

Government of Bihar
Department of Mines and Geology

Letter of Intent

L. No.- /M, Patna 5271

Date - 09/12/24

From,

Vinod Duhan, IAS
Director, Mines

To,

Eklavaya Stones and Mines Private Limited,
Vill-Pathra English, P.O.-Orhanpur,
P.S.-Muffasil, Dist.-Nawada,
Bihar, Pin-805123
Email-esmines@rediffmail.com

Sub: Letter of intent with reference to e-auction dated 05.11.2024 for grant of a mining lease for **Bhora-Kathra Limestone Block for Limestone in Bhora and Kathra village, Rohtas Circle, Rohtas District on 135.9 Hectare Area**

1. Background:

1.1. Government of Bihar, 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 31.07.2024 to commence the auction process for grant of mining lease for **Bhora-Kathra Limestone Block located in Rohtas**. The e-auction process was conducted in accordance with the tender document for the said mineral block and **Eklavaya Stones and Mines Private Limited [MSTC Registration No-529061]** was declared as the 'Preferred Bidder' under Rule 9(9)(iii) or Rule 10(1A) of Auction Rules, having quoted a **Final Price Offer of 150.50% (One Hundred Fifty Point Five Zero)**.

1.2. As required under Rule 10(1) or Rule 10(1A) of the Auction Rules and the tender document for the said mineral block, **Eklavaya Stones and Mines Private Limited** has made payment of the first instalment, being 20% (twenty percent) of the upfront payment of **Rs. 1,77,47,188 (Rupees One Crore Seventy Seven Lakh Forty Seven Thousand One Hundred Eighty Eight)** through E treasury Challan (GRN Number-BHR202411.0484441M) dated 15.11.2024, which was received on 15.11.2024 at Patna.

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 Bihar is issuing this letter of intent for grant of Mining Lease for **Bhora-Kathra Limestone Block for Limestone in Bhora and Kathra village, Rohtas Circle, Rohtas District on 135.9 Hectare Area** to Eklavaya Stones and Mines Private 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 **Eklavaya Stones and Mines 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 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.

Eklavaya Stones and Mines Private 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 **Eklavaya Stones and Mines 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":

Eklavaya Stones and Mines 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 20% (twenty percent) of the upfront payment;
 - (iii) furnishing an irrevocable and unconditional performance security to the State Government from an Acceptable Bank and payable at Patna, Bihar 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
Eklavaya Stones and Mines Private Limited shall sign the Mine Development and Production Agreement with the Government of Bihar 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, **Eklavaya Stones and Mines Private Limited** shall make payment of the third instalment being 60% (sixty percent) of the upfront payment and thereafter the Government of Bihar shall grant the aforementioned mining lease.

4. Validity

- 4.1. This Letter of Intent shall be valid only if **Eklavaya Stones and Mines Private Limited** ensures that the Bid Security is valid until the Performance Security is furnished to the Government of Bihar failing which this letter of intent shall become invalid from the date of expiry of the Bid Security.
- 4.2. 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 the **Eklavaya Stones and Mines Private Limited** and the Government of Bihar. 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 Bihar, requesting for further extension
- 4.3. If the Government of Bihar 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 Bihar 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.

4.4. The holder of the Letter of Intent shall comply with the terms and conditions of this Letter of Intent, including executing the Mining Lease within the period referred to in Sub-rule 6 of Rule 10 of the Auction Rules, failing which:

- a) this Letter of Intent shall be revoked; and
- b) the Bid Security or the Performance Security, as the case may be, and any instalment of Upfront Payment paid, shall be forfeited and appropriated in full by the State Government

Eklavaya Stones and Mines Private Limited shall furnish acceptance of the terms and conditions of Letter of Intent by 16.12.2024.


Director, Mines