

No. 13016/32/2008-CA-1
Government of India
Ministry of Coal

New Delhi, the 7th September, 2009
arh

1. M/s. Murli Industries Ltd,
R.O. 101, Jai Bhawani Society,
Central Avenue,
Nagpur-440008
2. M/s Grace Industries Ltd.,
Gupta Bhawan,
Seth Mahadevprasad Gupta Marg,
Nagpur-440001

Subject:-Allocation of Lohara (East) coal block in the State of Maharashtra for captive mining of coal by a joint venture company M/s Murli Industries Ltd. and M/s Grace Industries Ltd. under Option-1

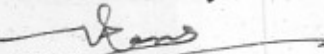
Sir,

I am directed to refer this Ministry's letters No.13016/32/2008-CA-1 dated 07.06.2008 and dated 03.09.2008 on the above subject.

2. You were required to submit Bank Guarantee as per condition at para (2 viii) of the allocation letter within three months from the date of issue of the allocation letter i.e 07.06.2008 for an amount of Rs. 10.44 crores (equal to one year's royalty amount based on mine capacity of 0.8 mtpa assessed by CMPDIL, grade of coal D the weighted average royalty@ Rs. 125 per tonne). The required Bank Guarantee has not been furnished as yet.

3. You are hereby required to furnish the Bank Guarantee within 7 days failing which appropriate action shall be taken by the Ministry for non-compliance of the conditions incorporated in the allotment letter, without any further notice.

Yours faithfully


(V.S. RANA)

Under Secretary to the Government of India.

VTC, m/o coal