

Through Email/SPEED POST/Website of Ministry of Coal

File No. 104/13/2025/NA

Government of India

Ministry of Coal

Nominated Authority

Room No. 120, "F" Wing, Shastri Bhawan,
New Delhi, Date: 7th July, 2025

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

Subject: E-Payment of refund an amount of INR 73,70,80,000/- to M/s Hindalco Industries Limited (HIL) in respect of Gare Palma IV/5 coal mine in compliance with Hon'ble Supreme Court's Order dated 23.04.2025.

Sir/Madam,

I am directed to convey the sanction of the President for refund of **Rs. 73,70,80,000/-** (Rupees Seventy-Three Crore Seventy Lakh Eighty Thousand only) to **M/s Hindalco Industries Limited (HIL)**. The said amount was earlier appropriated vide Appropriation Order dated 26.04.2018 towards the Performance Security in respect of Gare Palma IV/5 coal mine.

2. The Hon'ble High Court of Chhattisgarh, vide order dated 18.02.2020 in W.P. (227) No. 647 of 2019, had directed the refund of the said amount. The Union of India has filed SLP (C) No. 5541 of 2021, which was subsequently dismissed by the Hon'ble Supreme Court vide its order dated 23.04.2025 (enclosed). **The Hon'ble Supreme Court has given direction that the principal amount be refunded to the respondent No.1 i.e. HIL within a period of three months from 23.04.2025.** Accordingly, a decision has been taken to refund the amount.

3. The aforesaid amount may be transferred through E-Payment to Hindalco Industries Limited in below mentioned account:

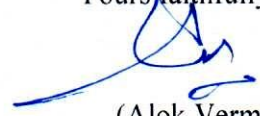
S. No.	Name of Allottee	Account no.	Bank name & Branch	IFSC code
1	Hindalco Industries Limited (HIL)	39783287222	State Bank of India, OP Jindal Campus, Tamnar	SBIN0003741

3. The expenditure on this account is to be debited to the Head **8443.00.117.03.07.00.**



4. This issue with the approval of Integrated Finance Division, Ministry of Coal vide Note # 384 dated 26.06.2025 of file no. 104/13/2025/NA, Computer No. 323613.

Yours faithfully,





(Alok Verma)

Under Secretary to the Government of India


Copy to:

1. **PS** to AS/NA
2. **US (IFD)**, Ministry of Coal.
3. **DDO**, Nominated Authority.
4. **M/s Hindalco Industries Limited (HIL)**



20/06/2025 04:38 PM

 Digitally Signed  Marapally Venkateshwarlu
DIRECTOR (T)
Note # 374


23/06/2025 09:49 AM

 Digitally Signed Rupinder Brar
ADDITIONAL SECRETARY
Note # 375


23/06/2025 03:00 PM

 Digitally Signed  Marapally Venkateshwarlu
DIRECTOR (T)
Note # 376

23/06/2025 04:19 PM

 Digitally Signed Alok Verma
UNDER SECRETARY
Note # 377

23/06/2025 06:09 PM

 Digitally Signed SUDHEER BABU MOTANA
DEPUTY SECRETARY
Note # 378

23/06/2025 06:13 PM



Digitally Signed

सीमा ग्रोवर|SEEMA GROVER

अवर सचिव|UNDER SECRETARY

Note # 379

24/06/2025 09:43 AM



Digitally Signed

NARESH KUMAR

SECTION OFFICER

Note # 380

Reference Note #371 onwards [FC]

2. This is the proposal received from O/o NA for refund of an amount of Rs. 73,70,80,000/- to M/s Hindalco Industries Limited (HIL) in respect of Gare Palma IV/5 coal mine in compliance with Hon'ble Supreme Court's Order dated 23.04.2025.

