

झारखण्ड JHARKHAND

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MEMORANDUM OF UNDERSTANDING
BETWEEN
THE GOVERNMENT OF JHARKHAND (1ST PARTY)
AND
M/S.FEEGRADE & COMPANY (P) LIMITED (2ND PARTY)
(42 A, Shakespeare Sarani, Kolkata)

FOR
INVESTMENT IN IRON AND STEEL INDUSTRIES IN THE STATE OF JHARKHAND

This memorandum of Understanding is made this 11th day of September 2006 between Government of Jharkhand on the one part and M/s Feegrade & Co. (P) Limited, 42 A, Shakespeare Sarani, Kolkata on the other part

Preamble

1. M/s Feegrade & Co. (P) Limited, 42 A, Shakespeare Sarani, Kolkata having experience in mining and it is venturing into Iron & Steel Sector. The company is financially strong.
2. The Government of Jharkhand is desirous of utilisation of its natural resources and rapid industrialization of the State, so as to bring prosperity and well being to its people and has been making determined efforts to facilitate setting up of new industries in different locations in the State. In this context the Government of Jharkhand is willing to extend assistance to suitable promoters to set up new industries.

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Secretary
Industries Dept.
Jharkhand, Ranchi

DESCRIPTION OF PROGRAMME / ACTIVITY

3. M/s Feegrade & Co. (P) Limited is desirous of setting up 0.30 million ton/year Iron & Steel manufacturing facilities in the state of Jharkhand with proposed investment of Rs. 411.00 Crores.
4. M/s Feegrade & Co. (P) Limited requires help and co-operation of the Government of Jharkhand in several areas to enable them to construct, commission and operate the project. The Govt of Jharkhand is willing to extend all possible help and co-operation. The major areas of co-operation between the Govt of Jharkhand and M/S. Feegrade & Co. (P) Limited are listed below:

4.1 LAND

The Government of Jharkhand will assist in obtaining land required for putting up manufacturing and other related activities to complete the project.

4.2 COAL (For Captive Consumption)

Coal being a nationalized property, the State Government shall assist in selecting the blocks within the state and agrees to recommend to the Govt. of India for allotment of suitable coal blocks for captive coal mining as per existing provisions of the Mines & Minerals (Development & Regulation) Act 1957 and other existing provisions.

4.3 IRON ORE AND OTHER MINERALS

The State Government shall assist in selecting the area for M/s Feegrade & Co. (P) Limited for iron ore and other minerals as per requirement of the company depending upon quality and quantity and agrees to grant mineral concession as per existing Acts and rules.

4.4 WATER:

The State government will permit drawl of required quantity of water for the proposed 0.30 million ton/year Steel plant, as well as the captive mines from the nearby river, dam, and / or reservoir in accordance with the rules, policies and tariff rates fixed from time to time by State Government and within the overall allocation water earmarked for industrial / commercial use. If the unit desires to meet the water requirement through tube well the company shall also make necessary provision required for recharging the ground water in its premises and shall be subject to provision of any legislation for the purpose.

4.5 POWER :

The State Government agrees to facilitate the availability of power to the plant through captive power plant or otherwise as per the provisions of Electricity Act 2003.

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Secretary
Industries Dept
Jharkhand, Ranchi

4.6 ENVIRONMENT :

- a. The Government of Jharkhand agrees to forward proposal of M/s Feegrade & Co. (P) Limited in obtaining NOC through the State Pollution Control Board for the construction of plant, the housing colony, mines pipeline, power project etc.
- b. Government of Jharkhand agrees to forward proposal of M/d Feegrade & Co. (P) Limited in obtaining necessary clearances from the Central Government.
- c. M/s Feegrade & Co. (P) Limited will arrange to conduct a rapid Environment Impact Assessment (E I A) and detailed EIA and prepare an Environment Management Plan (E M P) for the project. The Government of Jharkhand agrees to extend any assistance in the shape of providing data / information available with it during the time when the E I A is conducted and E M P is prepared.

4.7 INCENTIVES AND CONCESSIONS :

The State Government shall consider to extend applicable incentives as envisaged in Mega Investment Incentive Scheme notified vide notification no. 1885 dated 10.06.2003 and Jharkhand Industrial Policy 2001.

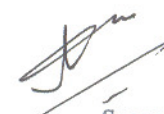
5. Resettlement and Rehabilitation of project affected families.

M/s Feegrade & Co. (P) Limited shall be fully responsible for resettlement and rehabilitation of project affected families in terms of the extant Resettlement and Rehabilitation Policy of the State Govt. The State Govt. expects that M/s Feegrade & Co. (P) Limited would chalk out and implement a policy in this regard which would be superior to the State Policy.

6. GENERAL CLAUSES :

1. The Government of Jharkhand appreciates that M/s Feegrade & Co. (P) Limited is a responsible corporate house with a high involvement in employees welfare and social development. The Government of Jharkhand, therefore, anticipates that M/s Feegrade & Co. (P) Limited will bring this philosophy to its proposed Iron & Steel Plant in Jharkhand. For employment, preference will be given to the displaced persons subject to need and their possessing the necessary qualifications.
2. The Government of Jharkhand has no objection if M/s Feegrade & Co. (P) Limited induct suitable foreign or Indian joint venture partners, choose appropriate financial options, suppliers, credit options and technologies in the best interest of the project.
3. The areas of co-operation mentioned above highlights only the major issues involved in setting up of the plant. Other issues as and when they arise and sharing of responsibilities between both the parties shall be decided if necessary through mutual agreement on case – to – case basis.





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4. Each party shall indemnify and hold harmless the other party and their Directors, Officers, employees, agents and representatives from and against any and all costs, losses, claims, damages, liabilities and expenses (including reasonable attorney fees) incurred by the indemnified person, indemnifying party or its agents, relating to matter arising out of this MOU.
5. In the event of no efforts being made by M/s Feegrade & Co. (P) Limited towards implementation of the project within one year of signing this MOU support of the Sate Govt. indicated in the MOU shall be deemed to be withdrawn.

For WITNESS THEREOF THE PARTIES hereto have set their hands to this MOU on this 11^h day, of September 2006.


SIGNED AND DECLARED BY

For Feegrade & Co. (P) Limited


(P. Lakra)
Asst. General Manager





For Government of Jharkhand


(Arun Kumar Singh)
Secretary Industry

Secretary
Industries Dept.
Jharkhand, Ranchi

Witness

1. 
(Arun Kumar)
Senior Manger

2. 
(S. Raha)
Dy. General Manager

Witness

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