

File No. NA-104/4/2019-NA
Government of India
Ministry of Coal
Nominated Authority

120- F Wing, 1st Floor, Shastri Bhawan
New Delhi, Date: 18.12.2025

To,

The Managing Director,
M/s Powerplus Traders Private Limited,
Premlata Building, 39, Shakespeare Sarani,
6th Floor, Kolkata -700017

Subject: Termination of Coal Mine Development and Production Agreement executed on 18.12.2019 and Vesting Order issued on 13.02.2020 in respect of Jaganathpur-B coal mine located in West Bengal allocated to M/s Powerplus Traders Private Limited (PTPL) under the provisions of Coal Mines Special Provisions) Act, 2015 pursuant to surrender request

Ref:

1. Coal Mine Development and Production Agreement (CMDPA) dated 18.12.2019
2. Vesting Order dated 13.02.2020
3. Office of the Nominated Authority letter dated 18.12.2024
4. PTPL reply letter dated 30.12.2024
5. M/s PTPL letter dated 24.06.2025

Sir,

Reference is invited to the Vesting Order dated 13.02.2020 issued in favour of M/s Powerplus Traders Private Limited (PTPL) under the provisions of the Coal Mines (Special Provisions) Act, 2015, and the Coal Mine Development and Production Agreement (CMDPA) executed on 18.12.2019 for the Jaganathpur-B coal mine located in Raniganj Coalfield, District Bardhaman, West Bengal.

2. As per the CMDPA, PTPL was required to undertake development and operationalization of the coal mine in accordance with the Efficiency Parameters defined in Schedule E. It is noted that PTPL had obtained all major statutory approvals including approval of Mining Plan and Mine Closure Plan (22.04.2022), Environmental Clearance (01.09.2022), Consent to Establish (18.10.2022), and executed the Mining Lease on 11.05.2023. On-ground mining activities were stated to have commenced in July 2023.

3. However, despite the passage of more than five years from the Vesting Order and more than two years since lease execution, mining operations remain suspended, and the mine has not been brought to operationalization as stipulated under the CMDPA.

4. Ministry had earlier issued a communication dated 18.12.2024, expressing concern over the suspension of mining operations and seeking submission of a firm action plan with clear timelines. In reply, PTPL, vide letter dated 30.12.2024, cited severe hydrogeological conditions and challenges in shaft sinking and incline drivage due to water ingress and unstable strata, and stated that it was in the process of engaging consultants to explore alternative development strategies. However, no concrete action plan or timeline for resumption of work was submitted thereafter.

5. Subsequently, vide letter dated 24.06.2025, PTPL has submitted a request seeking surrender of the allocated coal mine, citing technical non-feasibility of the project. PTPL has submitted that despite mobilisation of critical infrastructure, it was unable to proceed beyond 80 metres of incline development and 20 metres of shaft sinking due to repeated collapses and muck inflow.
6. While M/s PTPL has cited adverse technical conditions as the primary reason for seeking surrender, it is pertinent to note that the Geological Reports forming part of the mine dossier—January 2011 and the revised report of September 2020—had already indicated the presence of a weathered mantle and alluvial formations of significant thickness. These conditions were therefore pre-identified and known at the time of allocation. PTPL had also obtained separate hydrogeological studies in 2022 and again in February 2024, which suggested possible engineering solutions for safe mine entry development through such strata. The challenges now cited are thus not unforeseen or uncontrollable, but form part of the inherent geological characteristics of the block.
7. Upon examination it has been observed that the Jaganathpur-B coal block is technically and geologically workable with appropriate engineering interventions, and the surrender of the mine by PTPL is due to its own assessment of unviability rather than any proven technical infeasibility. Accordingly, there exists no contractual or statutory ground for any waiver or refund of the Performance Bank Guarantee or the Upfront Amount already paid.
8. It is also relevant to mention that no Force Majeure notice has been invoked by PTPL under Clause 23 of the CMDPA at any stage. Therefore, the case does not qualify for relief under the Force Majeure provisions and shall be dealt with strictly as per the termination and appropriation clauses of the CMDPA.
9. **Clause 24.3** of the CMDPA provides for 'Termination Event' upon occurrence of which the CMDPA may be terminated. As per **Clause 24.3.1(o)** of the CMDPA, surrender of the coal mine by the Allottee constitutes a **Termination Event**.
10. By virtue of **Clause 24.3.2** of the CMDPA, upon occurrence of a Termination Event, the Nominated Authority may elect to terminate the CMDPA by providing 15 Business Days written notice to the Successful Bidder. The determination of the Nominated Authority regarding occurrence of a Termination Event shall be final and binding on the Successful Bidder.
11. Further, as per **Clause 24.3.3** in case the Nominated Authority elects to terminate the CMDPA then the Performance Security and all other payments made by the Successful Bidder shall be forfeited and the Successful Bidder shall not be entitled to any benefits under the CMDPA but would continue to be liable towards any antecedent liability, all obligations accrued before the effective date of termination and for the obligations that must be fulfilled after termination.
12. Further, in terms of **Clause 24.3.2** of the CMDPA, the Nominated Authority hereby elects to terminate the CMDPA by providing a 15 Business Days instant notice to you.
13. On completion of 15 Business Days, the CMDPA and the Vesting Order shall stand terminated and cancelled, respectively. Further, as per **Clause 24.3.3** of the CMDPA the Performance Security and all other payments made by you shall be forfeited and you shall not be entitled to any benefits under the CMDPA but would continue to be liable towards any antecedent liability, all obligations accrued before the effective date of termination and for the obligations that must be fulfilled after termination.
14. Accordingly, the Nominated Authority hereby directs the ICICI Bank Limited to forthwith encash and appropriate 100% of the Performance Bank Guarantee amount furnished by M/s Powerplus Traders Private Limited i.e., **₹15,71,33,501.21 (Rupees Fifteen Crore Seventy-One Lakh Thirty-Three Thousand Five Hundred One and Paise Twenty-One only)** in respect of Jaganathpur-B Coal Mine, details of which are given below:

