5 MT
 So, D= Percentage of amount of BG to be deducted for the 1st year (26.05.2008 to 25.05.2009) = (A-B)/CX100 = (0-0)/0.5x100 = 0%
 Y1=Amount of BG to be deducted for 1st year = 7.48 Crore X 0 = 0 Crore

Deduction for 2nd year

A= Production as per the approved mining plan for the 2nd year (26.05.2009 to 25.05.2010) =0.13 MT
 B= Actual Production for the 2nd year (26.05.2009 to 25.05.2010) = 0
 C= Peak Rated Capacity= 0.5 MT
 So, D= Percentage of amount of BG to be deducted for the 2nd year (26.05.2009 to 25.05.2010) = (A-B)/CX100 = (0.13-0)/0.5x100 = 26%
 Y2=Amount of BG to be deducted for 2nd year = 7.48 Crore X 26/100 = 1.9448 Crore

Deduction for 3rd year

A= Production as per the approved mining plan for the 3rd year (26.05.2010 to 25.05.2011) =0.25 MT
 B= Actual Production for the 3rd year (26.05.2010 to 25.05.2011) = 0
 C= Peak Rated Capacity= 0.5 MT
 So, D= Percentage of amount of BG to be deducted for the 3rd year (26.05.2010 to 25.05.2011) = (A-B)/CX100 = (0.25-0)/0.5x100 = 50%
 Y3=Amount of BG to be deducted for 3rd year = 7.48 CroreX50/100 = 3.74 Crore

Deduction for 4th year

A= Production as per the approved mining plan for the 4th year (26.05.2011 to 25.05.2012) =0.50 MT
 B= Actual Production for the 4th year (26.05.2011 to 25.05.2012) = 0
 C= Peak Rated Capacity= 0.5 MT
 So, D= Percentage of amount of BG to be deducted for the 4th year (26.05.2011 to 25.05.2012) = (A-B)/CX100 = (0.50-0)/0.5x100 = 100%
 Y4=Amount of BG to be deducted for 4th year = 7.48 Crore X 100/100 = 7.48 Crore

Total amount of BG for deduction =Y1+Y2+Y3+Y4= (0+1.9448+3.74+7.48) Cr=13.1648 Cr

As per above calculation, amount calculated for deduction exceeds the actual BG amount of Rs. 7.48 crore. Hence, entire BG amount pertaining to production i.e. Rs. 7.48 crore is liable for deduction.

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