

MOST IMMEDIATE/BY SPEED POST

No 13016/77/2008-CA-I

Government of India

Ministry of Coal

.....
New Delhi, dated the 5th August, 2015

To

1. The Managing Director,
M/s Jindal Steel & Power Ltd.,
12, Bhikaji Cama Place, New Delhi-66.

2. The Managing Director,
M/s Monnet Ispat & Energy Ltd.,
Monnet House, 11, Masjid Moth,
Greater Kailash Part-II,
New Delhi-110048.

Subject: Deduction and encashment of proportionate amount of Bank Guarantee of **Urtan North** coking coal block in the State of Madhya Pradesh allocated to M/s Jindal Steel & Power Ltd. and M/s Monnet Ispat & Energy Ltd.- Regarding

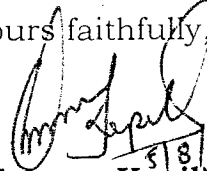
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Sir,

In continuation of this Ministry's de-allocation letter of even number 17th December, 2013 on the above subject, I am directed to say that as mentioned in para 7 of the said letter conveying deduction and encashment of proportionate Bank Guarantee (BG) linked to the milestones set for delay in the development of the said coal block as per the allocation letter, Coal Controller's Organisation (CCO) has worked out the amount of Rs.2.24885 crores of BG to be deducted and deposited with the Government.

2. The issue of Bank Guarantee has further been deliberated in the 31st meeting of Inter-Ministerial Group (IMG) held on 7th July, 2015 wherein at para 6 of the said meeting, the IMG observed that extent of breach of timelines by the prior allottees of Urtan North coal block had already been evaluated by the Government and accordingly, BG amount has already been calculated by the CCO. But before the BG amount to be deducted could be conveyed, the prior allottees moved High Court. The IMG recommended that BG deduction, which had previously been calculated, be conveyed in respect of the said block and the invocation/realization of BG shall be done only after bringing it to Hon'ble High Court's notice and obtaining its direction. The recommendations of 31st IMG meeting has been accepted by the Government.

3. Accordingly, an amount of **Rs.2.24885 crore** (Rupees Two crore twenty four lakhs eighty eight thousand five hundred only) from the Bank Guarantee furnished by you is hereby determined to be deducted and deposited with the Government. The invocation/realization of BG shall be done only after bringing it to Hon'ble High Court's notice and obtaining its direction.

Yours faithfully,



5/8/11

(Anurag Kapil)

Director

Tele: 23384594

Copy to:-

1. The Chief Secretary, Government of Madhya Pradesh, Vallabh Bhavan, Bhopal.
2. The Secretary, Ministry of Steel, Udyog Bhavan, New Delhi.
3. The CMD, Coal India Limited, New Town, Rajarhat, Kolkata-700156.
4. The Coal Controller's Organisation, 1, Council House Street, Kolkata with the direction that the invocation/realization of BG shall be done only after bringing it to Hon'ble High Court's notice and obtaining its direction.
- ✓ 5. NIC Cell, Ministry of Coal for placing the letter on the Website of Ministry of Coal.