

BEFORE THE NATIONAL GREEN TRIBUNAL, KOLKATA

ORIGINAL APPLICATION NO. 154/2023/EZ  
(Earlier O.A. No. 110/2012/PB)

**IN THE MATTER OF:**

Threat to life arising out of Coal  
Mining in South Garo Hills District  
...Applicant

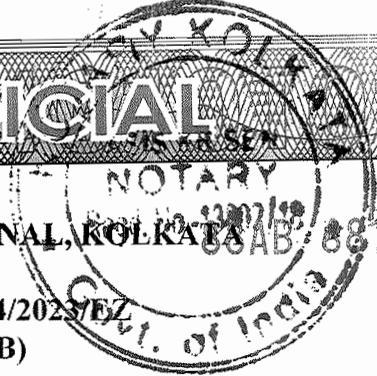
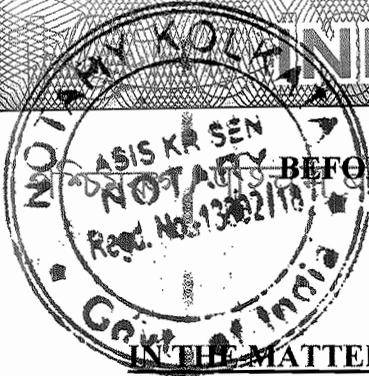
VERSUS

State of Meghalaya & Ors.  
Respondents

...

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ORIGINAL APPLICATION NO. 154/2023/EZ  
(Earlier O.A. No. 110/2012/PB)

**IN THE MATTER OF:**

Threat to life arising out of Coal Mining in South Garo Hills District

...Applicant

VERSUS

State of Meghalaya & Ors.

... Respondents

**REPLY AFFIDAVIT ON BEHALF OF AMRIT CEMENTS LIMITED (RESPONDENT NO. 15) TO THE 5<sup>TH</sup> INTERIM REPORT OF THE COMMITTEE APPOINTED BY THE HON'BLE NATIONAL GREEN TRIBUNAL, PRINCIPAL BENCH, NEW DELHI IN OA (110) OF 2012**

I, Krishanu Banerjee, son of Shri Sukumar Banerjee, aged about 42 years, working for gain at Opposite Horse Shoe Building, Lower Lachumiere, Shillong, Meghalaya 793001 and presently residing at Usoshi Apartment, Ramratan Ghosh Road, Rajpur, Kolkata -700149, solemnly affirm and say as follows: -

1. I say that am the Deputy Manager (Legal) of Amrit Cements Limited ("Amrit Cements"), the Respondent No.15 in the proceedings, and I am competent and duly authorized to make and affirm the instant affidavit for and on behalf of the

05 APR 2024

Respondent No.15. I say that I have made myself aware of the facts of the present case on perusal of the records of the proceedings and the records and documents

AMRIT CEMENT LIMITED

*Krishanu Banerjee*

Authorised Signatory

Sl. No. 35079 Sold to..... Yash Vardhan Deora (Adv)

Address..... 6 No old post office street.

**A. K. Maity**

Licensed Stamp Vendor

10, Old Post Office Street

Kolkata - 700001

Rs. 10/- (Rupees Ten) only

Issue Date: .. .. . Sign.

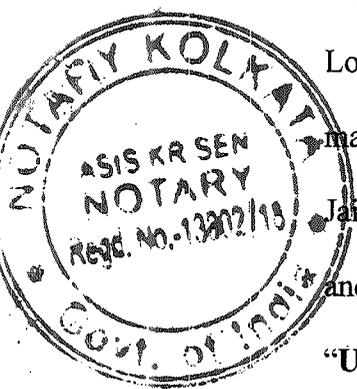


**06 DEC 2023**

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maintained by the Respondent No.15 in its usual course of business, which I verily believe to be true and correct.

2. The instant affidavit is being filed in reply and/or opposition to the 5<sup>th</sup> Interim Report of the Katakey Committee dated December 03, 2019 ("**Impugned Report**") appointed by the Hon'ble National Green Tribunal, Principal Bench, New Delhi ("**Hon'ble Principal Bench**") in Original Application No. 110 (THC) of 2012. By Order dated October 19, 2023 this Hon'ble Tribunal had granted leave to Amrit Cements to file an affidavit in the present matter. Further, while allowing the interlocutory application being IA No. 65/2023/EZ ("**Impleadment Application**"), this Hon'ble Tribunal was also pleased to add Amrit Cements as Respondent No.15 to the present proceedings by Order dated January 9, 2024. Copies of Orders dated October 19, 2023 and January 9, 2024 are annexed hereto and marked as "**Annexure Respondent No.1 (Colly)**".
3. At the outset, it is submitted that since the findings of the Katakey Committee in its Impugned Report are not limited to Amrit Cements, the deponent refrains from dealing with the contents of the same *in seriatim*. However, the contents of the Impugned Report are denied *in toto* and nothing stated therein shall be deemed to be admitted for want of a specific non-traverse. For the convenience of this Hon'ble Tribunal, the relevant facts are set out hereinbelow.
4. Amrit Cements is a public limited Company, incorporated in January 2008 under the Companies Act, 1956, having its registered office at Opposite Horse-Shoe Building, Lower Lachumiere, Shillong, Meghalaya- 793001. Amrit Cements is a cement manufacturing facility, commissioned on December 21, 2012, located at Umlaper in Jaintia Hills of Meghalaya, and has set up an integrated facility to manufacture clinker and cement with a captive power Plant (hereinafter collectively referred to as the "**Unit**") to ensure uninterrupted cement production all year round.
5. It is stated and submitted that Amrit Cements has all along been carrying on its



business in strict adherence to the letter and spirit of applicable laws. In this regard, a copy of the letter dated March 17, 2010 of the Ministry of Environment and Forest, according environment clearance to Amrit Cements, is annexed hereto and marked as **ANNEXURE R-2.**

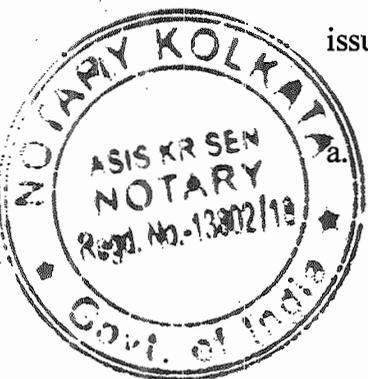
#### **BACKGROUND OF PRESENT CASE**

6. In or around 2012, the Hon'ble Guwahati High Court registered a *suo moto* public interest litigation in respect of threat to life of coal mining in South Garo Hills District bearing *Suo Moto No. (SH) 3 of 2012.*
7. The Hon'ble Guwahati High Court, by its order dated December 10, 2012, directed the matter to be transferred to the Hon'ble Principal Bench and consequently, the case came to be transferred to the Hon'ble Principal Bench bearing Original Application No. 110(THC)/2012 titled as *Threat to life arising out of coal mining in south Garo hills district v. State of Meghalaya and Ors.* The Hon'ble Principal Bench took cognizance of the same and issued notice on January 31, 2013.

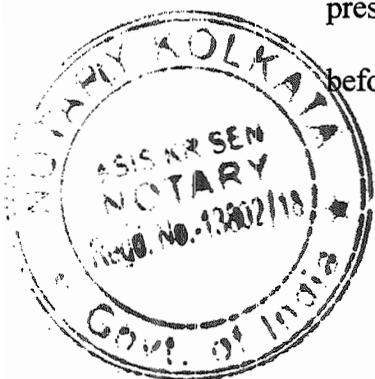
#### **APPOINTMENT OF KATAKEY COMMITTEE**

8. During the course of the proceedings in the aforementioned matter, the Hon'ble Principal Bench, by order dated August 31, 2018, held that rat-hole mining would remain prohibited as well as transportation of mined materials. It was further directed that the State of Meghalaya would be the custodian of the available coal for which necessary inventory would be prepared. By common order, the Hon'ble Principal Bench also directed the constitution of an Independent Committee to be headed by Mr. Justice B.P. Katakey, former Judge of the Hon'ble Guwahati High Court ("**Katakey Committee**") with representatives from the Central Pollution Control Board and the Indian School of Mines, Dhanbad for restoration of the environment and rehabilitation of the victims. The Committee was at liberty to take up incidental issues and objectives of the Committee were as follows:

a. Restoration of the environment

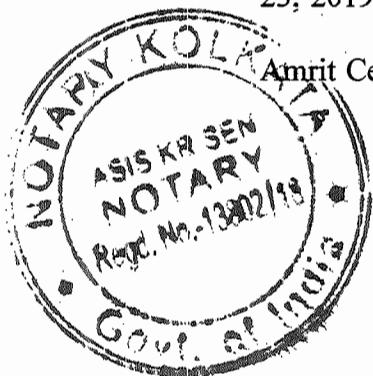


- b. Rehabilitation of the victims
  - c. Issues incidental to the above
  - d. Supervise issues arising out of receivership/custodianship of already extracted coal including environmental issues arising out of storage and remedial steps.
9. It is imperative to mention that the Katakey Committee submitted several interim reports before the Hon'ble Principal Bench, including the presently disputed 5<sup>th</sup> Interim Report dated December 02, 2019.
  10. The Katakey Committee filed its 1<sup>st</sup> Interim Report on December 31, 2018, before the Hon'ble Principal Bench. It is in the said report that, for the very time, the name of Amrit Cements was included.
  11. Thereafter, by order dated February 11, 2019, the Hon'ble Principal Bench reviewed the action taken by the Katakey Committee and directed Central Pollution Control Board ("CPCB") to prepare a detailed report relating to consumption of coal by the Thermal Power Plants and cement industries. On the basis of the aforesaid, an "Action Taken Report" was submitted by the Commissioner & Secretary to the Government of Meghalaya, Mining and Geology Department to the Katakey Committee. The same is evident from the 2<sup>nd</sup> Interim Report (filed before the Hon'ble Principal Bench on April 06, 2019).
  12. During the pendency of the proceedings before the Hon'ble Principal Bench, the Additional Principal Chief Conservator of Forests (Planning Development and Legal Matters) by Letter No. *MFG.39/87/NGTO/Vol VII/8448-468* dated July 8, 2019, called upon various cement manufacturing companies and power generation companies, including Amrit Cements, that in its sitting dated June 28, 2019, the Katakey Committee has directed the Managing Directors/Chief Executive officers of all notified companies to depute their duly authorized representative(s) to remain present before the committee in its sitting to be held on July 23, 2019, and to produce before the committee, along with supporting documentary evidence, the following



information/documents:

- a. Year wise details of clinker and/or power produced since imposition of ban on coal mining in the State in April 2014;
  - b. Year-wise details of coal and/or any other alternate fuel procured since imposition of ban on coal mining in the State in April 2014;
  - c. Year-wise details of the quantity of cement/clinker on which transport subsidy, if any, has been claimed by the plant since imposition of ban on coal mining in the State in April 2014;
  - d. A copy of annual report for each of the years since imposition of ban on coal mining in the State;
  - e. Average estimated quantity of coal and or any other alternate fuel(s) required to produce one tonne of clinker and or one unit (kwh) of power; and
  - f. A copy of Detailed Project Reports (DPR) submitted to the Bank(s)/ Financial Institutions(s) to obtain establishment expansion/modernization of the plant.
13. In view of the same, Amrit Cements duly submitted data and returns mandated by law including environmental statement as per Form-V and the six-month compliance reports before the Ministry of Environment and Forest, CPCB as well as the Meghalaya State Pollution Control Board.
14. It is stated that only during the course of the Procedural Hearing held on April 25, 2019, a year-wise resource(coal) audit of the Power Plants and Cement Factories was directed. It was alleged in the 3<sup>rd</sup> Interim Report (filed before the Hon'ble Principal Bench on August 02, 2019) that cement companies showed reluctance to provide relevant information. Such allegation is wholly incorrect and contrary to the material on record.
15. It is pertinent to mention that during the meeting of the Katakey Committee on July 23, 2019, wherein Mr. MP Sharma and Mr. RC Tripathi were present on behalf of Amrit Cements, the year-wise quantity of the clinker/ coal procured/ utilised by the

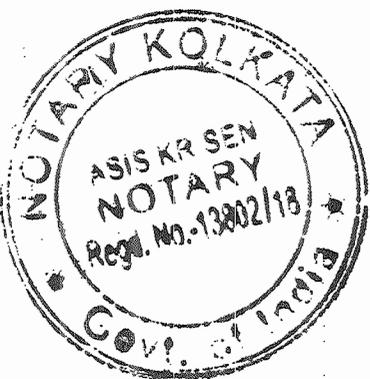


Plants, since banning of the rat-hole mining, was discussed. During the said meeting, the Katakey Committee sought further documents, in addition to those already submitted by Amrit Cements. Accordingly, the Katakey Committee directed Amrit Cements to depute a representative to attend the next sitting of the Katakey Committee on August 14, 2019, alongwith the required information/ documents.

16. Thereafter, Mr. M.P. Sharma and Mr. R.C. Tripathi attended the meeting held on August 14, 2019, and produced the relevant documents before the Katakey Committee in relation to the cement plant and the captive power plant of Amrit Cements.
17. It is stated that in its interim report, the Katakey Committee has arbitrarily assumed that the requirement of coal per unit of cement and power produced by Amrit Cements, would be same as that of similar plants of Meghalaya Cement Limited. Such assumption is baseless and factually incorrect. Based on such assumptions, the Katakey Committee decided to send a report containing the year-wise quantity of coal assumed to have been consumed by Amrit Cements, to the North-Eastern Regional Directorate of CPCB for further analysis.
18. Further, it was arbitrarily and incorrectly assumed by the Katakey Committee that Amrit Cements most likely met the gap in the assumed requirement of coal from local illegally sources.
19. The relevant extract of the observations of the Katakey Committee against Amrit Cements as per the Minutes of the meeting of the Sitting of the Katakey Committee dated August 14, 2019, is as under:

“39.

...  
*In the absence of Techno-Economic Feasibility Report of the Clinker/Cement and Captive Power Plant, a copy of which has not been submitted to the Committee, it is not feasible for the Committee to assess the estimated requirement of coal to produce a one MT of clinker and one unit of power by the said cement and power plants respectively. Subject to further correction on receipt of these reports from the Amrit Cement, the Committee assumes that specific requirement of coal for the Clinker/Cement and Thermal Power*



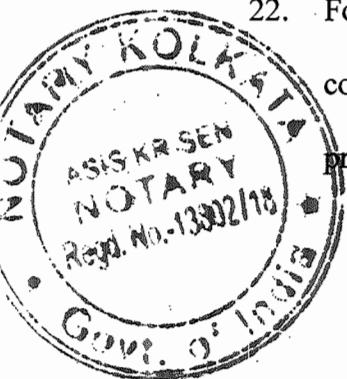
**Plants of Amrit Cement Ltd. Will be same as the corresponding unit requirement of coal by similar plants of the Meghalaya Cements Ltd.**

...  
*Year-wise details of clinker/power produced, coal required to produce reported quantity of clinker and power (OP 14.66% coal for clinker and 0.72 kg of coal per kwh of power) and gap in coal requirement which has in all probability been met from been met from illegally sourced local coal in respect of Clinker/Cement plant and captive TPP of the Amrit Cement, since the ban on illegal rat-hole coal mining was imposed by the Hon'ble NCT in April 2014...*

(Emphasis supplied)

A true typed copy of the Minutes of the meeting of the Katakey Committee dated August 14, 2019, is annexed hereto and marked as **ANNEXURE R-3**.

20. Pursuant to the above, the Katakey Committee submitted its 4<sup>th</sup> Interim Report to the Hon'ble Principal Bench on September 04, 2019. It is submitted that in the said Report, no adverse inferences/ observations were made against any cement/ thermal power company.
21. Thereafter, the Additional Principal Chief Conservator of Forest (Planning, Development and Legal), Meghalaya, Shillong addressed another letter dated September 05, 2019, to the Managing Director of Amrit Cements, wherein certain documents were sought from Amrit Cements in furtherance to the Minutes of the Meeting of the Katakey Committee dated August 14, 2019. In response thereto, by Letter dated September 16, 2019, the following documents were provided by Amrit Cements:
  - a. Year wise details of coal and other alternate fuel procured from FY 2014-15 to FY 2018-19; and
  - b. Average estimated quantity of coal and other alternate fuel required to produce one tonne of clinker and one unit(kwh) of power.
22. For the ease of reference of this Hon'ble Tribunal, Amrit Cements is re-furnishing complete data with respect to a) Clinker Production b) Power Production c) procurement of coal/ alternate fuel and also the consumption efficiency. A true typed



copy of the letter dated September 16, 2019, addressed on behalf of Amrit Cements is annexed herewith and marked as ANNEXURE R-4.

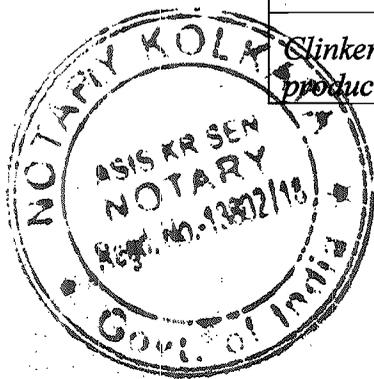
23. It is relevant to highlight that save and except what was sought from Amrit Cements, no further queries/ clarifications were sought, and no opportunity of a fair hearing was afforded by the Katakey Committee to Amrit Cements to represent its case, more specifically towards the documents and information submitted by Amrit Cements by way of letter dated September 16, 2019.
24. To the utter shock of Amrit Cements, the Katakey Committee, in its Impugned Report, made several unsubstantiated allegations against Amrit Cements and also directed punitive measures to be initiated against it.
25. As per the contents of the Impugned Report, the findings and recommendations on the coal requirements of the cement companies and the feasibility of Slate as an alternate fuel was provided. The relevant findings/ observations as regards Amrit Cements, are reproduced as under:

***“2.3 Amrit Cement Limited and its Captive Thermal Power Plant***

*2.3.1 An Integrated Clinker cum Cement Manufacturing Plant of Amrit Cement Limited having installed capacity to produce 2,000 TPD clinker is located at Umlaper Village in East Jaintia Hills District in Meghalaya. It also has a Captive Thermal Power Plant having 12 MW installed capacity. Both these Clinker Manufacturing Plant and the Captive Thermal Power Plant were commissioned in the year 2012.*

*2.3.2 As per the information/documents provided to the Committee by the Amrit Cement Limited, year-wise quantities of clinker and power produced and the coal procured by the Amrit Cement Limited to produce such clinker and thermal power during the Audit Period are as below:*

Items	Year					Total
	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	
1	2	3	4	5	6	7
Clinker produced	3,07,286	4,03,205	4,25,842	4,01,497	5,40,902	20,78,732



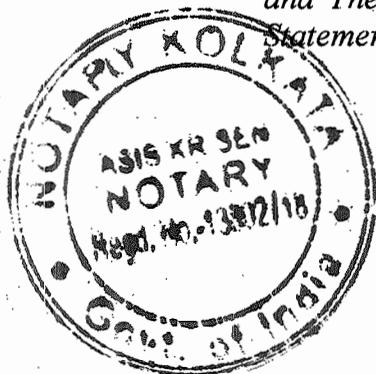
(MT)						
Power Produced (in Million kwh)	44.976	54.197	49.257	46.977	77.392	272.799
Coal Procured (MT)	3,861	88,165	38,785	74,978	31,833	2,37,622

2.3.3 The Amrit Cement Limited has informed the Committee that during the Audit Period they have also procured alternate fuel. Except slate, nature of any other alternate fuel purchased by the Amrit Cement Limited has however been not intimated to the Committee. The MSPCB has informed the Committee that no authorization/non-objection certificate has been granted by the Board to the Amrit Cement Limited for use of any alternate fuel. The Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department informed the Committee that no royalty has been paid by Amrit Cement Limited on the slate claimed to be used by them during the Audit period. Year-wise quantities of the slate claimed to be purchased by the Amrit Cement Limited during the Audit Period are as below:

Year					Total
2014-15	2015-16	2016-17	2017-18	2018-19	
23,033	28,977	1,29,698	-	-	1,81,708

2.3.4 The Committee, based on a detailed analysis of a similar claim of the Star Cement Limited on use of slate as an alternate fuel in lieu of coal, as given in para 2.2.26 to 2.2.52, is of the view that it is neither technically feasible nor legally permissible for the Amrit Cement Limited to replace more than half of their coal requirement by a non-fuel mineral such as slate.

2.3.5 The Committee after examination of a Techno-Economic Feasibility Report (TEFR) for the said 0.61 million tonnes per annum (MTPA) clinker and 0.66 MTPA cement (PPC) greenfield cement project with 1 X 12 MW Captive Thermal Power Plant of Amrit Cement Limited prepared by RCV Consulting noted that the said clinker production unit, as per the said TEFR, has been designed to use Meghalaya coal having the estimated net calorific value of 6,000 Kcal/kg as fuel. It has also been stated in the said TEFR that several small collieries are in operation in the Khliehriat and Sutnga coalfields which are at a distance of about 25-30 km from the proposed plant site. The specific heat consumption, as per the said TEFR, for the said clinker production unit is, 750 kcal/ kg of clinker produced. The specific coal requirement for the said clinker manufacturing plant, as per the said TEFR is therefore 12.50 % of the weight of the clinker produced. After examination of the Environmental Statements submitted by the Amrit Cement Limited to the MS PCB, a copy of which has been provided to the Committee by the MSPCB, the Committee observed that quantity of coal actually consumed by the said Cement Manufacturing Plant and Thermal Power Plant has not been indicated in any of these Statements. For the detailed reasons given in para 2.2.35 above, the



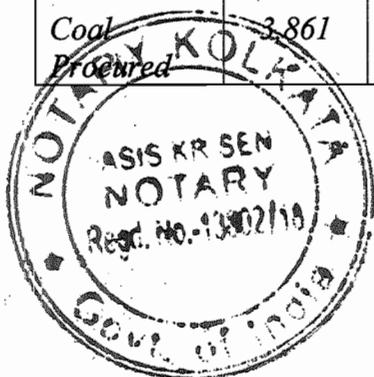
Committee is of the view that actual specific coal consumption for clinker manufacturing plant of the Amrit Cement Limited is atleast 15%.

**2.3.6** The Committee further noted that it has been stated in the said TEFRR that 100 % fuel proposed for the captive power plant shall be coal from Khliehriat/ Sutnga area in Meghalaya. The boiler of the said captive power plant, as per the said TEFRR, is suitable to accept E-grade coal with ash content upto 45 %. It has also been stated in the said TEFRR that for every fifteen days the said plant will require about 4,000 MT of coal. The specific coal requirement for the said Captive Power Plant, as per the said information, is therefore about 1.20 kg/kwh. The Committee however is of the view that the actual specific coal requirement for the said Captive Thermal Power Plant is same as the specific fuel requirement of the Thermal Power Plant of the Star Cement Limited i.e. 0.850 kg/kwh.”

(Emphasis supplied)

**2.3.7** Year-wise gaps in the quantity of coal required to produce the reported quantity of clinker (@ 15 % as given in para 2.3.5) and electricity power (@ 0.850 kg/kwh as given in para 2.3.6) and the coal procured by Amrit Cement Limited from legal sources during the Audit Period are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Clinker produced (MT)	3,07,286	4,03,205	4,25,842	4,01,497	5,40,902	20,78,732
Power Produced (Million kwh)	44.976	54.197	49.257	46.977	77.392	272.799
Coal required to produced clinker (MT)	46,093	60,481	63,876	60,225	81,135	3,11,810
Coal required to produce Power (MT)	38,230	46,067	41,868	39,930	65,783	2,31,879
Total Coal Required (MT)	84,323	1,06,548	1,05,745	1,00,155	1,46,919	5,43,689
Coal Procured	3,861	88,165	38,785	74,978	31,833	2,37,622



Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
(MT)						
Gap (MT)	80,462	18,383	66,960	25,177	1,15,086	3,06,067

### CHAPTER 3: FINDINGS AND RECOMMENDATIONS

#### 3.1 FINDINGS

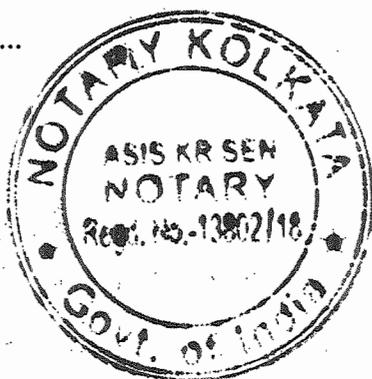
3.1.1 Except for the clinker manufacturing plant of the Mawmluh Cherra Cement Limited (A State PSU) and Captive Power Plants of the Maithan Alloy Limited and the CMJ Breweries Private Limited, there is a huge gap in quantity of coal required to produce reported quantity of clinker and/or power and the coal reported to be purchased from legal sources during the Audit Period by all other Cement Manufacturing Plants and Thermal Power plants in the State of Meghalaya for which resource (coal) audit could be completed by the Committee. Year-wise quantities of the coal required to produce reported quantities of clinker and/or power, the coal actually purchased from legal sources and the gap between the two for each of these Plants are as below:

Plant	Items	Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7	
Amrit Cement Ltd And its captive TPP	Coal required *	84,323	1,06,548	1,05,745	1,00,155	1,46,919	5,43,690
	Coal Procured **	3,861	88,165	38,785	74,978	31,833	2,37,622
	Gap	80,462	18,383	66,960	25,177	1,15,086	3,06,068

\*Coal required to produce reported quantities of clinker and/or power

\*\* : Coal reported to be procured from legal sources.

3.1.2 The Committee is of the view that the entire gap of 39.37 lakh MT between the quantity of the coal required to produce reported quantity of the clinker and the electrical power and the coal purchased from legal sources by these Plants during the Audit Period constituting about two-third of the coal requirement of these plants during the Audit Period has been met from the illegally mined local coal. Demand for a huge quantity of illegally mined coal from these plants has sustained and supported a wide scale illegal rat-hole coal mining in the State of Meghalaya in flagrant violation of a ban imposed by the Hon'ble NGT.



**3.1.4** No royalty, taxes and any other statutory levies has been paid to the State of Meghalaya on the illegally mined coal utilized by these Cement Manufacturing Plants and Thermal Power Plants during the Audit Period resulting in a huge loss to the State exchequer. In fact ban on the illegal rat-hole coal mining in the State of Meghalaya came as a boon to these Cement Manufacturing Plants and Thermal Power Plants in the State of Meghalaya as it virtually exempted them from the requirement of payment of royalty, taxes and other statutory levies payable on more than two-third of the coal consumed by them. The amounts of royalty (@ Rs. 675 per MT), contribution to Meghalaya Environment Protection and Restoration Fund (MEPR Fund) at the rate of Rs. 485 per MT and GST/VAT @ 5 % of the sale value of utilize. Rs. 8,000 per MT amounting to Rs 400 per MT) payable on the illegally mined coal utilized by each of these Cement Manufacturing Plants and Thermal Power Plants during the Audit Period are as below:

S. No.	Plant	Qt. of illegal coal used (MT)	Royalty	MEPRF	GST/VAT	Total
2.	Amrit Cement	3,06,068	20,660	14,844	12,243	47,747

(Emphasis Supplied)

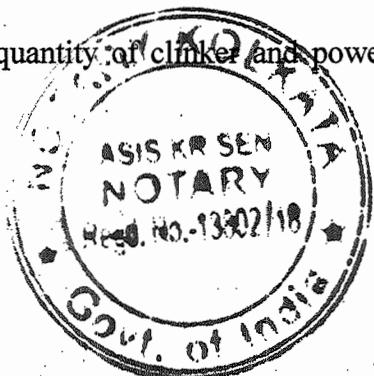
A copy of the Impugned Report of the Katakey Committee is annexed hereto and marked as **ANNEXURE R-5**.

26. It is submitted that whilst rendering its findings before the Hon'ble Principal Bench, the Katakey Committee has miserably failed to consider the contentions of Amrit Cements as stated in the instant affidavit. Thus, causing suffering and grievance by the perverse findings of the Katakey Committee, adopted by the Hon'ble Principal Bench in its order dated January 17, 2020.
27. To summarise the above, the Katakey Committee, has purportedly assumed that during the years 2014-15 to 2018-19, the coal required by Amrit Cements for producing power and clinker was allegedly 543,690 MT whereas the coal procured during this period was 237,622 MT. Therefore, the committee has arbitrarily concluded that there was a gap of 306,068 MT between the coal required and that procured while disregarding the purchase of alternate fuel by Amrit Cements. To add to the misery of Amrit Cements, as per paragraph 3.1.4 of the Impugned Report the Katakey Committee recommended to the Hon'ble Principal Bench to realize royalty,



GST/VAT and contribution to MEPRF from Amrit Cements.

28. It is stated that the alleged “gap” between the assumed requirement of coal and the actual procurement of coal from legal sources by Amrit Cements, is actually met through use of alternate fuel, which has wholly ignored by the Katakey Committee.
29. Further, the alternate fuel used by Amrit Cements is in the nature of plastic waste, PET bottles, refuse derived fuel, like municipal solid waste, used oil/spent oil, rice husk and saw dust (“**Alternate Fuel**”) etc. having high calorific value. It is pertinent to mention that the usage of alternate fuel is a well proven methodology for cement industry, not only in India but also across the world. The usage of Alternate Fuel is because of cost effectiveness and also for the protection of the environment. The environmental clearance granted to Amrit Cements also requires that Amrit Cements makes effort to use high calorific alternate source of fuel. The said fact has also been disregarded by the Katakey Committee.
30. Thereafter, the Hon’ble Principal Bench, by its Order dated January 17, 2020, accepted all the recommendations of the Katakey Committee submitted in its 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> Interim Reports and directed the Chief Secretary of the State of Meghalaya to take punitive measures. Pertinently, the said Order did not envisage any opportunity of hearing to Amrit Cements which was aggrieved by the implementation of the incorrect and wrongful recommendations of the Katakey Committee. Amrit Cements was not given any opportunity to assist the Hon’ble Principal Bench in putting forth a response to the interim reports of the committee, particularly the Impugned Report. As such, the said Order is in violation of the principles of natural justice. A copy of the Order dated January 17, 2020, passed by Ld. Hon’ble Principal Bench is annexed hereto and marked as ANNEXURE R-6.
31. By way of the 5<sup>th</sup> Interim Report, the Katakey Committee, in respect of Amrit Cements, recorded that there is a gap in the quantity of coal necessary to produce the required quantity of clinker and power by Amrit Cements, as against the quantity of coal

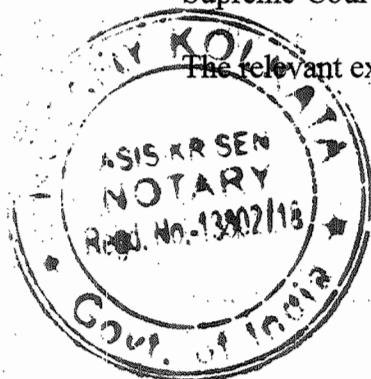


actually procured. The said gap of coal was ascertained by the Katakey Committee to the tune of 3,06,067 MT. As far as Amrit Cements is concerned, the Katakey Committee has assumed on the basis of the records of another cement company, i.e., Star Cement Limited and also arbitrarily recorded that Amrit Cements' coal requirement was met through illegally mined local coal. In doing so, the Katakey Committee arbitrarily and outrightly rejected the contention of Amrit Cements that, *inter alia*, the shortfall quantity assumed by the committee was incorrect and that any shortfall in the supply of coal was met through usage of alternate fuels in the nature of plastic waste, PET bottles, refuse derived fuel like municipal solid wastes, used oil/spent oil, rice husk and saw dust etc., having high calorific value. In this regard, Amrit Cements craves leave of this Hon'ble Tribunal to refer to and rely upon further documents and/or records to show the purchase and usage of the Alternate Fuel by Amrit Cements. The committee has arbitrarily rejected the contention of Amrit Cements on the perverse ground that the same were neither technically feasible nor legally permissible. In view of the above, the Katakey Committee recommended to this Hon'ble Tribunal to realize royalty, GST/VAT and contribution to Meghalaya Environment Protection and Restoration Fund ("MEPRF") from Amrit Cements in the manner as under:

Royalty	Rs. 20.660 crores
MEPRF	Rs. 14.844 crores
GST/VAT	Rs. 12.243 crores
	<b>Rs. 47.747 crores</b>

32. Being aggrieved by the order dated January 17, 2020, of the Hon'ble Principal Bench, Amrit Cements filed appeal before the Hon'ble Supreme Court of India. The appeal filed by Amrit Cements was numbered as Civil Appeal No. 16446 of 2022 titled *Amrit Cements Limited v. State of Meghalaya & Others* and was tagged along with the Appeal of Star Cement bearing Civil Appeal No. 3820 of 2020.
33. Upon hearing Amrit Cements and the appellants in other appeals the Hon'ble Supreme Court of India disposed all Appeals by its judgment dated May 02, 2023.

The relevant extract of the said judgment is reproduced as below:



*"[....]we would have to restore the proceedings in relation to The Appellants back to the file of the NGT, at the stage, at which they stood prior to the passing of the impugned judgment dated 17 January 2020. Consequently, and to facilitate the above exercise, we set aside the impugned judgment dated 17 January 2020 in relation to its applicability to The Appellants before this Court and direct that:*

- (i) *The Appellants shall submit their responses to the interim reports of the Committee appointed by NGT within a period of four week;*
- (ii) *NGT shall furnish to the Appellants an opportunity of being heard, after which it shall proceed to pass orders after dealing with the suggestions and objections of The Appellants in accordance with law;*
- (iii) *NGT shall take a final decision in three months; and*
- (iv) *The Appellants would be at liberty to apply to the NGT for inspection of records, including the underlying documents which were submitted by the Committee."*

(Emphasis supplied)

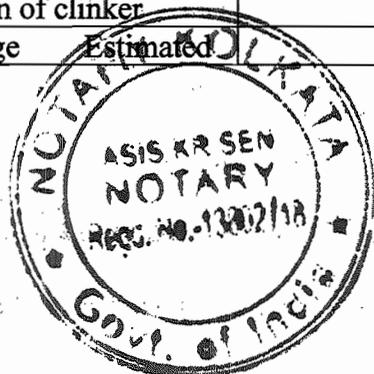
34. In view of the direction of the Hon'ble Supreme Court of India in its Judgment, read with the order of this Hon'ble Tribunal dated January 09, 2024, the present Reply seeks to raise the following objections against the Impugned Report of the Katakey Committee:

**SUBMISSIONS:**

- A. *The Katakey Committee has erroneously considered that it is not technically feasible for Alternate Fuels to replace Amrit Cements's coal requirement.*

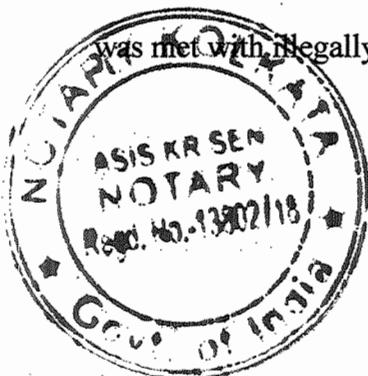
35. Pertinently, Amrit Cements has utilized a total of 1,81,708 MT of Alternate Fuel during FYs 2014-2015 to 2018-2019. At the cost of repetition, the year-wise details of coal and other alternate fuel procured from FY 2014-15 to FY 2018-19, along with the average estimated quantity of coal and other alternate fuel required to produce one ton of clinker and one (kwh) of power was provided to the Katakey Committee on September 16, 2019. However, for the ease of reference of this Hon'ble Tribunal, the said figures have been reproduced as under:

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19
Coal Procured (in MT)	3,861	88,165	38,785	74,978	31,833
Alternate Fuel Procured (in MT)	23,033	28,977	1,29,698	-	-
Average Estimated quantity of coal required to produce one ton of clinker					0.07 – 0.08 MT
Average Estimated quantity of power required to produce one ton of clinker					0.040 – 0.041 MT

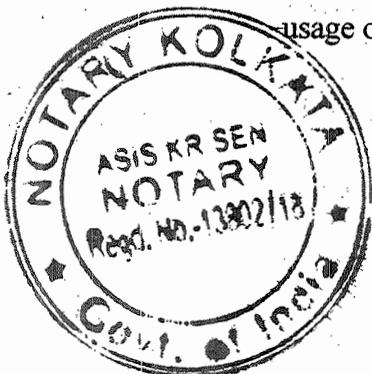


quantity of alternate fuel required to produce one ton of clinker	
Average Estimated quantity of coal required to produce one unit(kwh) of power	<b>0.0003725 – 0.0003730 MT</b>
Average Estimated quantity of alternate fuel required to produce one unit(kwh) of power	<b>0.0002315 – 0.0002320 MT</b>

36. It is relevant to mention that even though the information and figures of Alternate Fuels were shared with the Katakey Committee, by September 16, 2019, no clarifications or further documents in respect of Alternate Fuels was ever sought by the Katakey Committee from Amrit Cements.
37. It is pertinent to point out that Alternate Fuel used by Amrit Cements in its units, is a well proven methodology for Cement Industries not only in India but also across the world. The usage of alternate fuel is because of cost effectiveness and also for the protection of the environment from degradation. The environment clearance granted to Amrit Cements also requires that Amrit Cements makes efforts to use high calorific waste as an alternate source of fuel.
38. The Impugned Report further erroneously records that the Katakey Committee was only informed about the use of slate as an alternate fuel by Amrit Cements. However, the fact remains that instead of slate, Amrit Cements has all along used material like plastic waste, PET bottles, refuse-derived-fuel like municipal solid wastes, used oil/spent oil, rice husk and saw dust, etc., as alternate fuel. The Katakey Committee has erroneously ignored the fact that Amrit Cements indeed used Alternate Fuels instead of coal and concluded on bare assumptions that the alleged gap in the assumed quantity of coal required *vis a vis* the quantity of coal procured by Amrit Cements was met with, illegally mined coal.



39. As mentioned above and at the cost of repetition it is submitted that the usage of Alternate Fuel is a well proven methodology for Cement Industries not only in India but also across the world. The usage of Alternate Fuel is for its cost effectiveness and also for the protection of the environment from degradation. The environmental clearance granted to Amrit Cements also requires that Amrit Cements takes effort to use high calorific alternate source of fuel.
40. There is nothing on record or even a whisper of allegation or evidence to suggest that Amrit Cements has been meeting the shortfall in supply of coal, as opposed to the demand, by procuring slate as alternate fuel. As a matter of fact, it is stated that Amrit Cements has not used slate in any manner whatsoever.
41. Furthermore, the issue raised by the Katakey Committee regarding lack of NOC or authorization for use of Alternate Fuel is beyond the terms of reference of the said Committee.
42. The assumption of the Katakey Committee, that use of slate by Amrit Cements as alternate fuel is technically not feasible, is completely misconceived and incorrect. It is stated that Amrit Cements's plant has been designed to support use of alternate fuels, including slate, and the same is evident from the following:
- i. MSPCB by its letter dated September 13, 2019, the observation of the same is at paragraph 2.2.17 of the 5<sup>th</sup> Interim Report, had informed the Katakey Committee that:
- "...prima facie the use of alternate fuel by cement and power plants is technically feasible and is in fact encouraged by Pollution Control Board".*
- Thus, there was no occasion for the Katakey Committee to disregard or reject Amrit Cements' contention of having used Alternate Fuel. Additionally, the MSPCB also informed the Katakey Committee that there is no requirement to revise the already granted Consent to Operate certificate under the air / water acts for usage of alternate fuels.



- ii. The observations of the North-Eastern Regional Directorate of CPCB stated in paragraph 2.2.18 of the 5<sup>th</sup> Interim Report, in context of Star Cements Limited, suggests that it is feasible to use alternate fuel without making any alteration in the plant. The relevant extract of para 2.2.18 is being reproduced herein below for ready reference:

*...if the industries use Pet Coke or slate as alternate fuel resource (AFR) it is not required to modify or attach a new fuel/material feeding system. AFRs are generally used together with coal. As the physical characteristics of Pet Coke and slate are similar to the coal this alternate fuel can be used in the existing coal mills for pulverization before feeding into the kiln or the boilers after blending with coal. The CPCB has been working on use of AFR, Hazardous Waste (HW) and Refused Derived Fuel (RDF) in the cement mills, power plants and also in the blast furnaces so as to use the resources inherited in the wastes generated by various industries or municipalities [...]*

- iii. In the 17<sup>th</sup> meeting of the Katakey Committee on August 14, 2019, coal required by Amrit Cements to produce the reported quantity of clinker and power was assumed to be 14.66% for clinker and 0.72 kg of coal per KW of power. This was further arbitrarily enhanced to 15% and 0.850 kg/kwh respectively in the Impugned Report. However, no reason whatsoever was disclosed for the change of assumptions. Basis these assumptions, it was wrongly concluded by the Katakey Committee that the gap in the coal requirement in all probability must have been met from illegally sourced coal.

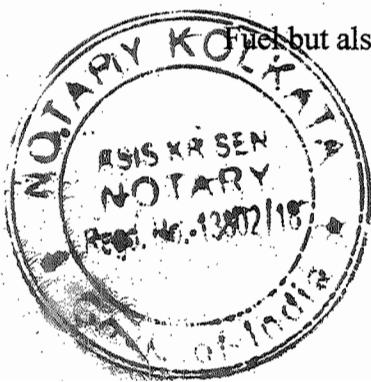
**B. The Katakey Committee issued its blanket recommendation and findings in the 5<sup>th</sup> Interim Report on the basis of analysis of Star Cement Limited's data and figures.**

43. As is apparent from the above, the Katakey Committee, in its 5<sup>th</sup> Interim Report submitted to the Hon'ble Principal Bench that during the years 2014-15 to 2018-19, the coal required by Amrit Cements for producing clinker was 543,690 MT whereas the coal procured during this period was 237,622 MT and therefore, there was a gap of 306,068 MT between the coal required and that procured whilst disregarding the purchase of the entire quantity of Alternate Fuel. To add to the misery of Amrit Cements, the Katakey Committee recommended to the Hon'ble Principal Bench to



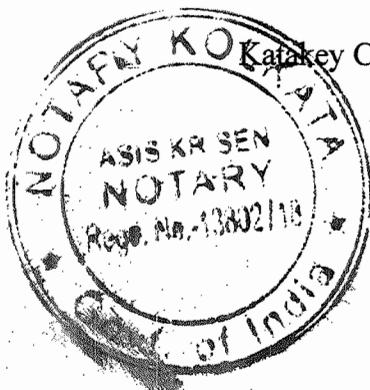
realize royalty, GST/VAT and contribution to MEPRF from Amrit Cements as per Para 3.1.4 of the Findings of the Katakey Committee amounting to Rs. 47.747 Crore.

44. The aforesaid figure of Rs. 47.747 Crore was arrived at by the Katakey Committee based on an assumption that the coal requirement of Amrit Cements is 15% per MT of clinker produced and 0.85 kg/KWH of power generated. The Katakey Committee disregarded the technical capacities and efficiency of Amrit Cements' plant itself and the fuel mix used by Amrit Cements in its plant in the State of Meghalaya.
45. It is crucial to note that in arriving at the aforesaid conclusion the Katakey Committee outrightly disregarded Alternate Fuel utilized by Amrit Cements, on the basis of factors and/or considerations peculiar to the plant of another company, i.e., Star Cements Limited. The Katakey Committee noted that Star Cement Limited's cement plant was designed to only use coal as a fuel and imputed the same reasoning upon the plant of Amrit Cements also. Therefore, the conclusion of the Katakey Committee is arbitrary, flawed and erroneous.
46. Curiously, the Katakey Committee came to the incorrect conclusion that Alternate Fuel was not technical feasible for Amrit Cements to replace with coal. The said conclusion was solely on the basis of its analysis of another cement company, i.e., Star Cement Limited and not, basis the data and information shared by Amrit Cements. It is an admitted fact that the Katakey Committee did not undertake any independent inspection of Amrit Cements' Units. The approach adopted by the Katakey Committee also overlooks the peculiar features in the plant design and machinery of each plant. Thus, merely by relying on the findings *qua* an unrelated and different plant, the Katakey Committee outrightly rejected the fact that Amrit Cements utilized Alternate Fuel.
47. The Katakey Committee has miserably failed to consider not just the data of Alternate Fuel but also the technical factors involved in relation to the Units of Amrit Cements.



The quantity of coal required for production of clinker/power is dependent upon various factors such as plant design, plant load factor, operational efficiency, coal quality (i.e. calorific value, moisture etc. depending upon Indian / imported coal), alternate fuel, fuel mix etc. Therefore, there cannot be any assumed or rendered formula with respect to coal/any other Alternate Fuel or raw material consumption in manufacture of clinker and power generation in another captive power plant. It is further stated even for the same plant that the quantum of fuel usage varies from time to time depending on various prevailing factors. However, based on figures of the manufacturing unit of Star Cement Limited, the Katakey Committee has analysed the year-wise quantity of coal consumed by Amrit Cements' plant as indicated in a report submitted to the Katakey Committee by North-Eastern Regional Directorate of CPCB. Hence, the methodology of calculation adopted by the Katakey Committee is inherently wrong since the same is based on nothing but mere assumptions, conjunctures and surmises, instead of actual data pertaining to Amrit Cements. Further, without any rational basis or inquiry, the Katakey Committee has arbitrarily concluded that the alleged gap in assumed coal requirement was met by illegally mined coal. The 5<sup>th</sup> Interim Report recommends the imposition of levies despite the fact that such levies cannot be imposed on the "user" of such a mineral under the provisions of the Mines and Minerals, Development and Regulation Act, 1957. Any levy/ penalty is only imposable *qua* the miner. Therefore, there is a complete lack of jurisdiction insofar as these levies are concerned.

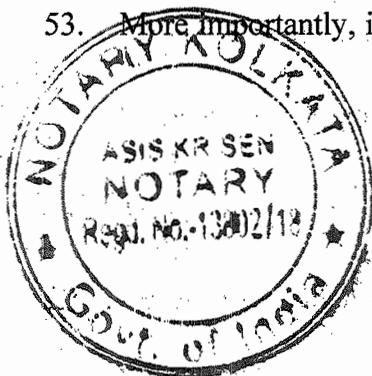
48. In light of the above, it can be seen that had the Katakey Committee inspected the Units of Amrit Cements, it would've found that the use of Alternate Fuel is technically sound and feasible.
49. The Katakey Committee concluded that Amrit Cements had allegedly purchased illegally mined coal basis assumptions on usage of coals. The conclusion of the Katakey Committee is entirely based on conjectures and assumptions. Therefore, the



findings of the Katakey Committee must be disregarded.

**C. Without prejudice to the above, Amrit Cements is not liable to pay Royalty/ GST/ VAT/ Dues on the illegally mined coal:**

50. Amrit Cements having not mined/purchased / procured any illegal coal, question of payment of royalty, taxes and other statutory levies on the same does not arise. Even for a moment, assuming, without admitting, that the alleged illegally sourced coal was used/ transported/ stored by Amrit Cements, the liability to pay royalty for such illegally sourced mineral cannot be imposed on the 'user' of mineral as per the scheme of the MMDR Act.
51. A plain reading of Sections 4(1) and 4(1A) of the MMDR Act clearly shows that the same are applicable to the person mining under the MMDR Act, which is not being carried out by Amrit Cements. The show-cause notices issued by the Director of Mineral Resources, Government of Meghalaya, Shillong to Amrit Cements do not make any allegation regarding mining operations having been conducted by Amrit Cements. Furthermore, they do not make any allegation against Amrit Cements, that it has transported, stored or caused to be transported or stored coal except in accordance with the provisions of the MMDR Act. In the absence of any such averments in the notice, the proceedings being sought to be conducted against Amrit Cements are misconceived, and thus deserve to be set aside.
52. That no opportunity of leading evidence before the Katakey Committee was offered for Amrit Cements to show that the alleged illegally sourced coal was either transported, stored or used by Amrit Cements and no evidence produced before the Katakey Committee to show that Amrit Cements was ever involved in illegal mining of coal. Hence, such a liability cannot be fastened on Amrit Cements on the basis of mere assumptions, apprehensions and surmises.
53. More importantly, it is stated that without there being any determination of liability



on account of royalty, taxes etc. and the assessment thereof being completed by competent authority, the question of demand and recovery of the same based on assumption does not arise.

