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F.No NA-203/13/2021-NA
Government of India
Ministry of Coal
Office of Nominated Authority

120-F, Shastri Bhawan, New Delhi
Dated: January 14, 2022

FINAL ORDER

Subject: - The Coal Mines (Special Provisions) Act, 2015 and Hon'ble High Court of Delhi, Judgment dated March 09, 2017– Valuation of Compensation for payment to prior allottee, M/s Castron Mining Limited (CML) for Brahmadiha coal mine.

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An order dated September 02, 2021 (copy enclosed) was issued determining the tentative compensation for the Land and Mine Infrastructure for Brahmadiha coal mine, details of which are as under :-

Table A Fig in "Rs."

Particulars	Cost of Geological Report (A)	Cost of Consent (B)	Value of Land area of Land (95.56 acres) (C)	Value of Mine Infrastructure (D)	Cost incurred by CMPDIL (E)	Total F=(A to E)
Compensation claimed by M/s CML	3,59,965	10,29,621	2,49,01,00,597	4,39,52,137	-	253,54,52,320.00
Fixed cost deposited by M/s APMDC	-	-	10,36,11,744	-	3,17,892	10,39,29,636.00
Compensation determined as on 02.09.2021	3,59,965	-	10,36,11,744	30,40,391	-	10,70,12,100.00

2. Subsequent to the issuance of aforesaid order, both prior allottee (M/s CML) and present allottee, M/s Andhra Pradesh Mineral Development Corporation Limited (APMDC Ltd.) were called upon to present their comments/objection, if any, on the determination of compensation for land and mine infrastructure made by the Nominated Authority. Accordingly, both prior allottee and present allottee attended the meeting on September 27, 2021 and submitted their objections/comments that are mentioned below:-

A. **M/s APMDC Ltd.:-** APMDC Ltd. submitted their objections vide letter dated September 06, 2021 and October 11, 2021 (copy enclosed) which is summarized as below:

I. MINE INFRASTRUCTURE: -

- i. Time barred objection of M/s CML should not be entertained: M/s APMDCL stated that CML filed its objections on September 26, 2021 with a delay of almost 17 days without seeking any extension or any prior permission and requested to dismiss of the objection of CML.
- ii. Mine Infrastructure report Rs.30,40,391/-: M/s APMDCL stated that figure of Mine Infrastructure has been reached by the Nominated Authority on the basis of the valuation Report of Ravi Associates, which in turn relies on books of account of CML. M/s APMDCL Ltd. made reference to the report of Colliers International and stated that there is no usable asset at the site except pillars, which are of no use.
- iii. Geological Note: It was stated that the Geological Note with drawing is not yet received from CML. In this case, Office of Nominated Authority will direct CML to furnish the required document expeditiously to APMDCL.

II. LAND:-

- i. M/s APMDCL stated that the valuation report of Ravi Associates is in accordance with law and procedure laid down by Hon'ble High Court and Hon'ble Supreme Court. Further, Ravi Associates has taken into objections by CML and has correctly chosen not to incorporate the suggested raise in its report. Thus, Ravi Associates being a neutral party has correctly given its valuation report after considering the objections of CML as well.
- ii. Bhorandiha Village: - It has stated this village was placed under Giridih Nagar Nigam in 2017, which was after the cancellation of coal blocks in 2014. As, the property was vested to the Government of India after the cancellation, CML cannot benefit from the land conversion that occurred after the Coal Block was cancelled by the Hon'ble Supreme Court.

B. M/s CML: - It submitted their objections vide letter dated September 26, 2021 (copy enclosed) which is summarized as below:-

(a) Mine Infrastructure (claimed amount Rs.4,39,52,137/-) [Value of Pit (Rs. 4,08,14,510/-) and Haul Road (Rs. 2,47,102/-)] :- It stated that value of Pit and Haul Road totaling to Rs.4,10,61,612/- has not been considered at all.

