

**Haryana Government  
Department of Mines and Geology  
Auction Notice**

**The 19<sup>th</sup> March, 2015**

**DMG/HY/Auction/SNP/2015/ 1653**

It is hereby notified for the information of the General Public that for grant of mining contract for extraction of “**Sand**” a “minor mineral” from following areas/Sand Mining Unit of the district Sonapat, Haryana, the **open auction** will be held on **16.04.2015 at 11.00 AM**, in the office of the **Assistant Mining Engineer, Mines & Geology Department, C/o District Industries Centre, Sonapat**. The details of the areas, Reserve price, the period of Mining Contract and other terms and conditions of the auction is given below:

Sr. No.	Name of Sand Mining Unit	Name of Block./No.	Name of Village and Khasra No.	Tentative Block Area (in hect.)	Tentative Area of Unit (in Hect.)	Reserve Price (in Crores)	Period of contract (in years)
1.	Gyaspur/Rasulpur Sand Mining Unit	Gyaspur/Rasulpur River bed Block	<b>Gyaspur</b> 16//25/1, 25/2. 17//3, 4, 5, 9, 11, 12, 19, 20, 21. 18// 1, 10, 11, 20, 21. 19// 4, 5, 6, 7, 8, 13, 14, 15, 16, 17, 18, 19, 22, 23, 24, 25. 34//2, 3, 4, 5, 6, 7/1, 8, 9, 12/1, 12/2, 13, 14, 15, 16, 17, 18, 19, 22, 23/1, 23/2, 24, 25. 35//1, 10, 11, 20, 21. 36//1. 37//5.  <b>Rasulpur</b> 1//23, 24. 3//10, 11, 20. 4//2, 3, 4, 5, 6, 7, 8/1, 8/2, 14, 15.	23.60	35.00	6.08	8
		Gyaspur Outside River bed Block	<b>Gyaspur</b> 24//21, 22, 23, 24. 25//25. 28//5, 6/1, 6/2, 15, 16, 25. 29// 1, 2, 3, 4, 7, 8, 9, 10/1, 10/2, 11/1, 11/2, 12, 13, 14, 17, 18/1, 18/2. 29//19/1, 19/2, 20, 21/1, 21/2, 22, 23/1, 23/2, 24.	11.40			

**The terms and conditions of the Auction:**

- The period of contract shall commence w.e.f. the date of grant of environmental clearance by competent authority as required under EIA notification dated 14.09.2006 and as amended from time to time by the MoEF, GoI or on expiry of a period of 12 months from the date of acceptance of highest bid/issuance of “**Letter of Intent**”,(LoI) whichever is earlier;
- Any quarry/area can be withdrawn from the auction without assigning any reason;

3. Though due care has been taken in specifying the details of the areas of the mining units/blocks etc., However, in case of any inadvertent clerical mistake the same shall be got rectified/corrected even after the auction but before execution of contract agreement;
4. The Block/ Unit areas are **Tentative** and are being notified on ‘**as is where is basis**’ and all prospective bidders are expected and presumed to have surveyed the areas to make their own assessment for the potential of the areas for which bids are to be offered. The State government shall not be responsible for any kind of loss in land / area or any other loss to the bidders/contractors at any point of time (before or after grant of contract) on account of reduction in land / area or otherwise. Further the bidders are also expected to have gone through the terms and conditions of auction notice and also the applicable Acts and Rules for undertaking mining;
5. **No request regarding reduction in bid amount on account of reduction in land/area of the Mining Unit, on any account including due to change in description of khasra numbers / location etc. at any stage will be entertained on any ground including loss/reduction of area for mining on account of compliance of applicable laws/restrictions. Needless to state that this also includes the changes, if any, as per condition no. 3.**
6. No person shall be eligible to participate in the auction, who or any of his family members is a defaulter of any mining dues in respect of any mineral concession granted in the past or any other current mineral concession. In case any of the partners of a Partnership Firm or a Director of a company participating in the bid/ auction process or any of their family members are found to be defaulter, the bidder firm/company would be held ineligible;
7. No person shall be permitted to participate in the auction unless, he produces a “**No Dues Certificate**” from the authorised officer or furnishes an affidavit sworn before any Magistrate to the effect that no amount of contract money, royalty, dead rent or surface rent is due in respect of any mining lease/mining contract or mineral concession held by him earlier or in respect of any mineral concession currently held by him or his family members.
8. All bidding Partnership Firms, Companies or any agency shall give the copy of the partnership deed or Articles of Association, as the case may be, along with authority by the said agency in favour of the person offering bids for such agency. No transfer or addition or deletion of the partners/Directors will be permissible before execution of the agreement;
9. In case any bidder, who participated in the auction is found to be in arrears at any stage, his bid shall be revoked with forfeiture of the amount deposited by him;
10. All the intending bidders shall deposit the earnest money, equal to 10% of the reserve price of the mining area/site for which bid has to be made, rounded off by an amount of Rs.10,000/- of the mining for each of the block/mine for which bids are proposed to be offered, before commencement of open auction.
11. **During the course of bidding, the presiding officer in the interest of the State revenue may direct the bidders to produce physically amount considered reasonable by him in case he feels that the amount of bid has gone unreasonably very high and there is possibility of highest bidder trying to skip away or refuse to deposit the due contract money and security as per terms and conditions of the auction notice at the fall of hammer.**
12. The presiding officer for ensuring peaceful auction may direct any bidder or any other person present during the auction proceedings to leave the auction premises in the event of disorderly conduct by him or on behalf of any bidder. In case of extreme misconduct or misbehaviour, the presiding officer may order the forfeiture of earnest money deposited by such bidder and recommend his debarring from participation in any future auctions;
13. The earnest money deposited by the bidders, except in the cases where the earnest money has been ordered to be forfeited by the Presiding Officer on grounds of any misconduct during the auction proceedings, shall be refunded immediately upon completion of the auction proceedings;

