

MPS- F. No. 34011/21/2016-CPAM
Government of India
Ministry of Coal

Room No. 622-A, Shastri Bhawan,
New Delhi, Date: 29.10.2020

To,

The Coal Controller, Kolkata

Subject: Policy to release escrow amount in case of coal blocks cancelled by Hon'ble Supreme Court by its order dated 24th september 2014-reg.

Government of India has approved the following policy for releasing the escrow deposited amount to prior allottees of coal blocks cancelled by Hon'ble Supreme Court by its order dated 24th September 2014:

1. As per the Modified Guidelines for preparation of Mine Closure plan dated 07.01.2013, all mine owners / allocates were / are required to open an Escrow Account with CCO and Bank before issuance of mine opening permission.
2. In the said guidelines, the mine owners were allowed after five years of deposit to claim escrow amount @ 80% of total deposit including interest. However as per the order of Hon'ble Supreme Court dated 24.09.2014, allocation of 204 coal blocks were cancelled. Some of the coal blocks could not claim as the deposition was not made for five years.
3. In absence of specific guidelines for reimbursement of fund already deposited in the accounts of Prior Allottees, CCO shall adhere to the following stipulations:-
 - i) For reimbursement of the fund from the Escrow account of the Prior Allottees, claim is to be submitted by the Prior Allottees with audit report from 3rd party authorised Govt. Organisation/ Institute as approved by MoC from time to time.
 - ii) As per the recommendation of 3rd party authorised Govt. Organisation/ Institute, CCO shall reimburse the amount after assessing at CCO level.
 - iii) If in the opinion of CCO it is required to take legal opinion from any Govt. agency like Ministry of Law & Justice, the decision of the Govt. legal agency may be followed and CCO can take administrative decision in this regard with an intimation to MoC.
 - iv) If for any mine, amount @ 80% is released and 20% balance is left, Prior Allottees may be released that amount (including interest upto the date of release) if the expenditure on mine closure reflected in the audit report of

3rd party authorised Govt. Organisation/ Institute is more than deposited amount in that account.

CCO Before returning the escrow deposited amount to the prior allottee, should inspect the mine and satisfy that no work of mine closure remains to be done"

v) If the claim of a mine is less than the deposited amount, the audited claimed amount may be released after due verification by CCO. The balance amount is to be kept / transferred in a separate Mine Closure account to be opened in consultation with PAO, MoC. CCO will keep the account details of the same and at the time of final mine closure of that mine, amount may be released to present allottee if additional works on mine closure has been done by the allottee of that mine at that time.

vi) If any mine which had executed Escrow agreement and deposited money but before starting the mine got deallocated, Prior Allottee may apply to CCO with certificate that no matter is pending with any Govt. agency. CCO may release full amount after due inspection of the mine site.

vii) If the coal block is re-allocated, then comments of successful allocates is to be invited before releasing the amount.

This issues with the approval of competent authority.

-Sd-
(Hitlar Singh)
Under Secretary to the Government of India
Tel: 23382269
E-mail: hitlar.singh85@nic.in

To,

1. PSO to Secretary (Coal), MoC
2. PPS to AS (Coal), MoC
3. Dy. Secretary (CBA-I), MoC
4. Dy. Secretary (CBA-II), MoC
5. Deputy Secretary (NA), MoC
- 6 .PS to Director (T), MoC.

Copy to:

1. **NIC** - with request for upload on the website of Ministry of Coal.