Government of India
Ministry of Mines

MINERAL CONCESSION RULES, 1960

(As amended up to 26th July, 2012)

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MINERAL CONCESSION RULES, 1960

G.S.R. 1398, dated the 11th November, 1960 - In exercise of the powers conferred by section 13 of the Mines and Minerals (Regulation and Development) Act, 1957 (67 of 1957), the Central Government hereby makes the following rules, namely :-

CHAPTER I
Preliminary

1. Short title :- These rules may be called the Mineral Concession Rules, 1960.

2. Definitions :- In these rules, unless the context otherwise requires, -

(i) "Act" means the Mines and Minerals [1][(Development and Regulation)] Act,1957 (67 of 1957);

(ii) "Form" means a form set out in Schedule I to these rules;

[2][(iia) "illegal mining" means any reconnaissance or prospecting or mining operation undertaken by any person or a company in any area without holding a reconnaissance permit or a prospecting licence or as the case may be, a mining lease as required under sub-section(1) of section 4 of the Act.

Explanation – For the purpose of this clause, -
(a) Violation of any rules, other than the rules made under section 23C of the Act, within the mining lease area by a holder of a mining lease shall not include illegal mining.
(b) Any area granted under a reconnaissance permit or a prospecting licence or a mining lease, as the case may be shall be considered as an area held with lawful authority by the holder of such permit of licence or a lease, while determining the extension of illegal mining.]

(iii) "railway" and "railway administration" have the meanings respectively assigned to them in the Indian Railways Act, 1890 (9 of 1890);

(iv) "Schedule" means a Schedule appended to these rules;

(v) "section" means a section of the Act.

3. Saving of Act 33 of 1962 :– Nothing in these rules shall affect the provisions of the Atomic Energy Act, 1962 (33 of 1962) [3][and the rules made thereunder in respect of licensing relating to atomic minerals listed in Part B of the First Schedule to the Act.]

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1 Substituted by G.S.R.56 (E) , dated 17.1.2000. 2 Inserted by G.S.R.593(E), dated 26.7.2012
3 Inserted by G.S.R.56 (E) , dated 17.1.2000

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[1][CHAPTER II
Grant of Reconnaissance Permits

4. Application for reconnaissance permit :– (1) An application for reconnaissance permit shall be made to the State Government in Form `A' through such officer or authority as the State Government may specify in this behalf.

(2) (a) Every such application shall be accompanied by a non-refundable fee calculated at the rate of five rupees per square kilometre.

(b) A valid clearance certificate, in the form prescribed by the State Government for payment of mining dues, such as royalty or dead rent or surface rent payable under the Act or rules made thereunder, from that Government or any officer or authority authorised by that Government in this behalf :

Provided that where a person has furnished an affidavit to the satisfaction of the State Government stating that he does not hold and has not held a reconnaissance permit, it shall not be necessary for him to produce the said valid clearance certificate :

Provided that an affidavit stating that no dues are outstanding shall suffice subject to the condition that the certificate required as above shall be furnished within ninety days of the date of application and the application shall become invalid if the party fails to file the certificate within the said ninety days :

Provided also that where any injunction has been issued by a court of law or any other competent authority staying the recovery of any such mining dues or income tax, non- payment thereof shall not be treated as a disqualification for the purpose of granting the reconnaissance permit :

Provided further that in case the applicant is a partnership firm or a private limited company, such certificate shall be furnished by all persons of the partnership firm or, as the case may be, all members of the private limited company.

(c) An affidavit stating that the applicant has -

(i) filed up-to-date income- tax returns;
(ii) paid the income- tax assessed on him; and
(iii) paid the income tax on the basis of his assessment as provided in the Income Tax Act, 1961(43 of 1961).

1 Substituted by G.S.R.56 (E) , dated 17.1.2000.

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(d) An affidavit showing the particulars of areas, mineral-wise in the State, which the applicant or any person jointly with him -

(i) already holds under a reconnaissance permit;
(ii) has applied for but not granted; and
(iii) being applied for simultaneously.

4A. Acknowledgement of application :– (1) Where an application for the grant of reconnaissance permit is delivered personally, its receipt shall be acknowledged forthwith.

(2) Where such application is received by registered post, its receipt shall be acknowledged on the same day.

(3) In any other case, the receipt of such application shall be acknowledged within three days of the receipt.

(4) The receipt of every such application shall be acknowledged in Form 'D-1'.

5. Refusal of application for a reconnaissance permit :- (1) The State Government may after giving an opportunity of being heard and for reasons to be recorded in writing and communicated to the applicant, refuse to grant a reconnaissance permit over the whole or part of the area applied for.

(2) Where it appears that the application is not complete in all material particulars or is not accompanied by the required documents, the State Government shall, by notice, require the applicant to supply the omission or, as the case may be, furnish the documents without delay and in any case not later than thirty days from the date of receipt of the said notice by the applicant.

6. Status of grant on death of the applicant for reconnaissance permit:
(1) Where an applicant for the grant of reconnaissance permit dies before the order granting him a reconnaissance permit is passed , the application for the grant of reconnaissance permit shall be deemed to have been made by his legal representatives.

(2) In the case of an applicant in respect of whom an order granting a reconnaissance permit is passed but who dies before the deed referred in sub- rule (1) of rule 7A is executed, the order shall be deemed to have been passed in the name of the legal representative of the deceased.

7. Conditions of a reconnaissance permit :- (1) Every reconnaissance permit granted under these rules, shall, in addition to any other conditions that may be specified therein be subject to the following conditions namely,

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(i) The holder of reconnaissance permit shall progressively relinquish the area granted under the permit as follows : -

(a) After completion of two years, the area shall be reduced to one thousand square kilometers or fifty percent of the area granted, whichever is less; and

(b) The area would be further relinquished so that the permit holder is left with an area not more than twenty five square kilometres at the end of third year.

(ii) The holder of the reconnaissance permit shall strictly adhere to the minimum expenditure commitment and specific physical targets specified in the order of grant of the permit failing which reconnaissance permit may be cancelled.

(iii) The holder of reconnaissance permit shall make available all data collected by him during the reconnaissance operations to the Geological Survey of India, Indian Bureau of Mines and the State Government which may be made available to any prospecting investor after a minimum period of two years of the completion of the period of reconnaissance permit.

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(iv) The holder of reconnaissance permit shall not enter any forest land or any private land without obtaining permission of the Forest Department or the owner of the private land, as the case may be.

(v) The holder of reconnaissance permit shall maintain accurate faithful account of all the expenses incurred by him on the reconnaissance operations.

(vi) The holder of reconnaissance permit shall submit to the State Government a six monthly report of the work done by him and the valuable data collected by him during the period. The report shall be submitted within 3 months of the close of the period to which it relates.

(vii) The permit holder shall also submit to the State Government within three months of the expiry of the permit, or abandonment of the operations or termination of the permit whichever is earlier, a full report of the work done by him and all information relevant to mineral resources acquired by him in the course of reconnaissance permit in the area covered by the permit.

(viii) While submitting reports under sub clause (vi) or (vii), the permit holder may specify that the whole or any part of the report

or data submitted by him shall be kept confidential; and the State Government shall thereupon, keep the specified portions as confidential for a period of two years from the expiry of the permit, or abandonment of operations or termination of the permit, whichever is earlier.

(ix) The permit holder shall allow every officer authorised by the Central Government or the State Government in this behalf to examine at any time accounts maintained and furnish the Central Government or the State Government or any other officer authorised by it in that behalf such information and returns.

(x) The permit holder shall allow any officer authorised by the Central Government or the State Government in this behalf to inspect any reconnaissance operations carried on by him.

(xi) The permit holder shall pay such permit fee as may be fixed by the State Government, being not less than five rupees per square kilometre and not more than twenty rupees per square kilometre of land held by the permit holder for each year or part thereof.

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(2) The reconnaissance permit may contain such other conditions as may be imposed by the Central Government which inter-alia may include the condition that the representative of the Directorate General, Civil Aviation or Ministry of Defence shall be present during the aerial surveys.

(3) The State Government may, with the approval of the Central Government, impose such further conditions in the permit as it may think necessary in the interest of mineral development and for compliance of various legal provisions.

(4) In case of breach of any condition imposed on any holder of reconnaissance permit by or under this rule, the State Government may by order in writing, cancel the permit, and/or forfeit in whole or in part, the amount deposited by the permit holder as security :

Provided that no such order shall be made without giving the permit holder a reasonable opportunity of stating his case.

7A. Reconnaissance Permit to be executed within three months :-

(1) Where on any application for a reconnaissance permit an order has been made for the grant of such permit, a deed granting such permit shall be executed within ninety days of the date of the communication of the order or such further period as the State government may allow in this behalf, and if no such deed is executed within such period due to any fault on the part of the applicant,

the State Government may revoke the order granting the reconnaissance permit and in that event the fee paid shall be forfeited to the State Government.

(2) The deed referred to in sub rule 1 shall be in Form F-1, or in a Form as near thereto as circumstances of each case may require.

(3) The date of the commencement of the period for which a reconnaissance permit is granted shall be the date on which the deed is executed after all necessary clearances have been obtained.

7B. Security deposit :– (i) An applicant for a reconnaissance permit shall, before deed referred to in sub-rule (1) of rule 7A is executed, deposit as security for the observance of the terms and conditions of the permit a sum of twenty rupees in respect of every square kilometre or part thereof for which the permit is granted.

(ii) Any deposit made under sub-clause (i) above if not forfeited under the rules shall be refunded to the applicant as soon as the report referred to in sub-rule (1) (vii) of rule 7 is submitted.

7C. Prospecting Licences and Mining Leases of other minerals :- The applications received for grant of prospecting licences or mining leases within the area granted under reconnaissance permit for minerals other than those for which the permit has been granted, shall not be refused on the grounds that the area is not available for grant. The State Government shall dispose of such applications as per provisions of these rules :

Provided that if a prospecting licence or a mining lease for other mineral has been granted to some other applicant within the area granted for a reconnaissance permit and where the reconnaissance permit holder discovers availability of minerals covered under his permit within the area so granted subsequently for prospecting or mining of minerals other than those covered under the reconnaissance permit, he shall have the right to get such areas vacated from the licensee or the lessee, as the case may be and such licensee or lessee shall not hinder the reconnaissance operations being undertaken by the reconnaissance permit holder.

7D. Registers : - (1) A register of applications for reconnaissance permits shall be maintained by the State Government in Form G –1.

(2) A register of reconnaissance permit shall be maintained by State Government in Form H –1.]

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CHAPTER III

Grant of prospecting licences in respect of land in which the minerals vest in the Government

[1][**8. Applicability of Chapter II, Chapter III and Chapter IV :**– The provisions of Chapter II, Chapter III and Chapter IV shall apply to the grant of reconnaissance permits as well as grant and renewal of prospecting licences and mining leases only in respect of the land in which the minerals vest in the Government of a State.]

9. Application for prospecting licence and its renewal :- (1) An application for a prospecting licence and its renewal in respect of land in which the minerals vest in Government shall be made to the State Government in Form B and Form E respectively through such officer or authority as the State Government may specify in this behalf.

(2) Every such application shall be accompanied by-

(a) a [2][non-refundable] fee calculated in accordance with the provisions of Schedule II; and

(b) (Omitted)
(c) (Omitted)

(d) a valid clearance certificate in the form prescribed by the State Government, of payment of mining dues, such as royalty or dead rent and surface rent payable under the Act or the rules made thereunder, from that Government or any officer or authority by that Government in this behalf;

Provided [3][omitted] that in case the applicant is a partnership firm or a private limited company such certificate shall be furnished by all partners of the partnership firm or, as the case may be, all members of the private limited company :

[4][Provided further that where any injunction has been issued by court of law or any other competent authority staying the recovery of any such mining dues or income tax, non-payment thereof shall not be treated as a disqualification for the purpose of granting or renewing the said prospecting licence:

Provided that where a person has furnished an affidavit to the satisfaction of the State Government stating that he does not hold and has not held a prospecting licence, it shall not be

1. Substituted by G.S.R. 56 (E), dated 17.1.2000.
2. Inserted by G.S.R. 56 (E), dated 17.1.2000.
3. Omitted by G.S.R. 56 (E), dated 17.1.2000.
4. Inserted by G.S.R. 56 (E), dated 17.1.2000.

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necessary for him to produce the said valid clearance certificate :

Provided further that a sworn affidavit stating that no dues are outstanding shall suffice subject to the condition that the certificate required as above shall become invalid if the party fails to file the certificate within the said ninety days.]

(e) an affidavit stating that the applicant has -

(i) filed up-to-date income tax return;
(ii) paid the income tax assessed on him ; and
(iii) paid the income tax on the basis of self-assessment as provided in the Income Tax Act,1961;

(f) an affidavit showing particulars of areas mineral-wise in[1][the] state, which the applicant or any person jointly with him -

(i) already holds under a prospecting licence;
(ii) has applied for but not granted; and
(iii) being applied for simultaneously.

(g) a statement in writing that the applicant, where the land is not owned by him, has obtained surface rights over the area or has obtained the consent of the owner for starting prospecting operations :

Provided that no such statement shall be necessary were the land is owned by the Government.

Provided [2][omitted] that the consent of the owner for starting prospecting operations in the area or part thereof may be furnished after execution of the prospecting licence but before entry into the said area.

[3][Provided further that no further consent would be required in the case of renewal where consent has already been obtained during grant of the licence.]

[4][omitted]
[5][omitted]
[6][omitted]

1 Substituted by G.S.R. 56 (E), dated 17.1.2000.
2 Omitted by G.S.R. 56 (E), dated 17.1.2000.
3 Inserted by G.S.R. 56 (E), dated 17.1.2000.
4 Omitted by G.S.R. 56 (E), dated 17.1.2000
5.Ibid.
6.Ibid.

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(3) The State Government may, for reasons to be recorded in writing, relax the provisions of clause (d) of sub-rule (2) of rule 9.

(4) The grant of a clearance certificate under clause (d) of sub-rule (2) of rule 9 shall not discharge the holder of such certificate from the liability to pay the mining dues which may subsequently be found to be payable by him under the Act or the rules made thereunder.

10. Acknowledgement of application :- (1) where an application for the grant of renewal of a prosecuting licence is delivered personally, its receipt shall be acknowledged forthwith.

(2) Where such application is received by registered post, its receipt shall be acknowledged on the same day.

(3) In any other case, the receipt of such application shall be acknowledged within three days of the receipt .

(4) The receipt of every such application shall be acknowledged in Form D.

10A. (Omitted)

11. Disposal of application for the grant and renewal of prospecting licence :- (1) (Omitted)

(2) (a) An application for the renewal of a prospecting licence shall be made at least ninety days before the expiry of the prospecting licence and shall be accompanied by –

(i) a statement relating to the prospecting operations already undertaken by the applicant;

(ii) the amount of expenditure incurred;

(iii) the numbers of hours and days for which the work was undertaken; and

(iv) the period which is required to complete the prospecting work.

(b) An application for the renewal for a prospecting licence shall be disposed of by the State Government before the expiry of the period of prospecting licence and if the application is not disposed of within that period, the licence shall be deemed to have been renewed for a period not exceeding the period prescribed for renewal of prospecting licence

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under sub-section (2) of section 7 of the Act, or the period for which an application is made, whichever is less.

(3) The State Government may, for reasons to be recorded in writing and communicated to the applicant , at the time of renewal, reduce the area applied for.

[1][(4) The State Government may condone delay in submission of an application for renewal of a prospecting licence made after the time limit prescribed in sub-rule (2) provided the application for the renewal has been made before the expiry of the licence.]

12. Refusal of application for a prospecting licence : - (1) The State Government may, after giving an opportunity of being heard and for reasons to be recorded in writing and communicated to the applicant, refuse to grant or renew a prospecting licence over the whole or part of the area applied for.

(1A) An application for the grant or renewal of a prospecting licence made under rule 9 shall not be refused by the State Government only on the ground that Form B or Form E, as the case may be, is not complete in all material particulars, or is not accompanied by the documents referred to in clauses (d), (e), (f) and (g) of sub-rule (2) of the said rule.

(1B) Where it appears that the application is not complete in all material particulars or is not accompanied by the required documents, the State Government shall, by notice, require the applicant to supply the omission or, as the case may be, furnish the documents without delay and in any case not later than thirty days from the date of receipt of the said notice by the applicant.

(2) An application for the grant of a prospecting licence shall not be refused on the ground only that, in the opinion of the State Government, a mining lease should be granted for the area for which the application for a prospecting licence has been made:

Provided that where applications for the grant of prospecting licence and applications for the grant of mining lease in respect of the same area are received on the same date or on different dates within a period of thirty days, the applications for the grant of mining lease shall, if the area was previously held and worked under a mining lease, be disposed of before the applications for the grant of prospecting licence are considered.

[2][Provided further that the applications received for grant of prospecting licence shall be liable to be considered only if they have not been already disposed of.]

13. [3][Omitted.]

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1. Inserted by G.S.R. 56(E), dated 17.1.2000. 2. Ibid. 3.Omitted by G.S.R. 56(E), dated 17.1.2000.

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13A. Status of grant on death of the applicant for prospecting licence :

(1) Where an applicant for the grant of a prospecting licence dies before the order granting him a prospecting licence is passed, the application for the grant of a prospecting licence shall be deemed to have been made by his legal representative.

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(2) In the case of an applicant in respect of whom an order granting a prospecting licence is passed but who dies before the deed referred to in sub-rule (1) of rule 15 is executed, the order shall be deemed to have been passed in the name of the legal representative of the deceased.

14. Conditions of a prospecting licence :- (1) Every prospecting licence granted under these rules, shall, in addition to any other conditions that may be specified therein, be subject to the following conditions, namely :-

(i) the licensee shall pay such prospecting fee as may be fixed by the State Government, [1][being not less than rupee one and not more than rupees ten] per hectare of land covered by the licence for each year or part of a year of the period for which the licence is granted or renewed;

(ii) the licensee may win and carry for purposes other than commercial purposes -

(a) any quantity of such minerals within the limits specified under column 3 of Schedule III without any payment;

(b) any quantity of such minerals not exceeding the limits specified under column 4 of Schedule III, on payment of royalty for the time being specified in the Second Schedule to the Act in respect to those minerals :

Provided that if any quantity in excess of the quantities specified in sub-clause (b) is won and carried away, the State Government may recover the cost of the excess quantity of minerals won and carried away.

(iii) with the written approval of the State Government, the licensee may carry away quantities of minerals in excess of the limits specified in Schedule III, on payment of royalty for the time being specified in the Second Schedule to the Act, for chemical, metallurgical, ore-dressing and other test purposes.

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1 Substituted by G.S.R. 21 (E), dated 11.1.2002.

(iv) save in the case of land in respect of which the licensee is granted a mining lease, he shall, within six months next after the determination of the licence or the date of abandonment of the prospecting operations, whichever is earlier, securely plug all bores and fill up or fence all excavations in the land covered by the licence;

(v) the licensee shall report to the State Government the discovery of any mineral not specified in the licence within a period of sixty days from the date of such discovery. Consequent upon such reporting, such newly discovered mineral shall be deemed to have been included in the prospecting licence;

(vi) (Omitted.)

(vii) the licensee shall not except with the previous sanction of the State Government transfer his licence;

[1][[2][Provided that no prospecting licence shall be transferred to any person who has not filed an affidavit stating that he has filed an up-to-date income-tax returns and paid the income-tax assessed on him and paid the income tax on the basis of self-assessment as provided in the Income Tax Act, 1961 (43 of 1961) and except on payment to the State Government of a fee of five hundred rupees :

Provided further that the State Government shall not grant its sanction for the transfer of prospecting licence unless the transferee has accepted all the conditions and liabilities which the transferor has in respect of such prospecting licence :

Provided also that the State Government may, by order in writing after providing the licensee the opportunity of being heard, cancel such prospecting licence at any time if the licensee has, in the opinion of the State Government, committed a breach of this clause or rule 15A.]]

(viii) the licensee shall not pay a wage less than the minimum wage prescribed by the Central or the State Government from time to time under the Minimum Wages Act, 1948;

(ix) the licensee shall observe the provisions of the Mines Act, 1952 [3][(35 of 1952) and the provisions of the Atomic Energy Act, 1962 (33 of 1962) insofar as the latter relate to atomic minerals included in Part 'B' of the First Schedule to the Act.]

1. Inserted by G.S.R. 56 (E), dated 17.1.2000.
2. Substituted by G.S.R. 31 (E), dated 22.1.2001.
3. Inserted by G.S.R. 56 (E), dated 17.1.2000.

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(x) the licensee shall -

(a) take immediate measures for the planting in the same area or any other area selected by the Central or the State Government not less than twice the number of trees destroyed by reasons of any prospecting operations;

(b) look after them during subsistence of the licence after which these shall be handed over to the State Forest Department or any other authority as may be nominated by the Central or State Government;

(c) restore, to the extent possible, other flora destroyed by prospecting operations.

(xi) the licensee shall pay to the occupier of surface of the land such compensation as may become payable under these rules;

(xii) the licensee shall comply with the Mineral Conservation and Development Rules framed under section 18.

[1][Omitted]

(2) A prospecting licence may contain such other conditions relating to the following as the State Government may think fit to impose, namely :-

(i) compensation for damage to land in respect of which the licence has been granted;

(ii) indemnity to Government against the claim of a third party for any damage, injury or disturbance caused to him by the licensee;

(iii) restrictions regarding felling of trees on unoccupied and unreserved Government land;

(iv) restrictions on prospecting operations in any area prohibited by any competent authority;

(v) operations in a reserved or protected forest;

(vi) conditions regarding entry on occupied land;

(vii) facilities to be given by the licensee for working other minerals in the licenced area or adjacent areas;

(viii) filing of civil suits or petitions relating to disputes arising out of the area under prospecting licence.

1.Omitted by G.S.R. 56 (E), dated 17.1.2000.

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[1][(3) The State Government may, either with the previous approval of the Central Government or at the instance of the Central Government, impose such further conditions as may be necessary in the interest of mineral development, including development of atomic minerals.]

(4) In the case of breach of any condition imposed on any holder of prospecting licence by or under this rule, the State Government may, by order in writing, cancel the licence and/or forfeit, in whole or part, the amount deposited by the licensee under rule 20 :

Provided that no such order shall be made without giving the licensee a reasonable opportunity of stating his case.

