

By E-mail

F.No. NA-110/6/2017-NA
Government of India
Ministry of Coal
Nominated Authority

Room No.120, ' F-Wing', Shastri Bhawan,
New Delhi, Date: 04.06.2024

OFFICE MEMORANDUM

Subject: - Minutes of 22nd meeting of Scrutiny Committee held on 08.05.2024 to consider / examine the submissions/replies made by Successful Bidders / Allottees of the coal mines in respect of deviation from the efficiency Parameters as mentioned in the Coal Mines Development and Production Agreement/Allotment Agreement of coal mines - Circulation reg.

The undersigned is directed to refer to the subject mentioned above and to forward herewith minutes of 22nd meeting of Scrutiny Committee held on 08.05.2024 in order to examine the replies to the Show Cause Notices (for deviation from various milestones prescribed in Efficiency Parameter). The recommendations of the Scrutiny Committee will be placed before the Competent Authority in Ministry of Coal for approval.

Encl: As above.



(Rishan Rynthiang)

Under Secretary to the Govt. of India

To,

1. The Chief Secretaries of the State Government of Chhattisgarh/ West Bengal/ Jharkhand/ Odisha/ Assam/ Madhya Pradesh/Maharashtra.
2. Principal Secretaries (Mines) of the State Government of Chhattisgarh/ West Bengal/ Jharkhand/ Odisha/ Assam/ Madhya Pradesh/Maharashtra.
3. Shri Partha S. Bhattacharyya, Chairman, Scrutiny Committee and Ex-Chairman, Coal India Limited.
4. Shri N. C. Jha, Member, Ex-Chairman, Coal India Limited.
5. CMD, CMPDIL, Gondwana Place, Kanke, Road, Ranchi.
6. Coal Controller, Coal Controller Organization, Scope Minar 5th Floor, Core-2, Laxmi Nagar, Delhi- 110092.
7. Director (P&S-I/NA), Director (Tech)/NA,MoC
8. Allocattees of coal mines as per meeting notice dated: 03.05.2024

Minutes of the 22nd meeting of the Scrutiny Committee held on 08.05.2024 to consider/examine the submissions/replies of the Allottees against the Show Cause Notices for deviation from milestones mentioned in Coal Mines Development and Production Agreement.

The Chairman of the Scrutiny Committee welcomed all the members of the Committee and the participants. Mine-wise deliberation on Show Cause Notices and corresponding replies were done and the Allottees were given the opportunity to share their point of views on the show cause notices.

The list of participants is given at Annexure -I.

1. Chakla -M/s Hindalco Industries Limited (HIL)

Show Cause Notice dated 20.06.2023 for non-compliance with Milestone (MS)-3, which consists of Forest Clearance I, Forest Clearance II, Wildlife Clearance, approval under PESA and Environment Clearance and the corresponding reply of the Allottee were considered in the meeting.

Milestone for which show cause was given	Deliberation
<p>Milestone-3</p> <ol style="list-style-type: none"> 1. FC Stage –I 2. FC stage –II 3. Wildlife Clearance 4. Approval Under PESA 5. Environment Clearance <p>Due Date of MS-3 : 02.06.2023</p>	<p>O/o NA informed that the said Show Cause Notice for MS-3 and the corresponding reply were earlier considered in the 21st meeting of the Scrutiny Committee held on 07.12.2023. The Committee deferred the decision till the end of March '24 as the Allottee had assured that EC and FC stage-I would be obtained by March 2024, the next milestone (MS-4) would be completed within its due date and the mine will be operational before the scheduled date. However, MS-3 has not been completed till date.</p> <p>Regarding EC, the Allottee informed that they had applied for grant of EC on Parivesh portal in time and the proposal was considered in EAC before the scheduled timeline. MoEF&CC has recommended for grant of EC on 05.09.2023; however, grant letter is not issued for want of FC stage-I.</p> <p>Regarding FC, the Allottee informed that out of 1230.58acre vested CA land, only 422.34acre had been accepted and remaining CA land had been rejected by the state forest department due to lack of proper documentations and land record. Now, they have obtained the suitability certificate for 1268.874 acres of CA land on 26.03.2024. However, PCCF, Jharkhand stated that due to certain issues in CA land, the DFO, Latehar returned the proposal for suitability certificate. The Committee took note of it and observed that it seems that suitability for balance CA land has not yet been received. There is delay in arrangement of fresh CA land. Allottee further stated that they have started working on MS-4 before completion of MS-3 and about 200 acre land have been acquired. They reiterated to complete MS-4 and start operation in the mine before the scheduled date as assured earlier to the Committee. The Allottee also requested for another 3 months time till 31st July 24 for completion of MS-3 and assured that they would certainly obtain EC by 31st July. Office of NA informed that even if CA land was not vested, the project proponent is required to arrange fresh CA land and obtain FC within the same scheduled time, i.e., 18 months from the date of approval of the Mining Plan. O/o NA also informed that</p>