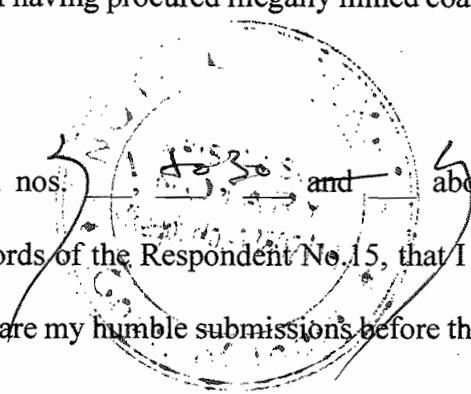
54. The question of payment of royalty or GST on purchase of alleged illegally sourced coal only arises once such purchase is established. It is pertinent to note that royalty attracts payment of GST under a reverse charge mechanism. It is absolutely illegal to seek payment of GST on royalty when the principal liability, i.e., royalty on coal itself is under dispute. Therefore, it is highly premature for the authorities to seek such payment while the factual question of utilizing the coal is disputed.
55. The four components of taxes and other statutory dues are charge, levy, assessment and recovery. The levy of taxes and recovery thereof under different statutes are hedged by various limitations and subject to fulfilment of various pre-conditions. Without there being any determination of liability on account of royalty, taxes etc. and the assessment thereof being completed by competent authority, the question of demand and recovery of the same does not arise. The demand and recovery of dues by the recommendations of the Katakey Committee is absolutely without jurisdiction as it amounts to entrenchment of power specifically reserved for some of the State authorities under different statutes.
56. The Katakey Committee does not have the Jurisdiction to levy royalty/GST/VAT without there being any determination of liability and the assessment thereof being completed by competent authority. Therefore, the question of demand and recovery of the same does not arise. Further, it is respectfully submitted that imposition and/or recovery of any taxes, royalties and/or other statutory dues payable to the State, are beyond the jurisdiction and power of the Katakey Committee and the Hon'ble Principal Bench.



60. In light of the above, it is humbly submitted that the findings and recommendations of the Katakey Committee in the Impugned Report, *qua* Amrit Cements, should neither be accepted nor relied upon, and no levy/ penalty should be imposed against Amrit Cements.

61. It is further submitted that the allegations as contained in the Impugned Report against Amrit Cements, inter alia, of having procured illegally mined coal, should be quashed and deleted.

62. The contents of paragraph nos. 15, 16 and 17 above are true to my knowledge or based on records of the Respondent No. 15, that I verily believe to be true and correct and the rest are my humble submissions before this Hon'ble Tribunal.



AMRIT CEMENT LIMITED

*Keishanu Boregala*

Authorised Signatory  
DEPONENT

*Identified by me  
Pravin Sen  
Hence*

Solemnly affirm and declare  
before me on identification

*ASIS* *201.* *Sen*

ASIS KUMAR SEN  
City Civil Court, Kolkata  
Notary  
Reg. No.-13802/18

05 APR 2024



**IN THE SUPREME COURT OF INDIA  
CIVIL APPELLATE JURISDICTION**

**Civil Appeal No 3280 of 2020**

**Star Cement Limited & Ors**

**.... Appellant(s)**

**Versus**

**State of Meghalaya & Ors**

**....Respondent(s)**

**WITH**

**Civil Appeal No 4144 of 2020**

**Civil Appeal No 2302 of 2021**

**Civil Appeal No 2355 of 2021**

**Civil Appeal Nos 2726-2727 of 2021**

**Civil Appeal Nos 4991-4992 of 2021**

**Civil Appeal No 781 of 2022**

**Civil Appeal No 3528 of 2022**

**Civil Appeal No 4962 of 2022**

Validity-unknown

 Digitally signed by  
Sanjay Kumar  
Date: 2023.05.08  
16:52:03 IST  
Reason:

**ORDER**

- 1 This batch of appeals arises from a judgment of the National Green Tribunal<sup>1</sup> dated 17 January 2020.
- 2 In 2012, the Gauhati High Court registered a public interest litigation *suo motu* on the basis of a news item in the month of July, stating that several labourers were trapped inside a coal mine resulting in large scale deaths. The proceedings before the Gauhati High Court were transferred to the NGT and were numbered as Original Application No 110 (THC)/2012.
- 3 In the meantime, in 2014, All Dimasa Students Union Dima Hasao District Committee instituted Original Application No 73 of 2014 before the Principal Bench of the NGT making serious allegations against 'rat-hole' mining operations which were being carried out in Jaintia Hills of the State of Meghalaya without regulation under the law.
- 4 The NGT issued an order on 17 April 2014 directing the State of Meghalaya to ensure the cessation of rat-hole mining forthwith and of the illegal transportation of coal.
- 5 During the pendency of the proceedings, a Committee was constituted on 9 June 2014 to quantify the coal that had already been extracted before the ban and to assess its location and value. The Committee was also to prescribe the mode of transportation. This was followed by subsequent orders of the NGT. On 31 August 2018, the NGT constituted a Committee chaired by a former Judge of the  
1 "NGT"

Gauhati High Court to look into the restoration of the environment and rehabilitation of the victims. The Committee was also to supervise issues pertaining to receivership / custodianship of the already extracted coal, including environmental issues arising out of storage and remedial steps. The Committee furnished a report on 2 January 2019, which was considered by the NGT in an order dated 4 January 2019.

- 6 The order also took note of another tragic incident which had taken place on 13 December 2018, despite the earlier ban by the NGT.
- 7 From the impugned order of the NGT, it emerges that the Committee had submitted three reports on 2 January 2019, 31 March 2019 and 2 August 2019, which were dealt with by the NGT in its orders dated 4 January 2019, 11 April 2019 and 22 August 2019. The Committee thereafter submitted reports dated 31 August 2019, 2 December 2019 and 3 December 2019. The gist of these reports was set out by the NGT. The Committee, in the course of its fifth interim report dated 2 December 2019, arrived at the conclusion that there was a huge gap in the quantity of coal required to produce the reported quantity of clinker and/or power and the coal reported to have been purchased from legal sources by the cement manufacturing plants and thermal power plants in the State of Meghalaya for which an audit was completed by the Committee. The Committee estimated the year-wise quantity of the coal required to produce the reported quantities of clinker and/or power, the coal actually purchased from legal sources and the gap between them for 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19. Having carried out this exercise, the Committee estimated in the case of nine industrial units:

- (i) The quantity of illegal coal used in metric tonnes;
- (ii) The royalty payable;
- (iii) The contribution required to be made to the Environmental Protection and Restoration Fund; and
- (iv) GST/VAT payable.

The Committee submitted its sixth interim report dated 3 December 2019 to deal with the objections raised by the State of Meghalaya.

- 8 From the impugned order of the NGT, it emerges that the proceedings before the NGT came up for hearing on 9 January 2020 and the impugned order was uploaded on the website on 17 January 2020. After setting out the gist of the reports, the NGT dealt with the objections which were filed by the State of Meghalaya to the reports submitted by the Committee on 31 August 2019 and 3 December 2019. After rejecting the objections of the State of Meghalaya, the NGT proceeded to issue its directions, accepting all the recommendations of the Committee in the fourth interim report dated 31 August 2019, fifth interim report dated 2 December 2019 and sixth interim report dated 3 December 2019. The directions which have been issued by the NGT are summarized thereafter in paragraph 23, which is extracted below:

“23. Without in any manner meaning to dilute the exhaustive recommendations of the Committee, the substance of the recommendations of the Committee can be summed up to include monitoring of illegal raising and transportation of coal by the Chief Secretary of the State; steps for punitive measures for illegal mining — filling up gaps in the regulatory regime; action for preventing

minimizing and mitigating environment pollution by acidic water from coal depots; electronic recording of movement of coal including by way of GPS and RFID Tags and having a central server for the purpose; inspection of wings of BSF and vigilance department; establishing and supervising check posts and weigh bridges; utilization of the compensation amount for legitimate purposes in terms of the recommendations in the report; continuing Prof. A.K. Singh, nominee, IIT-ISM, Dhanbad as member of the Committee; monitoring of sourcing of illegally mined coal by cement manufacturing/thermal power plants for enforcement of mining law, including punitive and remedial actions for sourcing of illegally mined material, as found by the Committee; conducting necessary audit; study of land use and land cover analysis; drilling of bore holes in Khlihirt-Sutnga area in East Jaintia Hill District; preparation of geological report and feasibility report for scientific coal mining; compiling information about location of dumps of coal; finalizing mode and manner of handling of coal and its disposal including e-auction; transfer of coal to Coal India Limited; monitoring of illegal export of coal to Bangladesh by an independent agency; adopting satellite surveillance systems; action by the State PCB for enforcement of environmental norms; verification of claims of victims and disbursement of payments to them in the manner suggested by the Committee; implementing action plan prepared by the Committee by the State PCB etc. Compliance of all the recommendations may need to be closely monitored by the Committee.”

- 9 None of the appellants were parties to the proceedings before the NGT. It is common ground that the appellants were called upon to submit information to the Committee appointed by the NGT. According to the appellants, the fifth interim report dated 2 December 2019 was uploaded on 8 January 2020 at 1655 hours, following which a hearing took place on 9 January 2020. Neither were the appellants impleaded as parties to the proceedings nor was any notice issued to them to submit objections to the interim reports which were filed before the NGT. Eventually, the NGT, as noted earlier, accepted the recommendations of the Committee.

- 10 Section 19(1) of the National Green Tribunal Act 2010 provides that the NGT shall not be bound by the procedure laid down by the Code of Civil Procedure 1908, but shall be guided by the principles of natural justice. The National Green Tribunal (Practices and Procedures) Rules 2011 provide in Rule 15 for service of notice and processes and in Rule 16 for the filing of replies and other documents by respondents.
- 11 The appellants were not parties before the NGT and did not have the opportunity to deal with the contents of the reports of the Committee appointed by it. The NGT had assigned a fact finding and recommendatory role to the Committee. The ultimate decision on the reports of the Committee had to be taken by the NGT, which could only be arrived at after considering the submissions of the parties, who would be directly affected by the findings of the Committee if they were to be accepted by the NGT.
- 12 Reading the impugned order of the NGT, we do not find any independent application of mind. The Committee, which was chaired by a former Judge of the High Court, had in the view of the NGT, carried out a copious exercise. But that would not obviate the need for the NGT to arrive at its own independent findings after furnishing the parties, who would be directly affected, an opportunity of being heard. The NGT having not done so, we would have to restore the proceedings in relation to the appellants back to the file of the NGT, at the stage, at which they stood prior to the passing of the impugned judgment dated 17 January 2020. Consequently, and to facilitate the above exercise, we set aside the impugned judgment dated 17 January 2020 in relation to its applicability to the appellants before this Court and direct that:

- (i) The appellants shall submit their responses to the interim reports of the Committee appointed by NGT within a period of four weeks;
  - (ii) NGT shall furnish to the appellants an opportunity of being heard, after which it shall proceed to pass orders after dealing with the suggestions and objections of the appellants in accordance with law;
  - (iii) NGT shall take a final decision in three months; and
  - (iv) The appellants would be at liberty to apply to the NGT for inspection of records, including the underlying documents which were submitted by the Committee.
- 13 The appeals shall accordingly stand disposed of.
- 14 Pending application, if any, stands disposed of.

.....CJI.  
[Dr Dhananjaya Y Chandrachud]

.....J.  
[J B Pardiwala]

**New Delhi;**  
**May 02, 2023**  
**-S-**

ITEM NO.11

COURT NO.1

SECTION XVII

**S U P R E M E C O U R T O F I N D I A**  
**RECORD OF PROCEEDINGS**

Civil Appeal No(s).3280/2020

STAR CEMENT LIMITED &amp; ORS.

Appellant(s)

VERSUS

THE STATE OF MEGHALAYA &amp; ORS.

Respondent(s)

(WITH IA No. 101983/2020 - APPLICATION FOR PERMISSION, IA No. 119002/2022 - CLARIFICATION/DIRECTION, IA No. 87559/2020 - EXEMPTION FROM FILING AFFIDAVIT, IA No. 101998/2020 - EXEMPTION FROM FILING AFFIDAVIT, IA No. 87560/2020 - EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT, IA No. 87558/2020 - STAY APPLICATION)

WITH

C.A. No. 4144/2020 (XVII)

(WITH IA No. 120345/2020 - EX-PARTE STAY, IA No. 120344/2020 - EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT)

C.A. No. 2302/2021 (XVII)

(WITH IA No. 69802/2021 - EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT, IA No. 69801/2021 - STAY APPLICATION)

C.A. No. 2355/2021 (XVII)

(WITH IA No. 72268/2021 - EX-PARTE STAY, IA No. 72271/2021 - EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT, IA No. 72270/2021 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES, IA No. 72274/2021 - PERMISSION TO FILE LENGTHY LIST OF DATES)

C.A. No. 2726-2727/2021 (XVII)

(WITH IA No. 76856/2021 - EX-PARTE STAY, IA No. 76860/2021 - EXEMPTION FROM FILING AFFIDAVIT, IA No. 76858/2021 - EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT)

C.A. No. 4991-4992/2021 (XVII)

(WITH IA No.91889/2021-EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT and IA No.91888/2021-EX-PARTE STAY and IA No.91887/2021-PERMISSION TO FILE APPEAL)

C.A. No. 781/2022 (XVII)

(WITH IA No.3537/2022-EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT and IA No.3536/2022-STAY APPLICATION and IA No.3534/2022-

PERMISSION TO FILE APPEAL)

C.A. No. 3528/2022 (XVII)

(WITH IA No.60554/2022-EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT and IA No.60553/2022-EX-PARTE STAY and IA No.60555/2022-EXEMPTION FROM FILING AFFIDAVIT and IA No.60552/2022-PERMISSION TO FILE SLP)

C.A. No. 4962/2022 (XVII)

(WITH IA No. 85588/2022 - STAY APPLICATION)

Special Leave Petition (Civil) Diary No(s). 22753/2022 (XIV)

(FOR ADMISSION and I.R. and IA No.123797/2022-EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT and IA No.123795/2022-PERMISSION TO FILE SLP, IA No. 187837/2022 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES)

Date : 02-05-2023 These matters were called on for hearing today.

CORAM :

HON'BLE THE CHIEF JUSTICE

HON'BLE MR. JUSTICE J.B. PARDIWALA

For Appellant(s)

Mr. Shyam Divan, Sr. Adv.  
Mr. Udayaditya Banerjee, AOR  
Mr. Sudipto Sircar, Adv.  
Ms. Shreya Bhojnagarwala, Adv.

Mr. Pinaki Misra, Sr. Adv.  
Mrs. Vanita Bhargava, Adv.  
Mr. Ajay Bhargava, Adv.  
Mr. Shantanu Chaturvedi, Adv.  
Ms. Prerna Singh, Adv.  
M/S. Khaitan & Co., AOR

Mr. Dhruv Mehta, Sr. Adv.  
Mr. Nawneet Vibhaw, Adv.  
Mr. Himanshu Pabreja, Adv.  
Mr. S. S. Shroff, AOR

Mr. Huzefa A Ahmadi, Sr. Adv.  
Mr. E. C. Agrawala, AOR

Dr. Ashok Saraf, Sr. Adv.  
Mr. Kaushik Choudhury, AOR

Mr. Manpreet Singh Lamba, Adv.  
Mr. Pulkit Agarwal, AOR  
Mr. Sanampreet Singh, Adv.

Mr. Shivani Sharma, Adv.  
 Mr. Ashutosh Kumar, Adv.  
 Mr. Palav Agarwal, Adv.  
 Mr. Aditya Mishra, Adv.

For Respondent(s) Mr. Avijit Mani Tripathi, AOR

Mr. Saurabh Mishra, AOR  
 Mr. Nirbhaya Tewari, Adv.  
 Mr. Rakesh Chander, Adv.  
 Mr. Abhishek Pandey, Adv.  
 Ms. Priya Kaushik, Adv.

Mr. Avneesh Arputham, AOR  
 Ms. Anuradha Arputham, Adv.

Ms. K. Enatoli Sema, AOR  
 Mr. Amit Kumar Singh, Adv.  
 Ms. Chubalemla Chang, Adv.  
 Mr. Prang Newmai, Adv.

Ms. Richa Kapoor, AOR  
 Mr. Kunal Anand, Adv.  
 Ms. Tusharika Sharma, Adv.

**UPON hearing the counsel the Court made the following  
 O R D E R**

- 1 The appeals are disposed of in terms of the signed order.
- 2 Pending application, if any, stands disposed of.

**Special Leave Petition (Civil) Diary No 22753 of 2022**

- 3 In view of the order which has been delivered in the batch of appeals<sup>2</sup> listed together with the Special Leave Petition, Mr Shyam Divan, senior counsel, seeks the permission of the Court to withdraw the Special Leave Petition so as to pursue appropriate remedies before the High Court.
- 2 Civil Appeal No 3280 of 2020 etc.

- 4 The application for permission to file the Special Leave Petition and the Special Leave Petition are dismissed as withdrawn.

**(SANJAY KUMAR-I)**  
**DEPUTY REGISTRAR**

**(SAROJ KUMARI GAUR)**  
**ASSISTANT REGISTRAR**

**(Signed order is placed on the file)**

# Annexure R2

35

F. No. J-11011/75/2009-IA-II (I)  
Government of India  
Ministry of Environment & Forests  
(IA Division)

Paryavaran Bhawan  
CGO Complex, Lodhi Road  
New Delhi – 110 003

E-mail: [pb.rastogi@nic.in](mailto:pb.rastogi@nic.in)  
Telephone: 011: 2436 7668  
Dated: 17<sup>th</sup> March, 2010

To,  
Shri Pardeep Bagchi (Managing Director)  
M/s Amrit Cements Industries Ltd  
226/1, A.J. Bose Road, 6<sup>th</sup> Floor  
Kolkatta- 700020

E-mail : [sushil@amrit.co.in](mailto:sushil@amrit.co.in)

**Subject: Cement Plant (Clinker 1.42; Cement 1.5 MTPA) alongwith Captive Power Plant (25 MW) near Village Umlaper, District Jaintia Hills, Meghalaya by M/s Amrit Cement Industries Limited – Environment clearance reg.**

**Ref. : Your letter no. ACIL/EIA-1 dated 1<sup>st</sup> February, 2010.**

Sir,

This has reference to your letter no. ACIL/EIA-1 dated 1<sup>st</sup> February, 2010 alongwith project documents including Form I, draft Terms of References, EIA/EMP Report, Public Hearing Report and other documents regarding the above mentioned cement project and subsequent correspondence vide communications dated 11<sup>th</sup> February, 2010 and 8<sup>th</sup> March, 2010.

2.0 The Ministry of Environment and Forests has examined the application. It is noted that proposal is for the Cement Plant (Clinker 1.42; Cement 1.5 MTPA) alongwith Captive Power Plant (25 MW) near Village Umlaper, District Jaintia Hills, Meghalaya by M/s Amrit Cement Industries Limited. Total land acquired for the cement plant is 30 ha. No eco-sensitive areas are located within 15 km periphery of the plant. Total cost of the project is Rs. 500.00 Crores for cement plant and captive power plant. Rs. 50.00 Crores are earmarked towards environment pollution control measures.

3.0 Dry process and state-of-the-art pre-calciner technology will be adopted to manufacture cement involving raw material grinding, blending, coal grinding, preheating of raw materials, pyro-processing and calcinations in the kiln, clinker cooler and cement grinding. A crusher will be provided to crush the limestone procured from mine. Limestone, shale/clay, mill scale, sandstone, gypsum and coal will be used as raw materials. Limestone will be sourced from Umlaper limestone deposits adjacent to the plant. Clinker (93 %), gypsum (15 %) and fly ash (2 %) will be used to manufacture Ordinary Portland Cement (OPC).

4.0 Electrostatic precipitators (ESPs), bag house and bag filters will be provided to control particulate emission below 50 mg/Nm<sup>3</sup>. Dust extraction and suppression system will be provided to control dust/fugitive emissions. Total water requirement from River Thaw Dolia will be 2,100 m<sup>3</sup>/day. Closed circuit cooling system will be provided to reduce water consumption. All the effluent will be treated and used for plant related activities, dust suppression and green belt development. All the dust collected in air pollution control equipments will be recycled back in the process. Out of 30 ha. in cement plant area, green belt will be developed in 10 ha. ✓

5.0 Public Hearing / Public Consultation meeting was held on 9<sup>th</sup> November, 2009.

6.0. The Ministry of Environment and Forests hereby accords environmental clearance to the above project under the provisions of EIA Notification dated 14<sup>th</sup> September, 2006 subject to strict compliance to the following specific and general conditions:

**A. SPECIFIC CONDITIONS :**

- i. No mining activity shall be started at the site without proper environment clearance / consent from the Central/State Government.
- ii. On-line ambient air quality and continuous stack monitoring facilities to monitor gaseous emissions from all the stacks shall be provided. After expansion, limit of SPM shall be controlled within 50 mg/Nm<sup>3</sup> by installing adequate air pollution control system viz. Electrostatic precipitators (ESPs) to clinker cooler and captive power plant (AFBC), bag house to raw mill/kiln and bag filters shall be provided to coal mill, cement mill etc. Adequate stack height as per CPCB guidelines shall be provided to AFBC boiler to control emissions. Interlocking facility shall be provided in the pollution control equipment so that in the event of the pollution control equipment not working, the respective unit is shut down automatically. Data on ambient air, fugitive and stack emissions shall be submitted to the Ministry's Regional Office at Shillong, Meghalaya Pollution Control Board (MPCB) and CPCB regularly.
- iii. An action plan shall be prepared and submitted to the Ministry's Regional Office at Shillong, for the control of SO<sub>2</sub> emissions from the captive power plant.
- iv. The National Ambient Air Quality Emission Standards issued by the Ministry vide G.S.R. No. 826(E) dated 16<sup>th</sup> November, 2009 shall be followed.
- v. Possibilities shall be explored for the proper and full utilization of gases generated from the kiln in waste heat recovery boiler (WHRB) and a feasibility report shall be prepared and submitted to the Ministry and its Regional Office at Shillong within 3 months from the date of issue of the letter.
- vi. The company shall install adequate dust collection and extraction system at various transfer points, raw mill handling (unloading, conveying, transporting, stacking), vehicular movement, bagging and packing areas etc. to control fugitive emissions. All the raw material stock piles shall be covered. A closed clinker stockpile system shall be provided. All conveyers shall be covered with GI sheets. Covered sheds for storage of raw materials and fully covered conveyers for transportation of materials shall be provided besides coal, cement, fly ash and clinker shall be stored in silos. Pneumatic system shall be used for fly ash handling.
- vii. Asphalting/concreting of roads and water spray all around the stockyard and loading/unloading areas in the cement plant shall be carried out to control fugitive emissions. Regular water sprinkling shall be carried out in critical areas prone to air pollution and having high levels of SPM and RPM such as haul road, loading and unloading points, transfer points and other vulnerable areas. It shall be ensured that the ambient air quality parameters conform to the norms prescribed by the Central Pollution Control Board in this regard. Dust extraction/suppression system shall be provided at transfer points, crusher house, coal stock pile etc. Automatic dust cleaning system shall be provided to clean floors to control fugitive dust emissions. The material shall be transported in covered chutes or trucks.

- viii. Gaseous emission levels including secondary fugitive emissions from all the sources shall be controlled within the latest permissible limits issued by the Ministry and regularly monitored. Guidelines / Code of Practice issued by the CPCB shall be followed. New standards for the sponge iron plant issued by the Ministry vide G.S.R. 414(E) dated 30<sup>th</sup> May, 2008 shall be followed.
- ix. Efforts shall be made to reduce impact of the transport of the raw materials and end products on the surrounding environment including agricultural land. All the raw materials including fly ash shall be transported in the closed containers only and shall not be overloaded. Vehicular emissions shall be regularly monitored.
- x. Total water requirement for cement plant from River Thaw Dolia shall not exceed 2,100 m<sup>3</sup>/day. No ground water will be used. Rejects of the water treatment plant shall be neutralized and boiler blow down shall be stored in common drain pit to cool naturally. Industrial effluent from captive power plant (CPP) shall be treated in effluent treatment plant (ETP). All the treated wastewater shall be recycled and reused in the process and/or for cooling, dust suppression and green belt development and other plant related activities etc. No process wastewater shall be discharged outside the factory premises and 'zero' discharge shall be adopted.
- xi. 'Permission' for the drawl of 2,100 m<sup>3</sup>/day water from River Thaw Dolia shall be obtained from concerned Department. Sewage treatment plant (STP) shall be installed for the treatment of sewage from the colony and treated domestic effluent shall be used for green belt development within the plant premises. Domestic waste from colony and STP shall be segregated into bio-degradable and non-biodegradable. Bio-degradable waste shall be composted and used for the green belt development. Non-biodegradable waste shall be land filled at identified sites.
- xii. Efforts shall be made to make use of rain water harvested. If needed. Capacity of the reservoir shall be enhanced to meet the maximum water requirement. Only balance water requirement shall be met from other sources.
- xiii. All the bag filter dust, raw meal dust, coal dust, clinker dust and cement dust from pollution control devices shall be recycled and reused in the process and used for cement manufacturing. Combustible wastes alongwith spent oil shall be used as fuel in the kiln. Non-combustible wastes shall be land filled for composting and non-compostable waste. STP sludge shall be used as manure for green belt development. Spent/used/waste oil and batteries shall be sold to authorized recyclers/reprocessors only.
- xiv. Efforts shall be made to use low grade lime, more fly ash and solid waste in the cement manufacturing.
- xv. An effort shall be made to use of high calorific hazardous waste in the cement kiln and necessary provision shall be made accordingly. The company shall keep the record of the waste utilized and shall submit the details to ministry's Regional Office at Shillong, CPCB and MPCB.
- xvi. All the fly ash shall be utilized as per Fly Ash Notification, 1999 subsequently amended in 2003. Efforts shall also be made to use fly ash maximum in making Pozollona Portland Cement (PPC).
- xvii. A Risk and Disaster Management Plan alongwith the mitigation measures shall be prepared and a copy submitted to the Ministry's Regional Office at Shillong, MPCB and CPCB within 3 months of issue of environment clearance letter.

- xviii. As proposed, green belt shall be developed in at least 10 ha. (33 %) area in out of total 30 ha. land in and around the cement plant as per the CPCB guidelines to mitigate the effects of air emissions in consultation with local DFO.
- xix. Recommendation and permission of the State Forest Department regarding impact of proposed plant on surrounding reserve forests, if any, shall be obtained and implemented. Further, Conservation Plan for the conservation of wild fauna in consultation with the State Forest Department shall be prepared and implemented.
- xx. All the recommendations made in the Charter on Corporate Responsibility for Environment Protection (CREP) for the Cement plants shall be implemented.
- xxi. The company shall provide housing for construction labour within the site with all necessary infrastructure and facilities such as fuel for cooking, mobile toilets, mobile STP, safe drinking water, medical health care, crèche etc. The housing may be in the form of temporary structures to be removed after the completion of the project.
- xxii. All the commitments made to the public during the Public Hearing / Public Consultation meeting held on 9<sup>th</sup> November, 2009 shall be satisfactorily implemented and a separate budget for implementing the same shall be allocated and information submitted to the Ministry's Regional Office at Shillong.
- xxiii. At least 5 % of the total cost of the project shall be earmarked towards the corporate social responsibility and item-wise details alongwith time bound action plan shall be prepared and submitted to the Ministry's Regional Office at Shillong. Implementation of such program shall be ensured accordingly in a time bound manner.

**B. GENERAL CONDITIONS :**

- i. The project authority must adhere to the stipulations made by Meghalaya State Pollution Control Board (MSPCB) and State Government.
- ii. No further expansion or modification of the plant shall be carried out without prior approval of this Ministry.
- iii. At least four ambient air quality monitoring stations shall be established in the downward direction as well as where maximum ground level concentration of SPM, SO<sub>2</sub> and NO<sub>x</sub> are anticipated in consultation with the Meghalaya State Pollution Control Board. Data on ambient air quality and stack emissions shall be regularly submitted to this Ministry including its Regional Office at Shillong and Meghalaya Pollution Control Board once in six months.
- iv. Industrial waste water shall be properly collected and treated so as to conform to the standards prescribed under GSR 422 (E) dated 19<sup>th</sup> May, 1993 and 31<sup>st</sup> December, 1993 or as amended from time to time. The treated wastewater shall be utilized for plantation purpose.
- v. The overall noise levels in and around the plant area shall be kept well within the standards (85 dBA) by providing noise control measures including acoustic hoods, silencers, enclosures etc. on all sources of noise generation. The ambient noise levels shall conform to the standards prescribed under Environmental (Protection) Act, 1986 Rules, 1989 viz. 75 dBA (day time) and 70 dBA (night time). ✓

- vi. Proper house keeping and adequate occupational health programmes must be taken up. Occupational Health Surveillance programme shall be done on a regular basis and records maintained. The programme must include lung function and sputum analysis tests once in six months.
- vii. The company shall harvest the rainwater from the roof tops and storm water drains to recharge the ground water.
- viii. The company shall undertake eco-development measures including community welfare measures in the project area.
- ix. The project proponent shall also comply with all the environmental protection measures and safeguards recommended in the EIA/EMP.
- x. A separate environmental management cell with full fledged laboratory facilities to carry out various management and monitoring functions shall be set up under the control of Senior Executive.
- xi. As proposed, Rs. 50.00 Crores shall be earmarked towards total capital cost and recurring cost/annum for environmental pollution control measures to implement the conditions stipulated by the Ministry of Environment and Forests as well as the State Government and submit implementation schedule for all the conditions stipulated herein to the Regional Office of this Ministry at Shillong / Central Pollution Control Board / Meghalaya State Pollution Control Board. The funds so provided shall not be diverted for any other purposes.
- xii. A copy of clearance letter shall be sent by the proponent to concerned Panchayat, Zila Parishad / Municipal Corporation, Urban Local Body and the local NGO, if any, from whom suggestions / representations, if any, were received while processing the proposal. The clearance letter shall also be put on the web site of the company by the proponent.
- xiii. The project proponent shall upload the status of compliance of the stipulated environment clearance conditions, including results of monitored data on their website and shall update the same periodically. It shall simultaneously be sent to the Regional Office of the MOEF at Shillong, the respective Zonal Office of CPCB and the Meghalaya SPCB. The criteria pollutant levels namely; SPM, RSPM, SO<sub>2</sub>, NO<sub>x</sub> (ambient levels as well as stack emissions) or critical sectoral parameters, indicated for the projects shall be monitored and displayed at a convenient location near the main gate of the company in the public domain.
- xiv. The project proponent shall also submit six monthly reports on the status of the compliance of the stipulated environmental conditions including results of monitored data (both in hard copies as well as by e-mail) to the Regional Office of MOEF, the respective Zonal Office of CPCB and the Meghalaya SPCB. The Regional Office of this Ministry at Shillong / CPCB / Meghalaya SPCB shall monitor the stipulated conditions.
- xv. The environmental statement for each financial year ending 31<sup>st</sup> March in Form-V as is mandated to be submitted by the project proponent to the concerned State Pollution Control Board as prescribed under the Environment (Protection) Rules, 1986, as amended subsequently, shall also be put on the website of the company alongwith the status of compliance of environmental conditions and shall also be sent to the respective Regional Offices of the MOEF by e-mail.

- xvi. The Project Proponent shall inform the public that the project has been accorded environmental clearance by the Ministry and copies of the clearance letter are available with the Meghalaya SPCB and may also be seen at Website of the Ministry of Environment and Forests at <http://envfor.nic.in>. This shall be advertised within seven days from the date of issue of the clearance letter, at least in two local newspapers that are widely circulated in the region of which one shall be in the vernacular language of the locality concerned and a copy of the same shall be forwarded to the Regional office at Shillong.
- xvii. Project authorities shall inform the Regional Office at Shillong as well as the Ministry, the date of financial closure and final approval of the project by the concerned authorities and the date of commencing the land development work.

7.0 The Ministry may revoke or suspend the clearance, if implementation of any of the above conditions is not satisfactory.

8.0 The Ministry reserves the right to stipulate additional conditions if found necessary. The Company in a time bound manner shall implement these conditions.

9.0 Any other conditions or alteration in the above conditions will have to be implemented by the project authorities in a time bound manner.

10.0 Any appeal against this environmental clearance shall lie with the National Environment Appellate Authority, if preferred within a period of 30 days as prescribed under Section 11 of the National Environment Appellate Act, 1997.

11.0 The above conditions shall be enforced, inter-alia under the provisions of the Water (Prevention & Control of Pollution) Act, 1974, the Air (Prevention & Control of Pollution) Act, 1981, the Environment (Protection) Act, 1986, Hazardous Wastes (Management and Handling) Rules, 2003 and the Public (Insurance) Liability Act, 1991 along with their amendments and rules



(Dr. P. B. Rastogi)  
Director

Copy to :-

1. Chairman, Meghalaya State Pollution Control Board, Arden, Phase-III, Lumpyhgngad, Shillong - 793 014, Meghalaya.
2. Chairman, Central Pollution Control Board, Parivesh Bhavan, CBD-cum-Office Complex, East Arjun Nagar, Delhi - 110032.
3. Chief Conservator of Forests (Central), Ministry of Environment and Forests, (North-eastern Region, Upland Road, Laitumkhrach, Shillong - 793 003, Meghalaya.
4. Adviser IAll (I), Ministry of Environment and Forests, Paryavaran Bhawan, CGO Complex, New Delhi.
5. Monitoring Cell, Ministry of Environment and Forests, Paryavaran Bhawan, CGO Complex, New Delhi.
6. Guard File.
7. Monitoring File.
8. Record File.



(Dr. P. B. Rastogi)  
Director

**QUORUM**

**HON'BLE MR. JUSTICE BROJENDRA**

**PRASAD KATAKEY,**

**FORMER JUDGE, GAUHATI HIGH COURT,**

**GUWAHATI**

**PROF. ASHOK K. SINGH, MEMBER**

**REPRESENTATIVE FROM INDIAN SCHOOL**

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**IN THE MATTER OF**

**Threat to Life Arising Out of Coal Mining in**

**South Garo Hills District**

**-Vs-**

**The State of Meghalaya & Ors.**

**And other connected matters**

**PRESENT**

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**PROCEEDING NO. 17**

**RECORD OF THE MINUTES OF**  
**SEVENTEENTH SITTING OF THE**

**COMMITTEE CONSTITUTED BY THE**  
**HON'BLE NATIONAL GREEN TRIBUNAL**  
**UNDER THE CHAIRMANSHIP OF HON'BLE**  
**MR. JUSTICE B. P. KATAKEY, FORMER**  
**JUDGE, GAUHATI HIGH COURT HELD ON**  
**14th AUGUST, 2019 AT 10.00 A.M IN THE**  
**CONFERENCE HALL 0/0 PRINCIPAL CHIEF**  
**CONSERVATOR OF FORESTS & HOFF.**  
**SYLVAN HOUSE. SHILLONG MEGHALAYA.**

At the outset, Mr. C. P. Marak, IFS, Principal Secretary to the Government of Meghalaya, Forest & Environment Department who is also holding charge of the posts of the Principal Chief Conservator of Forests & HoFF, Meghalaya and the Chairman, Meghalaya State Pollution Control Board welcomed the Hon'ble Chairman & Members of the Committee, Special Invitees, Senior Officials of the State Government, Representatives of the Cement & Thermal Power Plants and other officers present in the meeting.

**AGENDA ITEMS FOR DISCUSSION**

1. Review of actions taken to comply with directions issued by the Committee in its First Special Sitting held on 12.07.2019.
2. Review of actions taken to comply with directions issued by the Committee in its Sixteenth Sitting held on 22.07.2019 and 23.07.2019.
3. Presentation by scientists from the Council of Scientific and Industrial Research Central Institute of

Mining and Fuel Research (CSIR- CIMFR). Dhanbad on progress made in studies assigned to CSIR-CIMFR on development of protocols for treatment of acid mine drain originating from coal mines and closure of abandoned rat hole coal mines by controlled blasting.

4. Consideration of two similar representations dated 12.07.2019 and dated 11.07.2019 from Mr. Marthon Sangma, Hon'ble Member Legislative Assembly and Mr. Nizamuddin R. Marak respectively regarding use of rack loading infrastructure available at Mendipathar Railway Station for evacuation of coal allowed to be transported by the Hon'ble Supreme Court.
5. Consideration of a representation dated Nil from Mr. Rakbirthson D. Sangma regarding estimate of actual quantity of coal lying in the State of Meghalaya for auctioning in terms of the Hon'ble Supreme Court's final Order and Judgement dated 03.07.2019.
6. Consideration of a proposal to involve Eco - Task Force in bio- restoration of areas affected by coal mining in Meghalaya.
7. Any other matter (s) to be raised with permission of the Chair

#### **AGENDA ITEM NO. 1**

1. Mr. T. Dkhar, IAS, Commissioner and Secretary to the Government of Meghalaya, Mining and Geology

Department states that information/documents sought by the Committee in its First Special Sitting held at Shillong on 12.07.2019 are still being compiled. The same will be submitted to the Committee within a week. The Committee directs the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department that all the information/documents sought by the Committee from the Mining and Geology Department in the First Special Sitting held on 12.07.2017 including the video records of all the coal depots where the coal to be handed over to the Coal India Limited is presently lying shall positively be provided to the Committee within one week. As directed by the Committee in the said Special Sitting the videos of the coal depots shall be recorded by joint teams, consisting of representatives, from the Mining and Geology Department, Meghalaya State Pollution Control Board and the Coal India Limited.

2. Mr. D. Sangma, MCS, Joint Secretary to the Government of Meghalaya, Transport Department states that an updated Statement in the format provided by the Committee in its First Special Sitting held at Shillong on 12.07.2019 containing details of all those weighbridges which will be available for weighing of coal to be auctioned by the Coal India Limited in compliance of the Hon'ble Supreme Court's Judgment dated 03.07.2019 in Civil Appeal No. 10720 of 2018 along with the geo-coordinates (latitude and longitude] of each of these weighbridges

is being prepared. The same will be provided to the Committee within one week.

The Committee directs the Commissioner and Secretary to the Government of Meghalaya, Transport Department that the afore-mentioned information shall positively be provided to the Committee within one week.

3. Mr. H. Nongpluh, IPS, Addl. Director General of Police (L &0/ TAP/ SB/Borders). Government of Meghalaya states that in compliance of the direction issued by the Committee in the First Special Sitting held on 12.07.2019, the Director General of Police, Meghalaya held a meeting with officials of the Mining and Geology Department and the North Eastern Coalfields, Coal India Limited to prepare an Action Plan to ensure that no freshly mined coal is mixed with the assessed coal available at the existing identified depot(s). The Action Plan will be finalised after the Policy for handing over of the coal available at such depots to the Coal India Limited for disposal through e-auction is finalised. The Committee notes the same.
4. The Committee notes that details of the complaints under relevant Section(s) of the Water (Prevention and Control) Act, 1974 and/or the Air (Prevention and Control of Pollution) Act 1981 against the persons involved in illegal mining, storage and transportation of coal in Meghalaya already filed or proposed to be filed before the concerned competent Courts of Laws

is still awaited from the North Eastern Regional Directorate, Central Pollution Control Board (CPCB). The Committee therefore, directs the Regional Director, North Eastern Regional Directorate, CPCB to positively provide the said details to the Committee within fifteen days.

5. Mr. Z. Changsan, Regional Director, North Eastern Regional Directorate, CPCB states that decision of the competent authority in the CPCB on advise of this Committee to make available the entire amount of Rs. 100 Crore placed at disposal of the CPCB from amounts available in the Meghalaya Environment Protection and Restoration Fund (MEPRF) in compliance of directions issued by the Hon'ble Supreme Court in para 179 of the Judgment dated 03.07.2019 in the Civil Appeal No. 10720 of 2018 in the matter of State of Meghalaya versus All Dimasa Student Union, Dima-Hasao District Committee and Ors. and other connected matters for implementation of the Action Plan prepared by the Committee for restoration of environment in areas affected by illegal rat hole coal mining in the State to ensure that the amounts available for restoration of Environment in Meghalaya is utilised in a holistic and integrated manner, is still awaited.

The Committee directs Mr. Z. Changsan to obtain a decision of the competent Authority in the CPCB on the above and communicate the same to the Committee within fifteen days.

The Committee further reiterates that in case the aforesaid suggestion of the Committee is not acceptable to the CPCB, the CPCB shall prepare a detailed Action Plan for utilisation of the afore-said amount of Rs. 100 crore and submit the same to the Committee within one month. The Action Plan shall among other contain full details of activities proposed to be undertaken, estimated cost and the agencies responsible for execution and monitoring of each of these activities.

6. The Committee notes that the Addl. Director General (Central), North Eastern Regional Office, Ministry of Environment, Forest and Climate Change (MoEFCC), Government of India (GoI) in a letter dated 08.08.2019 addressed to the Addl. Principal Chief Conservator of Forests (Planning, Development and Legal Matters), Government of Meghalaya has stated that the list of miners, coal dealers/transporters submitted by the Directorate of Mineral Resources, Shillong have been sent to the MoEF&CC, New Delhi to advise the Regional Office, Shillong on the actions to be taken against these persons. He further states that decision of the MOEF&CC, New Delhi is yet to be received by the Regional Office. The Committee takes a copy of the said communication on record.

The Committee directs the Addl. Director General (Central), North Eastern Regional Office, MOEFCC, GoI to pursue and obtain decision of the concerned competent authority in the MOEFCC, GoI on the

above and intimate the same to the Committee within fifteen days.

**AGENDA ITEM NO.2**

7. Mr. Z. Changsan, Regional Director, North Eastern Regional Directorate, CPCB states that in compliance of a direction issued by the Hon'ble Supreme Court in para 179 of the Judgment dated 03.07.2019 in the Civil Appeal No. 10720 of 2018 in the matter of State of Meghalaya versus All Dimasa Student Union, Dima-Hasao District Committee and Ors, and other connected matters an amount of Rs. 100 Crores has been transferred to the CPCB from the MEPRF. He further states that the said amount has been deposited in a separate account opened by the headquarters of the CPCB at Delhi. The Committee notes the same.

The Committee also notes that the Hon'ble Supreme Court in the said Judgment dated 03.07.2019 has directed that the said amount of Rs. 100 crore shall be utilised only for restoration of the environment in the State of Meghalaya. The Committee therefore is of the view that it may be desirable to transfer the said amount in a separate bank account to be opened in any Nationalised Bank at Shillong.

The Committee, keeping in view the above, advises the CPCB to transfer the said amount in a separate bank account to be opened in any Nationalised Bank at Shillong. The Committee also advises the CPCB to invest the surplus amount which is not likely to be utilised in near future in fixed deposit(s) in

Nationalised Bank(s) who offers highest rates of interest.

8. Mr. T. Dkhar, IAS, Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department states that report on a visit undertaken in 2008 by a High Level Delegation headed by the then Deputy Chief Minister to West Virginia, USA for search of appropriate coal mining technology for the State of Meghalaya is presently being examined by the State Government. An appropriate decision on the said Report will be taken by the Government shortly.

The Committee directs the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department to expedite decision on the said Report and communicate the same to the Committee within fifteen days.

The Committee after consultation with the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department directs that to have first-hand experience of the said technology and to assess feasibility of its adoption in the State, a delegation consisting of the Commissioner and Secretary and/or Secretary to the Government of Meghalaya, Mining and Geology Department; one member of the Committee (viz. Dr. Shantanu Kr. Dutta) and Mr. N. Bhattacharjee, Chairman, State Level Expert Appraisal Committee may on 22 and 23rd August, 2019 visit any of the mines in India where Highwall Mining Technology is

presently being deployed and submit a report to the Committee immediately thereafter.

9. Mr. K. A. Khieya, Commissioner Custom (Preventive), Office of the Commissioner of Customs, Shillong states that month-wise details (viz. name & full address) of the exporter for each consignment of the coal originated from the Meghalaya allowed to be exported to the Bangladesh from each of the seven Land Custom Stations in Meghalaya since the ban on rat hole coal mining in Meghalaya was imposed by the Hon'ble NGT in April, 2014, as sought by the Committee in the first day of its Sixteenth Sitting held on 22.07.2019, is still being compiled. He therefore requested the Committee to provide atleast one month additional time to place the said information before the Committee. The Committee accepts the said request and directs Mr. K.A. Khieya to submit the said information to the Committee within one month positively. The Committee further directs that the information in respect of Gasuapara Land Custom Station for the month of May 2019 along with a copy of supporting documents shall positively be provided to the Committee within seven days.
  
10. Mr. T. Dkhar, IAS, Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department states that month-wise details (viz. name & full address) of the exporter for each consignment of the coal originated from the Meghalaya allowed to be exported to the Bangladesh from each of the seven Land Custom Stations in Meghalaya since the ban on

rat hole coal mining in Meghalaya was imposed by the Hon'ble NGT in April, 2014, as sought by the Committee in the first day of its Sixteenth Sitting held on 22.07.2019, is still being compiled. He therefore requested the Committee to provide atleast one month additional time to place the said information before the Committee. The Committee accepts the said request and directs the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department to submit the said information to the Committee within one month positively. The Committee further directs that the information in respect of Gasuapara Land Custom Station for the month of May 2019 along with a copy of supporting documents shall positively be provided to the Committee within seven days.

11. Mr. T. Dkhar, IAS, Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department states that an amount of Rs 16,50,000/- has already been sanctioned on 01.08.2019 for payment of ex-gratia @ Rs. 1,00,000 to the next of kin of each of 14 (fourteen) coal mine workers who died while working in an illegal coal mine in South Garo Hills District in 2012 and @ Rs. 50,000 to 5 (five) coal mine workers who were injured in the said accident. He further states that said amount will be disbursed to the concerned beneficiary once they approach the Deputy Commissioner, South Garo Hills District along with requisite documents duly verified by the concerned competent authority. The Deputy Commissioner, South Garo Hills District by a WT

Message dated 19.07.2019 has already requested the Deputy Commissioners of all concerned districts and Officer in-charge of the concerned Police Stations in Assam having jurisdiction over the last known place of residence of these beneficiaries to inform the beneficiaries to approach him along with duly verified documents to receive the compensation.

The Committee directs the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department to expedite disbursement of the aforesaid compensation to the concerned beneficiaries and submit a report to the Committee within one month.

12. Mr. T. Dkhar, IAS, Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department states that in response to a notice inviting applications for payment of ex-gratia published in local Dailies in compliance of a direction issued by this Committee, he received 11 (eleven) claims. These claims have been forwarded to Deputy Commissioners of the concerned districts (viz. East Jaintia Hills and South Garo Hills Districts) for verification. Report from Deputy Commissioners of both these districts is still awaited.

The Committee directs the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department to expedite verification of these claims and disbursement of ex-gratia to the

genuine/eligible claimants and submit a report to the Committee within one month.

13. Mr. T. Dkhar, IAS, Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department states that an order has already been placed by the Deputy Commissioner, East Jaintia Hills District to purchase six vehicles, each mounted with a water tanker, from an amount of Rs. 96.97 lakh released in his favour from the MEPRF, as has been approved by the Hon'ble National Green Tribunal (NGT) by its order dated 11.04.2019. So far two such vehicles have already been delivered. Smti. R. Kynjing, Executive Engineer, Rural Water Supply Division, Jowai states that so far these vehicles have not been used for supply of potable water to villages affected by acid mine drain.

