

**BY EMAIL/SPEED POST**

**F.No. 110/9/2015/NA (part-I)  
Government of India  
Ministry of Coal  
Office of Nominated Authority**

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Shastri Bhawan, New Delhi  
Dated: the 27th June' 2018

**ORDER**

**Subject: Compensation towards cost for Land and Mine Infrastructure in respect of Meral coal mine under Section 9 and 16 of the Coal Mines (Special Provisions) Act' 2015 read with Rule 15 of the Coal Mines (Special Provisions) Rules' 2014**

In order to examine the objections raised by M/s. Trimula Industries Limited, the Successful Bidder of the Meral coal mine, to release of amount of compensation for land in favour of the Prior Allottee of the coal mine, M/s. Abhijeet Infrastructure Pvt. Ltd, a hearing was called on 25.11.2016, wherein the representatives of the Successful Bidder was present whereas the representative of the Prior Allottee was not present despite of notices sent to them. The Successful Bidder submitted that as per a report of Government of Jharkhand, out of the 70.5752 acres of vested land, only 43.9169 acres of land is transferable to them and thereby requested for refund of Rs. 1,63,27,897/- in lieu of non-transferable land. After due deliberation of the submissions made by both the parties, Order dated 09.12.2016 was passed in the matter with direction as under:-

"...It is noted that despite vesting of the land for mining, the Successful Bidder is not able to get the transfer/possession of the land. As the matter is under consideration of the State Government, the O/o Nominated Authority may seek a status report from the State Government. Only after finalisation of the issues regarding the title and transferability of land, a decision can be taken on the release of compensation for the same. Therefore, the compensation amount for the said land may be withheld till such time.

2. The compensation for land and mine infrastructure were calculated as **Rs. 4,16,89,707/-** ( initially computing interest upto 31<sup>st</sup> March' 2015) and **"NIL"** respectively and accordingly **an amount of Rs. 4,16,89,707/- was**

Ltd. vide sanction order No. 110/9/2015/NA (part) dated 11.11.2016 (copy enclosed) withholding the amounts of **Rs. 92,244/-** (from the as the same was claimed to be outstanding by Ministry of Coal on account of payment towards Additional Levy which was under examination). Further, the Compensation for Mine Infrastructure of **Rs. 83,20,949/-** was also withheld considering the observation of the Successful Bidder i.e. M/s. Topworth Urja & Metals Ltd.

4. Subsequently, Ministry of Coal vide letter No. CA38025/2/2016-CA-I dated 03.11.2016 submitted that as per the information furnished by CCO, M/s. B.S. Ispat Ltd. has made the complete payment of Additional Levy and nothing is pending in this regard. It was stated by Ministry of Coal that there is no outstanding claim pending in respect of Marki Mangli I coal mine against M/s. B.S. Ispat Ltd. and the name of the company may be dropped from the list of the claim lodged by the Ministry. As such, the amount of **Rs. 92,244/-** has been decided to be released to the Prior Allottee.

5. Further, in order to resolve the dispute regarding disbursement of compensation for Mine Infrastructure amounting of Rs. 83,20,949/- for the said coal mine, the Prior Allottee and Successful Bidder were called for hearing on 25.11.2016, 07.02.2018 and 04.06.2018 and Orders dated 09.12.2016, 13.03.2018 and 27.06.2018 were passed in the matter.

6. The matter has been finally heard on 04.06.2018 wherein the representatives of both Successful Bidder and Prior Allottee were present. After hearing the submissions made by both the parties Order dated 27.06.2018 (copy enclosed) has been passed in the matter as per which it has been decided that the amount of compensation for mine infrastructure of **Rs. 83,20,949/-** withheld from payment may be released to the Prior Allottee.

7. In view of the above, the total amount payable to the Prior Allottee sums to Rs. **84,13,193/- (Rs. 83,20,949/- + Rs. 92,244/-)**.