	<p>in some other cases also the earlier accepted suitability certificate for CA land has been rejected by the forest department in Jharkhand state.</p> <p>The Committee observed that not much progress is seen in completion of MS-3 milestone from the time of last meeting and the Allottee is emphasizing on completion of MS-4 and other clearances. They have not got even suitability of total required CA land and it seems that there would be further delay in completion of MS-3 against the scheduled timeline of June 2023. They have also not fulfilled the assurance given in the last meeting for completion of MS-3 by March 2024.</p>
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Observation & Recommendation: -

The Committee observed that the issue of grant of EC was earlier discussed in 21st meeting of the Scrutiny Committee wherein, the Allottee had assured to obtain EC by March 2024. The Allottee had also assured to achieve MS-4 and start operation before the scheduled timeline. Based on the deliberations, assurance of the Allottee for achievement of EC by 31st July and the comments of O/o NA and state government, the following decisions were taken:-

1. The Committee recommended for appropriation of Performance Bank Guarantee for MS-3 in case the environment clearance is not granted by 31st July 2024 and the issue will not be brought back to the Committee.
2. The Committee recommended that in case the EC is obtained by 31st July 2024, the appropriation of PBG for MS-3 would be kept on hold subject to the condition that MS-4 milestone is achieved by 02.03.2025 and mine opening permission is obtained by 02.09.2025 as assured by the Allottee. Thereafter, the matter will be put up before the Scrutiny Committee for final decision.

2. Urma Paharitola: - M/s Aurobindo Realty and Infrastructure Pvt. Ltd. (ARIPL)

Show Cause Notices dated 08.09.2022 and 02.04.2024 for delay in grant of Prospecting License, Drilling/Exploration and preparation of Geological Report and corresponding reply of the Allottee were considered in the meeting.

Show Cause	Deliberation
<p>Date- 08.09.2022</p> <p>After 15 Months upto 24 Months from the date of allocation</p> <p>MS-I</p> <p>(i) Prospecting License or Notification under section 4 of the CBA Act, 1957, as applicable</p> <p>(ii) Completion of Drilling/Exploration</p> <p>(iii) Preparation of geological report (GR)</p> <p>Due Date for first part of MS-I:- 08.09.2022 (15 months from the zero date)</p>	<p>O/o NA informed that the said Show Cause Notice for MS-1 and the corresponding reply had earlier been considered in the 19th meeting of the Scrutiny Committee held on 19.04.2023. The Committee had advised the Allottee to submit the chronological details of the efforts made by them to O/o Nominated Authority and advised the O/o NA to send the reply and the chronological details given by the Allottee to state government and seek their comment on the reply of the Allottee. Based on the reply of the state government, the Committee would take decision on the issue of MS-I. Accordingly, O/o NA sought comment of the state government on the reply of the Allottee on prospective license and GR preparation.</p> <p>The Allottee stated that the mine is spread over two districts namely Dumka and Pakur. They applied for the prospecting license (PL) to DMO, Dumka and DMO, Pakur in the month of December 2021. There was delay of 9 months in submission of the application for PL as due to Covid-19 pandemic, no state government official was cooperating in preparation of the land</p>

Due date for IInd part of MS-I:- 08.06.2023 (24 months from the zero date)

schedule. Land schedule was prepared by November 2021 and thereafter they submitted application in December 21. They regularly followed up with the district offices for an early grant of PL. The MoC also issued DO letters to the State Government for expediting the grant of PL. The land records of Pakur district is not digitized and updated since year 1926. Getting manually prepared age-old land details was time consuming. Despite best efforts, few missing land records could not be located. Many of the land records were in Bengali language. After the intervention of Ministry of Coal and with support of state government, finally land records were obtained. Prospecting License deed has been executed between AIPL and the state government on 24.04.2023. Immediately thereafter, drilling operations started and 58 boreholes have been drilled and only 6 boreholes are left. 19220 meters drilling equivalent to 88 % has been completed. The Allottee assured that the drilling would be completed within 2 months and the GR would be prepared by October 2024.

Office of NA informed that M/s ARIPL submitted only the list of letters written to State government for grant of PL but their details were not provided. There is delay of 9 months in submitting the application for PL and delay of five months in starting of drilling operation after grant of PL. However, O/o NA also stated that it is the only project where PL has been granted and drilling operation started in state of Jharkhand as far as commercial mines are concerned.

The Committee observed that even after 3 years of allocation of the mine, the GR has not been prepared. MS-I has still not been completed and it is not clear that by which time it would be completed. It is observed that 9 months time was taken in preparation of land schedule and submission of application and 8 months in cabinet approval for PL. The Committee also observed that the Allottee delayed 5 month in starting drilling after execution of PL deed.