The Committee directs the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department to expedite purchase and use of these vehicles, obtain from the Deputy Commissioner, East Jaintia Hills District a Utilisation Certificate (UC) for the said amount along with a report on use of these vehicles and provide a copy thereof to the Committee within fifteen days.

14. Mr. T. Dkhar, IAS, Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department states that the Government has taken up steps to introduce new transportation challans with

security features like watermark, hologram and QR code to prevent misuse of challans.

The Committee notes that in compliance of directions issued by the Hon'ble NGT by Order dated 11.04.2019, the Committee in its twelfth Sitting held on 25.04.2019 issued several directions to ensure detection and prevention of illegal mining and transportation of the coal in Meghalaya. The Committee further notes that keeping in view that majority of these directions recorded in para (5) of the Record of Minutes of the said Sitting have not been implemented so far, the Committee in its sixteenth sitting held on 22.07.2019 had directed the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department to submit a report on status of implementation of each of these directions in this Sitting. The said report is still awaited.

The Committee therefore directs the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department to expedite implementation of each of these directions and submit a report on status of implementation of each of these directions to the Committee within fifteen days positively.

15. Mr. T. Dkhar, IAS, Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department states that an order for supply and installation of Digital Display Boards at Headquarters

of all the coal mining affected districts and sub-divisions in the State has been issued. Installation of these Boards is likely to be completed on 15.09.2019.

The Committee directs the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department to complete installation and display thereon the quality of ten worst polluted rivers and streams, of these Boards at headquarters of all coal mining affected districts and sub-divisions in State, at the earliest and to submit a report to the Committee within one month.

16. The Director of Mineral Resources, Government of Meghalaya states that contrary to what has been reported in records of minutes of proceedings of first day of Sixteenth Sitting of the Committee held at Shillong on 22.07.2019, out of the total ten (10) bore holes: required for preparation of a Geological Report and Feasibility Report for 1 sq. km. area in Khliehriat-Sutnga area in East Jaintia Hills District, so far drilling of four (4) bore holes has only been initiated. Out of these, drilling of three (3) bore holes had to be abandoned mid way due to jamming of drilling bits. Drilling of one bore hole, which has been completed, did not detect any coal seam. He further states that services of Mineral Exploration Corporation Limited (MeCL) are being availed to undertake drilling of requisite number of bore holes in the said area.

The Committee notes with concern the long delay in drilling of requisite number of bore-holes in the said

area and directs the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department to expedite drilling of bore holes and preparation of Geological Report, Feasibility Report and Environment Report for the said area. A report on updated current status of preparation of these Reports along with a definite timeframe for completion thereof, shall be intimated to the Committee within fifteen days.

17. Prof. O.P. Singh, Department of Environmental Studies, North Eastern Hill University (NEHU) places before the Committee a status report of a project on neutralization of acid mine drain (AMD) contaminated water of some selected streams in coal mining areas of Meghalaya by constructing open limestone channel (OLC) using locally available limestone and intermittent wetlands with local aquatic plants, being undertaken in East Jaintia Hills district under his guidance. The Committee takes the same on record.
18. The Committee in first day of its Sixteenth Sitting held at Shillong on 22.07.2019 requested Prof. O.P. Singh to prepare a detailed protocol and year-wise cost-estimates for neutralization of acid mine drain (AMD) contaminated water of some selected streams in coal mining areas of Meghalaya by constructing open limestone channel (OLC) using locally available limestone and intermittent wetlands with local aquatic plants. It was also requested that the protocol and the cost-estimates may specifically provide for use of

limestone with low sulphur content and expenditure to be incurred on periodic rejuvenation of limestone beds. Prof. O.P. Singh states that preparation of the said protocol is presently under progress. The Committee therefore, requests Prof. O.P. Singh to expedite preparation of the said protocol and submit a copy thereof to the Committee within fifteen days.

19. Dr. Manjunatha C. IFS, Secretary to the Government of Meghalaya, Forests and Environment Department states that decision on a proposal submitted by the Principal Chief Conservator of Forests & HoFF for payment of sitting fee to official members of the Committee and various experts invited to attend meetings of the Committee is still under consideration of the State Government.

The Committee directs the Principal Secretary to the Government of Meghalaya, Forests and Environment Department to expedite decision on the said proposal and intimate the same to the Committee within one week.

20. Dr. Manjunatha C. IFS, Secretary to the Government of Meghalaya, Forests and Environment Department states that a proposal submitted by the Principal Chief Conservator of Forests & HoFF to enhance the rates of monthly honorarium payable to the Chairman of this Committee has been forwarded to the Mining and Geology Department for appropriate decision.

The Committee directs the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department to expedite decision on the said proposal and intimate the same to the Committee within one week.

21. The Committee during first day of its Sixteenth Sitting held on 22.07.2019 directed the Chairman, MSPCB to submit details of the regulatory regime presently in force to govern establishment and operation of coal depots in the State along with a proposal to fill gaps, if any, in such regime to ensure prevention and control of generation of acid mine drain (AMD) from such depots. The same is still awaited. The Committee therefore directs the Chairman, MSPCB to provide the above information to the Committee positively within one week.
  
22. The Committee in first day of its Sixteenth Sitting held on 22.07.2019 noted that establishment and operation of a coal mine in Meghalaya requires prior consent from the MSPCB under Section 25 of Water (Prevention and Control of Pollution) Act, 1974. The Committee also noted that it is an admitted position that all coal mines in the State had been established and operated without obtaining prior consent from the Board. The owners of all these mines are therefore, liable to be punished under Section 44 of the Water (Prevention and Control of Pollution) Act, 1974 for contravention of section 24 of the said Act, without a need to establish before the concerned Court of Law

that establishment and operation of such mines have caused pollution of one or more water streams.

Keeping in view the above, the Committee in the said sitting directed the Chairman, MSPCB to initiate necessary penal actions in accordance with all relevant provisions of the Water (Prevention and Control of Pollution) Act, 1974 and all other Environmental Acts, rules and regulation against the persons involved in illegal mining of coal in the State. In response the Member Secretary, in a communication dated 13.08.2019 addressed to the Addl. Principal Chief Conservator of Forests (Planning, Development and Legal Matters). Government of Meghalaya stated that the MSPCB has sought advice of its Standing Legal Counsel on the matter. In response the Standing Legal Counsel gave his opinions as follows

- (i) That a prior general public notice is necessary to be published in leading local newspaper barring all mining operations, mining activities, coal depots, establishments, coal transportation, etc., from carrying out any activity without prior consent from the board. Failing which, legal actions may be followed.
- (ii) That the Directorate of Mineral Resources, Forest Department, District Administration, etc., may immediately stop issuing challans, clearance, grating any permission or licence to any mine owner or miner or trader without prior consent from the Board.

- (iii) That the Board on being approached for availing consent by the occupier will ensure by visiting the identified site/location/ETPs and will inspect it in the presence of the Stakeholders tested & mapped and further assure that no effluent or pollutant is allowed to leak in to the river or stream or land before granting consent.
  
- (iv) That unless the aforesaid are initiated afresh and complied by all the stakeholders before granting consent, it would be too huge a task to identify any coal miner, or mine owner or trader spread out across the interiors of the State.

The Committee after examination of the matter is of the view that the name and address of the mine owners have already been provided to the MSPCB by the Directorate of Mineral Resources. It is also an admitted position that all coal mines in the State have been established and operated without obtaining prior consent from the Board. The Committee is also of the view that every power conferred on any person or any authority under any statute always cast a duty on such person or authority to exercise such power to achieve the intent and purpose under which such power has been conferred on such person or authority. The MSPCB is thus duty bound to exercise all the Powers conferred on it under relevant sections, including section 44 of the Water (Prevention and Control of Pollution) Act. 1974 to initiate proceedings against all those persons who have undertaken mining of coal in

contravention of the provisions of section 21 of the said Act

The Committee therefore reiterates its earlier direction to the effect that the MSPCB shall initiate necessary penal actions in accordance with all relevant provisions of the Water (Prevention and Control of Pollution) Act, 1974 and all other environmental Acts, rules and regulation against the persons involved in illegal mining of coal in the State and submit a report to this Committee within one month.

23. The Committee after perusal of certain documents placed before it by the Member Secretary, MSPCB in first day of its Sixteenth Sitting held at Shillong on 22.07.2019 observed that actions are proposed to be taken by the MSPCB against only a limited number of persons involved in illegal mining, storage and transportation of coal resulting in pollution of rivers, streams and other water bodies in the State. The Committee was of the view that the mining, storage and transportation of about 12 million metric tonnes of coal permitted to be transported by the Hon'ble Supreme Court and the Hon'ble NGT from time to time after ban on illegal rat hole coal mining in the State was imposed by the NGT in April, 2014 could not have been undertaken by these limited number of persons.

The Committee keeping in view the above, in the said Sitting directed the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department to furnish to the MSPCB and to this

Committee a district-wise list of all persons involved in mining, storage and transportation of coal permitted to be transported by the Hon'ble Supreme Court and the Hon'ble NGT after the ban on illegal rat-hole coal mining was imposed by the Hon'ble NGT in April 2014. The said list is still awaited.

The Committee therefore, reiterates its direction to the effect that the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department shall positively furnish to the MSPCB and to this Committee within one week a district-wise list of all persons involved in mining, storage and transportation of coal permitted to be transported by the Hon'ble Supreme Court and the Hon'ble NGT after the ban on illegal rat-hole coal mining was imposed by the Hon'ble NGT in April 2014

24. The Committee keeping in view that use of high sulphur local coal by Thermal Power Plants (TPPS) in the State may cause environmental pollution, in the first day of its Sixteenth Sitting held at Shillong on 22.07.2019 directed the Addl. Director General (Central), North Eastern Regional Office, MoEFCC, GoI to request the MOEFCC, GoI and the State Environment Impact Assessment Authority (SEIAA). Meghalaya to stipulate an appropriate additional condition in Environment Clearances (ECS) granted to all the TPPs in the State to prohibit use of high sulphur local coal by these TPPs.

Mr. S.K. Agarwal, Addl. Director General of Forests (Central), North Eastern Regional office, MoEFCC, GoI in a communication dated 08.08.2019 addressed

to the Member Secretary of this Committee stated that the Regional Office vide letters dated 06.08.2019 communicated a copy of the minutes of the said Sitting to the Member -Secretary, Impact Assessment-1 (Thermal) Division in the MoBFCC, GoI and the Member-Secretary, SEIAA Meghalaya with a request to impose an appropriate additional condition in the EC of TPPs operating in the State. The Committee takes a copy of the said letter on record.

It has also been stated in the said letter that the SEIAA, Meghalaya vide letter dated 29.07.2019 has already stipulated an additional condition to the effect that "the PP shall not use coal in Thermal Power Plant procured from the local source, since illegal activities of coal mining is rampant in the State in the Environmental Clearance (EC) to the Meghalaya power Limited

The Committee notes that in case of the Meghalaya Power Limited a condition to the effect "*In case source of fuel supply is changed at a later stage (now proposed on imported coal from Indonesia the project proponent shall intimate the Ministry well in advance along with necessary requisite documents for its concurrence for allowing the change. In such a case the necessity for re-conducting public hearing may be decided by the Ministry in consultation with the Expert Appraisal Committee*" has already been stipulate in the EC to the said TPP. Stipulation of an additional condition in the EC to the said TPP by the SEIAA. Meghalaya by the said letter dated 29.07.2019 will therefore not serve purpose. In fact the Committee in its several previous meetings has

directed the North Eastern Regional Office of the MoEFCC, GoI to take necessary actions to stipulate a similar condition in the ECS granted to other TPPs in the State. Instead of doing so, an additional condition in ECs granted to other TPPs. the SEIAA Meghalaya has stipulated an additional condition to EC granted to the Meghalaya Power Limited, which already had a condition to prohibit use of high sulphur local coal.

The Committee therefore, reiterates its earlier direction to the effect that the Addl. Director General of Forests (Central), North Eastern Regional Office, MoEFCC, GoI shall take immediate necessary actions to get an additional condition stipulated in ECs granted to all TPPs in the State to prohibit use of high sulphur local coal by all such TPPs and submit a report to the Committee within one month.

25. Mr. S.K. Agarwal, Addl. Director General of Forests (Central), North Eastern Regional Office, MoEFCC, GoI states that decision of the MoEFCC, GoI on the proceedings initiated against the Meghalaya Power Limited for use of locally sourced coal in violation of a condition stipulated in the EC to the said TPP is still awaited.

The Committee notes with great concern long delay in taking a decision in the matter and reiterates its earlier direction to the effect that the Addl. Director General in charge North Eastern Regional Office of the MoEFCC, GoI shall ensure that appropriate punitive measure against the said TPP for violation of a condition stipulated in the EC shall be taken at the

earliest and submit a report to the Committee within one month.

26. Smt. I. Mawlong, Joint Secretary to the Government of Meghalaya, Revenue and Disaster Management Department states that the State Government after examination of a draft Comprehensive Disaster Management Plan, both "on-site" and "off-site" received from the Deputy Commissioner, East Jaintia Hills District observed that the same is not up to the mark and needs further improvements. The State Government has therefore, recently requested the Deputy Commissioner, East Jaintia Hills District to submit a revised draft Plan. On receipt, the same will be placed before the State Disaster Management Authority for consideration and approval.

The Committee directs the Commissioner and Secretary to the Government of Meghalaya, Revenue and Disaster Management Department to take all possible measures to prepare an acceptable plan, get the same approved by the competent authority and provide a copy thereof duly approved by the competent authority to this Committee: within fifteen days.

27. Mr. T. Dkhar, IAS, Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department states that necessary directions have been issued to the officers in the Mining and Geology Department and the District Administration who have been authorised under Section 22 of the Mines and Minerals (Development and Regulation) Act, 1957 to file complaint against the persons involved in illegal

raising and transportation of coal to exercise power vested on them. He further states that till date no enquiry has been initiated by any of these Authorised Officers in the Mining and Geology Department and the District Administration to file complaint before the concerned competent Court of Law for violation of the Mines and Minerals (Development and Regulation) Act, 1957.

The Committee notes the above with great concern and directs the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department to ensure that all such officers exercise powers conferred on them to enquire into and file complaint against the persons involved in illegal raising and transportation of coal in the State. A monthly report on the enquiries initiated and complaints filed by such officers shall be submitted to this Committee every month. First such report shall be submitted to this Committee on or before 10.09.2019.

28. Mr. H. Nongpluh, IPS, Addl. Director General of Police (L &0/ TAP/ SB/Borders), Government of Meghalaya states that in the Nangal Bibra P.S. case No. 10 (03) of 2013, Post-Mortem Report has already been received from the District Medical and Health Officer, Williamnagar. Charge-sheet in the said case, which was pending so far due to non-receipt of the said post-mortem report, will be filed before the concerned Court of Law within one week. The Committee directs the Director General of Police, Meghalaya to submit a report on the same to the Committee within fifteen days.

29. Mr. H. Nongpluh, IPS, Addl. Director General of Police (1. &0/ TAP/ SB/Borders). Government of Meghalaya states that in compliance of directions issued by the Committee in the first day of its Sixteenth Sitting held on 22.07.2019, Police Check Posts have already been set up at Dongkiingding in West Khasi Hills District and Nartiang in West Jaintia Hills District to effectively avert illegal transportation of coal by using vulnerable internal routes passing through these areas. The Committee notes the same.
30. The Committee in first day of its Sixteenth Sitting held on 22.07.2019 directed Mr. M.B.K. Reddy, IFS, Chief Executive Officer, the Meghalaya State Compensatory Afforestation Fund Management and Planning Authority (CAMPA) to place before the Committee a plan formulated by the Meghalaya State CAMPA to obtain approval of the competent authorities for execution of various activities from the CAMPA. He was also directed to the effect that details of activities to be undertaken in areas affected by coal mining shall separately be provided to the Committee. The same are still awaited.

The Committee therefore reiterates its earlier direction to the effect that Mr. M.B.K. Reddy, Chief Executive Officer, Meghalaya State CAMPA shall provide a copy of the said Plan to the Committee within one week. Details of activities to be undertaken in areas affected by the coal mining shall also be provided to the Committee separately within one week.

31. Mr. T. Dkhar, IAS, Commissioner and Secretary to the Government of Meghalaya, Mining and Geology

Department states that the Government of Meghalaya vide Notification dated 13.03.2019 has notified 'Authorised Officers' to seize mineral raised or transported illegally along with the vehicles. He further states that the officers authorised by above notification shall also exercise power conferred under sub-section (5) of section 21 of Mines and Minerals (Development and Regulation) Act, 1957 to recover mineral raised unlawfully from such person or where such mineral has already been disposed to recover price thereof.

He further states that the Chief Secretary, Meghalaya convened a meeting on 07.01.2019 in connection with illegal mining and transportation of coal and a direction was issued to form a joint operation team of police, mining and transport Departments under the supervision of respective Deputy Commissioner/Superintendent of Police to seize coal and machineries/equipment in each mining districts of the State. Deputy Commissioner from time to time to have deputed Magistrate and Executive Magistrate, and police to conduct checking in mines to seize mineral, tools and vehicles used in illegal coal mining. The authorised officers under Section 21 and section 22 of the Mines and Minerals (Development and Regulation) Act, 1957 are enforcing the provisions of the Act.

The Committee directs the Commissioner and Secretary to the Government of Meghalaya to place before the Committee a copy of notification/communication wherein it has been stated that the officers authorised by the notification dated

13.03.2019 shall also exercise power conferred under sub-section (5) of section 21 of Mines and Minerals (Development and Regulation) Act, 1957 to recover mineral raised unlawfully or where such mineral has already been disposed to recover price thereof. The Committee further directs that the district-wise details of minerals or price thereof recovered by such Authorised Officers and the mineral, tools, and vehicles seized by the Joint Operation Teams shall also be placed before the Committee within one month.

32. Mr. T. Dkhar, IAS, Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department states that the State Government has initiated measures to frame Rules under Section 23 C of the Mines and Minerals (Development and Regulation) Act, 1957 for preventing illegal mining, transportation and storage of minerals and for the purposes connected therewith. He further states that these draft rules are yet to be placed before the Cabinet for approval.

The Committee reiterates its earlier direction to the effect that the Commissioner and Secretary to the Government of Meghalaya, Mining & Geology Department shall complete all necessary procedural requirements and notify these rules within one month. A copy of a Gazette Notification containing these rules shall be provided to the Committee within one month.

33. Mr. 2. Changsan, Regional Director, North Eastern Regional Directorate, CPCB states that he has

received a communication from the Mining and Geology Department, Government of Meghalaya to the effect that Dr. Manjunatha C. IPS, Secretary to be Government of Meghalaya, Mining and Geology Department has been nominated to be a member of the Sub-Committee to be headed by Dr. Shantanu Kumar Dutta, Addl. Director, North Eastern Regional Directorate of the CPCB to scrutinise the proposal involving use of new technologies for restoration of environment in general and quality of water in particular, in areas affected by coal mining in Meghalaya.

The Committee directs the Principal Secretary to the Government of Meghalaya, Forest & Environment Department; the Chairman, Meghalaya State pollution Control Board and the Addl. Director General of Forests (Central), North Eastern Regional Office of the MoEFCC, GoI to nominate their representative to the said Sub-Committee within one week. The Committee further directs that on receipt of the nomination from all concerned, the Regional Director, North Eastern Regional Directorate, CPCB shall issue a formal notification to constitute the Sub-Committee. The notification shall clearly state the Terms of Reference (TOR) of the Sub-Committee. The representative of the Meghalaya State Pollution Control Board shall be the Member Secretary of the said Sub-Committee who shall from time to time issue notification for holding the meeting of the said Sub Committee.

The Committee, in partial modification of its earlier directions, directs that recommendation of the Sub-

Committee shall be placed before the Committee for its examination and approval.

34. Mr. M. Somorjit Singh, Scientist, North Eastern Space Application Centre (NESAC), Umiam provides a copy of the final draft of a report on a study assigned to NESAC to prepare geospatial inputs for planning and restoration of areas affected by coal mining in East and West Jaintia Hills districts in Meghalaya to the representatives of the CPCB, Meghalaya state Pollution Control Board (MSPCB), Forests and Environment Department and Mining and Geology Department and requests that the comments, if any, on the said report may be provided to the NESAC within fifteen days, so that the same may be incorporated in the report before the same is finalised.

The Committee directs the Principal Secretary to the Government of Meghalaya, Forests and Environment Department; the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department; the Chairman, MSPCB and the Regional Director, North Eastern Regional Directorate, CPCB to examine the said draft report and communicate their comments, if any, on the report to the NESAC within fifteen days. The Committee also directs the NESAC to finalise the report and provide a copy thereof to the Committee within three weeks, The Committee further directs the NESAC to expedite preparation of similar reports for the remaining coal bearing districts in the State and submit a copy thereof to the Committee within one month.

The Committee also decided that decision of a proposal of the NESAC to undertake similar land-use Land -cover analysis of the areas having coal dumps/depots for the period immediately before the ban on coal mining was imposed by the Hon'ble NGT in April 2014 and once in a year thereafter (ie. 2014, 2015, 2016, 2017 and 2019) at an estimated outlay of Rs. 24, 35, 500/- (rupees twenty four lakh thirty five thousand five hundred) only to ascertain that coal stated to be existing at these dumps/depots was continuously existing at each such dump/depot since ban on rat hole coal mining was imposed by the Hon'ble NGT in April, 2014 will be taken after the receipt of a copy of the draft policy being formulated by the Mining and geology Department, Government of Meghalaya for handing over and transportation of coal permitted to be transported by the Hon'ble Supreme, is received by the Committee.

35. The Committee directs the Commissioner and Secretary to Government of Meghalaya, Mining and Geology Department to submit monthly reports on safety measures including fencing of the abandoned and working coal pits as per the Coal Mines Regulations, 2017 and Mines and Minerals (Development and Regulation) Act, 1957 and all other applicable laws undertaken by the Mining & Geology Department, Government of Meghalaya in association with the Deputy Commissioners of the respective districts to prevent human and animal deaths due to accidental falling in unguarded coal mining pits/shafts. The first such report for the month

of August 2019 shall be submitted to the Committee on or before 10.09.2019.

36. Mr. T. Dkhar, IAS, Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department states that a Policy for transportation and handing over of the coal available at various Depots in the State to the Coal India Limited for its disposal through e-auction will shortly be placed before the Cabinet for approval. The Policy as approved by the Cabinet will be provided to the Committee.

The Committees directs the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department that the policy as approved by the Cabinet shall be placed before the Committee at the earliest. The Committee further directs that the Policy as approved by the Cabinet will be examined by the Committee in its Second Special Sitting to be held at Guwahati on 07.09.2019.

37. Dr. A. Saraf, learned Senior Advocate along with Smti. N.N. Dutta, learned Advocate appears before the Committee on behalf of State Cement Limited. Mr. Pradeep Purohit, Vice President, Star Cement Limited is also present during the Sitting. Addl. Principal Chief Conservator of Forests (Planning, Development and Legal Matters), Government of Meghalaya places before the Committee documents relating to two cement plants (viz Star Cement Limited and Star Cement Meghalaya Limited) and one Thermal Power Plants (viz Meghalaya Power Limited) of Star Cement Limited received by him vide three separate communications, each dated

13.08.2019. The Committees takes these documents on record.

As per these documents, year wise details of clinker (MT)/power (kwh) produced and coal procured by each of these plants since the illegal rat hole coal mining was banned by the Hon'ble NGT in April 2014 (viz. 2014-15 to 2018-19), are as below:

Plant	Item	Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7	8
Star Cement Limited	Clinker produced (MT)	3,30,010	4,92,055	5,67,241	5,15,350	6,00,025	25,04,681
	Coal Procured (MT)	13,417	47,628	10,192	25,267	10,989	1,07,493
Star Cement Meghalaya Limited	Clinker produced (MT)	15,49,349	16,29,025	15,79,345	15,41,945	14,36,600	77,36,264
	Coal procured (MT)	58,448	1,48,954	9,775	67,624	84,188	3,68,989
Meghalaya Power Limited	Power Produced (Million kwh)	167.923	183.114	201.624	190.059	170.116	912.836
	Coal Procured (MT)	25,182	68,092	41,863	36,129	18,024	1,89,290

It has also been started in these documents that these plants also purchased alternate fuels such as Mu Slate, Petcoke and Saw dust. Year-wise details quantity of alternate fuels stated to be used by each of these plants is as below:

		Year	

Plant	Nature of Alternate Fuel	2014-15	2015-16	2016-17	2017-18	2018-19	Total
1	2	3	4	5	6	7	8
Star Cement Limited	Mu Slate	50,042	91,556	82,969	1,92,859	1,01,129	5,18,555
Star Cement Meghalaya Limited	Mu Slate/ Pet Coke/ Saw Dust	1,87,631	3,01,027	2,03,188	4,45,209	1,86,032	13,23,087
Meghalaya Power Limited	Mu Slate	1,06,243	1,39,303	1,73,348	2,87,638	1,58,652	8,65,184

It has also been stated in these communications that average estimated requirement of coal and alternate fuel for production of clinker by these plants is 9% 14% and 25% - 35% respectively. Similarly, it has also been stated in these communications that average estimated requirement of coal and alternate fuel for production of one kwh of power by the said Thermal Power Plant is 0.45-0.65 kg per kwh and 1.20-1.60 kg per kwh.

The Committee after examination of the Techno-Economic Feasibility Report of the Modernisation & Expansion of the then existing plant of the Cement Manufacturing Company Limited (now Stat Cement Limited) from 1800 TPD to 2400 TPD clinker and a similar report of 5300 TPD clinkerization plant (now State Cement Meghalaya Limited), both prepared by Holtec Consulting Private Limited, a copy of the which was provided to the Committee during the

meeting by Mr. Pradeep Vyas, Vice Chairman, Star Cement Limited, the Committee observes that both these plants have been designed to use 100% Meghalaya coal available locally from areas within the distance of 50 kms. Nowhere in these reports it is stated that any of these plants can be operated by any alternate fuel other than coal.

As per these reports, net calorific value of the local coal to be used in these clinker plants is 5,800 Kcal/kg. It has also been stated in these reports that specific heat consumption of these plants is 740 Kcal per kg of clinker. The average estimated requirement of coal as per these information given in these reports is 12.75 %. Keeping in view that the project proponent in their own communication has stated that estimated requirement of coal for these plants is upto 14 % and both these plants are more than 10 years old, the Committee is of the view that actual requirement of coal for production of clinker by both these plants is atleast 14%.

The Committee after examination of the Techno-Economic Feasibility Report of the Meghalaya Power Limited prepared jointly by Technical Consultant - Cethar Consulting Engineers (P) Ltd., Chennai and Financial Consultant- KBG Consultants Pvt. Ltd., Kolkata, a copy of the which was provided to the Committee during the meeting by Mr. Pradeep Vyas, Vice Chairman, Star Cement Limited, the Committee observes that the said plant was designed to use coal sourced from nearby coal mines at Bapung and Khliehriat. Jaintia Hills, in Meghalaya & captive mines, Meghalaya. Requirement of the locally

sourced Meghalaya coal at 100% capacity for the said 43 MW TPP, as per the said report, is 720 MT per day. The specific fuel requirement for the said TPP, as per the information given in the said plant is therefore 0.70 kg/ kwh. Nowhere, in the said report it has been stated that it will be feasible to run the plant by using any alternate fuel other than coal.

Keeping in view the non-availability of a legal source of the local coal, Environmental Clearance (EC) to the said TPP was accorded subject to among others a condition that *"In case source of fuel supply is changed at a later stage (now proposed on imported coal from Indonesia the project proponent shall intimate the Ministry well in advance along with necessary requisite documents for its concurrence for allowing the change, In such a case the necessity for re public hearing may be decided by the Ministry in consultation with the Expert Appraisal Committee"*. The North Eastern Regional Office of the MOEFCC, GoI during routine monitoring of conditions stipulated in EC to the said TPP has observed that in contravention of the said condition, the plant has been operated by using locally sourced coal. For the said violation, the North Eastern Regional Office has requested the MoEFCC, GoI to initiate penal measures in accordance with the provisions of the Environment (Protection) Act, 1986 against the said TPP. In pursuance, a show cause notice has already been issued to the said TPP by the MoEFCC, GoI.

In the information provided by Mr. Pradeep Vyas, Vice-President, Star Cement Limited it has been stated that during the last five years Star Cement has

procured 6,65,772 metric tonnes of coal and 27,06,862 metric tonne of alternate fuel. As per these information two of these plants (viz. Star Cement Limited and Power Limited) used only one type of alternate fuel (viz Mu Slate). As per these information, one of these plants (viz. Star Cement Meghalaya Limited), apart from the Mu Slate, used pet coke and saw dust have also been used as alternate

Use of alternate fuel, in place of coal in these plants, which have been designed to use coal as an exclusive fuel, requires major modification/alteration in their design and operation. Nothing was placed before the Committee to the effect that design of these plants have been altered/modified to enable them to utilise fuel such as Mu slate having very low calorific value of about 1200 Kcal/ kg in place of the high calorific value local Meghalaya coal of about 5800 Kcal/kg calorific value. During the year 2016-17 as per the information provided Mr. Pradeep Vyas, the Star Cement Meghalaya Limited was operated by using 9,775 MT coal and 2,03,188 MT of alternate fuel. The Committee is of the view that even with modifications, a clinker plant cannot attain the requisite kiln temperature with such a low calorie fuel mix.

The Committee also observes that paragraph 2 of the Environment Impact Assessment (EIA) Notification issued by the MOEFCC, GoI vide S.O. 1533 dated 16.09.2006 mandates prior EC in the cases involving change in product mix. Mr. Pradeep Vyas, Vice President, Star Cement Limited admits that no such EC has been obtained for any of these plants. Mr. H.

Tynsong. Scientist D, North Eastern Regional Office of the MoEFCC, GoI draws attention of the Committee to specific condition no. (xi) (*viz. efforts shall be made to use low-grade lime, more fly ash and solid waste in cement manufacturing*) and no. (xii) (*viz an effort shall be made to use of high calorific hazardous waste in the cement kiln and necessary provision shall be made accordingly*) stipulated in EC to Star Cement Meghalaya Ltd. issued by the MoEFCC, GoI vide letter dated 28.10.2009 and states that these conditions specifically provides for use of alternate fuel. He further states that keeping in the above, use of alternate fuel in place of coal by the said plant does not requires prior EC. The Committee after examination of six-monthly self-compliance reports to said EC, a copy of which is available on website of the Star Cement Limited, observes that in respect of the afore-mentioned condition no. (xi) it has been reported that "*SMCL is a clinkerization unit, no fly ash is used in the unit. The generated solid waste from the pollution control equipment has been recycled and re-used in the process and has been used for clinker manufacturing. Amount 8-10 % of low grade lime available in the mine has been used in the process*". Similarly, in respect of the afore-mentioned specific condition no. (xii) it has been reported that "*Provision already made to use of high calorific waste ie. waste oil in the kiln. The tank capacity is 1000 litres The used oil disposal process along with photograph has been submitted along with CREP in MoEF&CC, Shillong & New Delhi.*" Use of any alternate fuel, as is being claimed by Mr. Pradeep Vyas, Vice

President, Star Cement Limited, has not been reported anywhere in these self-compliance report. Even for the used oil, merely making a provision for its use and not any actual use has been reported.

Apart from the revised RC change in fuel for a plant also requires prior No objection Certificate approval of the MSPCB. The Member Secretary, MSPCB places before the Committee a letter dated 24.09.2017 wherein the MSPCB communicated its no-objection certificate to M/s. Star Cement Meghalaya Limited for use of Petroleum Coke in its cement plant subject to conditions stipulated in the said letter. However, use of Petroleum Coke by the said Cement Plant is not reported in the Six Monthly self-compliance reports in respect of the said plant for the period after 24.09.2017.

The mining/winning/ extraction of Mu slate claimed to be used by these plants requires prior mining lease. It also requires payment of royalty and other taxes to the State Government. Nothing is placed before the Committee to indicate that any mining lease has been granted in the State for mining of Mu slate and the Mu slate, if any, used by these plants has been sourced from an area having valid mining] lease after payment of requisite royalty and other taxes payable to the State Government. Subject to confirmation within one week by the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department, committee is of the view that State of Meghalaya neither has a valid mining lease for Mu slate nor any royalty has so far been realised

by the State on slate used by any of the cement plants or TPPs in the State.

Keeping in view the above, the Committee prima facie is of the view that the gap in coal required to produce reported quantity of clinker and power by the afore-mentioned plants of the Star Cements Limited in all probability has been met by illegally sourced local coal. Even if a part of it has been met by any alternate fuel, the same has been done in violation of the environmental and mining laws and also without payment of the requisite royalty and other taxes to the State Government.

Keeping in view the above, the Committee is of the view that neither it is technically feasible, nor it is legally possible to replace coal by alternate fuel by any of these cement and power plants

Year-wise details of clinker/power produced, coal required to produce reported quantity of clinker/power produced (@ 14% for clinker and 0.70 kg of coal per kwh of power produced) and gap in coal requirement which has in all probability been met from illegally sourced local coal in respect of each of the afore-mentioned three plants of the Star Cement Limited, since the ban on illegal rat-hole coal mining was imposed by the Hon'ble NGT in April 2014, are as below:

Plant	Items	Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7	8

Star Cement Limited	Clinker produced (MT)	3,30,010	4,92,055	5,67,241	5,15,350	6,00,025	25,04,681
	Coal required (MT)	46,201	68,888	79,414	72,149	84,004	3,50,655
	Coal produced (MT)	13,417	47,628	10,192	25,267	10,989	1,07,493
	Gap (MT)	32,784	21,260	69,222	46,882	73,015	2,43.162
Star Cement Meghalaya Limited	Clinker produced (MT)	15,49,349	16,29,025	15,79,345	15,41,945	14,36,600	77,36,264
	Coal required (MT)	2,16,909	2,28,064	2,21,108	2,15,872	2,01,124	10,83.077
	Coal produced (MT)	58,448	1,48,954	9,775	67,624	84,188	3,68,989
	Gap (MT)	1,58,461	79,110	2,11,333	1,48,248	1,16,936	7,14,088
Meghalaya Power Limited	Power produced (Million kwh)	167.92	183.11	201.62	190.06	170.12	912.84
	Coal required (MT)	1,17,546	1,28,180	1,41,137	1,33,041	1,19,081	6,38,985
	Coal produced (MT)	25,182	68,092	41,863	36,129	18,024	1,89,290
	Gap (MT)	92,364	60,088	99,274	96,912	1,01,057	4,49,695
Total of above three plants	Coal required (MT)	3,80,656	4,25,131	4,41,659	4,21,063	4,04,209	20,72,718
	Coal procured (MT)	97,047	2,64,674	61,830	1,29,020	1,13,201	6,65,772

	Gap (MT)	2,83,609	1,60,457	3,79,829	2,92,04 3	2,91,008	14,06,946
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38. Mr. R. K. Pareek, President, Meghalaya Cement Limited appears before the Committee and place before the Committee documents relating to one cement plant and one 10 MW capacity Captive Power Plant. The Committee takes these documents on record.

The Committee after examination of the Techno-Economic Feasibility Report of the Augmentation of the Clinkerization capacity of the plant from 900 TPD to 2,600 prepared by Holtec Consulting Private Limited, a copy of the which was provided to the Committee during this Sitting by Mr. R. K. Pareek, observes that the said plant has been designed to use 100% Meghalaya coal available locally. As per the said report, net calorific value of the local coal to be used in the clinker plants is 5,800 Kcal/kg. It has also been stated in the said reports that specific heat consumption of these plants is 840 Kcal per kg of clinker. The average estimated requirement of coal as per the information given in the said report is 14.66%.

The Committee after examination of the Techno-Economic Feasibility Report of the 10MW capacity Captive Power Plant prepared by AKB Power Consultants Pvt. Ltd., a copy of which was provided to the Committee during the Sitting by Mr. R.K. Pareek, observes that the said plant was envisaged to use coal sourced from Western Parts of Meghalaya Hills. The Annual requirement of the locally sourced

Meghalaya coal at 100% capacity for the said 10 MW TPP, as per the said report, is 63,072 MT. The specific fuel requirement for the said TPP, as per these information given in the said report, is therefore 0.72 kg/kwh. Nowhere, in the said report it has been stated that it will be feasible to run the plant by using any alternate fuel other than coal.

Plant	Items	Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7	8
Clinker/Cement Plant	Clinker produced (MT)	7,98,378	8,43,815	6,96,071	8,39,931	8,38,237	40,16,432
	Coal required (MT)	1,17,942	1,23,703	1,02,044	1,23,134	1,22,886	5,88,809
	Coal procured (MT)	77,457	29,899	30,881	35,220	34,317	2,07,774
	Gap (MT)	39,585	93,804	71,163	87,914	88,569	3,81,035

Captive Thermal Power Plant (TPP)	Power produced (Million kwh)	27.738	54.472	58.191	68.590	69.887	278.88
	Coal required (MT)	19,971	39,220	41,898	49,385	50,319	2,00,792
	Coal procured (MT)	19,076	14,787	15,087	18,792	19,670	87,412
	Gap (MT)	895	24433	26811	30593	30649	1,13,380
Total for the Clinker/Cement and TPP	Coal required (MT)	137014	162923	143942	172519	173204	7,89,601
	Coal procured (MT)	96,533	44,686	45,968	54,012	53,987	2,95,186
	Gap (MT)	40,481	1,18,237	97,974	1,18,507	1,19,217	4,94,415

Year-wise details of clinker/power produced, coal required to produce reported quantity of clinker/power [@ 14.66% for clinker and 0.72 kg of coal per kwh of power produced] and gap in coal requirement, which has, in all probability been met from illegally sourced local coal in respect of clinker/cement plant and captive TPP of the Meghalaya Cement Limited, since the ban on illegal rat-hole coal mining was imposed by the Hon'ble NGT in April 2014, are as below:

39. Mr. M.P. Sharma, Authorised Signatory, Amrit Cement appears before the Committee and places before the Committee some of the documents relating

to one cement plant and one 12 MW capacity Captive Power Plant of Amrit Cement. The Committee takes these documents on record.

In the absence of Techno-Economic Feasibility Report of the Clinker/Cement and Captive Power Plant, a copy of which has not been submitted to the Committee, it is not feasible for the Committee to assess the estimated requirement of coal to produce a one MT of clinker and one unit of power by the said cement and power plants respectively. Subject to further correction on receipt of these reports from the Amrit Cement, the Committee assumes that specific requirement of coal for the Clinker/Cement and Thermal Power Plants of Amrit Cement Ltd. will be same as the corresponding unit requirement of coal by similar plants of the Meghalaya Cements Ltd.

The documents submitted by Mr. M.P. Sharma also does not contain year-wise details of coal consumed by these clinker and captive power plants. The Committee therefore, decides to utilise the year-wise quantity of coal consumed by these plants as indicated in a report submitted to the Committee by North Eastern Regional Directorate of CPCB for further analysis.

Year-wise details of clinker/power produced, coal required to produce reported quantity of clinker and power [@ 14.66% coal for clinker and 0.72 kg of coal per kwh of power] and gap in coal requirement which has in all probability been met from illegally sourced local coal in respect of Clinker/Cement plant and

captive TPP of the Amrit Cement, since the ban on illegal rat-hole coal mining was imposed by the Hon'ble NGT in April 2014, are as below:

Plant	Items	Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
Clinker/Cement Plant	Clinker produced (MT)	3,07,286	4,03,205	4,25,842	4,01,497	5,40,902	20,78,732
	Coal required (MT)	45,048	59,110	62,428	58,859	79,296	3,04,742
	Coal procured (MT)	23,217	30,464	32,173	30,335	40,868	1,57,057
	Gap (MT)	21,831	28,646	30,255	28,524	38,428	1,47,685
Captive Thermal Power Plant (TPP)	Clinker produced (MT)	44.976	54.197	49.257	46.977	77.392	272.80
	Coal required (MT)	32,383	39,022	35,465	33,823	55,722	1,96,415
	Coal procured (MT)	16,773	20,212	18,369	17,519	28,861	1,01,734
	Gap (MT)	15,610	18,810	17,096	16,304	26,861	94,681

Total for the Clinker/Cement and TPP	Coal required (MT)	77,431	98,132	97,893	92,683	1,35,018	5,01,157
	Coal procured (MT)	39,990	50,676	50,542	47,854	69,729	2,58,791
	Gap (MT)	<b>37,441</b>	<b>47,456</b>	<b>47,351</b>	<b>44,829</b>	<b>65,289</b>	<b>2,42,366</b>

40. Mr. G. & Sodhi, Authorised Signatory, Goldstone Cements Limited appears before the Committee and places before the committee documents relating to one cement plant and one 10 MW capacity Captive Power Plant. The Committees takes these documents on record.

The Committee after examination of the Techno-Economic Feasibility Report for setting up of 2615 TPD Green Field Cement Plant of Goldstone Cements Lad. at village Musiang Lamare in East Jaintia Hills district, a copy of which was provided to the Committee during the Sitting by Mr. RGS Sothi, observes that the said plant has been designed to use the coal available in command area of the site (*i.e.* local Meghalaya Coal). As per the said report, the average estimated requirement of coal for the said plant is 18% of the weight of clinker produced. Mr. GS. Sodhi also states that the plant started operations in the year 2016-17.

It has also been stated in the documents provided by Mr. GS. Sodhi to the Committee during the meeting that apart from the coal, alternate fuel such as Mu Slate/Saw dust etc. have also been utilised for production of clinker by the said plant. For the detailed reasons given in respect of similar claims made by Star Cement Limited, the Committee is of the view the neither it is technically feasible, nor it is legally possible to replace coal by alternate fuel. The Committee therefore decides not to take into account the use of such alternate fuel while assessing the gap in the coal required to produce reported quantity of clinker.

Year-wise details of clinker/power produced, coal required to produce reported quantity of clinker power [@ 18.00%], gap in coal requirement which has in all probability been met from illegally sourced local coal and quantity of alternate fuel claimed to be purchased by the said cement plant of Goldstone Cement Limited, since the ban on illegal rat-hole coal mining was imposed by the Hon'ble NGT in April 2014, are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
2	3	4	5	6	7	8

Clinker produced (MT)	-	-	1,52,995	3,99,197	4,82,500	10,34,692
Coal required (MT)	-	-	27,539	71,855	86,850	1,86,245
Coal procured (MT)	-	-	5,918	21,295	4,946	32,159
Alternate fuel (Muslate/Saw Dust etc.) claimed to be purchased	-	-	99,242	2,65,532	2,57,928	6,22,702
Gap (MT)	-	-	<b>21,621</b>	<b>50,560</b>	<b>81,904</b>	<b>1,54,086</b>

41. Ms. P. Bora, Legal Head, Dalmia Bharat Cement Ltd (formerly known as Adhunik Cement Ltd), who is present in today's Proceedings states that a part of the information and documents sought by the Committee have already been provided to the North Eastern Regional Directorate of the CPCB who is undertaking detailed fuel (coal) Audit of various cement plants and Thermal Power Plants in Meghalaya. She further states that the remaining information and documents will also be provided to the CPCB shortly.

The Committee directs the Dalmia Bharat Cement Ltd. to provide all requisite information and

documents to this Committee as well as to the CPCB within one week without fail.

Subject to further correction on receipt of information/documents from the Dalmia Bharat Cement Limited, the Committee decides to estimate gap in coal requirement for the above plant based on the data compiled by the CPCB and assuming that estimated requirement of coal to produce one MT of clinker and one unit of power is same as the corresponding requirement of coal for cement and TPP of the Meghalaya Cement Limited.

Year-wise details of clinker/power produced, coal required to produce reported quantity of clinker and power [@ 14.66% for clinker and 0.72 kg of coal per kwh of power] and gap in coal requirement which has in all probability been met from illegally sourced local coal in respect of Clinker/Cement plant and 25 MW capacity captive TPP of the Dalmia Bharat Cement Limited, as per data provided by Dalmia Bharat Cement Limited to CPCB, since the ban on illegal rot-hole coal mining was imposed by the Hon'ble NGT in April 2014, are as below:

Plant	Items	Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
Clinker/Cement Plant	Clinker produced (MT)	6,68,239	7,32,700	7,92,975	9,00,686	10,84,883	41,78,583

	Coal required (MT)	97,964	1,07,414	1,16,118	1,32,041	1,59,044	6,12,580
	Coal procured (MT)	25,400	62,789	35,165	63,851	79,203	2,66,408
	Gap (MT)	72,564	44,625	80,953	68,190	79,841	3,46,172
Captive Thermal Power Plant (TPP)	Clinker produced (MT)	117,403	108.108	88.733	102.485	110.108	526.84
	Coal required (MT)	84,530	77,838	63,888	73,789	79,278	3,79,323
	Coal procured (MT)	14,225	34,167	16,960	15,770	13,570	94,692
	Gap (MT)	70,305	43,671	46,928	58,019	65,708	2,84,631
Total for the Clinker/Cement and TPP	Coal required (MT)	1,82,494	1,85,252	1,80,006	2,05,830	2,38,322	9,91,903
	Coal procured (MT)	39,625	96,956	52,125	79,621	92,773	3,61,100
	Gap (MT)	<b>1,42,869</b>	<b>88,296</b>	<b>1,27,881</b>	<b>1,26,209</b>	<b>1,45,549</b>	<b>6,30,803</b>

42. Mr. P. Kr. Jothi, Authorised Signatory of Green Valley Industries Limited appears before the Committee and places before the Committee a communication dated 14.08.2019 addressed to Addl. Principal Chief Conservator of Forests (Planning, Development and Legal Matters), Government of Meghalaya wherein it is stated that the invitation to attend this Sitting was received by them only on 12.08.2019. It is also stated in the said communication that invitation to attend previous Sitting of the Committee held on 23.07.2019 has also not been received by them. He further states that nature of information sought by the Committee is also not known to them. The Committee place a copy of the said communication on record.

Addl. Principal Chief Conservator of Forests (Planning Development and Legal Matters) places before the Committee a document wherein receipt of the invitation to attend previous sitting of the Committee containing details of information/document sought by the committee has been duly acknowledged by a representative of Green Valley Industries Limited.

The Committee therefore directs Managing Director of Green Valley Industries Limited that all information/documents sought by the Committee shall positively be provided to the Committee within one week.

Subject to further correction on receipt of information/documents from the Green Valley

Industries Limited, the Committee decides to estimate gap in coal requirement for the above cement plant based on the data compiled by the CPCB and assuming that estimated requirement of coal to produce one MT of clinker by the cement plant of Green Valley Industries Limited is same as the corresponding requirement of coal for cement plant of the Meghalaya Cement Limited.

Year-wise details of clinker/power produced, coal required to produce reported quantity of clinker (@ 14.66% of clinker) and gap in coal requirement which has in all probability been met from illegally sourced local coal in respect of Clinker/Cement plant of the Green Valley Industries Limited, since the ban on illegal rat-hole coal mining was imposed by the Hon'ble NGT in April 2014, are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Clinker produced (MT)	3,88,036	3,68,412	3,83,369	4,31,151	4,35,984	20,06,952
Coal required (MT)	56,886	54,009	56,202	63,207	63,915	2,94,219
Coal procured	44,844	50,555	46,762	51,068	30,278	2,23,507

(MT)						
Gap (MT)	12,042	3,454	9,440	12,139	33,637	70,712

43. Mr. Y.S. Sharma, AGM, Accounts and Finance, JUD Cements Limited appears before the Committee and places before the Committee a communication dated 13.08.2019 addressed to Addl. Principal Chief Conservator of Forests (Planning, Development and Legal Matters), Government of Meghalaya wherein it is stated that their unit was not in operation in the recent past, hence most of their officials were on leave, under the circumstances, currently they are not in position to compile and provide the information sought by the Committee. It has also been in the said Communication that their officials are supposed to resume their duties in the last week of the current month Le. August, 2019. Mr. Y.S. Sharma in the said communication requests that they may be allowed the time till first week of September, 2019 to compile and provide the requisite data to the Committee. The Committee places a copy of the said communication on record.

