

To: 01126492938

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No. 43011-B-2004-CPAM  
Government of India  
Ministry of Coal

To

New Delhi, the 9th Oct, 2006.

Chairman cum Managing Director  
Singareni Collieries Co. Ltd.  
Kothagudem Collieries  
P.O Kothagudem  
Andhra Pradesh

Subject: Shantikhami Longwall Project of SCCL of 1.167 Mty  
capacity - sanction for

Sir,

In terms of clause 9(b) of the agreement dated 31/3/85 between the Singareni Collieries Company Limited and Govt. of Andhra Pradesh on the one hand and Central Govt and Coal India Limited on the other hand, the President is pleased to sanction :-

(i) the proposal of Shantikhami Longwall Project of SCCL for a coal production capacity of 1.167 Mty and net capital requirement of Rs. 249.03 crores (Rupees two hundred and forty nine crores and three lakhs only) after accounting for the revenues projected to be generated during construction of the project and the related capitalization and for a total outlay of Rs. 306.39 crores (Rupees three hundred and six crores and thirty nine lakhs).

(ii) flexibility in the implementation stage within the approved cost estimates to respond to improvements in technology and equipments which would result in improved profitability and productivity parameters.

2. The project will be funded from the internal resources of the company as well as loan capital.

3. The break up of the capital investment of the Shantikhami Longwall Project of 1.167 Mty is given below:

Sl. No.	Particulars	(Amount in Rs Crores)
1	Land	Capital Investment
2	Prospecting and Drilling	0.08
3	Cost of Buildings	10.81
4	Plant & Equipment	4.60
5	Technical services	253.48
		2.65

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6	Furniture and Fixtures	0.32
7	Vehicles	0.54
8	Environment related cost	0.50
9	Development	30.90
10	Interest During Construction (IDC)	2.50
11	Revenue Expenditure Capitalised (REC)	-57.35
	Net Capital (11 + 12)	249.03

4. Other Parameters of the Shantikhani Longwall Project of 1.167 Mty capacity are given below:-

- Year of achieving target production- 5th Year from date of sanction
- Manpower (Nos)- 821
- Output per Manshift (OMS) - 5.96 tonnes

5. Year wise phasing of the estimated capital cost is furnished below:-

(Rs. Crores)

Year	PS*	1	2	3	4	5	Total
Net capital	10.98	23.89	93.46	17.67	93.90	9.13	249.03

\* PS - Pre-Sanction

6. Year-wise phasing of coal production is furnished below:-

( Million tonnes)

Year	1	2	3	4	5
Production	.	0.128	0.333	0.731	1.316

7. Commencing from the next month, this project should be included in the progress reports to be submitted by the company to the Ministry and other agencies as part of the Management Information System.

8. The present approval is based on the cost estimates submitted by the coal company for consideration, to the Ministry as per the decision taken by the Public Investment Board in its meeting held on 24.4.2008. The guidelines contained in Ministry of Finance O.M. No.1(2)/PF-II/2003 dated 7.05.2003 circulated vide this Ministry's letter No.43011/13/2003-CPAM dated 29.09.2003 are to be strictly adhered to.



9. This issues with the approval of Integrated Finance Division.

Yours faithfully,



(D.N. Prasad)

Director ( Technical)

(For and on behalf of the President of India)

Copy to :

- 1 The Cabinet Sectt., Rashtrapati Bhawan, New Delhi w.r.t. their Memo No. CCEA/32/2006 (2) dated 26.9.2006.
- 2 Secretary (Expenditure), Deptt. of Expenditure, Ministry of Finance, New Delhi.
- 3 Secretary, Ministry of Power Shram Shakti Bhawan, New Delhi.
- 4 Secretary, Dept of Economic Affairs, Ministry of Finance, New Delhi.
- 5 Adviser (Energy), Planning Commission, Yojana Bhawan, New Delhi.
- 6 Adviser (PAMD), Planning Commission, Yojana Bhawan, New Delhi.
- 7 Adviser (Transport), Planning Commission, Yojana Bhawan, New Delhi.
- 8 Secretary, Ministry of Statistics and Programme Implementation, Sardar Patel Bhawan, New Delhi.
- 9 Chairman-cum-Managing Director, SCCL, Kothagudem Collieries, Distt. Khamsama Andhra Pradesh ( with 5 spare copies)
- 10 Dy. Controller of Accounts, Ministry of Coal, New Delhi.
- 11 Principal Director of Coal, Ministry of Coal & Service Ministry, AQCR Building, New Delhi.

