

No. 103/13/2015/NA  
Government of India  
Ministry of Coal  
O/o Nominated Authority

131 G, World Trade Centre, Babar Road  
New Delhi, 16th Nov., 2017

**OFFICE MEMORANDUM**

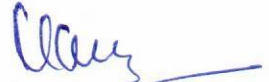
**Subject: Allowing Allottees of coal mines allotted under Coal Mine (Special Provisions) Act, 2015 for Specified End Use to transfer Specified End Use Plant(s) with or without the coal mine.**

The undersigned is directed to refer to the subject mentioned above and to say that an Inter-Ministerial Committee (IMC) has been constituted under the chairmanship of Additional Secretary (Coal) to examine the proposal of allowing Allottees (Government companies or corporations) of coal mines allotted under Coal Mine (Special Provisions) Act, 2015 to transfer Specified End Use Plant(s) with or without the coal mine.

2. The IMC after deliberation recommended certain amendments in Clause 13.1.1 and 13.1.2 of the Allotment Agreement to allow transfer of the Specified End Use Plant with or without the rights in relation to coal mine. Further, a proviso was recommended to be inserted in the said clause stating that such transfer of Specified End Use Plant should not result in the coal mine left without a single Specified End Use Plant. This will ensure that the successful allottee remain with at least one Specified End Use Plant, as the coal mines were allotted for captive consumption. The proposed changes will enable the Allottee of a coal mine to transfer Specified End Use Plant to another Government Company or Corporation even without the change in the ownership of the allotted coal mine. The Committee also observed that the above amendment may be carried out in respect of all the coal mines allotted to Government Companies/ corporations for Specified End Use under the CMSP Act, as and when sought by respective allottee, in order to bring uniformity in all the cases of allotments. Amendments recommended in clause 13.1.1 and 13.1.2 of the Allotment Agreement is placed as **Annexure**.

3. The recommendations of the IMC have been approved by the Ministry of Coal. Accordingly, the Allottees of the coal mines may submit their respective request to Nominated Authority for signing amendment agreement (as per the Annexure) to the Allotment Agreement.

4. This is issued with the approval of the Competent Authority.



(N.K. Singh)

Dy. Secretary to the Government of India

Tel. No. 011-23414137

To

All allottees of coal mines under Coal Mine (Special Provisions) Act (through email & MoC website).

Copy for information to:

1. PS to Minister of Coal & Railways.
2. PSO to Secretary (Coal).
3. PS to Addl. Secretary (Coal).
4. JS(Thermal), Ministry of Power.
5. JS(RKS), MoC.
6. JS(NKS) & Nominated Authority, MoC.
7. Dy. Secretary(CBA-II), MoC.
8. TD, NIC, MoC – for uploading on the website of MoC.

## Annexure

### Existing Provision of Allotment Agreement

#### 13.1. **Change in Control of the Allottee**

13.1.1. Change in Control of the Allottee or any transfer of the Specified End Use Plant along with the rights in relation to the Coal Mine, shall be permissible with prior intimation to the Nominated Authority and the Central Government if:

(a) such change in Control does not result in the Allottee becoming non compliant with any of the Eligibility Conditions or the transferee is also compliant with the applicable Eligibility Conditions, as the case may be. It is clarified that no company other than a Government company or corporation shall be permitted to hold more than twenty-six per cent of the paid up share capital in the Allottee, either directly or through any of its subsidiary company or associate company; and

(b) such change in Control or transfer does not require any prior consent, approval, no-objection certificate or the like under any Applicable Law.

13.1.2. In the event that any change in Control of the Allottee or any proposed transfer of the Specified End Use Plant along with the rights in relation to the Coal Mine requires prior Governmental Approval under any Applicable Laws, then such Governmental Approval shall be granted (in addition to any other requirement under Applicable Law) only if:

(a) the transferee of such right, title or interest or the Allottee subsequent to change of Control, as the case may be, also meets all the applicable Eligibility Conditions; or

(b) the Allottee continues to meet all the applicable Eligibility Conditions, as the case may be.

### Amendment in the provision of Allotment Agreement (Changes are underlined)

#### 13.1. **Change in Control of the Allottee**

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(a) such change in Control does not result in the Allottee becoming non compliant with any of the Eligibility Conditions or the transferee is also compliant with the applicable Eligibility Conditions, as the case may be. It is clarified that no company other than a Government company or corporation shall be permitted to hold more than twenty-six per cent of the paid up share capital in the Allottee, either directly or through any of its subsidiary company or associate company;

(b) such change in Control or transfer does not require any prior consent, approval, no-objection certificate or the like under any Applicable Law; and

(c) such transfer of any of the Specified End Use Plant(s) without the rights in relation to the Coal Mine shall not result in the Coal Mine being without any Specified End Use Plant(s) for utilisation of coal mined.

13.1.2. In the event that any change in Control of the Allottee or any proposed transfer of the Specified End Use Plant with or without the rights in relation to the Coal Mine requires prior Governmental Approval under any Applicable Laws, then such Governmental Approval shall be granted (in addition to any other requirement under Applicable Law) only if:

(a) the transferee of such right, title or interest or the Allottee subsequent to change of Control, as the case may be, also meets all the applicable Eligibility Conditions; or

(b) the Allottee continues to meet all the applicable Eligibility Conditions, as the case may be.

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