15. Licence to be executed within three months : - (1) Where on any application for a prospecting licence an order has been made for the grant of such licence, a deed granting such licence shall be executed within ninety days of the date of the communication of the order or such further period as the State Government may allow in this behalf, and if no such deed is executed within the said period due to any default on the part of the applicant, the State Government may revoke the order granting the licence and in that event the fee paid shall be forfeited to the State Government.

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(2) The deed referred to in sub-rule (1) shall be in Form F, or in a form as near thereto as circumstances of each case may require.

(3) The date of the commencement of the period for which a prospecting licence is granted shall be the date on which the deed is executed under sub-rule (1).

[2][**15A**. Where on an application for grant of sanction to transfer the prospecting licence under clause (vii) of sub-rule (1) of rule 14, the State Government has granted sanction for transfer of such licence, a transfer deed in Form P, or a form as near thereto as possible shall be executed within three months of the date of the consent, or within such further period as the State Government may allow in this behalf.]

16. Report of information obtained by the licensee :- (1) The licensee shall submit to the State Government a six monthly report of the work done by him stating the number of persons engaged and disclosing in full the geological, geophysical or other valuable data collected by him during the period. The report shall be submitted within three months of the close of the period to which it relates.

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1. Substituted by G.S.R. 56 (E), dated 17.1.2000.
2. Inserted by G.S.R.31(E), dated 22.1.2001.

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(2) The licensee shall also submit to the State Government within three months of the expiry of the licence, or abandonment of operations or termination of the licence, whichever is earlier, a full report of work done by him and all information relevant to mineral resources acquired by him in the course of prospecting operations in the area covered by the licence.

(3) While submitting reports under sub-rules (1) or (2), the licensee may specify that the whole or any part of the report or data submitted by him shall be kept confidential; and the State Government shall thereupon, keep the specified portions as confidential for a period of two years from the expiry of the licence, or abandonment of operations or termination of the licence, whichever is earlier.

17. (Omitted)

18. Maintenance of accounts :- Every licensee shall maintain [1][an accurate] and faithful account of all expenses incurred by him on prospecting operations and also the quantity and other particulars of all minerals obtained during such operations and their despatch.

19. Inspection :- (1) The licensee shall allow every officer authorised by the Central Government or the State Government in this behalf to examine at any time accounts maintained under rule 18 and furnish the Central Government or the State Government such information and returns as it or any officer authorised by it in that behalf may require.

(2) The licensee shall allow any officer authorised by the Central Government or the State Government in this behalf to inspect any prospecting operations carried on by him.

20. Security deposit :- (1) An applicant for a prospecting licence shall, before the deed referred to in sub-rule (1) of rule 15 is executed, deposit as security for the due observance of the terms and conditions of the licence [2][a sum of two thousand and five hundred rupees] in respect of the every square kilometre or part thereof for which the licence is granted.

(2) Any deposit made under sub-rule (1), if not forfeited under these rules, shall be refunded to the applicant as soon as the report referred to in rule 16 is submitted.

21. Registers :- (1) A register of applications for prospecting licences shall be maintained by the State Government in Form G.

(2) A register of prospecting licences shall be maintained by the State Government in Form H.

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1. Substituted by G.S.R. 56 (E), dated 17.1.2000.
2. Substituted by G.S.R. 21 (E), dated 11.1.2002.

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CHAPTER IV

Grant of mining leases in respect of land in which the minerals vest in the Government

22. Applications for grant of mining leases :- (1) An application for the grant of a mining lease in respect of land in which the minerals vest in the Government shall be made to the State Government in Form I through such officer or authority as the State Government may specify in this behalf.

(2) Omitted.

(3) (i) Every application for the grant or renewal of a mining lease shall be accompanied by -

(a) [1][a [2][non refundable] fee of two thousand and five hundred rupees];

(b) Omitted.
(c) Omitted.

(d) A valid clearance certificate in the form prescribed by the State Government, of payment of mining dues, such as royalty or dead rent and surface rent payable under the Act or the rules made thereunder, from that Government or any officer or authority authorised by that Government in this behalf :

Provided that in case the applicant is a partnership firm or a private limited company, such certificate shall be furnished by all partners of the partnership firm or, as the case may be, all members of the private limited company :

[3][Provided that where any injunction has been issued by a court of law or any other competent authority staying the recovery of any such mining dues or income tax non-payment thereof shall not be treated as a disqualification for the purpose of granting or renewing the said mining lease :

Provided that where a person has furnished an affidavit to the satisfaction of the State Government stating that he does not hold and has not held a mining lease, it shall not be necessary for him to produce the said valid clearance certificate :

Provided that a properly sworn affidavit stating that no dues are outstanding shall suffice subject to the condition that the certificate required as above shall be furnished within ninety days of the date of application and the

1. Substituted by G.S.R. 21 (E), dated 11.1.2002.
2. Inserted by G.S.R. 56 (E), dated 17.1.2000.
3. Ibid.

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application shall become invalid if the party fails to file the certificate within the said ninety days :

Provided further that the grant of a clearance certificate under sub-clause (d) shall not discharge the holder of such certificate from the liability to pay the mining dues which may subsequently be found to be payable by him under the Act or rules made thereunder.]

(e) Omitted.

(f) an affidavit stating that the applicant has -

(i) filed up-to-date income-tax returns;
(ii) paid the income-tax assessed on him; and
(iii) paid the income-tax on the basis of self-assessment as provided in the Income Tax Act, 1961;

(g) an affidavit showing particulars of area mineral-wise in [1][the] State, which the applicant or any person jointly with him -

(i) already holds under a mining lease;
(ii) has already applied for but not granted;
(iii) being applied for simultaneously;

(h) a statement in writing that the applicant has, where the land is not owned by him, obtained surface rights over the area or has obtained the consent of the owner for starting mining operations :

Provided that no such statement shall be necessary where the land is owned by the Government :

Provided further that the consent of the owner for starting mining operations in the area or part thereof may be furnished after execution of the lease deed but before entry into the said area:

Provided also that no further consent would be required in the case of renewal where consent has already been obtained during grant of the lease.

[2] [Omitted]
[3] [Omitted]
[4] [Omitted]
[5] [Omitted]

1. Substituted by G.S.R. 56 (E), dated 17.1.2000.
2. Omitted by G.S.R. 56 (E), dated 17.1.2000.
3. Ibid. 4. Ibid. 5. Ibid.

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(i a) The State Government may, for reasons to be recorded in writing, relax the provision of sub-clause (d) of clause (i).

(ii) Every application for the grant of a mining lease shall in addition to those specified in clause (i) be accompanied by a deposit of one thousand rupees for meeting the preliminary expenses in connection with the grant of the mining lease :

Provided that the applicant shall deposit such further deposit as may be asked for by the State Government, within one month from the date of demand of such deposit.

(4) On receipt of the application for the grant of a mining lease the State Government shall take decision to grant precise area for the said purpose and communicate such decision to the applicant . On receipt of communication from the State Government of the precise area to be granted, the applicant shall submit a mining plan within a period of six months or such other period as may be allowed by the State Government, to the Central Government for its approval. The applicant shall submit the mining plan, duly approved by the Central Government or by an officer duly authorised by the Central Government, to the State Government to grant mining lease over that area.

[1][(4A) [2] [Notwithstanding anything contained in sub-rule (4), the State Government shall be competent to approve mining plan of open cast mines (mines other than the underground mines) in respect of the following non-metallic or industrial minerals in their respective territorial jurisdiction, namely:-

(i) Agate
(ii) Ball Clay
(iii) Barytes
(iv) Calcareous Sand
(v) Calcite
(vi) Chalk
(vii) Clay (Others)
(viii) Corundum
(ix) Diaspore
(x) Dolomite
(xi) Dunite/pyroxenite
(xii) Felsite
(xiii) Felspar
(xiv) Fireclay
(xv) Fusch. Quartzite
(xvi) Gypsum
(xvii) Jasper

1. Inserted by G.S.R. 56 (E), dated 17.1.2000.
2. Substituted by G.S.R. 743 (E), dated 25.9.2000.

(xviii) Kaolin
(xix) Laterite
(xx) Limekankar
(xxi) Ochre
(xxii) Pyrophyllite
(xxiii) Quartz
(xxiv) Quartzite
(xxv) Sand (Others)
(xxvi) Shale
(xxvii) Silica Sand
(xxviii) Slate
(xxix) Steatite/Talc/Soapstone]

[1][Provided that the State Government shall exercise the power of approval of mining plan through an officer or officers who shall possess the following qualification,[2][experience and post or pay scale], namely :-

(i) a degree in Mining Engineering or post-graduate degree in Geology from a University established or incorporated by or under a Central Act, a Provincial Act or a State Act, including any institution recognized by the University Grants Commission established under section 4 of the University Grants Commission Act, 1956 (3 of 1956) or any equivalent qualification granted by any University or Institution outside India;

(ii) professional experience of twelve years in case of a Mining Engineer in the field of mining engineering and professional experience of eighteen years in case of a Geologist in the field of geological survey after obtaining the qualification as specified in clause (i) in each case; and

[3][(iii) in the post of Director or Additional Director or Joint Director of the concerned State Government or in the pay scale, the maximum of which shall not be less than Rs.15,850/- (Rupees fifteen thousand eight hundred and fifty) per month:]

Provided further that the list of the officers fulfilling the qualification, [4][experience and post or pay-scale] specified in the first proviso shall be sent to the Controller General, Indian Bureau of Mines by the Sate Governments from time to time for the purposes of that proviso];

Provided [5][also] where any State Government does not have such officer as having the requisite qualifications and experience, the power of approval of

1. Substituted by G.S.R.31(E), dated 22.1.2001. 2. Substituted by G.S.R.733(E), dated 29.10.2002.
3. Ibid. 4. Ibid. 5. Substituted by G.S.R. 31 (E), dated 22.1.2001.

mining plan, as aforesaid, in respect of that State shall be exercised by the Central Government :

Provided also that in the event of the State Government having officer or officers with requisite qualifications and experience from any date in future the State government shall report the matter to the Controller General, Indian Bureau of Mines and the State Government shall exercise the power of approval of mining plan, as aforesaid, thereafter without any reference to the Central Government.]

[1][(4B) The Central Government or the State Government shall dispose of the application for approval of the mining plan within a period of ninety days from the date of receiving of such application:

Provided that the aforesaid period of ninety days shall be applicable only if the mining plan is complete in all respects, and in case of any modifications subsequently suggested by the Central Government or the State Government, as the case may be, after the initial submission of the mining plan for approval, the said period shall be applicable from the date on which such modifications are carried out and submitted afresh to the Central Government or the State Government, as the case may be.]

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(5) The Mining Plan shall incorporate :-

[2][(i) the plan of the lease hold area showing the nature and extent of the mineral body, spot or spots where the mining operations are proposed to be based on the prospecting data gathered by the applicant or any other person];

(ii) details of the geology and lithology of the area including mineral reserves of the area;

(iii) the extent of manual mining or mining by the use of machinery and mechanical devices;

(iv) the plan of the area showing natural water courses, limits of reserves and other forest areas and density of trees, if any, assessment of impact of mining activity on forest, land surface and environment including air and water pollution; details of scheme of restoration of the area by afforestation, land reclamation, use of pollution control devices and such other measures as may be directed by the Central Government or the State Government from time to time;

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1. Inserted by G.S.R.21 (E), dated 11.1.2002. 2. Substituted by G.S.R.56 (E), dated 17.1.2000.

[1][(v) a tentative scheme of mining and annual programme and plan for excavation from year to year for five years; [2][omitted]

[3] [(va) a progressive mine closure plan as defined in clause (oo) of rule 3 of the Mineral Conservation and Development Rules, 1988; and]

(vi) any other matter which the Central Government may require the applicant to provide in the mining plan.

[4][(6) The mining plan once approved shall be valid for the entire duration of the lease:

Provided that any modification or modifications of the mining plan shall be approved by the competent authority and such approval of the modified mining plan shall remain valid for the balance duration of the mining lease.]

22A. Mining operations to be in accordance with Mining Plans :-

(1) Mining operations shall be undertaken in accordance with the duly approved mining plan.

(2) Modification of the approved mining plan during the operation of a mining lease also requires prior approval.

22B. Mining plan to be prepared by recognised persons :- (1) No mining plan shall be approved unless it is prepared by a qualified person recognised in this behalf by the Central Government, or duly authorised officer.

(2) No person shall be recognised by the Central Government for purposes of sub-rule (1) unless he holds-

(i) a degree in mining engineering or post-graduate degree in Geology granted by a University established or incorporated by or under a Central Act, a Provincial Act or a State Act, including any institution recognised by the University Grants Commission established under section 4 of the University Grants Commission Act, 1956 or any equivalent qualification granted by any University or Institution outside India; and

(ii) Professional experience of five years of working in a supervisory capacity in the field of mining after obtaining the degree.

(3) A person recognisesd to prepare a mining plan may also carry out modifications of an existing mining plan.

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1. Substituted by G.S.R.56 (E), dated 17.1. 2000
2. Omitted by G.S.R. 329 (E). dated 10.4 2003
3. Inserted by G.S.R. 329 (E), dated 10.4.2003.
4. Inserted by G.S.R. 56 (E), dated 17.1.2000.

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[1][**22BB. Procedure for approval of mining plans : -** (1) Notwithstanding the provisions of rule 63 the mining plan shall be submitted for approval through authority notified by the Controller General of the Indian Bureau of Mines or by the State Government, as the case may be, in this behalf, except for minerals specified in Part A and B of the First Schedule to the Act.

[2][(1a) Every mining plan submitted for approval under sub-rule(1) shall be accompanied with a non-refundable fee of one thousand rupees for every square kilometre, or part thereof of mining area covered under the mining lease.]

(2) Notwithstanding the provisions of the rule 54, any person aggrieved by any order made or direction issued in respect of mining plan by an officer of the Central Government competent to approve mining plans other than the Chief Controller of Mines, Indian Bureau of Mines, for minerals other than those listed in Part A and B of the First Schedule to the Act, may within thirty days of the communication of such order or direction, apply to the authority to whom the said officer is immediately subordinate, for the revision of the order or direction:

Provided that any such application may be entertained after the said period of thirty days if the applicant satisfies the authority that he had sufficient cause for not making the application within time;

(3) On receipt of any application for revision under sub-rule (1), the authority after giving a reasonable opportunity of being heard to the aggrieved person, may confirm, modify or set aside the order made or direction issued by any officer subordinate to him.

(4) Any person aggrieved by an order made or direction issued by the Chief Controller of Mines, Indian Bureau of Mines, concerning approval of mining plan may within thirty days of the communication of such order or direction, apply to the Controller General, Indian Bureau of Mines for a revision of such order or direction and his decision thereon shall be final :

Provided that any such application may be entertained after the said period of thirty days, if the applicant satisfies the Controller General, Indian Bureau of Mines that he had sufficient cause for not making the application in time.

(5) On receipt of any such application under sub-rule (4), the Controller General, Indian Bureau of Mines may confirm, modify or set aside the order or direction issued by the Chief Controller of Mines, Indian Bureau of Mines.

(6) (a) Notwithstanding anything contained in the above sub-rules, any person aggrieved by any order or direction issued in respect of a mining plan by

1 Substituted by G.S.R. 56 (E), dated 17.1.2000. 2. Inserted by G.S.R. 21 (E), dated 11.1.2002.

an authorised officer of the State Government, may within thirty days of the communication of such order or direction, apply to the Controller General, Indian Bureau of Mines for revision of the order or direction and his decision thereon shall be final.

(b) The procedure enumerated in the preceding sub-rules shall, mutatis mutandis, be followed in the disposal of such an application.

(7) The powers under sub-rules (1) and (2) in regard to approval of mining plans shall be exercised by Director, Atomic Minerals Directorate for Exploration and Research, Hyderabad, and in regard to revision under sub-rules (3) to (5) shall be exercised by Secretary, Department of Atomic Energy, Mumbai, insofar as they relate to atomic minerals specified in Part B of the First Schedule to the Act.

(8) The powers under sub- rules (1) to (5) in regard to approval of mining plan and revision shall be exercised by authorities designated in this behalf by notification by the Department of Coal insofar as they relate to coal and lignite specified in Part A of the First Schedule to the Act.]

22C. Grant of recognition by Central Government : - (1) Any person possessing the qualifications and experience referred to in sub-rule (2) of rule 22B may apply for being recognised as a recognised person to the competent authority appointed for the purpose by the Central Government.

(2) The competent authority, after making such enquiry as it deems fit, may grant or refuse to grant recognition and where recognition is refused, the competent authority shall record reasons in writing and communicate the same to the applicant.

[1][(3) A recognition shall be granted for an initial period of ten years and may be renewed for a period(s) not exceeding ten years at a time :

Provided that the competent authority may refuse to renew recognition for reasons to be recorded in writing after giving an opportunity of hearing to the person concerned.]

[2][(4)An appeal shall lie to the Controller General, Indian Bureau of Mines, against the order of the competent authority refusing to grant or renew an application for recognition and his order thereon shall be final.

Explanation : For the purpose of this rule, Chief Controller of Mines, Controller of Mines and the Regional Controller of Mines shall be deemed to be competent authority.]

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1. Substituted by G.S.R. 56 (E), dated 17.1.2000. 2. Ibid.

[1][**22 D. Minimum size of the mining lease**.- Minimum area for grant of mining lease shall not be less than -

a) One hectare, in respect of small deposits (not fragmented portions of larger ones), shallow in nature, isolated and not exceeding more than 200 metres in strike length. These deposits are small by virtue of either origin or mode of emplacement or dislocation due to geological disturbances.

Small deposits shall also include float deposits (transported) formed due to mechanical weathering and deposition, alluvial or eluvial placers (buried or otherwise), which generally have peculiar configurations excepting beach sands or placers;

(b) Two hectares, in respect of beach sands or placers. Beach sands or placers are mono or multi mineral concentrations, including the dunes occurring on and off the coastal shore line. These deposits are the products of ebb and flow of tides, waves and inshore currents, and at places semi-consolidated to consolidated in nature;

(c) Four hectares, in respect of all mineral deposits other than those specified under clauses (a) and (b).]

[2] ["Provided that in the case of renewal of mining lease, the restrictions of minimum area for grant of mining lease shall not be applicable".]

23. Acknowledgement of application :- (1) Where an application for the grant or renewal of a mining lease is delivered personally, its receipt shall be acknowledged forthwith.

(2) Where such application is received by registered post, its receipt shall be acknowledged on the same day.

(3) In any other case, the receipt of such application shall be acknowledged within three days of the receipt.

(4) The receipt of every such application shall be acknowledged in Form D.

23A. Omitted.

24. Disposal of application for mining lease :- (1) Omitted.
(2) Omitted.
(3) Omitted.
(4) Where an application for a mining lease for a mineral or minerals not specified in the existing mining lease or mining leases is made for the whole or

1. Inserted by G.S.R. 329 (E), dated 10.4.2003. 2. Inserted by G.S.R. 49 (E), dated 28.1.2005.

part of the area held under mining lease by a person other than the lessee, the State Government shall notify this fact by registered post/ Acknowledgement Due to the person who already holds mining leases for another mineral in the land applied for.

(5) (a) If on receipt of the information referred to in sub-rule (4), from the State Government, the lessee applies either for prospecting licence or mining lease for newly discovered mineral or minerals within six months from the date of communication of the information by the State Government, the lessee shall be preferred in respect of such grant.

(b) If the lessee fails to apply for prospecting licence or mining lease within six months, then this fact will be intimated to the applicant by the State Government and the State Government will consider the original application in accordance with the rules.

(6) Omitted.

24A. Renewal of mining lease :- (1) An application for the renewal of a mining lease shall be made to the State Government in Form J, at least twelve months before the date on which the lease is due to expire, through such officer or authority as the State Government may specify in this behalf.

[1][(2) The renewal or renewals of a mining lease granted in respect of a mineral specified in Part 'A' and Part 'B' of the First Schedule to the Act may be granted by the State Government with the previous approval of the Central Government.]

[2][(3) The renewal or renewals of a mining lease granted in respect of a mineral not specified in Part 'A' and Part 'B' of the First Schedule to the Act may be granted by the State Government.]

[3][Provided that before granting approval for second or subsequent renewal of a mining lease, the State Government shall seek a report from the Controller General, Indian Bureau of Mines, as to whether it would be in the interest of mineral development to grant the renewal of the mining lease.

Provided further that in case a report is not received from Controller General, Indian Bureau of Mines in a period of three months of receipt of the communication from the State Government, it would be deemed that the Indian Bureau of Mines has no adverse comments to offer regarding the grant of the renewal of mining lease.]

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1. Substituted by G.S.R. 56 (E), dated 17.1.2000. 2. Ibid.
3.Inserted by G.S.R. 21(E), dated 11.1.2002.

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(4) Omitted.
(5) Omitted.

(6) If an application for renewal of a mining lease made within the time referred to in sub-rule (1) is not disposed of by the State Government before the date of expiry of the lease, the period of that lease shall be deemed to have been extended by a further period till the State Government passes order thereon.

[1][(7) Omitted.]

(8) Notwithstanding anything contained in sub-rule (1) and sub-rule (6) an application for the first renewal of a mining lease, so declared under the provisions of section 4 of the Goa, Daman and Diu Mining Concessions (Abolition and Declaration as Mining Leases) Act, 1987, shall be made to the State Government in Form J before the expiry of the period of mining lease in terms of sub-section (1) of section 5 of the said Act, through such office or authority as the State Government may specify in this behalf :

Provided that the State Government may, for reasons to be recorded in writing and subject to such conditions as it may think fit, allow extension of time for making of such application up to a total period not exceeding one year.

(9) If an application for first renewal made within the time referred to in sub-rule (8) or within the time allowed by the State Government under the proviso to sub-rule (8), the period of that lease shall be deemed to have been extended by a further period till the State Government passes orders thereon.

[2][(10) The State Government may condone delay in an application for renewal of mining lease made after the time limit prescribed in sub-rule (1) provided the application has been made before the expiry of the lease.]

