Shale - 1

Side operations

GOVERNMENT OF MEGHALAYA MINING AND GEOLOGY DEPARTMENT

No. Mg. 29/2000/179

Dt. Shillong, the 5th April. 2002

From : Shri. W.S Mawlong, IAS

Secretary to the Govt. of Meghalaya Mining and Geology Department.

To.

The Deputy Commissioner East Khasi Hills District Shillona

Sub:- Grant of Mining Lease for Shale/Siltstone over and area of 4.9 hectares at Shella, East Khasi Hills District, Meghalaya in favour of M/s Lum Mawshun Minerals Private Limited.

· Sir,

I am directed to say that the Governor of Meghalaya is pleased to Grant a mining lease on shale and siltstone to M/s Lum Mawshun Minerals Private Limited, a company having its registered office at Shillong, Meghalaya for a period to 30 (thirty) years in accordance with the provisions of Mines and Minerals (Development & Regulation) Act, 1957 and the Mineral Concession Rules, 1960 made thereunder. However, before the execution of the Mining Lease the Company i.e M/s Lum Mawshun Minerals Private Limited should obtain an amendment from the Government of India for Mining & Export of Shale and Siltstone over and above Limestone at Clause 2 of Government of India's letter No FC(II)747/(96)/639/(96) dt 13th Sep. 1996 conveying approval for foreign collaboration. A Draft Mining Lease under Rule 31 of the said Rules, containing the terms and conditions both General and Local on which the mining lease is granted is forwarded herewith for execution by you and the said company.

I am to say that the mining lease should be executed within 6 (six) months from the date of issue of this letter and if it is not so executed within this period due to any default on the part of the applicant, the State Govt., may revoke the order Granting the lease and in that event the application fee and preliminary expenses deposited by the applicant shall be forfeited to the State Government. The mining lease should be registered after execution. As required under Rule 32 of the Mineral Concession Rules, 1960, the applicant shall before the mining lease deed is executed, deposit an amount of Rs. 10,000/- (Rupees Ten thousand) only as "Security Deposit" for due observance of the terms and conditions of the lease. The Security Deposit should be in the form of a term deposit receipt at any Nationalised/ Recognised Bank pledged in favour of the Director of Mineral Resources, Meghalaya, Shillong.

(Contd2/-)

- 3. I am to request you to take action on the following points before execution of the mining lease:-
 - (A) The date of execution from which the mining lease will come into force should be mentioned in the blank space at para I and 4 of the preamble of the draft lease.
 - (B) The Blank spaces in part I of the draft lease duly filled in regarding the situation and location of the area are to be verified. The boundaries of the area have been filled in on the basis of the descriptions in the application for mining lease submitted by the applicant.
 - (C) A Map or plan showing the location of the leased area should be annexed to each copy of the leased Deed.
 - (D) As required under Rule 27(1)(d) of the Mineral Concession Rules, 1960. you are authorised to fix the rate of surface rent per hectare per annum and the water rate per hectare per annum and fill up in the blank spaces under clause 4 of part- V
- 4.. I am also to say that the lessee should demarcate the boundaries of the leased area within a period of 1 (one) month from the date of execution of the mining lease and the Director of Mineral Resources, should verify the boundaries before the lessee commence mining operations.
- 5. The lessee should ensure that mining operations for shale/siltstone in the leased area should be conducted in accordance with the mining plan duly approved by the Controller General, Indian Bureau of Mines, Government of India as provided under Rules 22-A to 22-B of the Mineral Concession Rules, 1960
- 6. The amount of anticipated annual royalty for the purpose of stamp duty for registration of the mining lease is Rs. 13,50,000/-. (Thirteen lacs Fifty thousand) only. This amount has been determined on the basis of the lessee's estimated annual production for a period of 5 (five) years as furnished in the application of Mining Lease. The Blank space in clause -9 of the part -1X of the draft lease has been filled in accordingly
- 7. I am further to say that the copies of mining lease, duly executed should be furnished to the Controller General, Indian Bureau of Mines, Nagpur, the Director General of Mines Safety Dhanbad and the Director of Mineral Resources Meghalaya as well as to the Department for records.

Yours faithfully,

Secretary to the Govt. of Meghalaya , Mining & Geology Department.

(Contd3/-)

Memo No. MG. 29/2000/179 - A.

Dt. Shillong, the 5th April, 2002

Copy forwarded to :-

- 1. Private Secretary to the Minister Mining and Geology for favour of information of the Minister.
- 2. The Section Officer, Ministry of Mines, Govt. of India, Shastri Bhawan, New Delhi 1 for information.
- 3. The Controller General, Indian Bureau of Mines, Nagpur for information.
- 4. The Director General of Mines Safety, Dhanbad for information.
- 5. The Director of Mineral Resources, Shillong for information.

6 Shri S.G Lyngdoh, Director, Lum Mawshun Minerals Pvt. Ltd. Hotel Polo Towers, Oakland Road, Shillong, with a request to submit the mining plan duly approved by the Indian Bureau of Mines. A copy of the Draft Mining lease is enclosed for necessary action.

By Order etc.

Secretary to the Govt. of Meghalaya, 'Mining & Geology Department