

**Tripartite Agreement between  
Government of India, Government of Telangana and  
The Singareni Collieries Company Limited  
for XII Plan Period**

This Agreement made this the 25<sup>th</sup> day of November, 2015 between the PRESIDENT OF INDIA, hereinafter referred to as 'the Government' (which expression shall, where the context so admits, include his successors and assigns) of the first part, the GOVERNOR OF TELANGANA, hereinafter referred to as 'the State Government' (which expression shall, where the context so admits, include his successors and assigns) of the second part and THE SINGARENI COLLIERIES COMPANY LIMITED, a Company under the Companies Act, 2013, having its Registered Office at Kothagudem Collieries (P.O) – 507 101, Khammam District, Telangana State hereinafter referred to as 'the Company' (which expression shall, where the context so admits, include its successors and the person or persons for the time being in control and management of the affairs and/or assets of the Company and permitted assigns) of the third part. This agreement will remain valid until the end of the XII Plan i.e., up to 31.3.2017.

Whereas at the request of the State Government and the Company, the Government had granted loans and contributed to the equity of the Company as per Agreements dated 10<sup>th</sup> June, 1974, 13<sup>th</sup> December, 1977, 31<sup>st</sup> March, 1985, 10<sup>th</sup> February, 1989, 24<sup>th</sup> September, 1994, 11<sup>th</sup> January, 2002, 19<sup>th</sup> October 2004 as amended and 11<sup>th</sup> June 2010 for expansion schemes in earlier Plan periods as indicated below:

(Rs. in crores)

Particulars		As per agreement	Actual drawals
A. Prior to V Plan	Equity	--	2.72
	Loan	--	10.65
<b>TOTAL</b>		<b>--</b>	<b>13.37</b>
B. V Plan period (1974-75 to 1978-79)	Equity	9.33	9.33
	Loan	46.92	58.27
<b>TOTAL</b>		<b>56.25</b>	<b>67.60</b>
C. Rolling Plan & VI Plan period	Equity	31.00	31.00
	Loan	232.57	215.22
<b>TOTAL</b>		<b>263.57</b>	<b>246.22</b>
D. VII Plan period (1985-86 to 1989-90)	Equity	54.00	52.00
	Loan	526.00	458.00
<b>TOTAL</b>		<b>580.00</b>	<b>510.00</b>
E. Rolling Plan period (1990-92)	Equity	37.00	37.00
	Loan	368.00	368.00
<b>TOTAL</b>		<b>405.00</b>	<b>405.00</b>
F. VIII Plan period (1992-93 to 1996-97)	Equity	458.00	458.00
	Loan	487.00	553.36
<b>TOTAL</b>		<b>945.00</b>	<b>1011.36</b>
G. IX Plan period (1997-98 to 2001-02)	Equity	257.51	257.51
	Loan	128.72	126.59
<b>TOTAL</b>		<b>386.23</b>	<b>384.10</b>
<b>Grand total</b>		<b>2636.05</b>	<b>2637.65</b>

AND WHEREAS the Company do hereby acknowledge receipt of a sum of Rs.2637.65 crore from the Government till the end of IX Plan towards loan & equity and confirms that it has repaid all the outstanding loans and interest payable thereon to the Government except a sum of Rs.663.34 crore towards interest accrued on loan during the VIII Plan for payment of which moratorium was allowed up to 31<sup>st</sup> March 2007. The Company confirms that out of the aforesaid accrued interest of Rs.663.34 crore, a sum of Rs.265.33 crore has been paid to the Government in four annual installments up to 31.3.11. The Company do hereby further confirm that it has not received any loan / equity from the Government during the X and XI Plan Periods.

AND WHEREAS the State Government had also contributed to the equity of the Company a sum of Rs.885.64 crore under the agreements dated 10<sup>th</sup> June, 1974, 13<sup>th</sup> December, 1977, 31<sup>st</sup> March, 1985, 10<sup>th</sup> February, 1989, 24<sup>th</sup> September, 1994, 11<sup>th</sup> January, 2002, 19<sup>th</sup> October, 2004 as amended and 11<sup>th</sup> June 2010. The Company do hereby confirm that it has not received any equity from the State Government during the X and XI Plan Periods.

