

SMEL/SE/2023-24/104

March 22, 2024

<p>The Secretary, Listing Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001 Maharashtra, India Scrip Code: 543299</p>	<p>The Manager – Listing Department National Stock Exchange of India Limited “Exchange Plaza”, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051 Maharashtra, India Symbol: SHYAMMETL</p>
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Sub: Letter of Intent for grant of a Composite Licence for Surjagad 1 Iron Ore Block for Iron Ore for an area of 1526 Hectare

Ref: Natural Resources Energy Private Limited - Associate JV Company of one of our Promoter Company, Dorite Tracon Private Limited.

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015 and in reference to our earlier intimation dated 13th May, 2023, we are pleased to inform that Natural Resources Energy Pvt. Ltd. (NREPL) – an Associate Joint Venture Company of one of our promoter Company i.e. Dorite Tracon Private Limited, which holds 49% economic interest, has been awarded the Letter of Intent for Composite Licence by the Industry, Energy, Labour and Mining Department, Government of Maharashtra, for Surjagad 1 Iron Ore Block for an area of 1526 Hectare in the State of Maharashtra.

The said Letter of Intent is enclosed herewith for your kind information and record.

This is for your information and record.

For Shyam Metals and Energy Ltd.

Birendra
Birendra Kumar Jain
Company Secretary & Compliance Officer
Membership No. A8305



Encl: As above

OUR BRANDS:



SHYAM SEL AND POWER LIMITED

REG. OFFICE: S S Chambers, 5, C.R. Avenue, Kolkata - 700 072, West Bengal, CIN: U27109WB1991PLC052962 GSTIN: 19AAECS9421J1ZZ
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Government of Maharashtra

Industry, Energy, Labour and Mining Department,
Ground Floor, Annex Building, Hutatma Rajguru chowk, Mantralaya,
Mumbai-400 0 32.

Email ID :-laxmikant.dhoke@nic.in

Tel.No.-022-22824519

No.-MNG-0623/C.R.84/Ind-9(A)

Date : 20/03/2024

:Letter of Intent for Composite Licence:

To,

Natural Resources Energy Private Limited
MSTC Registration No. 380851
JMG House Near Adhivadan
Panchsheel Nagar
Raipur - 492001
Chhattisgarh

Sub: Letter of intent with reference to e-auction dated 09-May-2023 for grant of a composite licence for **Surjagad 1 Iron Ore Block for Iron Ore in Angudra, Ramunkal Meta, Puske Meta, Negal Meta village, Etapalli Taluka, Gadchiroli District on 1526.00 Hectare.**

1. Background:

- 1.1. In 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") the Directorate of Geology and Mining (DGM), Government of Maharashtra, issued the Notice Inviting Tender (NIT) dated 03, February 2023 to commence the auction process for grant of composite licence for **Surjagad 1 Iron Ore Block** located in Gadchiroli. The e-auction process was conducted in accordance with the provisions of the tender document for the said mineral block and **Natural Resources Energy Private Limited** was declared as the 'Preferred Bidder' under Rule 17 read with Rule 9(9)(iii) of the Auction Rules who quoted a Final Price Offer of 126.35% (one hundred twenty six point three five per cent).
- 1.2. As required under Rule 18(1) of the Auction Rules and the tender document for the said mineral block, **Natural Resources Energy Private Limited** has made payment of performance security of INR 1,50,00,000 (Rupees One Crore Fifty Lakh) through Bank Guarantee (BG No. 3074IGP001460123) dated 20-May-2023, which was received on 23-May-2023 ("Performance Security").

2. Grant of Letter of Intent

Accordingly, pursuant to Rule 18(1) of the Auction Rules, the Government of Maharashtra is pleased to offer this Letter Of Intent (LOI) for grant of Composite Licence for **Surjagad 1 Iron Ore Block for Iron Ore in Angudra, Ramunkal Meta, Puske Meta, Negal Meta village, Etapalli Taluka, Gadchiroli District** over an area of 1526.00 Hectare to **Natural Resources Energy Private Limited**.

3. Conditions

- 3.1. This letter of intent and the subsequent grant of aforementioned composite licence shall be subject to the provisions of the Act and the rules made thereunder, as amended from time to time, and the **Natural Resources Energy Private Limited** shall be designated as the 'successful bidder' and subsequently granted the composite licence only upon satisfactory completion of all the requirements under the Act and the 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.

