

**SPEED POST**  
**Reminder**

No.38035/2/97-CA-I(Part)  
Government of India  
Ministry of Coal

.....  
New Delhi-1, the 13<sup>15</sup> May, 2010

To

The Managing Director  
M/s Jharkhand State Mineral Development Corporation  
Khanij Nigam Bhawan,  
Doranda, Ranchi-834 002.  
Jharkhand.

**Subject:- Submission of Bank Guarantee for combined coal block of Jogeswar and Khas Jogeswar coal blocks allocated to M/s Jharkhand State Mineral Development Corporation.**

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Sir,

I am directed to refer to this Ministry's letter of even no. dated 25.09.2009 and subsequent reminder of even number dated 14.12.2009 on the above subject and to say that the required bank guarantee of Rs.4.78 crore( equal to one year's royalty amount based on mine capacity of 0.35 mtpa and the weighted average royalty @ Rs.136.5 per tonne) in respect of the Jogeswar and Khas Jogeswar coal block have not been submitted so far.

2. The Jogeswar and Khas Jogeswar explored coal block with geological reserve of about 84.03 MT were allocated vide this Ministry's letter No. 38035/2/97-CA/CA-I dated 11.04.2008 to M/s Jharkhand State Mineral Development Corporation(JSMD) under the Government Company dispensation in pursuance of the provision of section 3(3)(a)(i) of the Coal Mines(Nationalization) Act,1973. In spite of the passage of 2 years, the company has not yet submitted the Bank Guarantee amount as per the milestone chart appended to the allotment letter. Consequently, the development of the coal block has been inordinately delayed. It is noticed that the allocatee has not achieved a single milestone for development of the blocks. It is informed that the condition mentioned at para 3(xiii) of the allocation letter clearly states that any violation of the conditions imposed above in mining of coal from the Jogeswar and Khas Jogeswar coal blocks will render the mining lease liable for cancellation and withdrawal of allocation.

3. In view of the above, you are again advised to submit the bank guarantee amount to this Ministry within 7 days, failing which the Ministry would be constrained to take action for de-allocation of the said block.

Yours faithfully,

  
(V.S.Rana)

Under Secretary to the Government of India

Copy to :-

1. Sh. A.K.Singh, Chief Secretary, Jharkhand- for information and necessary action with Reference to the minutes of the Review Meeting held on 22<sup>nd</sup> and 23<sup>rd</sup> June, 2009 (Extract enclosed).
2. ✓ NIC, Ministry of Coal.



(V.S.Rana)

Under Secretary to the Government of India