8. The aforesaid amount of Rs. **84,13,193/-** may be transferred through RTGS to the account of Coal Controller, Coal Controller's Organisation who

has been appointed as 'Commissioner of Payments' under the provisions of Section 15 (1) of the Coal Mines (Special Provisions) Act, 2015 for the purpose of the said Act vide Ministry of Coal's Order No. 22/2/2014-ASO dated 15<sup>th</sup> July, 2015.

9. The expenditure on this account is debitable to the Head **8443.00.117.03.04.00.**

10. This issues with the approval of Integrated Finance Division, Ministry of Coal vide Note dated 11.07.2018.

**Encl: as above.**

Yours faithfully,



**(N.K. Singh)**

Deputy Secretary to the Government of India

**Copy to:**

1. **The Coal Controller in the capacity as Commissioner of Payments,** Coal Controller Organisation, No. 1 Council House Street, Kolkata-700001 - for further disbursement to the prior allocattees under the provisions of the Coal Mines (Special Provisions) Act, 2015 within **ten days** of the transfer of above amount from PAO. It may be ensured that payment is made to the prior allottee as per the said Act. The prior allottees may be intimated of the sanction & requested to submit the required document(s) for receiving the amount. For this purpose an affidavit in the prescribed format (**Annexure-I**) may be obtained from the prior allottee prior to disbursal.
2. US (IFD), Ministry of Coal.
3. US (CBA-II), Ministry of Coal.
4. DDO, Nominated Authority.
5. M/s. B.S.Ispat Ltd.
6. M/s. Topworth Urja & Metals Ltd.
7. TD, NIC: for uploading on the Website of Ministry of Coal.

**ANNEXURE-I**

(To be stamped in accordance with the relevant Stamp Act and duly sworn before Notary Public)

**UNDERTAKING FOR RECEIVING THE AMOUNT TOWARDS  
COMPENSATION FOR LAND AND MINE INFRASTRUCTURE**

I, \_\_\_\_\_ aged \_\_\_\_\_ years, resident of \_\_\_\_\_ working as \_\_\_\_\_ an authorized signatory on behalf of \_\_\_\_\_ (name of Prior Allottee) hereby states as under:

1. That I am the Authorised Signatory of the Prior Allottee. I am conversant with facts and circumstances surrounding the subject of this Undertaking and have been authorized to undertake the same.

2. That M/s. \_\_\_\_\_ is/are the Prior Allottee (s) of the \_\_\_\_\_ (the "Coal Mine") in terms of the Coal Mines (Special Provisions) Act, 2015 (the "Act")/successor-in-interest of the Prior Allottee of the Coal Mine. The Mining Lease has been executed in favour of M/s. \_\_\_\_\_. As such the Prior Allottee is entitled to receive compensation on account of cost of Land and Mine Infrastrucutre.

3. That the Prior Allottee (s) has incurred the cost of Land and Mine Infrastructure for \_\_\_\_\_ coal mine and is entitled to get refund of the same. The details of account for this purpose is as under:

Name of the Account holder company (must be in the name of Prior Allottee) \_\_\_\_\_

Name of the Bank/Branch \_\_\_\_\_

Account No. \_\_\_\_\_

MICR \_\_\_\_\_

IFSC \_\_\_\_\_

4. That the Prior Allottee (s) indemnifies the Nominated Authority &/or the Central Government against any liability, cost, damages or losses in relation to this disbursement.

5. That the Prior Allottee (s) also undertakes that it is liable to return the amount disbursed to it, in case thr above cost (part or in full) is claimed and established by any other party.

6. That nothing has been concealed in the information submitted as mentioned above.

Solemnly affirmed and verified on this \_\_\_\_\_day of (month) 2018 at (place).

