

**No.13016/55/2008-CA-I [Part]**

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.

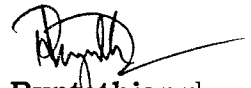
**Subject : Invocation of Bank Guarantee in respect of Andal East coal block earlier allocated to M/s Bhushan Steel Limited, M/s Jai Balaji Industries Limited and M/s Rashmi Cement Limited.**

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 Andal East coal block by the Inter-Ministerial Group (IMG) for the delay in development of coal blocks until it were held the prior allottees. The IMG in its 33<sup>rd</sup> meeting held on 03.12.2015 had observed that as per allocation letter of Andal East coal block, 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 companies in compliance of milestones stipulated for development of Andal East coal block. However, Andal East coal block 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.0.14112 crores from the BG submitted by prior allottees in respect of Andal East coal block. The said recommendation of the IMG has been accepted by the Government.

2. In view of the above, an amount of Rs.0.14112 Crores from the Bank Guarantee furnished by prior allottees of Andal East coal block 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 Ryntathieng]**

Under Secretary to the Government of India

Copy to :-

- 1 The Secretary, Ministry of Steel, Udyog Bhawan, New Delhi.
- 2 The Chairman, M/s. Andal East Coal Company Private Limited ( A Joint Venture of Jai Balaji Industries Ltd., Rashmi Cement Ltd. & Bhushan Steel Ltd.) 8/2, Dr.U.N.Bramhachari Sarani (Loudon Street), 4<sup>th</sup> Floor, Flat 4C, Kolkata 700 17 (West Bengal).
- 3 M/s Bhushan Steel Limited, F- Block, 1st Floor, International Trade Tower, Nehru Place, New Delhi -110019.
- 4 M/s Jai Balaji Industries Limited, 5, Bentinck Street, 1st Floor, Kolkata -700 001.
- 5 M/s Rashmi Cement Limited, Jhargram, Distt.Paschim Midnapore, West Bengal - 757 502.

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