The Committee directs the Managing Director of JUD Cements Limited that all information/documents sought by the Committee shall positively be provided to the Committee within one week

Subject to further correction on receipt of information/documents from the JUD Cements Limited, the Committee decides to estimate gap, if any, in coal requirement for the above cement plant based on the data compiled by the CPCB and assuming that estimated requirement of coal to produce one MT of clinker by the cement plant of JUD Cements Limited is same as the corresponding requirement of coal for cement plant of the Meghalaya Cement Limited.

Year-wise details of clinker produced, coal required to produce reported quantity of clinker (@ 14.66% of clinker) and gap in coal in of requirement which has in all probability been met from illegally sourced local coal in respect of Clinker/Cement plant of JUD Cements Limited, since the ban on illegal rat-hole coal mining was imposed by the Hon'ble NGT in April 2014, are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Power Produced (Million Kwh)	180367	233961	145419	172206	124702	856655
Coal required (MT)	26442	34299	21318	25245	18281	125586
Coal produced	22729	17788	8512	24529	16332	89890

(MT)						
Gap (MT)	3713	16511	12806	716	1949	35696

44. Mr. A.B. Rajan from Hill Cement Limited appears before the Committee and requests the Committee to grant time till first week on November 2019 to provide requisite information/documents to the Committee. The Committee found the same unacceptable and directs the Managing Director of Hill Cement Limited that all information/ documents sought by the Committee shall positively be provided to the Committee within one week.

Subject to further correction on receipt of information/documents from the Hill Cement Limited, the Committee decides to estimate gap in coal requirement for the above cement plant based on the data compiled by the CPCB and assuming that estimated requirement of coal to produce one MT of clinker by the cement plant of Hill Cement Limited is same as the corresponding requirement of coal for cement plant of the Meghalaya Cement Limited.

Year-wise details of clinker/power produced, coal required to produce reported quantity of clinker (@ 14.66% of clinker) and gap in coal requirement which has in all probability been met from illegally sourced local coal in respect of Clinker/Cement plant of the Hill Cement Limited, since the ban on illegal rat-hole coal mining was imposed by the Hon'ble NGT in April 2014, are as below :

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Clinker Produced (Million Kwh)	122646	214389	256984	203999	233902	1031920
Coal required (MT)	17980	31429	37674	29906	34290	151279
Coal produced (MT)	7358	10000	13948	6120	7107	44533
Gap (MT)	10622	21429	23726	23786	27183	106746

45. Mr. S. K. Patra and Mr. U. Das from **M/s Shyam Century Limited** appears before the Committee and places before the committee documents relating to their 13.80 MW capacity Captive Power Plant. The Committees takes these documents on record.

Committee after examination of the Detailed Project Report for the said 13.80 MW Captive power Plant prepared by AKB Power Consultants Private Limited, a copy of which was provided to the Committee during the Sitting by Mr. S. K. Patra, the Committee observes that the said plant was designed to use both biomass fuel (with estimated calorific value of 3500 K cal/kg) and locally sourced Meghalaya coal (with estimated calorific value of 5500 K cal/kg). The annual requirement of fuel by the said plant at 100%

capacity is 77,616 MT of biomass fuel and Mid 14,256 MT of Meghalaya coal. The specific fuel requirement of the said plant as per the said report is 0.527 kg/kwh of coal or 0.827 kg/ kwh of biomass.

It has also been stated in the documents handed over to the Committee during the Sitting that specific fuel requirement of the said TPP is 0.50- 0.70 kg of Coal per kwh and 1.00- 1.40 kg of alternate fuel such as coke fine, Tamil Nadu Charcoal fines etc. per kwh. Keeping in view that the said TPP is about 15 years old and all other TPPs have also reported specific fuel requirement around 0.70 kg/kwh of coal. The Committee is of the view that actual specific fuel requirement of the said TPP is 0.70 kg /kwh of coal or 1.40 kg/kwh of the alternate fuel.

Year-wise details of power produced, fuel required to produce reported quantity of power (@ 0.70 kg of coal/kwh or 1.40 kg of alternate fuel/kwh) and gap in coal requirement which has in all probability been met from illegally sourced local coal in respect of captive TPP of the Shyam Century Limited is as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Power Produced (Million Kwh)	64117	55246	104403	68898	34702	327366

Coal required (MT)	44882	38672	73082	48229	24291	229156
Coal produced (MT)	43576	32461	72086	13704	4960	166787
Alternate fuel procured	446	-	-	-	29	475
Gap (MT)	1083	6211	996	34525	19317	62132

46. Mr. S. Choudhury and Mr. V. Agarwal attends this Sitting of the on behalf of Maithan Alloys Limited and places before the Committee a copy Of Detailed project report (DPR) of their 15 MW capacity captive Thermal Power Plant prepared by AKB Power Consultants Pvt. Ltd. The Committee takes a Copy of the Said DPR on record. The remaining information/document sought by the Committee have already been provided during second day of Sixteenth Siting held on 23.07.2019.

The Committee after examination of the Detailed Project Report observes that the said Plant was designed to use both bamboo chips/dust (with estimated calorific value of 2914 K cal/kg) and locally sourced Meghalaya coal (with estimated calorific value of 7,142 K cal/ kg). As per the said DPR, the annual requirement of fuel by the said plant at 100% capacity is 32,400 MT of bamboo chips and 37,800 MT of Meghalaya coal. The specific fuel requirement of the Said plant as per the said report is

therefore 0.527 kg/ kwh of coal or 0.827 kg/ kwh of biomass,

It has also been stated in the documents handed over to the Committee during the meeting that specific fuel requirement of the said TPP is 0.72 kg/kwh. The same appears to be comparable to the specific fuel requirement for other TPPs.

As per the information, provided by Maithan Alloys Limited, during the period of last five years (2014-15 to 2018-19) its captive TPP produced 331.823 Million units of power. At the afore-mentioned specific fuel requirement of 0.72 kg of coal per kwh, production of the above power required 2,35,527 MT of coal against which the above firm, as per these documents, purchased 3,13,785 MT coal. From the above, it appears that the above TPP did not use any illegally raised coal during these years.

The Committee further notes that the quantity of coal procured by Maithan Alloys Limited as per the Statement submitted to the Committee is substantially different than the quantity of coal reportedly consumed by the said Plant, as per the details given in a report on coal consumption by the Thermal Power Plants and Cement Industries submitted to the Committee by North Eastern Regional Directorate of CPCB. The Committee therefore, directs the North Eastern Regional Directorate of CPCB to re- examine the records relating to purchase and use of coal by

above TPP and submit a report to the Committee within fifteen days.

47. Mr. A. K. Verma attends this Sitting of the Committee on behalf of Shree Sakambari Ferro Alloys Pvt. Ltd. and places before the Committee Information and documents sought by the Committee. The committee keeps a copy of these documents on record.

On perusal of these information and documents the Committee observes that unit of power produced by the said Thermal Power Plant stated in the Statement provided to the Committee does not appear to be in order. The Committee also observes that the quantity of coal reported to be consumed by Shree Sakambari Ferro Alloys Pvt. Ltd., as per the Statement submitted to the Committee in this Sitting is substantially different than the quantity of coal reportedly consumed by the said Plant as per details given in a report on coal consumption by the Thermal Power Plants and Cement Industries submitted to the Committee by North Eastern Regional Directorate of CPCB. The Committee therefore directs the North Eastern Regional Directorate of CPCB to re-examine the records relating to purchase and use of coal by above TPP and submit a report to the Committee within fifteen days.

48. In compliance of directions issued by the Committee in the second day of Sixteenth Sitting held at Shillong on 23.03.2019 Mawmluh Cherra Cements Limited

places before the Committee the Balance Sheet as on 31.03.2019. The Committee place a copy of the said balance Sheet on record.

49. The Committee notes that a report on audit of each of the Coke Plants from which the coke has reportedly been sourced by the Jaintia Cement Limited, in the format stipulated by the Committee for resource (coal) audit of cement factories and Thermal Power Plants, is still awaited from North Eastern Regional Directorate of CPCCB. The Committee therefore reiterates its earlier direction to the effect that the North Eastern Regional Directorate of CPCB, Shillong shall undertake audit of each of the Coke Plants from which the coke has reportedly been sourced by the Jaintia Cement Limited in the format stipulated by the Committee for resource (coal) audit of cement factories and Thermal Power Plants in Meghalaya and submit a report to the Committee within one month.
  
50. The Committee further notes that a report on audit of each of the Coke Plants located in Meghalaya in the format stipulated by the Committee for resource (coal) audit of cement factories and Thermal Power Plants in Meghalaya is still awaited from North Eastern Regional Directorate of CPCCB. The Committee therefore reiterates its earlier direction to the effect that the North Eastern Regional Directorate of CPCB, Shillong shall undertake audit of each of the Coke Plants located in Meghalaya in the format stipulated by the Committee for resource (coal) audit

of cement factories and Thermal Power Plants in Meghalaya and submit a report to the Committee within one month.

51. The Committee notes with great concern that the inspite of prior notice, one Cement Plant (viz. Virgo Cements Limited) and one Thermal Power Plant (viz CM) Breweries Limited) neither deputed a representative to attend this Sitting as well the Sixteenth Sitting of the Committee held at Shillong on 23.07.2019, nor have provided information/documents sought by the Committee from them.

The Committee directs the Managing Director of these Plants to provide the requisite information to this Committee within one week without fail.

### **AGENDA ITEM NO. 3**

52. Dr. C. Sawanliana, Sr. Principal Scientist, Council of Scientific and Industrial Research- Central Institute of Mining and Fuel Research (CSIR-CIMFR) Dhanbad made a presentation on progress made in study assigned to the CSIR-CIMFR to develop a protocol on closure of abandoned rat hole coal mines by controlled blasting. During the presentation Dr. Sawanliana stated that the CIMFR proposes to develop a protocol to close entry to coal seams by controlled blasting. The surface openings of the mines, including the box-cut shafts, are proposed to be closed either by filling it with debris or by

construction of RCC slabs. The Committee observes that the proposed protocol appears to be different than what was envisaged while assigning the study to the CIMFR. The Committee also observes that due to non-availability of large quantity of debris in close vicinity of the mines it may not be cost-effective to close mines and box cut shafts of the existing mines by filling it with debris.

The Committee keeping in view the above advises Dr. C. Sawanliana to re-examine and suitably amend the proposed protocol. The amended protocol may provide for closure of the openings of the mines and box-cut shafts by controlled blasting at the suitable locations around periphery of such openings. The Committee also suggested that in the initial phase mines located in river beds and in close vicinity of rivers/ streams may be selected for closure by controlled blasting. The Committee also advises Dr. C. Sawanliana to re-examine and appropriately reduce the time-lines suggested for the study as majority of the secondary data required for the study are already available with the MSPCB, North Eastern Space Application Centre (NESAC) and other agencies.

53. Dr. A. Kr. Singh, Sr. Principal Scientist, CSIR-CIMFR, Dhanbad makes a brief presentation on progress made in a study assigned to the CSIR-CIMFR on development of a protocol for treatment of acid mine drain originating from coal mines. During the presentation Dr. Singh states that the study envisages design and development of a prototype

plant having the capacity to treat acidic water originating from rat hole coal mines at the rate of 250 litres/hour. The estimated cost of the plant is likely to be about Rs. 15.00 lakh. He further states that operation of the plant will also involve expenditure on consumable, power, manpower, repair and maintenance.

The Committee observes that due to high capital and running costs it will not be feasible to use the proposed plant for restoration of the quality of acidic water in the rivers/streams in the coal mining affected areas in the State. The plant can at best be used to meet requirement of drinking water in such areas.

The Committee keeping in view the above advises Dr. A.K. Singh to explore feasibility to reduce the cost of the proposed prototype. The Committee also advises Dr. A.K. Singh to re-examine and appropriately reduce the time-lines suggested for the study as majority of the secondary data required for the study are already available with the MSPCB, NESAC and other agencies.

#### **AGENDA ITEM NO.4**

54. The Chairman of the Committee states that he received two similar representations dated 12.07.2019 and dated 11.07.2019 from Mr. Marthon Sangma, Hon'ble Member Legislative Assembly and Mr. Nizamuddin R. Marak respectively regarding use of rack loading infrastructure having an area of 2,34,455

sqm (23.45 hectare) at Mendipathar Railway Station for evacuation of coal allowed to be transported by the Hon'ble Supreme Court. He further states that keeping in view that the Mining and Geology Department in the Government of Meghalaya is preparing a policy for sale and transportation of already extracted coal, transportation of which has been permitted by the Hon'ble Supreme Court, he directed the Addl. Principal Chief Conservator of Forests (Planning, Development and Legal Matters), Government of Meghalaya to send a copy of these representations to the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department for consideration. The Committee takes a copy of these representations on record.

Mr. T. Dkhar, IAS, Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department confirms the receipt of these representations and states that availability of rake loading infrastructure at Mendipathar Railway Station will be kept in view while finalising a policy for handing over of the coal allowed to be transported by the Hon'ble Supreme Court to the Coal India Limited for its disposal through e-auction.

The Committee notes the same and directs the Addl. Principal Chief Conservator of Forests (Planning, Development and Legal Matters), Government of Meghalaya to invite Chief Commercial Manager, North East Frontier Railways to attend Second Special Sitting of the Committee to be held at

Guwahati on 07.09.2019 to finalize modalities for transportation and disposal of coal allowed to be transported by the Hon'ble Supreme Court through e-auction by the Coal India Limited.

**AGENDA ITEM NO.5**

55. The Chairman of the Committee states that he received a representation dated Nil from Mr. Rakbirthson D. Sangma regarding estimate of actual quantity of coal lying in the State of Meghalaya for auctioning in terms of the Hon'ble Supreme Court's final Order and Judgement dated 03.07.2019. In the said representation it has been stated that quantity of coal stated to lying at various depots in the State reported to the Hon'ble Supreme Court by the State of Meghalaya may be 1,000 (one thousand) only times more than the actual quantity of coal lying at these depots

He further states that keeping in view that the Mining and Geology Department in the Government of Meghalaya is preparing a policy for sale and transportation of already extracted coal, transportation of which has been permitted by the Hon'ble Supreme Court, he directed the Addl. Principal Chief Conservator of Forests (Planning, Development and Legal Matters), Government of Meghalaya to send a copy of these representations to the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department for consideration. The Committee takes a copy of these representations

on record. The Committee takes a copy of the said representations on record.

Mr. T. Dkhar, IAS, Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department confirms receipt of the said representation and states that complete details of all the depots and coal available at each such depot in the State has been placed before the Hon'ble Supreme Court. A copy thereof is also being provided to the Committee. He further states that allegations made in the said representation is baseless, frivolous and devoid of any merit.

The Committee takes note of the seriousness of the allegations made in the said representation and directs the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department that to counter such allegations in an effective and transparent manner, video recording of all the coal depots where the coal to be handed over to the Coal India Limited is presently lying, to be recorded by joint teams consisting of a representative from the Mining and Geology Department, Meghalaya State Pollution Control Board and the Coal India Limited, as directed by the Committee in its First Special Sitting held at Shillong on 12.07.2019 and use of high resolution satellite imageries for different time-intervals since the imposition of ban on coal mining by the Hon'ble NGT to ascertain continuous existence of all such coal dumps since imposition of ban on coal mining by the Hon'ble NGT in April 2014, shall be

essential components of the Policy being formulated for handing over of the coal to the Coal India Limited for disposal through e-auction.

**AGENDA ITEM NO.6**

56. The Chairman of the Committee states that he received a proposal from a concerned Authority in the Indian Army on involvement of Eco Task Force (ETP) Battalions for restoration of environment in areas affected by illegal rat hole coal mining in Meghalaya. The Committee takes a copy of the said proposal on record.

Mr. C.P. Marak, IFS, Principal Secretary to the Government of Meghalaya, Mining and Geology Department states that a proposal seeking raising of an ETF Battalion in the State is presently pending before the Government. Decision on the said proposal is awaited mainly due to inability of the State to make available the requisite funds to meet infrastructural and operational needs of the Battalion. The State is also finding it difficult to make available requisite land for establishment of the headquarters and other operational units of the EFT Battalion.

The Committee directs that the said proposal may first be deliberated by the Sub-Committee constituted under Chairmanship of Dr. Shantanu Kr. Dutta, Addl. Director, CPCB. A report of the Sub-committee on the matter may be placed before the Committee within two months. Representative of the Forests and

Environment Department in the said Sub-Committee shall make available all relevant information on the matter to the Sub-Committee.

**AGENDA ITEM NO. 7**

57. The Chairman of the Committee states that he received a copy of a communication dated 02.08.2019 from Dr. Manjunatha C. IFS, Secretary to the Government of Meghalaya, Mining and Geology Department addressed to the Director of Mineral Resources, Government of Meghalaya containing approval of the Government of Meghalaya for transportation of 38,340 MT coal seized and auctioned under section 21 (4A) of the Mines and Minerals (Development and Regulation) Act, 1957 in favour of Mr. Erantis Sympli, Byndihati Village, East Jaintia Hill district. The Committee takes a copy of the said communication on record.

Mr. T. Dkhar, IAS, Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department states that the said illegally mined coal was seized by the officers duly authorised by the State Government. The Competent Court by an order dated 12.07.2019 has confiscated the said coal in favour of the State Government.

The Committee directs the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department to provide to the Committee within a week a copy of the Order(s) made by the

concerned Court to confiscate the said coal along with the following information:

Name and full address of person(s) from whose possession the seizure has been made	Date of Seizure	Quantity seized (MT)	Name and designation of the Officer(s) who has made the seizure	Case/Complaint No.	Punishment awarded to the person(s) from whose possession the seizure has been made
(1)	(2)	(3)	(4)	(5)	(6)

Date of publication of Notice Inviting Bids for disposal of the coal	Last date for receipt of Bids	No. of Bids Received	The Base rate (Rs/MT) at which the bid has been accepted
(7)	(8)	(9)	(10)

Taxes and other levies to be paid by the successful bidder (Rs./MT)					Gross Amt. payable by successful bidder (Rs./MT)
Royalty	DMF	MEPRF	GST	Any other amt. (pl. specify)	
(11)	(12)	(13)	(14)	(15)	(16)

The Committee also notes that in compliance of direction issued to the Committee by the Hon'ble

NGT by order dated 11.04.2019, the Committee in its Twelfth Sitting held at Shillong on 25.04.2019 issued a direction to the effect that to regulate the transportation of coal, the State Government shall follow the procedure similar to one stipulated in Appendix XII of the EIA Notification 2006, inserted vide Notification bearing No. S.O. 141 (E) dated 15.01.2016 for monitoring of sand mining and river bed mining, so that the transportation of coal is regulated. The system provides for adequate security features of Transit Pass (TP)/ Challans to prevent their counterfeiting or multiple use, scanning and uploading of TPs/ Challans on a centralised server to facilitate checking of TPS/Challans to check their validity, GPS tracking of vehicles and generation of reports and alerts in case of detection of any anomaly. The Committee further notes that to ensure expeditious disposal (after obtaining prior approval of the concerned court) of seized coal in a transparent manner the Committee in the said Sitting directed that the Mining and Geology Department, Government of Meghalaya shall explore the feasibility to dispose of such coal through e-auction conducted by the Coal India Limited. The State Government while allowing transportation of such a huge quantity of the coal has appeared to have ignored these directions. The Committee directs the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department to apprise the Committee the reasons for ignoring the afore-mentioned directions of the Committee while disposing off the said seized coal.

58. The Committee proposes to have its Second Special Sitting at 11.00 AM onwards on 07.09.2019 in the Conference Hall at Guest House of the North Eastern Coalfields Coal India Limited located at Black Diamond Towers, GS Rd, ABC, Post Office, Christian Basti, Guwahati, Assam 781 005 to examine the Policy being formulated by the State for handing over of the coal available at such depots to the Coal India Limited for disposal through e-auction.

To have meaningful discussions in the said Sitting, the Committee directs the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department that a copy of the said Policy as approved by the Cabinet shall be provided to all members of the Committee at least one week before the said Special Sitting

The Member-Secretary of the Committee shall invite all concerned to attend the said Special Sitting.

The meeting ended with a vote of thanks from the Chair.

(Justice Brojendra P. Katakey)

Chairman

TRUE TYPED COPY

ANNEXURE A5

16<sup>th</sup> September, 2019

To,

Sri H.C. Chaudhary, IFS,  
Additional Principal Chief Conservator of Forests,  
Planning, Development and Legal Matters,  
Government of Meghalaya,  
Shillong.

**Sub:** Your notice dtd. 08.07.2019 & 05.09.2019 in the relation to documents and information sought for

Dear Sir,

We would like to inform you that we have already submitted a copy of annual report for each of the years starting from FY 2014-15 to FY 2017-18 vide our letter dtd. 14.08.2019.

Further, we herewith submit the following –

1. Year wise details of coal and other alternate fuel procured from FY 2014-15 to FY 2018-19;
2. Average estimated quantity of coal and other alternate fuel required to produce one tonne of clinker and one unit(kwh) of power;

We are searching for the copy of Detailed Project Report (DPR) submitted to the banks for sanction of credit facilities as the same is a very old document and will submit as soon as we get the same.

Hope you will find the above in order.

Thanking you,

**For Amrit Cement Ltd.**

	<b>FY 14-15</b>	<b>FY 15-16</b>	<b>FY 16-17</b>	<b>FY 17-18</b>	<b>FY 18-19</b>
Coal Procured (in MT)	3,861	88,165	38,785	74,978	31,833
Alternate Fuel Procured (in MT)	23,033	28,977	1,29,698	-	-
Average Estimated quantity of coal required to produce one tonne of clinker	0.07 – 0.08 MT				
Average Estimated quantity of alternate fuel required to produce one tonne of clinker	0.040 – 0.041 MT				
Average Estimated quantity of coal required to	0.0003725 – 0.0003730 MT				

produce one unit(kwh) of power	
Average Estimated quantity of alternate fuel required to produce one unit(kwh) of power	0.0002315 – 0.0002320 MT

-Sd-

(Authorised Signatory)

Encl: As above

/TRUE TYPED COPY/

**THE FIFTH INTERIM REPORT**

of

The Independent Committee

Consisting of

JUSTICE BROJENDRA PRASAD KATAKEY  
FORMER JUDGE, GUWAHATI HIGH COURT, GUWAHATI

PROF. S. C. BHOWMIK  
RUNGTA CHAIR PROFESSOR, DEPARTMENT OF MINING ENGINEERING  
REPRESENTATIVE OF THE INDIAN INSTITUTE OF TECHNOLOGY- INDIAN SCHOOL  
OF MINES (IIT -ISM), DHANBAD 826 004

DR. SHANTANU KUMAR DUTTA, ADDL. DIRECTOR  
REPRESENTATIVE OF THE CENTRAL POLLUTION CONTROL BOARD

On

RESOURCE (COAL) AUDIT OF CEMENT INDUSTRIES AND  
THERMAL POWER PLANTS IN MEGHALAYA

Submitted To

The Hon'ble National Green Tribunal, Principal  
Bench, New Delhi

On 02.12.2019

Constituted vide order dated 31.08.2019 to go into the issues  
arising out of the coal mining in the State of Meghalaya

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## CHAPTER-1: BACKGROUND

1.1 On 12.11.2018, the Committee visited some coal mine areas in East Jaintia Hills District. The Committee on the said day also visited two Cement Plants (*viz.* Star Cement Limited and Star Cement Meghalaya Limited) and a Thermal Power Plant (*viz.* Meghalaya Power Limited) of the Star Cement Limited located at Lumshnong village in East Jaintia Hills District. The Committee during the visit to these plants made following observations:-

- (i) M/s Meghalaya Power Limited is a 43 MW Coal Based Power Plant. The Unit stands beside M/s Star Cement Limited, which is an integrated cement plant. M/s Meghalaya Power Limited, M/s Star Cement Limited and another cement plant, namely, M/s Star Cement Meghalaya Limited, are Units of same group of Companies. The cement plants are branded as 'Star Cement'.
- (ii) Huge quantity of coal is lying in open coal storage areas. The representative of the cement plants, present during the visit, claims that they procure coal for the plant from North East Coalfields Limited, Margherita and from Eastern Coal Fields as well as from the State of Nagaland. It has also been stated that they procured coal from local market when the transportation of the coal from mines in the State of Meghalaya was allowed by the Hon'ble Supreme Court and Hon'ble National Green Tribunal. They also claimed import of about 20,000 MT of coal from Malaysia during the last financial year.
- (iii) As per the record of the Central Pollution Control Board, the Star Cement Group of Companies, which has 2(two) power plants of 1 X 43 MW and 1 X 8 MW capacity, which need considerable amount of coal for operating the power plants. It has 2(two) integrated cement Units, *viz.* Star Cement Limited and Star Cement Meghalaya Limited, which use coal of about 15% of total clinker production.
- (iv) Moreover, as per the record of Central Pollution Control Board, there are few other Coal Based Power Plants in Lumshnong areas of East Jaintia Hills District. The capacity of captive power plants of various cement producing mills, as is available with the Central Pollution Control Board, is given below -

<i>Sl. No.</i>	<i>Name of the Cement Plant</i>	<i>Capacity of Captive Power Plants</i>
1.	<i>Adhunik Cement Limited</i>	<i>25 MW</i>
2.	<i>Meghalaya Cements Limited</i>	<i>12 MW</i>
3.	<i>Amrit Cements Limited</i>	<i>10 MW</i>
4.	<i>Goldstone Cements Limited</i>	<i>10 MW</i>

1.2 The Committee in its Fourth Sitting held on 13.11.2019 took note of the above observations and directed the North Eastern Regional Directorate of the Central Pollution Control Board (CPCB) to prepare and submit a report on the coal consumption in the Captive Power Plants of the Cement Manufacturing Units of East Jaintia Hills District and also in the clinker production for the last 4 (four) years (*viz.* 2014-15, 2015-16, 2016-17 and 2017-18) based on technical data on average coal requirement per MT of clinker production and coal consumption per million units of power generation.

1.3 During Fifth Sitting of the Committee held on 07.12.2019 the North Eastern Regional Directorate of the CPCB assured the Committee that based on compilation of the data, a report on coal consumption as sought by the Committee in its Fourth Sitting will be submitted to the Committee within a week.

1.4 During Sixth Sitting of the Committee held on 20.12.2019 the North Eastern Regional Directorate of the CPCB informed the Committee that the report as asked for relating to year - wise requirement, source of procurement and consumption of coal by the Cement Industries, Power Plants and Captive Power Plants in the State of Meghalaya, shall be submitted to the Committee in its next meeting

1.5 The Committee through its First Interim Report dated 31.12.2018 placed its observations on the matters as contained in paragraph 1.1 above, before the Hon'ble National Green Tribunal (NGT). The Hon'ble NGT in Order dated 04.01.2019 took note of these observations and directed that the Committee may consider the

resource (coal) audit of Meghalaya Power Limited and Star Cement Limited to ascertain the legitimate procurement of coal and its source.

1.6 During Seventh Sitting of the Committee held on 11.01.2019 the North Eastern Regional Directorate of the CPCB informed that out of 7 (seven) Captive Power Plants in the State of Meghalaya, the relevant data relating to coal consumption from 6 (six) Plants have been collected. It was also informed that the data from the remaining 1 (one) Plant *viz.* Goldstone Cement Limited will be collected soon and the consolidated data for all these 7 (seven) plants will be submitted to the Committee in its next Sitting.

1.7 During Eighth Sitting of the Committee held on 11.02.2019 the North Eastern Regional Directorate of the CPCB submitted a report on coal consumption by Thermal Power Plants and Cement Industries in the State of Meghalaya. As per the said report the State of Meghalaya is home to sixteen (16) Cement Industries and 9 nine (9) Thermal Power Plants. Except one standalone Thermal Power Plants (*viz.* Meghalaya Power Limited), all other Thermal Power Plants are Captive Power Plants of the Cement and other Industries. Out of these sixteen (16) Cement Industries, one (1) Cement Industry (*viz.* Billionium Cement Limited) is a clinker grinding unit which does not use any coal. It has also been stated in the said report of the North Eastern Regional Directorate of the CPCB that three (3) Cement Industries (*viz.* H.M. Cement Limited, RNB Cement Limited and Megatech Engineers Limited) did not consume any coal since the year 2014-15 as these industries were under shutdown. It has also been stated in the said report that out of these sixteen (16) Cement Industries, two industries (*viz.* Jaintia Cement Limited and Virgo Cement Limited) are vertical shaft Kiln (VSK) based cement producing units. These units use coke breeze/low ash metallurgical coke (LAMC) as a fuel. No coal has been used by any of these industries since ban on rat hole mining was imposed by the Hon'ble NGT in the month of April, 2014.

1.8 The Committee took a copy of the said Report on record for further examination and directed the North Eastern Regional Directorate of the CPCB to submit a report to the Committee as to whether the procurement of coal from Meghalaya by the Thermal Power Plants and Cements Industries has violated any

condition set forth in the licence/ permission granted for setting up of such power plants and cement industries and if so, the required action to be taken against those Thermal Power Plants and Cement Industries. The Committee further directed that the said report shall be submitted on 25.02.2019.

**1.9** During Ninth Sitting of the Committee held on 25.02.2019 the North Eastern Regional Directorate of the CPCB sought more time to submit a report relating to the violation or otherwise of any condition set forth in the license/ permission granted to the thermal power plants and cement industries by procuring coal locally from the State of Meghalaya and also the action required to be taken against those thermal power plants and cement industries. The Committee allowed the North Eastern Regional Directorate of the CPCB to submit the report till its next Sitting to be held on 25.03.2019.

**1.10** During Eleventh Sitting of the Committee held on 25.03.2019 the North Eastern Regional Directorate of CPCB submitted an updated report on coal consumption by Cement Industries and Thermal Power Plants in the State of Meghalaya. The Committee after examination of the said Report observed that year-wise details of coal reported to be consumed by various Cement and Thermal Power Plants have only been provided in the said report. The Committee further noted that in the absence of year-wise details of cement or the power produced by each of the Cement Industries and Thermal Power Plants and the quantity of coal required to produce such quantity of cement or power, it is not possible for the Committee to ascertain that quantity of coal reported to be procured by these plants was sufficient to produce reported quantity of cement/power. The Committee further noted that difference between the quantity of coal reportedly consumed by each of the Cement Industries and Thermal Power Plant and the quantity of coal required to produce such reported quantity of cement or power by each such plant, if any, could have been met by illegally mined coal. The Committee therefore directed the North Eastern Regional Office of the CPCB to revise the report keeping in view the above observations and submit the same to the Committee during its next Sitting to be held on 25.04.2019.

- 1.11 The Hon'ble NGT by order dated 11.04.2019 directed that the Committee may also consider requiring audit of the sources of coal acquired by the power generation and cement plants in the State of Meghalaya.
- 1.12 The Committee in its twelfth Siting held on 25.04.2019 formulated a format for undertaking resource (coal) audit of each Cement Industry and Thermal Power Plant in the State of Meghalaya by North Eastern Regional Directorate of the CPCB in compliance of the directions issued by the Hon'ble NGT's by the said Order dated 11.04.2019.
- 1.13 During Fourteenth Sitting of the Committee held on 03.06.2019 representative of the CPCB informed the Committee that information in respect of resource (coal) audit of Cement Industries and Thermal Power Plants in the State of Meghalaya to be undertaken by them in compliance of directions issued by the Hon'ble NGT by order dated 11.04.2019 has been received from only two such units. Information received from these units also does not appear to be correct. The Committee during the said Sitting noted that reluctance of these Cement Industries and Thermal Power Plants to provide requisite information not only amounts to total disregard and disrespect to the Hon'ble NGT and to the CPCB but also creates a suspicion about use of illegally mined coal by these plants. The Committee further noted that continuous defiance of these units is highly unacceptable and cannot be tolerated any further. The Committee, keeping in view the above, directed that in case any of these units continues to wilfully disobey the requests made by the North Eastern Regional Directorate of CPCB to provide the data/information required by them to conduct the resource (coal) audit, the North Eastern Regional Directorate of CPCB shall initiate appropriate punitive action, as per law, against each such defaulting units.
- 1.14 The Committee during its Fourteenth Sitting held on 03.06.2019 also noted that year-wise details of coal purchased by each of these units since imposition of ban on mining of coal in the State by the Hon'ble NGT are already available in the first report prepared by the North Eastern Regional Directorate of the CPCB. The Committee further noted that other information such as annual production of coal/power and specific fuel consumption by each such units are available in the Annual Reports and Detailed Project Report (DPR) of these units, a copy of which is either

available in the public domain or is already available with North Eastern Regional Directorate of the CPCB. The Committee keeping in view the above directed that the North Eastern Regional Directorate CPCB shall complete resource (coal) audit of each cement/power plant in the State and submit a report to the Committee within a month, without fail.

1.15 The Committee in its Fifteenth Sitting held on 28.06.2019 noted that from perusal of information on the clinker and power produced by some of these plants available in their annual reports, a copy of which is available in the public domain *prima facie* it appears that quantity of coal reported to be procured by some of these plants is grossly insufficient to produce reported quantity of cement and/or power by such plants. The Committee further noted that the gap has, in all probability, been met by illegally mined coal. The same, if found to be true, has not only resulted in gross violation of the orders of the Hon'ble NGT and the Hon'ble Supreme Court but has also resulted in enormous loss of revenue to the State. To have a preliminary assessment of illegally sourced coal, if any, used by any of these plants/industries after ban on mining of coal was imposed by the Hon'ble NGT in April, 2014, the Committee directed the Managing Directors/ Chief Executive Officers of all Cement Industries and Thermal Power Plants in the State of ..... to depute their duly authorised representative(s) to remain present before the Committee in its sitting to be held on 23.07.2019 and produce before the Committee, along with supporting documentary evidence, the following information /documents:

- (i) Year-wise details of clinker and / or power produced since imposition of ban on coal mining in the State in April 2014;
- (ii) Year-wise details of coal and / or any other alternate fuel procured since imposition of ban on coal mining in the State in April 2014;
- (iii) Year-wise details of the quantity of cement/ clinker on which transport subsidy, if any, has been claimed by the plant since imposition of ban on coal mining in the State in April 2014;
- (iv) A copy of annual report for each of the years since imposition of ban on coal mining in the State ;

- (v) Average estimated quantity of coal and / or any other alternate fuel(s) required to produce one tonne of clinker and / or one unit (kwh) of power; and
- (vi) A copy of Detailed Project Reports (DPRs) submitted to the Bank(s) / Financial Institution(s) to obtain loan for establishment / expansion / modernization of the plant.

1.16 During Sixteenth Sitting of the Committee representatives of 9 (nine) Cement Industries (*viz.* Amrit Cement, Cosmos Cement Limited, Dalmia Bharat Cement Limited, Jaintia Cement Limited, JUD Cement Limited, Mawmluh Cherra Cement Limited, Meghalaya Cement Limited, Star Cement Limited and Star Cement Meghalaya Limited) and four (4) Thermal Power Plants (*viz.* Maithan Alloys Limited, Meghalaya Power Limited, Shree Sakambari Ferro Alloys Pvt. Ltd. and Shyam Century Ferrous Ltd.) appeared before the Committee. A summary of deliberations held on the matter during the said Sitting of the Committee is as below:

- (i) Representatives of Mawmluh Cherra Cement Limited, Jaintia Cement Limited, Maithan Alloys Limited and Shree Sakambari Ferro Alloys Pvt. Ltd. submitted information and documents sought by the Committee. The Committee observed certain discrepancies in information submitted by Maithan Alloys Limited and Shree Sakambari Ferro Alloys Pvt. Ltd. and requested them to depute a representative to attend next sitting of the Committee to be held on 14.08.2019 along with the corrected information. The Committee also noted that the information provided by the Mawmluh Cherra Cement Limited does not contain Annual Report for the year 2018-19.
- (ii) Representative of Jaintia Cement Limited informed that they do not use coal as a fuel. He further stated that the entire fuel requirement for the said plant is met from the Coke Breeze sourced from Assam. The Committee directed the North Eastern Regional Directorate of the CPCB to undertake audit of each of the Coke Plants from which the coke has reportedly been sourced by the Jaintia Cement Limited in the format stipulated by the Committee for resource (coal) audit of cement factories and Thermal Power Plants in Meghalaya and submit a report to the Committee within one month. The said Report is still awaited from the North Eastern Regional Directorate of CPCB.

- (iii) The representative of Cosmos Cement informed that they have not yet installed the plant and machineries of the Cement Plant and have therefore neither commenced production of the cement nor have purchased any coal.
- (iv) Dr. Shantanu Kumar Dutta, Addl. Director, North East Regional Directorate of the CPCB who is also a member of the Committee informed that the RNB Cement Limited will not be able to provide any information or document as the plant has been taken over by the National Company Law Tribunal (NCLT) and is managed by an Interim Resolution Professional (IRP).
- (v) Representatives of Amrit Cement, Meghalaya Cement Limited, Meghalaya Power Limited, Star Cement Limited and Star Cement Meghalaya Limited initially questioned the jurisdiction of the Committee to seek information from them. Later on they agreed to provide the information and documents sought by the Committee provided additional time is granted to them. Similarly representatives of Dalmia Bharat Cement Limited, JUD Cement and Shyam Century Ferrous Limited requested the Committee to provide additional time for submission of the information and documents sought by the Committee. In spite of prior notice, five Cement Industries (*viz.* Greenvalley Industries Limited, Goldstone Cements Limited, Hills Cements Limited, RNB Cement Limited and Virgo Cements Limited) and one Thermal Power Plant (*viz.* CMJ Breweries Limited) did not depute a representative to attend Sixteenth Sitting of the Committee. The Committee directed the afore-mentioned defaulting Industries to depute a representative to attend next Sitting of the Committee to be held at Shillong on 14.08.2019 along with all information and documents sought by the Committee, without fail.

1.17 During Seventeenth Sitting of the Committee held on 14.08.2019, representatives of nine (9) Cement Industries (*viz.* Amrit Cement, Dalmia Bharat Cement Limited, Goldstone Cement Limited, Green Valley Industries Limited, Hill Cement Limited, JUD Cements Limited, Meghalaya Cement Limited, Star Cement Limited and Star Cement Meghalaya Limited) and four (4) Thermal Power Plants (*viz.* Maithan Alloys Limited, Meghalaya Power Limited, Shree Sakambari Ferro Alloys Pvt. Ltd. and Shyam Century Limited) appeared before the Committee. A learned Senior Counsel along with one other Counsel appeared before the Committee on behalf of Star Cement Limited and two of its subsidiaries (*viz.* Star

Cement Meghalaya Limited and Meghalaya Limited). A summary of deliberations held on the matter during the said Sitting of the Committee is as below:

- (i) The Mawmluh Cherra Cement Limited provided a copy of Annual Report for the year 2018-19. The Committee took the same on record.
- (ii) Three (3) Cement Industries (*viz.* Goldstone Cement Limited, Meghalaya Cement Limited, Star Cement Limited and Star Cement Meghalaya Limited) and four (4) Thermal Power Plants (*viz.* Maithan Alloys Limited, Meghalaya Power Limited, Shree Sakambari Ferro Alloys Pvt. Ltd. and Shyam Century Limited) submitted information and documents sought by the Committee.
- (iii) One (1) Cement Industry (*viz.* Amrit Cement) provided some of the information/document sought by the Committee. Four (4) Cement Industries (*viz.* Dalmia Bharat Cement Limited, Greenvalley Industries Limited, Hill Cement Limited and JUD Cement Limited) sought additional time to provide information/documents sought by the Committee. In spite of prior notice, one Cement Industry (*viz.* Virgo Cements Limited) and one Thermal Power Plant (*viz.* CMJ Breweries Limited) neither deputed a representative to attend meeting of the Committee nor provided the information/documents to the Committee. The Committee directed all these defaulting Industries to provide the information/documents to the Committee within one week positively.
- (iv) The Committee noted that the quantity of coal procured by Maithan Alloys Limited and Shri Sakambari Ferro Alloys Pvt. Ltd. as per the statements submitted to the Committee, is substantially different than the quantity of coal reportedly consumed by these Plants, as per the details given in a report on coal consumption by the Thermal Power Plants and Cement Industries submitted to the Committee by North Eastern Regional Directorate of CPCB. The Committee therefore, directed the North Eastern Regional Directorate of CPCB to re-examine the records relating to purchase and use of coal by above Thermal Power Plants and submit a report to the Committee within fifteen days.
- (v) The Committee noted that *prima-facie* the quantity of coal purchased by majority of Cement Industries and Thermal Power Plants is much lower than the quantity of coal required to produce reported quantity of clinker and/or electricity.

- (vi) Many of the Cement Industries and Thermal Power Plants claimed that they have used large quantity of slate in place of coal. The Committee noted that it is neither technically feasible nor legally permissible to use large quantity of slate in place of coal.

1.18 The Star Cement Meghalaya vide letter dated 26.08.2019 submitted a representation wherein, among others, it has been stated that observations made by the Committee that *prima-facie* they have used illegal coal for production of clinker/power is not based on the factual information but on the premise that use of alternate fuel by them is not technically feasible and that no royalty on the same was paid. The Committee sent a copy of the said representation to the MSPCB, the North Eastern Regional Directorate of the CPCB and North Eastern Regional Office of the Ministry of Environment, Forest and Climate Change (MoEFCC), Government of India (GoI) for their comments.

1.19 During Eighteenth Sitting of the Committee held on 16.09.2019, the MSPCB, the North Eastern Regional Directorate of the CPCB and North Eastern Regional Office of the MoEFCC, GoI submitted their comments on submissions made by the Star Cement in their said letter dated 26.08.2019. The Committee took a copy of these comments on record and directed as below:

- (i) The MSPCB shall provide to the Committee a copy of Environmental Statements submitted to them by all Cement Industries and Thermal Power Plants in the State of Meghalaya for the period from 20014-15 to 2018-19.
- (ii) The MSPCB shall provide to the Committee a copy of all authorizations/ no objection certificates granted by them to Cement Industries and Thermal Power Plants in the State of Meghalaya for use of any fuel other than coal.
- (iii) The MSPCB shall provide to the Committee a copy of 'Consent to Establish' and/or 'Consent to Operate', if any, granted for mining of slate or muslate in the State of Meghalaya. In case no such consent has been granted, the same shall also be intimated to the Committee within one week
- (iv) The North Eastern Regional Office of the MoEFCC, GoI and the State Environmental Impact Assessment Authority (SEIAA), Meghalaya shall provide to the Committee a copy of Environmental Clearance(s), if any, granted for mining of slate in the State of Meghalaya. In case no such EC has been issued by them the same shall also be intimated to the Committee.

- (v) The North eastern Regional Directorate of the CPCB shall provide to the Committee a copy of data which formed the basis for making a submission before the Committee while preparing its First Interim Report to the effect that the two integrated cement units of State Cement Limited (*viz.* Star Cement Limited and Star Cement Meghalaya Limited) use coal of about 15% of total clinker production. The CPCB may also provide the reasons for discrepancy between the said information provided in December 2018 and the information provide vide letter dated 13.09.2019 wherein it has been stated that actual requirement of coal by these cement plants is even less that self-declared quantity of 12.75% of clinker production.

1.20 During Eighteenth Sitting of the Committee held on 16.08.2019, the Commissioner and Secretray to the Government of Meghalaya, Mining and Geology Department informed the Committee that no mining lease has been granted so far for extraction of slate in the State of Meghalaya. He further stated that local suppliers have supplied muslate or slate sourced from overburden of coal mining carried out prior to ban imposed by Hon'ble NGT. He also stated that six (6) Cement Industries (*viz.* Dalmia Bharat Cement Limited, Goldstone Cement Limited, Green Valley Industries Limited, Meghalaya Cements Limited, Star Cement Limited and Star Cement Meghalaya Limited) and one (1) Thermal Power Plant (*viz.* Meghalaya Power Ltd.) have paid royalty on slate used by them.

1.21. Later on, the Committee received requisite information/documents sought from all defaulting Cement Industries and Thermal Power Plants. The Committee also received information/documents sought from the MSPCB, North Eastern Regional Directorate of CPCB and North Eastern Regional Office of the MoEFCC, Gol in its Eighteenth Sitting held on 16.09.2019.

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## CHAPTER 2: ANALYSIS OF INFORMATION PROVIDED BY INDUSTRIES AND REGULATORY AUTHORITIES

### 2.1 Mawmluh Cherra Cement Limited

2.1.1 The Mawmluh Cherra Cement Limited was initiated incorporated as a private enterprise under the Indian Companies Act, 1913 in the name of the 'Assam Cement Limited' on 20.05.1955 to establish first cement plant of the entire North East India at a place named Mawmluh located near Cherrapunjee at about 56 km from Shillong. Keeping in view the inability of the original promoters to raise requisite funds for establishment of the plant, the Government of Assam decided to take-over the enterprise. Accordingly, on 01.01.1964 the Assam Cement Limited became a Government of Assam undertaking with very small and token percentage of share given to private sector. The Cement Plant having installed capacity of 85,000 tones of cement per annum was commissioned in November 1964. With the reorganization of the composite State of Assam resulting in creation of a new State of Meghalaya on 22.01.1972 the control and management of the above enterprise formally passed over to the State of Meghalaya. On 07.05.1974 the above enterprise was rechristened as Mawmluh-Cherra Cement Limited (hereinafter referred to as "MCCL").

2.1.2 The Committee examined the Techno-Economic Feasibility Report for expansion of existing cement plant of MCCL consisting of three long wet process kilns (Kiln 1 of 250 tons per day (TPD) and Kiln 2 and 3 of 340 TPD each) by addition of 600 TPD dry process kiln in the existing cement plant prepared by Holtec Consulting Private Limited in 2004. The said report envisages coal sourced from nearby areas as a fuel for the said plant. List of raw materials for the said plant given in the said Report does not include any other fuel. It has also been stated in the Said Report that specific coal requirement (*i.e.* percentage of coal required to produce a unit quantity of clinker) for the said plant is 16%.

2.1.2 Presently, the dry process kiln of 600 tpd capacity is only operational in the MCCL. The all three wet process kilns have been de-commissioned in 2014. Foundation stone of the said dry process kiln was laid in 2004. The same however,

could be commissioned in the month of September 2016. Hence, after the imposition of ban on illegal rat-hole coal mining was imposed by the Hon'ble NGT in April 2014 the cement plant of the MCCL was in operation for a period of about three years (*viz.* from September 2016 to March 2019).

2.1.3 Year-wise details of clinker produced and the coal procured by the MCCL to produce such clinker, since the ban on illegal rat hole coal mining was imposed by the Hon'ble NGT in April 2019 (*viz.* from the year 2014-15 to the year 2018-19) (hereinafter referred to as 'Audit Period') is as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Clinker produced (MT)	-	-	32,505	40,440	38,530	1,11,475
Coal procured (MT)			10,196	10,192	11,802	32,190

2.1.4 The representative of North Eastern Regional Directorate of CPCB informed the Committee that after due scrutiny of all requisite documents, they have found that the entire afore-mentioned quantity of 32,190 MT coal has been procured by MCCL from legal sources.

2.1.5 The Committee notes that as per the afore-mentioned information, the reported specific coal consumption (*i.e.* percentage of coal consumed to produce a unit quantity of clinker) for the MCCL during the Audit Period is 28.876 %. The Committee also notes that in paragraph 1 of the 'Guidelines on Co-processing in Cement/Power/ Steel Industry' issued by the CPCB in February, 2010, a copy of the which has been placed before the Committee by North Eastern Regional Directorate of the CPCB, it has been stated that 40 million tones of coal is required to produce 200 million tones of cement in the entire country. The specific coal consumption for the cement industry for the country as a whole, as per the said Guidelines, is 20%.

