

SHOW CAUSE NOTICE

No.13011/ 48 /2012-CA-I
Government of India
Ministry of Coal

New Delhi, dated 4th May, 2012

To

M/s Castron Mining Limited,
504, Diamond Prestige
41A A.J.C. Bose Road,
Kolkata- 700017

Subject: Show cause notice in respect of Bramhadih coal block.

Sir,

I am directed to refer to this Ministry's letter No.47011/(13)/99-CPAM dated 01.09.1999 conveying allocation of **Bramhadih** coal block in pursuance of the provisions contained in Section 3(3)(a) 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 falls under forest land) in case of UG mine from the date of allocation letter. 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, various review meetings were held from time to time with the representatives of the company. In the review meeting held on 11/12.01.2012, 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 the



important/critical milestone of coal production is pending for **Bramhadih** coal 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	10.4.1996	Y	-
Submission of Bank Guarantee	NA		
Mining Lease Application	26.5.1996	Y	-
Submission of Mining Plan	26.8.1996	Y	-
Approval of Mining Plan	26.10.1996	Y	-
Application of Previous approval	26.12.1996	Y	-
Granting of Previous approval	26.1.1997	-	-
Application of Forest clearance	26.2.1997	Y	-
Grant of Forest Clearance	26.8.1997		
Application EMP Clearance	26.2.1997	Y	-
Grant of EMP Clearance	26.8.1997	Y	-
Grant of Mining Lease	26.2.1998	Y	-
Application of Land Acquisition	26.9.1997	Y	-
Completion of Land Acquisition	26.2.1999	Y	-
Application for opening permission	26.4.2000	Pending	11years 11months (3/2012).
Grant of Opening permission	26.6.2000	Pending.	11years 9 months (3/2012)
Coal Production	26.8.2000 (54 Months)	Pending	11years 7 months (3/2012)

3. 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 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 Bramhadih 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 de-allocation of Bramhadih coal block.



(Sandeep Gupta)

Under Secretary to the Govt. of India

Copy to The Coal Controller, Coal Controller Organisation, Kolkata.