

**MOST IMMEDIATE/BY SPEED POST**

No.13016/62/2008-CA-I  
Government of India  
Ministry of Coal  
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Shastri Bhawan, New Delhi  
Dated : the 6<sup>th</sup> August, 2015

To,

1. **M/s. JSW Steel Limited,**  
B-236, Road No.3, Ashok Nagar,  
Ranchi-834 002.
2. **M/s. Bhushan Power & Steel Limited,**  
F- Block, 1<sup>st</sup> Floor,  
International Trade Tower, Nehru Place,  
New Delhi - 110019
3. **M/s. Jai Balaji Industries Limited.**  
5, Bentinck Street, 1<sup>st</sup> Floor,  
Kolkata - 700 001

Subject : Deduction and encashment of proportionate amount of Bank Guarantee in respect of Rohne coal block in the State of Jharkhand allocated to M/s. JSW Steel Limited, M/s. Bhushan Power & Steel Limited and M/s. Jai Balaji Industries Limited - Reg.

Sir,

In continuation of this Ministry's letter of even number dated 07.03.2014 and the Show Cause Notice issued to your company vide this Ministry's letter No.13016/17/2014-CA-I dated 16<sup>th</sup> January, 2015 on the above subject, I am directed to say that the issue of Bank Guarantee in respect of Rohne coal block has been deliberated in the 31<sup>st</sup> meeting of the Inter-Ministerial Group (IMG) held on 7<sup>th</sup> July, 2015. In its above-mentioned meeting, the IMG *inter alia* reviewed the Bank Guarantee (BG) of Rohne coal block and recommended that Bank Guarantee ought to be deducted for delay on the part of prior allottees. The relevant extracts of recommendations of the 31<sup>st</sup> IMG in respect of Rohne coal block are as under :-

*"... In respect of Rohne coal block, IMG observed that since mining lease could not be granted in this case due to delay at State Government level, the prior allottees could not apply for Opening permission and consequential milestones i.e. grant of opening permission and production remain unachieved. Marks for application for opening permission and consequential activities have been deducted which needs to be rectified. Accordingly, CCO will make fresh calculation in respect of Rohne coal block. ..."*

2. In view of the above, CCO furnished fresh calculation details of BG deduction in respect of Rohne coal block. As per CCO's calculation, BG to be deducted for not achieved milestones is Rs.0.52081928 Crore. The recommendations made by the IMG in its 31<sup>st</sup> meeting have been accepted by the Government.

2. Accordingly, an amount of **Rs.0.52081928 Crores** from the Bank Guarantee furnished by you is determined to be deducted and deposited with the Government.

Yours faithfully

  
[ ANURAG KAPIL ]

Director

Tel : 23382188

Copy to the following for information and necessary action :-

1. The Chief Secretary, Government of Jharkhand, Dhurwa, Ranchi.
2. The Secretary, Ministry of Steel, Udyog Bhawan, New Delhi.
3. The CMD, Coal India Limited, New Town, Rajarhat, Kolkata - 700156.
4. The Coal Controller, Coal Controller's Organisation, 1, Council House Street, Kolkata with the direction to invoke/realize the BG amount mentioned above and intimate the action taken to the Ministry of Coal immediately.
- ✓ 5. NIC Cell, Ministry of Coal for uploading this letter on the website of Ministry of Coal.