2.1.6 The Committee notes that the reported specific coal consumption by the MCCL during the Audit Period (*i.e.* 28.876%) is substantially higher than the

average specific coal consumption of the Cement Industry for the country as a whole (i.e. 20 %). The Committee further notes that the reported specific coal consumption of the MCCL is also substantially higher than the same for other Cement Industries in Meghalaya. **The Committee is therefore; of the view that during the Audit Period the entire requirement of coal for the MCCL has been met from legal sources.**

## 2.2 Star Cement Limited and its Two Subsidiaries (*viz.* Star Cement Meghalaya Limited and Meghalaya Power Limited)

2.2.1 The Star Cement Limited (formerly known as Cement Manufacturing Company Limited) is the largest cement manufacturer of the North-East India. The first cement plant of the Star Cement Limited, having installed capacity to produce 1,800 TPD clinker was commissioned TPD at Lumshnong village in East Jaintia Hills District in the year 2005. Later on the installed capacity of the said plant was enhanced to produce 2400 TPD clinker. During, 2013, Star Cement Meghalaya Limited, a wholly owned subsidiary of the Star Cement Limited, commissioned a cement plant having installed capacity to produce 5,300 TPD clinker. The Meghalaya Power Limited, a fully owned subsidiary of the Star Cement Limited established 8 MW Thermal Power Plant. The said plant was commissioned in 2009. Later on the installed capacity of the said Thermal Power Plant was enhanced to 51 MW by addition of an eight 43 MW unit. The said Thermal Power Plant having installed capacity of 43 MW was commissioned in 2013. All these Cement Plants and Thermal Power Plant of the Star Cement Limited and its afore-mentioned subsidiaries are located in Lumshnong village in close vicinity to each other. All these plants were in operation before the ban on illegal rat-hole coal mining was imposed by the Hon'ble NGT in April 2014.

2.2.2 The Committee in its Sixteenth Sitting held on 23.07.2019 examined a Techno-Economic Feasibility Report (TEFR) of the Modernization & Expansion of the then existing plant of the Cement Manufacturing Company Limited (now Star Cement Limited) from 1800 TPD to 2400 TPD clinker and a similar report of 5300 TPD clinkerization plant of the Star Cement Meghalaya Limited, both prepared by Holtec Consulting Private Limited, a copy of the which was provided to the

Committee by representatives of the Star Cement Limited, and observed that both these plants have been designed to use 100% Meghalaya coal available locally from areas within the distance of 50 kms. Nowhere in these reports is it stated that any of these plants can be operated by any alternate fuel other than coal. It has also been stated in these Reports that net calorific value of the local coal to be used in these clinker plants is 5,800 Kcal/kg. It has also been stated in these Reports that specific heat consumption of these plants is 740 Kcal per kg of clinker. The specific coal requirement for both these plants, as per the aforementioned information given in these Reports, is 12.75 %.

2.2.3 The Committee in its Sixteenth Sitting held on 23.07.2019 also examined TEFR of the Meghalaya Power Limited prepared jointly by Technical Consultant - Cethar Consulting Engineers (P) Ltd., Chennai and Financial Consultant- KBG Consultants Pvt. Ltd., Kolkata, a copy of the which was provided to the Committee by a representative of the Star Cement Limited, and observed that as per the said Report the said plant has been designed to use coal sourced from nearby coal mines at Bapung and Khliehriat, Jaintia Hills, in Meghalaya & captive mines, Meghalaya. Requirement of the locally sourced Meghalaya coal at 100 % capacity for the said 43 MW TPP, as per the said Report, is 720 MT per day. The specific fuel requirement for the said TPP, as per the information given in the said Report, is therefore 0.70 kg/ kwh. Nowhere, in the said Report it has been stated that it will be feasible to run the plant by using any alternate fuel other than coal.

2.2.4 The Committee in its Sixteenth Sitting held on 23.07.2019 also noted that Environmental Clearance (EC) to the said TPP has been accorded by the Ministry of Environment and Forests, Government of India subject to, among others, a condition that *"In case source of fuel supply is changed at a later stage (now proposed on imported coal from Indonesia the project proponent shall intimate the Ministry well in advance along with necessary requisite documents for its concurrence for allowing the change., In such a case the necessity for re-conducting public hearing may be decided by the Ministry in consultation with the Expert Appraisal Committee"*. The Committee also noted that the North Eastern Regional Office of the MoEFCC, GoI during routine monitoring of conditions stipulated in EC to the said TPP has

observed that in contravention of the said condition, the plant has been operated by using locally sourced coal. For the said violation, the North Eastern Regional Office has requested the MoEFCC, GoI to initiate penal measures in accordance with the provisions of the Environment (Protection) Act, 1986 against the said TPP. In pursuance, a show cause notice has been issued to the said TPP by the MoEFCC, GoI. No action has however been taken against the Meghalaya Power Limited for continuous violation of the said condition stipulated in the EC for last several years.

2.2.5 The Committee after examination of documents submitted by representatives of the Star Cements Limited in its Sixteenth Sitting held on 23.07.2019 noted that year-wise details of clinker (in MT) or power (in kwh) produced and coal procured by each of the afore-mentioned three plants of the Star Cements Limited during the Audit Period are as below:

Plant	Items	Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7	8
Star Cement Limited	Clinker produced (MT)	3,30,010	4,92,055	5,67,241	5,15,350	6,00,025	25,04,681
	Coal procured (MT)	13,417	47,628	10,192	25,267	10,989	1,07,493
Star Cement Meghalaya Limited	Clinker produced (MT)	15,49,349	16,29,025	15,79,345	15,41,945	14,36,600	77,36,264
	Coal procured (MT)	58,448	1,48,954	9,775	67,624	84,188	3,68,989
Meghalaya Power Limited	Power Produced (Million kwh)	167,923	183,114	201,624	190,059	170,116	912,836
	Coal procured (MT)	25,182	68,092	41,863	36,129	18,024	1,89,290
Total	Clinker produced (MT)	18,79,359	21,21,080	21,46,586	20,57,295	20,36,625	102,40,945
	Power Produced (Million kwh)	167,923	183,114	201,624	190,059	170,116	912,836
	Coal procured (MT)	97,047	2,64,674	61,830	1,29,020	1,13,201	6,65,772

2.2.6 During sixteenth Sitting of the Committee representatives of the Star Cement Limited also placed before the Committee a document stating therein that during the Audit Period, apart from the coal these plants also purchased alternate fuels such as Mu Slate, Petcoke and Saw dust. Year-wise details of the quantity of alternate fuels stated to be purchased by each of these plants are as below:

(Metric Tonne)

Plant	Nature of Alternate Fuel	Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7	8
Star Cement Limited	Mu Slate	50,042	91,556	82,969	1,92,859	1,01,129	5,18,555
Star Cement Meghalaya Limited	Mu Slate/ Pet Coke/ Saw Dust	1,87,631	3,01,027	2,03,188	4,45,209	1,86,032	13,23,087
Meghalaya Power Limited	Mu Slate	1,06,243	1,39,303	1,73,348	2,87,638	1,58,652	8,65,184
<b>Total</b>		<b>3,43,916</b>	<b>5,31,886</b>	<b>4,59,505</b>	<b>9,25,706</b>	<b>4,45,813</b>	<b>27,06,826</b>

2.2.7 The Committee during its Sixteenth Sitting also noted that it has also been stated in the documents submitted to the Committee by representatives of the Star Cements Limited that average estimated requirement of coal and alternate fuel for production of clinker by these plants is 9% - 14% and 25% - 35% respectively. Similarly, it has also been stated in these communications that average estimated requirement of coal and alternate fuel for production of one kwh of power by the said Thermal Power Plant is 0.45 - 0.65 kg per kwh and 1.20 - 1.60 kg per kwh.

2.2.8 The Committee during its Sixteenth Sitting also noted that keeping in view that the project proponent in their own communication has stated that estimated requirement of coal for these plants is upto 14 % and both these plants are more than 10 years old, the actual requirement of coal for production of clinker by both these plants is atleast 14 % of the clinker produced. The Committee in the said

Sitting held on 23.07.2019 also noted that specific coal requirement for the Meghalaya Power Limited is atleast 0.70 kg/kwh as has been stated in its TEFR.

2.2.9 The Committee in its Sixteenth Sitting also noted that use of alternate fuel, in place of coal in these plants, which have been designed to use coal as an exclusive fuel, requires major modification/alteration in their design and operation. The Committee in the said Sitting also noted that nothing was placed before the Committee to the effect that design of these plants have been altered/modified to enable them to utilise fuel such as slate having very low calorific value in place of the high calorific value local Meghalaya coal of about 5800 Kcal/kg calorific value. The Committee also noted that as per documents provided to the Committee, during the year 2016-17, the clinker plant of the Star Cement Meghalaya Limited was operated by using 9,775 MT coal and 2,03,188 MT of alternate fuel. The Committee in the said Sitting noted that even with modifications, a clinker plant cannot attain the requisite kiln temperature with such a low calorie fuel mix.

2.2.10 The Committee in its Sixteenth Sitting also noted that paragraph 2 of the Environment Impact Assessment (EIA) Notification issued by the MoEFCC, GoI vide S.O. 1533 dated 16.09.2006 mandates prior EC in the cases involving change in product mix. A representative of Star Cement Limited admitted before the Committee that no such EC has been obtained for any of these plants. Mr. H. Tynsong, Scientist D, North Eastern Regional Office of the MoEFCC, GoI during the said Sitting drawn attention of the Committee to specific condition no. (xi) (*viz. efforts shall be made to use low -grade lime, more fly ash and solid waste in cement manufacturing*) and no. (xii) (*viz. all efforts shall be made to use of high calorific hazardous waste in the cement kiln and necessary provision shall be made accordingly*) stipulated in EC to Star Cement Meghalaya Ltd. issued by the MoEFCC, GoI vide letter dated 28.10.2009 and stated that these conditions specifically provides for use of alternate fuel. He further stated that keeping in the above, use of alternate fuel in place of coal by the said plant does not requires prior EC. The Committee after examination of six-monthly self-compliance reports to said EC, a copy of which is available on website of the Star Cement Limited, observed that in respect of the afore-mentioned condition no. (xi) it has been reported that "SMCL is

a clinkerization unit, no fly ash is used in the unit. The generated solid waste from the pollution control equipment has been recycled and re-used in the process and has been used for clinker manufacturing. Amount 8-10 % of low grade lime available in the mine has been used in the process". Similarly, in respect of the afore-mentioned specific condition no. (xii) it has been reported that "Provision already made to use of high calorific waste i.e. waste oil in the kiln. The tank capacity is 1000 litres. The used oil disposal process along with photograph has been submitted along with CREP in MoEF&CC, Shillong & New Delhi." The Committee further noted that use of any alternate fuel, as was claimed by a representative of the Star Cement Limited, has not been reported anywhere in these self-compliance reports. The Committee also noted that even for the used oil, merely making a provision for its use and not any actual use has been reported in these self-compliance reports.

2.2.11 The Committee in its Sixteenth Meeting also noted that apart from the revised EC, change in fuel for a plant also requires prior No Objection Certificate (NoC) from the MSPCB. The Member- Secretary of the MSPCB, during the said Meeting placed before the Committee a letter dated 24.09.2017 wherein the MSPCB communicated its no-objection certificate to M/s. Star Cement Meghalaya Limited for use of Petroleum Coke in its cement plant subject to conditions stipulated in the said letter. The Committee in the said Siting further noted that use of Petroleum Coke by the said Cement Plant is not reported in any of the six monthly self-compliance for the period after 24.09.2017.

2.2.12 The Committee in the Sixteenth Sitting also noted that the mining/ winning/ extraction of slate claimed to be used by these plants requires prior mining lease. It also requires payment of royalty and other taxes to the State Government. Nothing was placed before the Committee during the said sitting to indicate that any mining lease has been granted in the State for mining of slate and the slate, if any, used by these plants has been sourced from an area having valid mining lease after payment of requisite royalty and other taxes payable to the State Government.

2.2.13 The Committee in the Sixteenth Sitting noted that year-wise details of clinker/power produced, coal required to produce reported quantity of

clinker/power produced (@ 14% for clinker and 0.70 kg of coal per kwh of power produced) and gap in coal requirement in respect of each of the afore-mentioned three plants of the Star Cement Limited during the Audit Period are as below:

Plant	Items	Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7	8
Star Cement Limited	Clinker produced (MT)	3,30,010	4,92,055	5,67,241	5,15,350	6,00,025	25,04,681
	Coal required (MT)	46,201	68,888	79,414	72,149	84,004	3,50,655
	Coal procured (MT)	13,417	47,628	10,192	25,267	10,989	1,07,493
	Gap (MT)	32,784	21,260	69,222	46,882	73,015	2,43,162
Star Cement Meghalaya Limited	Clinker produced (MT)	15,49,349	16,29,025	15,79,345	15,41,945	14,36,600	77,36,264
	Coal required (MT)	2,16,909	2,28,064	2,21,108	2,15,872	2,01,124	10,83,077
	Coal procured (MT)	58,448	1,48,954	9,775	67,624	84,188	3,68,989
	Gap (MT)	1,58,461	79,110	2,11,333	1,48,248	1,16,936	7,14,088
Meghalaya Power Limited	Power Produced (Million kwh)	167.92	183.11	201.62	190.06	170.12	912.84
	Coal required (MT)	1,17,546	1,28,180	1,41,137	1,33,041	1,19,081	6,38,985
	Coal procured (MT)	25,182	68,092	41,863	36,129	18,024	1,89,290
	Gap (MT)	92,364	60,088	99,274	96,912	1,01,057	4,49,695
Total for above three plants	Coal required (MT)	3,80,656	4,25,131	4,41,659	4,21,063	4,04,209	20,72,718
	Coal procured (MT)	97,047	2,64,674	61,830	1,29,020	1,13,201	6,65,772
	Gap (MT)	2,83,609	1,60,457	3,79,829	2,92,043	2,91,008	14,06,946

2.2.14 The Committee in its Sixteenth Sitting noted that prima-facie it appears that the gap in coal required to produce reported quantity of clinker and power by the afore-mentioned plants of the Star Cements Limited has been met by illegally sourced local coal. The Committee in the said Sitting also noted that even if a part of it has been met by any alternate fuel, the same has been done in violation of the environmental and mining laws and also without payment of the requisite royalty and other taxes to the State Government. The Committee also noted that neither it is technically feasible, nor it is legally permissible to replace coal by alternate fuel by any of these cement and power plants.

2.2.15 The Star Cement Limited vide letter dated 26.07.2019 submitted a representation stating therein that observations made by the Committee that *prima facie* they have used illegal coal for production of clinker/ power is not based on the factual information but on the premise that use of alternate fuel by them is not technically feasible and that no royalty on the same was paid. Among others, the following has also been stated in the said representation:

- (i) TEFRs are prepared with a view to take a considered decision regarding technical and financial viability of undertaking a project and also is a requirement for funding by financial institutions/ banks. The TEFRs are prepared on the basis of available data and certain assumptions. The details given in the TEFRs and that actual found on the ground at the time of implementation of the project may widely vary. The energy requirement for production of clinker and power given in these Reports cannot be the ground for deciding the actual energy/ coal/ alternate fuel used by them. They had stated that the coal requirement for the plants is 9 -14 %. Based on the above the coal requirement cannot be taken as at least 14%. The age of the plants has nothing to do with the energy required to produce clinker/ power. In fact with passage of time and experience gained, the efficiency of the plants by and large improves.

- (ii) No major or even minor modification/ alteration in the plant design is required at all for using alternate fuel such as slate and pet coke by their plants. The plants can use coal as well as alternate fuel (slate).
- (iii) Revised EC is required only when product mix is changed and not for change in the use of fuel.
- (iv) The EC granted in respect of MPL specifically observes that "*imported coal from Indonesia will be used until domestic coal is available*". It is relevant to mention that none of the ECs granted after 3.6.2011 (when they were granted the EC), the MoEF & CC has prescribed the condition that only imported coal will be used. Similarly in the EC granted earlier to that date also, no such condition was prescribed. In any case for alleged violation of the conditions of the EC, the issue is under consideration of the competent authority and it is not linked with whether they have used legal coal or otherwise. Moreover, on their own they have approached SEIAA seeking change in the EC condition and this matter is yet to be decided.
- (v) Each and every payment for purchase of coal and alternate fuel has been made by cheque by them. The details of the payments made by them can easily be verified. There is no way they could have made any payment in cheque for purchase of illegal coal and no cash transaction has ever taken place for purchase of coal at all. On examination of their books of accounts and Annual Reports, the date - wise details of the payment made by them can easily be verified.
- (vi) Full royalty on purchase of alternate fuel by them has been paid on behalf of the suppliers by them.
- (vii) The alternate fuel is primarily overburden dumps produced during excavation of coal and does not require a separate mining lease at all. Like coal the alternate fuel (slate) was also produced as overburden during rat hole mining of coal - subsequently banned by the Hon'ble NGT.

- (viii) They have never been involved in illegal mining operations. The coal/ alternate fuel has been purchased by them from various local suppliers and royalty for the same has been paid. The Hon'ble Supreme Court has also held only that quantity of coal which was found to be illegally being transported as illegal coal. The ownership of the entire balance quantity lying on ground and already disposed of has been held to be that legally belonging to the concerned land owners/miners. In any case they have neither been involved in illegal mining (because they have not been involved in mining activity of coal/muslate) nor purchase of any illegal coal/ alternate fuel at all.
- (ix) Use of slate in the power plant results in generation of additional fly ash on account of it containing high ash content. The fly ash produced is used in manufacturing of PPC cement by them as well as by others. In fact they have been purchasing fly ash from other sources to meet their full requirement. The use of alternate fuel for production of power by the power plants is environmentally desirable, financially viable and results in use of the by product (fly ash) for further use as a raw material. Similarly in the cement plants use of alternate fuel, which has low sulphur content, is beneficial from the point of view of production process and is also environmentally desirable. However, it results in higher cost of production by way of additional transportation costs, handling cost, storage costs etc., due to which whenever coal at a reasonable rate is available, the same is not preferred by cement plants and power plants etc.
- (x) In fact the Meghalaya Power Limited has used slate during the years 2012 - 13 and 2013 - 14 also.
- (xi) The letter dated 24.11.2017 of the Divisional Mining Officer addressed to the Director of Mineral Resources, Meghalaya, a copy of the which was enclosed to the said representation, shows that alternate fuel (Slate / Muslate) was extensively being used by them as substantial quantity of the same were found to be physically available at their plants.

2.2.16 The Committee vide letter dated 28.09.2019 sent a copy of the said representation to the MSPCB, North Eastern Regional Office of the MoEFCC, GoI and North Eastern Regional Directorate of the CPCB for comments.

2.2.17 In reply, the MSPCB vide letter dated 13.09.2019 informed the Committee that revised Consent to Operate under the Air/ Water Act is not required for use of alternate fuel. It was also informed by the MSPCB that *prima facie* the use of alternate fuel by the cement and power plants is technically feasible and is in fact encouraged by the Pollution Control Board. A copy of Environmental Statement of the afore-mentioned plants of the Star Cement Limited was also provided to the Committee.

2.2.18 Similarly, the North Eastern Regional Directorate of the CPCB vide letter dated 13.09.2019 submitted following comments on the said representation of the Star Cements Limited:

- (i) As per the literature available in published journal of repute (*Ref: Mishra, H. K. and Ghosh, R. K, 1996, Geology, Petrology and Utilization Potential of some Tertiary coals of the North-eastern Region of India. International Journal of Coal Geology, 30: 65 - 100*) the calorific value of Eocene and Oligocene coal deposit of Meghalaya is in the range of 6500 - 8500 and 6255 - 8650 kcal/kg respectively. If we go with the published literature it could be assumed the coal requirement in actual clinker production in these cement plants of Star Cement Limited could be even less than the percentage (12.75%) requirement of coal as indicated in the TEFR assuming that calorific value of the Meghalaya coal at 5800 kcal/kg.
- (ii) If the industries use Pet Coke or slate as alternate fuel resource (AFR) it is not required to modify or attach a new fuel/ material feeding system. AFRs are generally used together with coal. As the physical characteristics of the Pet Coke and slate are similar to the coal these alternate fuel can be used in the existing coal mills for pulverization before feeding into the Kilns or the boilers after blending with coal. The CPCB has been working on use of AFR, Hazardous Wastes (HW) and Refused Derived Fuel (RDF) in the cement mills, power

plants and also in the blast furnaces so as to use the resources inherited in the wastes generated by various industries or municipalities. It is already established that disposal of wastes in the cement kilns, power plants, blast furnaces, etc. could be best possible method to dispose of the wastes in an environmentally sound manner in one hand and also to recover the resources inherited in the wastes by these industries so that use of conventional fuel is reduced significantly.

- (iii) The CPCB has published guidelines for use of AFR/ HW/ RDF in these industries. The CPCB has been conducting workshops, seminars *etc.*, amongst the stakeholders to promote the use of these AFR/ HW/ RDF in Cement Kiln or boilers.
- (iv) Besides the encouragement by CPCB, MoEF & CC, of late, has been stipulating specific condition to a few cement mills in Meghalaya to use HW/ RDF/ AFR in kilns. The EC granted to various cement industries in the region stipulates such conditions.
- (v) To use AFR/ RDF/ HW in the kilns, amendment in the EC by the concerned project is not required as per the provisions of the EC Notification, 2006. Amendment of EC is required for expansion, modification of projects and also changing in product mix. Using of AFR/ HW/RDF is only a change in fuel mix but not a change in product mix. By using AFR/ HW/RDF in a kiln/ boiler/ furnace, use of conventional fuel like coal is reduced. The arrangement helps in reducing the consumption of conventional fuel like coal and this brings in reduction in greenhouse gas emission. Thus, the use of AFR/ HW/RDF in cements kilns/ power plants/ blast furnace, etc., have significant environmental benefits and therefore such industries are encouraged to use AFR/ HW/RDF. Moreover, as the country is facing lot of problems in managing the solid wastes, use of these wastes in kilns shall also minimize the waste disposal problems in the country.
- (vi) As per provisions of the Hazardous Wastes and Other Wastes (Management and Transboundary Movement) Rules, 2016, an industry has to apply to SPCB

for authorization under the Rules for using Hazardous Wastes (HW) in its kiln/ boiler/ furnace. As per the provisions of the said Rules, CPCB prepares guidelines for use of HW in cement kiln/ boiler/ furnace. Such guidelines for various types of HW are available in the website of CPCB.

- (vii) Cement industries and power plants in Meghalaya, the industries are using slate as AFR in the cement kilns and the power plants. It is understood that slate are also mined together with coal in the coalfields of Meghalaya. Slates are differentiated from coal from their appearance and structure. It is learnt that slates commonly occur as overburdens together with the coal deposits. Slates are having less calorific value than the coal and therefore have less market values. Though data is not available regarding calorific value of slate in the State of Meghalaya, during field visit to the industries, use of slate/ Muslate by the industries were observed. When coal mining was in operation before the mining ban, various small crushers were observed in the coal depots. These crushers used to crush/ pulverize the slate into powder form and used to mix with the coal.
- (viii) From the sample documents supplied by the industries, it is observed that the industries are paying royalty on the slate being procured. The CPCB in general does not go into the detail of the royalty payment by the industries.
- (ix) The CPCB agrees to the point that the Cement Industries/ Power Plants are not involved in illegal mining of coal or slate. Documentary evidences have been submitted by the industries that the fuel/ AFR are procured after payment or royalty.

2.2.19 The North Eastern Regional Office of the MoEFCC vide letter dated 12.09.2019 submitted, among others, the following comments on the said representation of the Star Cements Limited:

- (i) The EC is required only when product mix is changed and not for change in the use of fuel. Even though the project has used alternate fuel in their cement manufacturing process, there is no change in product mix as the produce produced is cement. The specific condition No. 12 in EC accorded to Star

Cement Limited by the MoEFCC, GoI vide letter dated 28.10.2009 specifically provides that all efforts shall be made to use of high calorific hazardous waste in the cement kiln and necessary provision shall be made accordingly

- (ii) Para 3 of the guidelines for Pre-processing and Co-Processing of the Hazardous Waste and other wastes in Cement Plants as per Hazardous and Other Waste (Management and Trans-Boundary Movement) Rules, 2016 issued by the CPCB provides that utilization of hazardous and other waste for co-processing or for any other use shall be carried out only after obtaining authorisation from the State Pollution Control Board in respect of wastes on the basis of standard operating procedure or guidelines provided by the CPCB. The Star Cement Limited has obtained NoC for use of pet-coke in cement plants, and no record is available in the North Eastern Regional Office of the MoEFCC for use of slate as alternate fuel.
- (iii) A Note given in col. 5 of the item 3 (b) pertaining to cement industries in Schedule to the Environment Impact Assessment (EIA) Notification, 2016 substituted by the Notification bearing S.O. No. 3518 (E) dated 23.11.2016 of the MoEFCC, GoI provides that fuel for cement industry be coal, pet coke, waste provided it meets the emission standard.

2.2.20 During Eighteenth Sitting of the Committee held on 16.09.2019, the Committee took on record the afore-mentioned communications from the MSPCB, the North Eastern Regional Directorate of the CPCB and North Eastern Regional Office of the MoEFCC, GoI containing their comments on submissions made by the Star Cement in their said representation dated 26.08.2019 and directed as below:

- (i) The MSPCB shall provide to the Committee a copy of Environmental Statements submitted to them by all Cement Industries and Thermal Power Plants in the State of Meghalaya for the period from 20014-15 to 2018-19.
- (ii) The MSPCB shall provide to the Committee a copy of all authorizations/ no objection certificates granted by them to Cement Industries and Thermal Power Plants in the State of Meghalaya for use of any fuel other than coal.
- (iii) The MSPCB shall provide to the Committee a copy of 'Consent to Establish' and/or 'Consent to Operate', if any, granted for mining of slate or muslate in

the State of Meghalaya. In case no such consent has been granted, the same shall also be intimated to the Committee within one week

- (iv) The North Eastern Regional Office of the MoEFCC, GoI and the State Environmental Impact Assessment Authority (SEIAA), Meghalaya shall provide to the Committee a copy of Environmental Clearance(s), if any, granted for mining of slate in the State of Meghalaya. In case no such EC has been issued by them the same shall also be intimated to the Committee.
- (v) The North eastern Regional Directorate of the CPCB shall provide to the Committee a copy of data which formed the basis for making a submission before the Committee while preparing its First Interim Report, to the effect that the two integrated cement units of Star Cement Limited (viz. Star Cement Limited and Star Cement Meghalaya Limited) use coal of about 15% of total clinker production. The CPCB may also provide the reasons for discrepancy between the said information provided in December 2018 and the information provided vide letter dated 13.09.2019 wherein it has been stated that actual requirement of coal by these cement plants is even less than self-declared quantity of 12.75% of clinker production.

2.2.21 The North Eastern Regional Office of the MoEFCC, GoI vide a communication dated 11.10.2019 informed the Committee that as per records available with them no EC has been issued by the MoEFCC or SEIAA for mining of Slate in the State of Meghalaya.

2.2.22 The North Eastern Regional Directorate of the CPCB vide a communication dated 11.10.2019 informed the Committee as below:

- (i) While preparing the Interim Report about the coal consumption by the cement plants in Meghalaya, Mr. P. Chakraborty, Unit Head of Calcom Cement India Ltd. (CCIL), a subsidiary of Dalmia Cement (Bharat) Limited, located at Umrangsoo, Assam was consulted for getting a neutral feedback. He was consulted because of his working experience and vast knowledge about clinker production in North East. It was reported by him that the coal requirement for clinker production stands at about 15% of total clinker production in general. This figure may vary about depending on the calorific value of the coal being used. Similar percentage coal consumption figure data is also supported by data available in the internet.

- (ii) During the detailed audit of cement plants in the State of Meghalaya regarding coal consumption, it was observed that the units started using alternate fuel to a significant extent which would bring down the consumption of coal further. Moreover, published paper by *Mishra & Ghosh (1996)* reported very high calorific value of Eocene and Oligocene coal found in Meghalaya in the range of 6500 - 8500 and 6255 - 8650 Kcal/ Kg respectively. It is understood that if coal with such high calorific value is used for clinker production together with other alternate fuel like slate, plastic waste, wood-dust etc., the coal consumption percentage will come down even below 12.75%, as reported in their earlier report.

2.2.23 The MSPCB vide a communication dated 30.09.2019 provided to the Committee Environmental Statement of nine cement plants (*viz.* Amrit Cement Limited, Green Valley Industries Limited, Hills Cements Company Limited, Jaintia Cements Limited, JUD Cements Limited, Meghalaya Cements Limited, Dalmia Cements (Bharat Limited), Gold Stone Cements Limited and Mawmluh Cherra Cements Limited). Environmental Statement of both Cement Manufacturing Plants and a Thermal Power Plant of the Star Cement Limited and its subsidiaries had already been provided to the Committee by the MSPCB vide letter dated 13.09.2019.

2.2.24 During Eighteenth Sitting of the Committee held on 16.08.2019, the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department informed the Committee that slate is a minor mineral. He further stated that collection and sharing of royalty on minor minerals in the Autonomous District was done under the power of the Executive Order No. TAD/FR/22/55 dated 22.01.1962 till framing of Meghalaya Minor Mineral Concession Rules, 2016 (MMMCR). The said rules came into force on 12.09.2016. He further stated that grant of mining lease/quarry permit for slate was not there till Meghalaya Minor Mineral Concession Rules, 2016 came into force.

2.2.25 The Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department further informed the Committee that no mining lease has been granted so far for extraction of slate in the State. He further stated that local suppliers have supplied the slate sourced from overburden of coal mining carried out prior to ban imposed by Hon'ble NGT to the Cement plants. The Cement plants

have paid royalty on slate used by them. He further stated that the amount of royalty paid by the Star Cement Limited and its subsidiaries for slate is as below:

Name and address of Cement or Thermal Power Plant	Date of Payment	Amount Paid (Rs.)	Qty. of Slate (MT)
Star Cement Limited	08.10.2018	1,84,14,900	4,09,220.000
	12.02.2019	43,75,111	97,224.690
	12.02.2019	12,12,000	12,120
	<b>TOTAL</b>	<b>2,40,02,011</b>	<b>5,18,564</b>
Star Cement Meghalaya Limited	10.08.2018	4,82,26,500	10,71,700.000
	12.02.2019	1,23,13,667	2,73,637.060
	12.02.2019	21,32,000	21,320.00
	<b>TOTAL</b>	<b>6,26,72,167</b>	<b>13,66,657.060</b>
Meghalaya Power Ltd.	08.10.20118	3,14,18,100	6,98,180.010
	12.02.2019	8,32,100	8321.000
	18.02.2019	93,27,040	2,07,267.550
	<b>TOTAL</b>	<b>4,15,77,240</b>	<b>9,13,768.560</b>
<b>GRAND TOTAL</b>		<b>12,82,51,418</b>	<b>27,98,989.62</b>

2.2.26 The Committee after examination of the matter frames following questions:

1. Whether the specific coal requirement of afore-mentioned Cement Manufacturing Plants and a Thermal Power Plant of the Star Cement Limited and its subsidiaries is substantially lower than specific coal requirement stated in the respective TEFRs?
2. What is the actual specific coal requirement for the afore-mentioned Cement Manufacturing Plants and a Thermal Power Plant of the Star Cement Limited?
3. Whether it is technically feasible to use huge quantity of slate in lieu of coal without making any modification in design of these Plants?
4. Whether the afore-mentioned Plants of Star Cement Limited and its subsidiaries have actually used huge quantity of alternate fuel (i.e. Slate) in lieu of coal?

5. Whether slate, if used, has been used after obtaining all requisite regulatory approvals?

**Question No. 1.**

2.2.27 As per the TEFR, the specific coal requirement of Mawmluh Cherra Cement Limited is 16%. However, as per details given in para 1.2.3 and 1.2.5 above, the actual specific coal requirement of the Mawmluh Cherra Cement Limited (MCCL), which uses the same relatively high calorific value Meghalaya coal, as is being used by Cement Manufacturing Plants and Thermal Power Plants of the Star Cement Limited and its subsidiaries is 28.876%. Specific coal requirement of Cement Plants of Star Cement Limited which uses the coal of almost similar quality as is being used by MCCL located in Meghalaya can-not be much lower than the specific coal requirement for the MCCL.

2.2.28 As per the TEFR, the specific coal requirement of the 43 MW unit of the Meghalaya Power Limited is 0.70 kg/kwh. However, as per the Environmental Statement submitted by the Meghalaya Power Limited to the MSPCB, the actual specific fuel consumption for the said 43 MW Thermal Power Plant during the year 2015-16, 2016-17 and 2017-18 is 0.909 kg/kwh, 0.986 kg/kwh and 0.717 kg/kwh respectively. Similarly, as per the Environmental Statement submitted to the MSPCB by the Meghalaya Power Limited, the actual specific fuel consumption for the 8 MW unit of their Thermal Power Plant during the year 2014-15 and 2015-16 is 0.799 kg/kwh and 0.800 kg/kwh respectively. As per the Environmental Statement submitted by the Star Cement Limited to the MSPCB, during the year 2016-17 its cement plant consumed 1,21,803.193 MT of coal to produce 5,67,241 MT tonnes of clinker. The specific coal requirement for its cement plant during 2016-17 was 21.47%.

2.2.29 Calorific value of Eocene and Oligocene coal deposit of Meghalaya in the range of 6500 - 8500 and 6255 - 8650 kcal/kg respectively reported in a published Journal, which formed the main basis for the North Eastern Regional Directorate of the CPCB to suggest that the actual specific coal requirement for cement manufacturing plants of the Star Cement Limited is less than the same stated in the respective TEFR, is for a coal sample collected on dry mineral-matter-free basis (*i.e.* for a sample of dry coal free from moisture and any other impurity). The coal actually available in the market does contain substantial quantity of moisture as

well as impurities, including the slate. The actual average calorific value of the Meghalaya coal available in the market is therefore; much lower than the calorific value reported in the said journal.

2.2.30 While preparing the First Interim Report of the Committee in December 2018, the North Eastern Regional Directorate of the CPCB, after consulting one Mr. P. Chakraborty, Unit Head of Calcom Cement India Ltd. (CCIL), a subsidiary of Dalmia Cement (Bharat) Limited, located at Umrangsoo, Assam, which also uses the comparatively higher calorific value coal available in the North Eastern India, as is being used by Cement Plants of Star Cement Limited and other cements plants including a Cement Manufacturing plant of the Dalmia Cement (Bharat) Limited located in Meghalaya, has reported to the Committee that actual specific coal requirement for Cements Plants of Star Cement Limited is 15%.

2.2.31 In paragraph 1 of the 'Guidelines on Co-processing in Cement/Power/ Steel Industry' issued by the CPCB in February, 2010, a copy of the which has been placed before the Committee by North Eastern Regional Directorate of the CPCB, it has been stated that 40 million tonnes of coal is required to produce 200 million tonnes of cement in the entire country. The specific coal consumption for the cement industry for the country as a whole, as per the said Guidelines, is 20%.

2.2.32 Keeping in view the above, the Committee is of the view that actual specific coal requirement of Cement Manufacturing Plants and a Thermal Power Plant of the Star Cements Limited and its subsidiaries is higher than the same stated in the respective TEFRs.

#### Question No. 2

2.2.33 As per details given in para 2.28, the Meghalaya Power Limited in the Environmental Statement submitted to the MSPCB has reported that specific coal consumption of its Thermal Power Plant varied from 0.717 kg/kwh to 0.986 kg/kwh, the Committee is of the view that average actual specific coal requirement of the Thermal Power Plants of the Meghalaya Power Limited is about 0.850 kg/kwh.

2.2.34 For assessment of actual specific coal consumption of the Cement Plants of the Star Cement Limited and its subsidiary, the Committee took note of the followings:

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- (i) Specific coal consumption for the cement industry for the country as a whole, as per information available in the Guidelines on Co-processing in Cement/Power/ Steel Industry' issued by the CPCB in February, 2010 is 20%;
- (ii) Average specific coal consumption for a similar Cement Plant of MCCL located in Meghalaya using almost similar quality of coal as is being used by cement plants of the Star Cement Limited and its subsidiaries, is 28.876%;
- (iii) As per the Environmental Statement submitted by the Star Cement Limited to the MSPCB, during the year 2016-17 its cement plant consumed 1,21,803.193 MT of coal to produce 5,67,241 MT tonnes of clinker. The specific coal requirement for the said cement plant of the Star Cement Limited during 2016-17, as per the information by Star Cement Limited itself was 21.47%;
- (iv) As per information obtained by North Eastern Regional Directorate of CPCB from one Mr. P. Chakraborty, Unit Head of a similar cement plant located in adjoining areas of Assam using almost similar quality of coal as is being used by cement plants of Star Cement Limited and its subsidiaries, average specific coal consumption of cement plants in the Region is about 15%.

2.2.35 The Committee after examination of facts given in para 2.234 above, is of the view that the actual specific coal consumption for cement plants of Star Cement Limited and its subsidiaries located in Meghalaya is atleast 15% of the weight of clinker produced.

**Question No. 3:**

2.2.36 All the cement manufacturing plants and thermal power plants of Star Cement Limited and its subsidiaries in Meghalaya have been designed to use locally sourced coal from the Meghalaya as a fuel. Even if the physical characteristics of the slate are similar to coal, use of slate having very low calorific value in place of high calorie coal requires modifications/changes in design of the plant, especially the components of the plants dealing with handing, processing, grinding and storage of fuel. The Star Cement Limited in their representation dated 26.07.2019 has categorically stated that no such modifications have been made in design of their cement and power plants. As per the information provided by Star Cement Limited during the year 2018-19 their cement plant used 10,989 MT coal and 1,01,129 MT slate. The Committee is of the view that even after modifications it is not feasible to achieve the required kiln temperature with such a low calories fuel mix.

2.2.37 Keeping in view the above, the Committee is of the view that except the small quantity of slate already mixed in the locally mined coal, it is not feasible to run the cement and thermal power plants of the Star Cement Limited by replacing about three-fourth of their coal requirement by a non-fuel mineral such as slate, as is being claimed by the Star Cement Limited.

#### Question No.4

2.2.38 The Star Cement Limited has claimed that huge quantity of slate has been used in-lieu of coal by all its Cement Manufacturing and Thermal Power Plants located in the State of Meghalaya. However, use of slate has not been reported in majority of Environmental Statements submitted by them to CPCB. In majority of these reports, use of coal as a fuel has only been reported. The Committee during its visit to fuel depot of the Meghalaya Power Limited on 12.11.2019 did not see any slate. During the visit, representative of the Meghalaya Power Limited also did not report to the Committee that a major part of the energy requirement of their plants is met from slate, as is now being claimed by them.

2.2.39 The Star Cement Limited at page 13 of their Annual Report for the year 2017-18 has prominently highlighted that its coal is accessed from 10-20 kilometres. Nowhere in any of the Annual Report it has been stated that about three-fourth of the energy requirement of their huge Cement Manufacturing Plants and Thermal Power Plants has been met by a non-fuel mineral (*viz.* slate).

2.2.40 It has also been claimed by the Star Cement Limited in their said representation dated 26.07.2019 that slate has been sourced from overburden dumps produced during excavation of coal. Except for a small quantity of overburden generated during creation of box-cutting, rat-hole mining does not involve generation of overburden. The Winning of lakhs of metric tonnes of slate from the overburden dumps, as has been claimed by the Star Cement Limited and other Cement Manufacturers and Thermal Power Plants, does not seem feasible. No such large overburden dumps having the capacity to allow extraction of several lakh tonnes of slates have been detected by the North Eastern Space Application Centre (NESAC) while undertaking land-use land-cover analysis of coal mining affected areas in Jaintia Hill districts.

2.2.41 Specific conditions no. (xi) (*viz.* efforts shall be made to use low -grade lime, more fly ash and solid waste in cement manufacturing and no. (xii) (*viz.* all efforts

shall be made to use of high calorific hazardous waste in the cement kiln and necessary provision shall be made accordingly) in the EC to Star Cement Meghalaya Ltd. issued by the MoEFCC, GoI vide letter dated 28.10.200 stipulates use of waste the said plant. The Committee after examination of six-monthly self-compliance reports to said EC, a copy of which is available on website of the Star Cement Limited, observed that in respect of the afore-mentioned condition no. (xi) it has been reported that "SMCL is a clinkerization unit, no fly ash is used in the unit. The generated solid waste from the pollution control equipment has been recycled and re-used in the process and has been used for clinker manufacturing. Amount 8-10 % of low grade lime available in the mine has been used in the process". Similarly, in respect of the afore-mentioned specific condition no. (xii) it has been reported that "Provision already made to use of high calorific waste i.e. waste oil in the kiln. The tank capacity is 1000 litres. The used oil disposal process along with photograph has been submitted along with CREP in MoEF&CC, Shillong & New Delhi." The Committee further noted that use of any alternate fuel, as is being claimed by the Star Cement Limited has not been reported anywhere in these self-compliance reports. The Committee also noted that even for the used oil, merely making a provision for its use and not any actual use has been reported in these self-compliance reports.

2.2.42 Keeping in view the above, the Committee is of the view that **except for a small quantity of slate found mixed in the locally mined coal, the Cement Manufacturing Plants and Thermal Power Plants of the Star Cement Limited have not used slate as a fuel in lieu of coal.**

#### Question No. 5

2.2.43 Slate is a fine-grained, foliated metamorphic rock that is created by the alteration of shale or mudstone by low-grade regional metamorphism. It is mainly used for roofing, flooring, and flagging because of its durability and attractive appearance. Slate is mainly a non-fuel mineral. As far as cement industries are concerned, the slate being originated from the shale may be used, to some extent, in place of shale. The composition of the slate does not make it possible to use it as a fuel in place of coal.

2.2.44 Till the declaration of the slate as a minor mineral by the Ministry of Mines, Government of India vide Notification bearing S.O. No. 423 (E) dated 10.02.2015, the slate was classified as a major mineral. The slate along with shale is listed at Sl. No. (7) in Schedule II of the Meghalaya Minor Mineral Concession Rules, 2016 (MMMCR).

2.2.45 Clause (d) in Section 3 of the Mines and Mineral (Development and Regulation) Act, 1957 provides that "mining operation" means any operations undertaken for the purpose of winning any mineral. Winning or obtaining of slate from any area, even from overburden dump, as has been claimed by the Star Cement Limited in their representation dated 26.07.2019, as per the said definition, attracts provisions of Section 4 of the MMDR Act, which mandates prior mining lease for any operation undertaken for the purpose of winning any mineral.

2.2.46 The Meghalaya Minor Mineral Concession Rules, 2016, which came into force on 12.09.2016, provide an elaborate mechanism for grant of mining lease or quarry permit for mining/winning of minor mineral for use in an industry. A mining lease or a quarry permit for winning of a minor mineral, including slate, as per the MMMCR, can be granted only after a prior Environmental Clearance and 'Consent to Establish' is obtained from the concerned regulatory Authorities. Grant of mining lease also requires preparation of a detailed mining plan duly approved by the concerned competent authority in the Mining and Geology Department in Government of Meghalaya. It also requires prior approval of Central Government under the Forest (Conservation) Act, 1980 in case mining/winning of such mineral involves any forest land. Actual winning/mining of slate requires 'Consent to Operate' from the State Pollution Control Board. As per Rule 29 of the MMMCR, a person who undertakes mining operations (viz. respective lessee or the holder of quarry permit) is responsible for payment of royalty. As per the said rule, in case of a mining lease royalty is to be paid by the concerned lessee on a quarterly basis. Similarly, in case of a quarry, royalty is to be paid before transportation.

2.2.47 The Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department has informed the Committee that no mining lease has been granted so far for extraction of slate in the State of Meghalaya. The North Eastern Regional Office of the MoEFCC, Gol has informed the Committee that the MoEFCC, Gol and the Meghalaya SEIAA have not granted any EC for mining of slate in the State. Similarly, the MSPCB has informed the Committee that so far no 'Consent to

Operate' or 'Consent to Establish' has been granted by them to any person, firm or company for mining of Slate in the State of Meghalaya.

2.2.48 The Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department has informed the Committee that the Star Cement Limited and its subsidiaries has paid an amount of Rs. 12.82 crore as royalty on 27.98 lakh MT state claimed to be used by their Cement Manufacturing Plants and Thermal Power Plant located in the State of Meghalaya. The entire royalty on slate has been paid during the year 2018 and 2019, much after the MMMCR came into force. Majority of the said royalty has been paid during the month of February 2019 after the resource (coal) audit of these companies was started by this Committee.

2.2.49 The North Eastern Regional Directorate of CPCB, MSPCB and North Eastern Regional Office of the MoEFCC stated that the slate has been used by these plants in lieu of the coal in pursuance of (i) Guidelines on Co-processing in Cement/Power/ Steel Industry' issued by the CPCB in February, 2010; (ii) guidelines for Pre-processing and Co-Processing of the Hazardous Waste and other wastes in Cement Plants as per Hazardous and Other Waste (Management and Trans-Boundary Movement) Rules, 2016; and (iii) specific condition no. (xi) and (xii) as per details given in para 2.239 above stipulated in EC to Star Cement Meghalaya Ltd. issued by the MoEFCC, GoI vide letter dated 28.10.2009.

2.2.50 The Committee after examination of the Guidelines on Co-processing in Cement/Power/ Steel Industry' issued by the CPCB in February, 2010 noted that the said guidelines contains an exhaustive list of waste materials covered by these guidelines. The slate does not find a place in the said list. Similarly, the Committee after examination of the guidelines for Pre-processing and Co-Processing of the Hazardous Waste and Other Wastes in Cement Plants as per Hazardous and Other Waste (Management and Trans-Boundary Movement) Rules, 2016 noted that these guidelines are applicable to the use of only the 'hazardous waste' and 'other waste' respectively defined in clause 17 and 23 of sub-rule (1) of rule 3 of the said rules. The slate, as per these definitions, is neither a 'hazardous waste' nor an 'other waste'. No Authorization from the MSPCB for use of slate, as is required for use of any hazardous or other waste has been obtained by the Star Cement for any of its Cement Manufacturing Plants and a Thermal Power Plant. **In any case, the slate**

being listed in schedule-II to the MMMCR, which as per the Star Cements Limited has the potential to replace three-fourth of the coal requirement for their huge Cement Manufacturing Plants and a Thermal Power Plant, can-not be classified as a waste.

2.2.51 As far as use of slate in compliance of the conditions stipulated in EC to Star Cement Meghalaya Ltd. issued by the MoEFCC, GoI vide letter dated 28.10.2009 is concerned, as stated in para 2.2.39 above, use of any alternate fuel, as is being claimed by the Star Cement Limited has not been reported anywhere in the six-monthly self-compliance reports to the said EC, a copy of which is available on website of the Star Cement Limited.

2.2.52 Keeping in view the above, the Committee is of the view that, the slate, if used, by the Cement Manufacturing Plants and Thermal Power Plant of the Star Cement Limited and its subsidiaries located in the State of Meghalaya, the same has been used in flagrant violation and contravention of the mining, environmental and pollution control laws as all such slate has admittedly been extracted without obtaining requisite Mining Lease, Consent to Establish, Consent to Operate and Environmental Clearance. If such use of slate, as claimed by Star Cement Limited has happened in the State, it must have caused huge damage to flora, fauna, rivers, streams, water bodies and the environment in general as all such slate has admittedly been extracted in a totally unregulated manner without any measure to mitigate its adverse impacts on the environment.

#### **Conclusion**

2.2.53 After examination of the afore-mentioned questions, the Committee is of the view that it is neither technically feasible nor legally permissible to replace more than seventy percent of the coal required to produce reported quantity of clinker and the electricity by Cement Manufacturing Plants and Thermal Power Plants of the Star Cement Limited and its subsidiaries located in the State of Meghalaya during the Audit Period by a non-fuel mineral (*viz.* slate), as is being claimed by the Star Cements Limited. The Committee is of the view that the Star Cement Limited and its subsidiaries have purchased illegally mined coal in the name of slate to

circumvent the ban imposed by the Hon'ble NGT on illegal rat-hole coal mining in the State of Meghalaya and also to evade payment of Royalty, Contribution to Meghalaya Environment Protection and Restoration Fund (MEPRF), Goods and Service Tax, Contribution to District Mineral Fund (DMF) and other statutory duties.

