

BY FAX/SPEED POST

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

131, Ground Floor, World Trade Centre, Babar Road
New Delhi, Dated: December 27th, 2016

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

Subject: Settlement of claim of M/s State Bank of India, Secured Creditor of prior allottee against proceeds arising out of Land and Mine Infrastructure/ compensation in respect of Ardhagram coal mine under section 9 of the CM (SP) Act, 2015.

Sir/Madam,

I am to convey the sanction of the President for transfer of a sum of **Rs.8,54,52,000/-** (Rupees Eight Crore Fifty Four Lakh and Fifty Two Thousand only) to M/s State Bank of India, Commercial Branch, Kolkata, Secured Creditor of prior allottee towards settlement of claim against proceeds arising out of Land and mine infrastructure in respect of Ardhagram coal mine under section 9 of the Coal Mines (Special Provisions) Act, 2015 ("Act").

2. In accordance with the 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.

3. In pursuance of the aforesaid notices, claims in respect of Ardhagram coal mine were lodged by M/s State Bank of India as well as by government authorities.
4. The compensation for land and mine infrastructure for Ardhagram coal mine has been calculated as Rs.7,24,89,790/- and Rs.1,29,62,210/- respectively. (total **Rs.8,54,52,000/-**). The Coal Mines Development and Production Agreement ['CMDPA'] was executed in respect of said coal mine on 02.03.2015 and the vesting order was to be issued in favour of the successful bidder before 01.04.2015. However, the vesting order could not be issued in favour of Successful Bidder in compliance to the direction of Hon'ble High Court of Calcutta in CAN No. 1162/2015 in WP No. 34321 (W)/ 2014 and MAT No. 371/ 2015 as well as in WP 6914 (W) / 2015.
5. Finally, after disposal of above cases by order dated 13.07.2016 passed by the Hon'ble High Court of Calcutta, the vesting order was issued in favour of successful bidder only on 14.07.2016.
6. The interest component of compensation for land was previously calculated from the date of purchase till 01.04.2015 (as the vesting order was scheduled to be executed on 01.04.2015), the successful bidder was requested to deposit Rs. 1,00,77,598/- towards 'incremental compensation' which is the interest part from 01.04.2015 till the date of vesting order (14.07.2016).
7. The successful bidder raised objection to this incremental compensation vide email dated 17.09.2016. In order to examine the matter, the successful bidder and the prior allottee of the coal mine were called by the Nominated Authority for a hearing on 25.11.2016. Thereafter, the Nominated Authority has passed a speaking order bearing no. 110/9/2015/NA (Part-I) dated 09.12.2016 (copy enclosed) after due examination of the matter.
8. In the said speaking order it was decided that the successful bidder is not required to deposit the incremental compensation. Accordingly, total compensation to be released will remain **Rs. 8,54,52,000/-** only.

9. The accepted claim of M/s State Bank of India against the said mine is Rs.10,59,00,000/-. As per Section 9 of the Act read with Rule 15 of the Rules, the claim of Secured Creditor is to be settled prior to settlement of claim from government authorities. The amount available for the release is Rs. **8,54,52,000/-** only whereas the claim of Secured Creditor i.e. M/s State Bank of India is Rs.10,59,00,000/-. Accordingly, Rs. **8,54,52,000/-** has been decided for release in favour of M/s State Bank of India.

10. The aforesaid amount of Rs. **8,54,52,000/-** may be transferred through RTGS to the account of M/s State Bank of India details of which are as under:

Name of the Account holder/ Bank/Branch: State Bank of India, Commercial

Branch, Kolkata.

Account No.: 36211647533

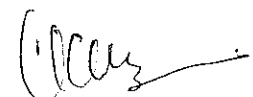
IFSC: SBIN0007502

MICR: 700002120

11. The expenditure on this account is to be debited to the Head **8443.00.117.03.04.00**.

12. This issues with the approval of Integrated Finance Division, Ministry of Coal vide Note dated 18.10.2016.

Yours faithfully,



(N. K. Singh)

Deputy Secretary to the Govt. of India

Copy to:

1. The Coal Controller in the capacity as Commissioner of Payments – for information
2. US (IFD), Ministry of Coal.
3. US (CA-III), Ministry of Coal.
4. DDO, Nominated Authority.
5. M/s State Bank of India, Commercial Branch, Kolkata.

6. M/s OCL Iron and Steel Limited, 3, L.S.C Pamposh Enclave, Greater Kailash-I, New Delhi-110048.
7. M/s Sova Ispat Limited, EN-32, Sector-V, SaltLake, Kolkata-700091.
8. M/s Jaibalaji Sponge Ltd., 5, Bentick Street, 1st Floor, Kolkata-700001.
9. TD, NIC: for uploading on the Website of Ministry of Coal.