

**No.38035/2/97-CA/CA-I**

Government of India

Ministry of Coal

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Shastri Bhawan, New Delhi  
Dated : the 29<sup>th</sup> February, 2016

To,

**Shri Anjani Kumar, Coal Controller,**  
Coal Controller Organisation,  
1, Council House Street,  
Kolkata -700 001.

**Subject : Invocation of Bank Guarantee in respect of Jogeshwar and Khas Jogeshwar coal blocks earlier allocated to Jharkhand State Mineral Development Corporation ( JSMDC).**

Sir,

I am directed to refer to the subject mentioned above and to say that it was decided by this Ministry to review the issue of invocation/release of BG of Jogeshwar and Khas Jogeshwar coal blocks by the Inter-Ministerial Group (IMG) for the delay in development of coal blocks until it were held by the prior allottee. The IMG in its 33<sup>rd</sup> meeting held on 03.12.2015 had observed that as per allocation letter of Jogeshwar and Khas Jogeshwar coal blocks, 50% of BG was related to achievement of milestones stipulated for development of coal block and the rest 50% was related to production. There was delay attributable to the company in compliance of milestones stipulated for development of Jogeshwar and Khas Jogeshwar coal blocks. However, Jogeshwar and Khas Jogeshwar coal blocks could not commence production till its cancellation by the Hon'ble Supreme Court and hence the BG determined to be deducted in respect of lag in production is determined to be NIL. Accordingly, the IMG had recommended to invoke an amount of Rs.0.39196 crores from the BG submitted by the prior allottee in respect of Jogeshwar & Khas Jogeshwar coal blocks. The said recommendation of the IMG has been accepted by the Government.

2. In view of the above, an amount of Rs.0.39196 Crores from the Bank Guarantee furnished by prior allottees of Jogeshwar and Khas Jogeshwar coal blocks be invoked and the same may be deposited in the relevant Government Account. The remaining BG, if any, be returned to prior allottee(s). Action taken report may be furnished to this Ministry at the earliest.

Yours faithfully,

  
[Rishan Rynthang]

Under Secretary to the Government of India

Copy to :-

1. The Chief Secretary, Govt. of Jharkhand, 1st Floor, Project Building, Dhurwa, Ranchi- 834004.

2. The Managing Director, Jharkhand State Mineral Development Corporation, Khanij Nigam Bhavan, Nepal House Area, Doranda, Ranchi- 834 002.

3. TD, NIC, Ministry of Coal for uploading this letter on the web-site of Ministry of Coal.