

8/14  
Annex-B

ADDITIONAL TERMS & CONDITIONS FOR GRANT OF ROCK SALT MINING LEASES WITH VALUE ADDITION

Value Addition & Processing Requirements

- ✓ i. The lessee shall establish an Industrial unit within three (3) years from the date of grant of lease, as per feasibility provided by the lessee at the time of conversion application. The period for installation of proposed plant shall not be further extended and in case of non-installation of plant, lease shall be treated as cancelled & security shall be forfeited and lessee shall not have any right to involve the department in any unnecessary litigation.
- ✓ ii. The lessee shall submit six monthly progress report regarding establishment of proposed industrial unit to the Licensing Authority.
- ✓ iii. The lessee must process the extracted rock salt in the proposed industrial unit for value addition as prescribed in feasibility report.
- ✓ iv. The lessee may engage in any of the following value-added units along with his already proposed industrial unit at later stage, with the approval of Licensing Authority:
  - Refined edible salt production unit subject to approval of Licensing Authority (meeting PSQCA & WHO standards).
  - Pharmaceutical-grade salt manufacturing unit.
  - Industrial salt processing unit (for textile, chemical, and food industries).
  - Salt-based handicrafts and decorative items (e.g., salt lamps, tiles, sculptures).
  - Salt-based wellness products (e.g., bath salts, therapeutic salt rooms, shampoo, facial cream etc).
- ✓ v. The lessee shall intimate for any of the above proposed industrial unit and seek approval of Licensing Authority regarding value added products after grant of mining lease..

Lease Tenure & Area

- i- The lease shall be granted for an initial period of ten (10) years, renewable subject to compliance with terms and conditions. If the lessee did not utilize part of the granted area to the satisfaction of Licensing Authority and in good manner then on renewal of mining lease, part of granted area as Licensing Authority deem fit shall be reduced/withdrawn from virgin area.
- ii- The lessee will explore the remaining area other than explored during currency of exploration license, within period of 3 years and submit detailed and consolidated resource estimation report along with 3D modelling. The Director Resource Mapping will ensure the monitoring and reporting of such exploration. Annual mineral resource audit will be conducted by a committee of expert under supervision of Director RMD.
- iii- The lessee shall promote mechanised mining operation for extraction of rock salt to protect precious rock salt. The lessee shall not use the conventional rock salt extraction method (drilling blasting) rather shall be bound to deploy modern techniques & equipment (road header, continuous miner etc.).
- iv- The lessee shall ensure safety of worker by providing authenticated personal protective equipments.
- v- The lessee shall arrange suitable means for ventilation and its monitoring.
- vi- The lessee shall install HD CCTV cameras for monitoring of mining operations/Stockyard/Weighbridge or at any other suitable location where Directorate General Mines & Minerals deem fit and shall provide the online access to Directorate General Mines & Minerals.
- vii- The lessee shall submit detailed working plans every six months along with details of resources consumed and available resources.

#### Environmental, Health & Safety Compliance

- i- The lessee must comply with Punjab Environmental Protection Agency (EPA) guidelines.
- ii- Proper waste disposal, emission control, and sustainable mining practices must be followed.
- iii- Occupational health and safety measures, including worker protection, mine ventilation, and machinery safety standards, must be ensured.

- Water usage for salt processing must adhere to **water conservation regulations**.
- iv- The lessee shall submit a detailed rehabilitation / biodiversity plan with commitment to develop at least 01 acre of area in a year in terms of rehabilitation / biodiversity development and implement the same. The lessee shall submit detailed report to the Directorate General Mines & Mineral and concerned field office, with pictorial evidences.
  - vi- The lessee shall arrange proper mechanism for disposal of saline water of stockyard.

#### Unauthorized Mining

In case of any unauthorised mining confirmed by concerned field office or any authorised officer the licensing authority may impose three times penalty to assessed amount and subject lease may also be cancelled or both.

#### Performance & Compliance Monitoring

Non-compliance with **value addition commitments** may result in **lease cancellation**.

Performance of the lessee shall be audited through special technical team on annually basis under the supervision of Director RMD and on poor performance lease may be cancelled.

Corporate Social Responsibility (CSR): The lessee shall allocate 1% of its annual profits towards CSR initiatives in the surrounding areas.