



South Eastern Coalfields Limited

'MINIRATNA' CATEGORY-I COMPANY

(A Subsidiary of Coal India Limited)

Seepal Road, P.O. SECL,

Bilaspur-495006 (Chhattisgarh)

Tel. 07752-246322

Fax. 07752-246472

Sales & Mktg. Deptt.

SECL/BSP/S&M/COMM/297/RIIL/ 1621

Dtd.: 21.10.2009

SPEED POST

Office: Raigarh Iron Industries Ltd.,
Balaji Plaza, 202, 2nd Floor, Plot No. 8,
Local Shopping Complex, Gujranwal Town,
New Delhi-110009

Plant: 21KM Mile Stone, Gharghoda Road,
Punjipatra, Riagarh (CG)

Dear Sir,

Sub: Cancellation/withdrawal of Letter of Assurance (LOA) & encashment of Commitment Guarantee

1. This has reference to LOA no **SECL/BSP/S&M/COMML/297/RIIL/1984** dated **17.07.2008** issued by SECL (Assurer) to **Raigarh Iron Industries Ltd., 21KM Mile Stone, Gharghoda Road, Punjipatra, Riagarh (CG)** (Assured) for **Sponge Iron Unit-15,000 tpa**.
2. Validity period of LOA expired on **16.07.2009**.
3. The Assured failed to fulfill all the activities/milestones within the validity period of LOA.
4. Deficient milestones have already been notified through SECL website. However, milestone-wise deficiencies are also mentioned below in brief.

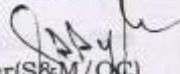
Milestone no. 5:- Whereas the LOA is for 15000 TPA capacity, environmental clearances are only for 12000 TPA capacity.

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5. In view of the above, it is hereby notified in terms of Clause 3.4.1 of LOA that the LOA under reference is being cancelled/withdrawn followed by encashment of commitment guarantee (CG) for Rs. **10,26,000** including additional commitment guarantee (Additional CG) for Rs. **5,13,000** in accordance with the terms & conditions of LOA.

Yours faithfully,


Chief General Manager(S&M/QC)
SECL, Bilaspur

Copy for information & necessary action to:

1. Dy.CFM (I/C), SECL, Kolkata
2. SM(I/C), SECL, Kolkata
3. FM(I/C), SECL, Kolkata
4. FM(S&M), SECL, Bilaspur

Copy to:

1. Notice Board
2. SECL Website (Item 10: Other Important Notices)

Copy for kind information to:

1. D(T)(O), SECL
2. CGM(S&M), CIL, Kolkata