24B. Renewal of a mining lease in favour of a person using the mineral in his own industry :- Every person who is holding a mining lease for a mineral which is used in his own industry shall be entitled for the renewal of his mining lease for a period not exceeding twenty years unless he applies for a lesser period.

Explanation :- "Own industry" means an industry of which the lessee is the owner or in which he holds not less than fifty percent of controlling interest.

[3][**25.** Omitted.]

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1 Omitted by G.S.R. 56 (E), dated 17.1.2000. 2. Substituted by G.S.R. 56 (E), dated 17.1.2000. 3. Omitted by G.S.R. 56 (E), dated 17.1.2000

25A. Status of the grant on the death of applicant for mining lease :-

(1) Where an applicant for a grant or renewal of mining lease dies before the order granting him a mining lease or its renewal is passed, the application for the grant or renewal of a mining lease shall be deemed to have been made by his legal representative.

(2) In the case of an applicant in respect of whom an order granting or renewing a mining lease is passed, but who dies before the deed referred to in sub-rule (1) of rule 31 is executed, the order shall be deemed to have been passed in the name of the legal representative of the deceased.

26. Refusal of application for grant and renewal of mining lease:-

(1) The State Government may, after giving an opportunity of being heard and for reasons to be recorded in writing and communicated to the applicant, refuse to grant or renew a mining lease over the whole or part of the area applied for.

(2) An application for the grant or renewal of a mining lease made under rule 22 or rule 24A, as the case may be, shall not be refused by the State Government only on the ground that Form I or Form J, as the case may be, is not complete in all material particulars, or is not accompanied by the documents referred to in sub-clauses (d), (e), (f), (g) and (h) of clause (i) of sub-rule 3 of rule 22.

(3) Where it appears that the application is not complete in all material particulars or is not accompanied by the required documents, the State Government shall, by notice, require the applicant to supply the omission or, as the case may be, furnish the documents, without delay and in any case not later than [1][thirty days] from the date of receipt of the said notice by the applicant.

[2][“(4) Notwithstanding anything contained in sub-rule(1) where an applicant for renewal of mining lease under rule 24A is convicted of illegal mining, and there are no interim orders of any court of law suspending the operation of the order of such conviction in appeals pending against such conviction in any court of law the State Government may after giving such applicant an opportunity of being heard and for reasons to be recorded in writing and communicated to the applicant, refuse to renew such mining lease”]

27. Conditions :- (1) Every mining lease shall be subject to the following conditions :-

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1. Substituted by G.S.R.733(E), dated 29.10.2002
2. Inserted by G.S.R.593(E), dated 26.7.2012.

(a) the lessee shall report to the State Government the discovery in the leased area of any mineral not specified in the lease, within sixty days of such discovery;

(b) if any mineral not specified in the lease is discovered in the leased area, the lessee shall not win and dispose of such mineral unless such mineral is included in the lease or a separate lease is obtained therefor;

(c) the lessee shall pay, for every year, except the first year of the lease, such yearly dead rent at the rates specified in the Third Schedule of the Act and if the lease permits the working of more than one mineral in the same area the State Government shall not charge separate dead rent in respect of each mineral :

Provided that the lessee shall be liable to pay the dead rent or royalty in respect of each mineral whichever be higher in amount but not both;

(d) the lessee shall also pay, for the surface area used by him for the purposes of mining operations, surface rent and water rate at such rate, not exceeding the land revenue, water and cesses assessable on the land, as may be specified by the state Government in the lease;

(e) Omitted.

(f) The lessee shall commence mining operations within two years from the date of execution of the lease and shall thereafter conduct such operations in a proper, skillful and workman-like manner.

Explanation :- For the purpose of this clause, mining operations shall include the erection of machinery, laying of a tramway or construction of a road in connection with the working of the mine;

(g) the lessee shall at his own expenses erect and at all times maintain and keep in good repair boundary marks and pillars necessary to indicate the demarcation shown in the plan annexed to the lease;

(h) the lessee shall not carry on, or allow to be carried on, any mining operations at any point within a distance of fifty meters from any railway line, except under and in accordance with the written permission of the railway administration concerned or under or beneath any ropeway or ropeway trestle or station, except under and in accordance with the written permission of the authority owning the ropeway or from any reservoir, canal or other public works, or buildings, except under and in accordance with the previous permission of the State Government;

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(i) the lessee shall keep [1][accurate and faithful] accounts showing the quantity and other particulars of all minerals obtained and despatched from the mine, the number and nationality of persons employed therein, and complete plans of the mine, and shall allow any officer authorised by the Central Government or the State Government in this behalf to examine at any time any accounts, plans and records maintained by him and shall furnish the Central or the State Government with such information and returns as it or any officer authorised by it in this behalf may require;

(j) the lessee shall keep accurate records of all trenches, pits and drillings made by him in the course of mining operations carried on by him under the lease, and shall allow any officer authorised by the Central or the State Government to inspect the same. Such records shall contain the following particulars, namely :-

(a) the subsoil and strata through which such trenches, pits or drillings pass;

(b) any mineral encountered;

(c) such other particulars as the Central or the State Government may from time to time require;

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(k) the lessee shall strengthen and support, to the satisfaction of the railway administration concerned or the State Government, as the case may be any part of the mine which in its opinion requires such strengthening or support for the safety of any railway, reservoir, canal, road or any other public works or buildings;

(l) the lessee shall allow any officer authorised by the Central or the State Government to enter upon any building, excavation or land comprised in the lease for the purpose of inspecting the same;

(m) the State Government shall at all times have the right of pre-emption of the minerals won from the land in respect of which the lease has been granted:

Provided that the fair market price prevailing at the time of pre-emption shall be paid to the lessee for all such minerals.

(n) the lessee shall store properly the unutilized or non-saleable sub-grade ores or minerals for future beneficiation ;

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1. Substituted by G.S.R.56 (E), dated 17.1.2000

(o) in respect of any mineral which in relation to its use for certain purposes is classified as a major mineral and in relation to its use for other purposes as a minor mineral, the lessee who holds a lease for extraction of such minerals under these rules whether or not it is specified as a major mineral in the lease deed, shall not use or sell the mineral or deal with it in whatsoever manner or knowingly allow anyone to use or sell the mineral or deal with it in whatsoever manner as a minor mineral :

Provided that if on an application made to it in this behalf by the lessee, the State Government is satisfied that having regard to the inferior quality of such mineral, it cannot be used for any of the purposes by reason of which use it can be called a major mineral or that there is no market for such mineral as a major mineral, the State Government may by order permit the lessee to dispose of the mineral in such quantity and in such manner as may be specified therein as a minor mineral.

(p) the lessee shall, in the matter of employment, give preference to the tribals and to the persons who become displaced because of the taking up of mining operations;

(q) the lessee shall not pay a wage not less than the minimum wage prescribed by the Central or State Government from time to time under the Minimum Wages Act, 1948;

(r) the lessee shall observe the provisions of Mines Act, 1952 [1][(35 of 1952) and of the Atomic Energy Act, 1962, (33 of 1962) insofar as they relate to Atomic Minerals included in Part 'B' of the First Schedule to the Act;]

(s) the lessee shall –

(i) take immediate measures for planting in the same area or any other area selected by the Central or State Government not less than twice the number of trees destroyed by reasons of any mining operations;

(ii) look after them during the subsistence of the lease after which these trees shall be handed over to the State Forest Department or any other authority nominated by the Central or State Government;

(iii) restore, to the extent possible other flora destroyed by the mining operations;

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1. Inserted by G.S.R. 56 (E), dated 17.1.2000.

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(t) the lessee shall pay to the occupier of the surface of the land such compensation as may become payable under these rules;

(u) the lessee shall comply with the Mineral Conservation and Development Rules framed under section 18;

(2) A mining lease may contain such other conditions as the State Government may deem necessary in regard to the following, namely :-

(a) the time-limit, mode and place of payment of rents and royalties;
(b) the compensation for damage to the land covered by the lease;
(c) the felling of trees;
(d) the restriction of surface operations in any area prohibited by any authority;
(e) the notice by lessee for surface occupation;
(f) the provision of proper weighing machines;
(g) the facilities to be given by the lessee for working other minerals in the leased area or adjacent area;
(h) the entering and working in a reserved or protected forest;
(i) the securing of pits and shafts;
(j) the reporting of accidents;
(k) the indemnity to Government against claims of third parties;
(l) the delivery of possession of lands and mines on the surrender, expiration or determination of the lease;
[1][(la) the time limit for removal of mineral, ore, plant, machinery and other properties from the lease hold area after expiration, or sooner determination or surrender or abandonment of the mining lease;]
(m) the forfeiture of property left after determination of lease;
(n) the power to take possession of plant, machinery, premises and mines in the event of war or emergency;
(o) filing of civil suits or petitions relating to disputes arising out of the area under lease.

[2][(3) The State Government may, either with the previous approval of the Central Government or at the instance of the Central Government, impose such further conditions as may be necessary in the interests of mineral development, including development of atomic minerals.]

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1. Inserted by G.S.R. 56 (E), dated 17.1.2000. 2.Substituted by G.S.R. 56 (E), dated 17.1.2000.

(4) If the lessee does not allow entry or inspection under clause (i), (j) or (l) of sub-rule (1), the State Government shall give notice in writing to the lessee requiring him to show cause within such time as may be specified in the notice why the lease should not be determined and his security deposits forfeited; and if the lessee fails to show cause within the aforesaid time to the satisfaction of the State Government, the State Government may determine the lease and forfeit the whole or part of the security deposit.

[1][“(4A) If the lessee holding a mining lease or a licencee holding a prospecting licence, is convicted of illegal mining and there are no interim orders of any court of law suspending the operation of the order of such conviction in appeals pending against such conviction in any court of law, the State Government may, without prejudice to any other proceedings that may be taken under the Act or the rules framed thereunder, after giving such lessee or licencee an opportunity of being heard and for reasons to be recorded in writing and communicated to the lessee or licencee, determine such mining lease or, as the case may be, cancel such prospecting licence and forfeit whole or part of the security deposit.”]

(5) If the lessee makes any default in the payment of royalty as required under section 9 or payment of dead rent as required under section 9A or commits a breach of any of the conditions specified in sub-rules (1), (2) and (3), except the condition referred to in clause (f) of sub-rule (1), the State Government shall give notice to the lessee requiring him to pay the royalty or dead rent or remedy the breach, as the case may be, within sixty days from the date of the receipt of the notice and if the royalty or dead rent is not paid or the breach is not remedied within the said period, the State Government may, without prejudice to any other proceedings that may be taken against him, determine the lease and forfeit the whole or part of the security deposit.

28. Lapsing of leases :- (1) Subject to the conditions of this rule where mining operations are not commenced within a period of two years from the date of execution of the lease, or is discontinued for a continuous period of two years after commencement of such operations, the State Government shall, by an order, declare the mining lease as lapsed and communicate the declaration to the lessee.

(2) Where a lessee is unable to commence the mining operation within a period of two years from the date of execution of the mining lease, or discontinues mining operations for a period exceeding two years for reasons beyond his control, he may submit an application to the State Government, explaining the reasons for the same, at least three months before the expiry of such period ;

(3) Every application under sub-rule (2) shall be accompanied by a fee of Rs.200/-;

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1. Inserted by G.S.R.593(E), dated 26.7.2012.

(4) The State Government may on receipt of an application made under sub-rule (2) and on being satisfied about the adequacy and genuineness of the reasons for the non-commencement of mining operations or discontinuance thereof, pass an order before the date on which the lease would have otherwise lapsed, extending or refusing to extend the period of the lease :

Provided that where the State Government on receipt of an application under sub-rule (2) does not pass an order before the expiry of the date on which the lease would have otherwise lapsed, the lease shall be deemed to have been extended until the order is passed by the State Government or until a period of two years, whichever is earlier.

Explanation 1: Where the non-commencement of the mining operations within a period of two years from the date of execution of mining lease is on account of –

(a) delay in acquisition of surface rights; or

(b) delay in getting the possession of the leased area; or

(c) delay in supply or installation of machinery; or

(d) delay in getting financial assistance from the banks, or any financial institutions; or

(e) ensuring supply of the mineral in an industry of which the lessee is the owner or in which he holds not less than 50% of the controlling interest;

and the lessee is able to furnish documentary evidence supported by a duly sworn affidavit, the State Government may consider if there are sufficient reasons for non-commencement of operations for a continuous period of more than two years.

Explanation 2: Where the discontinuance of mining operations for a continuous period of two years after the commencement of such operations is on account of –

(a) orders passed by any statutory or judicial authority; or

(b) operations becoming highly uneconomical; or

(c) strike or lock out;

and the lessee is able to furnish documentary evidence supported by a duly

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sworn affidavit, the State Government may consider if there are sufficient reasons for discontinuance of operations for a continuous period of more than two years.

[1][**Explanation 3**: In case of mining lessee who has undertaken reconnaissance operations or in case of mining lessee whose capital investment in mine development is planned to be in excess of Rs. 200 crores and where the mine development is likely to take more than two years, the State Government shall consider it to be sufficient reason for non-commencement of mining operations for a continuous period of more than two years.]

28A.(1) Where a lessee is unable to commence the mining operations within a period of two years from the date of execution of the mining lease, or discontinues mining operations for a period of exceeding two years for reasons beyond his control, he may submit an application to the State Government explaining the reasons for the same at least within six months from the date of its lapse :

Provided that the lease has not been revived under this provision for more than twice during the entire period of the lease.

(2) Every application under sub-rule (1) shall be accompanied by a fee of Rs 500/-.

(3) The State Government on receipt of an application made under sub-rule (1) and on being satisfied about the adequacy and genuineness of the reasons for non-commencement of mining operations or discontinuance thereof taking into consideration the matters specified in the Explanation to rule 28, pass an order reviving the lease.

29. Restriction on determination of lease :- (1) The lessee shall not determine the lease except after notice in writing of not less than twelve calendar months to the State Government or to such officer, or authority as the State Government may specify in this behalf :

Provided that where a lessee holding a mining lease for a group of minerals applies for the surrender of any mineral from the lease on the ground that deposits of that mineral have since exhausted or depleted to such an extent that it is no longer economical to work the mineral, the State Government may permit the lessee to surrender that mineral, subject to the following conditions , namely :-

(a) the lessee applies for such surrender of mineral at least six months before the intended date of surrender; and

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1. Inserted by G.S.R. 56 (E), dated 17.1.2000.

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(b) the lessee gives an undertaking that he will not cause any hindrance in the working of the mineral so surrendered by any other person who is subsequently granted a mining lease in respect of that mineral :

Provided further that where a lessee applies for the surrender of the whole or a part of lease-hold area on the ground that such area is barren or the deposits of minerals have since exhausted or depleted to such an extent that it is no longer economical to work such area, the State Government shall permit the lessee, from the date of receipt of the application, to surrender that area if the following conditions are satisfied, namely :-

(a) the lease-hold area to be surrendered has been properly surveyed and is contiguous,

(b) the lessee has paid all the dues payable to the Government under the lease up to the date of application, and

[1][(c) the lessee has obtained a certificate under rule 29A.]

Provided also that surrender of the lease area by the lessee shall be permitted only thrice during the period of the lease on fulfilling the conditions –

(i) that at least a period of five years has elapsed since the last surrender; and

(ii) that the provisions of the mining plan including the environment management plan thereof have been complied with .

(2) Every application for the surrender of a part of lease-hold area in accordance with the provisions of sub-rule (1), shall be accompanied by a deposit of two hundred rupees for meeting the expenditure for the purpose of survey and demarcation of the area to be surrendered :

Provided that the lessee shall deposit such further amount, not exceeding two hundred rupees, as may be demanded by the State Government for meeting any additional expenditure for the said purpose within one month from the date of demand of such deposit :

Provided further that where the whole or any part of the amount deposited has not been expended, it shall be refunded to the lessee within two months from date of the completion of the work of survey and demarcation of the area to be surrendered .

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1. Inserted by G.S.R. 329 (E), dated 10.4.2003.

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[1][(3) Upon the issuance of the order by the Regional Controller of Mines or the officer authorized by the State Government in this behalf, as the case may be, under sub-rule (6) of rule 23F of Mineral Conservation and Development Rules, 1988, for forfeiting the sum assured, on non-performance of the measures contained in the approved mine closure plan referred to in sub-rule (1) of rule 23A of Mineral Conservation and Development Rules, 1988 by the lessee, it shall be the responsibility of State Government to realize any letter of credit or bond or any other surety, guarantee provided or obtained as financial assurance for the purpose of performance of protective, reclamation and rehabilitation measures as contained in the approved mine closure plan and shall carry out such measures either by itself, or appoint an agent to do so.]

[2][**29A. Provision for closure. -** (1) The lessee shall not determine the lease or part thereof unless a final mine closure plan duly approved by the Regional Controller or the officer authorized by the State Government in this behalf, as the case may be, is implemented as per the approval.

(2) For the purposes of sub-rule (1), the lessee shall be required to obtain a certificate from the Regional Controller of Mines or officer authorized by the State Government in this behalf, as the case may be, to the effect that protective, reclamation and rehabilitation work in accordance with the approved mine closure plan or with such modifications as approved by the competent authority have been carried out by the lessee.]

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30. Rights of lessee :- Subject to the conditions mentioned in rule 27, the lessee with respect to the land leased to him shall have the right for the purpose of mining operations on that land –

(a) to work the mines;
(b) to sink pits and shafts and construct buildings and roads;
(c) to erect plant and machinery;
(d) to quarry and obtain building and road materials and make bricks;
(e) to use water and take timber;
(f) to use land for stacking purpose;
(g) to do any other thing specified in the lease.

31. Lease to be executed within six months:- (1) Where, on an application for the grant of a mining lease, an order has been made for the grant of such lease,a lease deed in Form K or in a form as near thereto as circumstances of each case may require, shall be executed within six months of the order or within such further period as the State Government may allow in this behalf, and if no such lease deed is executed within the said period due to any default on the part of the applicant, the State Government may revoke the order granting the lease and in that event the application fee shall be forfeited to the State Government.

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1. Inserted by G.S.R. 329 (E), dated 10.4.2003. 2. Ibid

[1][(2) The date of the commencement of the period for which a mining lease is granted shall be the date on which a duly executed deed under sub-rule (1) is registered.]

32. Security deposit :- An applicant for a mining lease, shall before the deed referred to in rule 31 is executed, deposit as security for the due observance of the terms and conditions of the lease [2][ten thousand rupees] .

33. Survey of the area leased :-When a mining lease is granted by the State Government, arrangements shall be made by the State Government at the expense of the lessee for the survey and demarcation of the area granted under the lease .

34. Manner of exercise of preferential rights for mining lease :-

A mining lease to any person who has a preferential right thereto under sub-section (1) of section 11, may at his option, be granted to him either for the whole of the area for which he holds the prospecting licence or such part or parts thereof as he may select but the State Government may for any special reasons to be recorded in writing reduce the area or exclude a portion therefrom.

[3][**35. Preferential rights of certain persons**:- Where two or more persons have applied for a reconnaissance permit or a prospecting licence or a mining lease in respect of the same land, the State Government shall, for the purpose of sub-section(2) of Section 11, consider, besides the matters mentioned in clauses (a) to (d) of sub-section (3) of section 11, the end use of the mineral by the applicant.]

36. Boundaries below the surface :- The boundaries of the area covered by a mining lease shall run vertically downwards below the surface towards the centre of the earth.

37. Transfer of lease :- (1) The lessee shall not, without the previous consent in writing of the State Government and in the case of mining lease in respect of any mineral specified in [4][Part 'A' and Part 'B' of] the First Schedule to the Act, without the previous approval of the Central Government :-

(a) assign, sublet, mortgage, or in any other manner, transfer the mining lease, or any right, title or interest therein, or

(b) enter into or make any [5][bonafide] arrangement, contract, or understanding whereby the lessee will or may be directly or indirectly financed to a substantial extent by, or under which the lessee's operations or undertakings will or may be substantially controlled by, any person or body of persons other than the lessee:

1.Substituted by G.S.R.56 (E), dated 17.1.2000. 2.Ibid. 3.Substituted by G.S.R.56 (E), dated 17.1.2000. 4.Inserted by G.S.R.56 (E), dated 17.1.2000. 5.Ibid.

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(Omitted.)

Provided further that where the mortgagee is an institution or a Bank or a Corporation specified in Schedule V, it shall not be necessary for the lessee to obtain any such consent of the State Government.

(1A) The State Government shall not give its consent to transfer of mining lease unless the transferee has accepted all the conditions and liabilities which the transferor was having in respect of such mining lease.

(2) Without prejudice to the provisions of sub-rule (1) the lessee may, [1][ ] transfer his lease or any right, title or interest therein to a person who has filed an affidavit stating that he has filed an up-to-date income-tax returns, paid the income tax assessed on him and paid the income tax on the basis of self-assessment as provided in the Income Tax Act, 1961(43 of 1961), on payment of a fee of five hundred rupees to the State Government :

Provided that the lessee shall make available to the transferee the original or certified copies of all plans of abandoned workings in the area and in a belt 65 metres wide surrounding it;

Provided further that where the mortgagee is an institution or a Bank or a Corporation specified in Schedule V, it shall not be necessary for any such institution or Bank or Corporation to meet with the requirement relating to income tax;

Provided further that the lessee shall not charge or accept from the transferee any premium in addition to the sum spent by him, in obtaining the lease, and for conducting all or any of the operations referred to in rule 30 in or over the land leased to him.

[2][Omitted.]

(3) The State Government may, by order in writing determine any lease at any time if the lessee has, in the opinion of the State Government, committed a breach of any of the provisions of sub-rule (1) or sub-rule (1A) or has transferred any lease or any right, title, or interest therein otherwise than in accordance with sub-rule (2) :

Provided that no such order shall be made without giving the lessee a reasonable opportunity of stating his case.

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1. Omitted by G.S.R.743 (E), dated 25.9.2000. 2. Omitted by G.S.R.56 (E), dated 17.1.2000

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37A. Transfer of lease to be executed within three months :- Where on an application for transfer of mining lease under rule 37, the State Government have given consent for transfer of such lease, a transfer lease deed in Form O, or a form as near thereto as possible, shall be executed within three months of the date of the consent, or within such further period as the State Government may allow in this behalf.

