

SEEKING OF EXPLANATION

By Speed Post

No. 38039/14/2008-CA-I
Government of India
Ministry of Coal

New Delhi, dated 1st January 2014

To,
M/s Goa Industrial Development Corporation,
Plot No. 13A-2, EDC Complex, Patto Plaza,
Panaji, Goa - 403001.

Subject: Seeking of explanation from M/s Goa Industrial Development Corporation in respect of Gare Pelma Sector-III Coal block - regarding.

Sir,

I am directed to refer to this Ministry's letter of even number dated 12.11.2008 conveying allocation of **Gare Pelma Sector-III coal block** in pursuance of the provisions contained in Section 3(3)(a)(i) of the Coal Mines (Nationalisation) 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 preparation of Geological Report. The end-use project schedule and the coal mine development schedule should be modified accordingly and submitted to the Ministry within 6 months from the date of allocation. Any violation of the conditions imposed in allocation in mining of coal from the block will render the mining lease liable for cancellation and withdrawal of allocation.


2. In order to expedite the development of the coal blocks, review meetings were held from time to time. In the review meeting held on 11/12.01.2012, it was noticed that production from **Gare Pelma Sector-III** coal block allocated to the company would be started in the year 2011-2012 or in the near future as per the indicated schedule. It was the recommendation of the Committee that the allocatee of **Gare Pelma Sector-III** coal block be advised to start mining/coal production in 2011-12 or as per the indicated schedule of production failing which appropriate action would be initiated.

3. In the meantime, the Government has constituted an Inter-Ministerial Group (IMG) on 21.06.2012 under the Chairmanship of Additional Secretary, Ministry of Coal having members from Ministry/Department of Power, Steel, Industrial Policy & Promotion, Legal Affairs and Economic Affairs. IMG has 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 22nd meeting held on 23.10.2013 *inter alia* considered the status of the development of **Gare Pelma**



Sector-III coal block prepared by the Coal Controller's Organisation (CCO) as on June, 2013 and noted that there is slow progress in the development of the block and recommended to seek explanation from the allocatee. The details of milestones to be achieved and the time lapsed against each milestone, as reported by the Office of Coal Controller, are given in the table below:

Mile Stones	Schedule date of Completion	Actual date of Completion	Slippage in YY/MM (as on June 13)	Remarks	Special Observation
Purchase of GR	27.12.2008 (27 Months)	16.3.2009	3 Months		
Submission of Bank Guarantee	12.2.2009 (3 months from DOA)	9.2.2009	-		
Mining Lease Application	12.2.2009 (3 months from GR preparation)	29.5.2009	3 Months	Mining Lease: 639.10 Ha. Forest:139.72 Ha & Revenue: 441.37 Ha)	
Submission of Mining Plan	12.5.2009 (6 months)	14.9.2009	4 Months		
Approval of Mining Plan	12.7.2009 (8 Months)	17.5.2010	10 Months		
Application of Previous approval	12.9.2009 (10 months)	29.3.2010	6 Months		
Granting of Previous approval	12.10.2009 (11 months)	31.5.2011	1Yr 7 Months		
Application of Forest clearance	12.11.2009 (12 months)	6.4.2010	-		
Grant of Forest Clearance	12.5.2010 (18 months)	Pending	2Yrs 10 Months	Stg-I FC granted on 11.4.2011	MOEF raised some short coming in compliance of Stg_I clearance. Compliance of shortcoming submitted to DFO on 10.4.13. CCF (Nodal), Raipur forwarded the


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					same to Sr. AIG (FC) on 4.6.13.
Application EMP Clearance	12.11.2009 (12 months)	25.5.2009	-	PH held on 25.5.2009. TOR granted. EAC members sought information on washery process, middlings utilization and action plan. EAC review meeting clarified all issues on 17.9.12. MOEF on 1.2.13 written MOC/MOP seeking clarification new policy of washery product.	
Grant of EMP Clearance	12.5.2010 (18 months)	23.5.2013	3 Yrs	MOEF granted EMP clearance from MOEF.	
Grant of Mining Lease	12.11.2010 (24 months)	Pending	2Yrs 4 Months	ML is pending at Govt of CG.	
Application of Land Acquisition	12.6.2010 (19 months)	13.1.2010	-	Land compensation amount deposited on 22.12.11. Disbursement is in progress.	Total land: 714.35Ha. Forest : 207.12 Ha. Pvt land: -461.00 Ha.
Completion of Land Acquisition	12.11.2011 (36 months)	Pending	1Yr 4 Months		
Application for opening permission	12.3.2012 (40 Months)	Pending	1Yr		
Grant of Opening permission	12.4.2013 (41 months)	Pending	-		
Coal Production	12.5.2013 (42 Months)	Pending	--	OC mine with forest land involved.	

Keeping in view the slow progress, IMG recommended to seek explanation for slow progress 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 **explain**, on each milestone separately to this Ministry within a period of **20 days** from the date of issue of this letter, the reasons for the slow progress as well as the efforts made by you in development of the coal block, failing which it would be presumed that your company has no explanation to offer and action as appropriate would be taken.

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,



(S.K. Shahi)
Director
Tel: 23382807

Copy to:

(i) The Coal Controller, Coal Controller Organisation, 1- Council House Street, Kolkata.

(ii) NIC, Ministry of Coal for uploading the letter on Ministry's website.