



GOVERNMENT OF THE PUNJAB
MINES & MINERAL DEPARTMENT

Dated Lahore, the 3rd March, 2023

ORDER

SUBJECT: - No. SOT(M&M)4-1/2022(ORDER 03/2023)- DIRECTIONS REGARDING CREATION /REVISION OF ZONES

Whereas, it has been observed that almost 40% of the non-tax revenue receipts of the Directorate General Mines & Minerals Punjab are linked with the auctioning & grant of ordinary sand leases.

2. **And, Whereas,** the time period/ tenure of an ordinary sand mining lease is only **two years** as notified under **rule 192** of Punjab Mining Concession Rules, 2002.

3. **And, Whereas,** it is mentioned under the provisions of **rule 228** of ibid rules that an ordinary sand lease area be re-auctioned within three months of its expiry date.

4. **And, Whereas,** in many cases, to avoid open auction and competition, the leaseholders by joining hands with corrupt elements of the department, try to keep their valid ordinary sand leases into revision process just before expiry date of the mining lease.

5. **And, Whereas,** the revision process of any ordinary sand zone may, in many cases, take one to two years; as it needs approval of Secretary M&M, Department under **rule 197** of rules ibid and then re-issuance of NOC by Environment Protection Agency, Punjab.

6. **And, Whereas,** it has been further observed that during this revision process, the previous lessees enjoy extensions in lease period on the basis of proportionate bid money under the pretext of **rule 228** of ibid rules; avoiding re-auction which could fetch many times more bid money.

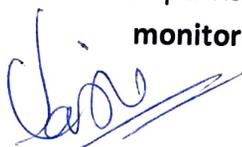
7. **And, Whereas,** in the recent past, a number of proposals for revision of ordinary sand zones have been sent to Administrative Department by the previous Director General Mines & Minerals, Punjab.

8. **And, Whereas,** to stop this malpractice, strict instructions were issued by Administrative Department that revision process of any ordinary sand zone shall not affect the auction of the zone in its existing shape, having already attained environmental approval, to avoid any loss to public exchequer.

9. **And, Whereas,** it has been observed that these instructions of Administrative Department have not been complied in letter and spirit resulting in massive loss to public exchequer which undoubtedly falls under the definition of inefficiency, misconduct, corruption & corrupt practices.

10. **Now, Therefore,** in order to shun such culpable corrupt practices, following directions are issued to the office of Director General Mines & Minerals, Punjab for strict compliance:

- i. The relevant field officer & Licensing Authority shall start the revision process of any minor mineral zone, if required, **at least one year prior to the expiry period** of the lease of the said zone.
- ii. The relevant field officer & Licensing Authority shall ensure to get all the required approvals, including the approval of the new/ revised zone from Administrative Department under rule 197 of ibid rules, Environment Approval from EPA, and any other approval, if required, **at least three months prior to expiry period** of the previous lease.
- iii. The Licensing Authority shall ensure that the revised zone is presented for open auction and **the new auction proceeding are finalized at least one month prior to expiry period** of the previous lease.
- iv. Place all such minor minerals zones which have not been put into open auction, on the pretext of revision, as already instructed vide this Department's instructions referred above, without waiting for the revision of the zones/ blocks, as this would tend to inflict serious losses to the exchequer.
- v. Share the complete details/status of all minor minerals blocks/zones within the Province of Punjab, on excel sheets on the already prescribed format. The details of those minor minerals blocks/zones shall be especially highlighted which are continuing on extension upon expiry and blocks/zones not presented in open auction even after expiry of lease period.
- vi. The **factual situational report** duly authenticated by the field officers and their supervisory officers shall be submitted **online every Friday, for real time monitoring.**



(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) All Commissioners in Punjab.
- 4) Additional Secretary (Staff) to Chief Secretary, Punjab
- 5) Director General, Mines & Minerals, Punjab, Lahore
- 6) All Deputy Commissioners in Punjab.
- 7) PS to Secretary, Mines & Minerals Department
- 8) PA to Additional Secretary, Mines & Minerals Department


03.03.23
SECTION OFFICER (TECHNICAL)