[1][**38. Amalgamation of leases** :- The State Government may , in the interest of mineral development and with reasons to be recorded in writing, permit amalgamation of two or more adjoining leases held by a lessee :

Provided that the period of amalgamated leases shall be co-terminus with the lease whose period will expire first;

Provided further that prior approval of the Central Government shall be required for such amalgamation in respect of leases for minerals specified in Part 'A' and Part 'B' of the First Schedule to the Act.]

[2][**39. Pending applications for transfer and amalgamation** :- An application for the transfer of a mining lease or the amalgamation of mining leases pending at the commencement of these rules shall be disposed of in accordance with these rules.]

40. Registers :- (1) A register of applications for mining leases shall be maintained by the State Government in Form L.

(2) A register of mining leases shall be maintained by the State Government in Form-M.

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1. Substituted by G.S.R.56 (E), dated 17.1.2000. 2. Ibid.

CHAPTER V

Procedure for obtaining a Prospecting Licence or Mining Lease in respect of Land in which the Minerals vest in a person other than the Government

41. Applicability of this chapter :- The provisions of this chapter shall apply only to the grant of prospecting licences and mining leases in respect of land in which the minerals vest exclusively in a person other than the Government .

42. Restrictions on the grant of prospecting licence and mining lease:-

(1) No prospecting licence or mining lease shall be granted to any person unless he has filed an affidavit stating that he has–

(i) filed up-to-date income tax returns;
(ii) paid the income tax assessed on him, and
(iii) paid the income tax on the basis of self-assessment as provided in the Income Tax Act, 1961 (43 of 1961).

(2) Except with the previous approval of the Central Government, no prospecting licence or mining lease shall be granted in respect of any mineral specified in the First Schedule to the Act.

43. Renewal of prospecting licence :– Omitted.

44. Conditions of prospecting licence : - Every prospecting licence shall be subject to the following conditions :-

(i) the licensee shall pay the grantor such prospecting fee as may be agreed upon, [1][being not less than one rupee and not more than ten rupees] per hectare of the land covered by the licence for each year or a part of the year of the period for which a licence is granted or renewed;

(ii) in the case of minerals other than gold, silver, precious stones or mica, the licensee shall not win or carry away the minerals for commercial purposes :

Provided that the licensee may win or carry away for purposes other than commercial purposes -

(a) any quantity of such minerals within the limits specified in Schedule III without any payment;
(b) any quantity of such minerals exceeding such limits but not exceeding twice such limits, which is won during

1. Substituted by G.S.R.21 (E), dated 11.1.2002

prospecting operations, on payment of royalty for the time being specified in the Second Schedule to the Act in respect of those minerals;

(c) any quantity of limestone not exceeding 500 tonnes for testing its use in any industry specified by the Central Government in this behalf, on payment of royalty for the time being specified in the Second Schedule to the Act in respect of limestone ;

(iii) in the case of gold, silver, precious stones or mica the licensee may carry away any quantity won during the course of prospecting operations on payment of royalty for the time being specified in the Second Schedule to the Act in respect of such mineral;

(iv) such other conditions as may be agreed upon between the parties not being inconsistent with the provisions of the Act or these rules.

45. Conditions of mining lease : - Every mining lease shall be subject to the following conditions :-

(i) the provisions of clauses (b) to (l) and (p) to (u) of sub-rule (1) of rule 27 shall apply to such leases with the modification that in clauses (c) and (d) for the words "State Government " the word "lessor" shall be substituted ;

(ia) mining operations shall be undertaken in accordance with the duly approved mining plan ;

(ii) [1][Omitted.];

(iii) the lease may contain such other conditions, not being inconsistent with the provisions of the Act and these rules, as may be agreed upon between the parties;

(iv) if the lessee makes any default in payment of royalty as required by section 9 or commits a breach of any of the conditions of the lease, the lessor shall give notice to the lessee requiring him to pay the royalty or remedy the breach, as the case may be, within sixty days from the date of the receipt of the notice and if the royalty is not paid or the breach is not remedied within such period, the lessor without prejudice to any proceeding that may be taken against the lessee determine the lease;

(v) the lessee may determine the lease at any time by giving not less than one year's notice in writing to lessor.

1. Omitted by G.S.R. 21 (E), dated 11.1.2002.

46. Transfer or assignment :- (1) No prospecting licence or mining lease or any right, title or interest in such licence or lease shall be transferred to a person unless he has filed an affidavit stating that he has filed an up-to-date income tax return, paid the income tax assessed on him and paid the income tax on the basis of self-assessment as provided in the Income Tax Act, 1961(43 of 1961).

(2) No prospecting licence or mining lease or any right, title or interest in such licence or lease in respect of any mineral specified in the First Schedule to the Act shall be transferred except with the previous approval of the Central Government.

47. Submission of copy of licence or lease : - Every person obtaining a prospecting licence or a mining lease shall, within three months of the grant of such licence or lease, submit to the State Government concerned a certified copy of the licence or lease in duplicate.

48. Communication of transfer or assignment :- Every transferee or assignee of a prospecting licence or a mining lease or of any right, title or interest therein, shall, within one month of such transfer or assignment, inform the State Government of the transfer or assignment and of the terms and conditions of such transfer or assignment.

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49. Prohibition of premium :- No person granting or transferring a prospecting licence or any right, title or interest in any such licence or lease shall charge or pay any premium in addition to, or in lieu of the prospecting fee, surface rent, dead rent or royalty payable under the Act or such proportionate part of such fee, rent or royalty as is payable in respect of such right, title, or interest.

50. Prohibition of working of mines : - If the State Government has reason to believe that the grant or transfer of a prospecting licence or a mining lease or of any right, title or interest in such licence or lease is in contravention of any of the provisions of this chapter, the State Government may, after giving the parties an opportunity to represent their views and with the approval of the Central Government, direct the parties concerned not to undertake any prospecting or mining operations in the area to which the licence or lease relates.

51. Returns and Statements : - The holder of a prospecting licence or a mining lease shall furnish to the State Government such returns and statements and within such period as may be specified by it.

52. Penalty : - (1) If the holder of a prospecting licence or a mining lease or his transferee or assignee fails, without sufficient cause, to furnish the documents or information, or returns referred to in rule 46, rule 47, rule 48, or rule 51, or acts in any manner in contravention of rule 49 or rule 50, he shall be

punishable with imprisonment for a term which may extend to one year or fine which may extend to five thousand rupees or with both.

(2) If any person grants or transfers or obtains a prospecting licence or mining lease or any right, title or interest therein, in contravention of any of the provisions of this chapter, he shall be punishable with imprisonment which may extend to one year or fine which may extend to five thousand rupees or both.

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CHAPTER VI

Grant of Prospecting Licences and Mining Leases in respect of Land in which the Minerals vest partly in the Government and partly in private persons.

53. Chapters III and IV to apply to prospecting licences and mining leases in respect of minerals which vest partly in Government and partly in private persons : - The provisions of chapters III and IV shall apply in relation to the grant of prospecting licences and mining leases in respect of minerals which vest partly in the Government and partly in a private person as they apply in relation to the grant of prospecting licences and mining leases in respect of minerals which vest exclusively in the Government :

Provided that the dead rent and royalty payable in respect of mineral which partly vest in the Government and partly in a private person shall be shared by the Government and by that person in proportion to the shares they have in the minerals.

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CHAPTER VII

Revision

54. Application for revision : - (1) Any person aggrieved by any order made by the State Government or other authority in exercise of the powers conferred on it by the Act or these rules may, within three months of the date of communication of the order to him, apply to the Central Government in triplicate in Form N for revision of the order. The application should be accompanied by a Bank Draft for [1][five thousand rupees] on a nationalised bank in the name of 'Pay and Accounts Officer, Department of Mines' payable at New Delhi or through a treasury challan for [1][five thousand rupees] under the Head of Account - 0853 - Non-ferrous Mining and Metallurgical Industries -102 Mineral Concession Fees, Rents and Royalties :

Provided that any such application may be entertained after the said period of three months if the applicant satisfies the Central Government that he had sufficient cause for not making the application within time.

[2][(1A) Omitted.]

(2) In every application under sub-rule (1) against the order of a State Government refusing to grant a prospecting licence or a mining lease, any person to whom a prospecting licence or mining lease was granted in respect of the same area or for a part thereof, shall be impleaded as party.

(3) Along with the application under sub-rule (1), the applicant shall submit as many copies thereof as there are parties impleaded under sub-rule (2).

(4) On receipt of the application and the copies thereof, the Central Government shall send a copy of the application to each of the parties impleaded under sub-rule (2) specifying a date on or before which he may make his representations, if any, against the revision application.

55. Orders on revision application : - (1) On receipt of an application for revision under rule 54, copies thereof shall be sent to the State Government or other authority and to all the impleaded parties calling upon them to make such comments as they may like to make within three months from the date of issue of the communication, and the State Government or other authority and the impleaded parties, while furnishing comments to the Central Government shall simultaneously endorse a copy of the comments to the other parties.

(2) Comments received from any party under sub-rule (1) shall be sent to the other parties for making such further comments as they may like to make within one month from the date of issue of the communication and the parties

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1. Substituted by G.S.R. 21 (E), dated 11.1.2002. 2.Omitted by G.S.R. 56 (E), dated 17.1.2000.

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making further comments shall send them to all the other parties.

(3) The revision application, the communications containing comments and counter-comments referred to in sub-rule (1) and (2) shall constitute the records of the case.

(4) After considering the records referred to in sub-rule (3), the Central Government may confirm, modify or set aside the order or pass such other order in relation thereto as the Central Government may deem just and proper.

(5) Pending the final disposal of an application for revision, the Central Government may, for sufficient cause, stay the execution of the order against which any revision application has been made.

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CHAPTER VIII

Miscellaneous

56. Power to rectify apparent mistakes: - Any clerical or arithmetical mistake in any order passed by the Government or any other authority or officer under these rules and any error arising therein from accidental slip or omission, may, within two years from the date of the order, be corrected by the Government, authority or officer, as the case may be:

Provided that no order prejudicial to any person shall be passed unless he has been given a reasonable opportunity for stating his case.

57. Copies of licences and leases and annual returns to be supplied to Government : - (1) A copy of every [1][reconnaissance permit, prospecting licence and mining lease] granted or renewed under these rules shall be supplied by each State Government within two months of such grant or renewal to the Controller General, Indian Bureau of Mines and the [2][Director General, Mines Safety].

(2) A consolidated annual return of all [3][reconnaissance permits, prospecting licences and mining leases] granted or renewed under these rules shall also be supplied by each State Government to the Controller General, Indian Bureau of Mines in such form as may be specified by him, not later than the 30th day of June following the year to which the return relates. A copy of such return shall also be supplied by the State Government to the [4][Director General, Mines Safety] at the same time.

(3) Every State Government shall send copies of all returns received by it under sub-rule (1) of rule 19 and clause (i) of sub-rule (1) of rule 27 to the Controller General, Indian Bureau of Mines.

58.Reservation of areas for exploitation in the public sector, etc.;-
(Omitted.)

59. Availability of area for regrant to be notified :- [5][(1) No area –

(a) which was previously held or which is being held under a reconnaissance permit or a prospecting licence or a mining lease ; or

(b) which has been reserved by the Government or any local authority for any purpose other than mining ; or

(c) in respect of which the order granting a permit or licence or lease has been revoked under sub-rule (1) of rule 7A or sub-

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1.Substituted by G.S.R. 56 (E), dated 17.1.2000 2.Ibid. 3.Ibid. 4.Ibid. 5.Ibid.

rule (1) of rule 15 or sub-rule (1) of rule 31, as the case may be; or

(d) in respect of which a notification has been issued under the sub-section (2) or sub-section (4) of section 17; or

(e) which has been reserved by the State Government or under section 17A of the Act;

shall be available for grant unless –

(i) an entry to the effect that the area is available for grant is made in the register referred to in sub-rule (2) of rule 7D or sub-rule (2) of rule 21 or sub-rule (2) of rule 40 as the case may be; and

(ii) the availability of the area for grant is notified in the Official Gazette and specifying a date (being a date not earlier than thirty days from the date of the publication of such notification in the Official Gazette) from which such area shall be available for grant:

Provided that nothing in this rule shall apply to the renewal of a lease in favour of the original lessee or his legal heirs notwithstanding the fact that the lease has already expired :

Provided further that where an area reserved under rule 58 or under section 17A of the Act is proposed to be granted to a Government Company, no notification under clause (ii) shall be required to be issued :

Provided also that where an area held under a reconnaissance permit, or a prospecting licence, as the case may be, is granted in terms of sub-section (1) of section 11, no notification under clause (ii) shall be required to be issued.]

(2) The Central Government may, for reasons to be recorded in writing relax the provisions of sub-rule (1) in any special case.

60. Premature applications :- Applications for the grant of a [1][reconnaissance permit, prospecting licence or mining lease] in respect of areas whose availability for grant is required to be notified under rule 59 shall, if –

(a) no notification has been issued, under that rule; or

[2][(b) where any such notification has been issued, the period specified in the notification has not expired, shall be deemed to be premature and shall not be entertained.]

1.Substituted by G.S.R. 56 (E), dated 17.1.2000 2.Ibid

[1][**61. Lessor to supply certain information to the lessee** :- Where any area has previously been held under a reconnaissance permit or prospecting licence or mining lease, the person who was granted such permit or licence or lease shall make available to the new permit holder or licensee or lessee the original or certified copies of all plans of abandoned workings in that area and in a belt preferably 60 metres surrounding it.]

62. Change of name, nationality, etc. to be intimated :- (1) An applicant for, or the holder of a [2][reconnaissance permit, a prospecting licence or a mining lease] shall intimate to the State Government within sixty days any change that may take place in his name, nationality or other particulars mentioned in the relevant Forms.

[3][(2) If the holder of a reconnaissance permit or a prospecting licence or a mining lease fails, without sufficient cause, to furnish the information referred to in sub-rule (1), the State Government may determine the reconnaissance permit or prospecting licence or mining lease, as the case may be] :

Provided that no such order shall be made without giving the [4][permit holder or the licensee or the lessee], as the case may be, a reasonable opportunity of stating his case.

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63. Previous approval of the Central Government to be obtained through State Government :- Where in any case previous approval of the Central Government is required under the Act or these rules, the application for such approval shall be made to the Central Government through the State Government .

[5][**63A.** The State Government shall dispose of the application for grant of reconnaissance permit, prospecting licence or mining lease in the following period:

a) Reconnaissance Permit - within six months from the date of receipt of the application for reconnaissance permit under rule 4A.

b) Prospecting Licence - within nine months from the date of receipt of the application for prospecting licence under rule 10.

c) Mining Lease - within twelve months from the date of receipt of the application for mining lease under rule 22:

Provided that the aforesaid periods shall be applicable only if the application for reconnaissance permit, prospecting licence or mining lease, as the case may be, is complete in all respects;

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1. Substituted by G.S.R. 56 (E), dated 17.1.2000 2. Ibid. 3. Ibid. 4. Ibid.
5. Inserted by G.S.R. 21 (E), dated 11.1.2002

Provided further that the disposal by the State Government in case of minerals listed in the First Schedule to the Act shall mean either recommendation to the Central Government for grant of the mineral concession, or refusal to grant the mineral concession by the State Government under rule 5 for reconnaissance permit, rule 12 for prospecting licence and rule 26 for mining lease, and in all other cases, disposal shall mean either intimation regarding grant of precise area, or refusal to grant the mineral concession under rule 5 for reconnaissance permit, rule 12 for prospecting licence and rule 26 for mining lease;

Provided also that in case the State Government is not able to dispose of the application for grant of reconnaissance permit, prospecting licence or mining lease within the period as specified above, the reasons for the delay shall be given in writing.]

64. How the fees and deposit to be made :- Any amount payable under the Act or these rules except that payable in respect of revision petition under sub-rule (1) of rule 54, shall be paid in such manner as the State Government may specify in this behalf.

64A. The State Government may, without prejudice to the provisions contained in the Act or any other rule in these rules, charge simple interest at the rate of twenty four percent per annum on any rent, royalty or fee (other than the fee payable under sub-rule (1) of rule 54) or other sum due to that Government under the Act or these rules or under the terms and conditions of any prospecting licence or mining lease from the sixtieth day of the expiry of the date fixed by that Government for payment of such royalty, rent, fee or other sum and until payment of such royalty, rent, fee or other sum is made.

[1][64B.Charging of Royalty in case of minerals subjected to processing:

(1) In case processing of run-of-mine mineral is carried out within the leased area, then , royalty shall be chargeable on the processed mineral removed from the leased area.

(2) In case run-of-mine mineral is removed from the leased area to a processing plant which is located outside the leased area, then, royalty shall be chargeable on the unprocessed run-of-mine mineral and not on the processed product.

64C. Royalty on tailings or rejects :- On removal of tailings or rejects from the leased area for dumping and not for sale or consumption, outside leased area such tailings or rejects shall not be liable for payment of royalty:

1.Inserted by G.S.R. 743 (E), dated 25.9.2000.

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Provided that in case so dumped tailings or rejects are used for sale or consumption on any later date after the date of such dumping, then, such tailings or rejects shall be liable for payment of royalty.]

[1][64 D. Manner of payment of royalty on minerals on ad valorem basis:

(1) Every mine owner, his agent, manager, employee, contractor or sub-lessee shall compute the amount of royalty on minerals where such royalty is charged on ad valorem basis as follows:

(i) for all non-atomic and non fuel minerals sold in the domestic market or consumed in captive plants or exported by the mine owners (other than bauxite and laterite despatched for use in alumina and metallurgical industries, copper, lead, zinc, tin, nickel, gold, silver and minerals specified under Atomic Energy Act), the State-wise sale prices for different minerals as published by Indian Bureau of Mines shall be the sale price for computation of royalty in respect of any mineral produced any time during a month in any mine in that State, and the royalty shall be computed as per the formula given below:

Royalty = Sale price of mineral (grade wise and State-wise) published by IBM X Rate of royalty (in percentage) X Total quantity of mineral grade produced/ dispatched:

Provided that if for a particular mineral, the information for a State for a particular month is not published by the Indian Bureau of Mines, the latest information available for that mineral in the State shall be referred, failing which the latest information for All India for the mineral shall be referred.

(ii) for the grades of minerals produced for captive consumption (other than bauxite and laterite despatched for use in alumina and metallurgical industries, copper, lead, zinc, tin, nickel, gold and silver) and those not despatched for sale in domestic market or export, the sale price published by the Indian Bureau of Mines shall be used as the benchmark price for computation of royalty.

(iii) for primary gold, silver, copper, nickel, tin, lead and zinc, the total contained metal in the ore or concentrate produced during the period for which the royalty is computed and reported in the statutory monthly returns under Mineral Conservation and Development Rules, 1988 or recorded in the books of the mine owners shall be considered for the purposes of computing the royalty in the first place and then the royalty shall be computed as the percentage of the average metal prices published by the Indian Bureau of Mines for primary gold, silver, copper, nickel, tin, lead and zinc during the period of computation of royalty as follows:

1. Substituted by G.S.R 883(E) dated 10.12.2009

Royalty = sale price X rate of royalty in percentage

where sale price = Average price of metal as published by Indian Bureau of Mines during the month X Total contained metal in ore or concentrate produced X Rupee or Dollar exchange rate selling as on the last date of the month of computation of royalty:

Provided that in case of by-product gold and silver the royalty shall be based on the total quantity of metal produced and such royalty shall be calculated as follows:

Royalty = Sale price X rate of royalty in percentage

Explanation - For the purpose of this sub-clause sale price means, average price of metal as published by Indian Bureau of Mines during the month X Total by-product metal actually produced X Rupee or Dollar Exchange rate selling as on the last date of the month of computation of royalty.

(iv) For bauxite or laterite ore despatched for use in alumina and aluminium metal extraction or despatched to alumina or aluminium metal extraction industry within India, the total contained alumina in the bauxite or laterite ore on dry basis produced during the period for which the royalty is computed and reported in the statutory monthly returns under Mineral Conservation and Development Rules, 1988 or recorded in the books of the mine owners shall be considered for the purpose of computing the royalty in the first place and then the royalty shall be computed as the percentage of the average monthly price for the contained aluminium metal in the said alumina content of the ore published by the Indian Bureau of Mines, on the following basis namely:-

Royalty =

52.9 / 100	*X*	*Percentage of Al_2O_3 in the bauxite on dry basis (as reported in the Statutory Monthly return under MCDR)*	*X*	*Average monthly price of aluminium as published by the IBM*	*X*	*Rupee/ dollar exchange rate (selling) as on the last date of the period of the computation of royalty*	*X*	*Rate of royalty (in percentage)*

Provided that for computing the royalty for bauxite or laterite despatched for end use other than alumina and aluminium metal extraction and for exports provisions of this clause shall not apply.

(2) In case of metallic ores based on metal contained in ore and metal prices based on benchmark prices, the royalty shall be charged on dry basis, and the mine owner shall establish suitable facilities for collection of sample and its analysis on dry basis at the mine site."]

65. Facilities for training of students :- (1) Every owner, agent or manager of a mine shall permit students of mining and geological institutions approved by the Central Government to acquire practical training of the mines and plants operated by them and provide all necessary facilities required for the training of such students.

(2) Applications for training from students of institutions teaching mining or geology should be forwarded to the owner, agent or manager of a mine through the Principal or Head of the Institution. Cases of refusal to provide facilities for practical training by any owner, agent or manager of a mine should be referred to the Controller General, Indian Bureau of Mines.

66. Geophysical data to be supplied to the Geological Survey of India and the Department of Atomic Energy :- (1) A [1][permit holder or licensee or lessee] shall furnish -

(a) all geophysical data relating to prospecting/ mining fields or engineering and ground water surveys, such as anomaly maps, sections, plans, structures, contour maps, logging collected by him during the course of [2][reconnaissance or prospecting or mining] operations to the Director General, Geological Survey of India, Calcutta and the Director of Geology and Mining of the State in which the [2][reconnaissance or prospecting or mining] operations are carried on.

(b) all information pertaining to investigations of atomic minerals collected by him during the course of [3][reconnaissance or prospecting or mining] operations to the [4][Director, Atomic Minerals Directorate for Exploration and Research, Hyderabad], and to the Director of Geology and Mining of the State, in which the [3][reconnaissance or prospecting or mining] operations are carried on.

