

Serial No. 01
Regular List

HIGH COURT OF MEGHALAYA
AT SHILLONG

PIL No. 2 of 2022

Date of Order: 09.09.2025

In Re: (Sou Motu): Illegal Mining of Vs. State of Meghalaya & Ors.
coal in the State of Meghalaya

Coram:

Hon'ble Mr. Justice H. S. Thangkhiew, Chief Justice (Acting)
Hon'ble Mr. Justice W. Diengdoh, Judge

Appearance:

For the Petitioner(s) :

For the State Respondent(s) : Mr. A. Kumar, AG with
Mr. K. Khan, AAG
Ms. R. Colney, GA (For R 1)
: Mr. M.Z. Ahmed, Sr. Adv. with
Ms. B. Dutta, Sr. Adv.
Mr. A.M. Dutta, Adv. (For R 2)

Per. H.S. Thangkhiew, Chief Justice (Acting):

1. A Status Report on behalf of the State respondents to the 31st Interim Report filed by the Hon'ble Mr. Justice B.P. Katakey Committee (Retd.), has been filed. A perusal of the same, it is noted that that there are certain issues which still remain unresolved, such as the matter regarding auction purchasers who have not yet lifted the coal and the disposal of the coal in conjunction with the coal-based industries. It is stated in the Report

that in a meeting with the auction purchasers, the reason for non-lifting of the coal was that, there was a drastic reduction in the viability of the international market for export of Meghalaya coal due to political unrest in Bangladesh, which has hindered the business and also due to the ongoing monsoon season which has reduced the demand in the domestic market. It is also stated in the Report that the successful bidders have requested the DMR to allow them to keep the coal in the CIL designated depot, till the demand of coal gains momentum, and that they are ready to pay even an enhanced demurrage charge. With regard to the meeting with coal-based industries in Meghalaya, it is noted that the meeting was convened with all the Cements Plants to encourage them to participate in the auction conducted by Metal Scrap Trade Corporation (MSTC), but it appears that due to the low quality of coal available in the CIL depots, it would not be feasible for the Cements Plants to use the same as they require Grade-1 to Grade-5, for better performance for the end product. With regard to the proposal of concession for bulk purchasers as per the suggestion of the Committee, it is reported that the Government of Meghalaya has forwarded a proposal to the competent authority for approval of concession to industries who purchase coal in large quantity. It is also submitted by the learned Advocate General, that since the SOP is in place, necessary permission is required as this will entail a procedure

which is not contained in the present SOP. With regard to the debarment of defaulting auction purchasers, it is stated that the proposal for insertion of a clause or provision, for debarment of the defaulters in subsequent event, the approval is still awaited, and the same is still lying before the Oversight Committee, since 14.08.2025.

2. On another issue i.e. missing coal at Rajaju and Diengngan Village in South West Khasi Hills, it is reported that as per the directions of this Court and the Committee in its 31st Interim Report, the Deputy Commissioner had submitted a Report dated 08.08.2025, which had been placed before the Committee in its meeting held on 11.08.2025, and that insofar as the difference in amount of coal mentioned in MBDA Report and the amount of coal found in those Villages, an FIR has already been lodged in the Nonghyllam Police Station on 09.07.2025. Further, it is interesting to note that in the Report of the Deputy Commissioner, South West Khasi Hills dated 08.08.2025, the Committee has been informed that on a subsequent verification by teams constituted by the said Deputy Commissioner, it has been revealed that the MBDA Report of January, 2025, contained only drone images of the area without proper geo-coordinates of coal dumps, and hence the initial inspection was conducted only in the concerned Villages and not nearby areas. The Report goes on to state that it has been revealed that the amount of 2.50 MT coal found in

Rajaju Village and 8 MT coal found in Diengngan Village in the survey dated 16.05.2025, is not a complete verification of all the locations where the MBDA has indicated the presence of coal, but was the coal found in these Villages only. It is further reported that for want of exact geo-coordinates, or inaccessibility of the location, the Deputy Commissioner has requested for some more time to conduct a more accurate physical verification to verify the actual coal present, not only in the said 2(two) Villages, but areas around them. It is noted that the Committee has granted further time. It is also reported that though small-scale pilferage of coal stock by Bangladesh smugglers in gunny bags has been observed, there has been no mass scale transportation reported in the area by the District Administration, local headmen and populace.

3. With regard to the coal found outside the CIL designated coal depots, in the survey conducted by M/s Garuda UAV Soft Solution Pvt. Limited, in South Garo Hills District the report of the Deputy Commissioner regarding the missing amount of 35.01 MT coal, states that no coal was found except small amounts of scattered coal in these locations appearing to be of old stock. In West Khasi Hills District, in all 280 dumps pointed out by the aerial survey, which have already been verified by the District Administration, the coal dumps which are in the possession of the State Government, are awaiting volumetric analysis, which till date could

not be conducted because of the onset of the monsoon. In respect of East Jaintia Hills District, it is reported that 57 dumps have been verified till now, and 141 MT of coal has been found in those 57 dumps as against 442 MT, as per the Report. The Committee in this regard has directed the Deputy Commissioner, East Jaintia Hills District to submit a plan chart of dumps which are not accessible at present along with a time frame to complete the physical verification, which shall be submitted to the Committee.