3. It had been informed by O/o NA that the Gare Palma IV/5 coal mine was initially vested to M/s Hindalco Industries Limited (HIL) vide Vesting Order dated 23.03.2015. However, the Scrutiny Committee in its 4th meeting held on 01.12.2017, decided that no exemption may be granted to the SB with respect to the Efficiency Parameter in relation to scheduled production of coal for FY 2015-16 and recommended appropriation of performance security as per the weightages assigned under the CMDPA. Accordingly, Rs. 73,70,80,000/- was appropriated vide appropriation order dated 26.04.2018 towards the performance security in respect of Gare Palma IV/5 coal mine.

4. In view of the appropriation order dated 26.04.2018, M/s. HIL challenged the said order of MoC by filing a case before the CMSP, Act Tribunal at Bilaspur numbered as PTT Case No.59 of 2018 wherein the Hon'ble Tribunal at Bilaspur, dismissed this case in favour of UOI/NA vide order dated 31.07.2019. Against this order of the tribunal, the petitioner filed Appeal W.P. (227) No.647 of 2019 before Hon'ble High Court of Chhattisgarh. The Hon'ble High Court vide order dated 18.02.2020 allowed the petition of the petitioner [M/s. HIL] against the Tribunal order dated 31.07.2019 and granted following reliefs to the petitioner:

"1. The impugned judgment dated 31.07.2019 passed by the learned tribunal is set aside.

2. The appropriation notice dated 26.04.2018 issued by respondents No.1 and 2 regarding information of appropriation of amount of performance bank guarantee of Rs.73,70,80,000/- is quashed and respondents No.1 and 2 are directed to make refund of the same to the petitioner.

3. The petitioner is at liberty to make a prayer to respondents No.1 and 2 to release the performance bank guarantee in accordance with the terms agreed under Clause 6.1.5 of the agreement between the parties and the respondents No.1 and 2 are directed to consider the same and take appropriate decision."

5. Against the order of the Hon'ble High Court, Union of India & other filed SLP (C) No. 5541 of 2021 before the Hon'ble Supreme Court, wherein interim relief was granted, staying the High Court'. the said matter was posted for hearing on 23.04.2025. The court has passed an order dated 23.04.2025.

6. Vide order dated 23.04.2025, the Hon'ble Court has directed that the principal amount shall be refunded to the respondent No.1 i.e. HIL within a period of three months from 23.04.2025. The Court has further disposed of all pending applications and expressly declined to entertain the plea for interest, thereby concluding the matter in its entirety. Accordingly, now O/o NA had proposed for refunding of Rs. 73,70,80,000/- to M/s HIL within the stipulated timeframe.

7. In this regard, earlier, IFD vide Note # 367 had sought clarification as follows: *"The course of action with respect to further legal remedy has been examined in Note 349. It is not clear, if the DCM there in is working in a capacity of a legal counsel, or if any legal opinion was taken in this regard from DoLA etc. based on which the course of action is being proposed."*

8. In reference to observation of AS&FA at Note#367, O/o NA had referred the file to DoLA. In response, DoLA vide Note#235 (page 4936/c) has advised that the issue is purely administrative in nature and only if Department intends to challenge the order of Hon'ble SC, then only matter be referred to D/o Legal Affairs for examination. A decision at the level of AS&NA was already taken (Note#352) for implementing the judgement as there are no grounds for filing review petition, hence, they have again referred the matter of IFD seeking concurrence for payment of Rs 73,70,80,000/- to M/s HIL.

9. In view of the above, if approved, the proposal of O/o NA for refund of an amount of Rs. 73,70,80,000/- to M/s Hindalco Industries Limited (HIL) in respect of Gare Palma IV/5 coal mine in compliance with Hon'ble Supreme Court's Order dated 23.04.2025 may be concurred-in.

25/06/2025 03:34 PM

✓ 

Manisha Kumari

ASSISTANT SECTION OFFICER

Note # 381

Reference Note #371 onwards [FC]

2. This is the proposal received from O/o NA for refund of an amount of Rs. 73,70,80,000/- to M/s Hindalco Industries Limited (HIL) in respect of Gare Palma IV/5 coal mine in compliance with Hon'ble Supreme Court's Order dated 23.04.2025.