(Signature)  
Deponent-Authorised Signatory  
(Name, Designation & Seal)

**VERIFICATION**

I, \_\_\_\_\_aged \_\_\_\_\_years, resident of \_\_\_\_\_ working as \_\_\_\_\_an authorized signatory on behalf of \_\_\_\_\_(name of Prior Allottee) do hereby solemnly declare that what is stated in paragraphs 1 to 8 above is on the basis of the books and records of the Prior Allottee, and verify that the contents of the above affidavit are true and correct, no part of it is false and nothing material has been concealed therefrom.

Verified at \_\_\_\_\_day of (month) 2018 at (place).

(Signature)  
Deponent-Authorised Signatory  
(Name, Designation & Seal)

**BY EMAIL/SPEED POST**

**F.No. 110/9/2015/NA (part-I)  
Government of India  
Ministry of Coal  
Office of Nominated Authority**

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Shastri Bhawan, New Delhi  
Dated: the 27th June' 2018

**ORDER**

**Subject: Compensation towards cost for Land and Mine Infrastructure in respect of Marki Mangli-I coal mine under Section 9 and 16 of the Coal Mines (Special Provisions) Act' 2015 read with Rule 15 of the Coal Mines (Special Provisions) Rules' 2014**

In order to examine the objections raised by M/s. Topworth Urja & Metals Limited, the Successful Bidder to release of amount of compensation for mine infrastructure in favour of the Prior Allottee, M/s. B. S. Ispat Limited, in respect of Marki Mangli- I coal mine, a hearing was called on 25.11.2016, wherein the representatives of the Successful Bidder and the Prior Allottee were present. After due deliberation of the submissions made by both the parties, Order dated 09.12.2016 was passed in the matter with direction as under:-

*".....It is noted that the matter is under consideration of the State Government. For taking a decision in the matter the O/o Nominated Authority may seek a status report from the State Government. Only after resolution of the issues a decision can be taken on the release of compensation for the mine infrastructure. Therefore, the compensation amount for the mine infrastructure may be withheld till such time. Remaining compensation for land vested if any, may be released after settlement of admissible claims in accordance with the provisions of the Act."*

2. Accordingly, an amount of Rs. 83,20,949/- computed as compensation for mine infrastructure for the said coal mine had been withheld from disbursal to the Prior Allottee.

3. Subsequently, as production has started from Marki Mangli-I coal mine and it was contended by M/s. B S Ispat Limited, the Prior Allottee of the coal mine that the said mine infrastructures are being utilized by the Successful Bidder, it was decided to hold another hearing to discuss/resolve the issue of compensation of mine infrastructure for the said coal mine. The hearing was conducted on 07.02.2018 wherein representatives of Successful Bidder and Prior Allottee were present.

4. The submissions made by the Successful Bidder and the Prior Allottee were deliberated by the Nominated Authority and Order dated 13.03.2018 was passed in the matter with following direction:-

*".....It has been noted that the Mine Infrastructures of Prior Allottee are being utilized by the Successful Bidder without paying any compensation for the same. Moreover, the Successful Bidder would have to incur the cost in case the Mine Infrastructure was constructed afresh/hired from outside. Further, due to utilization of the Mine Infrastructures by the Successful Bidder the same will get deteriorated and the Prior Allottee will not have any option to dump the same without being compensated adequately, in case the Successful Bidder subsequently decides to abandon the same for a reason or what.*

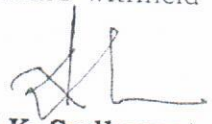
*Considering the above, the Successful Bidder is directed to consider paying some sort of mutually agreed compensation/rent to the Prior Allottee for the entire period of utilization of the said Mine Infrastructure till the matter is not finalized. The Successful Bidder is to come up with the action taken in this regard within 15 days."*

5. In pursuance, Successful Bidder vide letter dated 20.03.2018 has stated that the compensation towards mine infrastructure has already been deposited by them with the Nominated Authority. Further, the Prior Allottee vide letter dated 28.04.2018 has requested for fare judgement either in shape of compensation towards the money which is being held up for the infrastructure or fixed rent till the land is not transferred to the Successful Bidder. It has been stated by the Prior Allottee that the tripartite agreement has already been breached by the 1st Party i.e. original land owner as they have received an amount of Rs. 10 lacs from the 3rd party (Successful Bidder).

