

**REPLY TO PRE BID QUERIES**  
**MINING LEASE FOR MINERAL LIME STONE**  
**IN**

3D2 Block Near village Harima-Pithasar, Tehsil & District – Nagaur (Raj.)  
Document No.: MSTC/JPR/Directorate of Mines and Geology Rajasthan, Udaipur/1/Udaipur/ 19-20/29

Sl. No.	Bidders Queries	Reply
1	<p>Tender Document</p> <p>Value of Estimated Resource</p> <p>There is no mention of VOER of entire 3D2 Block.</p> <p>Please clarify:</p> <ol style="list-style-type: none"> <li>1. What is the total VOER?</li> <li>2. What is the quantum of resources considered for VOER? Is it 142.579 or 154.55?</li> <li>3. What is IBM Sale price/ton considered for calculating VOER?</li> </ol> <p>The total VOER needs to be reported.</p> <p>The total VOER needs to be reported to understand how the Upfront payment and Performance security calculation has been done.</p>	<ol style="list-style-type: none"> <li>1. The VOER is Rupees 5551,02,82,070.00 (Rupees Five Thousand Five Hundred Fifty-One Crores Two Lakh Eighty-Two Thousand Seventy)</li> <li>2. The 142.579MT is to be considered for VOER, rest of resources falls in Angore land(Catchment), Talab &amp; Oran land (Devsthan) that is non mineable land.</li> <li>3. IBM sale price considered is Rs. 389.33 per tonne</li> </ol>
2	<p>Geological Report of Tender Document</p> <p>Borehole density-Mineral Block Summary and Geological report</p> <p>400X400 grid because this is of regular habit</p> <p>How the block is defined as regular habit? What parameters considered?</p> <p>Why the Boreholes density not reduced to 200X200 looking into Core recovery, Cavities and Variable thickness of Limestone bands?</p> <p>Looking into the Core recovery%, Cavities, Variable thickness of Limestone bands, this block does not look like of regular habit.</p> <p>Considering 400X400 grid for a irregular habit deposit is risky interms of resources.</p> <p>This deposit needs to be categorized to irregular and to be put under G3 Category of MEMC Rules.</p>	<p>The limestone of area is of similar nature with nearly horizontal to sub horizontal disposition having local rolling dip. In this block, boreholes were drilled at 400X400 m grid interval which corresponds to G-2 level . Degree of Dolomitisation is slightly variable at different places.</p>
3	<p>Geological Report of Tender Document</p> <p>Sampling and Analysis-Page no 9</p> <p>Total 395 Samples were generated and analysed.</p> <p>There is a contradiction on how much samples were generated. As per chemical analysis data 428 samples are found.</p> <p>Please clarify how many samples generated, analysed?</p> <p>Exact number of samples should be given and corrected as per analysis report.</p>	<p>428 core samples were generated and was chemically analysed. 395 figure was typing mistake.</p>



4	<p>Geological Report of Tender Document</p> <p>Sampling and Analysis-Page no 9 No mention of sampling and analysis method How the sampling has been done to the recovered core? What is the method and process? What method is followed for Chemical analysis of samples? Is it XRF Or ICP? Atleast 10% samples are required to be analysed at NABL accredited lab, whether the same has been done. Methodology adopted for sampling and analysis needs to be reported.</p> <p>The confidence level for the resource calculation is dependent on the method of sample analysis.</p>	<p>The samples have been prepared on the basis of run/core recovery as per proportionate core recovered. Core was splitted by core splitter into two halves and one half is used for sampling. Coning and Quartering method was used for preparation of samples. Volumetric and gravimetric method is used for analysis of samples. The analysis of sample has been done at Central laboratory, Udaipur which uses BIS standard.</p>
5	<p>Geological Report of Tender Document</p> <p>Core sample Whether in the drilled holes, after sampling, half of the core samples are preserved? Will the State Govt will allow bidder for the physical examination of Cores of some boreholes. Whether Cores are preserved or not for half of samples has to be reported.</p> <p>For detail understanding about the litho units, physical properties of Lithology, it is better to see the physical cores.</p>	<p>The exploration was carried out during 2007-08, since time spent is more than a decade, therefore core could not be preserved.</p>
6	<p>Geological Report of Tender Document</p> <p>Annexure II – Summarized Core log and Core recovery %</p> <p>Why the BH Core logs is summarized. Whether detailed run wise core logging has been done or not for all the holes? Core recovery in all the holes is &lt; 40%? What is the reason for the Poor recovery? Run wise detailed core logging should be provided to understand the core recovery in each run, core loss, nil recovery etc. Reason for poor core recovery has to be given.</p> <p>This will help to understand the subsurface behaviour of formations and cavities wherever present.</p>	<p>The core logging was done runwise by Geologist. The summarised core logs were finalized after receiving the chemical analysis results. Core recovery is less due to mechanical problem in drilling.</p>