3. It had been informed by O/o NA that the Gare Palma IV/5 coal mine was initially vested to M/s Hindalco Industries Limited (HIL) vide Vesting Order dated 23.03.2015. However, the Scrutiny Committee in its 4th meeting held on 01.12.2017, decided that no exemption may be granted to the SB with respect to the Efficiency Parameter in relation to scheduled production of coal for FY 2015-16 and recommended appropriation of performance security as per the weightages assigned under the CMDPA. Accordingly, Rs. 73,70,80,000/- was appropriated vide appropriation order dated 26.04.2018 towards the performance security in respect of Gare Palma IV/5 coal mine.

4. In view of the appropriation order dated 26.04.2018, M/s. HIL challenged the said order of MoC by filing a case before the CMSP, Act Tribunal at Bilaspur numbered as PTT Case No.59 of 2018 wherein the Hon'ble Tribunal at Bilaspur, dismissed this case in favour of UOI/NA vide order dated 31.07.2019. Against this order of the tribunal, the petitioner filed Appeal W.P. (227) No.647 of 2019 before Hon'ble High Court of Chhattisgarh. The Hon'ble High Court vide order dated 18.02.2020 allowed the petition of the petitioner [M/s. HIL] against the Tribunal order dated 31.07.2019 and granted following reliefs to the petitioner:

"1. The impugned judgment dated 31.07.2019 passed by the learned tribunal is set aside.

2. The appropriation notice dated 26.04.2018 issued by respondents No.1 and 2 regarding information of appropriation of amount of performance bank guarantee of Rs.73,70,80,000/- is quashed and respondents No.1 and 2 are directed to make refund of the same to the petitioner.

3. The petitioner is at liberty to make a prayer to respondents No.1 and 2 to release the performance bank guarantee in accordance with the terms agreed under Clause 6.1.5 of the agreement between the parties and the respondents No.1 and 2 are directed to consider the same and take appropriate decision."

5. Against the order of the Hon'ble High Court, Union of India & other filed SLP (C) No. 5541 of 2021 before the Hon'ble Supreme Court, wherein interim relief was granted, staying the High Court'. the said matter was posted for hearing on 23.04.2025. The court has passed an order dated 23.04.2025.

6. Vide order dated 23.04.2025, the Hon'ble Court has directed that the principal amount shall be refunded to the respondent No.1 i.e. HIL within a period of three months from 23.04.2025. The Court has further disposed of all pending applications and expressly declined to entertain the plea for interest, thereby concluding the matter in its entirety. Accordingly, now O/o NA had proposed for refunding of Rs. 73,70,80,000/- to M/s HIL within the stipulated timeframe.


7. In this regard, the matter was earlier examined in IFD and vide Note # 367 NA division was requested to clarify: *"The course of action with respect to further legal remedy has been examined in Note 349. It is not clear, if the DCM there in is working in a capacity of a legal counsel, or if any legal opinion was taken in this regard from DoLA etc. based on which the course of action is being proposed. Division may clarify the basis on which the opinion in Note # 349 has been arrived at, based on which further course of action is being sought for concurrence "*

8. In reference to observation of AS&FA at Note#367, NA division vide their Note # 371 and Note # 372 has informed that the matter was referred to DoLA and in response, DoLA vide Note #235 (page 4936/c) has advised that the issue is purely administrative in nature and only if Department intends to challenge the order of Hon'ble SC, then only matter be referred to D/o Legal Affairs for examination. Further, they have stated that a decision at the level of AS&NA was already taken (Note#352) for implementing the judgement as there are no grounds for filing review petition, hence, they have again referred the matter of IFD seeking concurrence for payment of Rs 73,70,80,000/- to M/s HIL.

9. In view of the above, if approved, the proposal of O/o NA for refund of an amount of Rs. 73,70,80,000/- to M/s Hindalco Industries Limited (HIL) in respect of Gare Palma IV/5 coal

mine in compliance with Hon'ble Supreme Court's Order dated 23.04.2025 may be concurred in.