Observation & Recommendation:-

The Committee observed that the scheduled timeline for preparation of GR is 15 months from the date of allocation i.e. 03.03.2021; however, it has not been completed till date. As per the CMDPA, in case the GR is prepared after 15 months upto 24 months from date of allocation, 25 % of PBG to be appropriated and in case GR is prepared after 24 months upto 30 months from date of allocation, additional 25 % of PBG to be appropriated. The Committee is of the opinion that the Allottee is responsible for the failure in preparation of GR during 15-24 months time period from the date of allocation. The Allottee has also given assurance that MS-I, i.e., GR preparation will be completed by 31.10.2024.

1. The Committee therefore recommended for appropriation of 25 % PBG (that is failure to achieve the MS-1 between 15-24 months) as per CMDPA,
2. The Committee further recommended for appropriation of additional 25 % PBG as per CMDPA, in case MS-1 is not completed by 31.10.2024 and the matter would not be brought back to the Committee for the further discussion. In case the MS-I is completed before 31.10.2024, the matter would again be brought before the Scrutiny Committee for decision.

3. Gondulpara: - M/s Adani Enterprises Limited (AEL)

Show Cause Notice dated 13.09.2022 for delay in approval of Mining Plan/Project Report and corresponding reply dated 27.09.2022 of the Allottee were considered in the meeting.

Show Cause	Deliberation
<p>MS-2</p> <p>i. Mining Lease Application</p> <p>ii. Submission of Mining Plan subject to the provisions of clause 15</p> <p>iii. Approval of Mining Plan/Project Report subject to the provisions of clause 15</p> <p>Show Cause Notice dated-13.09.2022</p>	<p>O/o NA informed that the said Show Cause Notice for MS-2 i.e. Mine Plan approval and the corresponding reply had earlier been considered in the 19th meeting of the Scrutiny Committee held on 19.04.2023. The Committee had advised the Allottee to submit the details of the efforts made by them for completion of this milestone and revised yearly coal production schedule in line with their assurance that the mine would be operational one year ahead of the scheduled date to O/o Nominated Authority. M/s AEL submitted the chronological details of their efforts. However, revised production schedule was not provided. The scheduled date of operationalization is 07.09.2025 and till date even the revised mining plan has not been approved.</p> <p>The Allottee informed that the vested Mining Plan was not having Mine Closure Plan (MCP). Therefore, they applied for revised Mining Plan along with MCP within 2 months of allocation of the mine on 04.05.2021. In the vested Mining Plan, 103 ha OB dumping area was shown beyond the geological boundary of the block. The Internal Committee for Mining Plan consideration advised them to give following information: (i) whether or not coal reserve is available in the 103 ha OB dumping area which is beyond the geological boundary of the block and (ii) NOC from the state government that whether mining lease will be granted for this area or not. However, due to resistance of the villagers, drilling/exploration in 103 ha OB dumping area could not be done. After numerous failed attempts, they awarded geophysical exploratory work (2D seismic survey) in OB dump area to Geophysical Services Singapore PTE Ltd under supervision of CMPDI. 2D seismic survey was completed in January 2023 and CMPDI issued certificate on 13.04.23 stating that "considering the geometry of area and occurrence of thin seam of coal at great depths, the potential mining of the same is not viable". Coal seams are thin and mining is not possible. AEL submitted certificate of CMPDI to State Govt. on 17.04.23 for issuance of NOC. Allottee informed the Committee that they are making every attempt to complete the activities.</p> <p>CMPDI stated that in the 103 ha OB dumping area outside the geological block, 30 % area is coal bearing and remaining 70 % area is non-coal bearing.</p> <p>O/o NA stated that the flexibility about whether coal seams are extractable or not is not given in the guideline of the Mining Plan. In the MoC's guideline for Mining Plan, it is mentioned as coal bearing or non-coal bearing area.</p>

Show Cause	Deliberation
	<p>The Committee observed that the Allottee should have gone for non-coal bearing area for OB dumping and thus delay in Mining Plan approval could have been avoided. Three years have already passed since the time of allocation. They had the option of either dumping of OB within the geological boundary or at non coal bearing area outside the geological boundary. The Allottee stated that non coal bearing area nearby the mine is not available and if the OB is dumped inside the block, about 45 million ton coal would be sterilized as re-handling of OB is not possible. The Committee was not satisfied with the reasons stated by the Allottee and observed that the due diligence had not been made by the Allottee to resolve this issue. Under this condition, the Scrutiny Committee finds Allottee responsible for delay in obtaining Mining Plan approval.</p>

Observation & Recommendation:

The Committee observed that the assurance given by the Allottee in the 19th meeting held on 19.04.2023 for submission of revised yearly coal production schedule to the office of Nominated Authority and their assurance that the mine would be made operational one year ahead of the scheduled date has not been fulfilled. The Committee noted that the delay was of more than two years in achievement of MS-2 milestone and still it has not been completed. The Allottee has not given satisfactory reply in its support. The basic responsibility for preparation of Mining Plan as per the guidelines of the Ministry of Coal lies with the Allottee. Even till date, they have not modified their revised plan proposal as per the guidelines. In such situation, the Committee is of the opinion that the Allottee is responsible for delay in approval of Mining Plan and thus for delay in achievement of MS-2. Therefore, the Committee recommends for appropriation of PBG as per the provision of Coal Mines Development & Production Agreement (CMDPA).

