

New Delhi, the 16<sup>th</sup> October, 2009

To,

The Chairman-and- Managing Director,  
M/s.Chhattisgarh Mineral Development Corporation (CMDC)  
Sona Khan Bhawan, Ring Road 1,  
Village Purena, PO Ravigram, Raipur - 492 006..

**Subject: Review Meeting held on 22<sup>nd</sup> and 23<sup>rd</sup> June, 2009 to review the progress of coal blocks- Show-cause notice for delay in implementation of the Shankarpur(Bhatgaon II) Extn. coal block.**

Sir,

I am directed to refer to this Ministry's letter No. 13016/8/2007-CA-I dated 25.07.2007 regarding the allocation of Shankarpur(Bhatgaon II) Extn. coal block to M/s CMDC under Government Company Dispensation in pursuance of the provisions of Section 3(3) (a)(i) of the Coal Mines (Nationalization) Act, 1973 and the revised policy of coal mining by the State Government..

2. In order to expedite the development of the coal block, review meetings were held from time to time with the representatives of the M/s CMDC. In this regard, in the review meeting held on 25/26.03.2008, it was noticed that the block is explored and BG has been submitted and GR has been purchased. MP was being prepared by CMPDI, and submitted by July, 2008. In the subsequent review meeting held on 15/16.10.2008, it was noticed that there was no further progress in developing the block. In the review meeting held on 22/23.06.2009 except for approval of mine plan on 02.08.2009, the issues relating to ML, EMP clearances, forest clearance and application for land acquisition were pending indicating a very slow progress. In para 2(x) of the allocation letter dated 25.07.2007, it is clearly mentioned that the milestone chart appended shall be adhered to. Any slippage would render this allocation liable for cancellation, and withdrawal of block from the allocatee. In spite of a passage of more than two years, no serious effort has been made by your company to develop the coal block as per the milestone chart appended to the allotment letter. Consequently, the development of the coal block has been inordinately delayed.

3. Under the above circumstances and in pursuance of the para 2(xiii) of letter no. 13016/8/2007-CA-I dated 25.07.2007, you are hereby called upon to show cause as to why delay in the development of the coal block should not be held as violation of the terms and conditions of the allotment of block, within a period of 15 days from the date of issue of this failing which it will be presumed that the your company has no explanation to offer and action as appropriate will be taken.


Yours faithfully,

  
(V.S. Rana)

Under Secretary to the Government of India

Copy to :The Chief Secretary, Govt. of Chhattisgarh for information and necessary action at his end.

*ATC, M/o Coal*

  
(V.S. Rana)

Under Secretary to the Government of India