

GOVERNMENT OF KARNATAKA

No. DMG/MLS 014/2020-21

2029

Office of the Director,  
Department of Mines and Geology,  
Khanija Bhavan, Race Course Road,  
Bangalore-1, dtd: 30.07.2020.

30 JUL 2020

~~To,~~

**M/s. JSW Steel Limited**  
JSW Centre, Bandra Kurla Complex,  
Bandra (East), Mumbai-400051, India.

Sir,

**Sub:** Execution of mining lease deed (ML No 0014) for Iron ore in Bedarabommanahalli, Hirekandavadi and other villages, Chitradurga and Holalkere Taluka, Chitradurga District for **93.60 Ha** in respect of auctioned block of "**BBH Mines previous lessee M/s Mineral Enterprises Limited, ML No. 2346**" - reg.

- Ref:**
1. Notification and Notice Inviting Tender dated: 08.03.2019.
  2. Government Order No. CI 409 MMM 2015 dated: 19.12.2015.
  3. Government Order No. CI 409 MMM 2015 dated: 23.01.2016.
  4. Government letter No. CI 409 MMM 2015 dated: 21.10.2016.
  5. Government letter No. CI 176 MMM 2017 dated: 22.11.2017
  6. This office letter No. DMG-2020:MLS:AUC:2018-19 dated: 26.07.2019 and DMG-2020:MLS:AUC:2018-19 dated: 19.02.2020.
  7. M/s JSW Steel Limited letter dated: 29.06.2020.
  8. Government letter No. CI 60 MMM 2020 dated: 01.07.2020.
  9. M/s JSW Steel Limited dated: 02.07.2020.
  10. This office letter No. DMG/MLS/MDPA-012/2020-21 dated: 03.07.2020.
  11. M/s JSW Steel Limited letter dated: 08.07.2020 (payment of 3<sup>rd</sup> instalment)
  12. The Deputy Director, Chitradurga Joint Survey report dated: 10.07.2020.
  13. Government letter No. CI 062 MMM 2020 dated: 28.07.2020.
  14. Government Notification No. CI 060 MMM 2020 dated: 28.07.2020.
  15. Grant Order No: DMG/MLS/Grant-014/2020-21 dated: 30.07.2020

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In pursuance of the decision of the State Empowered Committee meeting held on 02.03.2019 and as per the directions of Ministry of Mines, under the powers delegated vide reference (2) & (3), Notification and Notice Inviting

Tender was issued on 08.03.2019 for auction of 04 mining leases, which are expired on 31.03.2020.

M/s JSW Steel Limited has quoted highest final price offer of **67.10%** for **BBH Mines previous lessee M/s Mineral Enterprises Limited, ML No. 2346** and become preferred bidder on 26.07.2019 and on 19.02.2020 declared as successful bidder.

M/s JSW Steel Ltd being a Successful Bidder for the auctioned block of "**BBH Mines previous lessee M/s Mineral Enterprises Limited, ML No. 2346**" in Bedarabommanahalli, Hirekandavadi and other villages, Chitradurga and Holalkere Taluka, Chitradurga District **for 93.60 Ha** has paid the NPV amount **Rs 3,26,85,000/- through RTGS (UTR No. IBKL200626229427)** to **the Forest Department on 26.06.2020** and submitted the acknowledgment to the Department of Mines and Geology on 29.06.2020.

Pursuant to Section 8(B) of MMDR Act, 1957 r/w Rule 9(A)(2) of the Minerals (Other than Atomic Hydro Carbon Energy Minerals) Concession Amendment Rules, 2020, Nodal Officer and Principal Secretary to Government (MSME and Mines) C&I Department has issued vesting order extending all the valid rights, approval clearances, licenses and like vested with the previous lessee in respect of **M/s Mineral Enterprises Limited, ML No. 2346** are deemed to have vested in favour of the Successful Bidder i.e **M/s JSW Steel Limited** on the same terms and conditions of every rights, approvals clearances, licenses and like which vested with previous lessee with certain conditions and directed this office to execute the mining lease within 15 days from the date of issuance of vesting order.

Accordingly, Mine Development Production Agreement (MDPA) has executed on 03.07.2020. Upon execution of MDPA, M/s JSW Steel Limited has paid remaining 80% of the upfront payment being **Rs. 28,46,18,239/- (Rupees**

**Twenty Eight Crore Forty Six Lakhs Eighteen Thousand Two Hundred Thirty Nine Only**) through DD No. 433258 dated: 07.07.2020 drawn on Vijaya Bank, Toranagallu to the State Exchequer. Since, M/s JSW Steel Limited fulfilled the conditions, grant order has been issued vide reference (15).

Upon fulfilment of the conditions and as per the Vesting Order issued by the Nodal Officer and Principal Secretary to Government, Commerce and Industry Department, a mining lease for Iron Ore in Bedarabommanahalli, Hirekandavadi and other villages, Chitradurga and Holalkere Taluka, Chitradurga District for **93.60 Ha in respect of auctioned block of M/s Mineral Enterprises Limited, ML No. 2346** under Section 10B(7) r/w Section 8A(2) of the Mines and Minerals (Development and Regulation) Act, 2015 as amended on 12.01.2015 and pursuant to the Notification cited at reference (14) a mining lease is executed on 30.07.2020.

The details of upfront payment paid by M/s JSW Steel Limited is enclosed to this letter.

You are requested to get the same registered in the concerned Sub Registrar's office and return the duplicate to this office for record.

The Mine shall be worked in a safe and work man like manner to avoid action like termination/cancellation, etc., of lease.

Your special attention is invited to the provisions of Section 16, 17 & 18 of the Mines Act, 1952 read with regulations 3,8 & 34 of the Metalliferous Mines Regulations 1961 which requires;

- a) A Notice of Commencement of Mining operations in Form-U of the First Schedule to the Metalliferous Mines Regulation Act, 1961 should be given so as to reach:-
  - i) Director-General of Mines Safety (Chief Inspector of Mines), Dhanbad-826001, Bihar.

- ii) Dy Director-General of Mines Safety, Southern Zone, No. 5, 14<sup>th</sup> Main (100ft) Road, 4<sup>th</sup> B Block, Koramangla, Bengaluru-560 034.
  - iii) Joint Director of Mines Safety (Chief Inspector of Mines), concerned.
  - iv) The Director of Mines and Geology, Bengaluru,
  - v) RCOM, Indian Bureau of Mines, Bengaluru &
  - vi) Deputy Commissioner, Bellary at least 30 days before such commencement of operations.
- b) The Mines shall be worked under the charge of a qualified Manager holding prescribed qualifications. Penalties of legal action for failure to comply with these & other provisions are listed in Chapter IX of the Mines Act, 1952.

Lease is executed subject to the orders to be delivered by the Hon'ble Supreme Court in SLP No. 15852/2019, c/w IAs and in WP No. 24316/2019 before the Hon'ble High Court of Karnataka.

You are also required to comply with the provisions of MMDR Act, 1957, MOAHCEM Rules, 2016 as amended from time to time, terms and conditions of MDPA/Lease agreement and all applicable Acts/Rules.

Yours faithfully,



DIRECTOR

Dr. N. Shivashankara, I.A.S.

Director

Dept. of Mines & Geology  
Bangalore - 01.