



South Eastern Coalfields Limited

'MINIRATNA' CATEGORY-I COMPANY

(A Subsidiary of Coal India Limited)

Seepat Road, P. O. SECL,

Bilaspur-495006 (Chhattisgarh)

Tel. 07752-246322
Fax. 07752-246472
Sales & Mktg. Dept.

SECL/BSP/S&M/COMM/84/SNIL/ 810

Date: 20.07.2009

Office: Shree Nakoda Ispat Ltd.,
Near Railway Crossing, Mowa,
PO: Shankar Nagar,
Raipur (CG) - 492007

SPEED POST.

Plant: Siltara Industrial Area,
Phase-II, Raipur (CG)

Dear Sir,

Sub: Additional Commitment Guarantee

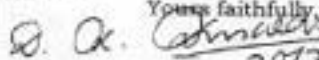
1. This has reference to LOA no. **SECL/BSP/S&M/COMML/84/SNIL (LOA)/2423** dated **20.08.08** issued by SECL to **Shree Nakoda Ispat Ltd., Siltara Industrial Area, Phase-II, Raipur (CG)** for **105000 tpa Sponge**.
2. On scrutiny of the documents/additional documents, as the case may be, submitted by you towards achievement of milestones, certain discrepancies were observed which have already been intimated to you and updated status has also been placed on SECL website www.secl.gov.in from time to time.
3. The discrepancies in documents in respect of following activities/milestones which were due to be completed within six (6) months from the date of issue of LOA, have not been corrected even after expiry of stipulated time period as per terms & conditions of LOA.

i) Milestones Sl. Nos. **4**

4. In view of the above, you are liable to furnish Additional Commitment Guarantee as per details below:

i) No. of Milestones	1
ii) Amount of original CG (Rs.)	7,200,000
iii) Additional CG required (Rs.)	720,000
	$\{(i) \times (ii) \times (0.10)\}$

5. In the event, Additional Commitment Guarantee as above is not submitted within fifteen (15) days from the date of issuance of this letter, SECL (Assurer) reserves the right to cancel or withdraw the LOA and encash the Commitment Guarantee already submitted by you in terms of provisions of LOA, without further notice or reference.

Yours faithfully,

20/7/09
Chief General Manager(S&M/QC)
SECL, Bilaspur

Copy to:

1. SM(I/C), SECL, Kolkata
2. PM(I/C), SECL, Kolkata
3. FM(S&M), SECL, Bilaspur
- ✓ SECL, website

Copy for kind information to:

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