

# GOVERNMENT OF MAHARASHTRA

No.MMN-0518/C.R.30/Industry-9  
Industries, Energy and Labour  
Department,  
Mantralaya, Mumbai - 400 032.  
Date:05.06.2018

To,


Shanti GD Ispat and Power Private Limited  
504, Rajiv Gandhi Complex,  
Bal Ashram Compound,  
Kutchery Chowk,  
Raipur, Chhattisgarh – 492 001

**Sub:** Letter of intent with reference to e-auction dated April 12, 2018 for grant of a mining lease for Guguldoh Block for Manganese Ore in Guguldoh, Manegaon Village, Ramtek Taluka, Nagpur District of Maharashtra on 105.00 Hectare Area.

## 1. Background:

1.1. The Directorate of Geology and Mining (DGM), Government of Maharashtra, pursuant to the Mines and Minerals (Development and Regulation) Act, 1957 (the "Act") and the Mineral (Auction) Rules, 2015 as amended from time to time (the "Auction Rules"), issued the notice inviting tender dated January 19, 2018 to commence the auction process for grant of mining lease for Guguldoh Block located in Nagpur District of Maharashtra. The e-auction process was conducted in accordance with the tender document for the said mineral block and Shanti GD Ispat and Power Private Limited was declared as the 'Preferred Bidder' under Rule 9(9)(iii) of the Auction Rules.

1.2. As required under Rule 10(1) of the Auction Rules and the tender document for the said mineral block, Shanti GD Ispat and Power Private Limited has made payment of the first instalment, being 10% (ten percent) of the upfront payment which is INR 6,14,218 (Rupees Six Lakh Fourteen Thousand Two Hundred Eighteen) through GRAS System dated 03.05.2018, which was received on 05.05.2018.

  
Deputy Secretary  
Ministry of Industries, Energy and Labour  
Mantralaya, Mumbai - 400 032

## Grant of Letter of Intent

2.1. Accordingly, pursuant to Rule 10(2) of the Auction Rules, the Government of Maharashtra is issuing this letter of intent for grant of Mining Lease for Guguldoh Block for Manganese Ore in Guguldoh, Manegaon Village, Ramtek Taluka, Nagpur District of Maharashtra on 105.00 Hectare Area to Shanti GD Ispat and Power Private Limited for a period of 50 years.



### 3. Conditions

3.1. This letter of intent and the subsequent grant of aforementioned mining lease shall be subject to the provisions of the Act and the rules made thereunder, as amended from time to time, and Shanti GD Ispat and Power Private Limited shall be designated as the 'successful bidder' and subsequently granted the mining lease only upon satisfactory completion of all the requirements under the Act and the rules made thereunder.

3.2. This Letter of Intent shall be valid only if Shanti GD Ispat and Power Private Limited ensures that the Bid Security is valid until the Performance Security is furnished to the Government of Maharashtra, 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 Auction Rules for designation of Shanti GD Ispat and Power Private Limited as the 'successful bidder' and subsequent grant of the 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 thereunder, the requirements under the modified Act or the rules made thereunder, as the case may be, shall be applicable.

(a) Designation as the "Successful Bidder":

Shanti GD Ispat and Power Private Limited shall be considered to be the 'successful bidder' upon:


- (i) continuing to be in compliance with all the terms and conditions of eligibility;
- (ii) payment of the second instalment being 10% (ten percent) of the upfront payment;
- (iii) furnishing performance security; and
- (iv) satisfying the conditions specified in clause (b) of sub-section (2) of section 5 of the Act with respect to a mining plan.

(b) Signing of the Mine Development and Production Agreement

Shanti GD Ispat and Power Private Limited shall sign the Mine Development and Production Agreement with the Government of Maharashtra 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, Shanti GD Ispat and Power Private Limited shall make payment of the third installment being 80% (eighty percent) of the upfront payment and thereafter the Government of Maharashtra shall grant the aforementioned mining lease.

  
Deputy Secretary  
Govt. of Maharashtra  
Industries, Energy and Labour Dept.  
Mentoraya, Mumbai-400 033

#### 4. Validity

This letter of intent is valid for a period of 2 (two) 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 Shanti GD Ispat and Power Private Limited and the Government of Maharashtra. In case there is a delay in execution of Mining Lease Deed due to reasons beyond the control of the Preferred Bidder, then it may submit an application to Government of Maharashtra, requesting for further extension.

If the Government of Maharashtra is satisfied that there is a delay in execution of Mining Lease Deed due to reasons beyond the control of the Preferred Bidder 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 Maharashtra may specify. Provided that: (a) this letter of intent shall be extended for a maximum period of 3 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.

Kindly return the duplicate copy of this Letter of Intent duly signed by authorized signatory of the Company and furnish a suitable Board Resolution in token of having accepted the above terms and conditions. The accepted copy of Letter of Intent along with Board resolution should be submitted latest by 21.06.2018.



(Sanjay Ingle)

Deputy Secretary to  
Government of Maharashtra

Copy to:

1. The Director, Directorate of Geology and Mining, Nagpur.
2. The Collector, District Collectorate, Nagpur.
3. The Deputy Director, Directorate of Geology and Mining, Regional Office, Nagpur.
4. The District Mining Officer, District Collectorate, Nagpur.
5. Select File (Ind-9).