

**No.13016/35/2009-CA-I**

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 Mednirai coal block earlier allocated to M/s Rungta Mines Limited and M/s Kohinoor Steel (P) Limited.**

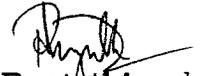
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Sir,

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 Mednirai coal block by the Inter-Ministerial Group (IMG) for the delay in development of coal blocks until it were held by 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 Mednirai 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 Mednirai coal block. However, Mednirai 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.0.418308 crores from the BG submitted by prior allottees in respect of Mednirai coal block. The said recommendation of the IMG has been accepted by the Government.

2. In view of the above, an amount of Rs.0.418308 Crores from the Bank Guarantee furnished by prior allottees of Mednirai 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 Rynthiang]**

Under Secretary to the Government of India

Copy to :-

1. The Secretary, Ministry of Power, Shram Shakti Bhawan, New Delhi.
2. The Secretary, Ministry of Steel, Udyog Bhawan, New Delhi.
3. The Chairman, M/s. Mednirai Coal Mining Private Limited, Rungta House, Chaibasa- 833 201, Singhbhum (West), Jharkhand.
4. M/s Rungta Mines Limited, Rungta House, Chaibasa- 833 201 Singhbhum (W), Jharkhand
5. M/s Kohinoor Steel Pvt. Limited, 16A 'Everest House', 46C, J.L. Nehru Road, Kolkata-700 071

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