

No. 13016/27/2008-CA-I

Government of India

Ministry of Coal

.....

New Delhi, the ^{2nd} January, 2014

To,

M/s Tata Steel Limited
Jeevan Bharti Building Tower 1,
10th Floor, 124 Connaught Circus,
New Delhi - 110 001

M/s Adhunik Thermal Energy Limited,
Corporate Office: "Lansdowne Tower"
2/1 A. Sarat Bose Road, Kolkata - 700020

Subject : Show Cause Notice to M/s Tata Steel Limited and M/s Adhunik Thermal Energy Limited in respect of Ganeshpur coal block-regarding.

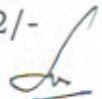
Sir,

I am directed to refer to this Ministry's letter No. **13016/27/2008-CA-I dated 28.05.2009** conveying allocation of **Ganeshpur coal block** in pursuance of provisions contained in Section 3(3)(a) (iii) of the Coal Mines (Nationalization) Act, 1973, subject to certain conditions. One of the conditions of allocation was that Coal production from the captive block shall commence, within 36 months (42 months in case the area is in forest land) in case of open cast mine and in 48 months (54 months in case the area fall under forest land) in case of Underground mine. The end-use project schedule and the coal mine development schedule should be modified accordingly and submitted to the Ministry within 3 months from the date of allocation.

2. In order to expedite the development of the coal block, review meetings were held from time to time. In the review meeting held on 11/12.01.2012 the Committee noted that it was seen that production from the few coal blocks will be started in the year 2011- 2012 or the near future as per the indicated schedule. It is the recommendation of the Committee that the allocatees of these coal blocks be advised to start mining/ coal production in 2011-12 or as per the indicated schedule or production failing which appropriate action will be initiated.

3. In the meantime, the Government constituted an Inter-Ministerial Group (IMG) on 21.06.2012 under the Chairpersonship of Additional Secretary (Coal),

...2/-



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 Ganeshpur coal block prepared by the Coal 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	13.7.2009 (45 days from DOA)	9.10.09	3 Months		
Submission of Bank Guarantee	28.8.2009 (3 Months)	28.8.09	-		
Mining Lease Application	28.8.2009 (3 Months from GR preparation)	Yes	-	Mining lease: 212 Ha Forest land: 168 ha	
Submission of Mining Plan	28.11.2009 (6 Months) from GR preparation	1.6.10	7 Months		
Approval of Mining Plan	28.1.2010 (8 Months)	14.2.2011	1Yr		
Application of Previous approval	28.3.2010 (10 Months)	Yes	-		
Granting of Previous approval	28.4.2010 (11 Months)	28.2.13	2Yr 10 Months	Government of JH has requested MOC for	

				<i>relaxatio n U/s 6(1) of MMDR Act. On 29.5.13. Decision is awaited.</i>	
Application of Forest clearance	28.5.2010 (12 Months)	24.8.10	3 Months		FDP done and submitted on 4 th March.13. Site inspection was expected by RO, Bhubaneswar in July.13
Grant of Forest Clearance	28.11.2010 (18 Months)	Pending	2Yrs 7 Months		
Application EMP Clearance	28.5.2010 (12 Months)	27.8.2011	1Yr 3 Months		
Grant of EMP Clearance	28.11.2010 (18 Months)	28.6.13	2Yrs 7 Months		
Grant of Mining Lease	28.5.2011 (24 Months)	Pending	2Yrs		
Application of Land Acquisition	28.12.2010 ((19 months) from GR	Yes	-	Total land: 398 Ha Pvt land: 208 Ha, Govt land: 22 Ha, Forest land: 168 Ha	26.46 acres of Pvt. land has been acquired through direct negotiation.
Completion of Land Acquisition	28.5.2012 (36 Months)	pending	1Yr 1 month		NOC and Gram Sabha done for 2 villages.

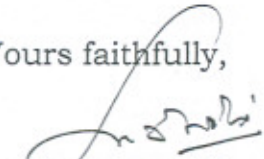
Application for opening permission	28.9,2012 (40 Months)	pending	9 Months		
Grant of Opening permission	28.10.2012 (41Months)	pending	8 Months		
Coal Production	28.11.2012 (42Months)	Pending	7 Months	OC mine with forest land.	Needs to expedite the project by State Govt.

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 **Ganeshpur 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.

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.