

MEMORANDUM OF UNDERSTANDING
Among



Directorate of Geology and Mining, Govt. of Maharashtra, Nagpur.
and



Maharashtra State Mining Corporation limited Nagpur
and



MOIL LIMITED

(A Government of India Enterprise)

MOIL

For

Conducting Exploration & Prospecting
Work in Maharashtra

Nagpur

MEMORANDUM OF UNDERSTANDING

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**Directorate of Geology and Mining, Govt. of Maharashtra, Nagpur.
and**

**M/s. Maharashtra State Mining Corporation limited Nagpur
and**

M/s. MOIL Limited

Nagpur

MEMORANDUM OF UNDERSTANDING

THIS Memorandum of Understanding is reached and signed on this ---day of , 2024 by and among:

Government of Maharashtra, acting through, Directorate of Geology & Mining, Government of Maharashtra, 27- Khanij Bhawan, Cement Road, Shivaji Nagar Nagpur-440010 (hereafter called 'DGM') of the first party:

AND

Maharashtra State Mining Corporation Ltd.(MSMC) is a limited company fully owned by the Government of Maharashtra, incorporated under Companies Act, 1956 on 14th November and having its registered office at Khanikarm Bhavan, Plot No 7, Ajni Square, Wardha Road, Nagpur - 440015, (hereafter called 'MSMC') which expression shall, unless repugnant to the context or meaning thereof, include its nominees, successors and assigns of the second party.

AND

MOIL Limited, a Government of India Enterprise and a company incorporated under the Companies Act, 1956, with registered office at 1A-Katol Road, Nagpur-440 013, Maharashtra (hereinafter referred to as 'MOIL') which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns of the third party.

WHEREAS

1. DGM, Government of Maharashtra who has authority under Mines and Minerals (Development and Regulation) Act, 1957 to carry out exploration of minerals without any specific PL for the purpose, is interested in getting the exploration work done for Manganese Ore and other minerals.
2. MSMC is engaged in mining/ exploration of mineral resources in the State of Maharashtra.
3. MOIL, which is major producer of Manganese ore in India is having experience of exploration and mining, can conduct exploration under sub- section (1) of Section 4 of Mines and Minerals (Development and Regulation) Act, 1957 as per Notification No. 16/08/2015-M.VI dated 16th February, 2015 by the Ministry of Mines, Government of India for various minerals in various States.

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IN PURSUANCE THEREOF, THE FOLLOWING MUTUAL UNDERSTANDING IS ARRIVED AT AND IT IS AGREED BY AND BETWEEN DGM, MSMC and MOIL AS UNDER.

DGM, in exercise of the powers vested in it under the MMDR Act 1957 and MINERAL CONCESSION (MCR) Rules 1960 (Amended 2016) can get the exploration work done and for the purpose:

- a. MOIL will conduct exploration and prospecting works under sub-section (1) of Section 4 of Mines and Minerals (Development and Regulation) Act, 1957 in Nagpur, Bhandara, Sindhudurg, Satara districts of Maharashtra for Manganese ore etc. with mutual consent
- b. MOIL will prepare detailed programme for exploration works in consultation with DGM of Maharashtra and MSMC.
- c. Initially, the cost of exploration work will be borne by MOIL.
- d. DGM will provide all necessary assistance for identification of areas and help in facilitating various statutory clearances for geological mapping, sampling, drilling-and any other assistance/facility in all the areas and if required in forest area also, to MOIL to conduct the exploration works in the identified areas.
- e. If availability of ore is proved in any area, a JV Company will be formed between MOIL and MSMC (the company hereafter referred to as "the JVC") with 51:49 equity (51% Resources for MOIL and 49% equity subscribe either in cash or for consideration other than cash, as permissible under the law, for MSMC). If government land is made available for JVC by Government of Maharashtra, it shall be deemed as consideration by MSMC. Other details of JVC shall be worked out equitably and mutually by MSMC and MOIL with the approval of respective Boards/the Competent Authority and enumerated in the Joint Venture Agreement to be entered into by both the Parties.
- f. If any area is proved for availability of ore, then the area shall be reserved under Section 17(A)(2A) of Mines and Minerals (Development and Regulation) Amendment Act, 2023 for the JVC.
MOIL to be reimbursed all the costs and related expenses incurred towards initial/subsequent exploration along with interest (Calculated as per BPLR of SBI) and prospecting by Maharashtra Government. In the event that the area explored and prospected by MOIL is allocated to any other party either directly or through auction.
- g. MOIL can conduct mining or mining can be done through by an MDO appointed by JVC in a transparent manner. In case the JVC appoints an MDO for the purpose of mining, the total cost of mining shall be borne by JVC initially from equity/loan and thereafter from the proceeds of the sale of mined ore.

