

No. 47011/1(13)/2001-CPAM/CA-I
Government of India
Ministry of Coal

....

Shastri Bhawan, New Delhi
Dated the 23rd September, 2010

To

M/s Bhushan Steel & Power Limited,
F- Block, 1st Floor,
International Trade Tower,
Nehru Place,
New Delhi.

Subject- Show cause notice for inordinate delay in development of Jamkhani coal block.

Sir,

I am directed to refer to this Ministry's letter No. 47011/1(13)/2001-CPAM/CA dated 12.11.2003 conveying allocation of Jamkhani coal block for meeting the coal requirement of their 2.6 mtpa of coal for 0.68 mpa sponge iron plant and 135 MW CPP.

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 Bhushan Steel & Power Limited. In the **review meeting 22nd and 23rd June, 2009 the company assured to commence coal production from March, 2010.** 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 land acquisition and R&R are still pending. It is 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. 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	27.12.2005	5.5.2005	N
Submission of Bank Guarantee	NA		
Mining Lease Application	5.6.2005	20.6.2005	N
Submission of Mining Plan	5.9.2005	Nov.2005	1 Months
Approval of Mining Plan	5.1.2006	14.7.2006	6 Months
Application of Previous approval	5.3.2006	Y	-
Granting of Previous approval	5.4.2006	Y	-
Application of Forest clearance	5.5.2006	30.8.2005	3 Months
Grant of Forest Clearance	5.11.2006	N	-
Application EMP Clearance	5.5.2006	16.3.2006	N
Grant of EMP Clearance	5.11.2006	24.9.2008	1 Yr 9 Months
Grant of Mining Lease	5.5.2007	N	-
Application of Land Acquisition	31.12.2006	15.6.2005	Before submission
Completion of Land Acquisition	5.5.2008	N	-
Application for opening permission	5.9.2008	N	-
Grant of Opening permission	5.10.2008	N	-
Coal Production	5.11.2008	N	-

Zero date calculated from the date of GR (5.5.2005). Stage-I forest clearance obtained in July.2008. All formalities for St-II forest clearance completed.. Mining Lease to be obtained after forest clearance.

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 of Jamkhani 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 Jamkhani coal block.

Yours faithfully,


(V. S. Rana)

Under Secretary to the Government of India

✓ NIC m/o
Coal