2.2.54 Even for the sake of an argument it is assumed that the claim of these plants that more than 72% of their coal requirement during the audit period has been met by a non-fuel mineral slate without making any change/modification in the design of these plants is true, it would have caused equal, if not more, damage to the flora, fauna, rivers, streams, water bodies and the environment in general in the State of Meghalaya as all such slate has admittedly been mined in an unscientific and haphazard manner without any mitigative measures and without obtaining mandatory mining lease, consent to establish, consent to operate, environmental clearance and authorisation/no-objection certificate from the State Pollution Control Board in a flagrant violation of the existing mining, environmental and labour safety laws

2.2.55 Year-wise gaps in quantity of coal required to produce the reported quantity of clinker (@ 15 % as given in para 2.2.35 above) and electricity power (@ 0.850 kg/kwh as given in para 2.2.33 above) and the coal procured by Star Cement Limited and its subsidiaries from legal sources are as below:

Plant	Items	Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7	8
Star Cement Limited	Clinker produced (MT)	3,30,010	4,92,055	5,67,241	5,15,350	6,00,025	25,04,681
	Coal required (MT)	49,502	73,808	85,086	77,303	90,004	3,75,702
	Coal procured (MT)	13,417	47,628	10,192	25,267	10,989	1,07,493
	Gap (MT)	36,085	26,180	74,894	52,036	79,015	2,68,209

Plant	Items	Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7	8
Star Cement	Clinker produced (MT)	15,49,349	16,29,025	15,79,345	15,41,945	14,36,600	77,36,264
Meghalaya Limited	Coal required (MT)	2,32,402	2,44,354	2,36,902	2,31,292	2,15,490	11,60,440
	Coal procured (MT)	58,448	1,48,954	9,775	67,624	84,188	3,68,989
	Gap (MT)	1,73,954	95,400	2,27,127	1,63,668	1,31,302	7,91,451
Meghalaya Power Limited	Power Produced (Million kwh)	167.92	183.11	201.62	190.06	170.12	913.00
	Coal required (MT)	1,42,732	1,55,644	1,71,377	1,61,551	1,44,602	7,75,906
	Coal procured (MT)	25,182	68,092	41,863	36,129	18,024	1,89,290
	Gap (MT)	1,17,550	87,552	1,29,514	1,25,422	1,26,578	5,86,616
Total for above three plants	Coal required (MT)	4,24,636	4,73,806	4,93,365	4,70,145	4,50,096	23,12,047
	Coal procured (MT)	97,047	2,64,674	61,830	1,29,020	1,13,201	6,65,772
	Gap (MT)	3,27,589	2,09,132	4,31,535	3,41,125	3,36,895	16,46,275

### 2.3 Amrit Cement Limited and its Captive Thermal Power Plant

2.3.1 An Integrated Clinker cum Cement Manufacturing Plant of Amrit Cement Limited having installed capacity to produce 2,000 TPD clinker is located at Umlaper Village in East Jaintia Hills District in Meghalaya. It also has a Captive Thermal Power Plant having 12 MW installed capacity. Both these Clinker Manufacturing Plant and the Captive Thermal Power Plant were commissioned in the year 2012.

2.3.2 As per the information/documents provided to the Committee by the Amrit Cement Limited, year-wise quantities of clinker and power produced and the coal procured by the Amrit Cement Limited to produce such clinker and thermal power during the Audit Period are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Clinker produced (MT)	3,07,286	4,03,205	4,25,842	4,01,497	5,40,902	20,78,732
Power Produced (in Million kwh)	44.976	54.197	49.257	46.977	77.392	272.799
Coal Procured (MT)	3,861	88,165	38,785	74,978	31,833	2,37,622

2.3.3 The Amrit Cement Limited has informed the Committee that during the Audit Period they have also procured alternate fuel. Except slate, nature of any other alternate fuel purchased by the Amrit Cement Limited has however been not intimated to the Committee. The MSPCB has informed the Committee that no authorization/non-objection certificate has been granted by the Board to the Amrit Cement Limited for use of any alternate fuel. The Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department informed the Committee that no royalty has been paid by Amrit Cement Limited on the slate claimed to be used by them during the Audit period. Year-wise quantities of the slate claimed to be purchased by the Amrit Cement Limited during the Audit Period are as below:

Year	Year				Total
	2014-15	2015-16	2016-17	2017-18	
	23,033	28,977	1,29,698	-	1,81,708

*(Metric Tonne)*

2.3.4 The Committee, based on a detailed analysis of a similar claim of the Star Cement Limited on use of slate as an alternate fuel in lieu of coal, as given in para 2.2.26 to 2.2.52, is of the view that it is neither technically feasible nor legally permissible for the Amrit Cement Limited to replace more than half of their coal requirement by a non-fuel mineral such as slate.

2.3.5 The Committee after examination of a Techno-Economic Feasibility Report (TEFR) for the said 0.61 million tonnes per annum (MTPA) clinker and 0.66 MTPA cement (PPC) greenfield cement project with 1 X 12 MW Captive Thermal Power Plant of Amrit Cement Limited prepared by RCV Consulting noted that the said clinker production unit, as per the said TEFR, has been designed to use Meghalaya coal having the estimated net calorific value of 6,000 Kcal/kg as fuel. It has also been stated in the said TEFR that several small collieries are in operation in the Khliehriat and Sutnga coalfields which are at a distance of about 25-30 km from the proposed plant site. The specific heat consumption, as per the said TEFR, for the said clinker production unit is, 750 kcal/ kg of clinker produced. The specific coal requirement for the said clinker manufacturing plant, as per the said TEFR is therefore 12.50 % of the weight of the clinker produced. After examination of the Environmental Statements submitted by the Amrit Cement Limited to the MSPCB, a copy of which has been provided to the Committee by the MSPCB, the Committee observed that quantity of coal actually consumed by the said Cement Manufacturing Plant and Thermal Power Plant has not been indicated in any of these Statements. For the detailed reasons given in para 2.2.35 above, the Committee is of the view that actual specific coal consumption for clinker manufacturing plant of the Amrit Cement Limited is atleast 15%.

2.3.6 The Committee further noted that it has been stated in the said TEFR that 100 % fuel proposed for the captive power plant shall be coal from Khliehriat/ Sutnga area in Meghalaya. The boiler of the said captive power plant, as per the said TEFR, is suitable to accept E-grade coal with ash content upto 45 %. It has also been stated in the said TEFR that for every fifteen days the said plant will require about 4,000 MT of coal. The specific coal requirement for the said Captive Power Plant, as per the said information, is therefore about 1.20 kg/kwh. The Committee however is

of the view that the actual specific coal requirement for the said Captive Thermal Power Plant is same as the specific coal requirement of the Thermal Power Plant of the Star Cement Limited i.e. 0.850 kg/kwh. ,

2.3.7 Year-wise gaps in the quantity of coal required to produce the reported quantity of clinker (@ 15 % as given in para 2.3.5) and electricity power (@ 0.850 kg/kwh as given in para 2.3.6) and the coal procured by Amrit Cement Limited from legal sources during the Audit Period are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Clinker produced (MT)	3,07,286	4,03,205	4,25,842	4,01,497	5,40,902	20,78,732
Power Produced (Million kwh)	44.976	54.197	49.257	46.977	77.392	272.799
Coal required to produced clinker (MT)	46,093	60,481	63,876	60,225	81,135	3,11,810
Coal required to produce Power (MT)	38,230	46,067	41,868	39,930	65,783	2,31,879
Total Coal Required (MT)	84,323	1,06,548	1,05,745	1,00,155	1,46,919	5,43,689
Coal Procured (MT)	3,861	88,165	38,785	74,978	31,833	2,37,622
Gap (MT)	80,462	18,383	66,960	25,177	1,15,086	3,06,067

#### 2.4 Dalmia Cement (Bharat) Limited and its Captive Thermal Power Plant

2.4.1 An Integrated Clinker cum Cement Manufacturing Plant having an installed capacity to 1.30 MTPA clinker and 1.50 MTPA Cement was established by M/s. Adhunik Cement Ltd. at Thangskai Village in East Jaintia Hills District. It also has a Captive Thermal Power Plant of 25 MW installed capacity. Both Clinker Manufacturing Plant and the Captive Thermal Power Plant were commissioned in

the year 2010. Later on, both the Cement Manufacturing Plant and the captive Thermal Power Plant were acquired by the Dalmia Cements (Bharat) Limited.

2.4.2 As per the information/documents provided to the Committee by the Dalmia Cement (Bharat) Limited, year-wise quantities of the clinker and the power produced and the coal procured by the Dalmia Cement (Bharat) Limited to produce such clinker and thermal power during the Audit Period are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
Clinker produced (MT)	6,68,239	7,32,700	7,92,075	9,00,686	10,84,883	41,78,583
Power Produced (in Million kwh)	117.403	108.108	88.733	102.485	110.108	526.84
Coal and Pet Coke Procured (MT)	17,433	98,296	56,208	1,07,092	54,478	3,33,507

2.4.3 It has also been stated in documents submitted to the Committee by the Dalmia Cement (Bharat) Limited that in addition to the above, alternate fuel has also been used. These alternate fuels, as per the information provided by the Dalmia Bharat Cement Limited, include saw dust, agro-waste, slate *etc.* Quantity of these alternate fuels claimed to be used by the Dalmia Bharat Cement Limited during the Audit Period has not been provided to the Committee.

2.4.4 It has also been stated in documents provided to the Committee by the Dalmia Bharat Cement Limited that applicable taxes, duties and royalties have been paid on these alternate fuel. The Commissioner and Secretray to the Government of Meghalaya, Mining and Geology Department informed the Committee that Dalmia Cement (Bharat) Limited on 08.02.2019 paid an amount of Rs. 4.10 crore to the Mining and Geology Department, Government of Meghalaya as royalty on 9.12 lakh metric tonnes of slate claimed to be consumed by them. It is worthwhile to note that the entire royalty on the slate claimed to be consumed by the Dalmia Cement (Bharat) Limited was paid on 08.02.2019 after the resource (coal) audit of Cement

Manufacturing Plants and Thermal Power Plants in Meghalaya was initiated by the Committee. The MSPCB has informed the Committee that the MSPCB vide letter dated 01.12.2017 has granted authorization/ no-objection certificate for use of pet-coke by the Dalmia Cement (Bharat) Limited. The Same was renewed on 27.11.2018. Apart from the pet-coke, the MSPCB vide letter dated 19.04.2017 granted authorization to the Adhunik Cement Ltd. (now Dalmia Cement (Bharat) Limited) for use of eight non-hazardous waste (viz. rice hay, rice husk, whole tyre, tyre chips, wood chips, saw dust, textile paper and paper waste). The MSPCB informed the Committee that the Dalmia Cement (Bharat) Limited neither sought nor received any authorization from the MSPCB for use of slate in its Cement Manufacturing Plant and Thermal Power Plant.

2.4.5 The Committee, based on a detailed analysis (given in para 2.2.26 to 2.2.52) of a similar claim of the Star Cement Limited on use of alternate fuel in lieu of coal is of the view that it is neither technically feasible nor legally permissible for the Dalmia Cement (Bharat) Limited to replace more than two-third of their coal requirement, as is being claimed by them, by any alternate fuel.

2.4.6 The Dalmia Cement (Bharat) Limited informed the Committee that copy of the Detailed Project Report (DPR) of Adhunik Cement Limited, which now stand merged with Dalmia Cement (Bharat) Limited, is not available with them. It was also informed by the Dalmia Cement (Bharat) Limited that they are trying to obtain a copy of the same from the concerned banker. Though the Dalmia Cement (Bharat) Limited assured the Committee that they will submit the DPRs as and when the same can be obtained, the Committee till the finalization of this report did not receive a copy of the said DPR. The Dalmia Cement (Bharat) Limited also informed the Committee that average estimated quantity of coal and/or any other alternate fuel(s) required to produce one tone of clinker and one unit (kwh) of power will primarily depend on the calorific value of coal/any other alternate fuel. They further informed that there is very high variation in various kinds of fuel used and therefore there is no standard per ton usage which can be estimated as it varies from year to year.

2.4.7 In the absence of the DPR and input on specific fuel consumption from the Dalmia Cement (Bharat) Limited, it is not possible for the Committee to correctly assess the specific fuel requirement for the Cement Manufacturing Plant and Thermal Power Plant of the Dalmia Cement (Bharat) Limited. The Committee therefore is of the view that specific fuel requirements of the Cement Manufacturing Plant and Captive Thermal Power Plant of the Dalmia Cement (Bharat) Limited are same as the specific fuel requirements of the similar plants the Star Cement Limited (viz. 15 % of the clinker produced and 0.850 kg/kwh of the power produced).

2.4.8 Year-wise gaps in quantity of coal required to produce the reported quantity of clinker (@ 15 % as given in para 2.4.7) and electricity power (@ 0.850 kg/kwh as given in para 2.4.7) and the coal procured by the Dalmia Cement (Bharat) Limited from legal sources during the Audit Period are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Clinker produced (MT)	6,68,239	7,32,700	7,92,075	9,00,686	10,84,883	41,78,583
Power Produced (Million kwh)	117,403	108,108	88,733	102,485	110,108	526,837
Coal required to produced clinker (MT)	1,00,236	1,09,905	1,18,811	1,35,103	1,62,732	6,26,787
Coal required to produce Power (MT)	99,793	91,892	75,423	87,112	93,592	4,47,811
Total Coal Required (MT)	2,00,028	2,01,797	1,94,234	2,22,215	2,56,324	10,74,599
Coal and Pet Coke Procured (MT)	17,433	98,296	56,208	1,07,092	54,478	3,33,507
Gap (MT)	1,82,595	1,03,501	1,38,026	1,15,123	2,01,846	7,41,092

## 2.5 Goldstone Cement Limited and its Captive Thermal Power Plant

2.5.1 An Integrated Clinker cum Cement Manufacturing Plant having an installed capacity of 0.56 MTPA clinker and 0.88 MTPA cement was established by M/s. Goldstone Cements Limited in Musiang Lamare (Old) village in East Jaintia Hills District. It also has a Captive Thermal Power Plant of 10 MW installed capacity. Both the Clinker Manufacturing Plant and the Captive Thermal Power Plant were commissioned on 02.07.2016.

2.5.2 As per the information/documents provided to the Committee by the Goldstone Cements Limited, year-wise quantity of clinker and power produced and the coal procured by the Goldstone Cements Limited to produce such clinker and thermal power during the Audit Period are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
2	3	4	5	6	7	8
Clinker produced (MT)	Nil	Nil	1,52,995	3,99,197	4,82,500	10,34,692
Power Produced (in Million kwh)	Nil	Nil	14.251	50.881	71.846	136.978
Coal Procured (MT)	Nil	Nil	5,918	21,295	4,946	32,159

2.5.3 The Goldstone Cements Limited has informed the Committee that during the Audit Period they have also procured alternate fuel such as Muslate/Saw Dust etc. The MSPCB has informed the Committee that the no authorization/non-objection certificate has been granted by the Board to the Goldstone Cement Limited for use of any alternate fuel. The Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department informed the Committee that the Goldstone Cements Limited has paid an amount of Rs. 2.93 crores to the State of Meghalaya as a royalty on 6,51,134 MT slate claimed to be consumed by them. The Committee noted that the entire amount of royalty was paid on 15.02.2019 after resource (coal) Audit of Cement Manufacturing Plants and Thermal Power Plants in

the State of Meghalaya was initiated by the Committee. Year-wise details of alternate fuel claimed to be purchased by the Goldstone Cements Limited during the Audit Period are as below:

*(Metric Tonne)*

Year					Total
2014-15	2015-16	2016-17	2017-18	2018-19	
Nil	Nil	99,242	2,65,532	2,57,928	6,22,702

2.5.4 The Committee, based on a detailed analysis of a similar claim of the Star Cement Limited on use of alternate fuel in lieu of coal, as given in para 2.2.26 to 2.2.52, is of the view that it is neither technically feasible nor legally permissible for the Amrit Cement Limited to replace about ninety percent of their coal requirement by any alternate fuel.

2.5.5 The Committee after examination of the Techno-Economic Feasibility Report for setting up of the 2615 TPD Green Field Cement Plant of Goldstone Cements Ltd. at village Musiang Lamare in East Jaintia Hill district observed that the said plant has been designed to use the coal available in command area of the site (i.e. local Meghalaya Coal). As per the said report, the average estimated requirement of coal for the said plant is 18% of the weight of clinker produced.

2.5.6 Even after a specific request, the Goldstone Cement Limited did not provide a copy of the Techno-Economic Feasibility Report (TEFR) for their Captive Thermal Power Plant. The Goldstone Cements Limited informed the Committee that specific fuel requirements for their captive Thermal Power Plant is 0.50 to 0.70 kg of coal per kwh and 1.25 to 1.60 kg of alternate fuel such as slate, bamboo, saw dust, wood chips etc. per kwh. No documentary evidence in support of these claims regarding specific fuel requirement were provided to the Committee by the Goldstone Stone Cement Limited. The Committee is therefore of the view that specific fuel requirement of the Captive Thermal Power Plant of the Goldstone Cement Limited is same as the specific fuel requirement of the similar plant of the Star Cement Limited (*viz.* 0.850 kg/kwh of the power produced).

2.5.7 Year-wise gaps in quantity of coal required to produce the reported quantity of clinker (@ 18 % as given in para 2.5.5) and electricity power (@ 0.850 kg/kwh as given in para 2.5.6) and the coal procured by Goldstone Cement Limited from legal sources during the Audit Period are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Clinker produced (MT)	Nil	Nil	1,52,995	3,99,197	4,82,500	10,34,692
Power Produced (Million kwh)	Nil	Nil	14,251	50,881	71,846	136,978
Coal required to produced clinker (MT)	Nil	Nil	27,539	71,855	86,850	1,86,245
Coal required to produce Power (MT)	Nil	Nil	12,113	43,249	61,069	1,16,431
Total Coal Required (MT)	Nil	Nil	39,652	1,15,104	1,47,919	3,02,676
Coal Procured (MT)	Nil	Nil	5,918	21,295	4,946	32,159
Gap (MT)	Nil	Nil	33,734	93,809	1,42,973	2,70,517

## 2.6 Green Valley Industries Limited

2.6.1 An Integrated Clinker cum Cement Manufacturing Plant having an installed capacity of 1300 TPD Cement (expandable to 2600 TPD cement) was established by Green Valley Industries Limited at Nongsning village in East Jaintia Hills District. The said plant was commissioned in the year 2010.

2.6.2 As per the information/documents provided to the Committee by the Green valley Industries Limited, year-wise quantities of the clinker produced and the coal procured by the Green Valley Industries Limited to produce such clinker during the Audit Period are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Clinker produced (MT)	3,88,036	3,68,412	3,83,369	4,31,151	4,35,984	20,06,952
Coal procured (MT)	44,844	50,555	46,762	51,068	30,278	2,23,507

2.6.3 It has also been stated in documents submitted to the Committee by the Green Valley Industries Limited that apart from the coal they have also used slate as an alternate fuel. Year-wise details of alternate fuel claimed to be purchased by the Green Valley Industries Limited during the Audit Period are as below:

(Metric Tonne)

2014-15	Year				Total
	2015-16	2016-17	2017-18	2018-19	
17,105	18,280	28,221	35,020	49,122	1,12,363

2.6.4 The MSPCB has informed the Committee that the no authorization/non-objection certificate has been granted by the Board in favour of the Green Valley Industries Limited for use of slate as an alternate fuel. The Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department informed the Committee that the Green Valley Industries Limited has paid an amount of Rs. 78.80 lakh to the State of Meghalaya as a royalty on 1.62 lakh MT slate claimed to be consumed by them. The Committee noted that the entire amount of royalty was paid in the month of July 2019 much after resource (coal) Audit of Cement Manufacturing Plants and Thermal Power Plants in the State of Meghalaya was initiated by the Committee.

2.6.5 The Committee, based on a detailed analysis (given in para 2.2.26 to 2.2.52) of a similar claim of the Star Cement Limited on use of alternate fuel in lieu of coal, is of the view that it is neither technically feasible nor legally permissible for the Green Valley Industries Limited to replace more than thirty percent of their coal requirement, as is being claimed by them, by a non-fuel mineral such as slate.

2.6.6 The Committee after examination of a Techno-Economic Feasibility Report (TEFR) for the said 1300 TPD expandable to 2600 TPD Greenfield Cement Project of the Green Valley Industries Limited prepared by Holtec Consulting Private Limited, observed that the said clinker cum cement manufacturing plant of the Green Valley Industries Limited has been designed to use 100 % Meghalaya coal having a net calorific value of 6,000 Kcal/kg being exploited by locals in the areas around Khliehriat and Sutnga, which are located at a distance of about 18 km and 28 km respectively from the plant site as a fuel. The specific heat consumption, as per the said TEFR, for the said clinker production unit is 780 kcal/ kg of clinker produced. The specific coal requirement for the said clinker manufacturing plant, as per the said TEFR is 13.00 %.

2.6.7 After examination of the Environmental Statements submitted by the Green Valley Industries Limited to the MSPCB, a copy of which has been provided to the Committee by the MSPCB, it has been observed that quantity of coal actually consumed by the said Cement Manufacturing Plant has not been indicated in any of these Statements. For the detailed reasons given in para 2.2.35 above, the Committee is of the view that actual specific coal consumption for clinker manufacturing plant of the Green Valley Industries Limited is atleast 15%.

2.6.8 Year-wise gaps in quantity of coal required to produce the reported quantity of clinker (@ 15 % as given in para 2.6.7) and the coal procured by Green Valley Industries Limited from legal sources during the Audit Period are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Clinker produced (MT)	3,88,036	3,68,412	3,83,369	4,31,151	4,35,984	12,50,504
Coal required to produced clinker (MT)	58,205	55,262	57,505	64,673	65,398	1,87,576
Coal Procured (MT)	44,844	50,555	46,762	51,068	30,278	1,28,108
Gap (MT)	13,361	4,707	10,743	13,605	35,120	59,468

## 2.7 Hill Cement Company Limited

2.7.1 An Integrated Clinker cum Cement Manufacturing Plant having an installed capacity of 2,500 TPD clinker and 3,000 TPD Cement was established by Hill Cement Company Limited at Mynkree village in East Jaintia Hills District. The said plant was commissioned in the year 2007.

2.7.2 As per the information/documents provided to the Committee by the Hill Cement Company Limited, year-wise quantities of the clinker produced and the coal procured by the Hill Cement Company Limited to produce such clinker during the Audit Period are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Clinker produced (MT)	1,22,646	2,14,389	2,56,984	2,03,999	2,33,902	10,31,920
Coal procured (MT)	-	11,989	9,797	2,248	13,347	37,381

2.7.3 It has also been stated in documents submitted to the Committee by the Hill Cement Company Limited that apart from the coal they have also used slate as an alternate fuel. Year-wise quantities of slate claimed to be purchased by the Hill Cement Company Limited during the Audit Period are as below:

(Metric Tonne)

2014-15	Year				Total
	2015-16	2016-17	2017-18	2018-19	
29,228	-	1,61,688	-	-	1,90,916

2.7.4 The MSPCB has informed the Committee that the no authorization/non-objection certificate for use of slate has been granted by the Board in favour of the Hill Cement Company Limited. The Commissioner and secretary to the Government of Meghalaya, Mining and Geology Department informed the Committee that the Hill Cement Company Limited did not make payment of royalty to the State of Meghalaya on the slate claimed to be utilized by them.

2.7.5 The Committee, based on a detailed analysis (given in para 2.2.26 to 2.2.52) of a similar claim of the Star Cement Limited on use of alternate fuel in lieu of coal, is of the view that it is neither technically feasible nor legally permissible for the Hill Cement Limited to replace more than three-fourth of their coal requirement, as is being claimed by them, by a non-fuel mineral such as slate.

2.7.6 The Committee after examination of a Detailed Project Report of the aforementioned Cement Manufacturing Plant of the Hill Cement Company, a copy of which was provided to the Committee, noted that it does not contain anything on the nature as well as per unit requirement of the fuel for the said plant. The Committee after examination of the Environmental Statements of the said Cement Manufacturing Plant of the Hills Cement Company Limited for the years 2013-14, 2014-15 and 2014-15, a copy of which was provided to the Committee by the MSPCB, observed that quantity of coal actually consumed by the said Cement Manufacturing Plant and Thermal Power Plant has not been indicated in any of these Statements. For the detailed reasons given in para 2.2.35 above, the Committee is of the view that actual specific coal consumption for clinker manufacturing plant of the Hill Cement Company Limited is atleast 15%.

2.7.8 Year-wise gaps in quantity of coal required to produce the reported quantity of clinker (@ 15 % as given in para 2.7.7) and the coal procured by Hill Cement Company Limited from legal sources during the Audit Period are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Clinker produced (MT)	1,22,646	2,14,389	2,56,984	2,03,999	2,33,902	10,31,920
Coal required to produced clinker (MT)	18,397	32,158	38,548	30,600	35,085	1,54,788
Coal Procured (MT)	0	11,989	9,797	2,248	13,347	37,381
Gap (MT)	18,397	20,169	28,751	28,352	21,738	1,17,407

## 2.8 Jaintia Cement Limited

2.8.1 An Integrated Clinker cum Cement Manufacturing Plant having an installed capacity of 150 TPD cement was established by Jaintia Cements Limited in Latyrke village in East Jaintia Hills District. Commercial production in the said cement plant started in the year 1992.

2.8.2 During sixteenth Sitting of the Committee held on 23.07.2019 a representative of the Jaintia Cement Limited informed the Committee that the Jaintia Cement Limited does not use coal as a fuel. He informed the Committee that the entire fuel requirement for the said plant is met from the coke breeze sourced from Assam. He further informed the Committee that during the Audit Period the Jaintia Cement Limited produced 1,00,153 MT clinker by consuming 26,203.11 MT Coke Breeze. The average per unit requirement of Coke Breeze is 26.163 % (i.e. 261.63 kg Coke Breeze per tonne of Clinker).

2.8.3 The Committee in the said Meeting advised the North Eastern Regional Directorate of the CPCB to undertake audit of each of the Coke Plants from which the coke has reportedly been sourced by the Jaintia Cement Limited and submit a report to the Committee within one month. The said report is awaited from North Eastern Regional Directorate of the CPCB.

## 2.9 JUD Cements Limited

2.9.1 An Integrated Clinker cum Cement Manufacturing Plant having an installed capacity of 900 TPD clinkerization facility and 1,350 TPD cement grinding unit was established by JUD Cement Limited at Wahiajer (Narpuh) village in East Jaintia Hills District. The said plant commenced its production in November 2009.

2.9.2 As per the information/documents provided to the Committee by the JUD Cement Limited, year-wise quantities of the clinker produced and the coal reportedly consumed by the JUD Cement Limited to produce such clinker during the Audit Period are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Clinker produced (MT)	1,80,367	2,33,961	1,45,419	1,71,206	1,24,702	8,55,655
Coal consumed procured (MT)	-	16,348	2,099	377	370	19,194

2.9.3 It has also been stated in documents submitted to the Committee by the JUD Cement Limited that apart from the coal they have also used Coke Breeze, soft coke and diesel as alternate fuels. Year-wise quantities of coke breeze, soft coke and diesel claimed to be consumed by the JUD Cements Limited during the Audit Period are as below:

Nature of Fuel	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
Coke Breeze (MT)	9,120	0	0	23	67	9,210
Soft Coke (MT)	0	0	6,055	10,875	8,560	25,490
Diesel (KL)	37.40	21.45	21.01	24.92	34.34	139.12

2.9.4 The MSPCB has informed the Committee that the no authorization/non-objection certificate has been granted by the Board in favour of the JUD Cement Limited for use of the coke breeze or the soft coke or the diesel as an alternate fuel. In none of the Environmental Statement of the JUD Cement Limited for the years 2013-14, 2014-15 and 2015-16, a copy of which was provided to the Committee by the MSPCB, use of diesel as an alternate fuel has been reported by the JUD Cements Limited.

2.9.5 The Committee after examination of a Techno-Economic Feasibility Report (TEFR) for the said Cement cum Clinker manufacturing plant of the JUD Cement Limited prepared by West Bengal Consultancy organization Limited, Kolkata, a copy

of which was provided to the Committee by JUD Cements Limited, noted that the said clinker production unit, as per the said TEFR, has been designed to use Meghalaya coal to be procured from locally available coal base. It has also been stated in the said TEFR that these are locally owned small mines available in the area and substandard in quality compared to coal available in ECL, BCCL, CCL, MCL etc. It has also been stated in the said TEFR that coal is the main fuel for manufacture of cement in India. The consumption of coal in a typical dry process system, as per the said TEFR, ranges from 20-25% of clinker production. In the documents submitted to the Committee by the JUD Cements Limited it has been stated that specific fuel requirement of the said clinker manufacturing plant of the JUD Cement Limited is 16.50 %. The Committee is therefore of the view that specific coal requirement of the said Clinker Manufacturing Plant of the JUD Cements Limited is 16.50%.

2.9.6 Year-wise gaps in quantity of coal required to produce the reported quantity of clinker (@ 16.50 % as given in para 2.9.5) and the coal procured by the JUD Cement Limited during the Audit Period are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Clinker produced (MT)	1,80,367	2,33,961	1,45,419	1,71,206	1,24,702	8,55,655
Coal required to produced clinker (MT)	29,761	38,604	23,994	28,249	20,576	1,41,183
Coal consumed (MT)	0	16,348	2,099	377	370	19,194
Gap (MT)	29,761	22,256	21,895	27,872	20,206	1,21,989

## 2.10 Meghalaya Cements Limited and its Captive Thermal Power Plant

2.10.1 An Integrated Clinker cum Cement Manufacturing Plant of Meghalaya Cement Limited having installed capacity to produce 2,600 TPD cement is located at

Thangskai village in in East Jaintia Hills District of Meghalaya. The original plant having installed capacity to produce 900 TPD cement was commissioned in 2006. Later on, in the year 2011 installed capacity of the said plant was enhanced to 2,600 TPD. A Captive Thermal Power Plant of the Meghalaya Cement Limited having 10 MW installed capacity is also located adjacent to its said Cement Manufacturing Plant.

2.10.2 As per the information/documents provided to the Committee by the Meghalaya Cement Limited, year-wise quantities of clinker and power produced and the coal procured by the Meghalaya Cements Limited to produce such clinker and the electrical power during the Audit Period are as below:

Plant	Items	Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7	8
Clinker/ Cement Plant	Clinker produced (MT)	7,98,378	8,43,815	6,96,071	8,39,931	8,38,237	40,16,432
	Coal procured (MT)	77,457	29,899	30,881	35,220	34,317	2,07,774
Captive Thermal Power Plant (TPP)	Power Produced (Million kwh)	27,738	54,472	58,191	68,590	69,887	278.88
	Coal procured (MT)	19,076	14,787	15,087	18,792	19,670	87,412
Total for the Clinker/ Cement and TPP	Coal procured (MT)	96,533	44,686	45,968	54,012	53,987	2,95,186

2.10.3 The Meghalaya Cement Limited has informed the Committee that during the Audit Period they have also procured alternate fuel slate. Year-wise quantities of slate used by Meghalaya Cements Limited in its Cement Manufacturing Plant and the Captive Thermal Power Plant were however not provided to the Committee.

The MSPCB informed the Committee that the Meghalaya Cements Limited neither sought nor received any certificate of registration/authorization from the MSPCB for use of slate in its Cement Manufacturing Plant and Thermal Power Plant. The Commissioner and Secretary to the Government of Meghalaya, Mining and Geology informed the Committee that the Meghalaya Cement Limited, during the months of March and July 2017 has paid an amount of Rs. 1.00 crore to the State of Meghalaya as a royalty on 2.23 lakh MT slate claimed to be consumed by them.

2.10.4 The Committee, based on a detailed analysis of a similar claim of the Star Cement Limited on use of slate as an alternate fuel in lieu of coal, as given in para 2.2.26 to 2.2.52, is of the view that it is neither technically feasible nor legally permissible for the Amrit Cement Limited to replace more than half of their coal requirement by a non-fuel alternate fuel such as slate.

2.10.5 The Committee after examination of the Techno-Economic Feasibility Report of the Augmentation of the Clinkerization capacity of the plant from 900 TPD to 2,600 prepared by Holtec Consulting Private Limited, a copy of the which was provided to the Committee by the Meghalaya Cement Limited, observed that the said plant has been designed to use 100% Meghalaya coal available locally. As per the said report, net calorific value of the local coal to be used in the clinker plants is 5,800 Kcal/kg. It has also been stated in the said reports that specific heat consumption of these plants is 840 Kcal per kg of clinker. The average estimated requirement of coal as per the information given in the said report is 14.66 %. For the detailed reasons given in para 2.2.35 above, the Committee is of the view that actual specific coal consumption for clinker manufacturing plant of the Meghalaya Cement Limited is at-least 15%.

2.10.6 The Committee after examination of the Techno-Economic Feasibility Report of the 10 MW capacity Captive Power Plant prepared by AKB Power Consultants Pvt. Ltd., a copy of the which was provided to the Committee by the Meghalaya Cement Limited, observed that the said plant was envisaged to use coal sourced from Western parts of Meghalaya Hills. The Annual requirement of the locally sourced Meghalaya coal at 100 % capacity for the said 10 MW TPP, as per the said

report, is 63,072 MT. The specific fuel requirement for the said TPP, as per these information given in the said report, is therefore 0.72 kg/kwh. Nowhere, in the said report it has been stated that it will be feasible to run the said Thermal Power Plant by using any alternate fuel other than coal. The Committee is of the view that specific fuel requirement of the Captive Thermal Power Plant of the Meghalaya Cement Limited is same as the specific fuel requirement of the similar plant of the Star Cement Limited (*viz.* 0.850 kg/kwh of the power produced).

2.10.7 The year-wise gaps in quantity of coal required to produce the reported quantity of clinker (@ 15 % as given in para 2.10.5) and electricity power (@ 0.850 kg/kwh as given in para 2.10.6) and the coal procured by the Meghalaya Cements Limited from legal sources during the Audit Period are as below:

Plant	Items	Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7	8
Clinker/ Cement Plant	Clinker produced (MT)	7,98,378	8,43,815	6,96,071	8,39,931	8,38,237	40,16,432
	Coal required (MT)	1,19,757	1,26,572	1,04,411	1,25,990	1,25,736	6,02,465
	Coal procured (MT)	77,457	29,899	30,881	35,220	34,317	2,07,774
	Gap (MT)	42,300	96,673	73,530	90,770	91,419	3,94,691
Captive Thermal Power Plant (TPP)	Power Produced (Million kwh)	27,738	54,472	58,191	68,59	69,887	278,878
	Coal required (MT)	23,577	46,301	49,462	58,302	59,404	2,37,046
	Coal procured (MT)	19,076	14,787	15,087	18,792	19,670	87,412
	Gap (MT)	4,501	31,514	34,375	39,510	39,734	1,49,634
Total for the Clinker/ Cement and TPP	Coal required (MT)	1,43,334	1,72,873	1,53,873	1,84,291	1,85,140	8,39,511
	Coal procured (MT)	96,533	44,686	45,968	54,012	53,987	2,95,186
	Gap (MT)	46,801	1,28,187	1,07,905	1,30,279	1,31,153	5,44,325

## 2.11 Virgo Cements Limited

2.11.1 An Integrated Clinker cum Cement Manufacturing Plant having an installed capacity of 1,060 TPD clinker and 1,452 TPD of Cement has been established by Virgo Cements Limited at Dams village in North Garo Hill district of Meghalaya.

2.11.2 The Virgo Cements Limited informed the Committee that no coal is used in their said plant as it has a Vertical Shaft Kiln (VSK) where low ash metallurgical (LAM) coke or coke breeze is used as a fuel.

2.11.3 The Committee after examination of the Techno-Economic Feasibility Report for expansion of the said plant to 1060 TPD capacity prepared by Ercom Engineers Pvt. Limited, a copy of which was provided to the Committee by the Virgo Cements Limited, observed that the said plant was envisaged to use coke breeze to be sourced from nearby area of the Guwahati as a fuel. Specific fuel requirement for the said plant, as per the said report, is 0.289 tonnes of coke breeze per tonne of clinker or 28.90 %.

2.11.4 The Committee after examination of the matter is prima-facie of the view that Virgo Cement Limited did not use illegally mined local coal during the Audit Period. The Committee however advised the North Eastern Regional Directorate of the CPCB to undertake an audit to ascertain that coke breeze or LAM coke originating from legal source has only been used by the said Plant.

## 2.12 RNB Cement Limited

2.12.1 An Integrated Clinker cum Cement Manufacturing Plant having an installed capacity of 600 TPD cement along with a 10 MW capacity Captive Thermal Power Plant was established by RNB Cement Limited at Barapani Industrial area in Ri-Bhoi District of Meghalaya in the year 2008.

2.12.2 The North East Regional Directorate of the CPCB informed the Committee that the RNB Cement Limited will not be able to provide any information or document as the plant has been taken over by the National Company Law Tribunal (NCLT) and is present managed by an Interim Resolution Professional (IRP) *w.e.f.*

13.06.2019. Information about the quantities of clinker and thermal power produced and the quantity of coal purchased by the RNB Cement Limited during the Audit Period could not be obtained by the Committee. In the absence of these information it is not feasible for the Committee to undertake Resource (coal) Audit of the RNB Cements Limited.

### 2.13 Captive Thermal Power Plant of Shyam Century Ferrous Limited

2.13.1 A Captive Thermal Power Plant of the Shyam Century Ferrous Limited having installed capacity of 13.80 MW is located in Export Promotion Industrial Park (EPIP) Byrnihat in Ri-Bhoi district of Meghalaya.

2.13.2 As per the information/documents provided to the Committee by the Shyam Century Ferrous Limited, year-wise quantities of power produced and the coal procured by the Shyam Century Ferrous Limited to produce such power during the Audit Period are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Power Produced (Million kwh)	64.117	55.246	104.403	68.898	34.702	327.366
Coal procured (MT)	43576	32461	72086	13704	1960	1,66,787

2.13.3 The Shyam Century Ferrous Limited has informed the Committee that during the Audit Period they have also procured and utilised in the said Captive Thermal Power Plant alternate fuel. Year-wise quantities of alternate fuel claimed to be purchased by Shyam Century Ferrous Limited during the audit period are as below:

(metric tonne)

2014-15	Year				Total
	2015-16	2016-17	2017-18	2018-19	

1	2	3	4	5	6
446	-	-	-	29	475

2.13.4 Keeping in view that quantity of alternate fuel claimed to be purchased by Shyam Century Ferrous Alloy Limited is very low, the Committee decided to ignore the same in this resource (coal) audit.

2.13.5 The Committee after examination of the Detailed Project Report (DPR) for the said 13.80 MW Captive Power Plant prepared by AKB Power Consultants Private Limited, a copy of which was provided to the Committee by Shyam Century Limited, observed that the said plant was designed to use both biomass fuel (with estimated calorific value of 3,500 Kcal/kg) and locally sourced Meghalaya coal (with estimated calorific value of 5,500 Kcal/kg). The annual requirement of fuel by the said plant at 100% capacity is 77,616 MT of biomass fuel and 14,256 MT of Meghalaya coal. The specific fuel requirement of the said plant, as per the said report, is thus 0.527 kg/kwh of coal or 0.827 kg/ kwh of biomass.

2.13.6 It has also been stated in the documents handed over to the Committee by the Shyam Century Ferrous Limited that specific fuel requirement of their said Captive Thermal Power Plant is 0.50- 0.70 kg of coal per kwh and 1.00 -1.40 kg of alternate fuel such as coke fine, Tamilnadu Charcoal fines etc. per kwh.

2.13.7 Keeping in view the detailed analysis given in para 2.2.33 and also keeping in view that though the said Thermal Power Plant has been designed to use alternate fuels other than coal, the Shyam Century Ferrous Alloy Limited has himself reported that during the entire Audit Period 475 MT alternative fuel has only been used by them, the Committee is of the view that specific coal requirement of the said Captive Thermal Power Plant of the Shyam Century Limited is atleast equal to specific coal requirement of the a Thermal Power Plant of much larger capacity of the Star Cement Limited located in Meghalaya (viz. 0.850 kg/kwh of the power produced).

2.13.8 The year-wise gaps in quantity of coal required to produce the reported quantity of the electrical power (@ 0.850 kg/kwh as given in para 2.13.7) and the

coal procured by Shyam Century Ferrous Limited from legal sources during the Audit Period are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Power Produced (Million kwh)	64.117	55.246	104.403	68.898	34.702	327.366
Coal required (MT)	54,499	46,959	88,743	58,563	29,497	2,78,261
Coal procured (MT)	43,576	32,461	72,086	13,704	4,960	1,66,787
Gap (MT)	10,923	14,498	16,657	44,859	24,537	1,11,474

#### 2.14 Captive Thermal Power Plant of Maithan Alloys Limited

2.14.1 A Captive Thermal Power Plant of the Maithan Alloy Limited having installed capacity of 15 MW is located in Export Promotion Industrial Park (EPIP) Byrnihat in Ri-Bhoi district of Meghalaya.

2.14.2 As per the information/documents provided to the Committee by the Maithan Alloys Limited, year-wise quantities of power produced and the coal procured by the Maithan Alloys Limited to produce such power during the Audit Period are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Power Produced (Million kwh)	62.588	49.241	97.440	89.061	33.493	331.823
Coal procured - Within Meghalaya (MT)	77,573	51,318	61,950	64,595	6,384	2,61,820
Coal procured - Outside Meghalaya (MT)			929	36,692	14,345	51,966

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Total Coal Procured (MT)	77,573	51,318	62,879	1,01,287	20,729	3,13,786

2.14.3 The Maithan Alloys Limited has informed the Committee that during the Audit Period they have also procured alternate fuel. Year-wise quantities of different types of alternate fuel claimed to be purchased by Maithan Alloys Limited during the Audit Period are as below:

(metric tonne)

Type of alternate fuel	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Rice Husk	-	-	-	5,039	1,973	7,012
Saw Dust	-	-	-	275	505	780
Coke Breeze	-	-	-	0	2,354	2,354
Wood Chips	-	-	-	0	60	60
Total	-	-	-	5,314	4,892	10,206

2.14.4 The Committee after examination of the Detailed Project Report (DPR) of the said 15 MW capacity Captive Thermal Power Plant of the Maithan Alloys Limited prepared by AKB Power Consultants Pvt. Ltd., a copy of which was provided to the Committee by the Maithan Alloys Limited, observed that the said plant has been designed to use both bamboo chips/dust (with estimated calorific value of 2914 K cal/kg) and locally sourced Meghalaya coal (with estimated calorific value of 7,142 K cal/kg). As per the said DPR, the annual requirement of fuel by the said plant at 100% capacity is 32,400 MT of bamboo chips and 37,800 MT of Meghalaya coal. The specific fuel requirement of the said plant as per the said report is therefore 0.527 kg/kwh of coal or 0.827 kg/ kwh of biomass. It has however been stated in

documents provided to the Committee by Maithan Alloys Limited that specific fuel requirement of the said TPP is 0.72 kg/kwh.

2.14.5 As per the information provided by Maithan Alloys Limited, during the Audit Period the Maithan Alloy Limited purchased 3,13,785 MT coal to produce 331.823 Million units of power by the said 15 MW capacity Captive Thermal Power Plant. The actual specific fuel purchased for the said Captive Thermal Power Plant of Maithan Alloys Limited during the Audit Period is 0.945 kg/kwh. The same is comparable to or even higher than the estimated specific fuel consumption for other Thermal Power Plants located in the State of Meghalaya. Apart from the above, the Maithan Alloy Limited has claimed to purchase alternate fuel such as rice husk, saw dust, coke breeze and wood chips also. The Committee therefore is of the view that during the Audit Period Maithan Alloys Limited did not use any illegally mined local coal from the Meghalaya.

#### 2.15 Captive Thermal Power Plant of Shree Sakambari Ferro Alloys Pvt. Ltd.

2.15.1 A Captive Thermal Power Plant of Shree Sakambari Ferro Alloys Pvt. Ltd having installed capacity of 10 MW is located in Riwiang Village in West Khasi Hills District, Meghalaya. The said Thermal Power Plant was commissioned in the month of June 2014.

2.15.2 As per the Environmental Statement Submitted by Shree Shakambari Ferro Alloys Pvt. Ltd. to the MSPCB the actual specific coal consumption of the said Captive Thermal Power Plant of Shree Sakambari Ferro Alloys Pvt. Ltd. during the Audit Period is as below:

2014-15	2015-16	2016-17	2017-18	2018-19
1	2	3	4	5
0.83	0.85	0.85	0.81	0.85

(kg/kwh)

2.15.3 On perusal of information and documents received from Shree Shakambari Ferro Alloy Limited the Committee observed that unit of power produced by the

said Thermal Power Plant stated in the Statement provided to the Committee does not appear to be correct. The Committee also observed that the quantity of coal reported to be consumed by Shree Sakambari Ferro Alloys Pvt. Ltd., as per the Statement submitted to the Committee is substantially different than the quantity of coal reportedly consumed by the said Plant as per details given in a report on coal consumption by the Thermal Power Plants and Cement Industries submitted to the Committee by North Eastern Regional Directorate of CPCB. The Committee therefore advised the North Eastern Regional Directorate of CPCB to re-examine the records relating to purchase and use of coal by said Thermal Power Plant of Shree Sakambari Ferro Alloys Pvt. Ltd. and submit a report to the Committee. The said report is still awaited by the Committee.

## 2.16 Captive Thermal Power Plant of CMJ Breweries Private Limited

2.16.1 A Captive Thermal Power Plant of the CMJ Breweries Private Limited having installed capacity of 3.50 MW is located in Export Promotion Industrial Park (EPIP) Byrnihat in Ri-Bhoi district of Meghalaya.

2.16.2 As per the information/documents provided to the Committee by the CMJ Breweries Private Limited, year-wise quantities of power produced and the coal procured by the CMJ Breweries Private Limited to produce such power during the Audit Period are as below:

Items	Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7
Power Produced (Million kwh)	5.746	7.925	4.329	8.597	6.260	32.86
Coal procured (MT)	15,232	16,606	10,874	15,738	2,985	61,435

2.16.3 The CMJ Breweries Private Limited has informed the Committee that during the Audit Period they have also procured husk as an alternate fuel. Year-wise

quantities of rice husk claimed to be procured by CMJ Breweries Private Limited during the audit period are as below:

(metric tonne)

Year					Total
2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6
-	-	-	5,011	23,235	28,246

2.16.4 The Committee after examination of the Detailed Project Report (DPR) of the CMJ Breweries Private Limited prepared by M/s. Suvidha Consultancy Limited, Guwahati noted that the said DPR does not contain anything about the nature and per unit requirement of the fuel. It has however been stated in documents provided to the Committee by the CMJ Breweries Private Limited that their Captive Thermal Power Plant has a back pressure turbine and the steam is mainly used for the process heating and the power is additionally generated using the same steam. So the fuel consumption in the back pressure turbine is not comparable to the conventional plant condensing type turbines. It has also been stated in these documents that average estimated quantity of fuel required to produce power in their said Captive Thermal Power Plant is 2.35 kg of coal per kwh or 3.50 kg of husk per kwh.

2.16.5 The Committee noted that quantities of the coal and rice husk purchased by the CMJ Breweries Private Limited was sufficient to produce the power reportedly produced by the CMJ Breweries Private Limited during the audit period as per the reported specific fuel consumption of 2.35 kg of coal per kwh or 3.50 kg of husk per kwh. Subject to confirmation by the North Eastern Regional Directorate of the CPCB of the claim of the CMJ Breweries Private Limited regarding the use of rice husk as a fuel, the Committee is of the view that no illegally mined legal has been utilised by the CMJ Breweries Private Limited during the Audit Period.