4. Tubed Coal Mine: - M/s DVC

Show Cause Notices for non-compliances with timelines of various milestones specified in Schedule E of Allotment Agreement and for deviation in the scheduled production/reaching Rated Capacity for the year 2020-21, 2021-22 & 2022-23 and their replies by M/s DVC were considered by the Scrutiny Committee. The representative of the state government and the allottee also put up their views on the issues before the Committee.

Sl. No.	Show Cause Date	Milestones for which Show Cause issued	Deliberation
1	22.03.2017	Mining Lease Application or Notification u/s 7 of CBA Act Due date- 07.01.2017	O/o NA informed that the issues were earlier considered in 13 th , 16 th , 18 th & 20 th meeting of the Scrutiny Committee held on 26.11.2020, 24.09.2021, 23.08.2022 & 27.07.2023 respectively. The O/o Nominated Authority stated that the Scrutiny Committee during its 20 th meeting held on 27.07.2023 found allottee responsible for failure in timely completion of the milestones given in the show cause notices except for delay in application for ML and application for FC, and accordingly recommended for appropriation of PBG
2	19.03.2018	Forest Clearance Application Due date-	

Sl. No.	Show Cause Date	Milestones for which Show Cause issued	Deliberation
		07.09.2017	as per the Allotment Agreement. However, in view of letters of Revenue department of state government and DVC, the competent authority has advised the Scrutiny Committee to reconsider the case.
3	13.09.2018	<ul style="list-style-type: none"> Grant of Forest Clearance Grant of Environment Clearance Due date- 07.07.2018	Chairman, DVC vide its letter dated 02.02.2024 requested MoC for not imposing penalty along with a letter dated 05.01.2024 of department of Revenue, Registration and Land reform of Govt. of Jharkhand containing their comments regarding the delay in grant of clearances. The Committee deliberated upon the contents of letter dated 05.01.2024 of department of Revenue, Registration and Land reform, Govt. of Jharkhand. It is mentioned in the letter that the delay in land compensation and R&R package approval was also due to resistance of land owners, general Lok Sabha election-2019 and Vidhan Sabha Election-2019 and Covid-19 pandemic. It is also mentioned in the letter that expected cooperation were provided by the district administration in resolving the issue. Regarding delay in grant of EC & FC, it is mentioned in the letter that re-scheduling of Public hearing & Gram Sabha were done due to resistance of villagers, local law and order issues and Covid -19 pandemic.
4	01.02.2022	Land Acquisition Due Date- 06.04.2020	
5	01.02.2022	<ul style="list-style-type: none"> Opening of Escrow Account Application for Mine opening permission Due Date- 06.05.2020	
6	01.02.2022	Grant of Mine opening permission Due date- 06.06.2020	
7	01.02.2022 & 18.05.2023	Scheduled coal production for I. FY 2020-21 II. FY 2021-22 III. FY 2022-23	<p>The representatives of DVC stated that in spite of challenges they faced in obtaining EC and FC, they have commenced coal production from the mine. They have produced 1.5 million ton coal in FY 2023-24 and assured that 4.0 million ton coal would be produced in FY 2024-25. They also assured that PRC of 6.0 MT would be achieved in FY 2025-26.</p> <p>The Committee deliberated upon the reply of DVC and the letter from the state government and observed that the due date for grant of EC and FC is 07.07.2018 while the reply of state government and allottee is focused on the events such as Lok sabha election, Vidhan Sabha election, Covid-19 pandemic etc. which have happened after the due date of grant of EC and FC. There is no clarity regarding the quantum of delay due to reasons given by the state government. Satisfactory reasons for the delay in grant of EC and FC before the scheduled date have not been presented before the Committee. The allottee has not bought any new fact before the Committee from the time when the issues were deliberated in the 20th meeting held on 27.07.2023.</p>

Observation & Recommendation: -

In view of letter received from the State Government of Jharkhand and facts presented by M/s DVC before the Committee, the following recommendations were given by the Committee.

1. As recommended by the Committee in its 20th meeting, penalty should not be imposed for delay in submission of application for grant of ML and for delay in submission of application for grant of Forest clearance.
2. Further, no new facts have been brought to light before the Committee regarding delay in grant of Environment Clearance and Forest Clearance. In the reply of the State government, there is no clarity about the quantum of delay for which the Allottee is not responsible and the reply is focussed on the events which happened after the due date of grant of EC and FC. Therefore, the Committee recommended that the penalty imposed by the 20th Scrutiny Committee for delay in grant of Environment Clearance and Forest Clearance is upheld.
3. The Committee observed that coal production has commenced and 1.5 MT has been produced in FY 24. The Allottee has also assured that 4.0 MT will be produced in FY 25 and 6.0 MT i.e. PRC will be produced in FY 26. Based on the assurances given by the Allottee, the Scrutiny Committee recommended that decision on Efficiency Parameters specified at Sl. No. 4 to 7 of the table above i.e. Land Acquisition, Opening of Escrow Account, Application for Mine opening permission, Mine opening permission, Scheduled coal production for FY 2020-21, FY 2021-22 and FY 2022-23 be kept in abeyance. The decision on these issues will be taken later after seeing whether the commitment made by DVC for production for FY 25 and FY 26 is fulfilled or not.

