

**By Speed Post**  
**Immediate**

**No.13016/30/2009 -CA-I**  
**Government of India**  
**Ministry of Coal**

.....

New Delhi, the 18<sup>th</sup> November, 2010

To

The Chairman-and- Managing Director,  
M/s.SKS Ispat and Power Limited,  
(Formerly: M/s SKS Ispat Limited).  
501-B, Elegant Business Park, Andheri Kurla Road,  
J.B. Nagar, Andheri (E), Mumbai- 400 059.

**Subject- Show cause notice for inordinate delay in development of Rawanwara  
North coal block.**

Sir,

I am directed to refer to this Ministry's letter No. 38011/11/2006-CA-I dated 29.05.2007 conveying allocation of Rawanwara North coal block in the state of Chhattisgarh to M/s.SKS Ispat and Power Limited to meet the coal requirement for their 0.57 mtpa sponge iron plant in Raipur, Chhattisgarh.

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.SKS Ispat and Power Limited. In the **review meeting held on 22<sup>nd</sup> and 23<sup>rd</sup> June, 2009 the company assured to submit the Mine Plan by July, 2009.** Again, in the review meeting held on 20/21.07.2010, the Committee noted that all the important/critical milestones which were required to be completed till date as per notmative milstones were still pending for Rawanwara coal block. It is seen that the company has repeatedly failed to keep its promises made on earlier occasions to the Ministry and

is thus non-serious about timely development of the block. The details of milestones to be achieved and the time lapsed against each milestone are given in the table below:-

Mile Stones	Schedule date of Completion	Actual date of Completion	Slippage in YY/MM
Purchase of GR	13.07.07	30.3.2010	2 Yrs.8 Months
Submission of Bank Guarantee	29.8.2007	15.1.2008	5 Months
Mining Lease Application	29.8.2007	Yes	-
Submission of Mining Plan	29.11.2007	7.4.2010	2 Yrs 5 Months
Approval of Mining Plan	29.1.2008		Pending
Application of Previous approval	29.3.2008		Pending
Granting of Previous approval	29.4.2008		Pending
Application of Forest clearance	29.5.2008		Pending
Grant of Forest Clearance	29.11.2008		Pending
Application EMP Clearance	29.5.2008		Pending
Grant of EMP Clearance	29.11.2008		Pending
Grant of Mining Lease	29.5.2009		Pending
Application of Land Acquisition	29.12.2008		Pending
Completion of Land Acquisition	29.5.2010		Pending
Application for opening permission	29.9.2011		-
Grant of Opening permission	29.10.2011		-
Coal Production	29.11.2011		-

3. Under the above circumstances, you are hereby called upon to show cause, on each milestone separately, to this Ministry within a period of 30 days from the date of issue of the show cause notice as to why the delay in the development of the coal block should not be held as violation of the terms and conditions of the allotment <sup>of</sup> Rawanwara coal block failing which it would be presumed that your

company has no explanation to offer and action as appropriate would be taken against your company for deallocation of the said coal block.

Yours faithfully,

  
(V.S.Rana)

Under Secretary to the Govt. of India

Copy to :-

- (i) The Chief Secretary, Government of Madhya Pradesh, Secretariat, Bhopal for information and necessary action at his end.
- (ii) The Coal Controller, Coal Controller Organisation, 1- Council House Street, Kolkata for necessary action.
- ✓ (iii) NIC, Ministry of Coal.