(2) Data or information referred to in sub-rule (1) shall be furnished every year reckoned from the date of commencement of the period of the [5][reconnaissance permit or prospecting licence or mining] lease.

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1. Substituted by G.S.R. 56 (E), dated 17. 1.2000. 2. Ibid.. 3. Ibid. 4. Ibid. 5. Ibid

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66 A. [1][Special provisions relating to atomic minerals: (1) Notwithstanding anything contained in the rules, the prospecting or mining operations in respect of the atomic minerals listed in Part-B of the First Schedule of the Act shall be subject to following conditions:-

(i) if the holder of prospecting licence or mining lease discovers any atomic mineral in the area granted under licence or lease, not specified in the licence or lease, discovery of such mineral shall also be reported to the Director, Atomic Minerals Directorate for Exploration and Research, Hyderabad within 60 days from the date of discovery of such mineral;

(ii) the licensee or lessee shall not win or dispose of such atomic mineral unless such atomic mineral is included in licence or lease or a separate licence or lease for the purpose has been obtained;

(iii) the quantities of atomic minerals recovered incidental to such prospecting / mining operations shall be collected and stacked separately and a report to that effect shall be sent to the Secretary, Department of Atomic Energy, Mumbai and the Director, Atomic Minerals Directorate for Exploration and Research, Hyderabad every three months for such further action by the licensee or lessee as may be directed by the Atomic Minerals Directorate for Exploration and Research or the Department of Atomic Energy.

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(2) The licensee or lessee referred to in sub-rule(1) shall, within the period referred to therein, apply to the Secretary, Department of Atomic Energy, Mumbai through the State Government, for grant of a licence to handle the said atomic minerals under the provisions of the Atomic Energy Act,1962 (33 of 1962) and the Department of Atomic Energy shall intimate the state Government regarding issue of licence:

Provided that if in the opinion of the Department of Atomic Energy the atomic mineral/minerals recovered incidentally to such prospecting/mining operations is not of economically exploitable grade or the quantity found is insignificant, it may advise the State Government to exempt the licensee/lessee from obtaining a separate licence or lease for/or inclusion of the atomic minerals under these Rules.]

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1. Substituted by G.S.R.280(E), dated 5.5.2005

67. Lease period :- Where more than one mineral is found in an area and lease is granted for exploiting two or more minerals, the periods of lease for all minerals shall be co-terminus with that for which the first lease was originally granted.

68. Repeal :- On the commencement of these rules, the Mineral Concession Rules, 1949, shall cease to be in force, except as regards things, done or omitted to be done before such commencement.

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CHAPTER IX

69. Associated minerals :- The following shall be the group of associated minerals for the purposes of section 6 of the Act namely:-

(i) Apatite, Beryl, Cassiterite, Columbite, Emerald, Felspar, Lepidolite, Mica, Pitchblende, Quartz, Samarskite. Scheelite, Topaz, Tantalite, Tourmaline.

(ii) Iron, Manganese, Titanium, Vanadium and Nickel minerals.

(iii) Lead, Zinc, Copper, Cadmium, Arsenic, Antimony, Bismuth, Cobalt, Nickel, Molybdenum and Uranium minerals, and Gold and Silver, Arsenopyrite, Chalcopyrite, Pyrite, Pyrrhotite and Pentlandite.

(iv) Chromium, Osmiridium, Platinum and Nickel minerals

(v) Kyanite, Sillimanite, Corundum, Dumortierite and Topaz.

(vi) Gold, Silver, Tellurium, Selenium and Pyrite.

(vii) Barytes, Fluorite, Chalcocite, Selenium and minerals of Zinc, Lead and Silver.

(viii) Tin and Tungsten minerals.

(ix) Limestone, Dolomite and Magnesite.

(x) Ilmenite, Monazite, Zircon, Rutile, [1][Leucoxene], Garnet and Sillimanite.

(xi) Sulphides of copper and iron.

(xii) Coal, Fireclay and Shale.

(xiii) Magnetite and Apatite.

(xiv) Magnesite and Chromite.

(xv) Talc (Soapstone and Steatite) and Dolomite.

(xvi) Celesite, Phosphatic Nodules, Clay and Gypsum.

1.Inserted by G.S.R. 56 (E), dated 17.1.2000.

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70. Sand not be treated as minor mineral when used for certain purposes : - Sand shall not be treated as a minor mineral when used for any of the following purposes, namely:-

(i) purposes of refractory and manufacture of ceramic;

(ii) metallurgical purposes;

(iii) optical purposes;

(iv) purposes of stowing in coal mines;

(v) for manufacture of silvicrete cement;

(vi) for manufacture of sodium silicate;

(vii) for manufacture of pottery and glass.

71. [1][Omitted.]

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1.. Omitted by G.S.R. 56 (E), dated 17.1.2000.

CHAPTER X

72. Payment of compensation to owner of surface rights etc: - [1][(1) The holder of a reconnaissance permit or prospecting licence or mining lease shall be liable to pay to the occupier of the surface of the land over which he holds the reconnaissance permit or prospecting licence or mining lease, as the case may be, such annual compensation as may be determined by an officer appointed by the State Government by notification in this behalf in the manner provided in sub-rules (2) to (4).]

(2) In the case of agricultural land, the amount of annual compensation shall be worked out on the basis of the average annual net income from the cultivation of similar land for the previous three years.

(3) In the case of non-agricultural land, the amount of annual compensation shall be worked out on the basis of average annual letting value of similar land for the previous three years.

(4) The annual compensation referred to in sub-rule (1) shall be payable on or before such date as may be specified by the State Government in this behalf.

73. Assessment of compensation for damage :- [2][(1) After the termination of a reconnaissance permit or a prospecting licence or a mining lease, the State Government shall assess the damage, if any, done to the land by the reconnaissance or prospecting or mining operations and shall determine the amount of compensation payable by the permit holder or licensee or the lessee as the case may be, to the occupier of the surface land.]

(2) Every such assessment shall be made within a period of one year from the date of termination of the [3][reconnaissance permit or prospecting licence or mining lease] and shall be carried out by an officer appointed by the State Government by notification in this behalf.

74. Issue of notification where prospecting operations are to be undertaken by the Geological Survey of India etc.:- (1) Where a prospecting operation is to be undertaken by the Geological Survey of India, the Indian Bureau of Mines, the Atomic Minerals Division of the Department of Atomic Energy of the Central Government, the Directorate of Mining and Geology of any State Government (by whatever name called), or the Mineral Exploration Corporation Limited, the State Government shall issue a notification in the Official Gazette giving details of the area, and the period for which prospecting operations are to be undertaken.

1.Substituted by G.S.R. 56 (E), dated 17.1.2000.
2.Ibid.
3.Ibid.

(2) The State Government shall not grant any prospecting licence or mining lease to any other person for an area or a part thereof in relation to which a notification has been issued under sub-rule (1).

(3) The State Government may revoke a notification issued under sub-rule (1), if the prospecting operations have been completed before the expiry of the period stated in the notification.

75.Prospecting or mining operation by State Governments:- (1) Where a State Government proposes to undertake prospecting or mining operations of any mineral, it shall issue a notification in the Official Gazette giving details of the area and the period for which such operations are proposed to be undertaken:

[1][Provided that if the State Government fails to undertake prospecting or mining operation within the period mentioned in the notification, the notification so issued shall lapse at the expiry of the said period unless the period is extended by a fresh notification.]

[2][(2) Omitted.]

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1.Inserted by G.S.R. 56 (E), dated 17.1.2000.
2.Omitted by G.S.R. 9 (E), dated 4.1.1999.

SCHEDULE I
[See rule 2(ii)]
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12. Application for Mining Lease	Form I
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18. Model form for transfer of Mining Lease	Form O]
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1. Substituted by G.S.R. No. 56 (E), dated 17.1.2000.
2. Inserted by G.S.R. No. 31 (E), dated 22.1.2001.

[1][FORM A

"To be submitted in quadruplicate"

Received
at.....
(place) on.....
(Date)
Initial of Receiving Officer

GOVERNMENT OF.....

(APPLICATION FOR RECONNAISSANCE PERMIT)
(See rule 4)

Dated day of 20….

To
Through

Sir,

I/We request that a reconnaissance permit under the Mineral Concession Rules, 1960 be granted to me/us.

2. A sum of Rs …….. being the fee in respect of this application at the rate of Rs. 5/- per square kilometre or part thereof payable in accordance with the Mineral Concession Rules, 1960 has been deposited.

3. The required particulars are given below:-

(i) Name of the applicant with complete address.
(ii) Is the applicant a private individual/private company/public company/firm or association?
(iii) In case applicant is:
  (a) an individual, his nationality;
  (b) a company, an attested copy of the certificate of registration of the company shall be enclosed;
  (c) firm or association, the nationality of all the Partners of the firm or members of the association;
(iv) Profession or nature of business of applicant;
(v) No. and date of the valid clearance certificate of payment of mining dues (copy attached);
(vi) If on the date of application the applicant does not hold a reconnaissance permit, it should be stated whether an affidavit to this effect has been furnished to the satisfaction of the State government;

1. Inserted by G.S.R.No.56 (E), dated 17.1.2000.

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(vii) Mineral or minerals which the applicant intends to prospect;
(viii) Period for which the reconnaissance permit is required;
(ix) Extent of the area the applicant wants to prospect;
(x) Details of the area in respect of which reconnaissance permit is required :

District	Taluq	Area

(xi) Particulars of the areas mineral-wise within the jurisdiction of the State Government for which the applicant or any person joint in interest with him;
(a) already holds under reconnaissance permit;
(b) has already applied for but not granted;
(c) being applied for simultaneously.

(xii) Nature of joint interest, if any;
(xiii) If the applicant intends to supervise the works, his previous experience of reconnaissance, prospecting and mining operations should be explained; if he intends to appoint a manager, the name of such manager, his qualifications, nature and extent of his previous experience should be specified and his consent letter should be attached;
(xiv) Financial resources of the applicant;
(xv) Particulars of receipted treasury challan attached for the amount referred to at 2 above;
(xvi) The works proposed to be undertaken alongwith their physical annual targets;
(xvii) The scheme of relinquishment of the area;
(xviii) Anticipated minimum annual expenditure (activity of workwise);
(xix) Any other particulars or sketch map which the applicant wishes to furnish.

I/We do hereby declare that the particulars furnished above are correct and am/are ready to furnish any other details, including accurate plans as may be required by you.

Yours faithfully,

(Signature and designation of the applicant)

Place
Date

*The topographical map of 1" = 1 mile scale [1][or 1 : 50,000] is obtainable from the office of the Survey of India, Hathibarkhala, Dehra Dun.

1. Inserted by G.S.R.No. 743 (E), dated 25.9.2000.

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Detailed plan and topographical map are to be attached in quadruplicate with the original application.

Note : 1. If the application is signed by an authorised agent of the applicant, Power of Attorney should be attached.

2. The application should relate to one compact area only.]

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FORM B

"To be submitted in Triplicate"

Received
at.....
(place) on.....
(Date)
Initial of Receiving Officer

GOVERNMENT OF.....
MODEL FORM
Application for Prospecting Licence
[See rule 9(1)]

Dated day of 20…

To
Through

Sir,

I/We request that a prospecting licence under the Mineral Concession Rules, 1960 be granted to me/us.

2.A sum of Rs……. being the fee in respect of this application at the rate of Rs.50 for the first square kilometre or part thereof and Rs.10 for subsequent square kilometre or part thereof payable in accordance with Schedule II to the Mineral Concession Rules, 1960 has been deposited.

3.The required particulars are given below:-

(i) Name of the applicant with complete address.
(ii) Is the applicant a private individual/private company/public company/firm or association?
(iii) In case applicant is:
  (a) an individual, his nationality,
  (b) a company, an attested copy of the certificate of registration of the company shall be enclosed,
  (c) Omitted,
  (d) firm or association, the nationality of all the partners of the firm or members of the association.
(iv) Profession or nature of business of applicant.
(v) Omitted

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(via) No. and date of the valid clearance certificate of payment of mining dues (copy attached).

(vib) If on the date of application the applicant does not hold a prospecting licence, it should be stated whether an affidavit to this effect has been furnished to the satisfaction of the State Government.

(vii) Mineral or minerals which the applicant intends to prospect.

(viii) Period for which the prospecting licence is required.

(ix) Extent of the area the applicant wants to prospect.

(x) Details of the area in respect of which prospecting licence is required.

District	Taluq	Village	Khasra No.	Plot No.	Area

(X A)(a) Does the applicant have surface rights over the area for which he requires a prospecting licence?

(b) If not, has he obtained the consent of the owner, and the occupier of the land for undertaking prospecting operations. If so, the consent of the owner and the occupier obtained in writing be filed.

(xi) Brief description of the area with Particular reference to the following:

(a) the situation of the area in respect to natural features such as streams etc.

(b) in the case of village, areas, the name of the village and if only a part of the village is applied for, the khasra number, the area in hectares of each field or part thereof applied for.

N.B. - The areas shall cover whole or recognised part survey numbers.

(c) In the case of forest areas, the name of the working circle, the range and the felling series.

(d) For areas where no forest maps or cadestral maps are available, a sketch plan should be submitted on scale showing the area applied for together with boundary, if any, of any other existing mining lease or prospecting licence area if the area applied for has any common point or line with the boundaries of existing prospecting licence or mining lease areas.

(xii) The areas applied for should be marked on plans as detailed below:

(a) In case a cadestral map of the area is available, the area on this map should be marked showing the name of the village, Khasra number and area in hectares of each field and part thereof.

N.B. - The area applied for shall cover whole survey numbers.

(b) In the case of forest maps, the area should be marked on the map showing the range and felling series.

(c) In case neither cadestral nor forest maps are available, the area should be marked on sketch plan drawn to scale showing on this plan all important

surface and natural features, the dimensions of the lines forming the boundary of the area and the bearing and distance of all corner points from any important, prominent and fixed point or points.

(xiii) An affidavit, that the up-to-date income tax returns, as prescribed under the Income Tax Act, 1961, have been filed, and tax due, including the tax on account of self-assessment has been paid.

(xiv) Particulars of the areas mineral-wise within the jurisdiction of the State Government for which the applicant or any person joint in interest with him:

(a) already holds under prospecting licence;

(b) has already applied for but not granted;

(c) being applied for simultaneously.

(xv) Nature of joint in interest, if any.

(xvi) If the applicant intends to supervise the works, his previous experience of prospecting and mining should be explained; If he intends to appoint a manager, the name of such manager, his qualifications, nature and extent of his previous experience should be specified and his consent letter should be attached.

(xvii) Financial resources of the applicant.

(xviii) Particulars of receipted treasury challan attached for the amount referred to at 2 above.

(xix) Any other particulars or sketch map which the Applicant wishes to furnish.

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I/We do hereby declare that the particulars furnished above are correct and am/are ready to furnish any other details, including accurate plans as may be required by you.

Yours faithfully,

(Signature and designation of the applicant)

Place
Date

*The topographical map of 1" = 1 mile scale [1][or 1 : 50,000] is obtainable from the office of the Survey of India, Hathibarkhala, Dehra Dun.

Detailed plan and topographical map are to be, attached in triplicate with the original application in case mineral applied for is a scheduled mineral.

Note 1- If the application is signed by an authorised agent of the applicant, Power of Attorney should be attached.

2. The application should relate to one compact area only.

3. Such large-size map, as may be available.- should be attached for proper demarcation of the areas, specially when the area Applied for is 40 hectares or less.

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1. Inserted by G.S.R.No. 743 (E), dated 25.9.2000.

FORM D

Receipt of Applications for Prospecting Licence/Mining Lease or Renewals
(See rules 10(4) and 23(4)]

Government of Dated

S.No.

Received the application with the following enclosures for a prospecting licence/ mining lease/renewal of prospecting licence/renewal of mining lease of Shri/Sarvashree ……. on ……. 20… for about …… …….. hectare of land located in village/Govt. Forest Taluq …….. District for prospecting/mining ……. mineral/minerals.

Enclosures:

Place
Date

Signature and designation
of Receiving Officer

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[1][FORM D- 1

(Receipt of Application for Reconnaissance Permit)

(See rule 4 – A)

Government of

S.No. Dated

Received the application with the following enclosures for a reconnaissance permit of Shri/Sarvashree ……. on ……20 . . for …….. square kilometres of land located in village/Government Forest Taluq ……. District for reconnaissance of ……mineral/minerals.

Enclosures:

Place
Date

Signature and designation
of the Receiving Officer]

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1. Inserted by G.S.R. 56 (E) dated 17.1.2000.

FORM E

MODEL FORM

"To be submitted in duplicate"

GOVERNMENT OF

Received.....
at …… (Place)
on.....……...(date)
Initial of Receiving Officer

Application for Renewal of
Prospecting Licence
[See rule 9(1)]

Dated Day of 20…

To
Through

Sir,

I/We request for renewal of my/our prospecting licence under the Mineral Concession Rules, 1960.

A sum of Rs…….. being the fee in respect of this application at the rate of Rs.50 for the first square kilometre or part thereof and Rs.10 for subsequent square kilometre or part thereof payable in accordance with Schedule II to the Mineral Concession Rules, 1960 has been deposited.

2.The required particulars are given below:-

(i) Name of the applicant with complete address.

(ii) Is the applicant a private individual/private company/public company/ firm or association?

(iii) In case applicant is:
- (a) an individual, his nationality,
- (b) a company, an attested copy of the certificate of registration of the company shall be enclosed,
- (c) Omitted.
- (d) firm or association, the nationality of all the partners of the firm or members of the association.

(iv) Profession or nature of business of applicant.

(v) & (vi) Omitted

(via) No. and date of the valid clearance certificate of payment of mining dues (copy enclosed).

(vii) An affidavit, that up-to-date income tax returns, as prescribed under the Income Tax Act, 1961, have been filed and the tax due, including the tax on account of self-assessment has been paid.

(viii)
- (a) Particulars of the prospecting licence of which renewal is desired.
- (b) Details of previous renewal/renewals granted, if any.

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(ix) Reasons in detail for asking for renewal of prospecting licence along with a report on the prospecting already done.

(x) Period for which renewal of prospecting licence is desired.

(xi) Whether renewal is desired for the whole or part of the area held under prospecting licence.

(xii) In case the renewal applied for is only for part of the area held under prospecting licence.

(a) the area applied for renewal.

(b) description of the area applied for renewal (description should be adequate for the purposes of demarcating the plot).

(c) particulars of the map of area held under prospecting licence with area applied for renewal clearly marked on it attached.

(xiiA) (a) Does the applicant continue to have he surface rights over the areas of the land for which he requires renewal of the prospecting licence?

(b) If not, has he obtained the consent of the owner and the occupier for undertaking prospecting operations? If so, the consent of the owner and occupier of the land obtained in writing, be filed.

(xiiB) Particulars of the area mineral-wise in each State only supported by an affidavit for which the applicant or any person jointly in interest with him -

(a) already holds under prospecting licence;

(b) has already applied for but not granted; or

(c) being applied for simultaneously.

(xiii) Any other particulars which the applicant may wish to furnish.

I/We do hereby declare that the particulars furnished above are correct and am/are ready to furnish any other details, including accurate plans, as may be required by you.

Yours faithfully,

Place
Date

Signature and designation of
the applicant

N.B.- If the application is signed by an authorised agent of the applicant, Power of Attorney should be attached.

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FORM F

Model Form of Prospecting Licence

[See rule 15(2)]

When the licensee is an individual

THIS INDENTURE made this..... day of..... 20 Between the Governor of ..... /the President of India (hereinafter Referred to as the `State Government' which expression shall where the context so admits be deemed to include his successors and assigns) of the one part and.....
(name of person with Address and occupation) (hereinafter referred to as "the licensee" which expression shall where the context so admits be deemed to include his heirs, executors, administrators, representatives and permitted assigns).

When the licensee are more than one individual.

..... (Name of person with address and occupation) and.....
(Name of person with addresses and occupation) (hereinafter referred to as "the licensees" which expression shall where the context so admits be deemed to include their respective heirs, executors, administrators,representatives and permitted assigns).

When the licensee is a registered firm

….....
(Name and address of partner) son of ……..... . of..... .....son of.....…… of….....son of.. . of.....all carrying on business in partnership under the firm name and style of (name of the firm) registered under the Indian Partnership Act, 1932 (9 of 1932) and having their registered office at.....in the town of.....(hereinafter referred To as "the licensees" which expression shall where the context so admits be deemed to include all the said partners, their respective heirs, executors, legal representatives and permitted assigns).

When the licensee is a registered company

……..... ..... (Name of company) a company registered under..... ..... (Act under which incorporated) and having its registered office at.....(Address) (hereinafter is a referred to as "the licensee" which expression shall where the context so admits be deemed to include its successors and permitted assigns) of the other part.

WHEREAS the licensee/licensees has/have applied to the State Government in accordance with the Mineral Concession Rules, 1960 (hereinafter referred to as the said Rules) for a licence to prospect for..... in the land specified in Schedule `A' hereunder written and delineated in the plan herewith annexed (hereinafter referred to as the said lands) and has/have deposited with the State Government Rs..... as the prescribed security in respect of such licence and has/have paid to the State Government the sum of Rs……. as the prescribed prospecting fee for..... months/ years in advance in respect of such licence and WHEREAS there is no objection to the grant of such licence [1/]and WHEREAS the Central Government has approved the grant of this licence NOW THESE PRESENTS WITNESS as follows:

PART-I

In consideration of the fee, royalties, covenants, and agreements hereinafter reserved and contained and on the part of the licensee/licensees to be paid observed and performed the State Government hereby grants and demises into the licensee/licensees the sole rights and licence.

To enter upon the lands and to search for, win or carry away and dispose of minerals won.