5. Kerandari: - M/s NTPC Mining Limited

Show Cause Notices dated 17.07.2017, 19.12.2019, 27.05.2022 and 18.05.2023 for delay in grant of Forest Clearance, Application for Mine Opening Permission, Mine Opening Permission and coal production for FY 2019-20, FY 2020-21, FY 2021-22 and FY 2022-23 and the corresponding replies of M/s NTPC were considered by the Scrutiny Committee.

Sl. No.	Show Cause Date	Milestones for which Show Cause issued	Deliberation
1	17.07.2017	Grant of Forest Clearance	O/o NA informed that the issues were earlier considered in 09 th , 10 th , 12 th , 18 th & 21 st meeting of the Scrutiny Committee held on 13.12.2019, 05/06.02.2020, 24.09.2020, 23.08.2022 & 07.12.2023 respectively. In the 21 st meeting held on 07.12.2023, the Committee advised Allottee to submit chronological details of the efforts made for grant of FC-II and Mine Opening Permission to O/o NA with a copy to Director (Mines), Jharkhand govt. The Committee also advised O/o NA to seek comment of the State Govt. on the reply of the Allottee.
2	19.12.2019	<ul style="list-style-type: none"> • Application for Mine Opening Permission • Grant of Mine Opening Permission 	
3	27.05.2022	Schedule of production for <ul style="list-style-type: none"> • FY 2019-20; • FY 2020-21 & • FY 2021-22 	O/o NA informed that as per the recommendation of the Committee, comment was sought on the reply of the Allottee from the state forest department. State Forest Department vide its letter dated 27.03.2024 and enclosing letter dated 05.02.2024 of DFO, Hazaribagh (West) informed that there was no delay at their end in issuing demand note in giving permission for tree cutting and in

4	18.05.2023	Schedule of production for FY 2022-23	<p>transfer of forest land as claimed by the Allottee and the delay was due to failure of Allottee in completion of the compliances of the conditions for FC-I and FC-II..</p> <p>The Committee observed that the replies to the Show Cause Notices submitted by M/s NTPC Ltd. have already been examined in previous meetings of the Scrutiny Committee and the decision was deferred for want of comment of state forest department. Now, the State Government vide its letter dated 27.03.2024 has intimated that there was no delay at their end and the project proponent caused delay in submission of compliances for FC Stage I & II.</p> <p>The Allottee disagreed with the comment of state government and stated that though the FC-II was granted on 28.08.2019, the state government transferred the forest land to them on 23.12.2021 and accorded the tree cutting permission on 08.03.2022 after a gap of more than three years and this mainly delayed the operationalization of the coal mine. The Allottee further stated that as and when demand note for differential amount was issued, they made the payment immediately. The Allottee also requested the Committee to give them an opportunity to share the documents/correspondences with the state forest department regarding the efforts made by them with request to revisit their reply to MoC.</p> <p>Committee observed that the state forest department is not agreeing with the reply of the NTPC. In view of the request of the Allottee, a one-time opportunity may be given to them to take up the issue with state forest department. Also, one of the members of the Committee highlighted that going by the chronological details of the events, it seems that there is abnormal delay in giving permission for tree cutting and in such case what the Allottee can do.</p> <p>Regarding shortfall in coal production, the Allottee stated that after grant of FC-II on 28.08.2019, they floated tender four times for appointment of MDO. Two no. of NITS for MDO were annulled due to poor response of bidders, one annulled due to very high rate. Finally, MDO was appointed on 01.02.2023.</p> <p>O/o NA stated that the appointment of MDO is the sole responsibility of the Allottee as no government agency is involved in the process. The Committee also agreed with this point of view.</p>
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Observation & Recommendation: -

Based on the reply of the Allottee, it is observed that forest land was transferred to NTPC on 23.12.2021 and tree cutting permission was granted on 08.03.2022 while FC-II was granted on 28.08.2019. Though, the state forest department stated that the Allottee delayed in submitting the compliances of the conditions of FC-I and FC-II, the Scrutiny Committee is of the view that the entire delay in grant of FC may not be attributable to the Allottee. In view of the objections

raised by NTPC on the comment of the state forest department, the Committee asked NTPC to approach the state forest department and seek revised comments from them in the matter.

Further, the Committee observed that commencement of coal production also got delayed due to delay in appointment of MDO and the Allottee is solely responsible for delay in appointment of MDO.