Copy also to :

- 1 PS to Miniater (Coal)
- 2 PS to MOS (Coal )
- 3 Sr. PPS to Secretary (Coal)
- 4 US (Admn.) for month
- 5 Sanction folder



(D.N. Prasad)

Director ( Technical)

(For and on behalf of the President of India)

*Attested*  
*Prasad*

**General Manager**  
**The Singareni Collieries Co. Ltd**  
**MANDAMARRI**  
**P.O. KALYANI KHANI-504 231**  
**Dist. Adilabad.(A.P)**

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No.13016-12-97-CA  
Government of India  
Ministry of Mines & Minerals ✓  
Department of Coal

New Delhi, dated the 30<sup>th</sup> November, 1999

To

Shri A P V N Sarma  
Chairman/Managing Director  
Sigareni Collieries Company Ltd.  
Kothagudem  
Andhra Pradesh

*Dir (PALS)*

3416  
20.12.99

**Subject: Approval of mining plan in respect of Shantikhani Extension block of Singareni Collieries Company Ltd.**

Sir,

I am directed to refer to your office letter No.EM/ML/3/95 dated 1.7.98 on the subject mentioned above and to convey the approval of the Central Government under Section 5(2)(b) of the Mines & Minerals (Regulation & Development) Act, 1957, to the mining plan for Shantikhani Extension block submitted by the Singareni Collieries Company Ltd.

2. Two copies of the approved mining plan are returned herewith. A copy of the approved mining plan may be submitted to the Government of Andhra Pradesh along with the SCCL application for grant of mining lease.

Yours faithfully,

*(A. Banerji)*  
Director

Encl: As above



*Attended*  
*Prasad*  
**GENERAL MANAGER  
MANDAMARRI**

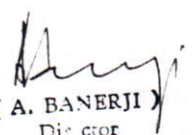
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*for no.*  
*for 20/12/99*



**MINING PLAN**  
**RULE 22 (3) OF**  
**MINERAL CONCESSION (AMENDMENT) RULES, 1937**  
**FOR THE GRANT OF MINING LEASE**  
**FOR**  
**SHANTIKHANI EXTENSION BLOCK**  
**(BELAMPALLI AREA)**

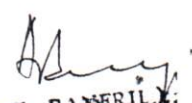
APPROVED MINING PLAN

APPROVED MINING PLAN

  
(A. BANERJI)  
Director  
Ministry of Mines & Minerals  
Department of Coal  
Govt. of India, New Delhi



29.11.99

  
अतनु वेतन A. BANERJI  
Director  
Ministry of Mines & Minerals  
Department of Coal  
Govt. of India, New Delhi  
कोयला मंत्रालय  
नई दिल्ली / New Delhi 29.11.99

**THE SINGARENI COLLIERIES COMPANY LIMITED**  
(A GOVERNMENT COMPANY)

DEPARTMENT OF PROJECT PLANNING  
P. O. KOTHAGUDEM COLLIERIES - 507 101  
KHAMMAM DISTRICT : : ANDHRA PRADESH

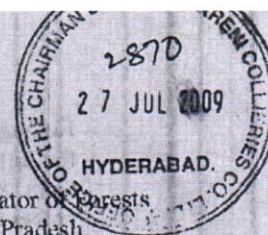
JUNE, 1998.



GOVERNMENT OF ANDHRA PRADESH  
FOREST DEPARTMENT

Proceedings No. 34395/07-F1  
Dated:-22-07-2009.

Office of the Prl. Chief Conservator of Forests  
(Head of Forest Force), Andhra Pradesh,  
Arayan Bhavan, Saifabad, Hyderabad.



Present: Sri C.Siva Sanakara Reddy, I.F.S.,  
Prl. Chief Conservator of Forests  
(Head of Forest Force)

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Sub: Proposal seeking permission for Survey, Investigation & Drilling of  
19 Bore holes in 3-Compartments of Bellampalli RF, of Bellampalli  
Division for prospecting for detailed exploration in Sahthi Khani  
Long Wall Coal Block by SCCL - Reg.,

- Ref: 1- Chief of Exploration, SCCL, Kothagudem Ref.No.CRP/EXP/B-  
37/123 dt.2.2.09  
2- Chief of Exploration, SCCL, Kothagudem Ref.No.CRP/EXP/B-  
37/165 dt.12.2.09  
3- Conservator of Forests, Adilabad Ro.No.7580/07/M6 Dt.11-5-09  
4- Chief of Exploration, SCCL, Kothagudem Lr.No.CRP/EXP/B-  
37/630 dt.28.5.09  
5- Chief of Exploration, SCCL, Kothagudem Lr.No.CRP/EXP/B-  
37/678 dt.9.6.09

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Chief of Exploration  
29/7/09

The 'Chief' of Exploration, Singareni Collieries Co. Ltd.,  
Kothagudem has furnished a proposal vide references 1<sup>st</sup> & 2<sup>nd</sup> cited,  
requesting for according permission for Survey, Investigation & Drilling of  
(22) Bore holes in 3-Compartments of Bellampalli RF, of Bellampalli  
Division for prospecting for detailed exploration in Sahthi Khani Long  
Wall Coal Block.

The said proposal duly examined by the Divisional Forest Officer,  
Bellampalli & thereafter by the Conservator of Forests, Adilabad has been  
re-submitted to the Prl. Chief Conservator of Forests vide reference 3<sup>rd</sup>  
cited & has been recommended for consideration.