(b) Ignoring of value of cost of consent (claimed amount Rs.10,29,621/-) M/s CML vide its letter dated 04.08.2021 apprised O/o NA about various amounts paid to Government authorities for applicable consents/permissions with amount of Rs. 10, 29,621/-.

(c) Land (claimed amount Rs.2,49,01,00,597/-)

- i. **Commercial land not Agriculture land:** - It stated that the value of land of the villages, namely Biswasdih, Bhorandih, Bhudhiadih, Chunjaka and Tikodih of Brahmadiha coal mine are considered under Agriculture land. But they should be considered under commercial land. Further, CML also stated that it is entitled to receive compensation in accordance with Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.
- ii. Bhorandiha: - CML has stated that vide Notification dated 25.09.2017, Bhorandiha (Thana No.275) comes under the Giridih Nagar Nigam (Giridih Municipal Corporation). Further, CML has submitted the copy of District Gazette (Extraordinary) dated 18.11.2017 which

shows Ward Number 36 has been allocated to Bhorandiha. In this regard, CML had also received demand for payment of Holding Tax for the land owned by it in village Bhorandiha (Thana No.275) from Giridih Nagar Nigam.

3. Observation raised by both prior allottee and successful allottee has been examined and following is informed:

i) Vide letter dated September 06, 2021, M/s CML has requested for time extension of two weeks for submission of comments.

ii) Classification of assets under Mine Infrastructure is done by CMPDIL and valuation by Office of Chief Advisory of Cost (Ministry of Finance). Nominated Authority has not considered any report of Ravi Associates for classification of assests related to mine infrastructure of Brahmadiha coal mine.

iii) Vide email dated 22.08.2019 (copy of email enclosed), Ministry of Environment, Forest and Climate Change (MoEF&CC) confirmed that cost of consents/permissions are NIL for Brahmadiha coal mine.

iv) On the basis objections/comments of present and prior allottee, land valuator was directed to recheck the valuation of land pertaining to Brahmadiha coal mine. Vide email dated December 23, 2021 (copy enclosed), Land valuator submitted its land valuation report dated 16.12.2021 along with his comments (copy enclosed). The summary of comments received from land valuator in relation to increment in valuation of land in revised report is tabularized below:

Figures in 'Rs'

Village	Mauja	Total Area (acre) (A)	Previous Rate (B)	Rate Type & Year (C)	Revised Rate (D)	Rate Type and year (E)	Urban rate / Rural rate
Bhorandiha	275	6.74	14,52,000	Agriculture Rate & 2018 on wards	3,67,40,000	* Commercial rate & 2019	Urban rate is not available for the year 2020
Biswasdih	278	27.58	16,06,000		26,49,900	**Industrial Rate & 2020	Industrial rate is available for the year 2020
Budiadih	280	18.45	2,64,000		22,14,300		
Tikodih	279	23.19	13,58,500		22,41,600		
Chunjka	238	19.60	6,65,500		10,98,200		
Total area		95.56					

**Reasons for taking commercial rate are as follows:-*

1. As per letter No.1205 dated 23.09.2021 circle officer Gridih furnished the land nature certificate.
2. Notification No.6156 dated 25.09.2017 of formation of Gridih Nagar Nigam (Including allotment of ward No.36 to Bhorandiha).
3. Holding tax demand by Revenue Section of GIRIDIH NAGAR NIGAM, GIRIDIH for the financial year 2019-2020 to 2021-2022
4. There is latest rate of Urban circle which is published by Dy. Registrar i.e Calender Year 2019 that is still applicable for the year 2020 or vesting date 02.03.2021

****Reasons for taking Industrial Rate & Year 2020**

1. There is latest rate of Rural circle is published by Dy. Registrar i.e Calender Year 2020.

v) The value of the land determined by land valuator is mentioned below:-

Figures in "Rs & Area in Acre"