6. In order to resolve the issue another hearing was called on 04.06.2018 at Shastri Bhwan wherein the representatives of Successful Bidder (Shri Sanjay Dak) and Prior Allottee ( Shri Devendra Sonone) were present. The Successful Bidder re-iterated that they have already deposited the compensation amount with the Nominated Authority and are following regularly with the State Government for transfer of land. The Prior Allottee submitted that their mine infrastructure is being utilized by M/s. Topworth Urja & Metals Ltd without paying any compensation for the same neither in the form of total amount of compensation determined nor in the form of rent.

7. After hearing the submissions made by both the parties, it is noted that it is almost one and half years for which the mine infrastructure of the Prior Allottee is being utilised by the Successful Bidder without paying any compensation to the Prior Allottee. The Successful Bidder would have to incur the cost in case the mine infrastructure was constructed afresh/hired from outside. Further, due to utilization of the mine infrastructures by the Successful Bidder the same will get deteriorated and the Prior Allottee will be left without being compensated adequately, in case the Successful Bidder subsequently decides to abandon the same for a reason or what. Moreover, it is the mine infrastructure which has been vested with the Successful Bidder, not the land in question which has not been vested. The above compensation amount of Rs. 83,20,949/- is for the mine infrastructure which is being utilized by the Successful Bidder and not towards the land. Also, the Successful Bidder in its submission vide letter dated 20.03.2018 has accepted that the mine is in operation and mine infrastructure would not be dumped out.

8. In view of the above, withholding of amount of compensation towards the mine infrastructure seems unjustified and accordingly it has been decided that the amount of compensation for mine infrastructure withheld from payment may be released to the Prior Allottee.

  
(N.K. Sudhansu)

Joint Secretary to the Government of India and Nominated Authority

To,

1. M/s. Topworth Urja & Metals Ltd.
2. M/s. B.S.Ispat Ltd.
3. Deputy Secretary, State Government of Maharashtra.



BY FAX/SPEED POST

**F.No. 110/9/2015/NA (part)**  
**Government of India**  
**Ministry of Coal**  
**Office of Nominated Authority**

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131, Ground Floor, World Trade Centre, Babar Road  
New Delhi, Dated: the 11<sup>th</sup> November, 2016

To,

The Pay & Accounts Officer,  
PAO, Ministry of Coal,  
Trikoat II, Bhikaji Camma Place,  
R.K.Puram,  
New Delhi-110066.

**Subject: Transfer of compensation towards cost for Land and Mine Infrastructure in respect of Marki Mangli-I coal mine to the Commissioner of Payment for further disbursal to the prior allottees i.e. M/s. B.S. Ispat Ltd.**

**Sir/Madam,**

I am to convey the sanction of the President to the transfer of a sum of **Rs. 7,61,94,212/-** ( Rupees Seven crore Sixty One lakh Ninty four thousand Two hundred Twelve only) to the Coal Controller's Organisation for disbursement to **M/s. B.S. Ispat Ltd.**, the prior allottee, of **Marki Mangli-I** coal mine under the provisions of the Coal Mines (Special Provisions) Act, 2015 by the Coal Controller in his capacity as 'Commissioner of Payments' towards compensation for Land and Mine Infrastructure.

2. The amount of compensation for Land and Mine Infrastructure in respect of Marki Mangli-I coal mine has been calculated **Rs. 7,62,86,456/-** and **Rs. 83,20,949/-** respectively.

3. Here, it may be mentioned that in accordance with the Coal Mines (Special Provisions) Act, 2015 ("Act") and the Coal Mines (Special Provisions) Rules, 2014 ("Rules"), the Nominated Authority had issued notices dated March 12, 2015, April 22, 2015, September 17, 2015, December 15, 2015 and June 02/03, 2016 inviting claims from Secured Creditors/Government Authorities in respect of Schedule I coal mines.

