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No. 13016/ 8 /2001-CA II (Vol-II)

Government of India

Ministry of Coal

New Delhi, dated 24th October, 2008

To

The Secretary,
Industries & Commerce Department,
A.P. Secretariat,
Hyderabad.

Sub:- Prior approval of Govt. of India for the grant of 2nd renewal of coal mining lease for extraction of Coal over a reduced extent of 5158 hectares involving 1466 hectares of forest land and 3692 hectares of non-forest in Kothagudem Mandal, Khammam District, for a further period of 20 years from 27.04.2009 to 26.04.2029 in favour of SCCL under Section 5(1)(b) & 6(1)(b) of M.M.(D&R) Act, 1957.

Sir,

I am directed to refer to your No. 5878/M-III(2)/2008-1 dated 23.07.2008 on the subject mentioned above and to convey prior approval of the Central Government under Section 5 (1) (b) of the MM(D&R) Act, 1957 for grant of 2nd renewal of coal mining lease for extraction of Coal over a reduced extent of 5158 hectares involving 1466 hectares of forest land and 3692 hectares of non-forest in Kothagudem Mandal, Khammam District, for a further period of 20 years from 27.04.2009 to 26.04.2029 in favour of SCCL subject to the submission of Consent for Establishment (CEF) from Andhra Pradesh Pollution Control Board and obtaining Environmental Clearance, Environmental Public hearing from Ministry of Environment & Forests, Government of India and Forest Clearance under Forest (Conservation) Act, 1980.

2. Since the total area of the mining lease granted so far exceeds 10 sq. kms., (the above proposed area is more than five times of permitted limit) approval of the Central Govt. is also granted for relaxation under Section 6(1)(b) of the MM(D&R) Act, 1957 as it is in the interest of development of the minerals.

Yours faithfully,

(Alice Kujur)

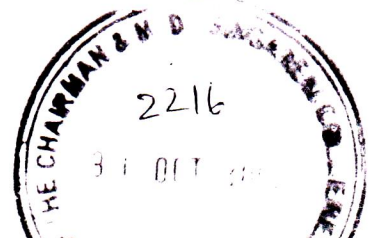
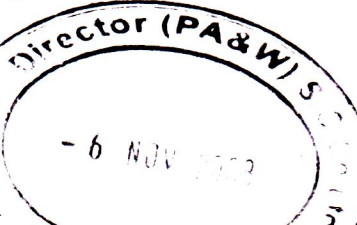
Under Secretary to the Govt. of India

Copy to:

CMD, Singareni Collieries Company Limited, Kothagudem, Khammam,
District A.P. 507 101.

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2008



GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Mines and Minerals - 2nd Renewal of Mining Lease for extraction of Coal over a reduced extent of 5158 Hectares involving 1466 Hectares of forest land and 3692 Hectares of non-forest land in Kothagudem Mandal, Khammam District, for a further period of 20 years from 27.04.2009 to 26.04.2029 in favour of M/s Singareni Collieries Company Limited - Sanction - Orders - Issued.

INDUSTRIES AND COMMERCE (M-III) DEPARTMENT

G.O. Ms. No.324

Dated 12-12-2008.

Read the following:-

1. G.O.Ms.No.152, Ind. & Com. (M-III) Dept., dt.23.05.2003.
2. G.O.Ms.No.273, Ind. & Com. (M-III) Dept., dt.15.09.2003.
3. From M/s Singareni Collieries Company Limited, 2nd F.M.L. Application, dated 10.12.2007.
4. From the DMG., File No. 8243/R6-2/2007, dt. 30.04.2008.
5. Govt. letter No.5878/M.III(2)/2008-1, Industries & Commerce (M.III) Department dt.23-07-2008.
6. From the Ministry of Coal, GOI., Lr.No.13016/8/2001-CA.II, (Vol.II) dt.24-10-2008.

ORDER:

In the reference 1st and 2nd read above, Government have granted 1st Renewal of Mining Lease for Coal over an extent of 61.17 Sq.Kms. (includes 23.38 Sq.Kms. forest land and 37.79 non-forest lands) of Kothagudem area of Khammam District for a period of 10 years w.e.f. 28-04-1999 to 27-04-2009.

2) In the reference 4th read above, the Director of Mines and Geology has sent proposals for grant of 2nd Renewal of Mining lease for extraction of Coal over a reduced extent of 5158 Hectares involving 1466 Hectares of forest land and 3692 Hectares of non-forest land in Kothagudem Mandal, Khammam District, in favour of M/s Singareni Collieries Company Limited, for a further period of 20 years from 27.04.2009 to 26.04.2029, subject to obtain prior approval of Govt. of India under Section 5(1) and relaxation of Section 6(1) (b) of M.M. (D&R) Act, 1957 and the Clearances from MoEF, under Forest (Conservation) Act, 1980, and subject to satisfaction of terms and conditions of MM (D&R) Act, 1957 and M.C. Rules, 1960.

3) In the reference 5th read above, State Government have proposed for grant of 2nd Renewal of Mining Lease for extraction of Coal over a reduced extent of 5158 Hectares involving 1466 Hectares of forest land and 3692 Hectares of non-forest land in Kothagudem Mandal, Khammam District, for a further period of 20 years from 27.04.2009 to 26.04.2029 in favour of M/s Singareni Collieries Company Limited and accordingly addressed the Ministry of Coal, Government of India.

4) In the reference 6th read above, the Ministry of Coal, Government of India, have conveyed their prior approval for grant of 2nd Renewal of Mining Lease for extraction of Coal over a reduced extent of 5158 Hectares involving 1466 Hectares of forest land and 3692 Hectares of non-forest land in Kothagudem Mandal, Khammam District, for a further period of 20 years from 27.04.2009 to 26.04.2029 under section 5(1) (b) and also in relaxation under Section 6(1) (b) of M.M. (D&R) Act, 1957 since the total area of the Mining Lease granted so far exceeds 10 Sq, Kms. in the interest of development of the minerals.

