



Government of Maharashtra

Industry, Energy and Labour Department,

Ground Floor, Annex Building, Hutatma Rajguru chowk, Mantralaya,
Mumbai-400 0 32.

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Tel.No.-022-22824519

No.-MNG-0623/C.R.77/Ind-9(A)

Date :-03rd October 2023

:Letter of Intent:

To,

Ambuja Cements Limited

[MSTC No 270924]

Elegant Business Park

MIDC Cross Road B Andheri-Kurla Road

Mumbai - 400059

Maharashtra

Sub: Letter of intent with reference to e-auction dated May 09, 2023 (Tuesday) for grant of a mining lease for **Devalmari Katepalli Limestone Block for Limestone in Devalmari and Katepalli village, Aheri Taluka, Gadchiroli District on 537.54 Hectare.**

1. Background:

1.1. 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 February 03, 2023 to commence the auction process for grant of mining lease for **Devalmari Katepalli Limestone Block** located in Gadchiroli District of Maharashtra. The e-auction process was conducted in accordance with the tender document for the said mineral block and **Ambuja Cements Limited** was declared as the 'Preferred Bidder' under Rule 9(9)(iii) of Auction Rules, having quoted a Final Price Offer of 7.55% (seven point five five per cent).

1.2. As required under Rule 10(1) of the Auction Rules and as per the provisions of tender document for the said mineral block, **Ambuja Cements Limited** has made payment of Rs.7,38,18,183 (Rupees Seven Crore Thirty Eight Lakh Eighteen Thousand One Hundred Eighty Three Rupees) through Challan (GRN: MH002777716202324E) dated May 30, 2023 at Gadchiroli as a first installment of 20% (twenty per cent) of the upfront payment.

2. Grant of Letter of Intent

2.1. Accordingly, pursuant to Rule 10(2) of the Auction Rules and the terms of the Tender Document, the Government of Maharashtra is pleased to offer a letter of intent for grant of Mining Lease for Devalmari Katepalli Limestone

Block for Limestone in Devalmari and Katepalli village, Aheri Taluka, Gadchiroli District for an area of 537.54 Hectare to **Ambuja Cements Limited** for a period of 50 (fifty) 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 the **Ambuja Cements 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 made thereunder.

The State Government may impose such other conditions in the Mine Development and Production Agreement (MDPA) and/or Mining Lease as may be considered by the State Government to be in the interest of mineral development and in public interest.

Ambuja Cements Limited shall be bound by (i) the enactment, bringing into effect, adoption, promulgation, amendment, modification or repeal of any Applicable Laws (including the Act and Rules) occurring at any time, including prior to or after the Bid Due Date; (ii) any amendments made by the State Government to this effect in the Tender Document, the letter of intent, the MDPA and/or the mining lease deed at any time, including prior to or after the Bid Due Date.

3.2. For reference, the requirements under the Auction Rules for designation of **Ambuja Cements 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":

Ambuja Cements 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 installment being 20% (twenty per cent) of the upfront payment;
- (iii) furnishing an irrevocable and unconditional performance security to the State Government from an Acceptable Bank and payable at Nagpur, Maharashtra, pursuant to the Auction Rules;
- (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

Ambuja Cements 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, **Ambuja Cements Limited** shall make payment of the third installment being 60% (sixty per cent) of the upfront payment and thereafter the Government of Maharashtra shall grant the aforementioned mining lease.

4. Validity

- 4.1. This Letter of Intent shall be valid only if **Ambuja Cements Limited** ensures that the Bid Security is valid until the Performance Security is furnished to the Government of Maharashtra.
- 4.2. This letter of intent is valid for a period of **03 (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 the **Ambuja Cements 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
- 4.3. 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 and 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 Maharashtra may specify. Provided that: (a) this letter of intent shall be extended for a maximum period of 02 (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.

Kindly return the duplicate copy of this letter of intent duly signed by authorized signatory 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 20th October 2023.



(Laxmikant Dhoke)

Joint Secretary, Government of Maharashtra

Copy to:

1. Director, Directorate of Geology and Mining, Nagpur
2. Collector, District Gadchiroli, Maharashtra.
3. Deputy Director, Directorate of Geology and Mining, regional office, Chandrapur.
4. District Mining Officer, Gadchiroli.
5. Select File (Ind.9A)