The following recommendations were given by the Committee:-

1. Penalty should be imposed for non-compliance with scheduled production for FY 2021-22 and FY 2022-23 as per the condition of Allotment agreement as there was delay in appointment of MDO by the Allottee and for which they are solely responsible.
2. For remaining milestones i.e. Grant of FC, Application for Mine Opening Permission, Grant of Mine Opening Permission, Schedule of production for FY 2019-20 & FY 2020-21, the Committee recommended to keep the decision in abeyance for want of revised comment of state forest department if any. The Committee will consider these issues in next meeting based on the revised comment of forest department.

6. Bikram Coal mine: - M/s Birla Corporation Limited

Show cause notice dated 05.09.2022 for the delay in grant of FC Stage-II, Wildlife Clearance and approval under PESA and the corresponding reply of the Allottee were considered in the meeting.

Show Cause	Deliberations
<p>For delay in Grant of FC Stage-II, Wildlife Clearance and approval under PESA Due date: 10.08.2022, Actual date: Still pending.</p>	<p>The Office of the Nominated Authority apprised the Committee that the matter had been previously deliberated upon in the 19th, 20th and 21st Scrutiny Committee meetings convened on April 19/20, 2023, July 27/28, 2023 and December 07/08, 2023 respectively. During the 21st Scrutiny Committee meeting, the Committee noted that several relaxation and additional time had been given in previous meetings. However, considering the progress achieved, the Committee deferred the decision for another two months subject to an undertaking by the Allottee for securing the FC Stage-II within 2 months and operationalisation of the mine by the scheduled time i.e. 10.11.2024.</p> <p>The Allottee informed that they are in the final stage of getting FC Stage-II as out of 114 ha of land only the transfer of 2.5 ha of land is pending. The approval for transfer of balance 2.5 ha land has also been given by MoEF&CC, however, the transfer of land is pending due to imposition of model code of conduct. Allottee affirmed that they would operationalize the mine within the scheduled time as approach road, office, CTO and all other necessary things are in place. They will also achieve the scheduled production target for the first year.</p> <p>Office of NA informed that extension has been already given for three times by the Committee based on their assurances. Furthermore, the arrangement of CA land is mainly the responsibility of the Allottee themselves and government of Madhya Pradesh has always supported companies in arrangement of CA land.</p> <p>Representative of forest department informed that the delay has occurred due to mismatch in DSS data of MoEF&CC, State Forest department and revenue department.</p> <p>Allottee informed that the delay has happened mainly due to a discrepancy in land records between the State Government and the DSS Survey, resulting in the rejection of a part of CA land. Representative of forest department agreed that there was mismatch in DSS data of MoEF&CC,</p>

	<p>State Forest department and revenue department.</p> <p>Allottee stated that, now all the issues are resolved and FC-II will also be with them after the general election of Lok Sabha.</p> <p>The Committee observed that, based on their assurance, extension in timeline for this milestone were given several time by the Committee, however, due to one or another reason they have failed to complete within the given timeline. Almost one year has passed from the time of first extension. It is difficult to give further extension in timeline. The Allottee made commitment that this time they will certainly get FC stage-II by end of June 2024 and start mining before the scheduled date.</p>
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Observation & Recommendation: -

The Committee noted that all compliances have been done by the Allottee. Transfer of forest land is expected once the model code of conduct is over after the general election of the Lok Sabha. In view of the commitment given by the Allottee for achievement of this milestone including FC-II by end of June 2024 and starting of mining before the scheduled date of operationalization i.e., 10.11.2024, the Committee recommended for keeping the decision in abeyance till 30.06.2024. The Committee also recommended for appropriation of PBG in case this milestone is not achieved by 30.06.2024 and in such case the matter will not be again brought back before the Committee.

7. Sial Ghoghri Coal mine: - M/s RCCPL Private Limited

Show cause notices dated 03.12.2019, 09.09.2020 and 31.08.2021 for shortfall in coal production in FY 2017-18, 2018-19, 2019-20 and 2020-21 and the corresponding replies of the Allottee were considered in the meeting.

Show Cause	Deliberations
<p>For Shortfall in Coal Production in FY 2017-18, 18-19 ,19-20 and 20-21</p> <p>2017-18: Target : 0.3MT Actual: 0.063 MT</p> <p>2018-19: Target : 0.3MT Actual: 0.10 MT</p> <p>2019-20: Target : 0.3MT Actual: 0.182 MT</p> <p>2020-21: Target : 0.2MT Actual: 0.172 MT</p>	<p>The office of the Nominated Authority apprised the Committee that the show cause notices dated 03.12.2019 and 09.09.2020 for shortfall in coal production in FY 2017-18, 2018-19, and 2019-20 were earlier considered in the 12th and 16th meetings of the Scrutiny Committee. The Committee had kept the decision in abeyance as production is contingent upon Mining Plan revision which is an issue sub-judice. However, as there is no injunction or adverse order of the court against the Ministry these show cause notices can be considered by the Committee.</p> <p>The O/o NA also apprised the Committee that earlier the Scrutiny Committee recommended for imposition of penalty for shortfall in coal production for FY 2016-17 and accordingly BG was duly appropriated. The Allottee approached tribunal against the said decision wherein the Hon'ble Tribunal did not give any relief to them. Thereafter, the Allottee approached the Hon'ble High Court against the decision of the tribunal, however, court has not yet given any order to the Ministry.</p> <p>Committee enquired from the Allottee about the current status of coal production and reasons for shortfall in coal production in FY 2017-18, 2018-19, 2019-20 & 2020-21.</p> <p>The Allottee stated that in FY 2022-23 they have achieved the PRC of the coal mine and currently the production is going on at full capacity. The</p>

