

**SPEED POST**

**No. 13016/49/2009-CA-I  
Government of India  
Ministry of Coal**

.....

New Delhi, the

16<sup>th</sup> December, 2013

To,

**M/s. Jharkhand Integrated Power Limited**

I-Block, 2<sup>nd</sup> Floor, North Wing,  
Dhirubhai Ambani Knowledge City,  
Thane Belapur Road, Koparkhairane,  
NAVI MUMBAI-400710.

**Subject : Show Cause Notice to M/s Jharkhand Integrated Power Limited in respect of Kerandari 'B' & 'C' coal blocks - regarding.**

Sir,

I am directed to refer to this Ministry's letter No. 13016/4/2006-CA-I dated 20<sup>th</sup> July, 2007 conveying allocation of Kerandari 'B' & 'C' coal block by M/s Jharkhand Integrated Power Limited (a subsidiary of the Power Finance Corporation) 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 Kerandari 'B' & 'C' coal block allocated to the company is not satisfactory. Committee expressed concern over unsatisfactory progress and advised M/s Jharkhand Integrated Power Limited to expedite the development of the coal block. Accordingly, an advisory letter dated 26<sup>th</sup> 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 19<sup>th</sup>

Meeting held on 25.06.2013 *inter alia* considered the status of the development of the Kerandari 'B' & 'C' coal block 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 :-

Mile Stones	Schedule date of Completion	Actual date of Completion	Slippage in YY/MM (as on Mar.13)	Remarks	Special Observation
Purchase of GR	21.9.2009 (45 days)	3.12.2009	3 Months		
Submission of Bank Guarantee	7.11.2009 (3 months)	5.8.2010	9 Months		
Mining Lease Application	7.11.2009 (3 months)	7.5.2010	6 Months	ML 4500 Ha	
Submission of Mining Plan	7.2.2010 (6 months)	9.6.2010	4 Months		
Approval of Mining Plan	7.4.2010 (8 Months)	29.10.10	6 Months		
Application of Previous approval	7.6.2010 (10 Months)	Pending	2Yrs 9 Months	ML application is pending with State Govt.	
Granting of Previous approval	7.7.2010 (11 months)	Pending	2 Yrs 8 Months		
Application of Forest clearance	7.8.2010 (12 months)	10.5.2011	9 Months	State Forest Deptt. has recommended the proposal to State Govt for onward transmission to MOEF.	
Grant of Forest Clearance	7.2.2011 (18 months)	Pending	2 Yrs 1 Month		

Application EMP Clearance	7.8.2010 (12 months)	5.4.2010	-	MOEF presentati on done.	
Grant of EMP Clearance	7.2.2011 (18 months)	Pending	2Yrs 1 Month		
Grant of Mining Lease	7.8.2011 (24 months)	Pending	1Yrs 7 Months		
Application of Land Acquisition	7.3.2011 (9 months)	18.2.2009	-		Total Land: 4500 Ha. Pvt. Land: 2407 Ha. Govt. land: 350.50 Ha. Forest Land: 1742.5 Ha.
Completion of Land Acquisition	7.8.2012 (30 months)	Pending	4Yrs 7 Months		
Application for opening permission	7.12.2012 (46 months)	Pending	3 Months		
Grant of Opening permission	7.1.2013 (47 months)	Pending	2 Months		
Coal Production	7.2.2013 (48 Months)	Pending	1 Month	OC mine with forest land.	Require to expedite the project by Developer.

Keeping in view the unsatisfactory progress, IMG recommended issue of 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 Kerandari 'B' & 'C' 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.