

THROUGH E –MAIL/ ON MOC WEBSITE

File No NA-203/13/2022-NA
Government of India
Ministry of Coal
Office of Nominated Authority

Room No. 120, “F” Wing, Shastri Bhawan,
New Delhi, Dated: September 20, 2023

FINAL COMPENSATION ORDER

Subject: The Coal Mines (Special Provisions) Act, 2015 and Hon’ble High Court of Delhi, Judgment dated March 09, 2017– Valuation of Compensation payable to prior allottee, M/s Topworth Urja & Metals Limited (Formerly, M/s Shree Virangana Steels Limited) in respect of Marki Mangli IV coal mine.

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Pursuance to Provisional Order dated August 30, 2023, both prior allottee, M/s Topworth Urja & Metals Limited (Formerly, M/s Shree Virangana Steels Limited) and Successful allottee, M/s Sobhagya Mercantile Limited [SML] were called upon August 31, 2023 at 04:30 P.M to present their comments/objection, if any, on the determination made by the Nominated Authority.

2. Accordingly, prior allottee, M/s Topworth Urja & Metals Limited (TUML) and Successful allottee, M/s Sobhagya Mercantile Limited [SML] attended the meeting on August 31, 2023. Further, both allottees accepted the claim of compensation of Cost of Geological Report (“GR”), Cost of Consents (“CC”), Land and Mine infrastructure as determined by the Nominated Authority vide Provisional Compensation order dated August 30, 2023, which is reiterated as under:-

Cost of GR (A)	Cost of CC (B)	Land (C)	Mine infrastructure (D)	Total [E=(A to D)]
12,42,314.00	NIL	NIL	NIL/-	12,42,314.00

3. In view of above the compensation for Cost of Geological Report (“GR”), Cost of Consents (“CC”), Land and Mine infrastructure with respect to Marki Mangli IV coal mine stands settled as mentioned above.

4. In addition to that, vide letter dated 11.09.2023, Indian Bank (consortium leader) has submitted their claim of secured creditors along with affidavit, on behalf of Indian Bank, PNB & SBI for Marki Mangli II & Marki Mangli IV coal mine. Further, as per CM(SP) Act 2015, Clause no 9 & 12 (1) (b), the provisions concerning secured creditors specify that if a secured creditor of a prior allottee holds any security interest in the land or mine infrastructure of a Schedule I coal mine, then the security interest of that secured creditor will be settled from the compensation that is payable to the prior allottee. Therefore, it is highlighted that, since the compensation for land and mine infrastructure is settled as 'NIL,' the claim of secured creditors is also settled as 'NIL.'

The clause 9 & 12 (1) (b) of CM(SP) Act 2015, is reinstated below

Clause No 9. Priority of disbursal of proceeds.—*The proceeds arising out of land and mine infrastructure in relation to a Schedule I coal mine shall be disbursed maintaining, inter alia, the priority of payments in accordance with the relevant laws and such rules as may be prescribed— (a) payment to secured creditors for any portion of the secured debt in relation to a Schedule I, coal mine which is unpaid as on the date of the vesting order; (b) compensation payable to the prior allottee in respect of the Schedule I coal mine.*

Clause No 12. Provisions in relation to secured creditors.—*(1) The secured creditors of the prior allottees which had any security interest in any part of the land or mine infrastructure of a Schedule I coal mine shall be entitled to—*

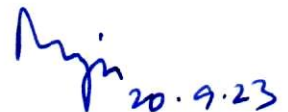
(b) in the event that the prior allottee is not a successful bidder or allottee, then the security interest of such secured creditor shall only be satisfied out of the compensation payable to such prior allottee, to the extent determined in accordance with such rules as may be prescribed and the outstanding debt shall be recoverable from the prior allottee.

5. Further, the compensation pertaining to the Geological Report (GR), Cost of Consent (CC), Land & Mine Infrastructure will be released to M/s TUML under the intimation to Resolution Professional, as M/s Topworth Urja & Metals Limited was referred to the National Company Law Tribunal (NCLT), and proceedings under the Insolvency and Bankruptcy Code which was initiated vide order dated 12.08.2022. Furthermore, Mr. Avil Menezes (RP) vide letter dated 06.09.2023 has requested Nominated Authority to transfer the compensation, amounting to Rs 12,42,314/- to the bank account of M/s Topworth Urja and Metals Ltd L w.r.t Marki Mangli IV coal mine.

6. In accordance with section 27 of the Act and the judgement dated 09.03.2017, it is open to M/s Topworth Urja & Metals Limited and M/s Sobhagya Mercantile Limited to raise disputes with regard to the quantum of compensation before the Tribunal constituted under the Coal Bearing area (Acquisition and Development) Act 1957.

Enclosure:

1. Provisional order dated 30.08.2023
2. NCLT order dated 12.08.2022
3. Claim of secured creditors dated 11.09.2023
4. Resolution Professional letter dated 06.09.2023



[M. NAGARAJU]

Additional Secretary & Nominated Authority

To,

1. **(Prior Allottee):-** The Managing director, M/s. Topworth Urja Metals Limited (Formerly, M/s Shree Veerangana Steel Limited), 16 Floor Tower-3, India bulls Finance Center, Senapati Bapat Marg, Elphinstones Road, West-Mumbai, Maharashtra- 400013, Email:- anand.azami@topworthgroup.com

2. **(Successful Allottee):-** The Managing Director, M/s Sobhagya Mercantile Limited, B-61, Floor 6, Plot No 210, B-Wing, Mittal Tower, Free Press Journal Marg, Nariman Point, Mumbai 400021.
3. **(Resolution Professional):-** Mr. Avil Menezes Registration No IBBI/IPA-001/IP-P00017/2016-2017/10041, 106, 1st Floor, Kanakia Atrium 2, Cross Road A, Behind Courtyard Marriott, Chakala, Andheri East, Mumbai 400093.
4. **Secured Creditor:-** Indian Bank, Stressed Asset Management Branch, Mumbai, Mittal Chamber, 7th Floor, Near Bajaj Bhavan, Nariman Point, Mumbai - 400 021.

Copy to :-

1. The Coal Controller, Coal Controllers' Organisation, 1, Council House Street, Kolkata.
2. U.S, CBA-II (For information).
3. Sr.T.D, NIC, MoC with request to upload this on the website of MOC.

List of Participants for the meeting dated 31.08.2023

SL No	Participants	Designation	Organisation
1	Shri M Nagaraju	Additional Secretary	NA, MoC
2	Shri Ajitesh Kumar	Director	NA, MoC
3	Shri Marapally Venkateshwarlu	Director (Tech)	NA, MoC
4	Shri Manish Uniyal	Under Secretary	NA, MoC
5	Shri Komirineni Venkateshwarlu	Additional Manager	NA, MoC
6	Shri Harishchand	Manager	NA, MoC
7	Smt. Reshma Mohan	Financial Analyst	NA, MoC
8	Shri Anand Azami	Chief Manager	Topworth Urja Metals Limited, Nagpur Office
9	Shri NT Agade	Consultant/Advisor	M/s Sobhagya Mercantile Limited