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As per the information furnished in Part-I of the proposal, the  
Singareni Collieries Company Limited (SCCL), is a Government Company  
jointly owned by both the State and Central Governments. This is the only  
Coal Mining Company in South India entrusted with the task of mining and  
supplying coal to meet the energy needs of various industries in South  
India. The mining operations of SCCL are mainly spread over in 4 districts  
viz. Khammam, Warangal, Karimnagar and Adilabad of Andhra Pradesh  
State. For this work, the SCCL proposes to take up detailed coal  
exploration during XI plan i.e., 2007-08 to 2011-12 in Sahthi Khani Long  
Wall Coal Block located in Bellampalli Forest Division.



As per the information furnished in Part-II of the proposal, the  
proposed area does not form part of National Park, wildlife sanctuary,  
biosphere reserve, tiger reserve, elephant corridor, etc., no rare / endangered  
unique species of flora and fauna are found in the area, no protected  
archaeological heritage sites / defence establishment or any other important  
monument is located in the area & no work in violation of the Act has been  
carried out.

29/7/09



The Chief of Exploration, Singareni Collieries Co. Ltd., Kothagudem vide references 4<sup>th</sup> & 5<sup>th</sup> cited, requested to accord permission for drilling of 19-Boreholes only, as against 22-boreholes applied for by them & given firm commitment that no tree will be felled during the process, no infrastructure will be constructed & that the proposed drilling of boreholes is intended for underground mining.

After careful examination of the issue keeping in view of the compulsion of requirement of Singareni Collieries Co. Ltd., & guidelines issued by the Government of India under para-1.3(v) of the guidelines of Forest (Conservation) Act, 1980, clarification/ amendments issued vide GOI, MoEF, Bangalore Lr.No.FCA/11.6/GL/91(AP), dt.20.6.2006 & GOI MoEF New Delhi F.No.5-3/2007-FC, dt.16.12.2008, permission is hereby accorded to M/s. Singareni Collieries Co. Ltd., Kothagudem for conducting Survey, Investigation over an area of 9.68 Sq Kms & Drilling of (19) Bore holes in 3-Compartments of Bellampalli Reserved Forest, of Bellampalli Division for prospecting for detailed exploration in Sahthi Khani Long Wall Coal Block in the following locations as per the geo co-ordinates mentioned against each, subject to the Conditions stipulated hereunder.

CO-ORDINATES OF PROPOSED BHs FALLING IN SKLW PROJECT, IN BELLAMPALLI R.F. MEASURED WITH GPS		
BH, NO	SPHERICAL CO-ORDINATES	
	LATITUDES	LONGITUDES
1	19 - 04.183'	79 - 30.940'
2	19 - 04.173'	79 - 30.787'
3	19 - 04.300'	79 - 30.821'
4	19 - 04.125'	79 - 31.172'
5	19 - 03.960'	79 - 30.853'
6	19 - 03.772'	79 - 31.043'
7	19 - 03.636'	79 - 31.316'
8	19 - 03.511'	79 - 31.121'
9	19 - 03.375'	79 - 31.101'
10	19 - 03.293'	79 - 31.252'
11	19 - 02.020'	79 - 32.323'
12	19 - 01.856'	79 - 32.272'
13	19 - 01.608'	79 - 32.241'
14	19 - 01.758'	79 - 32.689'
15	19 - 01.603'	79 - 32.756'
16	19 - 01.465'	79 - 32.307'
17	19 - 01.421'	79 - 32.466'
18	19 - 01.109'	79 - 32.578'
19	19 - 01.305'	79 - 32.887'

#### CONDITIONS:

1. Number of boreholes shall in no case exceed 19 in numbers & the size of the borehole shall not exceed a maximum of 4" diameter.



5. The survey work shall be undertaken between dawn to dusk only i.e., 6.00 AM to 6.00 PM & no work shall be undertaken before or beyond this time.
6. No night camping shall be allowed.
7. After drilling operation is completed, the holes shall be filled up. As far as possible same type of soil is to be used.
8. The debris, any formed during the course of drilling shall be cleared.
9. No tree or forest growth shall be felled or damaged during the course of survey.
10. No damage shall be caused to forest/wild life and to the environment.
11. The permission to conduct survey / Investigation / drilling of boreholes shall not ipso facto imply any commitment on the part of State Government or Central Government for diversion of forest land or any other entitlements in future.
12. The User Agency shall protect & nurture the natural tree growth in the survey areas.
13. Due regard to the provisions of Forest (Conservation) Act, 1980 & amendments thereof, stipulated for this purpose shall be invariably given.
14. The applicant shall make good the Government/Environmental loss, if any, occurred during the course of survey.
15. The permission granted shall only be for a period of one year
16. M/s. Singareni Collieries Co. Ltd., should intimate the Divisional Forest Officer before starting the work.

Sd/- C. Siva Sankara Reddy  
Prl. Chief Conservator of Forests

To

The Chief of Exploration, Singareni Collieries Co. Ltd., Kothagudem

Copy to the Chairman & Managing Director, SCCL, Singareni Bhavan, Red Hills, Hyderabad - 4 for information & necessary action.

Copy to the Addl. Prl. Chief Conservator of Forests & Advisor-Forestry, SCCL, Singareni Bhavan, Red Hills, Hyderabad - 4 for information & necessary action.

Copy to the Conservator of Forests, Adilabad for necessary action.