14. The highest bid received shall become the ‘**annual contact money**’ amount payable by the bidder/contractor. The amount of annual contact money initially determined on the basis of competitive bids/auctions shall be increased by 25% on completion of each block of three years.

**Explanation:** If the initially determined annually bid/contract amount is Rs. 100/-, it shall be increased to Rs. 125/- with the commencement of the fourth year and to Rs. 156.25 with the commencement of the 7th year and so on and so forth for the next each block of three years.

14. The highest bidder shall be liable to deposit 25% of the annual bid/contract money amount as “security” and one month’s advance contract money. The above said amount shall be deposited as per following schedule:
- (a) an amount equal to 10% of the annual bid amount as ‘initial bid security’ at the fall of hammer;
  - (b) balance amount of bid security i.e. 15% of the annual bid amount along with one month’s advance contract money before commencement of the mining operation or before expiry of the period of 12 months, whichever is earlier;
15. In case the highest bidder fails to deposit 10% of the annual bid amount towards the “Initial bid Security” at the fall of hammer, the earnest money shall be forfeited. Further he shall not be eligible to participate in any auctions/competitive bids in respect of the same area or any other area in the state for a period of 5 years.
16. The Presiding Officer may provisionally accept or reject the highest bid offered/ received during the auction proceedings and send his recommendations to the Director, who shall obtain the orders of the Government thereon. No bid shall be regarded as successful bid unless accepted by the Government;
17. After deposit of 10 % of the bid amount as ‘**Initial bid Security**’ at the fall of hammer by the highest bidder(s) **no request from the highest bidder(s) regarding revocation or the withdrawal of the highest bid shall be considered.** In case, any such request is made the same shall be followed by the **penal actions** i.e 10% amount deposited as **initial bid security** at the time of auction shall stand forfeited; the un-paid 15% amount towards security shall be recovered as arrears of land revenue and such bidder (s) shall be debarred from participation in any subsequent bids for a period of 5 years”.
18. After the acceptance of highest bid by the State Government and on issuance of Letter of Intent, the LoI holder shall execute an agreement in Form MC-I appended to the ‘Haryana Minor Mineral Concession, Stocking, Transportation of Minerals and Prevention of Illegal Mining Rules, 2012’ within a period of 90 days of the order of grant of LoI;
19. In case of failure to execute the agreement, after issuance of acceptance of bid/LoI within prescribed period, the acceptance/LoI shall be deemed to have been revoked and 10% amount deposited towards initial bid security shall stand forfeited and un- paid 15% amount towards security shall be recovered as arrears of land revenue and such bidder shall **be** debarred from participation in any subsequent bids for a period of 5 years;
20. After execution of agreement, either before commencement of the mining operations or before expiry of the period of 12 months from the date of issuance of LoI, whichever is earlier, in case of failure to deposit the balance 15% amount towards security (as required under clause 13(b) above) the acceptance of bid/issuance of LoI/execution of agreement shall be deemed to have been revoked and 10% amount deposited towards as initial bid security at the time of auction shall stand forfeited. Further the un-paid 15% amount towards security shall be recovered as arrears of land revenue and such bidder shall be debarred from participation in any subsequent bids for a period of 5 years;
21. The contractor shall also deposit/pay an additional amount equal to 10% of the due contract money alongwith instalments towards the ‘Mines and Minerals Development, Restoration and Rehabilitation Fund’;
22. The contractor shall be liable to pay advance Income Tax as per provisions of Section 206 (c) of the Income Tax Act in addition to the contract money payable as per term and condition of the contract agreement;

23. On enhancement of the contract money with expiry of every three years period, the contractor shall deposit the balance amount of security so as to upscale the security amount equal to 25% of the revised annual contract money as applicable for one year with respect to the next block of three years;
24. No interest, whatsoever, shall be payable on the security amount deposited under proper security head of the government;
25. The LoI holder/contractor shall also furnish a solvent surety for a sum equal to the amount of the annual bid for execution of the agreement. In case the surety offered by the contractor(s) during the subsistence of the contract is not found solvent, the contractor(s) shall offer another solvent surety and a supplementary deed to this effect shall be executed;
26. The mining contractor shall get prepared a Mining Plan along with the Mine Closure Plan (Progressive & Final) from the Recognised Qualified Person as per chapter 10 of the "Haryana Minor Mineral Concession, Stocking, Transportation of Minerals and Prevention of Illegal Mining Rules, 2012" for mining area granted on contract. The contractor shall not commence mining operations in any area except in accordance with such Mining Plan duly approved by an officer authorized by the Director, Mines & Geology, in this behalf.

