

**Through Email/Speed Post**

F.No-104/20/2015/NA  
Government of India  
Ministry of Coal  
O/o Nominated Authority  
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Shastri Bhawan, New Delhi- 110001  
Dated : 17<sup>th</sup> September, 2021

To,

The General Manager,  
M/s. Adani Power (Mundra) Limited,  
Adani Corporate House Shantigram,  
Near Vaishno Devi Circle, S.G. Highway,  
Khodiyar, Ahmedabad-382421  
Gujarat. Email: - Sanjay.Kumar@adani.com

Also to,

The Manager (C.S) and Dy Manager (C.S),  
State Bank of India,  
Corporate Account Group Branch,  
C.A.G II, New Delhi 4<sup>th</sup> and 5<sup>th</sup> Floor, Redfort,  
Capital Parsvanath Tower, New Delhi 110001.

Subject :- Termination of Allotment Agreement and Allotment Order in respect of Jitpur coal mine allotted to M/s. Adani Power (Mundra) Limited under the Coal Mine (Special Provisions) Act' 2015.

Sir,

Please refer to M/s. Adani Power (Mundra) Limited [APMuL] letter dated October 31, 2020 for surrender of the Jitpur coal mine allotted to it under the Coal Mines (Special Provisions) Act, 2015. The request of APMuL has been examined in the Ministry. In this regard, attention is invited to Clause 24.3.1 (o) of Allotment Agreement dated March 16, 2015 executed by APMuL and Nominated Authority in respect of the aforesaid coal mine which has been reproduced as under: -

*"24.3.1. This Agreement may be terminated upon occurrence of any of the following events (each a "Termination Event"):-  
...(o) surrender of the Coal Mine by the Allottee"*

2. Further, Clause 24.3.2 and 24.3.3 of the Allotment Agreement provides as under :-

*As per Clause 24.3.2 of the CMDPA, "Upon occurrence of a Termination Event, the Nominated Authority may elect to terminate this Agreement by providing a 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."*

*As per Clause 24.3.3 of the CMDPA, "In case the Nominated Authority elects to terminate this Agreement, then the Performance Security and all other payments made by the Allottee shall be forfeited and the Allottee shall not be entitled to any benefits under this Agreement but would continue to be liable towards any antecedent liability, all obligations accrued before the effective date of surrender/termination and also for the obligations that must be fulfilled after termination."*

3. APMuL had filed W.P. (C) No.8598/2020 and CM Nos.27708-11/2020 (Adani Power (Mundra) Limited Vs. Union of India) before the Hon'ble High Court of Delhi. The Hon'ble High Court vide Order dated November 03, 2020 has directed to grant the Petitioners a personal hearing before taking a decision on the Representation dated October 31, 2020.

4. In compliance of Order dated November 03, 2020 of Hon'ble High Court of Delhi, Nominated Authority provided an opportunity of personal hearing to M/s APMuL on November 11, 2020, successful Bidder of Jitpur Coal mine. Joint Secretary, and Deputy Director, Department of Mines & Geology, Government of Jharkhand also attended the said meeting virtually.

5. In the said meeting, representatives of Government of Jharkhand stated that forest clearance of 36 hectares of land is pending since two years due to non interest of M/s. Adani Power (Mundra) Limited. They further stated that perhaps the coal transportation from Godda District, where Jitpur Coal Mine is located, to the Mundra Power Plant of allottee is not economically viable and hence the allottee is not showing its interest in operationalization of Jitpur Coal Mine.

6. Further, as decided in virtual meeting held on November 11, 2020 for disposing off representation of APMuL regarding surrender of Jitpur Coal Mine, a letter dated November 16, 2020 and DO letters dated January 20, 2021 and March 15, 2021 were issued to State Government of Jharkhand referring the said representation of APMuL, for furnishing a comprehensive report.