4. In pursuance to the aforesaid notices, an amount of Rs. 92,244/- has been claimed by Ministry of Coal towards outstanding amount of Additional Levy for 2<sup>nd</sup> phase from prior allottee alongwith 12% interest against Marki Mangli-I coal mine. In this regard, it is mentioned that claim towards outstanding amount of Additional Levy was also lodged by Coal Controller Organisation (CCO) The amount claimed by CCO towards outstanding amount of Additional Levy against Marki Mangli-I coal mine is 'NIL'. The disparity in the claim amount submitted by Ministry of Coal (Rs. 92,244/- ) and CCO (Nil) towards outstanding amount of Additional Levy against Marki Mangli-I coal mine is being examined. As such, the amount of Rs. 92,244/- has been withheld from payment.

5. Further, CCO has lodged its claim towards

2. The amount of compensation for Land and Mine Infrastructure in respect of Marki Mangli-I coal mine has been calculated **Rs. 7,62,86,456/-** and **Rs. 83,20,949/-** respectively.
3. Here, it may be mentioned that in accordance with the Coal Mines (Special Provisions) Act, 2015 ("Act") and the Coal Mines (Special Provisions) Rules, 2014 ("Rules"), the Nominated Authority had issued notices dated March 12, 2015, April 22, 2015, September 17, 2015, December 15, 2015 and June 02/03, 2016 inviting claims from Secured Creditors/Government Authorities in respect of Schedule I coal mines.
4. In pursuance to the aforesaid notices, an amount of Rs. 92,244/- has been claimed by Ministry of Coal towards outstanding amount of Additional Levy for 2<sup>nd</sup> phase from prior allottee alongwith 12% interest against Marki Mangli-I coal mine. In this regard, it is mentioned that claim towards outstanding amount of Additional Levy was also lodged by Coal Controller Organisation (CCO) The amount claimed by CCO towards outstanding amount of Additional Levy against Marki Mangli-I coal mine is 'NIL'. The disparity in the claim amount submitted by Ministry of Coal (Rs. 92,244/- ) and CCO (Nil) towards outstanding amount of Additional Levy against Marki Mangli-I coal mine is being examined. As such, the amount of Rs. 92,244/- has been withheld from payment.
5. Further, CCO has lodged its claim towards

outstanding amount to the Escrow account stating it as security deposit, although amount towards the same has not been indicated. It has been stated that the amount could not be calculated due to non-availability of Mine Closure Plan (MCP) and non-execution of Escrow Agreement. Since, security deposit is not a permissible claim under the Act, the same has been decided as not admissible and has been rejected.

6. Further, M/s. Topworth Urja & Metals Limited, the Successful Bidder for Marki Mangli-I coal mines, vide e-mail dated 15.09.2016 has raised certain observations in respect of Mine Infrastructure of the said coal mine and has requested to withhold the amount towards the same i.e. Rs. 83,20,949/-. The same is under examination and as such the amount of Rs. 83,20,949/- has been withheld from payment for the time being.

7. The aforesaid amount of Rs. **7,61,94,212/-** may be transferred through RTGS to the account of Coal Controller, Coal Controller's Organisation who has been appointed as 'Commissioner of Payments' under the provisions of Section 15 (1) of the Coal Mines (Special Provisions) Act, 2015 for the purpose of the said Act vide Ministry of Coal's Order No. 22/2/2014-ASO dated 15<sup>th</sup> July, 2015.

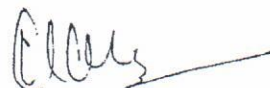
8. The expenditure on this account is debitable to the Head **8443.00.117.03.04.00.**

9. This issues with the approval of Integrated Finance Division, Ministry of Coal vide Note dated

18.10.2016.

