

No. 47011/1(17)/2001-CPAM/CA-I (Vol.IV)

Government of India

Ministry of Coal

.....

New Delhi, the 12<sup>th</sup> November, 2009

To

(i) M/s Jindal Steel & Power Ltd.

Jindal Centre,  
12, Bhikaji Cama Place,  
New Delhi - 110 066.

(ii) M/s Nalwa Sponge Iron Ltd.

Post-Box No. 7,  
Raigarh- 496 001.  
Chhattisgarh.

**Subject: Review Meeting held on 22<sup>nd</sup> and 23<sup>rd</sup> June, 2009 to review the progress of coal blocks- advisory for delay in implementation of the coal blocks.**

Sir,

I am directed to refer to this Ministry's letter No.13016/34/2005-CA-I dated 13.01.2006 conveying the allocation of Gare Palma IV/6 coal block in the state of Chattisgarh for captive mining of coal to M/s Jindal Steel & Power Ltd., as a leader and M/s Nalwa Sponge Iron Ltd., as an associate under Option -II, 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 meetings were held from time to time with the representatives of M/s Jindal Steel & Power Ltd. and M/s Nalwa Sponge Iron Ltd. In the last Review Meeting on 22/23.06.2009, it was noticed that Gare Palma IV/6 coal block is an explored block wherein FC, ML and Land Acquisition were still pending. The representatives of the company informed that for land acquisition, application has been made to the Collector, Raigarh.

3. As per the normative milestones, the company should have started production of coal from the block before August, 2009. Neither the company has obtained Forest Clearance, EMP clearance, Mining Lease and land acquisition nor fulfilled the assurance given in the last review meeting. The allocatee companies should note that Para 3 of the allocation letter clearly stipulates that allocation/mining lease of the coal block may be cancelled, inter-alia, on the following grounds:-

- d. Unsatisfactory progress of implementation of their end-use sponge iron plant/power plant/cement plant.
- e. Unsatisfactory progress in the development of coal mining project.
- f. For breach of any of the conditions of allocation mentioned.

4. You are, therefore, advised to take immediate measures to remove the aforesaid shortcomings and to develop the coal block without any further delay, failing which the Ministry would 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 Chhattisgarh, Raipur for information and necessary action at his end.

*LTC, 11/10 Coal.*

  
(V.S.Rana)

Under Secretary to the Govt. of India