

SPEED POST

No. 38035/2/97-CA-I
Government of India
Ministry of Coal

....

Shastri Bhawan, New Delhi
Dated the 19th November, 2010

To

The Managing Director,
M/s Jharkhand State Mineral Development Corporation,
Khanij Nigam Bhawan, Nepal House Area,
Doanda, Ranchi- 834 002

Subject- Show cause notice for inordinate delay in development of Jogeswar and Khas Jogeswar coal blocks.

Sir,

I am directed to refer to this Ministry's letter of even no. dated 11.04.2008 conveying allocation of Jogeswar and Khas Jogeswar coal blocks to M/s Jharkhand State Mineral Development Corporation under the Government company dispensation in pursuance of the provision of Section 3(3)(a) (i) of the Coal Mines (Nationalization) Act, 1973 subject to certain conditions.

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 Jharkhand State Mineral Development Corporation. In the review meeting held on 22nd and 23rd June, 2009, it was noted that the even bank guarantee had not been submitted and Chief Secretary, Jharkhand was requested to look into the matter and expedite opening of the mine. 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 Jogeswar & Khas Jogeswar coal blocks. It is seen that the company has repeatedly failed to keep its promises made 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	26.05.2008	29.05.08	-
Submission of Bank Guarantee	11.07.2008	24.7.2010	2 Yrs
Mining Lease Application	11.07.2008	18.07.08	-
Submission of Mining Plan	11.10.2008		Pending
Approval of Mining Plan	11.12.2008		Pending
Application of Previous approval	11.02.2009		Pending
Granting of Previous approval	11.03.2009		Pending
Application of Forest clearance	11.04.2009		Pending
Grant of Forest Clearance	11.10.2009		Pending
Application EMP Clearance	11.04.2009		Pending
Grant of EMP Clearance	11.10.2009		Pending
Grant of Mining Lease	11.04.2010		Pending
Application of Land Acquisition	11.11.2009		Pending
Completion of Land Acquisition	11.04.2011		-
Application for opening permission	11.08.2011		-
Grant of Opening permission	11.09.2011		-
Coal Production	11.10.2011		-

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 Jogeswar and Khas Jogeswar coal blocks 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 blocks.

Yours faithfully,


(V. S. Rana)

Under Secretary to the Government of India

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