	<p>mine has been declared as schedule-II mine while at the time of allocation of the mine, proper infrastructure was not in place in order to achieve the scheduled coal production from the mine. After the allocation of mine in year 2015, lots of time was consumed in establishment of infrastructure as it is underground mine, due to which the target could not be achieved in the early years of production. The coal production has continuously increased from FY 2016-17 onwards and reached PRC in FY 2022-23. Mining operations were halted due to prohibition order of DGMS for significant periods of FY 16 and FY17.</p> <p>Committee observed that due diligence should have been done by the Allottee to evict the prohibition order of DGMS and to establish infrastructure for early start of production. They should have revised the Mining Plan in the beginning itself and it might have saved their time in starting mining. Committee is of the view that the Allottee itself is responsible for the shortfall in production and for this no other central or state government agency is responsible.</p>
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Observation & Recommendation: -

The Committee observed that about 20%, 34.45%, 60.66% and 86% of the scheduled production target of FY 2017-18, 2018-19, 2019-20 and 2020-21 respectively were achieved by the Allottee. Further, the Committee also noted that penalty had already been imposed for shortfall in coal production for FY 2016-17. The development of infrastructure, preparation of revised Mining Plan and eviction of prohibition order is entirely the responsibility of the Allottee. The reasons given by the Allottee for shortfall in production for FY 2017-18, FY18-19 and FY19-20 are not satisfactory and the Committee, therefore, recommended for appropriation of PBG for these years. However, they have achieved more than 80 % of the production target in FY 2020-21, therefore the Committee recommended for not imposing any penalty for the shortfall in production in FY 2020-21.

8. Bicharpur Coal mine: - M/s Ultratech Cement Limited

Show cause notices dated 12.08.2022 and 05.06.2023 for shortfall in coal production in FY 2021-22 and 2022-23 respectively and the corresponding replies of the Allottee were considered in the meeting.

Show Cause	Deliberations
<p>For Shortfall in Coal Production in FY 2021-22 and 2022-23</p> <p>2021-22: Target : 0.75MT Actual: 0.021 MT</p> <p>2022-23: Target : 0.75MT Actual: 0.36 MT</p>	<p>The office of the Nominated Authority apprised the Committee that the show cause notice dated 12.08.2022 for shortfall in coal production in FY 2021-22 was placed before the 19th meeting of the Scrutiny Committee held on 19.04.2023. On assurance of the Allottee, the Committee had directed them to give a written commitment to the O/o NA for achieving the full capacity of 0.75 MTPA in FY 2023-2024 and till that time the decision on the above-mentioned show cause notice was kept in abeyance.</p> <p>The Committee enquired about the production in FY 2023-24. It was informed that PRC of 0.75 MT has been achieved in FY 2023-24 and commitment given earlier to the Committee has been fulfilled.</p> <p>The Allottee stated that the Committee had earlier considered the show cause notices for shortfall in coal production till year FY 2020-21 and the Committee accepted their reasoning and recommended for not imposing any penalty and accordingly penalty was not imposed on them for shortfall in production till FY 21. M/s UTCL has invested significantly in the mine</p>

	and remains committed for optimum production from this mine to fulfill their captive requirement. The Allottee stated that as per the approved mining plan, the first 2years i.e. FY 21 and FY 22 are for the development of the UG mine and the production is scheduled to commence from FY 2022-23 with a production target of 0.25 MT and they achieved 0.36 MT. Despite various challenges they faced, including legal and administrative hurdles, they started production in FY 23. They fulfilled the commitment given in 19 th meeting of the Scrutiny Committee and achieved the peak rated capacity of 0.75 MT coal in FY 2023-24.
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Observation & Recommendation: -

The Committee observed that the peak rated capacity of 0.75 MT has been achieved in FY 2023-24 as per the written commitment given in the 19th Scrutiny Committee meeting. The reply given by the Allottee against the show notices are found to be satisfactory and therefore the Committee recommended for not imposing any penalty for shortfall in coal production in FY 2021-22 and FY 2022-23.

9. Chandrabila:- M/s Tamil Nadu Generation and Distribution Corporation Ltd. (TANGEDCO)

It was informed to Committee that after recommendation of 19th Scrutiny Committee meeting, appropriation order for appropriation of 87% of BG was issued on 22.08.2023. Thereafter, TANGEDCO terminated the block vide letter dated 02.01.2024 as per article 25.3 of Allotment Agreement and requested to release the Bank Guarantee in accordance of terms of agreement. The Committee was informed that the matter of appropriation of 87% BG is sub-judice and matter of release of remaining 13% of BG is contradictory to appropriation order dated 22.08.2023. The Committee was also informed that the BG submitted by TANGEDCO has lapsed on 24.04.2024. The Allottee informed that they have already terminated the agreement and they will not re-validate the BG.