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## CHAPTER 3: FINDINGS AND RECOMMENDATIONS

### 3.1 FINDINGS

3.1.1 Except for the clinker manufacturing plant of the Mawmluh Cherra Cement Limited (A State PSU) and Captive Power Plants of the Maithan Alloy Limited and the CMJ Breweries Private Limited, there is a huge gap in quantity of coal required to produce reported quantity of clinker and/or power and the coal reported to be purchased from legal sources during the Audit Period by all other Cement Manufacturing Plants and Thermal Power plants in the State of Meghalaya for which resource (coal) audit could be completed by the Committee. Year-wise quantities of the coal required to produce reported quantities of clinker and/or power, the coal actually purchased from legal sources and the gap between the two for each of these Plants are as below:

(metric tonnes)

Plant	Items	Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7	8
Star Cement Limited and its two subsidiaries	Coal required*	4,24,636	4,73,806	4,93,365	4,70,145	4,50,096	23,12,048
	Coal procured**	97,047	2,64,674	61,830	1,29,020	1,13,201	6,65,772
	Gap	3,27,589	2,09,132	4,31,535	3,41,125	3,36,895	16,46,276
Amrit Cement Limited and its Captive TPP	Coal required*	84,323	1,06,548	1,05,745	1,00,155	1,46,919	5,43,690
	Coal procured**	3,861	88,165	38,785	74,978	31,833	2,37,622
	Gap	80,462	18,383	66,960	25,177	1,15,086	3,06,068
Dalmia Cement (Bharat) Limited and	Coal required*	2,00,028	2,01,797	1,94,234	2,22,215	2,56,324	10,74,598
	Coal procured**	17,433	98,296	56,208	1,07,092	54,478	3,33,507

Plant	Items	Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7	8
its Captive TPP	Gap	1,82,595	1,03,501	1,38,026	1,15,123	2,01,846	7,41,091
Goldstone Cement Limited and its Captive TPP	Coal required*	0	0	39,652	1,15,104	1,47,919	3,02,675
	Coal procured**	0	0	5,918	21,295	4,946	32,159
	Gap	0	0	33,734	93,809	1,42,973	2,70,516
Green Valley Industries Limited	Coal required*	58,205	55,262	57,505	64,673	65,398	3,01,043
	Coal procured**	44,844	50,555	46,762	51,068	30,278	2,23,507
	Gap	13,361	4,707	10,743	13,605	35,120	77,536
Hill Cement Company Limited	Coal required*	18,397	32,158	38,548	30,600	35,085	1,54,788
	Coal procured**	0	11,989	9,797	2,248	13,347	37,381
	Gap	18,397	20,169	28,751	28,352	21,738	1,17,407
JUD Cements Limited	Coal required*	29,761	38,604	23,994	28,249	20,576	1,41,184
	Coal procured**	0	16,348	2,099	377	370	19,194
	Gap	29,761	22,256	21,895	27,872	20,206	1,21,990
Meghalaya Cements Limited and its Captive TPP	Coal required*	1,43,334	1,72,873	1,53,873	1,84,291	1,85,140	8,39,511
	Coal procured**	96,533	44,686	45,968	54,012	53,987	2,95,186
	Gap	46,801	1,28,187	1,07,905	1,30,279	1,31,153	5,44,325
Captive TPP of Shyam Century	Coal required*	54,499	46,959	88,743	58,563	29,497	2,78,261
	Coal	43,576	32,461	72,086	13,704	4,960	1,66,787

Plant	Items	Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7	8
Ferrous Ltd.	procured**						
	Gap	10,923	14,498	16,657	44,859	24,537	1,11,474
TOTAL	Coal required*	10,13,183	11,28,007	11,95,659	12,73,995	13,36,954	59,47,798
	Coal procured**	3,03,294	6,07,174	3,39,453	4,53,794	3,07,400	20,11,115
	Gap	7,09,889	5,20,833	8,56,206	8,20,201	10,29,554	39,36,683

\*: Coal required to produce reported quantities of clinker and/or power

\*\* : Coal reported to be procured from legal sources

3.1.2 The Committee is of the view that the entire gap of 39.37 lakh MT between the quantity of the coal required to produce reported quantity of the clinker and the electrical power and the coal purchased from legal sources by these Plants during the Audit Period constituting about two-third of the coal requirement of these plants during the Audit Period has been met from the illegally mined local coal. Demand for a huge quantity of illegally mined coal from these plants has sustained and supported a wide scale illegal rat-hole coal mining in the State of Meghalaya in flagrant violation of a ban imposed by the Hon'ble NGT.

3.1.3 Continuance of illegal rat-hole coal mining in the State of Meghalaya to meet the huge requirement of coal for these Cement Manufacturing Plants and the Thermal Power Plants have caused huge damage to flora, fauna, rivers, streams, water bodies and the environment in general in the State of Meghalaya. It has also made the ban imposed by the Hon'ble NGT on illegal rat-hole coal mining virtually inoperative.

3.1.4 No royalty, taxes and any other statutory levies has been paid to the State of Meghalaya on the illegally mined coal utilised by these Cement Manufacturing Plants and Thermal Power Plants during the Audit Period resulting in a huge loss to the State exchequer. In fact ban on the illegal rat-hole coal mining in the State of

Meghalaya came as a boon to these Cement Manufacturing Plants and Thermal Power Plants in the State of Meghalaya as it virtually exempted them from the requirement of payment of royalty, taxes and other statutory levies payable on more than two-third of the coal consumed by them. The amounts of royalty (@ Rs. 675 per MT), contribution to Meghalaya Environment Protection and Restoration Fund (MEPR Fund) at the rate of Rs. 485 per MT and GST/VAT @ 5 % of the sale value of approx. Rs. 8,000 per MT amounting to Rs 400 per MT) payable on the illegally mined coal utilised by each of these Cement Manufacturing Plants and Thermal Power Plants during the Audit Period are as below:

(Amt.: Rupees in crore)

Sl. No.	Plant	Qt. of illegal coal used (MT)	Royalty	MEPRF	GST/VAT	Total
1	2	3	4	5	6	7
1.	Star Cement Limited and its two subsidiaries	16,46,276	111.124	79.844	65.851	256.819
2.	Amrit Cement	3,06,068	20.660	14.844	12.243	47.747
3.	Dalmia Bharat Cement Ltd	7,41,092	50.024	35.943	29.644	115.610
4.	Goldstone Cement Ltd.	2,70,516	18.260	13.120	10.821	42.200
5.	Green Valley Industries Ltd.	77,536	5.234	3.760	3.101	12.096
6.	Hill Cement Ltd.	1,17,407	7.925	5.694	4.696	18.315
7.	JUD Cement Ltd.	1,21,990	8.234	5.917	4.880	19.030
8.	Meghalaya Cement Ltd.	5,44,325	36.742	26.400	21.773	84.915
9.	Shyam Century Ferrous Ltd.	1,11,474	7.524	5.406	4.459	17.390
<b>Total</b>		<b>39,36,684</b>	<b>265.726</b>	<b>190.929</b>	<b>157.467</b>	<b>614.123</b>

3.1.5 The royalty and VAT/GST amounting to Rs. 423.194 crore payable on illegally mined coal utilised by the Cement Manufacturing Plants and Thermal Power Plants, if realised and properly utilised, can significantly enhance living

standard of the tribal residents, especially those residing in the areas affected by such illegal coal mining, of the State. Similarly, an amount of Rs. 190.929 crore payable to MEPR Fund for the said illegally mined coal utilised by these Plants, if properly utilised, may greatly help in restoration of flora, fauna, rivers, streams, water bodies and the environment in general damaged by illegal rat-hole coal mining in the State of Meghalaya.

3.1.6 Claim of these Cement Manufacturing Plants and Thermal Power Plants that about two-third of their coal requirement have been met by a non-fuel mineral (i.e. slate) without making any change in the design of these plants is not tenable. The Committee, based on a detailed analysis given in para 2.2.26 to 2.2.52, is of the view that it is neither technically feasible nor legally permissible for these plants to replace more than two-third of their coal requirement by a non-fuel mineral such as slate.

3.1.7 These Plants have purchased illegally mined local coal in the name of slate to circumvent the ban imposed by the Hon'ble NGT on illegal rat-hole coal mining in the State of Meghalaya and also to evade payment of royalty, GST/VAT and other statutory levies and contribution to MEPR Fund on the coal utilised by them.

3.1.8 Even for the sake of an argument it is assumed that the claim of these plants that more than two-third of their coal requirement during the Audit Period has been met by a non-fuel mineral (*viz.* slate) without making any change/modification in the design of these plants is true, it would have caused equal, if not more, damage to the flora, fauna, rivers, streams, water bodies and the environment in general in the State of Meghalaya as all such slate has admittedly been mined in an unscientific and haphazard manner without any mitigative measures and without obtaining mandatory mining lease, consent to establish, consent to operate, environmental clearance and authorisation/no-objection certificate from the State Pollution Control Board in a flagrant violation of the existing mining, environmental, pollution control and labour safety laws.

3.1.9 Transportation and use of a huge quantity of illegally mined coal by these plants could not have escaped notice of regulatory authorities, both in the State of Meghalaya and the Union of India. It could not have escaped notice of the district

and police administration. Instead of taking actions to prevent use of illegally mined coal by these plants and to initiate appropriate proceedings under relevant provisions of the Mines and Minerals (Development and Regulation) Act, 1957; the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Environment (Protection) Act, 1986 against these Plants for use of illegally mined local coal, the regulatory authorities have tried to regularise/justify the use of illegally mined coal by accepting royalty on slate claimed to be used by these plants and by supporting the claim of these Plants that it is technically and legally feasible to replace two-third of the coal requirement of these plants by a non-fuel mineral such as slate and the slate can be used by these plants as a waste without obtaining any clearance under the Mines and Minerals (Development and Regulation) Act, 1957; the Water (Prevention and Control of Pollution) Act, 1974; the Air (Prevention and Control of Pollution) Act, 1981; the Environment (Protection) Act, 1986 and the rules, regulations & guidelines framed thereunder.

**3.1.10** As per information provided to the Committee by the Mining and Geology Department in the State of Meghalaya, none of these plants participated in a public auction conducted by the State of Meghalaya to sell more than 38,000 MT of seized coal available at locations in close vicinity of majority of these plants. The Committee therefore is of the view that a major part of the coal requirement of these plants is still being met from illegally mined local coal.

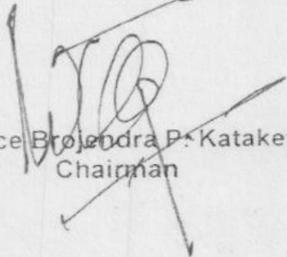
## **3.2 RECOMMENDATIONS**

**3.2.1** To put a stop to the illegal rat-hole mining of the coal being undertaken in the State of Meghalaya in flagrant violation of the mining, environmental and labour safety laws as well as the orders issued by the Hon'ble Supreme Court and the Hon'ble NGT to meet the requirement of the coal for the Cement Manufacturing Plants and Thermal Power Plants in the State of Meghalaya and also to restore damage caused the flora, fauna, rivers, streams, water bodies and environment in general by illegal rat-hole coal mining, the Committee recommends that the Hon'ble NGT may consider to issue the following directions:

1. The Chief Secretary of the State of Meghalaya shall undertake monthly review the quantity of clinker and/or power produced by each Cement Manufacturing Plants and Thermal Power Plant in the State of Meghalaya and the quantity of coal purchased by each such plant from legal sources to produce such reported quantities of clinker and/or power. Such review for a month shall be undertaken on or before tenth day of the next month. A quarterly report stating therein the month-wise quantities of clinker and/or power produced, quantity of coal consumed to produce such quantities of clinker and/or power by each such plant and action(s), if any, taken against any such plant in case of any anomaly observed during the review shall be submitted to this Tribunal by the Chief Secretary, Meghalaya. Such report for a quarter shall be submitted to this Tribunal on or before fifteenth day of the next quarter.
2. The State of Meghalaya; the Ministry of Environment, Forest and Climate Change, Government of India and the Meghalaya State Pollution Control Board shall initiate proceedings in accordance with the provisions of the Mines and Minerals (Development and Regulation) Act, 1957; the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 the Environment (Protection) Act, 1986 and the rules, regulations & guidelines framed thereunder against each of the Cement Manufacturing Plants and the Thermal Power Plants who has used illegally mined local coal after a ban on the rat-hole coal mining in the State of Meghalaya was imposed by this Tribunal in the month of April, 2014.
3. The State of Meghalaya shall realise royalty, GST/VAT, contribution to the MEPR Fund and any other statutory tax and/levy payable on the illegally mined coal utilised by these Cement Manufacturing Plants and the Thermal Power Plants in the State of Meghalaya after the ban on illegal rat-hole mining in the State of Meghalaya was imposed by this Tribunal in April 2014.
4. To restore the damage caused to the flora, fauna, rivers, streams, water bodies and the environment in general by illegal rat-hole mining of coal and also to mitigate the suffering caused to the local tribal residents by the illegal rat-hole coal mining, the State of Meghalaya shall realise from each of the aforementioned Cement Manufacturing Plants and Thermal Power Plants who have

used illegally mined local coal after a ban on illegal rat-hole coal mining was imposed by this Tribunal in the month of April 2014, an amount of Rs. 400 per tonne of coal to be utilised by each such plants on or after the date of this order and deposit the same in the MEPR Fund. Such amount for coal utilised during a month shall be realised on or before fifteenth day of the next month. Not less than fifty percent of these amounts shall be utilised for restoration of damage caused to the flora, fauna, rivers, streams, water bodies and the environment in general by illegal rat-hole mining of the coal in the State of Meghalaya. The balance amounts shall be utilised for socio-economic development of the tribal residents in areas affected by the coal mining in the State of Meghalaya. It is clarified that the afore-mentioned amount of Rs. 400 per MT of coal shall be in addition the contribution to MEPRF at the rate of Rs. 485 per MT of coal already being realised by the State in compliance of earlier orders of this Tribunal. The Chief Secretary, Meghalaya shall formulate draft guidelines for utilisation of these amounts and place the same before the Committee constituted by this Tribunal under Chairmanship of Mr. Justice B.P. Katakey, former Judge, Guwahati High Court. The Committee shall within one month from the date of receipt, examine the draft guidelines and place the same along with the comments/observation before this Tribunal for approval.

5. The North Eastern Regional Directorate of the CPCB shall complete audit of coke claimed to be utilised by the Jaintia Cement Limited and the Virgo Cement Limited and submit a report to the Committee constituted by this Tribunal under Chairmanship of the Mr. Justice B.P. Katakey, former Judge, Guwahati High Court. The North Eastern Regional Directorate of the CPCB shall also submit the report sought by the said Committee in respect of the Captive Thermal Power Plant of Shree Shakambari Ferro Alloys Pvt. Ltd.

  
(Justice B.P. Katakey)  
Chairman

Item No. 01

Court No. 1

**BEFORE THE NATIONAL GREEN TRIBUNAL  
PRINCIPAL BENCH, NEW DELHI**

Original Application No. 110(T<sub>HC</sub>)/2012

Threat to life arising out of coal mining  
in south garo hills district

Applicant(s)

Versus

State of Meghalaya &amp; Ors.

Respondent(s)

Date of hearing: 09.01.2020

Date of uploading on the website: 17.01.2020

**CORAM:** HON'BLE MR. JUSTICE ADARSH KUMAR GOEL, CHAIRPERSON  
HON'BLE MR. JUSTICE S.P WANGDI, JUDICIAL MEMBER  
HON'BLE DR. NAGIN NANDA, EXPERT MEMBER  
HON'BLE MR. SIDDHANTA DAS, EXPERT MEMBER

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**ORDER****Background: unscientific Rat Hole mining in the State of Meghalaya – directions for preventive and remedial action**

1. This order may be read in continuation of order dated 22.08.2019. The matter pertains to remedial action against unscientific 'Rat Hole' Mining of coal in the State of Meghalaya. Proceedings commenced on the basis of a news item to the effect that on 06.07.2012, thirty coal labourers were trapped in a coal mine and fifteen of them died. After due consideration of the matter, on 17.04.2014, this Tribunal directed the State of Meghalaya to ensure that rat hole mining is stopped forthwith throughout the State and any illegal transport of coal shall not take place until further orders.
2. On 09.06.2014, to give effect to order dated 17.04.2014, a Committee was formed to quantify extracted coal and its location, assess its value and also to prescribe mode of its transportation. In the light of the report this Tribunal, on 07.10.2017, noted that 6.3 million tonnes of illegally mined coal valued at Rs. 307 Crores was lying in the State on which royalty of Rs. 400 Crores was assessed. Direction was issued for videography in the operation of the weigh bridges. The issue of quantum of coal to be permitted to be transported was to be gone into with the assistance of the Committee. Further, direction was issued to credit the amount of royalty in a separate account with 10% of the value of coal to be credited to Environment Protection Fund. On 31.03.2016, the Tribunal directed that except the coal already transported, the remaining will vest in the State. Finally, on 31.08.2018, after reviewing the earlier proceedings, this Tribunal

directed that rat hole mining will remain prohibited and so also the transportation of the mined material. The State will be the custodian of the available coal for which necessary inventory will be prepared.

**Constitution of Monitoring Committee for restoration of environment and rehabilitation of victims and other connected and incidental issues.**

3. This Tribunal, vide order dated 31.08.2018, directed constitution of a Committee to be headed by a former High Court Judge of the Guwahati High Court for restoration of the environment and rehabilitation of the victims. The Committee was at liberty to take up incidental issues. The Committee was also to supervise issues arising out of receivership/custodianship of already extracted coal, including environmental issues arising out storage and remedial steps. Other Members of the Committee were to be representatives of CPCB and Indian School of Mines, Dhanbad. The State of Meghalaya was to provide records, logistics and facilities to the Committee. The Committee was free to requisition services of technical experts from the State and to carry out field visits. The Committee was also free to set up its website for receiving and giving information and to involve educational institutions for awareness and feedback. The Committee was to meet twice in a month to review the progress and to fix further targets and send reports to this Tribunal every two months.

**Orders of this Tribunal dated 04.01.2019, 11.04.2019 and 22.08.2019 on reports received from the Committee.**

4. The Committee gave its report on 02.01.2019 which was considered vide order dated 04.01.2019 with regard to the following questions framed by the Committee:-

- “(A) Whether coal mining activities, including extraction of coal and the transportation of the same, are going on despite the order passed by the Hon’ble NGT imposing ban on coal mining and transportation?*
- (B) Quantity of extracted coal as on the date on which the ban was imposed by the Hon’ble NGT and left to be transported?*
- (C) Quantity of un-inventoried coal which has been extracted before imposition of ban by the Hon’ble NGT?*
- (D) Whether coal mining activities as well as dumping of coal results in adverse environmental effect, if so, the nature and extent thereof?*
- (E) What are the steps required to be taken by the Committee for restoration of the environment and rehabilitation of victims of coal mining?*
- (F) The extent of execution of the Action Plan prepared by the Committee?”*

5. The Tribunal noted that a further tragic incident took place on 13.12.2018 where 15 workers were trapped. The report was that the illegal mining was still continuing. The assessed quantity of such coal was 23,25,663.54 MT. The mining was resulting in adverse impact on the environment for which a study was required to be undertaken. Action plan was proposed for restoration of the environment. In view of the consistent failure of the State in enforcing the law, this Tribunal held the State to be liable to deposit a sum of Rs. 100 Crores with the Central Pollution Control Board (CPCB) to be spent for restoration of the environment. The Tribunal also observed that the Committee may consider seizure of equipments used for illegal mining or transportation, to be released only after payment of 50% of the showroom price of such equipments. The Tribunal suggested that the Committee may consider the following:

*“36. The Committee may also consider the following:-*

- 1. Any cranes and trucks found to be involved in illegal mining or transportation which have not yet been seized may also be seized. The seized vehicles or equipments be released by the concerned District Magistrates only after*

*recovering damages to the extent of 50% of the showroom price of the vehicles or equipments. The said amount may also be credited to the restoration fund.*

- 2. Efforts be expedited to identify victims who have suffered at least since 01.07.2012 and to assess loss to the environment and the manner of restoration.*
- 3. Disaster Management Plan for the whole of the area 'on site' as well as 'off site' needs to be prepared and put into operation.*
- 4. Appropriate technology to replace rat hole mining.*
- 5. Resource (coal) audit of Meghalaya Power Limited and Star Cement Limited to ascertain the legitimate procurement of coal and its source.*
- 6. The Committee may take services of NEERI Nagpur, Indian School of Mine, Dhanbad, FRI Dehradun, CPCB apart from any other agency for making assessment of the damages.*
- 7. Survey of health of the habitants may also be considered.*
- 8. Skill Development Programmes to provide alternative means of employment to the workers involved in rat hole mining may be considered.*
- 9. Mitigation/restoration of impacted areas due to AMD.”*

6. Further report was considered on 11.04.2019. The Tribunal approved the recommendations including those for installation of digital display boards in respect of quality of water of the concerned areas and evolving mechanism for effective action against transportation of illegally mined coal such as electronic manifest system, audit of source of coal acquired by the power generation and cement plants.

7. The matter was further considered on 22.08.2019 in the light of report dated 02.08.2019 received from the Committee as follows:-

“1 to 6 xxx

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7. Further report dated 02.08.2019 has been received from the Committee to be considered today. We may note that the Hon'ble Supreme Court, vide judgement dated 03.07.2019, in Civil Appeal No. 10720 of 2018 (State of Meghalaya v. All Dimasa Students Union, Dima Hasao District Committee and Ors) and other connected decided Appeals arising from orders of this Tribunal, directing, inter alia, as follows:

**“Conclusions:-**

191. From the foregoing discussions we arrived at following conclusions:-

xx xx xx

9) As per statutory regime brought in force by notification dated 15.01.2016 issued under Environment (Protection) Act, 1986, environmental clearance is required for a project of coal for mining of any extent of area. While implementing statutory regime for carrying mining operations in the Hills Districts of the State of Meghalaya, the State of Meghalaya has to ensure compliance of not only MMDR Act, 1957 but Mines Act, 1952 as well as Environment (Protection) Act, 1986.

10) In Hill District of State of Meghalaya for carrying coal mining operations in privately owned/community owned land it is not the State Government which shall grant the mining lease under Chapter V of Rules, 1960, but it is the private owner/community owner of the land, who is also the owner of the mineral, who shall grant lease for mining of coal as per provisions of Chapter V of Rules, 1960 after obtaining previous approval of the Central Government through the State Government.

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13) In event the mining is carried out by a mining lease holder as per the provisions of Act, 1957 and Rules, 1960 with an approved mining plan there can be no objections in carrying of such mining operations under the regulation and control of the State of Meghalaya. We clarify that in event mining operations are undertaken in privately owned/community owned land in Hills Districts of Meghalaya in accordance with mining lease with approved mining plan as per Act, 1957 and Mineral Concessions Rule, 1960, the ban order dated 17.04.2014 of the tribunal of the NGT shall not come in way of carrying mining operations.

xx xx xx

20) The coal extracted and lying in open after 15.05.2016 does not automatically vest in the State of Meghalaya and the owner of the coal or the

*person who has mined the coal shall have the proprietary right in the mineral which shall not be lost.*

- 21) *The suggestion of learned Amicus Curiae that entire extracted coal lying at various places in hills districts of Meghalaya be directed to be taken over by Coal India Ltd. is accepted. The Coal India Ltd. may dispose of the same as per its normal method of disposal and proceeds be dealt with as per directions issued.*
- 22) *The State having carried out the assessment of the coal lying in the aforesaid four districts including the details of the quantities and the details of owners being available with it, it may ensure that entire coal is handed over to the Coal India Ltd., as per the mode and manner to be formulated by Katakey Committee in consultation with officers of the Coal India Ltd. and the State of Meghalaya.*
- 23) *It is for Coal India Ltd. to decide as to venue, where they shall receive the coal, i.e., either at any of its depot or any other place in the State of Meghalaya and it is for the Coal India Ltd. to finalise the process of disposal and auction of the coal. It shall be the duty of the State of Meghalaya and its officers especially Deputy Commissioner of the area concerned to enter details of quantity of the coal, name of the owner and place from where it is collected. All concerned shall take steps to ensure weighment of the coal when it is received by Coal India Ltd.*
- 24) *The expenses of transportation shall be borne by the State of Meghalaya, Coal India Ltd. or by both, which expenses shall be deductible from the price received of the coal. The State of Meghalaya shall be entitled to royalty and payment towards MERP Fund as well as taxes out of the price of the coal. After deducting its expenses for transportation with 10% of price of the coal, the Coal India Ltd. shall remit the balance amount to the State and it is for the State after deducting the royalty and payment to the MERP Fund and taxes to pay back balance the amount to the owner.*
- 25) *The coal which has been seized by the State in illegal transportation and illegal mining for which different cases have been registered by the State, is not to be dealt with as directed above. The seized coal shall be dealt by the State in accordance with Section 21 of the Act, 1957 and on being satisfied, the State can take a decision to recover the entire quantity of coal so illegally raised without lawful authority.*

192 In view of the foregoing discussions and conclusions, all these appeals are decided in the following manner: -

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4) All I.As. seeking direction for transportation of coal are disposed of directing: -

- i) All extracted coal as assessed by State of Meghalaya lying in different districts of State of Meghalaya which as per order of NGT is in custody of State of Meghalaya shall be handed over to Coal India Ltd. for proper disposal.
- ii) The Katakey Committee after discussion with Coal India Ltd. and State of Meghalaya shall formulate a mechanism for transport, weighment of all assessed coal.
- iii) The Coal India Ltd. shall auction the coal so received by it as per its best judgment and remit the proceed to State to the extent as directed above.
- iv) All coal seized by the State for which cases have already been registered shall be dealt by the State in accordance with Section 21 of 1957 Act."

8. We may now deal with the report of the Committee which is, inter alia, as follows:

**"It is, therefore, evident that though the learned counsel appearing for the State of Meghalaya submitted before the Hon'ble Tribunal that the compliance report in that regard shall be submitted to this committee within two weeks, the direction to install Digital Display Boards has not been fully implemented till date. As stated above, such Boards have been installed in the State Capital, i.e., in Shillong only. The same have not been installed in the coal mining affected districts and Sub-Divisions so far.**

The Committee directs the aforementioned 4(four) Cement Plants, namely, Green Valley Industries Ltd, Gold Stone Cement Ltd, Hills Cement Ltd and Virgo Cement Ltd and one Thermal Power Plant, namely, CMJ Breweries Ltd to depute their representatives to attend the next sitting of the Committee scheduled to be held on 14.08.2019 along with all required information and documents without fail.

The Secretary to the Govt. of Meghalaya, Mining and Geology Department, during the Proceeding No. 16-B held on 23.07.2019 has produced before the Committee a letter dated 22.07.2019 seeking a month's time to formulate a

comprehensive plan and proper policy of transportation and handing over of coal to the Coal India Limited for disposal/auction as per rules of the Coal India Limited. The Committee has also been informed that after finalisation, the same shall be placed before the Committee for deliberation.

Based on the said communication, one month time has been granted to the Mining and Geology Department, Govt. of Meghalaya. The second special sitting scheduled to be held in Guwahati on 26.07.2019 with the representatives of the Coal India Limited and the concerned departments of the Govt. of Meghalaya to discuss about the formulation of a policy for transportation and handing over of the coal to the Coal India Limited, has, therefore, been postponed and the next date was decided to be fixed in its Proceeding to be held on 14.08.2019.

The Committee in the said Proceeding has recorded that the majority of the directions issued by it in the Proceeding No.12 dated 25.04.2019 have not been implemented so far and hence the Commissioner & Secretary to the Govt. of Meghalaya, Mining and Geology Department has been directed to submit a report on the status of implementation of each of these directions in the sitting scheduled to be held on 14.08.2019.

**From the aforesaid position, it is, therefore, evident that the directions issued by the Committee in its Proceeding No.12 dated 25.04.2019 have not been fully complied with till date.**

**(C) CONSIDERATION OF THE RECOMMENDATIONS OF THE COMMITTEE MADE IN ITS PROCEEDING Nos. 13, 14 AND 15 DATED 03.05.2019, 03.06.2019 AND 28.06.2019, COPIES OF WHICH HAVE BEEN SENT BY MAIL IN ngp.filingAgmail.com ON 08.07.2019.**

(1) The Committee in the Proceeding No.13 dated 03.05.2019 recommended for consideration for release of an amount of Rs.40,36,500/- from the MEPR Fund to implement the pilot project for afforestation and reclamation of coal mining affected land and organisation of festival-cum-mass awareness programme submitted by the Principal Chief Conservator of Forest (Climate Change Research and Training), Govt. of Meghalaya and North Eastern Regional Office of the Central Pollution Control Board.

(2) The Committee also in the Proceeding No. 14 dated 03.06.2019 has recommended for consideration by the Hon'ble Tribunal for passing necessary order for deployment of CAPFs to assist the State Police in checking the transportation and mining of coal in the State for the

*purpose of enforcement of the direction issued from time to time to ban illegal mining and transportation of coal.*

*(3) The Committee in the said Proceeding had also recommended for consideration by the Hon'ble Tribunal to release an amount of rupees one Crore from MEPR fund to facilitate the Forest & Environment Department for afforestation of the coal mine affected areas and to ensure availability of adequate number of good quality plants.*

*(4) The Committee in the Proceeding No.15 dated 25.06.2019 has also recommended for consideration by the Hon'ble Tribunal for release of Rs.19,19,500/- from the MEPR Fund towards the cost to be incurred in the Pilot Project of Micro Algae Treatment of the acidic water in the identified stream in the coal mining affected areas to be implemented by M/S Trinity Impex International.*

*The Hon'ble Tribunal may consider the aforesaid recommendations of the Committee.*

*The Committee, on 31.08.2019 shall submit the further report relating to the status of implementation of the Action Plan prepared by it, directions issued by it from time to time and also the directions issued by the Hon'ble Supreme Court in Civil Appeal No. 10720 of 2018 (State of Meghalaya v. All Dimasa Students Union, Dima Hasao District Committee and Ors.) and other analogous matters passed In Judgment & Order dated 03.07.2019."*

9. *Learned Counsel for State of Meghalaya submitted that with regard to display boards, further steps have been taken and a report dated 03.08.2019 has been filed before this Tribunal and a report will also be filed before the Committee. The Committee may look into the same.*
10. *As regards effective action against illegal transportation, the Committee has suggested deployment of Central Armed Forces and the State Police. The Committee has also suggested release of certain funds. Learned counsel for the State submitted that the recommendations of the Committee be accepted.*
11. *We accept the recommendations of the Committee for release of the amount as presented in para (3) & (4) of recommendations as noted above. As regards deployment of Central Armed Police Forces (CAPF), our attention has been drawn to earlier proceedings before this Tribunal in order dated 25.03.2015 as follows:*

*"1. The Additional Secretary, North East in the Ministry of Home, Central Government shall, within a period of two weeks from today, hold a meeting with the Chief Secretary of the State of Meghalaya and other concerned*

*Authorities and consider the proposal of the State of Meghalaya for deployment of appropriate force to ensure compliance of orders of the Tribunal and protection of the Environment and Ecology, particularly water bodies as recorded in various orders of the Tribunal. We are hopeful, that the decision will be taken objectively and in the interest of public at large.”*

12. *We are informed that in pursuance thereof, the Central Government did provide the requisite Forces at that time. In the light thereof, the State of Meghalaya to follow the same course of approaching the Central Government. The Central Government may give due consideration to such proposal expeditiously.*
13. *Only other issue which survives for consideration is the enforcement of directions of the Hon’ble Supreme Court for handing over coal already mined and lying at various places in Meghalaya to the Coal India Ltd. As per directions of the Hon’ble Supreme Court, in the judgement dated 03.07.2019 the same may be looked into by the Committee in consultation with the officers of Coal India and the State of Meghalaya. We suggest that the Committee may fix specific timeline for the purpose.*
14. *Our attention in this regard has been drawn to a Challan dated 13.08.2019 issued by the Divisional Mining Officer, Jowai with regard to transportation of the ‘auctioned’ mineral. Learned Counsel for the State may ascertain whether the transportation is in terms of the scheme prepared by the Committee in accordance with the directions of the Hon’ble Supreme Court and if not, remedial action may be taken. The Committee may look into this aspect and applicability of online electronic manifest system for regulating movements of vehicles and issuance of challans as per the Tribunal’s order dated 11.04.2019.*
15. *The companies in question are directed to furnish the requisite information to the Committee, failing which this Tribunal may have to take coercive measures against the Chief Executive Officers of the companies. This aspect will be considered in the light of further report of the Committee. The Committee may also make its recommendations about the conduct of officers not cooperating in compliance of orders of the Hon’ble Supreme Court and this Tribunal so that the State may take appropriate action and inform this Tribunal.*
16. *The Committee has proposed to send its further report by 31.08.2019. Thereafter, a further report be sent after three months by 30.11.2019.*
17. *List again on 10.12.2019 or as and when the occasion arises.”*

**Judgement of the Hon'ble Supreme Court dated 03.07.2019 (2019) 8 SCC 177 in Appeals arising out of orders of this Tribunal**

8. We have perused the judgement of the Hon'ble Supreme Court dated 03.07.2019, (2019) 8 SCC 177 in Appeals arising out of orders of this Tribunal as the said judgement governs some of the issues dealt with by the Committee which are also to be dealt with by this Tribunal. It is clear from the judgment of the Hon'ble Supreme Court that the Hon'ble Supreme upheld the jurisdiction of this Tribunal in dealing with the matter and constituting the Monitoring Committee. Though the private owners of the land had right in the minerals, no unregulated and unscientific mining could be carried out. The Mining Policy of the State was required to be consistent with the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act) and mining even by owner was required to be regulated under the statutory scheme. The Environmental Clearance (EC) was required in terms of Notification dated 15.01.2016. Compliance of MMDR Act, Mines Act, 1952 as well as Environment (Protection) Act, 1986 (EP Act) is necessary. The Mineral Concession Rules 1960 are also required to be followed. Schedule VI to the Constitution does not affect the said laws. Order of the Tribunal dated 17.04.2014 was upheld banning Rat Hole mining as the manner of such mining was not consistent with the statutory scheme. However, the said ban will not bar legal and scientific mining as per statutory scheme. Order of the Tribunal constituting MEPR fund was also upheld. Order dated 04.01.2019 requiring deposit of Rs. 100 Crores with CPCB for restoration of environment was also upheld but the same could be paid out of the Meghalaya Environment Protection and Restoration Fund' (MEPR Fund). The extracted coal laying at various places was

directed to taken over by Coal India Limited. The coal was to be handed over to Coal India Limited by the State in the manner formulated by the Committee. The Hon'ble Supreme Court noted that the Committee has done commendable job in studying and examining the various environmental aspects and suggesting mitigation measures. The State of Meghalaya and Coal India Limited were directed to deliberate with the Committee to finalize plan for transportation and handling over of the coal for disposal as per Rules which may be beneficial for the owners of the mine as well as the State. The Coal India Limited was also to take steps for payment of the coal and the State of Meghalaya was entitled to royalty and taxes. After deducting cost of transportation/royalty and payment to MEPR fund and taxes plus 10% of the value of the coal, the balance was to be disbursed to the owner. The disbursement was to be made by the State. The coal seized in illegal transportation of illegal mining was to be dealt by the State under Section 21 of the MMDR Act separately.

**Resume of proceedings till 22.08.2019**

9. The above resume shows that the Committee has already furnished three reports dated 02.01.2019, 31.03.2019 and 02.08.2019 which have been dealt with by this Tribunal vide orders dated 04.01.2019, 11.04.2019 and 22.08.2019 respectively.
10. The issues dealt with in the first three reports in short are:

**“3.1 First Interim Report**

*3.1.1 The Committee submitted its First Interim Report dated 31.12.2018 to the Hon'ble NGT on 02.01.2019. The said First Interim report contains findings of the Committee on the following questions framed by the Committee:-*

- A. *Whether coal mining activities, including extraction of coal and the transportation of the same, are going on despite the order passed by the Hon'ble NGT imposing ban on coal mining and transportation?*
- B. *Quantity of extracted coal as on the date on which the ban was imposed by the Hon'ble NGT and left to be transported?*
- C. *Quantity of un-inventoried coal which has been extracted before imposition of ban by the Hon'ble NGT?*
- D. *Whether coal mining activities as well as dumping of coal results in adverse environmental effect, if so, the nature and extent thereof?*
- E. *What are the steps required to be taken by the Committee for restoration of the environment and rehabilitation of victims of coal mining?*
- F. *The extent of execution of the Action Plan prepared by the Committee?*

### **3.2 Second Interim Report**

3.2.1 *The Committee submitted its Second Interim Report dated 30.03.2019 to the Hon'ble NGT. In the said Report, the Committee placed before the Hon'ble NGT the current status of the following issues:*

- (i) *Availability and investment of amounts available in the MEPR Fund.*
- (ii) *Monitoring of quality of water in the rivers and streams of the areas affected by coal mining.*
- (iii) *Steps taken for neutralisation of Acid Mine Drainage (AMD) contaminated water in the rivers & streams of the areas affected by coal mining activities.*
- (iv) *Status of the ongoing water supply schemes in coal mining affected areas in East Jaintia Hills District, under the Pubic Health Engineering Department.*
- (v) *Seizure of cranes, trucks etc. involved in illegal mining or transportation and release of such vehicles and equipment.*
- (vi) *Skill Development Schemes*
- (vii) *Survey of health of the habitants of the areas affected by coal mining.*
- (viii) *Framing of Disaster Management Plan, both "on site" and "off site".*
- (ix) *Verification of un-inventorised coal.*
- (x) *Procurement of coal by the Cement Companies from the local market in the State of Meghalaya.*
- (xi) *Pilot Projects to be undertaken by CIMFR-CISR, Dhanbad*
- (xii) *Awareness Camps/ Programme.*

- (xiii) *Applications for compensation to the next of kin of the persons who died during illegal mining and to the persons who suffered injuries during due to illegal coal mining.*
- (xiv) *Preparation of Geospatial Database inputs of Planning and Restoration of areas affected by coal mining in the State of Meghalaya.*
- (xv) *Coal mining activities including transpiration of coal.*

3.2.2 *The Committee in the said Report also recommended that the Hon'ble NGT may permit release of an amount of Rs.96.59 lakh for procurement of 6(six) numbers of vehicles mounted with Water Tankers to be used for supplying potable waters to the villagers of the villages in the district of East Jaintia Hills affected by coal mining activities and where the potable water has not so far been supplied.*

### 3.3 **Third Interim Report**

3.3.1 *The Committee submitted its Third Interim Report dated 02.08.2019 to the Hon'ble NGT on 02.08.2019. In the said Report, the Committee placed before the Hon'ble NGT the current status of the following directions issued by the Hon'ble NGT in the Order dated 11.04.2019:*

- (i) *Release and utilisation of an amount of Rs.96.59 lakh from the MEPR Fund in favour of the Deputy Commissioner, East Jaintia Hills District for purchase of the six vehicles mounted with water tankers.*
- (ii) *Installation of Digital Display Boards at the Headquarters of coal mining affected Districts and Sub-Divisions and display thereon quality of water in ten worst polluted rivers/streams in the District/Sub-Division.*
- (iii) *Audit of the source of coal acquired by the power generation and cement plants in the State of Meghalaya.*
- (iv) *Mechanism to be adopted for effective action against illegal transportation of coal such as electronic manifest system for regulating movement of vehicles and issuance of challans.”*

11. Orders of this Tribunal dated 04.01.2019, 11.04.2019 and 22.08.2019 on the above three reports in short are:-

#### **Order dated 04.01.2019:**

*“4.1.2 In view of the consistent failure of the State in enforcing the law, the Hon'ble NGT held the State to be liable to deposit a sum of Rs. 100 Crores with the Central Pollution Control Board (CPCB) to be spent for restoration of the environment. The Hon'ble NGT also observed that the Committee may consider*

seizure of equipment used for illegal mining or transportation, to be released only after payment of 50% of the showroom price of such equipment.

4.1.3. The Hon'ble NGT in the said order dated 04.01.2019 also suggested that the Committee may consider the following:

- (i) Any cranes and trucks found to be involved in illegal mining or transportation which have not yet been seized may also be seized. The seized vehicles or equipment be released by the 4 concerned District Magistrates only after recovering damages to the extent of 50% of the showroom price of the vehicles or equipment. The said amount may also be credited to the restoration fund.
- (ii) Efforts be expedited to identify victims who have suffered at least since 01.07.2012 and to assess loss to the environment and the manner of restoration.
- (iii) Disaster Management Plan for the whole of the area 'on site' as well as 'off site' needs to be prepared and put into operation.
- (iv) Appropriate technology to replace rat hole mining.
- (v) Resource (coal) audit of Meghalaya Power Limited and Star Cement Limited to ascertain the legitimate procurement of coal and its source.

**Order dated 11.04.2019:**

4.2.2 The Hon'ble NGT in the said order dated 11.04.2019 also noted the finding of the Committee that despite the order passed by the Hon'ble Supreme Court prohibiting transportation of coal, the same has not been stopped by the authorities for the reasons best known to them as well as another finding relating to non-installation of Digital Display Boards in the Sub-Division, Districts and the State Headquarters/Capital, displaying the quality of water in the respective areas for information of general public. The

*Hon'ble NGT, having regard to the submission of the learned counsel appearing for the State of Meghalaya directed that the aforesaid issues will be duly dealt with and a compliance report shall be filed before the committee within two weeks, directed the Committee to consider the same on its next sitting, i.e., on 25.04.2019. The committee was also given liberty to consider the matter and pass further orders/recommendations.*

*4.2.3 The Hon'ble NGT vide the said Order also directed that the Committee may consider requirement of foolproof mechanism to be adopted for effective action against transportation of illegally mined coal such as electronic manifest system for regulating movement of vehicles and issuance of challans and also may consider audit of resource of coal acquired by the Power Generation and Cement Plants in the State of Meghalaya.*

**Order dated 22.08.2019:**

*4.3.2 The Hon'ble NGT in the said Order dated 22.08.2019 also directed as below:*

- (i) For making available Central Armed Police Force (CAPF) the State of Meghalaya shall follow the same course of approaching the Central Government as has been done by them in the past in compliance of directions issued by the Hon'ble NGT vide order dated 25.03.2015. The Central Government may give due consideration to such proposal expeditiously.*
- (ii) As per directions of the Hon'ble Supreme Court, in the judgement dated 03.07.2019 the enforcement of directions of the Hon'ble Supreme Court for handing over coal already mined and lying at various places in Meghalaya to the Coal India Ltd may be looked into by the Committee in consultation with the officers of Coal India and the State of Meghalaya. The Committee may fix specific timeline for the purpose.*

(iii) *Learned Counsel for the State may ascertain whether the transportation under a Challan dated 13.08.2019 issued by the Divisional Mining Officer, Jowai with regard to transportation of the 'auctioned' mineral is in terms of the scheme prepared by the Committee in accordance with the directions of the Hon'ble Supreme Court and if not, remedial action may be taken. The Committee may look into this aspect and applicability of online electronic manifest system for regulating movements of vehicles and issuance of challans as per the Tribunal's order dated 11.04.2019.*

(iv) *The cement companies in question are directed to furnish the requisite information to the Committee, failing which this Tribunal may have to take coercive measures against the Chief Executive Officers of the companies. This aspect will be considered in the light of further report of the Committee.*

(v) *The Committee may also make its recommendations about the conduct of officers not cooperating in compliance of orders of the Hon'ble Supreme Court and this Tribunal so that the State may take appropriate action and inform this Tribunal.”*

**Further reports- 04<sup>th</sup> Interim Report dated 31.08.2019, 05<sup>th</sup> Interim Report dated 02.12.2019 and 06<sup>th</sup> Interim Report dated 03.12.2019**

12. After order of this Tribunal dated 22.08.2019, the Committee has dealt with the matter and furnished following further reports in the matter:-

1. 04<sup>th</sup> Interim Report dated 31.08.2019
2. 05<sup>th</sup> Interim Report dated 02.12.2019
3. 06<sup>th</sup> Interim Report dated 03.12.2019.

13. We also have for our consideration response of the State of Meghalaya to the 04<sup>th</sup> and 06<sup>th</sup> interim reports. M.A. No. 03/2020 in O.A. No. 73/2014 is being dealt with by a separate order.
14. We have heard the learned Amicus Curiae – Shri Raj Panjwani, Senior Advocate and Mr. Raju Ramachandren, Senior Advocate representing the State of Meghalaya. Other counsel representing various parties present have not made any oral submissions.
15. Accordingly, we proceed to consider the reports furnished by the Committee and the response thereto.

**4<sup>th</sup> Interim Report dated 31.08.2019**

16. In the 4<sup>th</sup> Interim Report the Committee considered the mechanism to deal with the complaints under Section 21 of the MMDR Act of illegal raising and transportation of coal, procedure for exercise of powers under Section 21 (5) of the MMDR Act, action to be taken in new cases of illegal mining/storage and transportation, action for preventing illegal mining and storage, recovery of fresh stock of coal extracted prior to ban, action for violation of Water (Prevention and Control of Pollution) Act, 1974 and EP Act apart from action under MMDR Act, steps for mitigating environment pollution caused by acidic water and emitting from the coal depots/ dumps, mechanism in term of EIA Notification of 2006, video recording of consignments for illegal transportation of coal, scheme to reward informers giving information about illegal mining/transportation, establishing coal mine surveillance system and SOP to deduct illegal mining or dumping of coal, disposal of coal confiscated under Section 21(5) of MMDR Act, preparation of geological and feasibility report for

scientific coal mining, execution of pilot project for treatment of acidic water and for afforestation and reclamation of coal mining affected land, preparation of draft guidelines for utilization of amounts of MEPR fund including amount of Rs. 100 Crore transfer to CPCB, continuation of Prof. (retired) A.K. Singh, from Indian School of Mines, Dhanbad as Member of the Committee, recording of coal depots where coal is to be handed over to Coal India Limited by joint Committee. After due consideration the Committee has suggested the following directions:-

*“The Hon'ble NGT may consider to pass the following directions:*

*1. The State of Meghalaya shall constitute a Monitoring Committee under Chairmanship of the Chief Secretary to undertake monthly review of actions taken by various 'Authorized Officers' to file complaints before concerned Courts of Law under Section 21 of the MMDR Act against the persons involved in illegal raising and transportation of coal. (para 5.1.2.12 (i))*

*2. The State of Meghalaya shall formulate guidelines stipulating therein a detailed procedure for exercise of the powers conferred on the State under sub-section (5) of section 21 of the MMDR Act to recover mineral raised unlawfully from such person or where such mineral has already been disposed to recover price thereof (para 5.1.2.12 (ii))*

*3. The State of Meghalaya shall mandatorily invoke provisions of sub-section (5) of section 21 of the MMDR Act in all new cases where illegal raising or storage or transportation of coal is detected in the State of Meghalaya. (para 5.1.2.12 (iii))*

*4. The State of Meghalaya shall in exercise of powers conferred by Section 23 (C) of the MMDR Act formulate rules for preventing illegal mining, transportation and storage of minerals and shall notify the same in the official Gazette within one month. (para 5.1.2.12 (iv))*

*5. In the cases where any person declares any fresh stock of coal purported to be extracted prior to imposition of the ban by the Hon'ble NGT, apart from other punitive actions, actions under sub-section (5) to section 21 of the MMDR Act to recover such coal shall mandatorily be initiated by the State of Meghalaya (para 5.1.2.12 (v)).*

6. Subject to provisions of the Law of Limitation, the MSPCB and CPCB shall initiate necessary action to file complaints under relevant sections of the Water Act against persons involved in raising, storage and transportation of the coal reportedly extracted prior to imposition of ban on rat hole coal mining in the State of Meghalaya by the Hon'ble NGT in April 2014, transportation of which has been allowed by the Hon'ble NGT and the Hon'ble Supreme Court. (para 5.1.3.6 (i))

7. In case any fresh illegal mining, storage or transportation of coal in the State of Meghalaya is detected by the Police or District Administration or the Mining and Geology Department, apart from initiation of proceedings under relevant provisions of the MMDR Act against the persons involved in such mining, storage and transportation of the coal, the same shall also be intimated to the MSPCB and CPCB for initiation of necessary actions to file complaint against relevant section(s) of the Water Act against such person. Details of all such cases detected after imposition of ban on illegal rat hole coal mining in April, 2017 shall also be communicated to the MSPCB and CPCB for similar actions. (para 5.1.3.6 (ii)).

