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No. Date

From

The Director,  
Department of Mines & Geology,  
Haryana.

To

Managing Director,  
HSIIDC, C-13-14, Sector-6,  
Panchkula.

Memo. No. DMG/HY/ML/Khanak/HSIIDC/174  
Chandigarh: Dated: 03.01.2014

Subject: Letter of Intent (LoI) for grant of Mining lease over an area of 258.30 hectares in village Khanak, Tehsil Tosham, district Bhiwani in favour of HSIIDC- regarding.

Kindly refer to your letter no. HSIIDC: Mines 2013:1 dated 31.12.2013 on the subject cited above vide which you have confirmed the acceptance of offer/ decision of the State Government in the department of Mines & Geology as communicated vide this office memo dated 30.11.2013 to grant mining lease of "Stone along with association minor minerals" in village Khanak, Tehsil Tosham district Bhiwani, for a period of 20 years in favour of the HSIIDC.

2. In exercise of powers vesting in the State as per provisions of Rules 118 of the "Haryana Minor Mineral Concession, Stocking, Transportation of Mineral & Prevention of Illegal Mining Rules, 2012" (State Rules), the State Government has already decided to sanction/grant of the said mining lease in favour of the HSIIDC, a State government undertaking. Accordingly, the Department is pleased to issue this "Letter of Intent" (LoI) for grant of mining lease in favour of HSIIDC over an area of 258.30 hectares, situated over Khasra no. 274 min & 275 min, in village Khanak, Tehsil Tosham, district Bhiwani, for a period of 20 years subject to the following terms and conditions:-

- (i) The period of lease shall be 20 years and the same shall commence with effect from the date of grant of environmental clearance by competent authority or on expiry of a period of 12 months from the date of this communication of acceptance of highest bid/ issuance of "Letter of Intent", which ever is earlier;
- (ii) The "Annual Dead Rent" shall be as per the rates prescribed in the Second Schedule of the State Rules and shall be payable by you in the manner prescribed in the lease deed/agreement to be executed on form ML-1 appended to the said State Rules;

- (iii) You shall have to execute Lease Deed in Form ML-1 appended to the State Rules within a period of 90 days from the date of issuance of this communication/ grant of Lol. The stamp duty, as applicable at the time of execution/registration of the agreement, shall be payable by you.
- (iv) The lease deed would also be required to be got registered on payment of the applicable Registration fee;
- (v) You shall also furnish a solvent surety, which may be in the form of a Bank Guarantee for a sum equal to the amount of the Annual Dead Rent, valid for a period of five years in the first instance, for execution of the lease deed/agreement. The said Bank Guarantee shall be renewed for further period of the lease in five yearly trances three months before the expiry thereof in each case;
- (vi) You shall be liable to deposit the 'Dead Rent' in advance at monthly intervals as per provisions of lease deed/agreement i.e. from the date of commencement of the lease deed;
- (vii) You shall be liable to pay the dead rent or the royalty in respect of each of the minor minerals extracted or removed or consumed by you or by your agent, manager, employee etc., whichever is higher. The royalty shall be payable at the rates prescribed in the First Schedule appended to the State Rules, as may be revised by the State Government from time to time.
- (viii) You shall also deposit/ pay an additional amount equal to 10% of the due Dead Rent/ Royalty, whichever is higher, along with the monthly installments towards the 'Mines and Minerals Development, Restoration and Rehabilitation Fund'.
- (ix) You shall also be liable to pay advance income tax as per provisions of Section 206(c) of income tax act in addition to dead rent/royalty, payable as per terms and conditions of lease deed/agreement.
- (x) You shall prepare a Mining Plan along with the Mine Closure Plan (Progressive & Final) as per chapter 10 of the State Rules for the "Mining Lease site" and shall not commence mining operations in any area except in accordance with such Mining Plan duly approved by an officer authorised by the Director, Mines & Geology, in this behalf.
- (xi) Further, the actual mining will be allowed to be commenced only after prior Environmental Clearance is obtained by you as the Lol holder/ mining lessee for the Minor Mineral Stone Mines/ Quarries from the Competent Authority as required under EIA notification dated 14/9/2006, as amended from time to time by the MoE&F, Gol and guidelines/ circulars issued in this behalf;



- (xii) The Mining lessee, to whom the mining rights have been granted through this lease, would also be liable to pay the following to the landowners for undertaking mining operations:-
- (a) Annual rent in respect of the land area blocked under the concession but not being operated, and
  - (b) Rent plus compensation in respect of the area used for actual mining operations.
- (xiii) The amount of annual rent and the compensation shall be settled mutually between the landowner and the lessee. In case of non-settlement of the rent and compensation, the same shall be decided by the District Collector concerned in accordance with the provisions contained in Chapter 9 of the "Haryana Minor Mineral Concession, Stocking, and Transportation of Minerals and Prevention of Illegal Mining Rules, 2012";
- (xiv) The total mineral excavated and stacked by the lease holder within the area granted on mining lease shall not exceed two times of the average monthly production as per approved Mining Plan at any point of time;
- (xv) The lessee shall not stock any mineral outside the concession area granted on mining lease, without obtaining a valid license as per provisions contained in Chapter 14 of the State Rules;
- (xvi) The lessee shall not carry out any mining operations in any reserved/ protected forest or any area prohibited by any law in force in India, or prohibited by any authority without obtaining prior permission in writing from such authority or officer authorized in this behalf. In case of refusal of permission by such authority or officer authorized in this behalf, lessee(s) shall not be entitled to claim any relief in payment of dead rent/royalty on this account;
- (xvii) A safety margin of two meters (2m) shall be maintained above the ground water table while undertaking mining and no mining operations shall be permissible below this level unless a specific permission is obtained from the competent authority in this behalf;
- (xviii) The lessee shall be under obligation to make available up to 75% of the produced raw material/ stone to the downstream industries i.e. stone crushers operating in the area. However, in case lessee is unable to find market for his raw mineral to the extent of 75% of its production, he would be required to obtain prior permission of the department to consume raw mineral in excess of 25% of his production but not exceeding 50% of his production for grounds to be recorded in writing;

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(xix) The lessee shall be under obligation to carry out mining in accordance with all other provisions as applicable under the Mines Act, 1952, Mines and Minerals (Development and Regulation) Act, 1957, Indian Explosives Act, 1884, Forest (Conservation) Act, 1980 and Environment (Protection) Act, 1986 and the rules made thereunder, Wild Life (Protection) Act, 1972, Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981;

4. Accordingly, you are advised to submit the Draft Mining Lease Deed/ Agreement on Form ML-I (in Four copies) appended to the "Haryana Minor Mineral Concession, Stocking, Transportation of Minerals & Prevention of Illegal Mining Rules-2012", first copy of which shall be on the **stamp paper** along with other requisite documents including a solvent surety(s) for a sum equal to the amount of the annual Dead Rent for execution of the agreement, within a period of 90 days from the date of issue of this bid acceptance letter and the Lol.

  
State Mining Engineer,  
for Director Mines & Geology, Haryana.

Endst.No. DMG/HY/ML/Khanak/HSI IDC/175

Dated: 03.01.2014

A copy is forwarded to the following for information and necessary action:-

1. The Chairman Haryana State Pollution Control Board, Sector-6, Panchkula.
2. The Deputy Commissioner, Bhiwani.
3. The Mining Officer, Bhiwani.

  
State Mining Engineer,  
for Director Mines & Geology, Haryana.