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Government of India

Ministry of Coal

CBA-I Section

Shastri Bhawan New Delhi,

Dated 13th May, 2020**OFFICE MEMORANDUM**

Sub: Minutes of 41st Meeting of the Inter-Ministerial Group (IMG) held on 06.05.2020 under the Chairmanship of Additional Secretary (Coal) to review the issue of Bank Guarantee - reg.

The undersigned is directed to refer to the subject mentioned above and to forward herewith Minutes of 41st Meeting of the Inter-Ministerial Group (IMG) under the chairmanship of Additional Secretary (Coal) held on 06.05.2020 at 11 A.M. virtually to undertake review on the issue of Bank Guarantee of prior allottee, for information and necessary action.

Encl: As above*Ajitesh Kumar*

(Ajitesh Kumar)

Deputy Secretary to the Govt. of India

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To:

1. Joint Secretary (IE), Deptt. of Economic Affairs, Room No .67B, North Block, New Delhi.
2. Joint Secretary (Thermal), Ministry of Power, Shram Shakti Bhawan, New Delhi.
3. Joint Secretary, Dept. of Industrial Policy & Promotion, Udyog Bhawan, New Delhi.
4. Joint Secretary, Ministry of Steel, Udyog Bhawan, New Delhi.
5. Joint Secretary, Deptt. of Legal Affairs , Shastri Bhawan, New Delhi.
6. Shri R.K. Sinha, Joint Secretary, Ministry of Coal
7. Smt. Reena Sinha Puri, JS&FA, Ministry of Coal
8. Shri Anindya Sinha, Advisor (Projects), Ministry of Coal
9. Shri Shekar Saran, CMD, CMPDIL, Gondwana Place, Kanke Road, Ranchi.
10. Shri Anjani Kumar, Coal Controller, 1, Council House Street, Kolkata-700001
11. Shri Ajitesh Kumar, Deputy Secretary (CBA-I), Ministry of Coal
12. DM (Legal), Legal Cell, Ministry of Coal

Copy to:

1. PS to Hon'ble Minister of Coal
2. PSO to Secretary (Coal)
3. Sr.PPS to Additional Secretary (Coal) & Chairman, IMG.
4. STD (NIC) with request to upload on the website of MoC.

Minutes of 41st meeting of the Inter-Ministerial Group (IMG) under the chairmanship of Additional Secretary (Coal) held on 06.05.2020 at 11:00 AM through Video Conferencing to undertake review on the issue of Bank Guarantee of certain prior allottees.

List of participants is placed at **Annexure-A**.

1. At the outset, Additional Secretary (Coal) & Chairman, IMG welcomed all the participants and informed that the present IMG has been convened to deliberate upon the issues circulated as per the Agenda, placed at **Annexure-B**.
2. DS (CBA-I) gave a presentation to the IMG about the issue of Bank Guarantee (BG) of the prior allottees. The presentation was about the recommendations made during different meetings of the IMG, (which were held before cancellation of allocation of coal blocks by Supreme Court in 2014), deliberations made in 28th meeting of IMG convened after Supreme Court judgment, recommendations related to the issuance of Show cause notices, recommendation & circumstances behind recommendation of IMG made in 31st meeting to withdraw show-cause notices in respect of 31 coal blocks etc. He also presented about the guidelines followed by IMG to review remaining show-cause notices. DS (CBA-I) is also briefed the participants about the High Court cases filed by the prior allottees. He has also discussed about the issue raised by the IFD section of MoC in relation to one of such 31 coal blocks, pointing out that the BG penalty amount stated in the orders were calculated, for the period of review done (till the passage of such order) and not till the date of final cancellation order of Hon Superme Court.
3. DS (CBA-I) further informed IMG that with approval of competent authority, a reference was made to Ld. ASG , who is representing M/o Coal in the matters related to invocation of BG filed before Hon'ble Supreme Court. The opinion rendered by the ASG was also discussed.
4. After the presentation, the IMG deliberated upon the issues mentioned in the Agenda one by one.
5. AS (Coal) sought information about the show-cause notices issued in pursuance of recommendations made by the IMG in 28th meeting. It was informed that out of 204 coal block whose allocation were cancelled by Supreme Court, show-cause notices were issued in relation to 127 coal blocks. 77 cases where there was no component of BG in their allocation letter, or whose BG has since been invoked and deposited in the Government account were not issued show-cause notices. AS (Coal) directed that details about such cases be present before the IMG in next

