

**F.No. 104/25/2015-NA**

Government of India/भारत सरकार

Ministry of Coal/कोयला मंत्रालय

Office of Nominated Authority / नामनिर्दिष्ट प्राधिकारी का कार्यालय

\*\*\*\*

120, F-Wing, 1<sup>st</sup> Floor, Shastri Bhawan,

New-Delhi-110001,

Dated: 18.08.2025

To,

The Chairman cum Managing Director,  
M/s Indrajit Power Private Limited,  
4<sup>th</sup> Floor Uttam House,  
69<sup>th</sup> PD Mello Road, Carnac Bander,  
Mumbai-400009

“&”

The Interim Resolution Professional / Resolution Professional  
Prakul Thadi  
Flat No-1405, J Block,  
Rainbow Vistas,  
Green Hills Road, Moosapet,  
Hyderabad, Telangana-50018  
Mail-prakulthadi@hotmail.com

**TERMINATION NOTICE**

**Subject: Termination of Coal Mine Development & Production Agreement (CMDPA) and Vesting Order No 104/25/2015/NA dated 16.03.2015 & 22.04.2015 in respect of Nerad Malegaon Coal Mine allocated to M/s Indrajit Power Private Limited in terms of Clause 10.3 read with Clause 24:-**

Reference:

- i. Coal Mine Development and Production Agreement (CMDPA) dated 16.03.2015.
- ii. Show Cause Notice dated 25.06.2024.
- iii. Your reply vide letter dated 10.07.2024 & 10.04.2025.
- iv. Office of NA letter dated 19.03.2025.
- v. Appropriation order dated 11.04.2025.

Sir,

Reference is invited to CMDPA executed on 16<sup>th</sup> March, 2015 by and between Indrajit Power Private Limited and the Nominated Authority in reference to Nerad Malegaon Coal Mine located in the state of Maharashtra. Vide the said CMDPA and consequent Vesting Order issued by the Nominated Authority on 22<sup>nd</sup> April 2015, the Coal Mine has been allocated to you for utilisation of coal in following End Use Plant.

Sl. No	End Use Plants	Configuration (MW)	Capacity (MW)
1	Captive Power Plant of IPPL	2 X 40	80 MW

2. The allottee has been issued Six (6) Show Cause Notices over the years due to non-compliance of various milestones under the Agreement. The Milestones along-with the Recommendation of Scrutiny Committee and the action taken are as follows: -

**Table 1**

Sl. No.	Milestones	Due Date / Production in MT	Show Cause Notice Dated	Recommendation of Scrutiny Committee (SC)	BG Appropriated and Top-up Status
1	Land Acquisition & possession of land and R&R required to reach rated capacity.	22-04-2018	24-07-2018 & 26-07-2019	Recommendations of 10th Scrutiny Committee: Committee members are not satisfied with the reply given by the Allocattee and found lack of seriousness of effort of Allocattee and observes that due penalty should be imposed on them.	Appropriation order dated 07.04.2020 to appropriate an amount of Rs. 5,23,01,520 /- INR (Five Crore Twenty-Three Lakh One Thousand Five Hundred and Twenty only/-)[17% of Performance Security] from the Bank Guarantee was issued.
2	Opening of Escrow Account	22-05-2018	24-07-2018 & 26-07-2019		However, the said appropriation order dated 07.04.2020 was challenged before High Court of Delhi in WP (C) No. 2957/2020 which was decided in favour of the Nominated Authority on 28.04.2020. Aggrieved, the allocattee preferred LPA No. 145/2020 which is still pending for final adjudication before the Hon'ble High Court of Delhi.
3	Application for Opening permission	22-05-2018	24-07-2018 & 26-07-2019		
4	Mine Opening Permission	22-06-2018	24-07-2018 & 26-07-2019		
5	Schedule of Production / Reaching Rated Capacity FY 2018-19	0.017	19-11-2020	The Scrutiny Committee recommended in 14th meeting dated 09.03.2021 that the show cause notice should be upheld and penalty deviation in scheduled production for FY 2018-19 and FY 2019-20 be imposed as per provisions of CMDPA	M/s IPPL was served with Appropriation notice dated 17.05.2021 for an amount of Rs 4,92,24,960/- INR. The amount has been appropriated on 31.05.2021.
6	Schedule of Production / Reaching Rated Capacity FY 2019-20	0.15	19-11-2020		[The said appropriation order dated 17.05.2021 was challenged before High Court of Delhi in WP No. 5408/2021 which was decided in favour of the Nominated Authority on 31.05.2021. LPA No. 176/2021, arising out of the said order was also dismissed on 19.01.2023]
7	Schedule of Production / Reaching Peak Rated Capacity FY 2020-21	0.225	03-09-2021	Matter was deliberated in 17th, 18th and 19th Scrutiny Committee Meetings. Further in 20th Scrutiny Committee Meeting, the committee recommended to impose penalty	An Appropriation Order dated 27.10.2023 was issued against M/s IPPL for appropriating the amount of ₹ 7,38,37,440/-The said amount has been appropriated on 22.07.2024.
8	Schedule of Production / Reaching Rated Capacity FY 2021-22	0.3	01-06-2022		IPPL had challenged the said appropriation order dated 27.10.2023 in WP No. 14161/2023 before High Court of Delhi and the same was



