

**GOVERNMENT OF ODISHA
DEPARTMENT OF STEEL AND MINES**

No- 6350 /SM. Bhubaneswar, Dtd. 27.07.2020
IV(B)SM-58/2017

From

Sri B.N. Acharya I.A.S (Retd.),
O.S.D-Cum-Additional Secretary to Government.

To

The Director of Mines,
Odisha, Bhubaneswar.

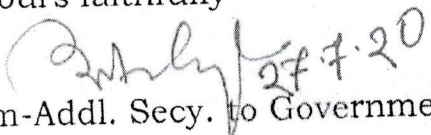
Sub: Letter of intent with reference to e-auction dated 19.05.2017 for grant of a mining lease for Netrabandha Pahar Block for Iron Ore in Baladihi village, Koira Taluka, Sundargarh District on 139.223 hecta area.

Ref: Your letter No-2793 DM dated 28.04.2020.

Sir,

In inviting a reference to your letter and subject cited above, I am directed to intimate you that the State Government have been pleased to allow extension of the validity of Letter of Intent No-5283 SM dated 24.06.2017 read with No-6285 SM dated 27.07.2017 issued in favour of Bhushan Power and Steel Limited for grant of a mining lease for Netrabandha Pahar Iron ore Block cited supra by another two years w.e.f 24.06.2020 without prejudice to the rights of the State Government and subject to the clarification sought by the State Government from Central Government in another similar case of Kolmong West Iron Ore Block(Northern part).

Yours faithfully

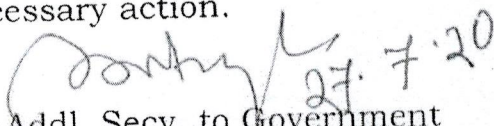

O.S.D-Cum-Addl. Secy. to Government

Regd Post with A.D

Memo No. 6351 /SM,

Dated: 27.07.2020

Copy forwarded to the Bhushan Power and Steel Limited, F-Block, 1st Floor, International Trade Tower, Nehru Palace, New Delhi-110019 for information and necessary action.


O.S.D-Cum-Addl. Secy. to Government



GOVERNMENT OF ODISHA
DEPARTMENT OF STEEL & MINES

No. 5283 /SM,
IV(Misc)SM- 52/2017

Dt. 24.6.2017

To,
Sri Biranchi Narayan Rath
Additional Secretary to Government

Bhushan Power and Steel Limited
F-Block, 1stFloor,
International Trade Tower,
Nehru Place,
New Delhi -110019

Sub: Letter of Intent with reference to e-auction dated 19.06.2017 for grant of a mining lease for **NetrabandhaPahar Block for Iron Ore** in Baladihi Village, Koira Taluka, Sundargarh District on 139.00 Hectare Area

1. **Background:**

- 1.1. The Government of Odisha, pursuant to the Mines and Minerals (Development and Regulation) Act, 1957 (the "Act") and the Mineral (Auction) Rules, 2015 (the "Rules"), issued the notice inviting tender dated **March 07.03. 2017** to commence the auction process for grant of mining lease for **NetrabandhaPahar Block** located in **Sundargarh District** of Odisha. The e-auction process was conducted in accordance with the tender document for the said mineral block and **Bhushan Power and Steel 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 and the tender document for the said mineral block, **Bhushan Power and Steel Limited** has made payment of the first instalment, being ten per cent of the upfront payment of Rs **3,43,25,432** (Rupees Three Crore Forty Three Lakh Twenty Five Thousand Four Hundred Thirty Two) through e-challan of **Treasury** dated **01.06.2017**, which was received on 01.06.2017.

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 **Netrabandha Pahar Block for Iron Ore** in Baladihi Village, Koira Taluka, of Sundargarh District on 139.00 Hectare Area to **Bhushan Power and Steel Limited** for a period of 50 years.

3. Conditions

- 3.1. This Letter of Intent and the subsequent grant of aforesaid mining lease shall be subject to the provisions of the Act and the rules made thereunder, as amended from time to time, and the **Bhushan Power and Steel 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 **Bhushan Power and Steel 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.
- 3.2. For reference, the requirements under the Rules for designation of **Bhushan Power and Steel 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":**

Bhushan Power and Steel 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 ten per cent of the upfront payment;
- (iii) furnishing performance security;
- (iv) 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**

Bhushan Power and Steel 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, **Bhushan Power and Steel Limited** shall make payment of the third

instalment being eighty per cent 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 **Bhushan Power and Steel Limited** and the Government of Odisha. In case the Preferred Bidder is unable to fulfil 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 **Bhushan Power and Steel 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 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. **Bhushan Power and Steel Limited** shall furnish acceptance of the terms and conditions of the Letter of Intent with Board resolution to this Department within fifteen days from the date of issue of this letter.

Yours faithfully

ADG
24/6/17
ADDITIONAL SECRETARY TO GOVERNMENT

Memo No. 5284 /SM

Dated 24.6.2017
Copy forwarded to the Director of Mines, Odisha, Bhubaneswar, Collector, Sundargarh/DDM, Koira, for information and necessary action.

ADG
24/6/17
ADDITIONAL SECRETARY TO GOVERNMENT

GOVERNMENT OF ODISHA
DEPARTMENT OF STEEL & MINES

No. IV(Misc)SM-52/2017 6285 /SM, Dt. 27-7-2017 ***

From,

Sri Biranchi Narayan Rath
Additional Secretary to Government

To

Bhushan Power and Steel Limited,
F-Block, 1st Floor,
International Trade Tower,
Nehru Place,
New Delhi-110019

Sub: Letter of Intent with reference to e-auction dt.19.05.2017 for grant of a mining lease for **Netrabandha Pahar Block for Iron ore** in Baladihi village, Koira Taluka, Sundargarh district on 139.00 Hectare Area.


X Sub: Corrigendum regarding actual area to be 139.223 hecets. Instead of 139.00 hecets.

Sir,

Inviting reference to this Department letter No-5283/SM,Dated-24.6.2017 on the subject mentioned above, it is stated here that the area mentioned in para-2 of the Letter of Intent issued vide the aforesaid letter under reference for grant of mining lease for **Netrabandha Pahar Block for Iron ore** in Baladihi village, Koira Taluka, Sundargarh district may be read as **139.223 Hecets**. Instead of 139.00 Hectare.

It is, therefore, requested to take further action accordingly.


Yours faithfully


Additional Secretary to Government

Memo No- 6286 Dated-

27-7-2017

Copy forwarded to the Director of Mines, Odisha, BBSR/ Collector, Sundargarh / DDM, Koira for information and necessary action with reference to this Department Memo no-5284/SM,dated-24.6.2017.


Additional Secretary to Government