

BY Speed Post
Immediate

No. 13016/29/2003-CA-I
Government of India
Ministry of Coal

.....
New Delhi, the
June, 21st 2011

To

The Chairman-cum-Managing Director,
M/s National Thermal Power Corporation,
NTPC Bhawan, Scope Complex,
7 Institutional Area, Lodhi Road,
New Delhi.

Subject: Warning for inordinate delay in development of Pakri Barwadih coal block allocated to M/s National Thermal Power Corporation (NTPC) - Regarding.

Sir,

I am directed to refer to this Ministry's letter No. 13016/29/2003-CA-I dated 11.10.2004 conveying allocation of Parki Barwadih coal block to M/s NTPC under the Government Company dispensation in pursuance of the provisions of the 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 NTPC. NTPC had earlier proposed, vide letter dated 01.12.2006, that the production of Pakri Barwadih coal block will start from 2008-2009. The matter of development of coal blocks allocated to NTPC was also discussed in the PMO on 12.01.2007 where, CMD, NTPC was directed to make all out efforts to develop the blocks allocated to NTPC. Subsequently, in the meeting held in October, 2008 an assurance was given by the company to commence production from March, 2009. But the same was also not materialized. The progress was noted in the review meeting held on 22nd and 23rd June, 2009 and the company was requested to take corrective measures for early production from the said block.

3. However, in the review meeting held on 20/21.07.2010, it was noticed that no serious efforts have been made by the company to develop the coal block, even after repeated assurances tendered by the Company during the period. It is also noted that some of the important/critical milestones such as Forest Clearance (Stage -II) and land acquisition are still pending. It has been seen that the company has repeatedly failed to keep its promises made on earlier occasions to this Ministry and thus non-serious about timely development of the block.

...2....

4. 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 29th September, 2010. The reply of M/s NTPC was considered by the Review Committee and the reasons given for the delay were not found convincing. Therefore, with the approval of the Competent Authority, it has been decided to issue warning to M/s NTPC in respect of development of Pakri-Barwadih coal block. The allocatee is hereby warned and further directed to take action to develop the coal block as per milestones fixed for different activities. In case of failure to achieve milestones in the stipulated time action will be initiated 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.

✓ LIC M/o. Coal