- Chief Manager, ICICI Bank Limited, 38, Hemanta Basu Sarani, P.S. Hare Street, Kolkata – 700001, West Bengal
- Performance Bank Guarantee No. 0006BGFD030820 dated 21.01.2020, as amended on 16.10.2025 (Expiry: 31.12.2026)

15. The total amount of ₹15,71,33,501.21 (Rupees Fifteen Crore Seventy-One Lakh Thirty-Three Thousand Five Hundred One and Paise Twenty-One only) shall be transferred to the account of Pay and Accounts Office (PAO), Ministry of Coal, as per the following bank details:

- **Bank:** Punjab National Bank
- **Branch:** Connaught Circus, New Delhi
- **Account No.:** 0276050414586
- **IFSC Code:** PUNB0027620
- **MICR Code:** 110024773
- **Bank Address:** J C Das Building 90/8, Connaught Circus New Delhi-110001
- **Bank Contact No:** (011)-23360661, 23347012

16. Attention is invited to Section 27 of the Coal Mines (Special Provisions) Act, 2015 providing for adjudication by the Tribunal constituted under the Coal Bearing Areas (Acquisition and Development) Act, 1957. For the instant Coal Mine the Tribunal situated at Godda shall have jurisdiction.

Yours sincerely,

रुपिंदर ब्रार / RUPINDER BRAR
अपर सचिव / Additional Secretary
भारत सरकार / Govt. of India
कोयला मंत्रालय / Ministry of Coal
शास्त्री भवन / Shastri Bhawan
नई दिल्ली / New Delhi


[Rupinder Brar]
Nominated Authority

Copy to:

1. Chief Manager, ICICI Bank Limited, 38, Hemanta Basu Sarani, P.S. Hare Street, Kolkata – 700001— for immediate and strict compliance.

In terms of para 14 of the above, you are hereby directed to **immediately encash and appropriate 100% of Performance Bank Guarantee No. 0006BGFD030820 dated 21.01.2020** (as amended on 16.10.2025) furnished by *M/s Powerplus Traders Private Limited* in respect of Jaganathpur-B Coal Mine and remit the proceeds without delay to the Pay and Accounts Office, Ministry of Coal, as per the bank details specified in para 15 of the above.

2. Chief Secretary, Government of West Bengal
3. CMD, CMPDIL
4. US (P&S-II), MoC
5. Coal Controller, CCO
6. Legal Cell, Ministry of Coal
7. US (IFD) / US (CPD), MoC
8. PAO, Ministry of Coal with request to deposit the amount received in detailed head 8443.00.117.03.07.00 until further directions from this office to deposit the above-mentioned amount in CFI.
9. Branch Manager, Panjab National Bank, Connaught Circus, New Delhi.
10. TD (NIC), MoC – For uploading on the Ministry's website.