9	Schedule of Production Reaching Rated Capacity FY 2022-23	0.3	05-06-2023	disposed of on 03.11.2023. Thereafter, the allocatee challenged the said appropriation before Coal Bearing Areas Tribunal situated at Nagpur in Comp. Case No. 91/2024. The final adjudication is pending.  [IPPL had also challenged the appropriation order dated 27.10.2023 in IA No. 1710/2024 in CP(IB) No. 884/2023 before NCLT (MB) which was dismissed on 29.04.2024. Aggrieved, IPPL preferred Comp. Appeal (AT) No. 989/2024 before NCLAT(PB) which was also dismissed on 01.07.2024.]
---	---	-----	------------	--

3. As mentioned in Table 1 above, the appropriations against orders dated 17.05.2021 and 27.10.2023 have been carried out and IPPL is under the contractual obligation to replenish the appropriated amounts as per Clause 10.3 read with 6.3.3. of the CMDPA. In regard to the replenishment of the performance security, IPPL was directed by the Nominated Authority vide its letter dated 30.08.2024. However, IPPL has failed to perform the said obligation.

4. As per Clause 6 of the CMDPA, the performance bank guarantee is to be kept renewed and alive during the term of CMDPA, hence, the Nominated Authority, vide its letter dated 19.03.2025, requested IPPL to renew/extend the bank guarantees. However, IPPL has failed to comply the said direction which is in breach of CMDPA.

5. However, the Resolution Profession for IPPL, vide its letter dated 10.04.2025, has requested for surrendering the allocation of Nerad Malegaon Coal Mine. Now, 'surrender of Coal Mine by the Successful Bidder' constitutes a Termination Event by virtue of Clause 24.3.1(o) of the CMDPA.

6. Therefore, upon surrender request dated 10.04.2025, in exercise of Clause 24.3.2, the Nominated Authority has elected to terminate the CMDPA executed on 16.03.2015 and the Vesting Order issued on 22.04.2015 for allocating Nerad Malegaon Coal Mine in favour of Indrajit Power Private Limited. The termination shall be effective on completion of fifteen (15) business days from the date of this notice in compliance with Clause 24.3.2 of the CMDPA.

7. Now, reference is invited to Clause 24.3.3 of the CMDPA:-

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

8. Therefore, in compliance of Clause 24.3.2, the performance security and all other payments made by IPPL shall stand forfeited. Further, IPPL shall continue to be liable towards any antecedent liabilities and obligations accrued till the date of effective termination. Thus, IPPL is directed to deposit Rs. 7,38,37,440/- in lieu of non-replenishment of the performance security appropriated by virtue of the appropriation order dated 27.10.2023.

9. Further, the Performance Security amounting to Rs. 5,23,01,520.00 (in reference to appropriation order dated 07.04.2020) shall be kept alive in view of the pendency of LPA No. 145/2020 before the High Court of Delhi.

10. This issues with the approval of the Competent Authority.

  
(Rupinder Brar)

Additional Secretary/Nominated Authority  
Ministry of Coal

Copy to: -

1. The Hon'ble Chief Secretary, Government of Maharashtra-for information.
2. CMD,CMPDIL.
3. Deputy Secretary(P&S)/MoC-for information
4. Coal Controller, CCO, MoC, Scope Minar,5<sup>th</sup> Floor, Core-II, Laxmi Nagar, New Delhi.
5. Legal Cell,MoC
6. TD(NIC), MoC- for uploading on website of MoC.
7. Branch Manager,Indian bank(erstwhile Allahabad Bank before merger),Mid Corporate Branch,Sir P M Road, Fort Mumbai-400001 (msmemcb.mumbai@indianbank.co.in)