

**No. 38011/23/2003-CA-I
Government of India
Ministry of Coal**

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New Delhi, the 24th December, 2013

To,

M/s Tata Steel Limited
Jeevan Bharati Building
10th Floor, 124, Connaught Circus,
New Delhi.

Subject : Seeking of explanation from M/s TATA Steel Limited for slow progress in respect of Kotre-Basantpur and Pachmo coal blocks -regarding.

Sir,

I am directed to refer to this Ministry's letter No. 38011/23/2003-CA-I dated 11th August, 2005 conveying allocation of **Kotre-Basantpur and Pachmo coal blocks** in **Jharkhand** subject to certain conditions.

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, it was noticed that the progress of the Kotre-Basantpur and Pachmo coal blocks allocated to the company is not satisfactory. Committee expressed concern over unsatisfactory progress and advised M/s Tata Steel Limited to expedite the development of the coal block. Accordingly, an advisory letter dated 26th April, 2012 was issued to the company with the direction to expedite the development of the coal block and development of end use plant so as to ensure expeditious production of coal from the allotted coal block with respect to the milestones stipulated.

3. In the meantime, 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. IMG in its 19th Meeting held on 25.06.2013 *inter alia* considered the status of the development of the Kotre-Basantpur and Pachmo coal blocks prepared by the Coal Controller's Organisation (CCO) as on March, 2013 and 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 :-

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Mile Stones	Schedule date of Completion	Actual date of Completion	Slippage in YY/MM (as on Mar.13)	Remarks	Special Observation
Purchase of GR	15.9.2005 (45 days)	23.9.2005	-		
Submission of Bank Guarantee	11.11.2005 (3 months from DOA)	1.11.2005	-		Valid upto 11.8.2013
Mining Lease Application	11.11.2005 (3 months)	5.12.2007	2Yrs 1 Month	ML area :- 781.91 Ha	
Submission of Mining Plan	11.2.2006 (6 months)	20.12.2006	10 Months		
Approval of Mining Plan	11.4.2006 (8 Months)	21.1.2008	1Yr 9 months		Approval for MCP submitted to MOC on 28.1.13.
Application of Previous approval	11.6.2006 (10 months)	Yes	-		
Granting of Previous approval	11.7.2006 (11 months)	22.11.2012	6Yrs 4 Months		
Application of Forest clearance	11.8.2006 (12 months)	14.5.2008	1Yr 9 Months	518.14 acres non forest Govt land identified in Gumla distt. And 524 acres Govt land identified in Palkot block.	53 acres non forest Pvt land purchased.
Grant of Forest Clearance	11.2.2007 (18 months)	Pending	6Yrs 1 Months		
Application EMP Clearance	11.8.2006 (12 months)	5.6.2007	10 Months		
Grant of EMP Clearance	11.2.2007 (18 months)	18.5.2009	2yrs 3 Months		

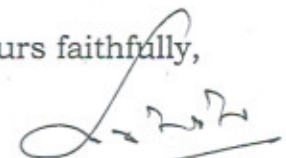
Grant of Mining Lease	11.8.2007 (24 months)	Pending	5Yrs 7 Months		
Application of Land Acquisition	11.3.2007 (19 months)	15/28.2.2008	1Yr	Application for mutation of land is pending with district authority.	Total Land: 1061 Ha. Pvt. Land: 132Ha. Govt. land: 32.39 Ha. Forest Land: 896.61 Ha.
Completion of Land Acquisition	11.8.2008 (36 months)	Pending	4Yrs 7 Months	Delay due to transfer of surface right and mineral right from CCL to TSL.	Land transferred to TSL under deed of conveyance in Feb2008.
Application for opening permission	11.12.2008 (40 Months)	Pending	4Yrs 3 Months		
Grant of Opening permission	11.1.2009 (41 months)	Pending	4Yrs 2 Months		
Coal Production	11.2.2009 (42 Months)	Pending	4Yrs 1 Months	Needs to expedite the project.	Approval of rail connectivity is awaited at CCL

Keeping in view the **slow progress**, IMG recommended to seek **explanation for slow progress** in development of coal blocks. The recommendation of IMG has since been considered and accepted by the Government.

4. Under the above circumstances, you are hereby called upon to **explain**, on each milestone separately to this Ministry within a period of **20 days** from the date of issue, the reasons for slow progress as well as the efforts made by you in development of the coal block, failing which it would be presumed that your company has no explanation to offer and action as appropriate would be taken.

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 :-

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- (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.