

SPEED POST

No.47011/1(28)/2001-CPAM/ CA  
Government of India  
Ministry of Coal

Shastri Bhawan, New Delhi  
Dated the 7<sup>th</sup> July, 2011

Sir,

M/s Tenughat Vidyut Nigam Limited,  
Hinoo, Doranda,  
Ranchi- 834 002  
Jharkhand.

**Subject: Warning for inordinate delay in development of Badam coal block allocated to M/s Tenughat Vidyut Nigam Limited - Regarding.**

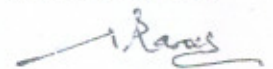
Sir,

I am directed to refer to this Ministry's letter No. 47011/1(28)/2001-CPAM/CA dated 03.11.2003 conveying allocation of Badam coal block for meeting the coal requirement of proposed phase -II (3 x 210) expansion power project/ power plant during the X Plan. The allocation letter categorically stated that the setting up of the proposed expansion programme should be completed by the company by October, 2006 and the coal production from the captive mine will start May, 2007, as per the bar charts submitted by the company. One of the conditions of allocation was that any slippage would render the allocation liable for cancellation of the block from the allocatee.

2. In order to expedite the development of the coal block, various review meetings were held from time to time with the representatives of M/s Tenughat Vidyut Nigam Limited. In the review meeting 22<sup>nd</sup> and 23<sup>rd</sup> June, 2009 the company assured to start production by Dec, 2009. However, in the review meeting held on 20/21.07.2010, it was noticed that no serious efforts were made by the company to develop the coal block, even after repeated assurances tendered by the Company during the period. It was also noted that some of the important/critical milestones such as forest clearance and land acquisition were still pending. It was observed that the company had repeatedly failed to keep its promises made on earlier occasions to this Ministry and thus was non-serious about timely development of the block.

3. Based on the recommendations of the Review Committee in its Meeting held on 20/21.07.2010, a show cause notice was issued vide letter dated 29<sup>th</sup> September, 2010. M/s Tenughat Vidyut Nigam Limited vide its letter No. 780/10-11 dated 21<sup>st</sup> October, 2010 had replied to the show cause notice. The reply was considered by the Review Committee and the reasons given for the delay were not found convincing. Therefore, with the approval of competent authority it has been decided to issue warning to M/s Tenughat Vidyut Nigam Limited in respect of Badam coal block. The allocatee is hereby warned and directed to develop the block immediately. Any further failure in development of the block would lead to necessary action as per the terms and conditions of allocation including de-allocation of the coal block.

Yours faithfully,

  
(V.S.Rana)

Under Secretary to the Govt. of India

Copy to :-The Coal Controller's Organisation, 1, Council House Street, Kolkata

MHC M/o. coal