

No.47011/1(6)/2002-CPAM/CA
Government of India
Ministry of Coal

.....
New Delhi, the 4th November, 2009

To

The Managing Director,
M/s Usha Martin Ltd.
701, "Surya Kiran" Building,
19, Kasturba Gandhi Marg,
New Delhi- 110 001.

Subject: Review Meeting held on 22nd and 23rd June, 2009 to review the progress of coal blocks- delay in implementation of the coal blocks.

Sir,

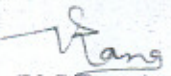
I am directed to refer to this Ministry's letter No.47011/1(6)/2002-CPAM/CA dated 24th August, 2005 conveying allocation of Lohari coal block in the state of Jharkhand for captive mining of coal to M/s Usha Martin Limited in pursuance of Section 3(3)(a)(iii) of the Coal Mines (Nationalization) Act, 1973.

2. In order to expedite the development of the coal block, review meeting was held from time to time with the representatives M/s Usha Martin Limited and last such meeting was held on 22/23.06.2009. Lohari coal block is an explored block wherein ML and Land acquisition is still pending. The company representative informed that the State Government wanted mineral rights to be transferred by CCL to the State Government. CCL has surrendered the mineral rights, but the conveyance deed has not yet been finalized. Para 3 of the allocation letter stipulates that allocation/mining the coal block may be cancelled, inter-alia, on the following grounds:-

- a. Unsatisfactory progress of implementation of their end-use sponge iron plant/power plant.
- b. Unsatisfactory progress in the development of coal mining project.
- c. For breach of any of the conditions of allocation mentioned above.


3. You are advised to remove the aforesaid shortcomings and take steps to develop the coal block without any further delay, failing which the Ministry could be constrained to take action as deemed appropriate in the matter

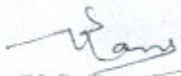
Yours faithfully


(V.S. Rana)

Under Secretary to the Govt. of India

Copy to :The Chief Secretary, Govt. of Jharkhand, Secretariat for information and necessary action at his end.

 NIC, M/Coal


(V.S. Rana)

Under Secretary to the Government of India