

Through Email/Speed Post

F.No 104/24/2015-NA

Government of India/भारतसरकार

Ministry of Coal/कोयलामंत्रालय

Nominated Authority / नामनिर्दिष्टप्राधिकारीकाकार्यालय

R.No.120- 1st Floor, F-Wing Shastri Bhawan,

New Delhi, Dated: January 03, 2024

To,

The Managing Director,
Hindalco Industries Ltd.,
Aditya Birla Centre, 3rd Floor,
B-Wing S.K. Ahire Marg, Worli,
Mumbai-400030

Termination Order

Subject: Termination of Coal Mine Development & Production Agreement (CMDPA) dated 24.03.2015 and Vesting Order No. 104/24/2015/NA dated 22.04.2015 in reference to Dumri Coal Mine allocated to M/s Hindalco Industries Limited.

Ref: Hon'ble High Court of Delhi Order dated 28.02.2023 in W.P. (C) 10910/2022.

Sir,

Please refer to Hon'ble Delhi High Court's order dated 28.02.2023 passed in W.P. (C) 10910/2022 titled as M/s Hindalco Industries Limited vs Union of India & Ors. Whereby the following directions have been issued by Hon'ble High Court:-

- i. *The Respondents shall resume possession of the coal mines which shall be deemed to have been surrendered by the Petitioners and proceed to allot/auction the said coal mines in accordance with the procedure prescribed under the CMSP Act and Rules thereunder. The same shall be subject to the outcome of this writ petition.*

- ii. *Upon the same being auctioned /allotted, a status report shall be placed on record. However, no specific appropriation orders shall be passed without leave of this Court. Liberty is given to move an application;*
- iii. *All Bank Guarantees which were submitted by the Petitioners shall be kept alive by the Petitioners and the same shall not be invoked until further orders of this Court in the present writ petitions;*
- iv. *The Respondents may calculate the compensation payable and place the same on record within a period of four weeks. The question as to whether the Petitioners would be liable to pay any compensation, and if so what amounts, shall be considered at the final stage of the writ petitions.*
- v. *Since the Bank Guarantees were submitted at a stage when the coal mine allotments had been made and the same were kept alive owing to orders of the Court, revision of these bank guarantees cannot be directed at this stage in respect of the petitioner in *EMIL v. Union of India (W.P.(C)10572/2022*). If any amounts are to be enhanced in terms of the submissions made by the Ministry, the same would also be considered at the final stage.*

2. Dumri Coal Mine was allocated to M/s Hindalco Industries Limited vide Vesting Order dated 22.04.2015 and CMDPA was executed on 24.03.2015. As per *Clause 10.1* of the CMDPA, the conduct of mining operations at the Coal Mine shall be subject to the 'Efficiency Parameters'. Due to non-compliance of the efficiency parameters mentioned in the CMDPA M/s Hindalco was served with Show Cause Notices dated 21.03.2017, 19.02.2018, 24.07.2019, 24.08.2021 and 23.05.2022.

3. M/s HIL in its reply to Show Cause Notice dated 23.05.2022 vide letter dated 07.06.2022 requested office of Nominated Authority for equal access to one time window scheme for Surrender of Dumri coal mine.

4. Government of India has granted a onetime window to allottee government companies to surrender non-operational coal mines which were allocated through allotment route. The policy was published on 09.05.2022 and the time granted to the govt. companies was three months from publishing of the policy. Vide letter dated 20.07.2022 office of Nominated Authority informed M/s HIL that One Time Window Scheme is not applicable for private companies.

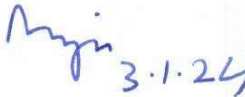
5. Aggrieved with the letter M/s HIL filed W.P (C) No. 10910 of 2022 in the Hon'ble High Court of Delhi. In the said Writ Petition Hon'ble High Court vide its order dated 28.02.2023 opined that during the pendency of these writ petitions, since the Petitioner (M/s HIL) do not wish to operate

the Mines at all, the Ministry ought to be permitted to put the Mines to utilization. Hence, Court has directed this Ministry to resume possession of the Dumri Coal Mine which shall be deemed to have been surrendered by the Petitioner (M/s HIL) and proceed to allot/auction the said coal mines in accordance with the procedure prescribed under the CMSP Act and Rules thereunder.

6. Further the Court has also directed that all Bank Guarantees which were submitted by the Petitioner (M/s HIL) shall be kept alive by the Petitioner and the same shall not be invoked until further orders of this Court in the present writ petitions.

7. Therefore, in light of the Hon'ble Court's Order dated 28.02.2023, CMDPA dated 24.03.2015 executed for Dumri Coal Mine stands terminated as surrender of coal mine is a termination event. Further M/s HIL is directed to keep all the Bank Guarantees alive in view of the above-mentioned court order.

Yours faithfully,


[M. Nagaraju]

Additional Secretary and Nominated Authority

Copy to:-

1. The Chief Secretary, Government of Jharkhand, Ranchi
2. Coal Controller, Coal Controller's Organization, and New Delhi.
3. US (P&S-II), MoC
4. **Senior Manager, Axis Bank Ltd., CBB Mumbai, A-wing, 1st Floor, 12, Mittal Tower, Free Press Journal Marg, Mumbai-400021 - In compliance to Hon'ble Delhi High Court's order dated 28.02.2023, the CMDPA stands terminated, however, the Performance Bank Guarantees are to be kept alive till further directions. As and when the liberty is granted by the Hon'ble Court, Office of NA would exercise its right to appropriate the Performance Bank Guarantees.**
5. Sr.T.D, NIC, MoC with request to upload this on the website of MoC.