7	<p>Geological Report of Tender Document</p> <p>Annexure-III Chemical analysis of core samples. In analysis report of Boreholes, Run (meter) wise analysis has been given? What is the sample length? For example in BH 57, only 9.50 meter core recovered for 19.50 meter drilling. What is the sample length for each run/ recovered core chosen? The analysis for 6 Radicals are only provided. Minor constituents details are not provided. How the sampling has been done for the recovered core and what is the sample length chosen against each run should be mentioned.</p> <p>This should be given for all the boreholes. Minor constituents like Cl, MnO, K<sub>2</sub>O etc are also desired for cement manufacturing purpose. For assessment of correct quality and quantity of reserves.</p>	<p>The samples were prepared according to proportionate core recovered. The samples from adjoining block 3B1a &amp; 3B1b were analysed for Na<sub>2</sub>O, K<sub>2</sub>O, Mn, Cl, TiO<sub>2</sub> &amp; S indicated values within permissible limits.</p>
8	<p>Geological Report of Tender Document</p> <p>Annexure-III Chemical analysis of core samples. From the analysis report we can see that some 5 to 6 holes are closed in Limestone formation.</p> <p>Why no deep holes drilled considering the entire thickness of limestone available in the area? In 3D1 Limestone is deciphered up to 43.50 meter.</p>	<p>Out of 25 boreholes, in 20 boreholes, the limestone was intersected upto &amp; above 28.50m. So the boreholes were closed at 30m considering the culmination of limestone zone above 30m depth.</p>
9	<p>Geological Report of Tender Document</p> <p>Page-10 Resource Calculation The volume of limestone multiplied by specific gravity give the resources corresponding to each zone of limestone. The specific gravity of 2.50 for limestone has been considered. How the volume can be considered for 100% Limestone thickness where the recovery is &lt;40 %. Why the core recovery % is not considered for assessing the reserves?</p> <p>Resources are over estimated for this block considering the core recovery and cavities present. Actual resources to be given considering the recovery and core loss and cavities. This will help us to understand to know the actual available resources in the block. Also all the payments are based on this resources, which will be reduced substantially.</p>	<p>The geological resources has been calculated considering 100% core recovery. The core recovery may be less due to mechanical reasons within the department drilling machines. The 1000m drilling was carried out on contractual basis in nearby block Awad-Khera block, The recovery was 90-100%. Poor core recovery cannot tantamount to reduction in quantity of mineral resources.</p> <p>Further, while bidding the bidder has to take into consideration all the facts and circumstances with his own assessment and wisdom after ground level verification of the block.</p>



10	<p>Geological Report of Tender Document</p> <p>Page-10 Resource Calculation Limestone Band</p> <p>There are many small bands of 1.5 mtr thickness which does not make it actually mineable band? Why these non-mineable bands has been considered for resource calculation? Resources are over estimated considering non mineable bands of Limestone.</p> <p>Actual resources to be given considering Mineable bands of Limestone. This will help us to understand to know the actual available resources in the block. All the requisite payments are based on this resources, which will be reduced substantially</p>	<p>Total geological resources available in the block are estimated in the geological report. The minable reserve may be calculated during mining by mining geologist.</p>
11	<p>Geological Report of Tender Document</p> <p>Plate-7 Only one Geological section has been given. From the area we can see there are 4 section lines. But only one section is given? Why? Requested to provide the other section lines. Requested to provide the other section lines. This will help us to know how the different litho units behave in sub surface.</p>	<p>The limestone is disposed horizontal to subhorizontal and have rolling dips. One cross section supplemented by logs of boreholes is sufficient for this kind of deposit.</p>
12	<p>Tender Document Schedule 1 Format of Technical Bid E (2) Format of Affidavit Please clarify:</p> <ol style="list-style-type: none"> <li>1. In case of company The Form E is to be signed by all Directors of the company?</li> <li>2. Whether we have to include details of Licenses held by directors in Rajasthan State only? Or it is only for Limestone mineral to be given.</li> <li>3. Whether we have to include details of licenses held for Part A, Part B and Minor minerals also?</li> <li>4. Whether we have to include details of licenses held by family members also, upto which extent?</li> <li>5. What is meaning of previously held licenses?</li> </ol> <p>The affidavit shall be submitted by Power of attorney holder only, as was done in past auction process. Details from all Directors are a bit difficult for large companies like us, as they may on board of so many companies. Details of family members is also difficult.</p>	<ol style="list-style-type: none"> <li>1. It has to be submitted by all Directors of the company.</li> <li>2. Details of leases held by the Directors of the company of Mineral limestone in Rajasthan is to be provided.</li> <li>3. Details of lease held by the Directors of the company of all major and minor minerals are to be submitted. This is to ascertain the departmental dues against the directors of the company.</li> <li>4. Family includes spouse and dependent children.</li> <li>5. Previously held mineral concessions includes concessions which are in force presently.</li> </ol>