(1) To enter upon the said lands and to search for by quarrying,boring and digging or otherwise all or any.....(Name of minerals) lying or being within under or throughout the said lands;

(2) in the case of minerals other than gold, silver, precious stones or mica, this licence shall not confer upon the licensee a right to win or carry away the minerals for commercial purposes:

Provided that the licensees may win and carry away for purposes Other than commercial purposes-

(a) any quantity of such minerals within the limits specified in Schedule III of the Mineral Concession Rules, 1960, without any payment;

(b) any quantity of such minerals exceeding such limits but not exceeding twice such limits, which is won during prospecting operations on payment of royalty for the time being specified in the Second Schedule to the Act in respect of those minerals;

(c) any quantity of limestone not exceeding 500 (tonnes) for testing its use in any industry specified by the Central Government in this behalf, on payments of royalty for the time being specified in the Second Schedule to the Act in respect of limestone;

(d) With the written approval of the State Government, the licensee may carry away quantities of minerals in excess of twice the limit specified in the Schedule III on payment of royalty for the time being specified in the Second schedule to the Act, for chemical, metallurgical, ore-dressing and other test purposes;

1/ In case of "specified" minerals only.

To clear undergrowth and brushwood, etc.

(3) Subject to the provisions of clauses 5 and 6 of Part II of these presents for the purpose aforesaid to clear undergrowth and brushwood and trees with the sanction of the Deputy Commissioner/Collector previously obtained in writing, to make and use any drains or water courses on the said lands for purposes as may be necessary for effectually carrying on the prospecting operations and for the workmen employed thereon and with the like sanction to use any water provided always that such use shall not diminish or interfere with the supply of water to which any cultivated land, building or watering place, for livestock has heretofore been accustomed and streams, springs or well shall be fouled or polluted by any such use or the operations hereby licensed.

To bring upon and erect machinery etc. on the said lands

(4) To erect and bring upon the said lands all such temporary huts, sheds and structures steam sand other engine machinery and conveniences, chattels and effects as shall be proper and necessary for effectually carrying on the prospecting operations hereby licensed or for the workmen employment thereon.

RESERVED nevertheless to the State Government full power and liberty at all times to enter into and upon and to grant or demise to any person or persons whomsoever liberty to enter into and upon the said lands for all or any purposes other than those for which sole rights and licence are hereby expressly conferred upon the licensee/licensees and particularly (and without hereby in any way qualifying such general power and liberty)to make on, over or through the said lands such roads, tramways and ropeways as shall be considered necessary or expedient for any purposes and to obtain from and out of the said lands such stone, earth or other materials as may be necessary or requisits for making, repairing or maintaining such roads, tramways, railways and ropeways to pass and repass at all times over and along such roads, tramways, railways and ropeways for all purposes and as occasion shall require.

To hold the said right and licence unto the licensee/licensees from the date of these presents for the term of (hereinafter referred to as the said term).

Paying therefor annually in advance a sum of Rs..... being the prospecting fee for each year or portion of a year and immediately on the expiration of sooner determination of the said term clear of all fees, rates, taxes, charges, deductions and royalty at the rates specified in Schedules `B' and 'C' hereunder written on the minerals won and carried away by the licensee/licensees during the said terms.

PART-II
Covenants by Licensee/Licensees

The licensee/licensees hereby covenants/covenant with the State Government as follows:-

Payment and rates of royalty

(1) To pay royalty to the State Government at such rates and at such time as are specified in Schedule `C' hereunder written provided that the licensee/licensees shall be entitled to carry away free of royalty not more than..... for experimental purposes.

Payment of prospecting fee

(2) To pay annually in *advance* a prospecting fee in respect of ensuing year or part of the year at such rates and time as are specified in Schedule `B' hereunder written.

To Carry on work in workman-like manner

(3) To work and carry on the operations hereby licensed in a fair orderly skilful and workman-like manner and with as little damage as may be to the surface of the lands and to trees, crops, buildings structures and other property thereon.

Maintenance of correct accounts

(4) Licensee/licensees shall maintain a correct and faithful account of all the expenses incurred by him/them on prospecting operations and also the quantity and other particulars of all minerals obtained during such operations and their despatch.

No mining operations within 50 metres of public work, etc.

(5) The licensee/licensees shall not work or carry on or allow to be worked or carried on any prospecting operations at or to any points within a distance of 50 metres from any railway line except with the previous written permission of the Railway Administration concerned or from any reservoir, canal or other public works such as public roads and buildings or inhabited site except with the previous written permission of the Deputy commissioner/Collector or any other Officer authorised by the State Government in this behalf and otherwise than in accordance with such instructions, restrictions and conditions either general or special which may be attached to such permission. The said distance of 50 metres shall be measured in the case of railway line, reservoir or canal horizontally from the outer toe of edge bank or the outer edge of the cutting as the case may be and in case of a building horizontally from the plinth thereof. In the case of village roads no workings shall be carried on within a distance of 10 metres of the outer edge of the cutting except with the previous written permission of the Deputy Commissioner/Collector or any other officer duly authorised by the State Government in this behalf and otherwise than in accordance with such directions, restrictions and additions, either general or special, which may be attached to such permission.

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Explanation : For the purposes of this clause the expression `Railways Administration' shall have the same meaning as it is defined to have in the Indian Railways Act, 1890, by clause (6) of section 3 of that Act. `Public Road' shall mean a road which has been constructed by artificially surfaced as distinct from a tract resulting form repeated use. Village road will include any track shown in the Revenue records a village road.

Not to cut or injure trees in reserved forest, etc. without previous permission.

(6) Not to cut or injure any timber or tree on any unoccupied or unreserved land without the written permission of the Deputy Commissioner/Collector nor without such permission disturb the surface of any road or enter upon any public pleasure ground, burning or burial ground or any place held sacred by any claws of persons or Interfere with any right of way, well or tank.

(7) [1] Not to enter upon any land in the occupation of any person without the consent of the occupier nor to cut or in any way injure any trees, standing crops, buildings buts, structures or other property of any kind, occupier of any land or any other person without the written consent at such owner, occupier or person.

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Not to commence work in reserved forest without previous permission.

(8) Not to enter upon or commence prospecting in any protected or reserved forest situated upon the lands without obtaining the written sanction of the District Forest Officer nor otherwise than in accordance with such conditions as may be prescribed in such sanction.

Indemnify Government against all claims.

(9) To make reasonable satisfaction and pay such compensation as may be assessed by lawful authority in accordance with the law in force on the subject for all damage, injury, or disturbance which may be done by him in exercise of the powers granted by this licence and to indemnify and keep indemnified fully and completely the State Government against all claims which may be by any person or persons in respect of any such damage, injury or disturbance and all costs and expanses in connection therewith.

(9A) To pay a wage not less than the minimum wage prescribed by the Central or State Government from time to time.

(9B) To comply with the provisions of the Mines Act, 1952.

(9C) To take measures, at his own expense, for the protection of environment like planting of trees, reclamation of mined land, use of pollution-control devices, and such other measures as may be prescribed by the Central or State Government from time to time.

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1. This clause should be suitably modified if it be not in accordance with the provision of local land.

(9D) To pay compensation to the occupier of the surface of the land on the date and in the manner laid down in these rules.

Forfeiture of security deposits, etc.

(10) Whenever the security deposit of Rs..... or any part thereof or any further sum hereafter deposited with the State Government in replenishment thereof shall be forfeited or applied by the State/Central Government. Pursuant to the power hereinafter declared in that behalf the licensee/licensees shall forthwith deposit with the State Government such further sum as may be sufficient with the unappropriated part thereof to bring the amount in deposit with the State Government up to the sum of Rs.....

Licensee not to be Controlled by trust, syndicate, etc.

(11) The licensee/licensees shall not be controlled or permit himself/themselves to be controlled by any trust, syndicate, corporation, firm or person except with the written consent of the State Government which will be given only after obtaining the prior approval of the Central Government in cases where prospecting licence executed is in respect of minerals included in the First Schedule to the Act.

Report of accident

(12) The licensee/licensees without delay send to the Deputy Commissioner/Collector a report of any accident causing death or serious bodily injury or serious injury to property or seriously affecting or endangering life or property which may occur in the course of the operations under this licence.

Section 18 of the Act 67 of 1957

(13) The licensee/licensees shall be bound by such rules as may be issued by the Central Government under section 18 of the Mines and Minerals (Regulation and Development) Act, 1957 (67 of 1957) and shall not carry on prospecting or other operations under the said licence in any way other than as prescribed under these rules.

To provide for weighing or measurement of material won

(14) At such times and occasions as may be required the licensee/licensees shall well and truly measure or weigh or cause to be measured or weighed upon some part of the said lands all minerals from time to time won from the said lands by the licensee/licensees and all such minerals as may require to be measured or weighed for the purpose of ascertaining the royalty payable under these presents shall be so measured or weighed. The licensee/licensees agrees/agree not to take away from the said lands any minerals so won until the same shall have been measured or weighed as the case may be. The licensee/licensees further agrees/agree to give..... days previous notice in writing to the Deputy Commissioner/Collector of every such measuring or weighing in order that he or some person on his behalf may be present thereat.

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Plugging of bore holes, fencing, etc., and restoring the surface of land after determination of abandonment.

(15) Save in the case of land over which the licensee/licensees shall have been granted a mining lease, on or before the expiration or sooner determination of the licence, he shall within six months next after the expiration or sooner determination of the licence or date of abandonment of the undertaking, whichever shall first occur, securely plug any bore or hole and fill up or fence any holes or excavations that may have been made in the lands to such an extent as may be required by the Deputy Commissioner/Collector concerned and shall to a like extent restore the surface of the land and all buildings there on which may have been damaged or destroyed in the course of prospecting provided that licensee/licensees shall not be required to restore the surface of the land, or any building in respect of which full and proper compensation has already been paid.

Removal of machinery, etc. after expiration, determination of abandonment.

(16) Upon the expiration or sooner determination of this licence or the abandonment of the operations hereby licensed, whichever shall first occur, the licensee/licensees shall remove expeditiously at his/their own cost all buildings, structures, plant, engines machinery, implements, utensils and other property and effects theretofore, erected or brought by the licensee/licensees and then standing or being upon the said lands and also all minerals theretofore won by the licensee/licensees under the authority of these presents and then being upon the said lands PROVIDED that this covenant shall not apply to any part of the said lands which may be comprised in any mining lease granted to the licensee/licensees during the subsistence of this licence.

Report of work done before the refund of security deposits

(17) At any time before the said security deposit is returned to him/them or transferred to any other account or (within one month after the expiration or sooner determination of the licence or abandonment of the operations whichever is earlier, the licensee/licensees shall submit to the State Government confidentially a full report of the work done by him/them and disclose all information acquired by him them in the course of the operations carried on under this licence regarding the geology and mineral resources of the area covered by the licence.

Report of information obtained by Licensee;

(17A)(1) The licensee shall submit to State Government :

(a) a quarterly report of the work done by him stating the number of persons engaged and disclosing in full the geological, geophysical, or other valuable data collected by him during the period. The report shall be submitted within three months of the close of the period to which it relates;

(b) within three months of the expiry of the licence, or abandonment of operations or termination of the licence, whichever is earlier, a full report

of the work done by him and all information relevant to mineral resources acquired by him in the course of prospecting operations in the area covered by the licence.

(2) While submitting reports under clause (1), the licensee may specify that the whole or any part of the report or data submitted by him shall be kept confidential and the State Government shall thereupon keep the specified portions as confidential for a period of two years from the expiry of the licence, or abandonment of operations or termination of the licence, whichever is earlier.

Employment of foreign nationals

(18) the licensee/licensees shall not employ, in connection with the prospecting operation any person who is not an Indian National except with the previous approval of the Central Government.

Furnishing of Geophysical data

(19) The licensee/licensees shall furnish :

(a) all geophysical data relating to prospecting or engineering and ground water surveys, such as anomaly maps, sections, plans, structures, contour maps, logging, collected by him/them during the course of prospecting operations to the Director General, Geological Survey of India, Calcutta;

(b) all information pertaining to investigations of radio active minerals collected by him/them during the course of prospecting operations to the Secretary to the Department of Atomic Energy, New Delhi.

Data or information referred to above shall be furnished every year reckoned from the date of commencement of the period of the prospecting licence.

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PART-III
Powers of the government

It is hereby agreed as follows;-

Cancellation of the licence and forfeiture of the deposit in case breach of conditions

(1) In the case of any breach of the condition of the licence/licences or his transferees or assignees, the State Government shall give a reasonable opportunity to the licensee/licensees of stating him/their case and where it is satisfied that the breach is such as cannot be remedied, on giving thirty days notice to the licensee/licensees or his transferees or assignees, determine the licence and or forfeit the whole or any part of the said deposit of Rs..... deposited under the covenants in that behalf as the State Government may deem fit. In case the State Government

considers the breach to be of a remediable nature, it shall give notice to the licensee/licensees or his transferees or assignees as the case may be requiring him/them to remedy the breach within thirty days from the date of receipt of the notice informing him of the penalty proposed to be inflicted if such remedy is not made within such period.

Application of security to payment of compensation

(2) The State Government may from time to time appropriate and apply the said deposit of Rs…….. or any part thereof or any further sum deposited under any covenants in that behalf hereinbefore contained in or towards payment or satisfaction of any claims to compensation which the Government has or may have against the licensee/licensees and/or which may be made by any person or persons against the licensee/licensees and or the State Government in respect of_any damage or injury done by the licensee/licensees in exercise of any of the powers conferred by this licence and in or towards payment of any damages, costs or expenses which may become payable as the result of or in connection with any suits or proceedings which may be instituted against the State Government in respect of any such damage or injury and also in or towards payment of the expense of the carrying out or performance of any works or matters which the licensee/licensees shall fail to carry out or perform after the expiry or sooner determination of this licence or the abandonment of the operations hereby licensed in accordance with the covenants in that behalf hereinbefore contained or in payment or satisfaction of any such claims, damages, costs and expenses.

When the properties of licensee are not removed from the lands in time

(3) If any buildings, structures, plants, engines, machinery implements utensils or other property or effects or any minerals which ought to be removed by the licensee/licensees from the said lands, in accordance with the covenant in that behalf hereinbefore contained be not so removed within one calendar month after notice in writing requiring their removal shall have been given to the licensee/licensees by the State Government, the same shall be deemed to become the property of the State Government and may be sold or disposed of for the benefit of the State Government in such manner as the State Government shall deem fit, without any liability to pay any compensation to account to licensee/licensees in respect thereof.

Licensee/licensees to pay for work done on his behalf

(4) If any of the works or matters which in accordance with the covenants in that behalf hereinbefore contained are to be carried out or performed by the licensee/licensees, be not so carried out or performed within the time specified In that behalf, the State Government may cause the same to be carried out or performed and the licensee/licensees shall pay the State Government on demand all expenses which shall be incurred in such carrying out or performance of the same.

Right of pre-emption

(5) (a) The State Government shall from time to time and at all times during the said term have the right (to be exercised by notice in writing to the

licensee/licensees) of pre-emption of the said minerals (and/all products thereof) lying in or upon the said lands or elsewhere under the control of the licensee/licensees and the licensee/licensees shall with all possible expedition deliver all minerals or products or minerals purchased by the State Government under the power conferred by this provision in the quantities at the time in the manner and at the place specified in the notice exercising the said right.

(b) Should the right of pre-emption conferred by this present provision be exercised and a vessel chartered to carry the minerals or products thereof procured on behalf of the State Government or the Central Government be detained on demurrage at the port of loading, the licensee/licensees shall pay the amount due for demurrage according to the terms of the charter party of such vessel unless the State Government shall be satisfied that the delay issue to cause beyond the control of the licensee/licensees.

(c) The price to be paid for all minerals or products of minerals taken in pre-emption by the State Government in exercise of the right hereby conferred shall be the fair market prevailing at the time of pre-emption, PROVIDED THAT in order to assist in arriving at the said fair market price the licensee/licensees shall it so required furnish to the State Government for the confidential information of the Government, particulars of the quantities, descriptions and prices of the said mineral or products thereof sold to other customers and of charters entered into for freight for carriage of the two and shall produce such to officer or officers as may be directed by the State Government original or authenticated copies of contracts and charter parties entered into for the sale of freightage of such minerals or products.

(d) In the event of the existence of a state of war or emergency (of which existence the President of India shall be the sole judge and a notification to this effect in the Gazette of India shall be conclusive proof) the State Government with the consent of the Central Government shall from time to time and at all times during the said term have the right (to be exercised by a notice in writing to the licensee/licensees) forthwith take possession and control of the works, plant, machinery and premises of the licensee/licensees on or in connection with the said lands or the operations under this licence and during such possession or control, the licensee/licensees shall conform to and obey all directions given by or on behalf of the Central or State Government regarding the use of employment of such works, plants, premises and minerals, PROVIDED THAT fair compensation, which shall be determined in default of agreement by the State Government shall be paid to the licensee/licensees for all loss or damage sustained by him/them by reason or in consequence of the exercises of the powers conferred by this clause and PROVIDED ALSO that the exercise of such power shall not determine the said term hereby granted or affect the terms and provisions of

these presents further than may be necessary to give effect to the provisions of this clause.

PART-IV
Rights of licensee/licensees

It is hereby further agreed as follows:-

Transfer of licence and fee payable

(1) During the subsistence of this licence or of any renewal thereof the licensee/licensees may, with the previous sanction of the State Government, transfer his/their licence or any right, title or interest therein to a person who has filed an affidavit stating that he has filed up-to-date income tax returns, paid income tax assessed on him and paid the income tax on the basis of self-assessment as provided in the Income Tax Act, 1961 (43 of 1961), on payment of a fee of five hundred rupees. Provided that the State Government shall, not give its sanction unless -

(i) the licensee has furnished an affidavit along with his application for transfer of the prospecting licence specifying therein the amount that he has already taken or propose to take as consideration from the transferee;

(ii) the transfer of the prospecting licence is to be made to a person or body directly undertaking prospecting operations.

Renewal of Prospecting Licence

(2) If the licensee/licensees be desirous of taking a renewed licence of the premises hereby demised or of any parts of that for a further term from the expiration of the term hereby granted and is otherwise eligible, he/they shall apply to the State Government for renewal at least prior to the date of expiration of the term of licence under these convenants and shall pay the rents and royalties hereby reserved and shall observe and perform the several covenants and agreements herein contained and on the part of licensee/licensees to he observed and performed up to the expiration of the term hereby granted. The State Government on receipt of the application for renewal shall consider it in accordance with relevant sections of the Act and relevant rules of the Mineral Concession Rules, 1960 and shall pass such orders as it may deem fit. If renewal is granted the State Government will at the expense of the licensee/licensees and upon his/their executing and delivering to the State Government, if required, the counterpart thereof, execute and deliver to the licensee/licensees the renewed licence of the said premises or part thereof for a further term of..... years at such rates of royalty and on such terms and subject to such rates and royalties and on such terms and subject to such convenants and agreements including this present covenant be renewed and shall in accordance with the Mineral Concession Rules, 1960 applicable.....
(names of minerals) on the day next following the expiration of the term hereby granted.

Preferential right of the licensee/licensees for obtaining mining Lease

(3) On or before the determination of the licence or any renewal thereof, the licensee/licensees shall have a preferential right for obtaining a mining lease in respect of whole or part of that land over any other person, provided that the State Government is satisfied that the licensee/licensees has/have not committed any breach of the terms and conditions of the prospecting licence, [has undertaken prospecting operations to establish mineral resources in such land] and is otherwise a fit person for being granted the mining lease.

(3-A) If an application for renewal of the prospecting licence made in accordance with the rules is not disposed of by the State Government before the expiry of the licence, the licence shall be deemed to have been renewed for a period [not exceeding the period prescribed for the renewal of prospecting licence under sub-section (2) of section 7 of the Act or the period for which the application is made, whichever is less.

Extension of period of prospecting licence

(4) If the licensee/licensees before the determination of this licence or of any renewal thereof applies/apply for the grant of a mining lease over the whole or any part of the said lands, the period of this licence shall be further extended over that part of the said lands, until his application for mining lease is disposed of or deemed to have been refused under sub-rule (1) or sub-rule (3), as the case may be, of rule 24 of the Mineral Concession Rules, 1960, or any other law in force. No fee shall be payable in respect of any period so extended.

Refund of deposit

(5) On such date within six calendar months after the determination of this licence or of any renewal thereof, as the State Government shall elect after compliance by the licensee/licensees of rule 16 of Mineral Concession Rules, 1960, the amount then remaining in deposit with the State Government and not required to be applied to any of the purposes in Part III of these presents mentioned, shall be refunded to the licensee/licensees or if the licensee/licensees shall have obtained a mining lease over the said lands or any portion thereof, be retained at the credit of the licensee/licensees on account of the fees, rents and royalties to become payable under such lease. The amount shall in no case carry any interest whatsoever.

PART-V
General Provisions

It is lastly agreed as follows:-

Acquisition of land and compensation thereof

(1) If after the receipt of an offer of compensation for any damage which is likely to arise from the proposed operation of the licensee/licensees, the occupier of the surface of any part of the said lands shall refuse his consent to the exercise of the rights and powers reserved to

the State Government and granted by this licence, the licensee/licensees shall report the matter to the State Government and shall deposit with it the amount offered as compensation and if the State Government is satisfied that the amount of compensation is reasonable or if it is not so satisfied and the licensee/licensees shall have deposited with it such further amount as the State Government may consider reasonable, the State Government shall order the occupier to allow the licensee/licensees to enter upon the said land and carry out such operations as may be necessary for the purpose of the licence. In assessing the amount of such compensation the State Government shall he guided by the principles of the Land Acquisition Act.

Delay in fulfilment of the term of licence due to force majeure

(2) Failure on the part of the licensee/licensees to fulfil any of the terms and conditions of this licence shall not give the State Government any claim against him/them or be deemed a breach of the licence in so far as such failure is considered by the State Government to arise from force majeure. If the fulfilment of the licensee/licensees of any of the terms and conditions of this licence be delayed from force majeure, the period of such delay shall be added to the period fixed by this licence.

The expression force majeure means act of God, war, insurrection,riot, civil commotion, strike, tide tidal wave, storm, flood, lightning, explosion, fire, earthquake and any other happening which the licensee/licensees could not reasonably prevent or control.

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Service of notices

(3) Every notice required to be given to the licensee/licensees shall be given in writing to such person as the licensee/licensees may appoint for the purpose of receiving such notices or if no such appointment is made then the notice shall be sent to the licensee/licensees by registered post addressed to him/them at the address shown in his/their application for the licence or at such other address in India as he/they designate from time to time and every such service shall be deemed to be proper and valid service upon the licensee/licensees and shall not be questioned or challenged by him.

