

No.13016/46/2008-CA-I
Government of India
Ministry of Coal

New Delhi, dated 15th February, 2013

To
The Chairman-cum-Managing Director,
M/s D.B. Power Limited,
No.813, Udyog Vihar,
Phase V, Gurgaon-122016,
Haryana.

CORRIGENDUM

Sub: Revision of Invocation of Bank Guarantee amount in respect of Durgapur-II/Sariya Coal block allocated to M/s D.B. Power Ltd.

Sir,

I am directed to refer to this Ministry's letter of even number dated 15th November, 2012 and to Coal Controller's Organisation letter No.CC/MCBA/102/47/2012 dated 23.11.2012 and to your letter No.DBPL/RREP BG-DED/MOC/231112 dated 23.11.2012 on the above subject.

2. The matter has been examined in the Ministry in consultation with Coal Controller's Organisation, Kolkata and to say that the Coal Controller has furnished the revised bank guarantee calculation amount of Rs.4.40 crores. Accordingly, the para 9 of the Ministry of Coal's order of even number dated 15th November, 2012 is revised herewith as following:-

*"It is ordered that proportionate Bank Guarantee(BG) furnished by the allocatee company be invoked to the extent of **Rs.4.40 crore** (Rupees four crores and forty lakhs only) and the BG amount shall be invoked and deposited with the Government in the relevant Head of Account. The revised calculation of invocation of BG is enclosed at **Annexure**."*

3. This order is subject to order of the Hon'ble High Court of Delhi in W.P.No(C) 7583/2012 & CM No.19255/2012 dated 05.12.2012. The other contents of Ministry of Coal's order of even number dated 15th November, 2012 shall remain unchanged.

Yours faithfully,



(A. Sanjay Sahay)

Under Secretary to the Govt. of India.

Encl: As above.

Copy to:-

1. The Chief Secretary, Government of Chhattisgarh, Dau Kalyan Singh Bhavan, Raipur.
2. The Secretary, Ministry of Power, Shram Shakti Bhavan, New Delhi.
3. The CMD, Coal India Limited, 10, Netaji Subash Road, Kolkata-700001.
4. The Coal Controller's Organisation, 1, Council House Street, Kolkata with the direction to take necessary steps to **make corrections accordingly**.
5. NIC Cell, Ministry of Coal for placing the letter on the Website of Ministry of Coal.

Annexure-1

(Revised calculation)

1. Name of Company:- M/s. DB Power Ltd.
2. Name of Coal Block:- Durgapur-II /Sariya (Explored)
3. Date of Allocation:- 6.11.2007
4. Normative date of production:- 06.05.2011 (as per allotment letter)
5. Yearly rated capacity (MTPA):- 2 (as per mine plan)
6. BG Amount submitted:- 17.6Cr\$
7. Recommendation: IMG recommends that out of the 50% BG related to achievement of Milestone, deduction may be made on the basis of milestone not achieved in terms of weightages assigned to each of the milestone in the guidelines. Out of 50% BG related to shortfall in production the IMG recommends that deduction in BG for shortfall in production from the normative date i.e. 6.5.2011 may be made as per the formula provided in the terms and conditions of allocation.

As per condition of Para(vi) (a&c) of the allocation letter No.38011/1/2007-CA-II dated 6.11.2007, in case of any lag in the production of coal, a percentage of BG amount will be deducted for the year. This percentage will be equal to the percentage of deficit in production for the year with respect to peak rated capacity of the mine.

In Case of Durgapur II/Sariya the amount of BG to be deducted on production basis is as under:-

CalculationDeduction for 1st year

A= Production as per the approved mining plan for the 1st year (6.5.2011 to 5.5.2012) = 0.5 MT

B= Actual Production for the 1st year (6.5.2011 to 5.5.2012) = 0

C= Peak Rated Capacity= 2 MT

So, D= Percentage of amount of BG to be deducted for the 1st year = $(A-B)/CX100 = (0.5-0)/2 \times 100 = 25\%$

50% BG related to shortfall in production i.e, 50% of Rs. 17.6cr=8.8Crore

X=Amount of BG to be deducted for shortfall in Production = 8.8 Crore \times 25% = Rs. 2.2 Crore

Deduction for the 2nd year

2nd year (13.05.2012 to 12.05.2013) ends on 12.05.2013 which is not reached as on Oct'2012, hence deduction of BG for the 2nd year may not be done.

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H. K. Singh

V. K. Verma
02/01/2013

Coal Controller

BG deduction on the basis of achievement of Mile stone (Revised)

Sl No.	Mile Stones	Weight (in %)	Actual Status	Marks	Remarks
1	Purchase of GR	5	Completed	5	
2	Submission of Bank Guarantee	8	Completed	8	
3	Mining Lease Application	7	Completed	7	
4	Submission of Mining Plan	10	Completed	10	
5	Approval of Mining Plan	10	Completed	10	
6	Application of Previous approval	6	Completed	6	
7	Granting of Previous approval	5	Completed	5	
8	Application of Forest clearance	8	Completed	8	
9	Grant of Forest Clearance	5	Not completed	0	
10	Application EMP Clearance	8	Completed	8	
11	Grant of EMP Clearance	5	Not completed	0	
12	Grant of Mining Lease	5	Not completed	0	
13	Application of Land Acquisition	8	completed	8 *	
14	Completion of Land Acquisition	4	Not completed	0	
15	Application for opening permission	2	Not completed	0	
16	Grant of Opening permission	2	Not completed	0	
17	Coal Production	2	Not completed	0	
	TOTAL	100		75	

Total Bank Guarantee amount : 17.6 Cr.

* Subject to approval by MOC

A= 50% of BG = 8.8 Crore

Score obtained for achieving of mile stone = 75%

B=Score obtained for not achieving of mile stone = (100-75)=25%

BG to be deducted for not achieving Milestones = $A \times B = 8.8 \times 25\% = 2.2$ Crore

Y=Total amount of BG to be deducted for not achieving Milestones = 2.2 Crore

Total BG to be deducted on production and milestone basis = $X+Y = 2.2+2.2$ Crore = Rs.4.4 Crore
(Rupees four crore forty lakh only)

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V. K. Verma
02/10/2013

02/10/2013
Coal Controller