25/06/2025 04:38 PM

 Digitally Signed NARESH KUMAR
SECTION OFFICER
Note # 382


25/06/2025 05:49 PM

 Digitally Signed सीमा ग़ोवर SEEMA GROVER
अवर सचिव UNDER SECRETARY
Note # 383

May please see the clarification given at Note # 372 & 373 on the observations at Note # 367.

2. There is no financial outgo from MoC budget as it is proposed to refund the appropriated amount in the performance bank guarantee of Rs. 73,70,80,000/- to M/s HIL, pursuant Hon'ble Supreme Court order dated 23.04.2025, read with Chhattisgarh High Court Order dated 18.02.2020.
3. Proposal at Note # 381 is submitted for concurrence.


26/06/2025 09:59 AM

 Digitally Signed SUDHEER BABU MOTANA
DEPUTY SECRETARY
Note # 384

Reference Notes above


Note 372 is concurred subject to the approval of Secretary.

26/06/2025 10:19 AM


Ashish Chatterjee
ADDITIONAL SECRETARY & FINANCIAL ADVISOR

Note # 385


26/06/2025 10:54 AM

 Digitally Signed SUDHEER BABU MOTANA
DEPUTY SECRETARY


Note # 386

Put up self contained note for the approval of Secretary.

26/06/2025 11:32 AM


Marapally Venkateshwarlu
DIRECTOR (T)
Note # 387


26/06/2025 03:42 PM

 Digitally Signed Alok Verma
UNDER SECRETARY

Note # 388

file has been inadvertently sent to the undersigned. Pl see and take necessary action

27/06/2025 09:31 AM

 Digitally Signed ABHISHEK KUMAR
SECTION OFFICER
Note # 389

27/06/2025 11:06 AM

 Digitally Signed JAIBANT KISHORE DEV VARMA
DEPUTY CHIEF MANAGER

Note # 390

Refer Note#345 onwards,

Subject: Sanction Order for Refund of Rs.73,70,80,000/- to M/s Hindalco Industries Limited (HIL) in respect of Appropriation Order dated 26.04.2018 for Gare Palma IV/5 Coal Mine, in compliance with the Hon'ble Supreme Court's Order dated 23.04.2025.

The Gare Palma IV/5 coal mine was initially vested to M/s Hindalco Industries Limited (HIL) vide Vesting Order dated 23.03.2015. Subsequently, the said vesting was terminated vide order dated 07.02.2024. The coal mine has now been re-allocated to M/s Sarda Energy and Minerals Limited (SEML) vide Vesting Order dated 04.02.2025.

2. In respect of Gare Palma IV/5 coal mine (while it was vested with M/s Hindalco Industries Limited), the Scrutiny Committee in its 4th meeting held on 01.12.2017, examined the Show Cause Notice dated 03.07.2017 for deviation in the Scheduled Production/Reaching Rated Capacity for FY 2015-16 and FY 2016-17.

3. Upon deliberation, the 4th meeting of the Scrutiny Committee concluded that the production of coal from the mine during FY 2015-16 was less than the adjusted pro-rated scheduled production as calculated above. Thus, it was decided by the Committee that no exemption may be granted to the Successful Bidder (SB) with respect to the Efficiency Parameter in relation to scheduled production of coal for FY 2015-16 and recommended appropriation of performance security as per the weightages assigned under the CMDPA.

4. As per Clause 6.2.1 of the said CMDPA, failure of the Successful Bidder to comply with the Efficiency Parameter as required under Clause 10 is an event for appropriation of Performance Security. Further, Schedule E read with Clause 6.3.1 and Clause 10.3 of the said Agreement provides for appropriation of 20% of the Performance Security for deviation from scheduled production as per the Mine Plan.