4. On the applications filed by different applicants claiming that their coal has not been included in the survey conducted by M/s Garuda UAV Soft Solution Pvt. Limited, it is noted that the Committee in its meeting dated 11.08.2025, had directed the State Government to submit information regarding details of coal stock of all the applicants in the prescribed format, which has since been submitted to the Committee for its consideration and further directions. It is also reported that in the action taken in compliance of the direction of the Committee, the applications were considered by the State, and it was found that out of 21 persons named in the application, 1(one) person's name was not in the inventory list and 6(six) persons were not covered in the affidavit filed before the Hon'ble Supreme Court, and in this regard show cause notices have issued to those persons who have submitted replies reiterating their claims.

However, it appears that the matter is now pending physical verification of their claims to ascertain the location and quantity of the same, so that, if necessary, a complaint can be lodged against them with specific details. With regard to the other 14(fourteen) persons, their claimed stocked was not found in the aerial survey, and hence not included in the re-assessment process, and as per the directions of the Committee, their claims have also been verified physically and if it matches with the affidavit filed before the Supreme Court, the Committee may take a decision accordingly, or else proceedings will be initiated against them in accordance with law, for violation of MMDR Act, 1956.

5. On another aspect i.e. Coal Audit of Cement Companies and Coke Oven Plants, the Report reflects that the same has not progressed or proceeded and in this context, the Committee has directed that no further time will be allowed and that the entire exercise for auditing the source of coal utilized by Cove Oven Plants, Ferro Alloy Plants and Cement Companies by the Audit Committee shall be completed and a final report be submitted to the Single Member Committee within 1(one) months' time. The Report also touches upon the fact that the Taxation Department shall verify the GST payment made by all Coke Oven Plants, the Meghalaya State Pollution Control Board to submit a fresh report regarding the status of Coke Oven Plants District-wise, which have

obtained Consent To Establish (CTO)/Consent To Operate (CTO), and that all the information was to be submitted to the Committee, within the time granted.

6. On the Mine Closure Plan and Reclamation of Abandoned Coal Mining Areas, the Report also does not give any substantive details as to the progress made, only that the issues pertaining to the proposal which has been submitted by the MIDC, has been returned to the Technical Committee for revaluation with comments of the Oversight Committee.

7. On the Project on Alternative Livelihood, a chart has been made showing that a sum of Rs. 18 Crores has been earmarked for various projects, which has been illustrated therein.

8. This Court on the observations made above, notes that from the last Interim Report, the matter has remained more or less at the same position. It is also important to note that the main issue at hand presently is to ensure the auction of the coal still lying in depots which have not been lifted by the bidders, or yet to be sold by auction. It is reiterated that the disposal of the extracted coal is of extreme importance, inasmuch as, this will mitigate attempts of further illegal extraction and transportation, which will also enable the State, which is introducing Scientific Mining to start on a clean slate. In this regard, this Court observes that perhaps for a more efficacious method of disposal, the Committee may perhaps examine

other avenues, apart from taking steps to grade the coal which is already present in the CIL depots, which can be used by the Cement Based Industries or Coke Oven Plants, which are dependent on coal for their production. On the aspect of concession to bulk consumers also, the proposal should be pursued more actively, to ensure that the extracted coal is disposed of as early as possible.

9. A 32nd Interim Report dated 22.08.2025, has also been filed by the Hon'ble Mr. Justice B.P. Katakey Committee (Retd.), wherein it has also been recommended that proper grading of the quality re-assessed, re-verified inventoried coal presently available in the different CIL designated depots, be conducted immediately and to notify the same, as well, to all the legally established coal based industries in the State of Meghalaya, of such grading, and to further ensure their participation. It is also recommended that there should be immediate submission of the proposal before the Oversight Committee, for further amendment of the Revised Comprehensive Plan, 2022, and for issuance of appropriate notification, incorporating the amendment relating to time limit for payment of bid value, and lifting of the purchased coal, as well as consequences of non-compliance. The 32nd Interim Report has also flagged the issue of illegal Coke Oven Plants in the State and for their demolition, strictly in compliance with the directions issued by the Supreme Court, in

the order dated 25.11.2024, and also for further inspections by a Joint Team of the Officers of the Directorate of Mineral Resources, and so on.

10. The copy of the 32nd Interim Report is taken on board and the same be made available to the parties appearing. The State respondents are also directed to file a status on the same, before the next date.

11. A further remuneration of a sum of Rs. 3.5 Lakhs including other amounts for secretarial expenses etc. shall be paid to the Hon'ble Mr. Justice B.P. Katakey (Retd.)

12. Let the matter appear again on 27.10.2025.

(W. Diengdoh)
Judge

(H.S. Thangkhiew)
Chief Justice (Acting)

Meghalaya
09.09.2025
"V. Lyndem PS"