Discovery of new *minerals*

(4) The licensee shall report to the State Government the discovery of any mineral not specified in the licence within a period of sixty days from the date of such discovery and shall not undertake any prospecting operations in respect of such mineral unless such mineral is included in the licence.

Immunity of State Government from liability to pay compensation

(5) If in any event the orders of the State Government are revised, reviewed or cancelled by the Central Government in pursuance of proceedings under Chapter VII of the Mineral Concession Rules, 1960, the licensee/licensees shall not be entitled to compensation for any loss sustained by the licensee/licensees in exercise of the powers and privileges conferred upon him/them by these presents.

(6) The licence deed is executed at the Capital of the State of …….. (Name of the State) and subject to the provision of article 226 of the Constitution of India it is hereby agreed upon by the licensee and the State Government that in the event of any dispute in relation to the area under prospecting licence, condition of the licence deed and in respect of all matters touching the relationship of the licensee and the State Government, suits of petitions shall be filed in civil courts at ……(name of the city) and it is hereby expressly agreed that neither party shall file a suit or appeal or bring any actions at any place other than the courts named above.

IN WITNESS WHEREOF these presents have been executed in the manner hereunder appearing the day and year first above written.

SCHEDULE A
The land covered by the licence

(Here insert the description of lands with area, boundaries, names of District, Sub-Division, Thana, etc. and cadastral survey numbers, if any. In case a map is attached, refer the map in the description to be inserted.)

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SCHEDULE B
Prospecting Fee

(Here specify the amount of the prospecting fee and the manner and time of payment)

SCHEDULE C
Royalty

1. Rates of royalty on minerals shall be in accordance with the Second Schedule of the Act.

2. (a) Here insert the mode of arriving at sale prices at pits mouth of mineral/ minerals.

   (b) The manner and time of payment of royalty

[1][FORM F -1

(RECONNAISSANCE PERMIT DEED)

(See rule 7A)

When the permit holder is individual

THIS INDENTURE made this..... …day of……..... 20 between the Governor of ..... /the President of India (hereinafter referred to as the `State Government' which expression shall where the context so admits be deemed to include his successors and assigns) of the one part and..... and ……. (name of person with address and occupation) (hereinafter referred to as "the permit holder" which expression shall where the context so admits be deemed to include his heirs, executors, administrators, representatives and permitted assigns).

When the permit holders are more than one individual

……. ……..... (Name of person with address and occupation) and…….....(Name of person with addresses and occupation) (hereinafter referred to as "the permit holders" which expression shall where the context so admits be deemed to include their respective heirs, executors, administrators, representatives and their permitted assigns).

When the permit holder is A registered firm

. .....…….. (Name and address of partner) son of ……..... . of..... .....…….. … ……son of.....……...of.....……. ……..son of…… of...……. all carrying on business in partnership under the firm name and style of (name of the firm) …… registered under the Indian Partnership Act, 1932 (9 of 1932) and having their registered office at.....…..in the town of ..... …. (hereinafter referred to as `the permit holder' which expression shall where the context so admits be deemed to include all the said partners, their respective heirs, executors, legal representatives and permitted assigns).

When the permit holder is a registered company.

.... …….. (Name of company) a company registered under.....……...Act under which incorporated) and having its registered office at...…..... …….(Address) (hereinafter referred to as "the permit

1 Inserted by G.S.R. No. 56 (E), dated 17.1.2000.

holder" which expression shall where the context so admits be deemed to include its successors and permitted assigns) of the other part.

WHEREAS the permit holder/holders has/have applied to the State Government in accordance with the Mineral Concession Rules, 1960 (hereinafter referred to as the said Rules) for a reconnaissance permit to prospect for..... in the land specified in Schedule `A' hereunder written and delineated in the plan herewith annexed (hereinafter referred to as the said lands) and has/have deposited with the State Government Rs..... as the prescribed security according to rule 7B in respect of such permit and has/have paid to the State Government the sum of Rs…….. as the prescribed permit fee for..... months/ years in advance in respect of such permit and WHEREAS there is no objection to the grant of such permit and WHEREAS the Central Government has approved the grant of this permit. NOW THESE PRESENTS WITNESS as follows:

PART-I

In consideration of the fee, covenants and agreements hereinafter reserved and contained
and on the part of the permit holder(s) to be paid, observed and performed, the State Government hereby grants the reconnaissance permit and demises into the permit holder(s) the rights.

(1) To enter upon or fly over the lands and undertake reconnaissance operations :

To enter upon or fly over the said lands and to undertake reconnaissance operations to search for all, or any..... (Name of minerals) lying, or being within, under or throughout the said land :

Provided that :

the permit holder shall not enter any forest land or any private land without obtaining permission of the forest department or the owner of the private land, as the case may be;

the permit holder shall not fly over the said land unless all necessary clearances from the Defence and Home Ministries, Govt. of India and the Director General, Civil Aviation, Government of India have been obtained for undertaking aerial surveys.

(2) *To use water and clear undergrowth and brush wood etc.:*

Subject to the provisions of clause (1) to make and use any drains or water, grounds on the said land for purposes as may be necessary for effectively carrying on the reconnaissance operations and to the workers employed therein and to use water provided always that such use shall not diminish or interfere with the supply of water to

which any cultivated land, village, building or watering place for livestock has heretofore been accustomed and that no streams, springs or well shall be fouled or polluted nor any trees cut or injured by any such use or the reconnaissance operations hereby permitted.

(3) *To bring upon machinery etc. :*

To bring upon the said lands such machinery, equipment and conveniences as may be proper and necessary for effectively carrying on the reconnaissance operations hereby permitted or for the workmen employed thereon.

Reserved nevertheless to the State Government full power and liberty at all times to enter into and upon the said lands for all or any purposes other than those for which sole rights and permit hereby expressly conferred upon .

To hold the said right and permit unto the permit holder(s) from the date of these presents for the term of …… (hereinafter referred as the said term).

Paying therefor annually in advance a sum of Rs..... being the permit fee for each year or portion of a year as specified in Schedule B and immediately on the expiration or sooner determination of the said term clear of all fees, rates, taxes, charges and deductions by the permit holder(s) during the said terms.

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PART-II

Covenants by Permit holder(s)

The Permit holder(s) hereby covenants/covenant with the State Government as follows:-

Payment of permit fee:

(1) To pay annually in advance a permit fee in respect of ensuing year or part of the year at such rates and time as are specified in Schedule `B' hereunder written.

To carry on work in workman-like manner:

(2) To work and carry on the operations hereby permitted in a fair, orderly, skilful and workman-like manner and with as little damage as may be to the surface of the lands and to trees, crops, buildings structures and other property thereon.

Maintenance of correct accounts :

(3) Permit holder(s) shall maintain an accurate and faithful account of all the expenses incurred by him/them on reconnaissance and also the quantity and other particulars of all samples obtained during such operations and their despatch.

Not to cut or injure trees or disturb public places without previous permission :

(4) Not to cut or injure any timber or tree on any unoccupied or unreserved land without the written permission of the Deputy Commissioner/Collector nor without such permission disturb the surface of any road or enter upon any public pleasure ground, burning or burial ground or any place held sacred by any class of persons or interfere with any right of way, well or tank.

(5) Not to enter upon any land in the occupation of any person without the consent of the occupier nor to cut or in any way injure any trees, standing crops, buildings, huts, structures or other property of any kind of the occupier of any land or any other person without the written consent of such owner, occupier or person.

Not to commence work in forest lands without previous permission :

(6) Not to enter upon or commence reconnaissance or prospecting in any forest land without obtaining the written sanction of the Forest Officer so authorised in this behalf by the State Government.

Indemnify Government against all claims :

(7) To make reasonable satisfaction and pay such compensation as assessed by lawful authority in accordance with the law in force on the subject for all damage, injury, or disturbance which may be done by him in exercise of the powers granted by this permit and to indemnify and keep indemnified fully and completely the State Government against all claims which may be made by any person or persons in respect of any such damage, injury or disturbance and all costs and expenses in connection therewith.

Abide by other Acts and Rules :

(8A) To pay a wage not less than the minimum wage prescribed by the Central or State Government from time to time.

(8B) To comply with the provisions of the Mines Act, 1952.

(8C) To take measures, at his own expenses, for the protection of environment as may be prescribed by the Central or State Government from time to time.

(8D) To pay compensation to the occupier of the surface of the land on the date and in the manner laid down in these rules.

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Forfeiture of security deposits, etc. :

(9) Whenever the security deposit of Rs..... or any part thereof of any further sum hereafter deposited with the State Government in replenishment thereof shall be forfeited or applied by the State/Central Government, pursuant to the power hereinafter declared in that behalf the permit holder(s) shall forthwith deposit with the State Government such further sum as may be sufficient with the unappropriated part thereof to bring the amount in deposit with the State Government up to the sum of Rs.....

Permit holder not to be controlled by trust, syndicate, etc. :

(10) The permit holder(s) shall not be controlled or permit himself/themselves to be controlled by any trust, syndicate, corporation, firm or person except with the written consent of the State Government which will be given only after obtaining the prior approval of the Central Government in case where reconnaissance permit executed is in respect of minerals included in the First Schedule to the Act.

Report of accident :

(11) The permit holder(s) shall without delay send to the Deputy Commissioner/ Collector a report of any accident causing death or serious bodily injury or serious injury to property or seriously affecting or endangering life or property which may occur in the course of the operations under this permit.

Section 18 of the Act :

(12) The permit holder(s) shall be bound by such rules as may be issued by the Central Government under section 18 of the Act and shall not carry on reconnaissance, prospecting or other operations under the said permit in any way other than as prescribed under these rules.

Plugging of bore holes, fencing, etc. and restoring the surface of land after determination or abandonment :

(13) Save in the case of land over which the permit holder(s) shall have been granted a prospecting licence or mining lease, on or before the expiration or sooner determination of the permit, he shall within six months next after the expiration or sooner determination of the permit or the date of abandonment of the undertaking, whichever shall first occur, securely plug any bore or hole and fill up or fence any holes or excavations that may have been made in the lands to such an extent as may be required by the Deputy Commissioner/Collector concerned and shall to a like extent, restore the surface of the land and all buildings thereon, which may have been damaged or destroyed in the course of

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reconnaissance or prospecting, provided that permit holder(s) shall not be required to restore the surface of land or any building in respect of which full and proper compensation has already been paid.

Removal of machinery, etc. after expiration, determination or abandonment :

(14) Upon the expiration or sooner determination of this permit or the abandonment of the operations hereby permitted, whichever shall first occur, the permit holder(s) shall remove expeditiously at his/their own cost all plants, engines, machinery implements, utensils and other property and effects theretofore, erected or brought by the permit holder(s) and then standing or being upon the said lands provided that this covenant shall not apply to any part of the said lands which may be comprised in any prospecting licence or mining lease granted to the permit holder(s) during the subsistence of this permit.

Report of work done before the refund of security deposits :

(15) At any time before the said security deposit is returned to him/them or transferred to any other account or within one month after the expiration or sooner determination of the permit or abandonment of the operations whichever is earlier, the permit holder(s) shall submit to the State Government confidentially a full report of the work done by him/them and disclose all information acquired by him/ them in the course of the operations carried on under this permit regarding the geology and mineral resources of the area covered by the permit.

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Report of information obtained by Permit holder :

(16)(1) The permit holder(s) shall submit to State Government :

(a) a six monthly report of the work done by him/them stating the number of persons engaged and disclosing in full the geological, geophysical, or other valuable data collected by him during the period.

The report shall be submitted within three months of the close of the period to which it relates

(b) within three months of the expiry of the permit, or abandonment of operations or termination of the permit, whichever is earlier, a full report of the work done by him and all information relevant to mineral resources acquired by him/them in the course of reconnaissance in the area covered by the permit :

(2) While submitting reports under clause (1), the permit holder(s) may specify that the whole or any part of the report or data submitted by him shall be kept confidential and the State Government shall thereupon keep the specified portions as confidential; for a period of two years from the expiry of the permit or abandonment of operations of termination of the permit, whichever is earlier.

Employment of foreign nationals :

(17) the permit holder(s) shall not employ, in connection with the reconnaissance operation any person who is not an Indian National except with the previous approval of the Central Government.

Furnishing of Geophysical data :

(18) The permit holder(s) shall furnish:

(a) all geophysical data relating to prospecting or engineering and ground water surveys, such as anomaly maps, sections, plans, structures, contour maps, logging, collected by him/them during the course of reconnaissance to the Director General, Geological Survey of India, Calcutta;

(b) all information pertaining to investigations of radio active minerals collected by him/them during the courses of operations to the Secretary to the Department of Atomic Energy, New Delhi.

Data or information referred to above shall be furnished every year reckoned from the date of commencement of the period of the reconnaissance permit.

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PART III - Powers of the Government

It is hereby agreed as follows:-

Cancellation of the permit and forfeiture of the deposit in case of breach of conditions:

(1) In the case of any breach of any condition of the permit by the permit holders (s) or his transferees or assignees, the State Government shall give a reasonable opportunity to the permit holder(s) of stating his/their case and where it is satisfied that the breach is such as cannot be remedied, on giving thirty days notice to the permit holder(s) or his transferees or assignees, determine the permit and or forfeit the whole or any part of the said deposit Rs..... deposited under the covenants in that behalf as the State Government may deem fit. In case the State Government considers the breach to be of a remediable nature, it shall give notice to the permit holder(s) or his transferees or assignees as the case may be requiring him/them to remedy the breach within thirty days from the date of receipt of the notice informing him of the penalty proposed to be inflicted if such remedy is not made within such period.

Application of security to payment of compensation :

(2) The State Government may from time to time appropriate and apply the said deposit of Rs…… or any part thereof or any further sum deposited under any covenants in that behalf hereinbefore contained in or towards payment or satisfaction of any claims to compensation which the Government has or may have against the permit holder(s) and/or which may be made by any person or persons against the permit holder(s) and or the State Government in respect of any damage or injury done by the permit holder(s) in exercise of any of the powers conferred by this permit and in or towards payment of any damages, cost or expenses which may become payable as the result of or in connection with any suits or proceedings which may be instituted against the State Government in respect of any such damage or injury and also in or towards payment of the expenses of the carrying out or performance of any works or matters, which the permit holder(s) shall fail to carry out or perform after the expiry or sooner determination of this permit or the abandonment of the operations hereby permitted in accordance with the covenants in that behalf hereinbefore contained or in payment or satisfaction of such claims, damages, costs and expenses.

When the properties are not removed from the lands in time :

(3) If any plants, engines, machinery implements, utensils or other property or effects which ought to be, removed by the permit holder(s) from the said lands, in accordance with the covenant in that behalf hereinbefore contained, be not so removed within one calendar month after notice in writing requiring their removal shall have been given to the permit holder(s) by the State Government, the same shall be deemed to have become the property of the State Government and may be sold or disposed of for the benefit of the State Government in such manner as the State Government shall deem fit, without any liability to pay any compensation or to account to the permit holder(s) in respect thereof.

Permit holder(s) to pay for work done on his/their behalf :

(4) If any of the works or matters, which in accordance with the covenants in that behalf hereinbefore contained, are to be carried out or performed by the permit holder(s), be not so carried out, or performed within time specified in that behalf, the State Government may cause the same to be carried out or performed and the permit holder(s) shall pay the State Government on demand all expenses which shall be incurred in such carrying out or performance of the same.

Right of pre-emption :

(5) In the event of the existence of a state of war or emergency (of which the President of India shall be the sole judge and a notification to this effect in the Gazette of India shall be conclusive proof), the State Government with the consent of the Central Government shall, from time to time and at all times during the said term, have the right [to be exercised by a notice in writing to the permit holder(s)] to forthwith take possession and control of the works, plants, machinery and premises of the permit holder(s) on or in connection with the

said lands or the operations under this permit and during such possession or control, the permit holder(s) shall conform to and obey all directions given by or on behalf of the Central or State Government regarding the use of employment of such works, plants, premises and minerals, provided that fair compensation, which shall be determined in default of agreement by the Stale Government shall be paid to the permit holder(s) for all loss or damages sustained by him/them by reason or any consequence of the exercises of the powers conferred by this clause and provided also that the exercise of such powers shall not determine the said term hereby granted or affect the terms and provisions of these presents further than may be necessary to give effect to the provisions of this clause.

PART - IV

Rights of permit holder(s)

It is hereby further agreed as follows:-

Transfer of permit and fee payable :

[1](1) [Omitted]

Preferential right of the permit holder(s) for obtaining prospecting licence or mining lease :

(2) On or before the determination of the permit, the permit holder(s) shall have a preferential right for obtaining a prospecting licence or mining lease in respect of whole or part of that land over any other person provided that the State Government is satisfied that the permit holder(s) has/have not committed any breach of the terms and conditions of the reconnaissance permit, has undertaken reconnaissance operations to establish mineral resources and is otherwise a fit person for being granted the prospecting licence or mining lease.

Refund of deposit :

(3) On such date within six calendar months after the determination of the permit, as the State Government shall elect after compliance by the permit holder of the provisions of Mineral Concession Rules, 1960, the amount then remaining in deposit with the State Government and not required to be applied to any of the purposes in Part III of these presents mentioned, shall be refunded to the permit holder(s) or if the permit holder(s) shall have obtained a prospecting licence or mining lease over the said lands or any portion thereof, be retained at the credit of the permit holder(s) on account of the fees, rents and royalties to become payable under such licence or lease. The amount shall in no case carry any interest whatsoever.

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[1] Omitted by G.S.R.733 (E), dated 29.10 2002.

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PART-V

General Provisions

It is lastly agreed as follows:

Acquisition of land and compensation :

(1) If after the receipt of an offer of compensation for any damage which is likely to arise from the proposed operation of the permit holder(s), the occupier of the surface of any part of the said lands shall refuse his consent to the exercise of the rights and powers reserved to the State Government and granted by this permit, the permit holder(s) shall report the matter to the State Government and shall deposit with it the amount offered as compensation and if the State Government is satisfied that the amount of compensation is reasonable or if it is not so satisfied and the permit holder(s) shall have deposited with it such further amount as the State Government may consider reasonable, the State Government shall order the occupier to allow the permit holder(s) to enter upon the said land and carry out such operations as may be necessary for the purpose of the permit. In assessing the amount of such compensation the State Government shall be guided by the principles of the Land Acquisition Act.

Delay in fulfilment of the term of permit due to force majeure :

(2) Failure on the part of the permit holder(s) to fulfil any of the terms and conditions of this permit shall not give the State Government any claim against him/her or be deemed a breach of the permit insofar as such failure is considered by the State Government to arise from force majeure.

If the fulfilment of the permit holder(s) of any of the terms and conditions of this permit be delayed from force majeure, the period of such delay shall be added to the period fixed by this permit.

The expression force majeure means act of God, war, insurrection, riot, civil commotion, strike, tide, tidal wave, storm, flood, lightning, explosion, fire, earthquake and any other happening which the permit holder(s) could not reasonably prevent or control.

Service of notices :

(3) Every notice required to be given to the permit holder(s) shall be given in writing to such person as the permit holder(s) may appoint for the purpose of receiving such notices or if no such appointment is made then the notice shall be sent to the permit holder(s) by registered post addressed to him/them at the address shown in his/their application for the permit at such other address in India as he/they designate from time to time, and every such service shall be deemed to be proper and valid service upon the permit holder(s) and shall not be questioned or challenged by him.

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Discovery of new minerals :

(4) The permit holder(s) shall report to the State Government the discovery of any mineral not specified in the permit within a period of sixty days from the date of such discovery.

Immunity of State Government from liability to pay compensation :

(5) If in any event the orders of the State Government are revised, reviewed or cancelled by the Central Government in pursuance of proceedings under Chapter VII of the Mineral Concession Rules, 1960, the permit holder(s) shall not be entitled to compensation for any loss sustained by the permit holder(s) in exercise of the powers and privileges conferred upon him/them by these presents.

(6) The permit deed is executed at the …… of the State of …….. (Name of the State) and subject to the provision of article 226 of the Constitution of India it is hereby agreed upon by the permit holder(s) and the State Government that in the event of any dispute in relation to the area under reconnaissance permit and condition of the permit deed and in respect of all matters touching the relationship of the permit holder(s) and the State Government, suits of petitions shall be filed in civil courts at …….. (name of the city) and it is hereby expressly agreed that neither party shall file a suit or appeal or bring any actions at any place other than the courts named above.

IN WITNESS WHEREOF these presents have been executed in the manner hereunder appearing the day and year first above written.

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SCHEDULE A

The land covered by the permit

(Here insert the description of lands with area, boundaries, names of District, Sub-Division, Thana, etc. and cadastral survey numbers, if any. In case a map is attached, refer the map in the description to be inserted.)

SCHEDULE B

[Under rule 7(1)(xi)]

(Here specify the amount of the permit fee and manner and time of payment.) **]**

FORM G

REGISTER OF APPLICATIONS FOR PROSPECTING LICENCES
[See rule 21(1)]

1. Serial No.
2. Date of application of P.L.
3. Date on which application was received by the Receiving Officer.
4. Name of the applicant with full address.
5. Situation and boundaries of the land applied for.
6. Estimated area of the land.
7. Particulars of the minerals which the applicant desired to prospect.
8. Application fee paid.
9. Remarks.
10. Final disposal of the application together with number and date of the order.
11. Signature of the Officer.

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[1][FORM G - 1

REGISTER OF APPLICATIONS FOR RECONNAISSANCE PERMITS

(See rule 7 D (1))

1. Serial No.
2. Date of application of Reconnaissance Permit.
3. Date on which application was received by the Receiving Officer.
4. Name of the applicant with full address.
5. Situation and boundaries of the land applied for.
6. Estimated area of the land.
7. Particulars of the minerals which the applicant desires to prospect.
8. Application fee paid.
9. Remarks.
10. Final disposal of the application together with number and date of the order.
11. Signature of the Officer. **]**

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1. Inserted by G.S.R.No 56 (E), dated 17.1.2000.

