

BY SPEED POST

No.13016/58/2008-CA-I
Government of India
Ministry of Coal

Shastri Bhawan, New Delhi
Dated : the 29th February, 2016

To,
Shri Anjani Kumar,
Coal Controller,
Coal Controller Organisation,
1, Council House Street,
Kolkata-700001

Subject : Invocation of Bank Guarantee in respect of **Kesla North** coal block earlier allocated to M/s. Rathi Udyog Ltd.

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 coal blocks by the Inter-Ministerial Group (IMG) for the delay in development of coal blocks until it were held by prior allottees. The IMG in its 33rd meeting held on 03.12.2015 had observed that as per allocation letter of Kesla North 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 prior allottees in compliance of milestones stipulated for development of Kesla North coal block. However, the said coal block could not commence production till its cancellation by 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.0.0174 crores from the BG submitted by prior allottee(s) in respect of said coal block. The said recommendation of the IMG has been accepted by the Government.

2. In view of the above, an amount of **Rs. 0.0174 Crores** from the Bank Guarantee furnished by the prior allottee(s) of Kesla North coal block is determined to be deducted and deposited with the Government. CCO is accordingly directed to invoke **Rs. 0.0174 crores** from the Bank Guarantee furnished by prior allottee(s) of Kesla North coal block and deposit the same 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 Rynthiang)

Under Secretary to the Government of India

Copy to :-

1. The Secretary, Ministry of Steel, Udyog Bhavan, New Delhi.
2. The Managing Director, M/s Rathi Steel & Power Ltd. (formerly M/s Rathi Udyog Ltd.), 24/1 A, Mohan Cooperative Industrial Estates, Mathura Road, New Delhi-110044.
3. Director (T), NIC, MoC for uploading the order on the Website of Ministry of Coal.