Accordingly, the appropriation order dated 26.04.2018, was issued, for appropriation of Rs.73,70,80,000/- (Seventy Three Crore Seventy Lakhs Eighty Thousands only) from the bank guarantee constituting performance security for non-compliance with the production schedule for the Financial Year 2015-16 in terms of Clause 6.2.1 (d) read with Clause 10.3 of the CMDPA. The amount appropriated is equal to 20% of total amount of bank guarantee as per the weightage provided for the efficiency parameter/ milestone of 'Schedule of Production/ reaching Peak Rated Capacity' at Schedule E of the CMDPA.

5. Subsequently, in view of the appropriation order dated 26.04.2018, M/s. HIL challenged the said order of MoC by filing a case before the CMSP, Act Tribunal at Bilaspur numbered as PTT Case No.59 of 2018 wherein the Hon'ble Tribunal at Bilaspur, dismissed this case in favour of UOI/NA vide order dated 31.07.2019. Against this order of the tribunal, the M/s HIL filed Appeal W.P. (227) No.647 of 2019 before Hon'ble High Court of Chhattisgarh. The Hon'ble High Court vide order dated 18.02.2020 allowed the petition of the M/s. HIL against the Tribunal order dated 31.07.2019 and granted following reliefs:

"1. The impugned judgment dated 31.07.2019 passed by the learned tribunal is set aside.

2. The appropriation notice dated 26.04.2018 issued by respondents No.1 and 2 regarding information of appropriation of amount of performance bank guarantee of Rs.73,70,80,000/- is quashed and respondents No.1 and 2 are directed to make refund of the same to the petitioner.

3. The petitioner is at liberty to make a prayer to respondents No.1 and 2 to release the performance bank guarantee in accordance with the terms agreed under Clause 6.1.5 of the

agreement between the parties and the respondents No.1 and 2 are directed to consider the same and take appropriate decision."

6. Against the order of the Hon'ble High Court, Union of India & another filed SLP (C) No. 5541 of 2021 before the Hon'ble Supreme Court, wherein interim relief was granted, staying the High Court's order.

7. The Hon'ble Supreme court has passed an order dated 23.04.2025 wherein it is stated that this court finds no good reasons to interfere with the impugned judgment passed by the High court. Therefore SLP is dismissed. The counsel for respondent prayed for award of interest on the principal amount which remains unpaid. However, the court has not awarded any interest to the respondents. The court has directed UOI to implement the judgment passed the High court. **The principal amount shall be refunded to the respondent No. 1 i.e. HIL within a period of three months from 23.04.2025.** All pending applications shall be also stand disposed of.

8. It is submitted that this ministry is of the view that in the present matter, the legal remedy available against the order dated 23.04.2025 passed by the Hon'ble Supreme Court is to prefer a Review Petition before the Hon'ble Supreme court. However, a review petition before the Hon'ble Supreme Court can be entertained only on the following limited grounds:

Discovery of new and important matter or evidence which, after the exercise of due diligence, was not within the knowledge of the applicant or could not be produced by the applicant at the time when the order was passed.

Mistake or error apparent on the face of the record.

Any other sufficient reason, which has been interpreted to mean a reason analogous to the above two.

In the instant case, the Hon'ble Supreme Court has already examined the matter on its merits and has upheld the judgment of the Hon'ble High Court, directing the Union of India to refund the appropriated amount of Rs. 73,70,80,000/- to M/s HIL within a period of three months from 23.04.2025. The Court has further disposed of all pending applications and expressly declined to entertain the plea for interest, thereby concluding the matter in its entirety.

It is observed that the facts and legal contentions have already been adjudicated upon. Therefore, the case may not satisfy any of the established grounds for invoking the review jurisdiction of the Hon'ble Supreme Court. Consequently, the likelihood of the Court entertaining a review petition in this matter is minimal.

Further, filing of a review petition does not operate as a stay on the implementation of the order passed by the Hon'ble Supreme court. The Hon'ble Supreme Court's direction to refund the principal amount within three months is unequivocal and binding. Therefore, the Ministry has to comply with the said order and refund Rs. 73,70,80,000/- to M/s HIL within the stipulated timeframe, irrespective of whether a review petition is filed or not.