- 3.2. For reference, the requirements under the Auction Rules for designation of Natural Resources Energy Private Limited as the 'successful bidder' and subsequent grant of the composite licence 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":

Natural Resources Energy Private Limited shall be considered to be the 'successful bidder' upon:

- (i) compliance with all the terms and conditions of eligibility;
- (ii) obtaining all consents, approvals, permits, non-objections and the like as may be required under the applicable laws for commencement of prospecting operations; and
- (iii) submitting the scheme of prospecting.

4. Performance Security and Appropriation of Performance Security

The Performance Security must be valid till: (i) all the obligations of the Preferred Bidder or Successful Bidder under or by virtue of the Tender Document and/or the deed for grant of a prospecting licence to be executed between the State Government and the Successful Bidder with respect to the Performance Security have been fully paid and its claims satisfied or discharged; or (ii) till the State Government certifies that the terms and conditions of the Tender Document and/ or the deed for grant of a prospecting licence to be executed between the State Government and the Successful Bidder with respect to the Performance Security have been fully and properly carried out by the Preferred Bidder or Successful Bidder and accordingly discharges this guarantee; or (iii) on provision of a revised Performance Security under sub-rule (2) of rule 19 of the Auction Rules whichever is later.

S. No.	Appropriation Event	Amount of the Performance Security to be appropriated
1.	Failure of the holder of composite licence to comply with the terms of the composite licence as prescribed under the Act or rules made thereunder.	Such proportion as may be determined by the State Government in its sole discretion.
2.	Failure of the Preferred Bidder/ Successful Bidder/ holder of	Such proportion as may be determined by the State

	composite licence to comply with the terms of the letter of intent.	Government in its sole discretion.
3.	Failure by the holder of the Composite Licence to complete the prospecting operations in accordance with sub-section (9) of Section 11 of the Act	Entire Performance Security.
4.	Any transfer of the composite licence which is not in conformity with the Act and Rules made thereunder.	Entire Performance Security.
5.	Termination of the composite licence	Entire Performance Security

In the event of a part or total appropriation of the Performance Security, the Preferred Bidder/ Successful Bidder/ holder of composite licence shall be required to: (i) rectify the Appropriation Event; and (ii) substitute the bank guarantee constituting the Performance Security OR deposit additional amount towards security deposit within fifteen days of receipt of a notice.

However, in case the holder of composite licence completes the prospecting operations in accordance with the Act, rules framed under the Act, the terms with respect to prospecting operations contained in the tender document for the said mineral block and the relevant permissions issued with respect to prospecting operations, but fails to establish the existence of mineral contents in accordance with sub-section (10) of section 11, and the Minerals (Evidence of Mineral Contents) Rules, 2015, then such holder shall not be eligible to receive a mining lease.

Provided that the State Government on being satisfied that the holder of Composite Licence has completed prospecting operations in accordance with sub-section (9) of section 11 of the Act but is unable to establish the existence of mineral contents even after making all possible efforts in accordance with sub-section (10) of section 11 of the Act, and the Minerals (Evidence of Mineral Contents) Rules, 2015, shall return the Performance Security.

5. Validity

- 5.1. This letter of intent is valid for a period of **1 (one)** year from the date of its issuance, within which time Natural Resources Energy Private Limited must have fulfilled all the above conditions and the composite licence must be executed between the Natural Resources Energy Private Limited and the Government of Maharashtra.
- 5.2. This letter of intent shall be valid only if Natural Resources Energy 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.

Provided that any excess area shall be deemed to be surrendered by the holder of Composite Licence after completing its reclamation:

Provided further that after submission of the geological report prepared in accordance with the Mineral (Evidence of Mineral Contents) Rules, 2015, the holder of composite licence may relinquish the entire area and in such case the State Government shall, after being satisfied that the geological report has been prepared conforming to the Mineral (Evidence of Mineral Contents) Rules, 2015, return the Performance Security.

In case the Preferred Bidder is unable to fulfil all or any of the above conditions, then it may submit an application to the Government of Maharashtra requesting for further extension and if the Government 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 it may deem fit.

It is clarified and confirmed that the terms and conditions of this letter of intent will continue to apply to the Preferred Bidder/ Successful Bidder for the duration of the composite licence.

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 5/04/2024.


(Laxmikant Dhoke)

Joint Secretary, Government of Maharashtra

Copy to:

1. Director General, Directorate of Geology and Mining, 27, Khanij Bhavan, Shivaji Nagar, 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)