As no budgetary support is envisaged from the Government and the State Government to the Company during the XII Plan period, the shareholdings of the Government and the State Government in the equity share capital of the Company would continue to be as under during the XII Plan period.

(Rs. in crore)

Period	GoT	Gol	Total
a) Investment up to 31.3.1990	97.69	95.05	192.74
b) Investment from 1.4.1990 to 31.3.1992	32.95	37.00	69.95
c) Investment from 1.4.1992 to 31.3.1997	487.00	458.00	945.00
d) Investment from 1.4.1997 to 31.3.2002	268.00	257.51	525.51
Total	885.64	847.56	1,733.20

**NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:**

- (1) The equity participation between the State Government and the Government in the Company shall continue to be in the ratio of 51 : 49.
- (2) The Company do hereby confirm that the funded interest of Rs.663.34 crore outstanding as on 31.3.1997 accruing on Govt. of India loan during the VIII Plan period shall have to be paid in 10 equal annual installments starting from the financial year 2007-08 as per MOC's letter No. 38036/17/1999-CA-II dt.17.12.2008 and accordingly annual installments of Rs. 66.33 crore each for the financial years 2007-08, 2008-09, 2009-10 & 2010-11 have been paid to the Government.

- (3) The outstanding funded interest of Rs.398.01 crore as on 1.4.2011 shall continue to be secured till it is paid in full, by a first charge in favour of the Government created by way of equitable mortgage on the immovable assets of the Company as on the date of this Agreement as well as those to be acquired till the payment of such interest with the exclusion of 300 acres of free hold land required for the Company to implement welfare schemes for its employees. However, the Company shall take prior approval of the Government to dispose of any of the remaining immovable assets in any manner.
- (4) The State Government shall continue to guarantee the payment of installments of outstanding funded interest of Rs.398.01 crore by the Company till it is paid in full, on the terms and conditions imposed while granting moratorium for its payment.
- (5) The State Government shall sanction mining leases within a reasonable time in the command area of the Company i.e, Pranahita Godavari valley coal field and also renew the mining leases wherever necessary without delay. No extraneous conditionalities shall be attached thereto. The clearance for forest land required for the mining projects shall be done expeditiously to avoid delays in the execution of projects sanctioned for and undertaken by the Company.
- (6) The State Government shall continue to extend the existing concessions in payment of Property tax and Service tax levied by the local authorities on the buildings/structures of the Company in colliery areas during the XII Plan period.
- (7) The State Government shall appoint the Chairman & Managing Director of the Company with prior concurrence of the Government for an initial term of three years extendable by another two years by mutual consent. Any reduction of the tenure of the Chairman & Managing Director shall also require prior concurrence of the Government.
- (8) The State Government shall nominate 7 Directors including 5 functional Directors as per "Rules for Selection of Functional Directors in the SCCL" and the Government shall nominate 3 Directors on the Board.
- (9) The Government and the State Government shall assist the Company in recovery of outstanding coal dues from the Public Sector Undertakings and other Government Agencies.
- (10) The Company shall obtain sanction of the Government:
  - a. For the Annual Plan;
  - b. For every coal mining and related project/scheme involving a capital expenditure of above Rs.500 crore (Rupees Five hundred crore); and
  - c. For every power project/scheme involving a capital expenditure of above Rs.500 crore (Rupees Five hundred crore), the company shall obtain sanction of the State Government.