OR

In case MOIL conducts mining, the total cost of mining including interest, depreciation, administration and supervision expenses shall be borne by MOIL which shall be reimbursed from the proceeds of mined ore.

MEMORANDUM OF UNDERSTANDING

- h. If MOIL has end use plant, then 51% of resources will be given to MOIL for captive use at a selling price transparently determined by JVC. MSMC shall have first right of refusal as regards 49% of ore mined.
- i. If MOIL does not have a captive use plant, then the right of first refusal will be given to MOIL for 51% of ore mined & MSMC for balance 49% of ore mined. JVC will sell the entire ore mined at a price determined in a transparent manner.
- j. In case funds are lent by MOIL to the JVC for its business purposes, interest at BPLR of SBI and as permissible shall be paid by the JVC to MOIL.
- k. Profit of the JVC will be shared in the proportion 51% by MOIL and 49% by MSMC after meeting out the costs of initial/subsequent exploration along with interest (calculated as per BPLR of SBI) on investment made on exploration including administrative expenses incurred by MOIL, LA & RR, FC, EC & other expenses to get clearances/ permission and mining, in accordance with generally accepted accounting policies/practices & other applicable laws.
- l. MOIL shall apply to DGM seeking permission for exploration in the interested areas. DGM shall place the matter for approval before State Geological Programming Board (SGPB). In the event of clearance of the same, MOIL shall get the survey done and submit Report with-in 2 years of the date of approval. If the presence of minerals & quantity thereof is found as per the provisions of "Minerals (Evidence of Minerals Contents) Rules, 2015", detailed Prospecting Report shall be furnished within a further period of 2 years.
- m. Separate records shall be maintained by MOIL in respect of the expenses incurred in the exploration work. The same shall be duly certified by their statutory auditors appointed by C&AG.

DURATION OF THE MoU

1. This MoU shall come into effect from the date of signing and shall continue to be operative initially for a period of five years. The MoU can be extended by a further period (s) with mutual consent.
2. Either party shall have the right to terminate the MoU by issuance of a written notice of 30 days to the other party. It is mutually agreed that before termination, both the parties shall meet and discuss the issues related leading to termination before taking a final decision.

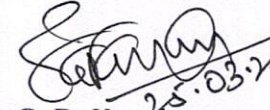
Any change in the conditions of Mou shall be done with the written consent all the parties.

This MoU is subject to the approval of the Board of MSMC & Board of MOIL.
This MoU shall become effective from the date of its signing by representative of the parties thereto.

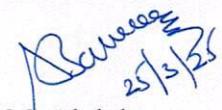
FOR MSMC


Dr. TRK Rao
Managing Director

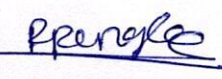
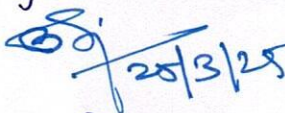
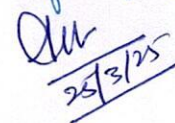
FOR DGM


Dr. G. D. Kamde
Director

FOR MOIL LIMITED


M.M. Abdula
Director (Production & Planning)

WITNESS

- 1) Rushikesh. P. Dange  25.03.2025
- 2) Vilas V. Jogi  25/3/25
- 3) DR. S.K. SARKAR  25/3/25