Particulars	Amount and Area
Private Land Area	95.55 Acres
As per Fair market Value as per earlier order report	10,36,11,744/-
As per Fair market Value	43,40,37,698.91 /-
Land Value considered for payment to prior allottee (M/s CML)	43,40,37,698.91 /-

vi) The Valuation Report dated 16.12.2021 submitted by Land Value has been considered on the following grounds:-

(a) Land has valuator considered the rate in accordance with the recommendation of Asset Valuation Committee by its OM dated 16.11.2018 wherein at point 4 (i) it is provided that 'If prior allottee is able to produce tangible evidence before the Nominated Authority that the fair market value of the land on the date of the execution of vesting order was more than the said bench mark figure (i.e registered sales deed with 12% simple interest per annum), then the prior allottee ought to be entitled to the same.'

(b) The date of vesting Order is 02.03.2021, therefore, the current rates of the financial year 2020 have been considered except the rate of Bhorandiha because this area comes under urban circle and latest available rate of Urban circle Bhorandiha were issued in Financial Year 2019 which has been taken into consideration by Land Valuer.

Therefore, prior allottee is entitled for the amount of Rs.43,40,37,698.91/- as land compensation.

vii) Central Mine Planning and Design Institute Ltd. [CMPDIL] classified the list of assets provided by M/s CML as per the guidelines framed by the asset valuation committee and provided list of admissible mine infrastructure to the Office of Chief Advisor (Cost) [CAC]. Thereafter, O/o CAC undertook valuation of admissible mine infrastructure and has submitted its Report No.8811 dated August 06, 2021 (i.e. Rs. 30, 40,391/- for Brahmadiha coal mine). Determination of compensation in all cases is done based on the guidelines framed by the assets valuation committee and it may not be possible to deviate from the said guideline for any particular allottee.

4. In view of above, successful allottee, M/s. APMDC, is directed to deposit INR 33,38,26,310.91/- (for mine infrastructure INR 30,40,391/-, for Geological Note INR 3,59,965/- and for land INR 33,04,25,954.91/-) (In words :- Thirty three crore thirty eight lakh twenty six thousand three hundred ten and ninety one paise only) within fifteen days in respect of compensation of Mine Infrastructure (MI), Geological Note (GN) and Land of Brahmadiha in O/o Nominated Authority for disbursement to prior allottee to the bank account details which are as under :-

Name of the Bank	PUNJAB NATIONAL BANK (PNB)
Branch Name	Connaught Circus (0276)
Account No.	0276050414586
IFSC Code	PUNB0027620
Name of the Beneficiary	PAO, M/o Coal
MICR Code	110024773

5. In accordance with Section 27 of the Act and the judgment dated 09.03.2017, it is open to M/s Andhra Pradesh Mineral Development Corporation Limited and M/s. Castron Mining Limited to raise disputes with regard to the quantum of compensation before the Tribunal constituted under the Coal Bearing Areas (Acquisition and Development) Act, 1957.

Enclosure: - as above

1. Order dated September 02, 2021
2. letter dated September 06,2021 and October 11, 2021
3. letter dated September 26,2021
4. Email dated 22.08.2019
5. Letter dated December 16, 2021
6. Land Valuation report (email dated December 23, 2021)
7. OM dated November 16,2018


(M. NAGARAJU)

Additional Secretary & Nominated Authority

To

1. **Prior Allottee:** - M/s Castron Mining Limited, Regd. Office: 7 C, Acharya Jagdish Chandra Bose Road, P.S. Shakespeare Sarani, Kolkata - 700017 Email: castron1970@gmail.com
2. **Successful allottee :-** M/s Andhra Pradesh Mineral Development Corporation, 294 / 1D, Tadigadapa to Enikepadu 100 Ft. Road, Kanuru Village, Penamaluru Mandal, Vijayawada - 521137. Email:- apmcmd@gmail.com

Copy to:-

1. The Coal Controller, Coal Controllers' Organisation, 1, Council House Street, Kolkata.
2. U.S, CBA-II (For Kind information).
3. Sr.T.D, NIC, MOC with request to upload this on the website of MOC.