13	<p>Tender Document</p> <p>Schedule 1 Format of Technical Bid E (2) Format of Affidavit</p> <p>The affidavit must be executed in India in accordance with applicable law and it must be issued in accordance with the constitutional documents of the Bidder after obtaining all corporate approvals as may be required.</p> <p>Whether the Format (2) attached satisfy the same requirements? It is not in line</p> <p>We are unable to find any suitable affidavit format in this regard. Format of affidavit to be given.</p>	<p>The affidavit must be provided in the format specified in the tender document.</p>
14	<p>Tender Document Clause 10.3</p> <p>The State Government and the Successful Bidder shall enter into the MDPA upon the Successful Bidder having obtained all consents, approvals, permits, no-objections and the like as may be required under Applicable Law for commencement of mining operations. Few clearances/permission for commencement of mining operations can be obtained only after the execution of Mining Lease e.g. DGMS permissions.</p> <p>Further, pursuant to the tender document, MDPA is predecessor to the mining lease. Hence, it will not be possible for the Successful bidder to obtain all consents, approvals, permits, no-objections for commencement of mining operation before MDPA, as required under this clause</p> <p>The clause 10.3 to be suitably amended.</p> <p>The MDPA signing after obtaining all permission will not be given by certain Govt agencies due to ML grant is not there. This will affect the timeline and also commencement of production from the block.</p>	<p>The conditions mentioned in LoI has to be fulfilled by the concerned preferred bidder within stipulated time then only MDPA will be carried out .</p>
15	<p>Tender Document</p> <p>Clause 10.4: Grant of mining Lease</p> <p>Subsequent to execution of the MDPA, the Successful Bidder shall pay the third instalment of the Upfront Payment which is INR 22,20,41,129.00/-. Upon such payment the State Government shall grant a mining lease to the Successful Bidder within a period of 30 days from the date of payment. The date of the commencement of the period for which a mining lease is granted shall be the date on which a duly executed mining lease is registered.</p> <p>Please clarify whether Stamp Duty shall be chargeable only on amount of Royalty and not on Final Price Offer at the time of execution.</p> <p>The mention of Stamp duty is not there along with the method of calculation for stamp duty.</p> <p>This will help us in planning for Budgetary provisions.</p>	<p>The stamp duty will be charged as per enclosed <i>notification</i>.</p>



**FINANCE DEPARTMENT  
(TAX DIVISION)**

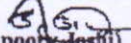
**NOTIFICATION  
Jaipur, July 14, 2014**

**S.O.74.**-In exercise of the powers conferred by sub-section (1) of section 9 of the Rajasthan Stamp Act, 1998 (Act No. 14 of 1999) and in supersession of this department's Notification No. F.2(18)FD/Tax/96-42 dated 24.8.2007, the State Government being of the opinion that it is expedient in public interest so to do, hereby orders that the stamp duty chargeable on the instruments of,-

- (i) new mining lease shall be reduced and charged on three times of the annual dead rent amount, security amount and other miscellaneous charges paid by the lessee at the rate of conveyance.
- (ii) mining lease granted through auction and having provision of payment of bid amount alongwith dead rent and royalty, shall be reduced and charged on bid amount, three times of the annual dead rent amount, security amount and other miscellaneous charges paid by the lessee at the rate of conveyance.
- (iii) renewal of mining lease shall be reduced and charged on three times of the annual dead rent amount or amount of royalty of preceding three years whichever is higher, security amount and other miscellaneous charges paid by the lessee at the rate of conveyance.
- (iv) transfer of mining lease shall be reduced and charged on two times of the annual dead rent amount or the amount of royalty of preceding two years, whichever is higher, cost of the development works done on the site and other miscellaneous charges paid by the lessee at the rate of conveyance.

[No.F.4(15)FD/Tax/2014-52]

By order of the Governor,

  
(Apoorv Joshi)

Deputy Secretary to the Government