8. In case any fresh raising of coal in the State of Meghalaya is detected by the Police or District Administration or the Mining and Geology Department, apart from initiation of proceedings under relevant provisions of the MMDR Act against the persons involved in such illegal raising of the coal, the same shall be intimated to the North Eastern Regional Office of the Ministry of Environment, Forest and Climate Change, Government of India for initiation of necessary actions to file complaint against relevant section of the EP Act against such persons. Details of all such cases detected on or after 15.01.2016 shall also be communicated to the North Eastern Regional Office of the Ministry of Environment, Forest and Climate Change, Government of India for similar actions. (para 5.1.4.3(i))

9. The CPCB and the MSPCB shall critically examine the regulatory regime presently in force to govern establishment and operation of coal depots/dumps in the State of Meghalaya and take necessary actions to fill gaps, if any, in such regime to prevent, minimize and mitigate environment pollution caused by acidic water emanating from such depots (para 5.2.3).

10. The State of Meghalaya shall within one month put in place a mechanism stipulated in Appendix XII of the EIA Notification 2006 to regulate transportation of coal in the State. No transportation of coal in the State of Meghalaya shall, after a period of one month, be allowed till such system containing all the features stipulated in the said Notifications is fully operationalized. (para 5.3.7 (i))

11. The State of Meghalaya shall operationalize a system to video record consignment of each truck passing through all probable routes likely to be used for illegal transportation of coal. The State of Meghalaya shall identify suitable

locations which may cause least disturbance to non truck traffic and install a system of Close Circuit Cameras to ensure video recording of registration number and consignment of each truck passing through each such routes. To minimize inconvenience to non-truck traffic, feasibility of installation of such system at existing toll gates, checkpoints, parking lanes/ bays etc. may be explored. In case no such toll gates, check points, parking lanes/ bays etc. exist at the required locations, the State of Meghalaya in consultation with and/or assistance of the National Highways and Infrastructure Development Corporation (NHIDCL) and/or National Highways Authority of India (NHAI) shall construct additional lanes to facilitate checking of trucks without causing inconvenience to other traffic. Temper proof continuous video recordings made at the check points shall be retained at least for a period of one year and shall periodically be reviewed / checked by the authorities in the Police, Civil Administration and Mining & Geology Department from time to time. (para 5.3.7 (ii))

12. State of Meghalaya shall within a month frame a scheme to suitable reward the informers in case the information on illegal mining and/or transportation of coal provided by such informers is found to be true. Confidentiality of the persons furnishing the information, shall at all cost be maintained so that such informer is not threatened by anyone who are interested in continuing coal mining activities. (para 5.3.7 (iii)).

13. The State of Meghalaya with the assistance of North Eastern Space Applications Centre (NESAC), Department of Space, Government of India, shall within a period of three months put in place a Coal Mine Surveillance System (CMSS) in the State of Meghalaya and also develop a Standard Operating Procedure (SoP) providing for effective follow up action, in case any illegal mining or dumping of coal is detected by the MSS. The CMSS to be developed may be similar to one which has already been developed by the Ministry of Mines and Indian Bureau of Mines (IBM) with assistance from the Bhaskaracharya Institute for Space Application and Geo-Informatics (BISAG), Gandhinagar and Ministry of Electronics and Information Technology (MEITY). {para 5.3.7 (iv)}.

14. The coal which has either been recovered by the State in exercise of powers conferred under sub-section (5) of Section 21 of the MMDR Act or has been confiscated in favour of the State of Meghalaya by an order of a Court of Law and the coal which has been seized by the Officers Authorised by the State Government in this behalf disposal of which has been permitted by the concerned Competent Court of Law, shall be disposed of only through e-auction conducted by the Coal India Limited {para 5.3.7 (v)}.

15. The State of Meghalaya shall expedite drilling of requisite number of bore-holes in 1 sq. km. area in Khliehriat-Sutnga

area in East Jaintia Hills District and complete preparation of Geological Report and Feasibility Report for scientific coal mining in the said area within two months. {para 5.4.2.2 (i)}.

16. The State of Meghalaya is allowed to use an amount of Rs. 4,15,000 (rupees four lakh fifteen thousand) only plus GST at the applicable rates for execution of a Pilot Project on treatment of acidic water at a Water Supply Scheme (WSS) under the Public Health Engineering (PHE) Department at Lelad village in East Jaintia Hills District by using micro-algae consortia as an alternative to lime solution by M/s. Trinity Impex International & Phycospectrum Environmental Research Centre. {para 5.5.6.6 (i)}.

17. The State of Meghalaya and the CPCB are allowed to utilize an amount of Rs.40,36,500/- from the MEPR Fund to implement a pilot project for afforestation and reclamation of coal mining affected land and organization of a festival-cum-mass awareness programme submitted by the Principal Chief Conservator of Forest (Climate Change Research and Training), Govt. of Meghalaya and North Eastern Regional Directorate of the CPCB. (para 5.5.8.2 (i)).

18. The State of Meghalaya shall within one month formulate draft guidelines, strictly in conformity with the broad parameters suggested by the Justice Katakey Committee in its fourteenth Sitting held on 03.06.2019, for utilization of amounts available in the MEPR Fund in an expeditious and transparent manner and submit the same to the Committee. The Committee shall examine the draft guidelines and place the same along with its comments thereon before this Tribunal within one month of receipt of the guidelines. (para 5.5.9.8 (i)).

19. The amount available in the MFPR Fund including an amount of Rs. 100 Crores transferred to the CPCB in compliance of direction issued by the Hon'ble Supreme Court in paragraph 179 of Judgment dated 03.07.2019 in the Civil Appeal No. 10720 of 2018 in the matter of State of Meghalaya versus All Dimasa Student Union, Dima-Hasao District Committee and Ors. and other connected matters and the interest accrued thereon shall be used exclusively for implementation of Action Plan prepared by the Committee for restoration of environment in areas affected by coal mining in the State of Meghalaya. The Committee based on inputs received from various stakeholders or on its own motion may periodically review, revise and update the Action Plan. (para 5.5.9.8 (ii)).

20. Even after expiry of the term of his engagement as a Chair Professor at Indian School of Mines (IIT-ISM), Dhanbad, Professor (Retd.) A.K. Singh shall continue to be a member of the Committee as a representative of the Director, IIT-ISM, Dhanbad. (para 5.7.1.3 (i)).

21. Video recording of all the coal depots where the coal to be handed over to the Coal India Limited is presently lying, to

*be recorded by joint teams consisting of a representative from the Mining and Geology Department, Meghalaya State Pollution Control Board and the Coal India Limited, in the manner as directed by the Committee in its First Special Sitting held at Shillong on 12.07.2019 and use of high resolution satellite imageries for different time-intervals since the imposition of ban on coal mining by the Hon'ble NGT to ascertain continuous existence of all such coal dumps since imposition of ban on coal mining by this Hon'ble Tribunal in April 2014, shall be essential components of the Policy being formulated by the State of Meghalaya for handing over of the coal to the Coal India Limited for disposal through e-auction. (para 5.7.4.7 (i)).*

*The Committee in this report dated 31.08.2019 has highlighted the various orders passed by the Hon'ble NGT, gist of various earlier reports submitted by it, the directions issued by the Hon'ble NGT on the said reports, relevant order passed by the Hon'ble Supreme Court and the issues examined by the Committee after submission of the second interim report, together with summary of recommendations for consideration of the Hon'ble NGT, as the Committee has completed one year from the date of its constitution by the Hon'ble NGT vide its order dated 31.08.2018.”*

#### **5<sup>th</sup> Interim Report dated 02.12.2019**

17. The 5<sup>th</sup> Interim Report mere the back ground of earlier proceedings, sums up the minutes of the meetings and analysis the information given by the industries and regulatory authorities at length and thereafter records findings and recommendations. The report has been uploaded on the website of the National Green Tribunal. The questions considered in the said report in para 2.2.6 are:-

1. Whether the specific coal requirement of afore-mentioned Cement Manufacturing Plants and a Thermal Power Plant of the Star Cement Limited and its subsidiaries is substantially lower than specific coal requirement stated in the respective TEFRs?

2. What is the actual specific coal requirement for the aforementioned Cement Manufacturing Plants and a Thermal Power Plant of the Star Cement Limited?
  3. Whether it is technically feasible to use huge quantity of slate in lieu of coal without making any modification in design of these Plants?
  4. Whether the afore-mentioned Plants of Star Cement Limited and its subsidiaries have actually used huge quantity of alternate fuel (*i.e.* Slate) in lieu of coal?
  5. Whether slate, if used, has been used after obtaining all requisite regulatory approvals?
18. After analyzing the entire data the findings recorded are:-

### **“CHAPTER 3: FINDINGS AND RECOMMENDATIONS**

#### **3.1 FINDINGS**

3.1.1 Except for the clinker manufacturing plant of the Mawmluh Cherra Cement Limited (A State PSU) and Captive Power Plants of the Maithan Alloy Limited and the CMJ Breweries Private Limited, there is a huge gap in quantity of coal required to produce reported quantity of clinker and/or power and the coal reported to be purchased from legal sources during the Audit Period by all other Cement Manufacturing Plants and Thermal Power plants in the State of Meghalaya for which resource (coal) audit could be completed by the Committee. Year-wise quantities of the coal required to produce reported quantities of clinker and/or power, the coal actually purchased from legal sources and the gap between the two for each of these Plants are as below:

(metric tonnes)

Plant	Items	Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
1	2	3	4	5	6	7	
Star Cement Limited and its two subsidiaries	Coal required *	4,24,636	4,73,806	4,93,365	4,70,145	4,50,096	<b>23,12,048</b>
	Coal procured **	97,047	2,64,674	61,830	1,29,020	1,13,201	<b>6,65,772</b>
	Gap	3,27,589	2,09,132	4,31,535	3,41,125	3,36,895	<b>16,46,276</b>
Amrit Cement Limited and its captive TPP	Coal required *	84,323	1,06,548	1,05,745	1,00,155	1,46,919	<b>5,43,690</b>
	Coal procured **	3,861	88,165	38,785	74,978	31,833	<b>2,37,622</b>
	Gap	80,462	18,383	66,960	25,177	1,15,086	<b>3,06,068</b>
Dalmia Cement (Bharat) Limited and its Captive TPP	Coal required*	2,00,028	2,01,797	1,94,234	2,22,215	2,56,324	<b>10,74,598</b>
	Coal procured **	17,433	98,296	56,208	1,07,092	54,478	<b>3,33,507</b>
	Gap	1,82,595	1,03,501	1,38,026	1,15,123	2,01,846	<b>7,41,091</b>
Goldstone Cement Limited and its Captive TPP	Coal required*	0	0	39,652	1,15,104	1,47,919	<b>3,02,675</b>
	Coal procured **	0	0	5,918	21,295	4,946	<b>32,159</b>
	Gap	0	0	33,734	93,809	1,42,973	<b>2,70,516</b>
Green Valley Industries Limited	Coal required *	58,205	55,262	57,505	64,673	65,398	<b>3,01,043</b>
	Coal procured **	44,844	50,555	46,762	51,068	30,278	<b>2,23,507</b>
	Gap	13,361	4,707	10,743	13,605	35,120	<b>77,536</b>
Hill Cement Company Limited	Coal required *	18,397	32,158	38,548	30,600	35,085	<b>1,54,788</b>
	Coal procured **	0	11,989	9,797	2,248	13,347	<b>37,381</b>
	Gap	18,397	20,169	28,751	28,352	21,738	<b>1,17,407</b>
JUD Cements Limited	Coal required *	29,761	38,604	23,994	28,249	20,576	<b>1,41,184</b>
	Coal procured **	0	16,348	2,099	377	370	<b>19,194</b>
	Gap	29,761	22,256	21,895	27,872	20,206	<b>1,21,990</b>

<i>Meghalaya Cements Limited and its Captive TPP</i>	<i>Coal required *</i>	1,43,334	1,72,873	1,53,873	1,84,291	1,85,140	<b>8,39,511</b>
	<i>Coal procured **</i>	96,533	44,686	45,968	54,012	53,987	<b>2,95,186</b>
	<i>Gap</i>	46,801	1,28,187	1,07,905	1,30,279	1,31,153	<b>5,44,325</b>
<i>Captive TPP of Shyam Century</i>	<i>Coal required *</i>	54,499	46,959	88,743	58,563	29,497	<b>2,78,261</b>
	<i>Coal procured **</i>	43,576	32,461	72,086	13,704	4,960	<b>1,66,787</b>
	<i>Gap</i>	10,923	14,498	16,657	44,859	24,537	<b>1,11,474</b>
<i>Ferrous Limited</i>	<i>Coal required *</i>	10,13,183	11,28,007	11,95,659	12,73,995	13,36,954	<b>59,47,798</b>
	<i>Coal procured **</i>	3,03,294	6,07,174	3,39,453	4,53,794	3,07,400	<b>20,11,115</b>
	<i>Gap</i>	7,09,889	5,20,833	8,56,206	8,20,201	10,29,554	<b>39,36,683</b>

\*: Coal required to produce reported quantities of clinker and/or power

\*\* : Coal reported to be procured from legal sources.

3.1.2 The Committee is of the view that the entire gap of 39.37 lakh MT between the quantity of the coal required to produce reported quantity of the clinker and the electrical power and the coal purchased from legal sources by these Plants during the Audit Period constituting about two-third of the coal requirement of these plants during the Audit Period has been met from the illegally mined local coal. Demand for a huge quantity of illegally mined coal from these plants has sustained and supported a wide scale illegal rat-hole coal mining in the State of Meghalaya in flagrant violation of a ban imposed by the Hon'ble NGT.

3.1.3 Continuance of illegal rat-hole coal mining in the State of Meghalaya to meet the huge requirement of coal for these Cement Manufacturing Plants and the Thermal Power Plants have caused huge damage to flora, fauna, rivers, streams, water bodies and the environment in general in the State of Meghalaya. It has also made the ban imposed by the Hon'ble NGT on illegal rat-hole coal mining virtually inoperative.

**3.1.4** No royalty, taxes and any other statutory levies has been paid to the State of Meghalaya on the illegally mined coal utilised by these Cement Manufacturing Plants and Thermal Power Plants during the

*Audit Period resulting in a huge loss to the State exchequer. In fact ban on the illegal rat-hole coal mining in the State of Meghalaya came as a boon to these Cement Manufacturing Plants and Thermal Power Plants in the State of Meghalaya as it virtually exempted them from the requirement of payment of royalty, taxes and other statutory levies payable on more than two-third of the coal consumed by them. The amounts of royalty (@ Rs. 675 per MT), contribution to Meghalaya Environment Protection and Restoration Fund (MEPR Fund) at the rate of Rs. 485 per MT and GST/VAT @ 5 % of the sale value of approx. Rs. 8,000 per MT amounting to Rs 400 per MT) payable on the illegally mined coal utilised by each of these Cement Manufacturing Plants and Thermal Power Plants during the Audit Period are as below:*

<b>S. No.</b>	<b>Plant</b>	<b>Qt. of illegal coal used (MT)</b>	<b>Royalty</b>	<b>MEPRF</b>	<b>GST/VAT</b>	<b>Total</b>
1.	2.	3.	4.	5.	6.	7
1.	Star Cement Limited and its two subsidiaries	16,46,276	111.124	79.844	65.851	<b>256.819</b>
2.	Amrit Cement	3,06,068	20.660	14.844	12.243	<b>47.747</b>
3.	Dalmia Bharat Cement Ltd	7,41,092	50.024	35.943	29.644	<b>115.610</b>
4.	Goldstone Cement Ltd.	2,70,516	18.260	13.120	10.821	<b>42.200</b>
5.	Green Valley Industries Ltd.	77,536	5.234	3.760	3.101	<b>12.096</b>
6.	Hill Cement Ltd.	1,17,407	7.925	5.694	4.696	<b>18.315</b>
7.	JUD Cement Ltd.	1,21,990	8.234	5.917	4.880	<b>19.030</b>
8.	Meghalaya Cement Ltd.	5,44,325	36.742	26.400	21.773	<b>84.915</b>
9.	Shyam Century Ferrous Ltd.	1,11,474	7.524	5.406	4.459	<b>17.390</b>
	<b>Total</b>	<b>39,36,684</b>	<b>265.726</b>	<b>190.929</b>	<b>157.467</b>	<b>614.123</b>

3.1.5 The royalty and VAT/GST amounting to Rs. 423.194 Crore payable on illegally mined coal utilised by the Cement Manufacturing Plants and Thermal Power Plants, if realised and properly utilised, can significantly enhance living standard of the tribal residents, especially those residing in the areas affected by such illegal coal mining, of the State. Similarly, an amount of Rs. 190.929 Crore payable to MEPR Fund for the said illegally mined coal utilised by these Plants, if properly utilised, may greatly help in restoration of flora, fauna, rivers, streams, water bodies and the environment in general damaged by illegal rat-hole coal mining in the State of Meghalaya.

3.1.6 Claim of these Cement Manufacturing Plants and Thermal Power Plants that about two-third of their coal requirement have been met by a non-fuel mineral (i.e. slate) without making any change in the design of these plants is not tenable. The Committee, based on a detailed analysis given in para 2.2.26 to 2.2.52, is of the view that it is neither technically feasible nor legally permissible for these plants to replace more than two-third of their coal requirement by a non-fuel mineral such as slate.

3.1.7 These Plants have purchased illegally mined local coal in the name of slate to circumvent the ban imposed by the Hon'ble NGT on illegal rat-hole coal mining in the State of Meghalaya and also to evade payment of royalty, GST/VAT and other statutory levies and contribution to MEPR Fund on the coal utilised by them.

3.1.8 Even for the sake of an argument it is assumed that the claim of these plants that more than two-third of their coal requirement during the Audit Period has been met by a non-fuel mineral (viz. slate) without making any change/modification in the design of these plants is true, it would have caused equal, if not more, damage to the flora, fauna, rivers, streams, water bodies and the environment in general in the State of Meghalaya as all such slate has admittedly been mined in an unscientific and haphazard manner without any mitigative measures and without obtaining mandatory mining lease, consent to establish, consent to operate, environmental clearance and authorisation/no-objection certificate from the State Pollution Control Board in a flagrant violation of the existing mining, environmental, pollution control and labour safety laws.

3.1.9 Transportation and use of a huge quantity of illegally mined coal by these plants could not have escaped notice of regulatory authorities, both in the State of Meghalaya and the Union of India. It could not have escaped notice to the District and police administration. Instead of taking actions to prevent use of illegally mined coal by these plants and to initiate appropriate proceedings under relevant provisions of the Mines

and Minerals (Development and Regulation) Act, 1957; the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Environment (Protection) Act, 1986 against these Plants for use of illegally mined local coal, the regulatory authorities have tried to regularise/justify the use of illegally mined coal by accepting royalty on slate claimed to be used by these plants and by supporting the claim of these Plants that it is technically and legally feasible to replace two-third of the coal requirement of these plants by a non-fuel mineral such as slate and the slate can be used by these plants as a waste without obtaining any clearance under the Mines and Minerals (Development and Regulation) Act, 1957; the Water (Prevention and Control of Pollution) Act, 1974; the Air (Prevention and Control of Pollution) Act, 1981; the Environment (Protection) Act, 1986 and the rules, regulations & guidelines framed thereunder.

3.1.10 As per information provided to the Committee by the Mining and Geology Department in the State of Meghalaya, none of these plants participated in a public auction conducted by the State of Meghalaya to sell more than 38,000 MT of seized coal available at locations in close vicinity of majority of these plants. The Committee therefore is of the view that a major part of the coal requirement of these plants is still being met from illegally mined local coal.

### **3.2 RECOMMENDATIONS**

3.2.1 To put a stop to the illegal rat-hole mining of the coal being undertaken in the State of Meghalaya in flagrant violation of the mining, environmental and labour safety laws as well as the orders issued by the Hon'ble Supreme Court and the Hon'ble NGT to meet the requirement of the coal for the Cement Manufacturing Plants and Thermal Power Plants in the State of Meghalaya and also to restore damage caused the flora, fauna, rivers, streams, water bodies and environment in general by illegal rat-hole coal mining, the Committee recommends that the Hon'ble NGT may consider to issue the following directions:-

1. The Chief Secretary of the State of Meghalaya shall undertake monthly review the quantity of clinker and/or power produced by each Cement Manufacturing Plants and Thermal Power Plant in the State of Meghalaya and the quantity of coal purchased by each such plant from legal sources to produce such reported quantities of clinker and/or power. Such review for a month shall be undertaken on or before tenth day of the next month. A quarterly report stating therein the month-wise quantities of clinker and/or power produced, quantity of coal consumed to produce such quantities of clinker and/or power by each such plant and action(s), if any, taken against any such plant in case of any

*anomaly observed during the review shall be submitted to this Tribunal by the Chief Secretary, Meghalaya. Such report for a quarter shall be submitted to this Tribunal on or before fifteenth day of the next quarter.*

*2. The State of Meghalaya; the Ministry of Environment, Forest and Climate Change, Government of India and the Meghalaya State Pollution Control Board shall initiate proceedings in accordance with the provisions of the Mines and Minerals (Development and Regulation) Act, 1957; the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 the Environment (Protection) Act, 1986 and the rules, regulations & guidelines framed thereunder against each of the Cement Manufacturing Plants and the Thermal Power Plants who has used illegally mined local coal after a ban on the rat-hole coal mining in the State of Meghalaya was imposed by this Tribunal in the month of April, 2014.*

*3. The State of Meghalaya shall realise royalty, GST/VAT, contribution to the MEPR Fund and any other statutory tax and/levy payable on the illegally mined coal utilised by these Cement Manufacturing Plants and the Thermal Power Plants in the State of Meghalaya after the ban on illegal rat-hole mining in the State of Meghalaya was imposed by this Tribunal in April 2014.*

*4. To restore the damage caused to the flora, fauna, rivers, streams, water bodies and the environment in general by illegal rat-hole mining of coal and also to mitigate the suffering caused to the local tribal residents by the illegal rat-hole coal mining, the State of Meghalaya shall realise from each of the aforementioned Cement Manufacturing Plants and Thermal Power Plants who have used illegally mined local coal after a ban on illegal rat-hole coal mining was imposed by this Tribunal in the month of April 2014, an amount of Rs. 400 per tonne of coal to be utilised by each such plants on or after the date of this order and deposit the same in the MEPR Fund. Such amount for coal utilised during a month shall be realised on or before fifteenth day of the next month. Not less than fifty percent of these amounts shall be utilised for restoration of damage*

caused to the flora, fauna, rivers, streams, water bodies and the environment in general by illegal rat-hole mining of the coal in the State of Meghalaya. The balance amounts shall be utilised for socio-economic development of the tribal residents in areas affected by the coal mining in the State of Meghalaya. It is clarified that the aforementioned amount of Rs. 400 per MT of coal shall be in addition the contribution to MEPRF at the rate of Rs. 485 per MT of coal already being realised by the State in compliance of earlier orders of this Tribunal. The Chief Secretary, Meghalaya shall formulate draft guidelines for utilisation of these amounts and place the same before the Committee constituted by this Tribunal under Chairmanship of Mr. Justice B.P. Katakey, former Judge, Guwahati High Court. The Committee shall within one month from the date of receipt, examine the draft guidelines and place the same along with the comments/observation before this Tribunal for approval.

5. The North Eastern Regional Directorate of the CPCB shall complete audit of coke claimed to be utilised by the Jaintia Cement Limited and the Virgo Cement Limited and submit a report to the Committee constituted by this Tribunal under Chairmanship of the Mr. Justice B.P. Katakey, former Judge, Guwahati High Court. The North Eastern Regional Directorate of the CPCB shall also submit the report sought by the said Committee in respect of the Captive Thermal Power Plant of Shree Shakambari Ferro Alloys Pvt. Ltd.”

**6<sup>th</sup> Interim Report dated 3.12.2019**

19. The 6<sup>th</sup> Interim Report deal with the objections raised by the State of Meghalaya before the Committee on the ground that the same is in violation of directions of the Hon’ble Supreme Court. After elaborate discussion of each and every objections raised by the State. The Committee summarized its recommendations as follows:-

**“CHAPTER- 6: SUMMARY OF RECOMMENDATIONS**

6.1 *The Committee recommends that the Hon'ble NGT may consider to pass the following directions:*

1. *The State of Meghalaya shall, immediately, provide to the North Eastern Space Application Centre (NESAC), Department of Space, Government of India, Umiam, the location (latitude and longitude) and other details of each dump where coal to be auctioned is located. The NEASC, shall within one week from the date of receipt of these details prepare a geo-referenced map depicting the location of each of these dumps and provide a copy of the same to the Secretary to the Government of Meghalaya, Mining and Geology Department and the Coal India limited for placing a copy thereof along with a list containing name and address of the owner and quantity of coal available at each such dump on their respective websites. (Para 2.20 WI*

2. *The Secretary to the Government of Meghalaya, Mining and Geology Department shall, immediately, place on website of the Department a copy of the additional affidavit containing details of 32,56,715 MT coal stated to be available at various depots filed before the Hon'ble Supreme Court on 10.04.2019 by the Commissioner and Secretary to the Government of Meghalaya, Mining and Geology Department . (Para 2.20 (ii))*

3. *The North Eastern Space Application Centre (NESAC), Department of Space, Government of India, Umiam shall undertake land-use land-cover analysis of areas where coal to be handed over to the Coal India Limited is located by using high resolution satellite imageries for the following period:*

(a) *Immediately before the illegal rat-hole mining of coal was banned by this Tribunal by an order dated 17.04.2014; (Para 2.20 (iii) (a))*

(b) *Immediately before the additional affidavit dated 10.04.2019 containing details of 32,56,715 MT coal stated to be available at various depot was filed before the Hon'ble Supreme Court by the Commissioner and*

*Secretary to the Government of Meghalaya, Mining and Geology Department; and (Para 2.20 (iii) (b)).*

*(c) Once in the year 2015, 2016, 2017 and 2018, preferable in the month of April. (Para 2.20 (iii) (c))*

*4. Based on the said land-use land-cover analysis, the NESAC shall divide the coal available at each of the depot where the 32,56,715 MT coal is stated to be available into three categories namely:*

*(a) The coal continuously existing at the depot since the ban on the illegal rat-hole mining was imposed by this Tribunal on 17.04.2014; (Para 2.20 (iv) (a))*

*(b) The coal dumped at the depot after the filing of additional affidavit before the lion'ble Supreme Court on 10.04.2019; and (Para 2.20 (iv) (b))*

*(c) The coal dumped at the depot on any day between 17.04.2014 and 10.04.2019. (Para 2.20 (iv) (c)).*

*5. The finalisation of the mode and manner for handing over of the coal to the Coal India Limited and the disposal of the coal by the Coal India Limited through e-auction shall not wait completion of the afore-mentioned study by the NESAC. The amount realised from sale of such coal will however not be disbursed to the respective owner till the said study in respect of such coal is completed by the NESAC. (Para 2.20 (v))*

*6. The amount realised from auction of the coal shall be disbursed in the following manner:*

*(a) The State of Meghalaya shall exercise the powers vested on it under subsection (5) of section 21 of the Mines and Mineral (Development and Regulation) Act, 1957 and recover the amounts realised from the auction of the coal which was dumped at the depot after 10.04.2019 and transfer all such amounts along with taxes/royalty/levies realized thereon to the Consolidated Fund of the State of Meghalaya. Contribution to the MEPR Fund realised for such coal shall be transferred to the MEPR Fund. (Para 2.20 (vi) (a))*

*(b) Amounts realised from the sale of the coal which is continuously available in at the Depot shall be transferred to the respective owner. Taxes/royalty/levies realised on such coal shall be transferred to the Consolidated Fund of the*

*State of Meghalaya. Contribution to the MEPR Fund realised for such coal shall be transferred to the MEPR Fund. (Para 2.20 (vi) (b))*

*(c) Details of all such coal which was dumped at a depot between 17.04.2014 and 10.04.2019 shall be placed before the Hon'ble Supreme Court. Disbursal of amounts realised from the sale/auction of such coal shall be done in the manner the Hon'ble Supreme Court may stipulate. (Para 2.20 (vi) (c))*

*7. The State of Meghalaya and the Coal India Limited shall provide all the information and documents sought by the Katakey Committee for finalization of mode and manner of handing over of the coal available at various Depots to the Coal India Limited. The Committee shall finalize the mode and manner for handing over of the coal available at various depots to the Coal India Limited strictly in conformity with the directions issued by the Hon'ble Supreme Court. The State of Meghalaya and the Coal India Limited shall abide by the mode and manners finalised by the said Committee. (Para 2.20 (vii)).*

*8. To resolve disputes involving adulteration of coal quality in a lot between the day it is notified for auction and the day on which entire coal available in such lot is lifted by the successful bidder the collection and maintenance of reference samples by the Coal India Limited in the manner and for a period provided for collection and maintenance of such samples in the normal process of disposal of coal through e-auction by the Coal India Limited shall be an integral component of the mode and manners for handing over of the coal to the Coal India Limited. (Para 2.20 (viii)).*

*9. The mode and manner for handing over of the coal to the Coal India Limited shall contain time-lines for each step involved in handing over of the assessed coal to the CIL and its subsequent auction by the CIL. (Para 2.20 (ix))*

*10. Nature of records to be maintained and the authorities responsible to maintain each such record shall be specified in the mode and manner for handing over of the coal to the Coal India Limited. (Para 2.20 (x)).*

11. Number of officers of different ranks to be deployed by the Coal India Limited to plan, execute and monitor disposal of the coal through e-auction shall be specified in the mode and manner to be finalised by the Katakey Committee. (Para 2.20 (xi))

12. Reserve Price of the coal to be auctioned shall be fixed by the Coal India Limited as per its existing rules and policies for disposal of the coal through e-auction. (Para 2.20 (xii))

13. The Coal India Limited, the State of Meghalaya, the owner of the coal and their officers/employees shall be responsible for their respective acts of omission and commission in any dispute which may arise relating to quality and quantity of the coal stated to be available at various depots. (Para 2.20 (xiii)).

14. The mode of manner for handing over of the coal to the Coal India Limited shall provide for a legally tenable and practically feasible dispute resolution framework. (Para 2.20 (xiv)).

15. The State of Meghalaya shall install and make fully functional, within a month, a system involving establishment of a centralised server, uploading of transport permit/challans and tracking of coal loaded trucks through GPS and RFID tags as stipulated in the said Appendix-X[1 to the EIA Notification, 2016 to prevent and detect multiple use of transport permit/challans. Transportation of the coal in the State of Meghalaya shall not be permitted till the said system is made fully operational. (Para 2.20 (xv)).

16. The State of Meghalaya and the Meghalaya State Pollution Control Board shall initiate necessary actions to file compliant under relevant sections of the Mines and Mineral (Development and Regulation) Act, 1957, the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, and the Environment (Protection) Act, 1986 against the persons responsible for raising of transportation of all such coal which was dumped at any such depot on or after 10.04.2019. (Para 2.20 (xxvi)).

17. An agency not under superintendence and control of the State of Meghalaya shall enquire into the matter of export of illegally mined coal to Bangladesh, in the guise of coal permitted to be transported by various orders passed by the Hon'ble NGT and the Hon'ble Supreme from time-to-time, identify the person(s) responsible for such export and file complaint before the concerned competent Courts of Law under relevant provisions of the Law against all such persons. (Para 3.20 (i))

18. The State of Meghalaya shall place before this Tribunal the periodical details (viz. name & full address) of the exporter for each consignment of coal originating from the Meghalaya which was allowed by the Mining and Geology Department in the Government of Meghalaya for export to the Bangladesh from each of the seven LCS in Meghalaya since the ban on rat hole coal mining in Meghalaya was imposed by the Hon'ble NGT in April, 2014. (Para 3.20 (ii))

19. The State of Meghalaya shall initiate necessary actions in accordance with provisions of Section 21 of the Mines and Minerals (Development and Regulation) Act, 1957 against the persons responsible for export of the illegally raised coal to the Bangladesh from each of the seven LCSs in the State of Meghalaya in the guise of the coal permitted to be transported by the Hon'ble NGT and the Hon'ble Supreme Court by order passed from time-to-time. The actions to be initiated against such persons shall include actions under sub-section (5) of Section 21 of the said Act to recover price of such illegally raised coal along with rent, royalty or tax, as the case may be, payable to the Government in respect of such coal. (Para 3.20 (iii))

20. In case the coal reported to be available at several location between the DMR Checkgate/weighbridge and the Custom exit point at Gasuapara and such other Custom exit points in the State of Meghalaya is not a part of the 32,56,715 MT assessed coal to be handed over to the Coal India Limited for disposal through e-auction the Mining and Geology Department in the State of Meghalaya initiate necessary actions in accordance with provisions of Section

21 of the Mines and Minerals (Development and Regulation) Act, 1957 against the persons responsible for raising and transportation of such coal and submit a report to this Tribunal. Such action shall include actions under sub-section (5) of section 21 of the said Act to recover all such illegally raised coal. (Para 3.20 (iv)).

21. The State of Meghalaya shall within three months, establish integrated check post and temper-proof weigh-in-motion weighbridge at each of the seven LCSs in the State of Meghalaya. Each such integrated check-post and weigh-in-motion weighbridge shall jointly be manned by the representative, one each from the Mining and Geology Department and the Forests & Environment Department in the State of Meghalaya and the Border Security Force (BSF) and the Customs Department in the Union of India. Each such integrated check-post and weigh-in-motion weighbridge shall be provided with an adequate number of CCTV cameras to ensure video recording of the registration number and the consignment loaded in each truck passing through such integrated check-post and the weighbridge. The network of CCTV cameras to be installed at the weighbridge shall also ensure video recording of the display panel indicating weight of each truck passing through such weighbridge. The footage of each CCTV camera installed at each integrated check-post and the weighbridge shall be retained for a minimum period of one year. (Para 3.21 (i))

22. Vigilance wing in the Customs and the BSF in the Union of India and the Home (Police) Department in the State of Meghalaya shall undertake regular inspection of the integrated check-posts and weigh-in-motion weighbridge and submit a quarterly report on such inspections to the Chief Secretary, Meghalaya and their respective Departmental Heads. (Para 3.21 (ii)).

23. The Director General of Police, Meghalaya shall ensure that all the person and vehicles, equipment, tools and machineries involved in raising and transportation of about 80,000 MT seized by the Meghalaya Police are identified and necessary

*action as per the provisions of the Mines and Minerals (Development and Regulation) Act, 1957 and all other relevant Statutes and the rules framed thereunder are taken against all such persons and vehicles, equipment, tools and machineries. The similar actions shall also be taken for the coal, if any, to be seized in future. A monthly report on all the cases where the persons and vehicles, equipment, tools and machineries involved in raising and transportation of the seized coal could not be identified shall be submitted. (Para 4.19. (i))*

*24. The Director General of Police shall provide to the Meghalaya State Pollution Control Board details of persons involved in illegal mining and transportation of the coal. The Meghalaya State Pollution Control Board shall file complaint before the concerned competent Court of Law under relevant sections of the Water (Prevention and Control of Pollution) Act, 1974; the Air (Prevention and Control of Pollution) Act, 1981, the Environment (Protection) Act, 1986 and the rules, guidelines and notifications issued thereunder against such persons. (Para 4.19 (ii)).*

*25. The State of Meghalaya shall formulate a comprehensive policy for auction of the seized coal and place a copy of the same before this Tribunal within a month. The policy shall provide, among others, establishment of a centralised depot in each coal mining affected district for safe and scientific storage of the seized coal and disposal of the seized coal in a fair and transparent manner after giving wide publicity. The Policy shall specifically provide that no coal shall be disposed of without giving a prior notice of atleast thirty (30) days. The copy of each such notice shall be published in atleast two prominent dailies having wide circulation. (Para 4.19 (iii)).*

*26. The State of Meghalaya shall, within a month, formulate a simple procedure for verification of the claims for receipt of ex-gratia from the labourers who received injuries while working in illegal rat-hole coal mines in the State of the Meghalaya and also from the next-of kin of laborers who were killed while working in such mines. Such*

*procedure may contain adequate safeguards to detect, deter and reject false claims. (Para 5.4 (1)).*

*27. State of Meghalaya shall disburse an amount of rupees five lakh to next of kin of each of the labourers who were killed while working in any illegal rat-hole coal mining in the State of Meghalaya including the labourers which were killed in a tragic accident in an illegal rat-hole mine in Ksan village in East Jaintia Hill district in December 2018. {Para 5.4 (ii)}.*

*28. State of Meghalaya shall disburse an amount of rupees five lakh to next of kin of each of the labourers who were killed and rupees two lakh to each of the labourers who received serious injuries while working in any illegal rat-hole coal mining in the State of Meghalaya including the labourers which were killed or received serious injuries in a tragic accident in an illegal rat-hole mine in Ksan village in East Jaintia Hill district in December 2018 and in South Garo Hills District in the year 2012.*

*29. State of Meghalaya, Meghalaya State Pollution Control Board and Central Pollution Control Board, shall implement the Action Plan prepared by the Committee, with modification wherever required and submit periodical report.*

*Before parting with the report, the Committee expresses its sincere gratitude to the Hon'ble National Green Tribunal in giving the opportunity to work on the subject.”*

### **Consideration of objections to the Report**

20. We have perused objections to the reports of the Committee dated 31.08.2019, 02.12.2019 and 03.12.2019 filed by the State of Meghalaya. During the hearing, we confronted learned senior counsel for the State of Meghalaya with the fact that since work of the Committee has been commended by the

Hon'ble Supreme Court as well as by this Tribunal earlier, the nature of objections are not appreciable. Learned senior counsel fairly stated that he will not press the objections. In the response to the report, he merely handed over a note to submit that some of the recommendations were not feasible. We quote the relevant part of the note to consider the said objections:-

S. N.	Recommendation	Not feasible	Reasons for being non-feasible
1	i. The State of Meghalaya shall provide NESAC the Longitudes & Latitudes of each dump where coal is to be auctioned. ii. NESAC to prepare geo-reference mapping for location of each dump and give it to State and CIL. iii. State and CIL will put it on their website.	√	<ul style="list-style-type: none"> <li>• Duplication of exercise of identification of sale-points.</li> <li>• Geo-referencing details already there in affidavit filed by State which has been provided to CIL and the same will be put up on website.</li> <li>• In terms of para 48 and 187-192 of the judgment of Supreme Court this exercise is not required.</li> </ul>
2	NESAC to conduct annual land-use land cover analysis to determine continuous existence of coal on the sale point.	√	<ul style="list-style-type: none"> <li>• Unnecessary exercise.</li> <li>• Supreme Court observed in Para 189 that All this 32,56,715 coal is illegally mined.</li> <li>• Yet directed its disposal thorough CIL and disbursal of funds to owners in paras 192-192.</li> </ul>
3.	NESAC shall then divide each sale-point into 3 categories, viz. (i) Coal continuously existing (ii) Dumped after 17.04.2014 (iii) Dumped after filing of affidavit		Same as in respect of 2 above
4.	Money realized from auction of coal shall not be disbursed till NESAC study is completed		Same as in respect of 2 above
5.	Amount realized shall be disbursed in following manner: (i) For Coal existing prior to 17.04.14-immediately. (ii) For coal dumped between 17.4.14 and filing of affidavit to be placed before SC for further direction. (iii) For coal dumped thereafter – All money to be transferred to State funds.	√	<ul style="list-style-type: none"> <li>• Contrary to Supreme Court judgment. Even after observing in Para 189 that <b>ALL</b> this 32,56,715 Coal is illegally mined, SC directed its disposal thorough CIL and disbursal of funds to owners in Para 192.</li> <li>• In para 186 the Supreme Court has affirmed ownership of private miners on all this 32,56,715 MT Coal and held that their proprietary rights are not extinguished.</li> </ul>
6.	Collection and maintenance of samples from each lot for purpose of future dispute resolution.	√	<ul style="list-style-type: none"> <li>• There are more than 20,000 sale points.</li> <li>• Further, the auction is on 'As is where is' basis and <u>prospective bidders are being given 14 days' time to physically verify the</u></li> </ul>

			<p><u>quantity and quality of coal lying at the dump.</u></p> <ul style="list-style-type: none"> <li>• <u>Owners are also mandated to submit NABL accredited lab certificate as to grade and sulfur content of Coal before their dump is notified for auction</u> and the same shall be part of auction notice.</li> </ul>
7.	Reserve Price of Coal to be auctioned shall be fixed by CIL as per their existing policy.	√	<ul style="list-style-type: none"> <li>• CIL has refused to do so in meeting dated 14.10.2019 and again on 02.12.2019 on the ground that it is not practically possible or technically and financially feasible for CIL to physically verify the quality of each lot of Coal located at 20,000 sale points for fixation of reserve price which is also dependent upon the cost of transportation of the same.</li> <li>• CIL submitted that it has no experience of coal mining in conditions like Meghalaya and has no experience of lifting and transportation of coal in such terrain where most of the stocks can be assed only through smaller four-wheel trucks and the hilly roads also cannot bear the load of huge quantity of coal being transported simultaneously.</li> <li>• These factors substantially affect the reserve price fixation of Coal.</li> <li>• The State of Meghalaya is having more experience of the coal mining and coal trading practices in the State of Meghalaya and having such domain knowledge of marketability of such Coal, is better suited to fixe reserve price.</li> </ul>
8.	CIL / State of Meghalaya/ owner/employee/ officer shall be liable for disputes relating to quality and quantity	√	<ul style="list-style-type: none"> <li>• The question of providing a Dispute Resolution Process in the plan does not arise because Auction is on 'as is where is' basis and Prospective bidders are allowed to inspect the lot before bidding. Hence, no liability of CIL and State of Meghalaya thereafter.</li> <li>• However, in case of a dispute between the seller and the buyer the remedy under ordinary law of the land is always available to them.</li> </ul>
9.	To provide legally tenable and practically feasible Dispute Resolution Mechanism	√	<ul style="list-style-type: none"> <li>• Same as in respect of 8 above.</li> </ul>
10.	Enquiry by an outside Agency into compliants of alleged export of illegally mined coal to Bangladesh and prosecution of persons involved in such alleged illegality	√	<ul style="list-style-type: none"> <li>• It will be an encroachment on executive powers of the State.</li> <li>• As submitted before the Committee, enquiry has already been initiated by the State and appropriate action in accordance with law shall be taken.</li> </ul>
11.	State of Meghalaya to disburse	√	<ul style="list-style-type: none"> <li>• PIL being W.P. (C) No. 3 of 2019</li> </ul>

	an amount of 5 lakh to each labourer deceased in Ksan mine incident of Dec. 2018		<p>has been filed in Hon'ble Supreme Court on that incident.</p> <ul style="list-style-type: none"> <li>• The Hon'ble Supreme Court observed that compensation is required to be paid to kin of victims in order dated 25.02.2019.</li> <li>• State filed I.A. No. 77028/19 on 06.05.2019, inter-alia informing the Court that 3 lakh ex-gratia payments has already been made qua each victim.</li> <li>• The Hon'ble Supreme Court closed all the issues except formulation of Standard Operating Procedure to deal with such mining incidents vide order dated 12.07.2019.</li> </ul>
12.	State of Meghalaya to pay 5 lakh for each death and 2 lakh for each injury in above incident as well as for the incident reported in South Garo Hills District in 2012.	√	<ul style="list-style-type: none"> <li>• For 2012 incident, ex-gratia payment has already been made to those who came forward to make claims and whose claims were found to be genuine.</li> </ul>

21. We have considered the above objections. We are unable to appreciate the reasons for the stand that the recommendations are not feasible. Even if the exercise is considered by the State to be unnecessary, no serious difficulty is shown in doing so. We are unable to hold that any of the direction is against the order of the Hon'ble Supreme Court or not feasible. The dispute resolution process recommended is certainly conducive to the handling of the long pending issues and is necessary for facilitating compliance of the directions for disposal of illegal mined material and the mandate of law. We, thus, reject the objections of the State of Meghalaya. It is a matter of regret that State of Meghalaya, has by uncalled for objections, created a situation to hamper a credible mechanism set up by this Tribunal and approved by the Hon'ble Supreme Court by practically compelling the Chairman of the Committee to seek recusal.

**Directions**

22. Under the circumstances, while accepting all the recommendations of the Committee in its 04<sup>th</sup> Interim Report dated 31.08.2019, 05<sup>th</sup> Interim Report dated 02.12.2019 and 06<sup>th</sup> Interim Report dated 03.12.2019, we also accept the request of Justice B.P. Katakey, former Judge, Guwahati High Court to be relieved.
23. Without in any manner meaning to dilute the exhaustive recommendations of the Committee, the substance of the recommendations of the Committee can be summed up to include monitoring of illegal raising and transportation of coal by the Chief Secretary of the State; steps for punitive measures for illegal mining – filling up gaps in the regulatory regime; action for preventing minimizing and mitigating environment pollution by acidic water from coal depots; electronic recording of movement of coal including by way of GPS and RFID Tags and having a central server for the purpose; inspection of wings of BSF and vigilance department; establishing and supervising check posts and weigh bridges; utilization of the compensation amount for legitimate purposes in terms of the recommendations in the report; continuing Prof. A.K. Singh, nominee, IIT-ISM, Dhanbad as member of the Committee; monitoring of sourcing of illegally mined coal by cement manufacturing/thermal power plants for enforcement of mining law, including punitive and remedial actions for

sourcing of illegally mined material, as found by the Committee; conducting necessary audit; study of land use and land cover analysis; drilling of bore holes in Khlihirt-Sutnga area in East Jaintia Hill District; preparation of geological report and feasibility report for scientific coal mining; compiling information about location of dumps of coal; finalizing mode and manner of handling of coal and its disposal including e-auction; transfer of coal to Coal India Limited; monitoring of illegal export of coal to Bangladesh by an independent agency; adopting satellite surveillance systems; action by the State PCB for enforcement of environmental norms; verification of claims of victims and disbursement of payments to them in the manner suggested by the Committee; implementing action plan prepared by the Committee by the State PCB etc. Compliance of all the recommendations may need to be closely monitored by the Committee.

24. On suggestion of State of Meghalaya, we substitute Justice B.D. Agarwal, former Judge, Guwahati High Court as Chairman of the Committee. We are informed that Justice B.D. Agarwal is Judicial Member of Lokayukt of Manipur State but is willing to undertake the present assignment subject to the State of Manipur relieving him or otherwise permitting him to do so. The State of Manipur may consider this aspect in consultation with Justice B.D. Agarwal. Subject to there being no objection, Justice B.D. Agarwal may take up the assignment at the earliest. The Committee may furnish its

further action taken report after three months preferably by 30.04.2020 by e-mail at [judicial-ngt@gov.in](mailto:judicial-ngt@gov.in).

A copy of this order be sent by e-mail to the Chief Secretary, Meghalaya, CPCB, State PCB, IIT-ISM, Dhanbad, who may also furnish a copy to Prof. A.K. Singh (Retired), Justice B.P. Katakey, Justice B.D. Agarwal, former Judges of Guwahati High Court.

List for further consideration on 12.05.2020.

Adarsh Kumar Goel, CP

S.P Wangdi, JM

Dr. Nagin Nanda, EM

Siddhanta Das, EM

January 17, 2020  
O.A. No. 110(T<sub>HC</sub>)/2012  
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