

CENTRAL COALFIELDS LIMITED
DARBHANGA HOUSE: RANCHI

Sub: Forwarding Minutes of the 344th (No.8 of 2007) Meeting of the Board of Directors held on 31.12.07.

Extracts from the minutes of the above meeting in respect of following item is appended below:

Item No.2: Confirmation of Minutes of the 343rd (No. 7 of 2007) Meeting of the Board of Directors held on 07.12.2007.

&

Item No.2A: Comments received from Shri M.K. Sinha, non official part time Director of CCL and from D(F), CCL, on the minutes of the 343rd meeting of the Board of Directors held on 07.12.2007.

Minutes of the 343rd Board meeting were circulated to all the Directors under cover of letter No. Secy.1(1)/343/2007/891 dated 20/12/2007.

(A) Comments were received from Shri M.K. Sinha, vide his letter No.MKS/Dir/07-98/105 dt. 26/12/2007 in respect of Item Nos. 4(4), 4(20) and 4(21) & 4(23), as detailed below:

Item No.4(20): Proposal seeking approval of Project Report of Ashok Expansion OC (10MTY).

Comments: Following paragraph is to be added in the minutes :

"Board further directed that consequent to above approval being given effect, departmental infrastructure, presently deployed for production of Coal and OB, shall be shifted to other needy Projects for gainful utilization."

The Board noted that the provision regarding deployment of the departmental infrastructure has already been made in the Project Report, which has since been approved. After detailed deliberation, the Board directed that the above amendment in the minutes of the meeting is not required.

While discussing the minutes of the 343rd Board meeting, the Dir.(Tech.), MoC suggested amendments in respect of the above Agenda item as under :

✓
✓
✓

सौमित्र सिंह
SOUMITRA SINGH
उप महाप्रबंधक/विभागाध्यक्ष (वन एवं पर्यावरण)
सी० सी० एल०, राँची
Dy. GM/HOD (Env. & Forest)
C.C.L., Ranchi

6

✓
PROJECT OFFICER
BIRSA PROJECT C.C.L.

Existing:

The Board, approved the Expansion Project Report of Ashok OCP for an incremental capacity of 3.5 MTY of coal envisaging outsourcing of both coal production and OB removal throughout the life of the mine operation at a total initial capital investment of Rs.341.63 crore, at an additional investment of Rs.317.41 crore, over and above the existing capital of Rs.24.21 crore, as brought out in the agenda note, subject to amendment in the Articles of Association, if necessary, enhancing the DoP of CCL to approve Project Reports up to Rs.500 Crore or equal to net worth, whichever is less, on attaining the status of a Miniratna Company.

Comments: Following is to be incorporated in place of the existing entry :

The CCL Board of Directors, CCL in its 334th Meeting held on 20.09.2006 approved the proposal for out-sourcing of both Coal and OB Option-III) at an additional Capital expenditure of Rs.312.89 Crore and existing assets of Rs.24.21 Crore aggregating to Rs.337.10 Crore with the direction to place the proposal for approval to PIB. As per directions of the Board, the proposal was updated at May'07 price level and the same was submitted to PIB for approval. The PIB considered the proposal in its meeting held on 11/5/2007 and recommended the proposal subject to CCL's obtaining of EMP Clearance for 10 MTY Capacity before the Note for CCEA is submitted.

Director (Technical), MOC vide letter no. 43011/13/2003-CPAM, dated 8.10.2007 has informed that since CCL has been conferred Miniratna category-I status, the company can exercise the power to incur capital investment up to Rs.500 crore. The proposal has been returned by Govt. for getting the proposal approved by CCL Board under the powers delegated to it.

The Board, approved the Expansion Project Report of Ashok OCP(10 MTY) for an incremental capacity of 3.5 MTY of coal envisaging outsourcing of entire coal and OB for the Expansion Project with a capacity of 10 MTY throughout the life of the mine operation at a total initial capital investment of Rs.341.63 crore, at an additional investment of Rs.317.41 crore, over and above the existing capital of Rs.24.21 crore, as brought out in the agenda note, subject to amendment in the Articles of Association, if necessary, enhancing the DoP of CCL to approve Project Reports up to Rs.500 Crore or equal to net worth, whichever is less, on attaining the status of a Miniratna Company.