Further, the actual mining will be allowed to be commenced only after prior Environmental Clearance is obtained by the LoI holder/mining contractor for the Mining unit from Competent Authority as required under notification dated 14/09/2006 issued by the MoE&F, GoI or as amended from time to time.

27. The Mining contractor would also be liable to pay the following to the land owners;
  - (a) the annual rent in respect of the land area blocked under the concession but not being operated, and
  - (b) the rent plus compensation in respect of the area used for actual mining operations.

The amount of annual rent and the compensation shall be settled mutually between the landowner and the mining contractor. 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 of Chapter 9 of the "Haryana Minor Mineral Concession, Stocking and Transportation of Minerals and Prevention of Illegal Mining Rules, 2012".

28. The total mineral excavated and stacked by the concession holder within the area granted on mining contract shall not exceed two times of the average monthly production as per approved Mining Plan at any point of time.
29. The Mining contractor shall not stock any mineral outside the concession area granted on mining contract, without obtaining a valid mineral dealer license as per provisions contained in Chapter 14 of the "Haryana Minor Mineral Concession, Stocking, Transportation of Minerals and Prevention of Illegal Mining Rules, 2012".
30. The contractor 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, contractor(s) shall not be entitled to claim any relief in payment of contract money on this account.
31. Following special conditions shall be applicable for excavation of minor mineral(s) from river beds in order to ensure safety of river-beds, structures and the adjoining areas:
  - a. No mining would be permissible in a river-bed up to a distance of five times of the span of a bridge on up-stream side and ten times the span of such bridge on down-stream side, subject to a minimum of 250 meters on the up-stream side and 500 meters on the down-stream side;
  - b. There shall be maintained an un-mined block of 50 meters width after every block of 1000 meters over which mining is undertaken or at such distance as may be directed by the Director or any officer authorised by him;

- c. The maximum depth of mining in the river-bed shall not exceed 3 meter from the un-mined bed level at any point in time with proper bench formation;
  - d. Mining shall be restricted within the central 3/4th width of the river/ rivulet;
  - e. In case of areas adjoining to rivers/rivulets, no mining shall be permissible in an area up to a width of 500 meters from the active edges of embankments on either side of all other rivers/ rivulets in case of river Yamuna;
  - f. Any other condition(s), as may be required by the Irrigation Department of the state from time to time for river-bed mining in consultation with the Mines & Geology Department, may be made applicable to the mining operations in riverbeds.
32. The State shall not be responsible for any change in the status of the river area/ course or any other area of the block/ unit due to river action (diluvion/ alluvion) or any other reason at any stage during the subsistence of the contract period.
33. That no mining operation shall be allowed in the urbansizable zone of area notified by Town and Country Planning Department. Further, in case of the agriculture zone notified by Town and Country Planning Department, mining shall be permissible only after obtaining prior permission from the competent authority.
34. 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.
35. Further the depth of excavation of mineral shall not exceed nine meters (9m) at any point of time.
36. The contractor shall not undertake any mining operations in the area granted on mining contract without obtaining requisite permission from the competent authority as required for undertaking mining operations under relevant laws.
37. The contractor shall be under obligation to carryout mining in accordance with all other provisions applicable as per Mines Act, 1952, Mines and Minerals (Development and Regulation) Act, 1957, Forest (Conservation) Act, 1980 and Environment (Protection) Act.1986 and the rules made there under, Wild Life (Protection) Act, 1972, Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981.
38. Sh. Rajbir Singh has filed a CWP No. 27700 of 2013 before the Hon'ble Punjab and Haryana High Court challenging (i) commencement of contract period after 12 months from the date of acceptance of highest bid/issuance of "Letter of Intent" or from date of obtaining of environmental clearance from competent authority which ever is earlier and (ii) payment of rent and compensation to surface right holder/land owners from where mining operations are to be carried out. Therefore, commencement of period of contract and payment of compensation to land owners shall be as per final outcome of court order in said CWP.
39. M/s Haryana Royalty Company, one of the LoI holders has filed a CWP No. 6018 of 2014. A few other LoI holders have also filed separate CWPs before the Hon'ble Punjab and Haryana High Court challenging levy of Stamp Duty on execution of 'Contract Agreement'. The said matter is still pending for adjudication; accordingly, the charging of stamp duty for the execution of contract agreement shall be as per final outcome of the said CWP's.

Further information, if any required, can be had on any working day from the office of Assistant Mining Engineer, Mines and Geology Department, Sonipat or from the O/o the Director General, Mines and Geology, Haryana, 30 Bays Building, Sector-17, Chandigarh.

Arun Kumar Gupta, IAS  
Director General, Mines & Geology, Haryana