7. Mines & Geology Department, Government of Jharkhand, vide letter dated 16.09.2021 furnished it comments that after receipt of clarification from Ministry of Rural Development, Department of Land Resources, Govt. of India regarding lapsing of land acquisition process under LARR, 2013 Act., it was communicated by DC, Godda vide to M/s. Adani Power Ltd. that in the light of the Government of India clarification with respect to land acquisition process started for this coal blocks has lapsed. In course of review meetings of the operationalisation of coal block at various levels i.e. Chief Secretary, GoJ, Secretary, Mines and Secretary, Coal, Government of India, this position of lapsing of land acquisition under LARR 2013, Act has been explained and made clear to the APMuL and Ministry of Coal that under LARR 2013 Act, land acquisition process started by DC, Godda has lapsed and fresh application has to be made by User Agency for land acquisition as provision made under LARR 2013, Act but in spite of repeated directions in the meetings, the APMuL never applied for the same.

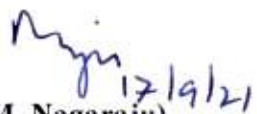
*Nyjn*

8. Government of Jharkhad has further stated that during several meetings held in the past, allottee has been clarified that as per provisions of MMDR Act, prior land acquisition for the purpose of grant of mining lease is not mandatory. As per the provision of law, only mining plan, Forest Clearance and Environment Clearances are required for the purpose of grant of mining lease. Forest Clearance of 36 Ha of land is pending since 2 years due to non interest of APMuL. APMuL has been advised to focus on arrangement of CA land for grant of FC of the said land as mining lease is also pending for want of this. The acquisition of land can be taken up parallel. This position of the law has been explained in each and every meeting conducted for review of the operationalisation of coal block from Government of India to State Government level to the UA time and again.

9. In view of the above facts and circumstances, it has been decided to terminate the CMDPA of Jitpur coal mine on account of APMuL not taking necessary steps as advised by Government of Jharkhand and delay in timely operationalisation of Jitpur coal mine. CMDPA shall stand terminated w.e.f. 08.10.2021 and the Performance Security and all other payments made by the Allottee shall stand appropriated and the Allottee shall not be entitled to any benefit under CMDPA but would continue to be liable towards any antecedent liability, all obligations accrued before the effective date of the surrender / termination and also for the obligations that must be fulfilled after termination.

10. Accordingly, the Manager (C.S) and Dy Manager (C.S), State Bank of India, Corporate Account Group Branch, C.A.G II New Delhi 4<sup>th</sup> and 5<sup>th</sup> Floor, Redfort, Capital Parsvanath Tower, New Delhi-110001 are requested to treat this as notice of demand under **Bank Guarantee No.1731319BG0000457 dated 19.03.2019 of amount ₹92,90,00,000/-** issued by it in favour of the President of India, acting through the Central Government represented by the Nominated Authority, and deposit the amount of **₹92,90,00,000/- (in words: Rupees Ninety Two Crores Ninety Lakh only)** which is the entire guaranteed amount under the said bank guarantee to the account of PAO, Ministry of Coal, Punjab National Bank, Account no 0276050414586, Branch-PNB Connaught Circus (New Delhi), IFSC Code- PUNB0027620 on 08.10.2021 for the reason of termination of Allotment Agreement.

Yours faithfully,

  
(M. Nagaraju) 17/9/21

Additional Secretary & Nominated Authority

Copy to :-

1. The Chief Secretary, Government of Jharkand, Ranchi.
2. Deputy Secretary (P&S), Ministry of Coal.
3. Coal Controller, Coal Controller Organisation, I, Council House Stree, Kolkata.
4. US (IFD / DD (CLD), MoC.
5. Pay & Accounts Officer, Pay & Accounts Office, Ministry of Coal – with a request to deposit the amount of Rs. 92.9crores received from State Bank of India in Detailed Head

8443.00.117.03.07.00 until further directions from this office to deposit the above-mentioned amount in CFI.

6. Bank Manager, Punjab National Bank, Connaught Circus Branch, New Delhi.
7. TD (NIC), MoC- for uploading on the website of Ministry of Coal.