

BY FAX/SPEED POST

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

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131, Ground Floor, World Trade Centre, Babar Road  
New Delhi, Dated: July 13, 2017

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

**Subject:** Transfer of compensation towards cost for Land and Mine Infrastructure in respect of **Dumri coal mine** to the Commissioner of Payment for further disbursement to the prior allottees i.e. **Nilachal Iron & Power Ltd., Bajrang Ispat Pvt. Ltd.**

**Sir/Madam,**

I am to convey the sanction of the President for transfer of a sum of **Rs.5,63,35,161** /- (Rupees Five crore Sixty three lakh Thirty five Thousand One hundred and Sixty one only) to the Coal Controller's Organisation for disbursement to **Nilachal Iron & Power Ltd., Bajrang Ispat Pvt. Ltd.** the prior allottee of **Dumri coal mine** under the provisions of the Coal Mines (Special Provisions) Act, 2015 by the Coal Controller in his capacity as 'Commissioner of Payments' towards compensation for Land and Mine Infrastructure.

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 to the aforesaid notices, Coal Controller Organisation (CCO) has lodged its claim against amount outstanding towards escrow account stating it as security deposit in respect of Dumri coal mine. Since security deposit is not a permissible claim under the Act, the same has been decided as not admissible and has been rejected.

4.It may be mentioned that Nominated Authority on 12.09.2016 had published mine wise provisional list of admissible compensation amount in respect of 35 coal mines, including Dumri coal mine. The Successful Bidder of the mines, Hindalco Industries Ltd., was informed regarding the same vide an email dated 14.09.2016 and was requested to offer their

observation, if any. The Successful Bidder vide email dated 27.09.2016 has raised certain objections to the release of amount of compensation for land and mine infrastructure in favour of the prior allottees of the coal mine, Nilachal Iron & Power Ltd. and Bajrang Ispat Pvt. Ltd. giving details of difficulties faced by them.

5. In order to examine the matter, the Nominated Authority called the Successful Bidder as well as Prior Allottee of the coal mine for a hearing on 15.12.2016. Thereafter, the Nominated Authority has passed a speaking order bearing no. 110/9/2015/NA (Part-I) dated 21.12.2016 (copy enclosed) after due examination of the matter. Under the speaking order, the prior allottee was granted four weeks time from the date of the speaking order to examine and to make his submissions regarding the status of entire Compensatory Afforestation (CA) land, failing which a decision will be taken by the Nominated Authority *ex parte*. Since, the prior allottee has failed to provide his submissions regarding the disputed CA land till date; the compensation for the entire CA land is required to be withheld for the reasons mentioned in the speaking order.

6. The amount of compensation for Land and mine infrastructure for Dumri coal mine has been calculated as Rs. 7,38,22,263/- and NIL, respectively. In accordance with the speaking order, an amount of Rs. 2,00,30,600 (compensation for disputed CA land) and Rs. 9,01,905 ('incremental compensation' on the disputed CA land) is required to be withheld. Remaining compensation for any other land vested including incremental compensation on such land as well as mine infrastructure, if any, is to be released after settlement of admissible claims in accordance with the provisions of the Act. Accordingly, out of total compensation, **Rs. 5,63,35,161/-** can be released at present.

7. The aforesaid amount may be transferred through RTGS to the account of Coal Controller, Coal Controller's Organisation who has been appointed as 'Commissioner of Payments' under the provisions of Section 15 (1) of the Coal Mines (Special Provisions) Act, 2015 for the purpose of the said Act vide Ministry of Coal's Order No. 22/2/2014-ASO dated 15<sup>th</sup> July, 2015.

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

9. This issues with the approval of Integrated Finance Division, Ministry of Coal vide Note dated 5-7-2017.

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**, Coal Controller Organisation, No. 1 Council House Street, Kolkata-700001 - for further disbursement to the prior allocattees under the provisions of the Coal Mines (Special Provisions) Act, 2015 within **ten days** of the transfer of above amount from PAO. It may be ensured that payment is made to the prior allottee as per the said Act. The prior allottees may be intimated of the sanction & requested to submit the required document(s) for receiving the amount. For this purpose an affidavit in the prescribed format (**Annexure-I**) may be obtained from the prior allottee prior to disbursal.
2. US (IFD), Ministry of Coal.
3. US (CA-III), Ministry of Coal.
4. DDO, Nominated Authority.
5. Hindalco Industries Limited
6. Nilachal Iron & Power Limited
7. Bajrang Ispat Pvt. Limited
8. ✓ TD, NIC: for uploading on the Website of Ministry of Coal.

**ANNEXURE-I**

(To be stamped in accordance with the relevant Stamp Act and duly sworn before Notary Public)

**UNDERTAKING FOR RECEIVING THE AMOUNT TOWARDS  
COMPENSATION FOR LAND AND MINE INFRASTRUCTURE**

I, \_\_\_\_\_ aged \_\_\_\_\_ years, resident of \_\_\_\_\_ working as \_\_\_\_\_ an authorized signatory on behalf of \_\_\_\_\_ (name of Prior Allottee) hereby states as under:

1. That I am the Authorised Signatory of the Prior Allottee. I am conversant with facts and circumstances surrounding the subject of this Undertaking and have been authorized to undertake the same.

2. That M/s. \_\_\_\_\_ is/are the Prior Allottee (s) of the \_\_\_\_\_ (the "Coal Mine") in terms of the Coal Mines (Special Provisions) Act, 2015 (the "Act")/successor-in-interest of the Prior Allottee of the Coal Mine. The Mining Lease has been executed in favour of M/s. \_\_\_\_\_. As such the Prior Allottee is entitled to receive compensation on account of cost of Land and Mine Infrastructre.

3. That the Prior Allottee (s) has incurred the cost of Land and Mine Infrastructure for \_\_\_\_\_ coal mine and is entitled to get refund of the same. The details of account for this purpose is as under:

Name of the Account holder company (must be in the name of Prior Allottee)	_____
Name of the Bank/Branch	_____
Account No.	_____
MICR	_____
IFSC	_____

4. That the Prior Allottee (s) indemnifies the Nominated Authority &/or the Central Government against any liability, cost, damages or losses in relation to this disbursement.

5. That the Prior Allottee (s) also undertakes that it is liable to return the amount disbursed to it, in case thr above cost (part or in full) is

claimed and established by any other party.

6. That nothing has been concealed in the information submitted as mentioned above.

Solemnly affirmed and verified on this \_\_\_\_\_ day of (month) 2017 at (place).

(Signature)  
Deponent-Authorised Signatory  
(Name, Designation & Seal)

**VERIFICATION**

I, \_\_\_\_\_ aged \_\_\_\_\_ years, resident of \_\_\_\_\_ working as \_\_\_\_\_ an authorized signatory on behalf of \_\_\_\_\_ (name of Prior Allottee) do hereby solemnly declare that what is stated in paragraphs 1 to 8 above is on the basis of the books and records of the Prior Allottee, and verify that the contents of the above affidavit are true and correct, no part of it is false and nothing material has been concealed therefrom.

Verified at \_\_\_\_\_ day of (month) 2017 at (place).

(Signature)  
Deponent-Authorised Signatory  
(Name, Designation & Seal)