Observation & Recommendation: -

Chandrabila coal block came up for discussion in the Scrutiny Committee meeting. It was noted that the matter was deliberated in 19th Scrutiny Committee meeting held on 19/20.04.2023. The Committee was of the view that the explanation given by the Allottee for delay of various milestones was not sufficient and the Committee was not satisfied with their reply. The Committee was of the opinion that the team of TANGEDCO involved for obtaining clearances was not competent enough to take appropriate steps for achievement of milestones. The Committee found the Allottee responsible for delay in achievement of various milestones within the scheduled timeline. Accordingly, the Committee had then recommended for appropriation of PBG for different clearances as per the provision of Allotment agreement. As per the Allotment agreement, 87% of the total PBG is to be appropriated. It has now come to the notice of the Committee that TANGEDCO has afterwards requested for surrender of the block as per the article 25.3 of the Agreement. As per the existing provision, in such cases the performance security should be released. It is also observed that the order for appropriation of 87% of BG has been contested by TANGEDCO and the Hon'ble High Court of Madras has given stay order against the order issued for appropriation of PBG.

The Scrutiny Committee upon examining the case in totality came to the conclusion that since the order for appropriation of PBG is sub-judice, MoC should wait for decision of Hon'ble Court before taking decision on the issue of termination of allocation of the coal block. The Committee also took note of the fact that BG has expired and the ministry is presently not having valid BG and therefore the Committee cannot take any decision on this issue.

List of participants:

Members of the Scrutiny Committee and State Govt. representatives:

S.N.	Name	Designation
1.	Shri P. S. Bhattacharya	Chairman of the Committee, Ex-Chairman, CIL
2.	Shri N. C. Jha	Member, Ex Chairman, CIL
3.	Shri Ved Pakash Kamboj	Deputy Director, Forest Department, Govt. of Jharkhand
4.	Shri Rajesh Kumar	Assistant Mining Officer, Mines & Geology Department, Govt. of Jharkhand
5.	Shri H S Mohanta	Nodal Officer, Govt. of Madhya Pradesh
6.	Shri Anup Mishra	Director(Mine), Madhya Pradesh
5.	Shri C. Patra	GM, CMPDIL
6.	Shri Ashish Verma	Office of CCO

Ministry of Coal:-

S.N.	Name	Designation
1	Shri Ajitesh Kumar	Director(NA)
2.	Shri MarapallyVenkateshwarlu	Director (Tech.)/ NA
3.	Shri Jitendra Kumar	Chief Manager, O/o NA
4	Shri Komirineni Venkateshwarlu	Additional Manager, O/o NA
5	Shri Harishchand	Manager, O/o NA
6	Ms Harpreet Kaur	Manager, O/o NA
7	Management Analysts, O/o NA	

Allottees:

S.N.	Name	Company
1.	Shri Vivek Mishra (Joint President)	Joint President, Hindalco Industries Limited
2.	Dr. Vinod k Verma (Sr Vice President)	Sr Vice President, Hindalco Industries Limited
3.	Ms. Sumita Singh (General Manager)	General Manager, Hindalco Industries Limited
4.	Md froz Ali	Cluster Head, Adani Enterprises Limited
5.	Shri ShantoMukharjee	Head Mine Plaining, Adani Enterprises Limited
6.	Shri Rakesh Kumar	Contract Administrator, Adani Enterprises Limited
7.	Shri Vivek Shukla	General Manager, Adani Enterprises Limited
8.	Mr M Gopal Reddy	General Manager and project head, M/s Aurobindo Realty and Infrastructure Pvt. Ltd.
9.	Shri Rajesh Kumar Chaudhary	Sr. advisor, M/s Aurobindo Realty and Infrastructure Pvt. Ltd.
10	Shri Satya Narayan Meena	Head Business Development, M/s Aurobindo Realty and Infrastructure Pvt. Ltd.

11	Shri Shiv Prasad	GM, NTPC
12	Shri RajuNallabheem	DGM,NTPC
13	Shri M Raghuram	Member (Technical), DVC
14	Shri J K Mandiye	ED, DVC
15	Shri S Chandrasekhar	Consultant, DVC
16	Shri B S Chaudhary	VP(Mines), Birla corporation Ltd
17	Shri Tamal Pal	Joint President (Corporate strategy), BCL
18	Shri Debashis Chaudhary	Vice President, BCL
19	Shri Ajit Ostwal	M/s Ultratech Cement Ltd (UTCL)
20	Shri Syed Khadry	
21	Dr Vinod K Verma	
22	Ms Sumita Singh	
23	Representatives of TANGEDCO	