5) Government, after careful examination of the matter, hereby grant the 2nd Renewal of Mining Lease for extraction of Coal over a reduced extent of 5158 Hectares involving 1466 Hectares of forest land and 3692 Hectares of non-forest land in Kothagudem Mandal, Khammam District, for a further period of 20 years from 27.04.2009 to 26.04.2029, in favour of M/s Singareni Collieries Company Limited subject to satisfaction of terms and conditions laid down in MM(D&R) Act, 1957 and M.C.Rules, 1960, subject to submission of Consent for Establishment from Andhra Pradesh Pollution Control Board, Environmental clearance from Ministry of Environment & Forests under Environment Impact Assessment as per S.O.No.1533, dt.14-09-2006 and also Forest Clearance under Forest (Conservation) Act, 1980 by Ministry of Environment & Forests before execution of lease deed and also subject to the satisfying conditions in Form-K prescribed under the M.C. Rules, 1960 and to the additional conditions specified in the Appendix to this order.

6) The rates of royalty, dead rent, surface rent & water charges and cess shall be collectable as follows or as revised by Government from time to time:

I. Rates of Royalty:

COAL:

A. Coal produced in all States and Union Territories except the State of West Bengal.

(1) Royalty on Coal:

The rates of royalty, which shall be a combination of specific and ad valorem rates of royalty which shall be as follows:

$$R(\text{Royalty Rupees/tonnes}) = a + bP$$

Where 'P' (price) shall mean basic pithead price of ROM (run-of-mine) coal and lignite as reflected in the invoice, excluding taxes, levies and other charges and the values of 'a' (fixed component) and 'b' (variable or ad-valorem component) would be as follows:

Group	Grade of coal	Royalty on coal in Rupees per tonne
Group-I	Steel Gr.-I	a=Rs.180.00
	Steel Gr.II	b=5 per cent
	Washery-I	i.e. Rs.180+5 per cent where 'P' (price) shall mean basic pithead price of ROM (run-of-mine) coal and lignite as reflected in the invoice, excluding taxes, levies and other charges.
	Direct Feed	
Group-II	Washery-II	A=Rs.130.00
	Washery-III	b=5 per cent
	Semi Coking Gr.I	i.e. Rs.130+5 per cent where 'P' (price) shall mean basic pithead price of ROM (run-of-mine) coal and lignite as reflected in the invoice, excluding taxes, levies and other charges.
	Semi Coking Gr.II	
Group-III	Grade-A	
	Grade-B	
	Washery-IV	a=Rs.90.00
Group-IV	Grade-C	b=5 per cent
		i.e. Rs.90+5 per cent where 'P' (price) shall mean basic pithead price of ROM (run-of-mine) coal and lignite as reflected in the invoice, excluding taxes, levies and other charges.
	Grade-D	
Group-V	Grade-E	a=Rs.70.00
		b=5 per cent
		i.e. Rs.70+5 per cent where 'P' (price) shall mean basic pithead price of ROM (run-of-mine) coal and lignite as reflected in the invoice, excluding taxes, levies and other charges.
Group-V	Grade-F	a=Rs.55.00
	Grade-G	b=5 per cent
		i.e. Rs.55+5 per cent where 'P' (price) shall mean basic pithead price of ROM (run-of-mine) coal and lignite as reflected in the invoice, excluding taxes, levies and other charges.

II. Dead rent:		Rates of dead rent in rupees per hectare per annum or as revised by Government from time to time
First Two years of lease		3 rd year onwards
100/-		400/-
III. Surface rent & water charges and also Cess		As fixed by the Government from time to time

7) The grantee should pay a deposit of Rs.10,000/- as prescribed under Rule 32 of the Mineral Concession Rules, 1960 before the lease is actually executed.

8) The grantee should execute the lease deed within the time limit specified in Rule 31 of Mineral Concession Rules, 1960.

9) The terms and conditions referred to in paras 5-6 of this order are subject to such further modifications, additions and alterations as may be ordered before the lease deed is executed.

10) The Director of Mines and Geology shall take necessary further action for the execution of the lease deed after satisfying himself that the grantee fulfils all the required provisions of the amended Act and Rules. As soon as the deed is executed, the date of such execution should be reported to the Government.

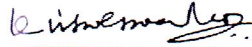
Note:- The grant is liable for cancellation, should it be found that at a later date that it was grossly inequitable or was made under a mistake of fact or owing to misrepresentation or fraud or in excess of authority.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**Y. SRILAKSHMI
SECRETARY TO GOVERNMENT**

To
M/s Singareni Collieries Company Ltd.,
Kothagudem-507 101.
Khammam District, (BY RPAD) (we)
The Director of Mines & Geology, A.P., Hyderabad (we.File)
Copy to:
The Asst. Director of Mines & Geology, Kothagudem, Khammam District.
The Collector, Khammam District.
The Secretary to Government of India, Ministry of Coal, Shastri
Bhavan, New Delhi-110 001.
The Controller General, Indian Bureau of Mines, "A" Block, 2nd Floor,
Indira Bhavan, Civil Lines, Nagpur-440 001.
The Director General, Mines Safety, Dhanbad, Bihar.
The Regional Controller of Mines, Koti, Hyderabad.
SF/SC(C.No.5878/M.III(2)/2008)
**"Copy of this order is available on Internet and can be
accessed at address <http://www.ap.gov.in/goir>".**

// FORWARDED :: BY ORDER //


SECTION OFFICER