- meeting. He also asked about the conditions, if any, mentioned in the allocation letters, where no BG condition was there.
6. The IMG deliberated in detail the issue of 31 coal blocks where show-cause notices were withdrawn after recommendation of IMG. IMG noted that the recommendations to withdraw show-cause notices were made under the incorrect impression that the previous review covered the performance of prior allottee for the entire period for which the blocks were held by them. IMG also noted that several cases had the recommendation of deallocation of coal blocks along with order of invocation of BG. IMG directed that the details of the previous review orders in relation to these 31 coal blocks be presented before IMG in the next meeting.
 7. After detailed deliberations and keeping in view the opinion given by Ld ASG, to ensure that the reviews made in relation to all 127 coal blocks are on equal footing, the IMG decided to keep the following principles in mind for future deliberation in the matter:
 - i. Irrespective of the fact that whether the allocation of block was cancelled by Hon'ble Supreme Court in 2014, or it was deallocated by the Ministry of Coal prior to that, it is to be ensured that the performance of prior allottee for each coal block has been reviewed for the entire period for which the respective block was held by the allottee.
 - ii. While reviewing the performance, the factors considered by the IMG for review of remaining 96 cases (127 cases where show-cause notice was issued less 31 cases where they were withdrawn), viz. (a) Conditions of allocation letter; (b) Delay attributable to Government or Government agencies (whether Centre or State) and delay on the part of prior allottee(s) and (c) in case the delay is attributable to prior allottee(s), proportionate calculation i.e. 10% deduction for delay of every 3 months against the weightage/marks given for the respective milestone, shall be followed.
 8. With regard to producing blocks which were allowed to continue their production by Hon'ble Supreme Court till 31.03.2015, IMG noted that their performance have been reviewed till September 2014. IMG further noted that the period between order of Supreme Court i.e. 24.09.2014 to 31.03.2015 was given to the prior allottees to manage their affairs. Thus, they could not be expected to fulfil the production requirements for such period which requires long term resource mobilisation. Keeping this in mind, the IMG is of the view that there is no need to further conduct the review in relation to such blocks for the period between September 2014 and March 2015.
 9. The meeting ended with a vote of thanks to the chair.

Annexure-A**List of participants**

| Sl No . | Name (Shri/ Smt/Ms.) | Designation | Ministry/Department/organisation/ |
|----------------|-----------------------------|---|--|
| 1 | Vinod Kumar Tiwari | Additional Secretary (Coal) (Chairman of IMG) | Ministry of Coal |
| 2 | Reena Sinha Puri | Joint Secretary & Financial Advisor | Ministry of Coal |
| 3 | B P Pati | Joint Secretary | Ministry of Coal |
| 4 | Vivek Kumar Devangan | Joint Secretary | Ministry of Power |
| 5 | Anjani Kumar | Coal Controller | Coal Controllers, Organization, Kolkata |
| 6 | Ajitesh Kumar | Deputy secretary | Ministry of Coal |
| 7 | Peeyush Kumar | Chief Manager | Ministry of Coal/CIL |
| 8 | Pratibha Saxena | Under Secretary (ESPP) | Department of Economic Affairs |
| 9 | Nand Lal | Consultant | Department of Promotion of Industry and Internal Trade |
| 10 | Shekhar Sharan | CMD | CMPDIL |
| 11 | Kundan Sehgal | Assistant Manager | Ministry of Coal/CIL |