Urgent by e-mail/Fax

# GOVERNMENT OF ODISHA STEEL & MINES DEPARTMENT

No. <u>4507</u>/S&M, Bhubaneswar dated the IV(Misc.)SM-09/2017

4.6.2020

From

Shri A. K. Behera Joint Secretary to Government

То

M/s Dalmia Cement (Bharat) Limited 11th & 12th Floors, HansalayaBuidling, 15, Barakhamba Road, New Delhi - 110001

Sub: Extension of validity of Letter of Intent (LoI) with reference to e-auction dated 27.12.2016 for grant of a mining lease for Kottametta Block for Limestone in Katamater village under Malkangiri tahasil of Malkangiri district on 801.17 hac area of Topo sheet No.65 F/11.

Ref: 1. Lol issued vide this Department letter No.850/SM, dated 27.01.2017 for grant of mining lease.
2. Your representation dated 16.12.2019 requesting for extending the validity of Lol by two years duly recommended by the Director of Mines vide his letter No.22/DM dated 01.01.2020.

Sir,

With reference to the subject matter cited supra, I am directed to say that Government after careful consideration have been pleased to allow the extension of validity period of LoI dated 27.01.2017 issued in your favour for grant of mining lease for Kottameta block for limestone over an area of 801.171 hac in village Katamater under Malkangiri tahasil of Malkangiri District by a period of 2 (two) years with effect from 27.01.2020.

You are, therefore requested to take necessary action to ensure compliance of all the terms and conditions of the LoI during this extended period.

> 04 6/20 Joint Secretary to Government

Yours faithfully

## GOVERNMENT OF ODISHA DEPARTMENT OF STEEL & MINES

No. IV(MISC)SM-09/2017\_897\_/SM, Dt.\_27-1-2017.

From,

Sri Brundaban Behera

Additional Secretary to Government

То

M/s Dalmia Cement (Bharat) Limited, 11<sup>th</sup> & 12<sup>th</sup> Floors, Hansalaya Building, 15, Barakhamba Road, New Delhi-110001, India

Sub: Letter of Intent with reference to e-auction dt.27.12.2016 for grant of a mining lease for **Kottametta Block** for **Limestone** in Katamater village, Malkangiri Tehsil, Malkangiri district on 801.171Hectare Area of Topo sheet No.65 F/11.

#### Background:

- 1.1. Government of Odisha, pursuant to the Mines and Minerals (Development & Regulation) Act, 1957 (the "Act") and the Mineral (Auction) Rules, 2015 (the "Rules'), issued the notice inviting tender dated 27.12.2016 to commence the auction process for grant of mining lease for Kottametta Limestone Block located in Malkangiri district of Odisha. The e-auction process was conducted in accordance with the tender document for the said mineral block and M/s Dalmia Cement (Bharat) Limited was declared as the 'Preferred Bidder' under Rule 9(4)(b)(iii) of the Rules.
- 1.2. As required under rule 10(1) of the Rules, M/s Dalmia Cement (Bharat) Limited has made payment of the first instalment, being ten per cent of the upfront payment of Rs 2,38,15,692/- (Rupees Two Crore, Thirty Eight Lakh Fifteen Thousand Six Hundred and Ninety-Two) in shape of e-chalan through Treasury Challan dated 13.1.2017 which was received on dated.16.01.2017.

### 2. Grant of Letter of Intent

2.1 Accordingly, the Government of Odisha has been pleased to issue this Letter of Intent as per Rule 10(2) of the Rules for grant of mining lease for **Kottameta Block** for **Limestone** in Katamater village, Malkangiri Tehsil,

Malkangiri district on 801.171Hectare Area of Topo sheet No.65 F/11 to M/s Dalmia Cement (Bharat) Limited for a period of 50 years.

## 3. Conditions:

- 3.1 This Letter of Intent and subsequent grant of aforesaid mining lease shall be subject to the provisions of the Act and the Rules made there under, as amended from time to time and **M/s Dalmia Cement (Bharat) Limited** shall be designated as the "Successful Bidder" and subsequently granted the mining lease only upon satisfactory completion of all the requirements under the Acts and Rules there under.
- 3.2 This Letter of Intent shall be valid only if **M/s Dalmia Cement (Bharat) Limited** ensures that the Bid Security is valid until the Performance Security is furnished to the Government of Odisha, failing which this Letter of Intent shall become invalid from the date of expiry of the Bid Security.
- 3.3 For reference, the requirements under the Rules for designation of **M/s Dalmia Cement (Bharat) Limited** as the "Successful Bidder" and subsequent grant of mining lease are reiterated below. It is clarified that the requirements mentioned below are only for reference and in the event of any change in the Act or the Rules made there under, the requirements under the modified Act or the Rules made there under, as the case may be, shall be applicable.

## (a) Designation as the "Successful Bidder":

M/s Dalmia Cement (Bharat) Limited shall be considered to be the "Successful Bidder" upon:

- Continuing to be in compliance with all the Terms and Conditions of the eligibility;
- Payment of the second instalment being ten percent of the upfront payment;
- (iii) Furnishing performance security;
- Satisfying the conditions specified in clause (b) of sub-section (2) of section (5) of the Act with respect to a Mining Plan: and
- (b) Signing of the Mine Development and Production Agreement:

1/2

**M/s Dalmia Cement (Bharat) Limited** shall sign the Mine Development and Production Agreement with the Government of Odisha upon obtaining all consents, approvals, permits, no-objections and the like as may be required under applicable laws for commencement of mining operations.

#### (c) Grant of mining lease:

Subsequent to signing of the Mine Development and Production Agreement, **M/s Dalmia Cement (Bharat) Limited** shall make payment of the third instalment being eighty percent of the upfront payment and thereafter the Government of Odisha shall grant the aforementioned mining lease.

## 4. Validity:

- 4.1 This Letter of Intent is valid for a period of 3 (three) years from the date of its issuance, within which time all the above conditions must be fulfilled and the Mining Lease Deed must be executed between **M/s Dalmia Cement (Bharat) Limited** and **Government of Odisha**. In case, the Preferred Bidder is unable to fulfill all or any of the above conditions, then it may submit an application to Government of Odisha requesting for further extension. Provided that the validity of this Letter of Intent shall be subject to **M/s Dalmia Cement (Bharat) Limited** ensuring that the Bid Security remains valid until the Performance Security is furnished to the Government of Odisha, failing which the validity of this Letter of Intent shall expire from the date of expiry of the Bid Security.
- 4.2 If the Government of Odisha is satisfied that a longer period is required to enable the Preferred Bidder to satisfy all or any of the above conditions, it may extend the validity of this Letter of Intent for such period or periods as the Government of Odisha may specify. Provided that: (a) this Letter of Intent shall be extended for a maximum period of 2 (two) years; and (b) the total period for which this Letter of Intent would remain valid must not exceed 5 (five) years from the date of issuance.
- 4.3 M/s Dalmia (Bharat) Limited shall furnish acceptance of the terms and conditions of Letter of Intent with Board Resolution within 15(fifteen) days from the date of issue of this letter.

Yours faithfully

Additional Secretary to Government

Memo No-

Dated- 27.1-2017

Copy forwarded to the Director of Mines, Odisha, BBSR/ Collector, Malkangiri/DDM, Koraput for information and necessary action.

1/3

Additional Secretary to Government