

No.13016/95/2006-CA-I
Government of India
Ministry of Coal

....
New Delhi, the 13th January, 2014

To,


The Chairman
M/s Jharkhand State Electricity Board (JSEB)
Engineering Building
H.E.C., Dhurwa, Ranchi-4

**Subject : Show Cause Notice to M/s Jharkhand State Electricity Board
in respect of Banhardih coal block- regarding.**

Sir,

I am directed to refer to this Ministry's letter No. 13016/23/2006-CA-I dated 2nd August, 2006 conveying allocation of Banhardih coal block to M/s Jharkhand State Electricity Board (JSEB) in pursuance of provisions of Section 3 (3)(a)(i) of the Coal Mines (Nationalization) Act, 1973 subject to certain conditions. One of the conditions of allocation was that the exploration of coal block shall be done either through CMPDIL or under the direct supervision of CMPDIL. Prospecting License shall be applied for within three months of the date of allotment and the detailed exploration shall be completed as the earliest. After the detailed exploration is completed, the allocatee of the block shall proceed to develop the mine ensuring the earliest commencement of production. The milestones chart appended herewith shall be adhered to strictly. Any slippage would render this allocation liable for cancellation, and withdrawal of block from the allocatee.

2. The Government constituted an Inter-Ministerial Group (IMG) on 21.06.2012 under the Chairpersonship of Additional Secretary (Coal), Ministry of Coal having members from Ministry of Power, Ministry of Steel, Ministry of Commerce & Industry, Department of IPP, Ministry of Law and Justice, Department of Legal Affairs, Department of Economic Affairs. The IMG has the mandate to review the progress of development of allocated coal blocks and associated end use projects and to recommend action including de-allocation, if required. The IMG in its 22nd Meeting held on 23.10.2013 inter alia considered the status of the development of the Banhardih coal block prepared by the Coal

...2/- 

Controller's Organisation (CCO) as on June, 2013 noted that no significant progress has been made by your company towards development of coal block. It has been noticed that a number of important/critical milestones are pending. The details of milestones to be achieved and the time lapsed against each milestone, as reported by the Office of Coal Controller, are given in the table below :

Mile Stones	Schedule date of Completion	Actual date of Completion	Slippage in YY/MM (as on June.13)	Remarks	Special Observation
Purchase of GR	28.5.2015 (27 Months from DOA)	Pending	-	300 mts drilling completed as on date.	Drilling is started and preparation of GR from 20.4.13. Drilling of one site completed.
Submission of Bank Guarantee	28.8.2015 (3 Months)	Not applicable			
Mining Lease Application	28.8.15 (3 Months from GR preparation)	Pending	-		
Submission of Mining Plan	28.11.15 (6 Months) from GR preparation	Pending	-		
Approval of Mining Plan	28.1.16 (8 Months)	Pending	-		
Application of Previous approval	28.3.16 (10 Months)	Pending	-		
Granting of Previous approval	28.4.16 (11 Months)	Pending	-		
Application of Forest clearance	28.5.16 (12 Months)-	Pending	-		

Grant of Forest Clearance	28.11.16 -(18 Months)	Pending			
Application EMP Clearance	28.5.16 (12 Months)	Pending	-		
Grant of EMP Clearance	28.11.16 (18 Months)	Pending	-		
Grant of Mining Lease	28.5.17 (24 Months)	Pending	-		
Application of Land Acquisition	28.12.16 ((19 months) from GR	Pending	-	Land schedule of an area 18 Sq. Km.	
Completion of Land Acquisition	28.5.18 (36 Months)	Pending	-		
Application for opening permission	28.9.18 (40Months)	Pending	-		
Grant of Opening permission	28.10.18 (41Months)	Pending	-		
Coal Production	28.11.18 (42 Months)	Pending	-	OC mine with forest land	

Keeping in view the unsatisfactory progress, IMG recommended to issue show cause notice for delay in development of coal block. The recommendation of IMG has since been considered and accepted by the Government.

4. Under the above circumstances, you are hereby called upon to show cause, on each milestone separately to this Ministry within a period of **20 days** from the date of issue of this 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 allocation of **Banhardih Coal block** and why the block should not be de-allocated failing which it would be presumed that ~~the~~ your company has no explanation to offer and action as appropriate would be taken against your company for de-allocation of the said coal block.

...4/-

5. You are also requested to furnish a detailed status note on the progress of end use plant(s) (EUPs) for which the above mentioned coal block was allocated to you.

Yours faithfully,



[S.K.SHAHI]

Director

Tel.23382807

COPY TO :

- (i) The Coal Controller, Coal Controller Organisation, 1- Council House Street, Kolkata.
- (ii) NIC, Ministry of Coal for uploading the letter on Ministry's website.