After detailed deliberation, the Board approved the above modification in the minutes of the meeting suggested by Dir.(Tech.), MoC.


PROJECT OFFICER
BIRSA PROJECT C.C.L.

✓
✓
सौमित्र सिंह
SOUMITRA SINGH
उप महाप्रबंधक/विभागाध्यक्ष (वन एवं पर्यावरण)
सी० सी० एल०, राँची
Dy. GM/HOD (Env. & Forest)
C.C.L., Ranchi

Comments: Following paragraph is to be added in the minutes :

"Board further directed that consequent to above approval being given effect, departmental infrastructure, presently deployed for production of Coal and OB, shall be shifted to other needy Projects for gainful utilization."

The Board noted that the provision regarding deployment of the departmental infrastructure has already been made in the Project Report, which has since been approved. After detailed deliberation, the Board directed that the above amendment in the minutes is not required.

While discussing the minutes of the 343rd Board meeting, the Dir.(Tech.), MoC suggested amendments in respect of the above Agenda item as under :

Existing:.

The Board, approved Project Report of North Urimari OCP for a rated capacity of 3.0 MTY of coal envisaging outsourcing of both coal production and OB removal at an estimated initial capital investment of Rs.175.91 crore over and above the existing capital of Rs.3.96 crore, as brought out in the agenda note, subject to amendment in the Articles of Association, if necessary, enhancing the DoP of CCL to approve Project Reports up to Rs.500 Crore or equal to net worth, whichever is less, on attaining the status of a *Miniratna* Company.

Comments: Following to be incorporated in place of the existing entry :

The project Report was placed before CCL Board in its 316th Meeting held on 04.05.2004. Board approved the proposal and directed to process it for approval of CIL and the Govt. of India.

The proposal was approved in 67th meeting of ESC of CIL Board held on 31.07.2004.

The PIB meeting for North Urimari OC was held on 13.7.2006, PIB recommended the option of "outsourcing of both coal production and OB removal" in view of better return under this option.

Accordingly, draft CCEA note on Coal & OB both outsourcing option at an estimated capital investment of Rs.177.25 Crore (September '2006) was submitted to MOC on 10.11.2006.

Director (Technical), MOC vide letter no. 43011/13/2003-CPAM, dated 8.10.2007 has informed that since CCL has been conferred Miniratna category-I status, the company can exercise the power to incur capital investment up to Rs.500 crore. The proposal has been returned by Govt. for getting the proposal approved by CCL Board under the powers delegated to it.

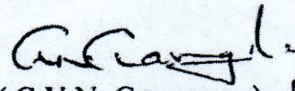
सौमित्र सिंह
SOUMITRA SINGH
उप महाप्रबंधक/विभागाध्यक्ष (वन एवं पर्यावरण)
सी० सी० एल०, राँची
Dy. GM/HOD (Env. & Forest)
C.C.L., Ranchi

PROJECT OFFICER
BIBSA PROJECT C.C.L.

The Board, approved Project Report of North Urimari OCP for a rated capacity of 3.0 MTY of coal envisaging outsourcing of both coal production and OB removal at an estimated initial capital investment of Rs.175.91 crore over and above the existing capital of Rs.3.96 crore, as brought out in the agenda note, subject to amendment in the Articles of Association, if necessary, enhancing the DoP of CCL to approve Project Reports up to Rs.500 Crore or equal to net worth, whichever is less, on attaining the status of a Miniratna Company.

After detailed deliberation, the Board approved the above modification in the minutes of the meeting suggested by Dir.(Tech.), MoC.

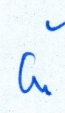
It is requested kindly to take necessary action on the decision, wherever necessary, under intimation to this office.


(C.V.N. Gangaram) 10/1/08
Company Secretary.

✓
CGM(P&P)

U.O.No.CS/BM/344/2008/ 33 Dated: 10.01.2008.


PROJECT OFFICER
BIRSA PROJECT C. C. L.


सुमित्रा सिंह
SOU MITRA SINGH
उप महाप्रबंधक/विभागाध्यक्ष (वन एवं पर्यावरण)
सी० सी० एल०, राँची
Dy. GM/HOD (Env. & Forest)
C.C.L., Ranchi