- (11) For the purpose of clause 10(a) above, the Company shall prepare the Budget Estimates for each financial year in such form as may be prescribed by the Government giving inter-alia expenditure against each sub-head of each head and main head, both in respect of works under progress and new works to be undertaken in a particular year and send such Budget Estimates to the Government for approval before incurring any expenditure thereon. In regard to the projects/schemes, valuation of which would be more than Rs.500 crore (Rupees Five hundred crore) referred to at clause 10 (b) above, the Company shall submit its proposals to the Government in such form, as may be prescribed by the Government.
- (12) (a) The Board of Directors of the Company can make re-appropriations as per the needs of the Company within the overall limit of Budget estimate, after the Budget estimate is approved.
- (b) SCCL Board can approve variations in the cost of the Project originally approved by the Government provided that the variance does not exceed 20% of the original sanctioned cost of the Project and can be on account of change in scope of work/configuration of equipment as envisaged in the sanctioned Feasibility Report (FR) of the project.
- (c) Further, the Company's Board shall also be empowered to approve variations up to 20% of the original cost, in the cost of the project originally approved by itself provided that total cost of the Project with the variations does not exceed the powers delegated to incur capital expenditure in respect of coal mining and related projects and Power Projects/schemes and can be on account of change in scope of work/configuration of equipment as envisaged in the sanctioned Feasibility Report(FR) of the Project. However, in case the total investment of a project after revised cost estimates exceeds the power delegated to the SCCL by Government, SCCL will seek the approval of MOC.
- (13) The performance of the Company shall continue to be reviewed by the Government as per the relevant guidelines of the Government.
- (14) There could be interchange of officers between the Company and the Coal India Limited.
- (15) The Company may avail of the training facilities of the Coal India Limited.
- (16) The Company shall take immediate steps to carry out such further alterations in the Memorandum and Articles of Association of the Company as may be necessary for the purpose of this Agreement.
- (17) It is hereby further agreed that the earlier Agreements entered between the Government, the State Government and the Company shall stand superseded or modified to the extent any of the provisions therein are repugnant to this Agreement.



(18) The Government and the State Government have agreed to bear the Stamp Duty payable on this document.

IN WITNESS WHEREOF the parties to these presents have set and subscribed their respective hands and seals on the day, month and year first above written.

For and on behalf of the President of India

For and on behalf of the Governor  
of Telangana.

Secretary, Ministry of Coal

  
अनिल स्वारुप / ANIL SWARUP  
सचिव / Secretary  
कोयला मंत्रालय / Ministry of Coal  
भारत सरकार / Govt. of India  
शास्त्री भवन / Shastri Bhawan  
नई दिल्ली-110001 / New Delhi-110001

Signed, sealed and delivered  
in the presence of

  
राज पी. गुप्ता / R. P. GUPTA  
संयुक्त सचिव / Joint Secretary  
कोयला मंत्रालय / Ministry of Coal  
भारत सरकार / Govt. of India  
शास्त्री भवन / Shastri Bhawan  
नई दिल्ली / New Delhi




Chief Secretary,  
Govt. of Telangana  
**Dr. RAJIV SHARMA, IAS.,**  
CHIEF SECRETARY  
Govt. of Telangana,  
Telangana Secretariat,  
Hyderabad

Signed, sealed and delivered  
in the presence of

  
**ARVIND KUMAR, IAS**  
Secretary to Government  
ENERGY DEPARTMENT  
T.S. Secretariat, Hyderabad - 22.

The Common Seal of The Singareni Collieries Company Limited is affixed in the presence of Sri N.Sridhar, Chairman & Managing Director and Sri J. Pavitrnan Kumar, Director (Finance) pursuant to the resolution of its Board of Directors passed in the 506<sup>th</sup> meeting held on 6.2.2012.


For and on behalf of The Singareni Collieries Company Limited

  
(N. Sridhar)  
Chairman & Managing Director

**Chairman & Managing Director,**  
The Singareni Collieries Co. Ltd.,  
Singareni Bhavan, Red Hills,  
Khairatabad P.O : Hyderabad - 500 004

  
(J. Pavitrnan Kumar)  
Director (Finance)

**Director (Finance)**  
The Singareni Collieries Co. Ltd.,

  
(J. Rama Krishna)  
G.M (C.A) & Company Secretary

**G.M (Corporate Affairs) &  
Company Secretary**  
The Singareni Collieries Co.Ltd.  
Regd. Office,  
Singareni Collieries (PO) 507 101  
Warangal Dist.