Encl: as above.

Yours faithfully,



(N.K. Singh)

Deputy Secretary to the Government of India

Copy to:

1. **The Coal Controller in the capacity as Commissioner of Payments**, Coal Controller Organisation, No. 1 Council House Street, Kolkata-700001 - for further disbursement to the prior allocattees under the provisions of the Coal Mines (Special Provisions) Act, 2015 within **ten days** of the transfer of above amount from PAO. It may be ensured that payment is made to the prior allottee as per the said Act. The prior allottees may be intimated of the sanction & requested to submit the required document(s) for receiving the amount. For this purpose an affidavit in the prescribed format (**Annexure-I**) may be obtained from the prior allottee prior to disbursal.
2. US (IFD), Ministry of Coal.
3. US (CA-III), Ministry of Coal.
4. DDO, Nominated Authority.
5. M/s. B.S.Ispat Ltd.
6. M/s. Topworth Urja & Metals Ltd.
7. TD, NIC: for uploading on the Website of Ministry of Coal.

**ANNEXURE-I**

(To be stamped in accordance with the relevant Stamp Act and duly sworn before Notary Public)

**UNDERTAKING FOR RECEIVING THE AMOUNT TOWARDS COMPENSATION FOR LAND AND MINE INFRASTRUCTURE**

I, \_\_\_\_\_ aged \_\_\_\_\_ years, resident of \_\_\_\_\_ working as \_\_\_\_\_ an authorized signatory on behalf of \_\_\_\_\_ (name of Prior Allottee) hereby states as under:

1. That I am the Authorised Signatory of the Prior Allottee. I am conversant with facts and circumstances surrounding the subject of this Undertaking and have been authorized to undertake the same.

2. That M/s. \_\_\_\_\_ is/are the Prior Allottee (s) of the \_\_\_\_\_ (the "Coal Mine") in terms of the Coal Mines (Special Provisions) Act, 2015 (the "Act")/successor-in-interest of the Prior Allottee of the Coal Mine. The Mining Lease has been executed in favour of \_\_\_\_\_ M/s. \_\_\_\_\_. As such the Prior Allottee is entitled to receive compensation on account of cost of Land and Mine Infrastrucutre.

3. That the Prior Allottee (s) has incurred the cost of Land and Mine Infrastructure for \_\_\_\_\_ coal mine and is entitled to get refund of the same. The details of account for this purpose is as under:

Name of the Account holder company (must be

in the name of Prior  
Allottee)

\_\_\_\_\_  
Name of the Bank/Branch

\_\_\_\_\_  
Account No.

\_\_\_\_\_  
MICR  
IFSC

\_\_\_\_\_  
\_\_\_\_\_

4. That the Prior Allottee (s) indemnifies the Nominated Authority &/or the Central Government against any liability, cost, damages or losses in relation to this disbursement.

5. That the Prior Allottee (s) also undertakes that it is liable to return the amount disbursed to it, in case thr above cost (part or in full) is claimed and established by any other party.

6. That nothing has been concealed in the information submitted as mentioned above.

Solemnly affirmed and verified on this \_\_\_\_\_ day of (month) 2016 at (place).

(Signature)  
Deponent-Authorised Signatory  
(Name, Designation & Seal)

**VERIFICATION**

I, \_\_\_\_\_ aged \_\_\_\_\_ years, resident of \_\_\_\_\_ working as \_\_\_\_\_ an authorized signatory on behalf of \_\_\_\_\_ (name of Prior Allottee) do hereby solemnly declare that what is stated in paragraphs 1 to 8 above is on the basis of

the books and records of the Prior Allottee, and verify that the contents of the above affidavit are true and correct, no part of it is false and nothing material has been concealed therefrom.

Verified at \_\_\_\_\_ day of (month) 2016 at (place).

(Signature)  
Deponent-Authorised Signatory  
(Name, Designation & Seal)

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