9. In compliance with the order of Hon'ble Supreme Court, the said matter was thereafter referred to the Department of Legal Affairs, Ministry of Law & Justice, for their opinion in file no.NA-503/5/2018-NA. Vide note#235, Department of Legal Affairs opined that:

" The issue referred to this Department, is at the first instance, to be examined by the Administrative Ministry, which has already been done in the matter. After the examination of the issue in their preceding notes, it is also noted that the Administrative Ministry has accepted that there are no grounds for review of the Hon'ble Supreme Court Order, hence, the matter may be implemented.

Therefore, there is nothing left for the Department of Legal Affairs to examine further. It was also briefed to the concerned officials that a matter concerning a challenge of any Judicial Order may only be referred to this department after the Administrative Ministry has taken an administrative decision to move forward with such challenge. In such communication, the cogent grounds of the

challenge should also be furnished by the Administrative Ministry, which will then only be examined by this Department.

*At this stage, it is noted that **both the issues are purely Administrative in nature.** Hence the file is returned to Administrative Ministry to take necessary decision at their end."*

10. In view of the above and the directions of the Hon'ble Supreme Court vide order dated 23.04.2025, the matter has been examined in detail. The legal opinion of the Department of Legal Affairs has noted that the issue has already been examined by the Administrative Ministry, which has accepted that the case may not satisfy any of the established grounds for invoking the review jurisdiction. Accordingly, DoLA has observed that there is nothing further for them to examine, and has returned the file, noting that issues involved are administrative in nature and may be dealt with by the Administrative Ministry.

Accordingly, approval of the competent authority is solicited for issuance of the sanction order (DFA/428578) towards refund of Rs.73,70,80,000/- to M/s Hindalco Industries Limited, in compliance with the judgment of the Hon'ble Supreme Court.

11. Submitted for kind consideration and approval, please.

27/06/2025 03:29 PM



UMA CHAKRAWARTI

MOC-MA(UC)

Note # 391

27/06/2025 04:22 PM

Him Shekhar

ASSISTANT SECTION OFFICER

Note # 392

27/06/2025 04:38 PM



Digitally Signed

Alok Verma



UNDER SECRETARY

Note # 393

1. AS&FA while concurring the proposal for refund of rupees 73.708 crores to M/s HIL in compliance of the order of Hon'ble Supreme Court, has sought the approval of Secretary for the proposal.

2. Hence, DFA/428578 is submitted for the approval of Secretary for refund of rupees 73.708 crores to M/s HIL.

27/06/2025 05:09 PM

 Digitally Signed  Marapally Venkateshwarlu



DIRECTOR (T)

Note # 394

The Hon'ble High Court of Chhattisgarh, vide order dated 18.02.2020 in W.P. (227) No. 647 of 2019, had directed refund of the said amount. The Union of India filed SLP (C) No. 5541 of 2021, which was subsequently dismissed by the Hon'ble Supreme Court vide Order dated 23.04.2025. **The Hon'ble Court has direction that the principal amount shall be refunded to the respondent No.1 i.e. HIL within a period of three months from 23.04.2025.**

The appropriated amount is to be therefore refunded to HINDALCO. Submitted for kind perusal and approval.



30/06/2025 11:37 AM

 Digitally Signed  Rupinder Brar

ADDITIONAL SECRETARY

Note # 395



30/06/2025 11:46 AM

 Digitally Signed  Vikram Dev Dutt

SECRETARY

Note # 396

30/06/2025 12:18 PM

 Digitally Signed  Rupinder Brar

ADDITIONAL SECRETARY

Note # 397

30/06/2025 12:58 PM

 Digitally Signed  Marapally Venkateshwarlu

DIRECTOR (T)

Note # 398

30/06/2025 01:05 PM



Digitally Signed

Alok Verma

UNDER SECRETARY