



GOVERNMENT OF THE PUNJAB
MINES & MINERAL DEPARTMENT
Dated Lahore, the 24th March, 2023

NOTIFICATION

SUBJECT:- DENOTIFICATION / WITHDRAWAL OF "ROCK SALT POLICY" AND "AMENDED ROCK SALT POLICY" ISSUED VIDE NOTIFICATIONS DATED 18.08.2022 & 06.01.2023

Whereas, Mines & Minerals Department, Government of the Punjab, is responsible for regulation of mineral sector through grant of mining licenses & leases under Punjab Mining Concession Rules, 2002.

2. **And, Whereas, Rock Salt** is an important precious mineral commodity and Punjab has the 2nd largest deposits of Rock Salt in the world.

3. **And, Whereas, Rock Salt** is being used in a variety of domestic, industrial, chemical products and as an edible commodity throughout the world.

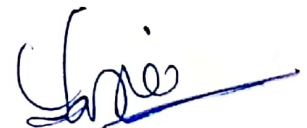
4. **And, Whereas, Licenses** for exploration and leases for mining of Rock Salt have been granted in past in the light of different policies.

5. **And, Whereas, on the recommendations** of a High-Level Technical Committee, the Government of Punjab imposed ban in the year 1990 on grant of Rock Salt mining leases to private sector except for industrial bonafide units using Rock Salt as raw material to promote the salt-based industry, value addition and prevent environmental/ ecological degradation.

6. **And, Whereas, in this regards, from July 2020 onwards, 56 exploration licenses** of Rock Salt were awarded for three years over an area of approximately 100,000 acres under Large Scale Mining, with the objective of installation of **Rock Salt Based Industrial Units**.

7. **And, Whereas, a "Rock Salt Policy" & an "Amended Rock Salt Policy"** were approved by the then Cabinet and notified on 18.08.2022 & 06.01.2023 respectively, vide which the mandatory condition of installation of industrial units was relaxed; and, instead, the past licensees/ lessees were allowed the discretion to use Rock Salt as it pleases them.

8. **And, Whereas,** the “Rock Salt Policy” & an “Amended Rock Salt Policy”, dated: 18.08.2022 & 06.01.2023 respectively, were critically examined and it was observed that 56 persons/ companies were granted Exploration Licenses for large scale mining of Rock Salt on application basis, without open auction.
9. **And, Whereas,** they were required to install industry with heavy investments, use the mined Rock Salt in that Industry only and not to sell the precious Rock Salt in raw form in the open Market.
10. **And, Whereas,** in stark contrast, through the subject policies, the mandatory conditions of installation of the Industrial units for value addition have been left at the discretion of all the licensees/ lessees; and, they have been allowed to produce and sell Rock Salt of any quality or quantity in the domestic or international markets.
11. **And, Whereas,** the subject Policies tend to change the Terms & Conditions, retrospectively and give illegal and undue favour to the Rock Salt licensees/ lessees.
12. **And, Whereas,** the very purpose for grant of licences without open competitive process, ie: installation of industry, for which feasibility reports already stand submitted with the applications, have been condoned through the subject policies.
13. **And, Whereas,** no open competition was held to provide equal opportunity to all and all of a sudden, the lucrative business of mining the Rock Salt and sell it as it pleases them was allowed.
14. **And, Whereas,** the formulation and approval of such policies in individuals’ interests was not only highly objectionable and improper but also against the constitutional provisions which shun discrimination in all forms.
15. **And, Whereas,** more than Rs 2 billion bid money was received by open auction of just 02 mining leases of Rock Salt in District Khushab, in the year 2021.
16. **And, Whereas,** the Exploration licenses could be converted to mining leases under the Rules; and, hence, such Exploration Licences for mining of Rock Salt without any mandatory condition of installation of Industry are in massive public demand.
17. **And, Whereas,** if granted through open competition, the exchequer would have received huge amount in the shape of bid money, even at the Exploration Stage.



18. **And, Whereas,** it was, thus, concluded that the subject Rock Salt policies will deprive the country of the precious resource which was meant to be exported after much needed value addition to fetch the top dollar instead of draining it away, in raw form, a dozen a dime.

19. **And, Whereas,** it was also concluded that the subject policies made possible the unhindered export of the precious mineral in raw form in large quantities which was tantamount to providing the opportunities to other nations to earn many times more than the producers by just making the same more presentable and exporting to the first world.

20. **And, Whereas,** if the subject Policies were not revoked immediately, the exchequer may suffer an irreparable loss.

21. **And, Whereas,** in view of the forgoing, the Administrative Department initiated a summary for Chief Minister, Punjab for revocation of the Rock Salt Policies dated 18.08.2022 & 06.01.2023.

22. **And, Whereas,** the summary was routed through Law & Parliamentary Affairs Department which also endorsed the proposals of the Mines & Minerals Department.

23. **And, Whereas,** the summary was finally approved by Chief Minister Punjab for placing the matter before the Cabinet for its consideration.

24. **And, Whereas,** accordingly, the matter was placed before the Provincial Cabinet in its 9th meeting held on 11.03.2023 for revoking/withdrawing the “Rock Salt Policy” & subsequent “Amended Rock Salt Policy” issued vide notifications dated 18.08.2022 & 06.01.2023 with immediate effect in the larger public interest.

25. **And, Whereas,** the Cabinet, after thorough deliberation and discussion approved the withdrawal of the “Rock Salt Policy” & subsequent “Amended Rock Salt Policy” issued vide notifications dated 18.08.2022 & 06.01.2023.

26. **And, Whereas,** the decision of the Cabinet has been conveyed through letter dated 22.03.2023 to the Administrative Department for further necessary action under rule 30(1) of Punjab Government Rules of Business, 2011.



27. Now, Therefore, in view of what has been discussed above, and in light of the approval of the Provincial Cabinet, the "Rock Salt Policy" & subsequent "Amended Rock Salt Policy" issued vide notifications dated 18.08.2022 & 06.01.2023 are hereby withdrawn / De-notified with immediate effect in the larger public interest.

-Sd-
(BABAR AMAN BABAR) (PAS)
SECRETARY
MINES & MINERALS DEPARTMENT

No. & Date Even:

A copy is forwarded to:

- 1) Principal Secretary to Governor, Punjab
- 2) Principal Secretary to Chief Minister, Punjab
- 3) Secretary Law and Parliamentary Affairs Department, Govt. of the Punjab.
- 4) All Secretaries, Government of the Punjab
- 5) All Commissioners, Punjab
- 6) Additional Secretary (Staff) to Chief Secretary, Punjab
- 7) Director General, Mines & Minerals, Punjab, Lahore with the direction to take necessary action as per Law/ Rules in vogue.
- 8) Additional Secretary/ Deputy Secretaries/ Section Officers, Mines & Minerals Department
- 9) All Deputy Commissioners, Punjab
- 10) Chief Inspector of Mines, Punjab
- 11) Mines Labor Welfare Commissioner, Punjab
- 12) Managing Director, Punjab Mineral Development Corporation (PUNJMIN)
- 13) Chief Financial Officer, Punjab Mineral Company Pvt. Limited
- 14) PSO to all Honorable Ministers, Government of Punjab.
- 15) PS to Secretary, Mines & Minerals Department


Section Officer (Technical)
Mines & Minerals Department