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FORM H

REGISTER OF PROSPECTING LICENCES
[See rule 21(2)]

1 Serial-number.

2. Name of the licensee.

3. Residence with complete address of the licensee.

4. Date of application.

5. Date on which application was received by the Receiving Officer.

6. Omitted.

7. Situation and boundaries of the land.

7A. The details of the area and the minerals in each State. State for which the applicant holds prospecting licence on the basis of information supplied by the licensee.

8. Total area for which licence granted.

9. (a) Number and date of grant of the licence.

(b) Date of execution of P.L agreement.

10. The mineral or minerals for which prospecting licence has been granted.

11. Period for which granted.

12. Date and period of renewal.

13. Application fee paid.

14. Prospecting fee and royalty, if payable.

15. Amount of security deposit.

16. Particulars of disposal or refund of security deposit.

17. Date of application for mining lease (if any).

18. Date of assignment or transfer of licence, if any, and the name and address, of the assignee/transferee.

19. Date of expiry or relinquishment or cancellation of licence or grant of mining lease

20. Date from which the area is available for regrant.

21. Remarks.

22. Signature of the Officer.

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[1][FORM H - 1

(REGISTER OF RECONNAISSANCE PERMITS)

[See rule 7 D (2)]

1. Serial number.
2. Name of the permit holder.
3. Residence with complete address of the permit holder.
4. Date of application.
5. Date on which application was received by the Receiving Officer.
6. Situation and boundaries of the land.
7. The details of the area and the minerals in the State for which the applicant holds reconnaissance permit on the basis of information supplied by the permit holder.
8. Total area for which permit granted.
9. (a) Number and date of grant of the permit.
   (b) Date of execution of the reconnaissance permit agreement.
10. The mineral or minerals for which reconnaissance permit has been granted.
11. Period for which granted.
12. Application fee paid.
13. Permit fee paid.
14. Amount of security deposit.
15. Particulars of disposal or refund of security deposit.
16. Date of application for prospecting licence or mining lease (if any).
17. Date(s) of expiry or relinquishment or cancellation of permit or grant of prospecting licence or mining lease.
18. Date(s) of assignment or transfer of reconnaissance permit, if any, and name and address of the assignee or transferee.
19. Date(s) from which the area is available for regrant.
20. Remarks.
21. Signature of the Officer.**]**

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1. Inserted by G.S.R.No.56 (E), dated 17.1.2000.

FORM I

(TO BE SUBMITTED IN TRIPLICATE)

Received.....
at.....(Place)
on.....(date)
Initial of Receiving Officer

Government of.....

Application for Mining Lease
(See rule 22(1) of the
Mineral Concession Rules,1960)
Dated the .....
day of …… 20 .....

To

Through:

Sir,

I/We request that a mining lease under the Mineral Concession Rules, 1960 may be granted to me/us.

2. A sum of Rs. 500/- and Rs. 1,000/- being the fees in respect of this application and preliminary expenses respectively payable under sub-rule (3) of rule 22 of the said rule have been deposited (vide receipt Challan No.....dated.....of the State Bank of India/Treasury.....)

3. The required particulars are given below:

(i) Name of the applicant with complete address.
Status of the applicant

(ii) Is the applicant a private individual/co-operative/firm/association/private company/ public company/public sector undertaking/joint sector undertaking or any other.

(iii) In case the applicant is, -
(a) An individual, his nationality, qualifications and experience relating to mining.
(b) a company, an attested copy of the certificate of registration of the company shall be enclosed.

(c) Omitted.

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(d) Firm or Association, the nationality of all the partners of the firm or members of the association, and

(e) a co-operative the nationality of non-Indian members, if any alongwith place of registration and a copy of the certificate of registration.

(iv) Profession or nature of business of applicant.

(v) Particulars of documents appended:

Document	Reference
(a) Mining dues clearance certificate OR (b) Affidavit in lieu of Mining Dues Clearance Certificate; subject to the production of mining lease dues, clearance certificate within the period of ninety days of making application. OR (c) Affidavit when not holding any mining lease. (d) Affidavit that up-to-date Income Tax Returns as prescribed under the Income Tax Act, 1961 and that the tax due including the tax on account of self-assessment has been paid.	

(vi) Mineral or minerals which the applicant intends to mine.
(vii) Period for which mining lease is required.
(viii) Extent of the area for which mining lease is required.
(ix) Details of the area in respect of which mining lease is required.

District	Taluqa	Village	Khasra No.	Plot No.	Area	Ownership-Occupancy

(x) Brief description of the area with particular reference to the following:
(a) Does the applicant have surface rights over the area for which he is making an application for grant of a mining lease.
(b) If not, has he obtained the consent of the owner, and the occupier of the land for undertaking mining operation. If so, the consent of the owner and occupier of the land be obtained in writing and be filed.

(xi) (a) The situation of the area in respect of natural features such as streams or lakes.
(b) In the case of village areas, the name of the village, the Khasra number, the area in hectares of each field or part thereof applied for.
(c) In case the area applied for is under forest, then the following particulars be given:

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(1) Forest division, Block and Range.
(2) Legal status of the forest (namely reserved, protected, unclassified etc.).
(3) Whether it forms part of a National Park or Wild-life Sanctuary.
(4) Type and extent of vegetation in the area.
(5) For areas where no forest maps or cadastral maps are available, a sketch plan should be submitted on scale showing the area applied for together with boundary, if any, of any other existing mining lease or prospecting licence area, if the area applied for has any common point or line with the boundaries of existing prospecting licence or mining lease areas.

(xii) The area applied for should be marked on plan as detailed below:
(a) In case a cadastral Map* of the area is available, the area on this map should be marked showing the name of the village, Khasra number and area in hectares of each field and part thereof.
(b) In the case of forest maps the area should be marked on the map showing the range and felling series.
(c) In case neither cadastral nor forest maps are available, the area should be marked on a sketch plan drawn to scales showing on this plan all important surface and natural features, the dimensions of the lines forming the boundary of the area and the bearing and distance of all corner points from any important, prominent and fixed point or points. (No.1(3)/68-MII Dt. 30.3.68)

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(xiii) Particulars of the area mineral-wise in each State duly supported by an affidavit for which the applicant or any person joint in interest with him.
(a) already holds under mining lease;
(b) has already applied for but not granted;
(c) being applied for simultaneously.

(xiv) Nature of joint in interest, if any.

(xv) (a) Does the applicant hold a prospecting licence over the area mentioned at (xi) above? If so, give its number and date of grant and the date when it is due to expire.
(c) Has the applicant carried out the prospecting operations over the area held under prospecting licence and sent his report to the State Government, as required by rule 16 of the Mineral Concession Rules, 1960? If not, state reasons for not doing so.

(xvi) Broad parameters of the mineral/ore body/bodies.
(a) Strike length, average width and dip.
(b) Wall rocks on hanging and foot wall sides.
(c) Whether area is considerably disturbed geologically or is comparatively free of geological disturbance? (copy of geological map of the area is to be attached.)
(d) Reserves assessed with their grade(s)(chemical analysis reports of representative samples are to be attached).

(e) Whether the area is virgin? If not, the extent to which it has already been worked, In case there are old workings, their locations are to be shown on the geological map of the area.

(xvii) Broad parameters of the mine.

(a) Proposed date of commencement of the mining operations.

(b) Proposed rate of mineral production during the first 5 years (year-wise).

(c) Proposed rate of production when mine is fully developed.

(d) Anticipated life of the mine.

(e) Proposed method of mining (Underground or opencast)

(i) If underground, the method of approach to the deposit mineral/ore whether through inclines or shafts,

(ii) If opencast, the over-burden to ore ratio and overall pit stope.

(f) Nature of the land chosen for dumping over burden/waste and tailings (that is type of land whether agricultural, grazing land, barren, saline land etc.) and whether proposed site has been shown on the mine working plan. Give also the extent of area in hectares set apart for dumping of waste and tailings.

(xviii) A report giving the details of prospecting carried out in the area together with assessment of the ore reserves, geological plans, results of chemical analysis of the representative samples, and boreholes and logs.

(xix) Manner in which the mineral raised is to be utilised.

(a) (i) If for captive use, the location of plant and industry.

(ii) For sale for indigenous consumption.

(b) If for exports to foreign countries indicate,

(i) Names of the countries to which it is likely to be exported where the mine is being set up on 100% export oriented or tied-up basis.

(ii) Whether mineral will be exported in raw form or after processing. Also indicate the stage of processing, whether intermediate stage or final stage of the end-product.

(c) If it is to be used within the country, indicate -

(i) The industry/industries in which it would be used.

(ii) Whether it will be supplied in raw form or after processing (crushing/ grinding/ beneficiation/calcining).

(iii) Whether it would need upgradation and if so, whether it is proposed to set up beneficiation plant. Also indicate the capacity of such plant and the time by which it would be set up.

(d) In case of coal, or other high bulk minerals/ores details of existing railway transport facility available and additional transport facility, if any, required.

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(xx) Name, qualification and experience of the Technical Personnel available for supervising the mines.

(xxi) (i) Financial resources of the applicant.
(ii) Anticipated yearly financial investment during the course of mine construction and aggregate investment upto the stage of commencement of commercial production.

(xxii) (a) Nature of waste water, (e.g. whether acidic). If so, expected pH value.
(b) The application form should be accompanied by a statement of the salient features of the scheme of mining. This should be generally on the lines of the "Project at a Glance" given in a mining feasibility report including features relating to the protection of environment.

I/We do hereby declare that the particulars furnished above are correct and am/are ready to furnish any other details including accurate plans and security deposit, as may be required by you.

Yours faithfully,

Place:.....
Date:.....

Signature of the applicant

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* The topographical map of 1"=1 mile scale is obtainable from the office of the Survey of India, Hathibarkhala, Dehra Dun. Detailed plan and topographical map are to be attached in triplicate with the original application in case mineral applied for is a scheduled mineral.

Note 1 - If the application is signed by an authorised agent of the applicant, then the Power of Attorney should be attached.

Note 2 - The application should relate to one compact area only, except when the application for mining lease is for an area already held under prospecting licence by the applicant.

Note 3- Such large size map, as may be available should be attached for proper demarcation of the area, specially when the area applied for is 40 hectares or less (No.MII-152(58)/61 dt/30.4.1963).

"To be submitted in duplicate"

FORM J

Received
at.....(Place)
on.....(Date)
Initial of Receiving Officer

GOVERNMENT OF
MODEL FORM
APPLICATION FOR RENEWAL OF MINING LEASE

(See rule 24A)
Dated day of 20……

To
Through

Sir,

I/We request for renewal of my/our mining lease under the Mineral Concession Rules, 1960. A sum of Rs. 500 being the application fee payable under sub-rule (3)(i)(a) of rule 22 of the said rules has been deposited.

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2. The required particulars are given below:-

(i) Name of the applicant with complete address.

(ii) Is the applicant a private individual/private company/public company/ firm or association?

(iii) In case applicant is:
- (a) an individual, his nationality,
- (b) a company, an attested copy of the certificate of registration shall be enclosed.
- (c) Omitted.
- (d) a firm or association, the nationality of all the partners of the firm or members of the association.

(iv) Profession or nature of business of applicant.

(v) (Omitted)

(vi) (Omitted)

(via) No. and date of the valid clearance certificate of payment of mining dues (copy enclosed).

(vii) an affidavit, that up-to-date Income Tax returns, as prescribed under the Income Tax Act, 1961, have been filed, and the tax due, including the tax on account of self-assessment has been paid.

(viii) (a) Particulars of the mining lease of which renewal is desired.
(b) Details of previous renewal granted, if any.

(ix) Period for which renewal of mining lease is required.

(x) Whether renewal is applied for the whole or part of the leasehold.

(xA) (a) Does the applicant continue to have surface rights over the area of the land for which he requires renewal of the mining lease.

(b) If not, has he obtained the consent of the owner and occupier for undertaking mining operations. If so, the consent of the owner and occupier of the land obtained in writing be filed.

(xB) Particulars of the areas mineral-wise in each State duly supported by affidavit for which the applicant or any person joint in interest with him.
(a) already holds under mining lease;
(b) has already applied for but not granted; or
(c) being applied for simultaneously.

(xC) a mining plan which shall include-
(a) the plan of the area showing the nature and extent of the mineral body, spot or spots where the excavation is to be done in the first year and its extent, a detailed cross-section and detailed plan of spot(s) of excavation based on prospecting data gathered by the applicant, a tentative scheme of mining for the first five years of the lease;
(b) the details of geology and lithology of the area, the extent of manual mining and through machines;
(c) annual programme and plan for excavation for five years; and
(d) the plan of the area showing natural water courses; limit of reserved and other forest areas and density of trees, assessment of impact of mining activity of Forest, Land surface and Environment including air and water pollution, and details of the scheme for afforestation, land reclamation, use of pollution control devices.

(xD) Is the mineral going to be used in his own industry? if so, give full details; (for "own industry" see Explanation under Rule 24B).

(xi) In case the renewal applied for is only for part of the lease hold:
(a) the area applied for renewal,
(b) description of the area applied for renewal (description should be adequate for the purpose of demarcating the plot),
(c) particulars of map of the leasehold with area applied for renewal clearly marked on it (attached),
(d) particulars of existing or created dumps of ore, if any.

(xii) Means by which the mineral is to be raised, i.e., by hand, labour or mechanical or electric power.

(xiii) Manner in which the mineral raised is to be utilised:
(a) for manufacture in India,
(b) for exports to foreign countries,
(c) in the former case the industries in connection with which it is required, should be specified. In the latter case, the countries to which the mineral will be exported and whether the mineral is to be exported after processing or in raw form should be stated.

(xiv) Details of output during the last three years and phased programme for production during the next three years along with a layout plan for development, if any.

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(xv) In case of coal, details of existing railway transport facility available and additional transport facility, if any, required.

(xvi) Any other particulars which the applicant wishes to furnish.

I/We do hereby declare that the particulars furnished above are correct and am/are ready to furnish any other details, including accurate plans as required by you before the grant of renewal of the lease.

Yours faithfully,

Signature and designation of the applicant.

Place:
Date:

N.B.- If the application is signed by an authorised agent of the applicant, Power of Attorney should be attached.

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FORM K
MODEL FORM OF MINING LEASE
(See rule 31)

THIS INDENTURE made this..... day of.....20.....between the Governor of..... /the President of India (hereinafter referred to as the `State Government' which expression shall where the context so admits be deemed to include the successors and assigns) of the one part and.....……

When the lessee is an individual	(Name of person with address and occupation) (hereinafter referred to as "the lessee" which expression shall where the context so admits be deemed to include his heirs, executors, administrators, representatives and permitted assigns).
When the lessees are more than one individual	.....……(Name of person with address and occupation) and.....……. (Name of person with address and occupation) (hereinafter referred to as "the lessee" which expression shall where the context so admits be deemed to include their respective heirs, executors, administrators, representatives and their permitted assigns).
When the lessee is a registered firm.	..... (Name and address of partner), son of.....of …… son of.....of.....……. all carrying on business in partnership. under the firm name and style of..... (name of the firm) registered under the Indian Partnership Act, 1932 (9 of 1932) and having their registered office at..... in the town of (hereinafter referred to as "the licensee" which expression where the context so admits be deemed to include all the said partners their respective heirs, executors, legal representatives and permitted assigns).
When the lessee is a registered company	.....…….. (Name of company) a company registered under.....(Act under which incorporated) and having its registered office at..... (Address) (hereinafter referred to as "the lessee" which expression shall where the context so admits be deemed to include its successors and permitted assigns), of the other part.

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WHEREAS THE lessee/lessees has/have applied to the State Government in accordance with the Mineral Concession Rules, 1960 (hereinafter referred to as the said Rules) for a mining lease for..... in respect of the lands described in Part I of the Schedule here under written and has/have deposited with the State Government the sum of Rs.....as security and the sum of Rs..... for meeting the preliminary expenses for a mining lease (and WHEREAS the Central Government has approved the grant of lease)[1].

WITNESSETH that in consideration of the rents and royalties,covenants and agreements by and in these presents and the Schedule hereunder written reserved and contained and on the part of the lessee/lessees to be paid observed and performed, the State Government (with the approval of the Central Government)[1] hereby grants and demises unto lessee/lessees.

All those the mines beds/veins seams of..... (here state the mineral or minerals) (hereinafter and in the Schedule referred to as the said minerals) situated lying and being in or under the lands which are referred to in Part I of the said Schedule, together with the liberties, powers and privileges to be exercised or enjoyed in connection herewith which are mentioned in Part II of the said Schedule subject to the restrictions and conditions as to the exercise and enjoyment of such liberties, powers and privileges which are mentioned in Part III of the said Schedule EXCEPT and reserving out of this demise unto the State Government the liberties, powers and privileges mentioned in Part IV of the said Schedule TO HOLD the premises hereby granted and demised unto the lessee/lessees from the .....day..... 20..... for the term of ..... years thence next ensuing YIELDING AND PAYING therefore unto the State Government the several rents and royalties mentioned in Part V of the said Schedule at the respective times therein specified subject to the provisions contained in Part VI of the said Schedule and the lessee/lessees hereby covenants/ covenant with the State Government as in Part VII of the said Schedule is expressed and the State Government hereby covenants with the lessee/lessees as in Part VIII of the said Schedule as expressed AND it is hereby mutually agreed between the parties hereto as in Part IX of the said Schedule is expressed.

IN WITNESS WHEREOF these presents have been executed in manner hereunder appearing the day and year first above written.

The Schedule above referred to.

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1. In case of minerals included in the First Schedule of the Mines and Minerals (Development and Regulation) Act, 1957.

PART I

THE AREA OF THIS LEASE

Location and area of the lease:-

All that tract of lands situated at ..... (Description of area or areas).....in (Pargana) in.....the Registration District of.....Sub-District.....and Thana …… bearing Cadestral survey Nos.....containing an area of.....or thereabouts delineated on the plan hereto annexed and thereon coloured…….. and bounded as follows:-

On the North by
On the South by
On the East by
And
On the West by
hereinafter referred to as "the said lands".

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PART II

Liberties, powers and privileges to be exercised and enjoyed by the lessee/ lessees subject to the restrictions and conditions in Part III.

To enter upon land and search for, win, work, etc.

1. Liberty and power at all times during the term hereby demised to enter upon the said lands and to search for mine, bore, dig, drill for, win, work, dress, process, convert, carry away and dispose of the said mineral/minerals.

To sink, drive and make pits, shafts and inclines etc.: -

2. Liberty and power for or in connection with any of the purposes mentioned in this part to sink drive make maintain and use in the said lands and pits shafts inclines drifts levels waterways airways and other works (and to use maintain deepen or extent any existing works of the like nature in the said lands).

To bring and use machinery equipment etc.: -

3. Liberty and power for or in connection with any of the purposes mentioned in this part to erect, construct, maintain and use on or under the said lands any engines, machinery, plant, dressing floors, furnaces, coke ovens, brick-kilns, workshops, store- houses, bungalows, godowns, sheds, and other buildings and other works and conveniences of the like nature on or under the said lands.

To make roads and ways etc. and use existing roads and ways: -

4. Liberty and power for or in connection with any of the purposes mentioned in this part to make any tramways, railways, roads, aircraft landing grounds and other ways in or over the said lands and to use maintain and go, and repass with or without horses, cattle, wagons, aircrafts, locomotives, or other vehicles over the same (or any existing tramways roads and other ways in or over the said lands) on such conditions as may be agreed to.

To get building and road materials, etc.:-

5. Liberty and power for or in connection with any of the purposes mentioned in this part to quarry and get stone gravel and other building and road materials and clay and to use and employ the same and to manufacture such clay into bricks or tiles and to use such bricks or tiles but to sell any such material bricks or tiles.

To use water from streams etc:-

6. Liberty and power for or in connection with any of the purpose mentioned in this part but subject to the right of any existing or future lessees and with the written permission of Deputy Commissioner/Collector to appropriate and use water from any streams water-courses, springs or other sources in or upon the said lands and to divert step up or dam any such stream or water course and collect or impound any such water and to make construct and maintain any water course culverts, drains or reservoirs but not as so to deprive any cultivated lands, villages, buildings or watering places for livestock of a reasonable supply of water as before accustomed nor in any way to foul or pollute any stream or springs. Provided that the lessee/lessees shall not interfere with the navigation in any navigable stream nor shall divert such stream without the previous written permission of the State Government.

To use land for stacking, heaping, depositing purposes:-

7. Liberty and power to enter upon and use a sufficient part of -the surface of the said lands for the purpose of stacking, heaping, storing or depositing therein any produce of the mines or works carried on and any tools, equipment, earth and materials and substances dug or raised under the liberties and powers mentioned in this part.

Beneficiation and conveying away of production:-

8. (a) Liberty and power to enter upon and use a sufficient part of the said lands to beneficiate any ore produced from the said lands and to carry away such beneficiated ore.

To make coke (to be used in case of coal only):-

(b) Liberty and power upon the said lands to convert into coke any coal or coal dust produced from the said lands and to carry away such coke.

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To clear brushwood and to fell and utilise trees, etc.:-

9. Liberty and power for or in connection with any of the purposes mentioned in this part and subject to the existing rights of others and save as provided in clause 3 of Part III of this Schedule to clear undergrowth and brushwood and to fell and utilise any trees or timber standing or found on the said lands provided that the State Government may ask the lessee/lessees to pay for any trees or timber felled and utilised, by him/them at the rates specified by the Deputy Commissioner/Collector or the State Government.

PART III

Restrictions and Conditions as to the exercise of the Liberties, Powers and Privileges in Part-II.

No building etc. upon certain places:-

1. No building or thing shall be erected, set up or placed and no surface operations shall be carried on in or upon any public pleasure ground, burning or burial ground or place held sacred by any class of persons or any house or village site, public road or other place which the State Government may determine as public ground nor in such a manner as to injure or prejudicially effect any buildings works property or rights of other persons and no land will be used for surface operations which is already occupied by persons other than the State Government for works or purposes not included in this lease. The lessee/lessees shall not also interfere with any right of way, well or tank.

Permission for surface operations in a land not already in use:-

2. Before using for surface operations any land which has not already been used for such operations, the lessee/lessees shall give to Deputy Commissioner/Collector of the District two calendar months previous notice in writing specifying the name or other description of the situation and the extent of the land proposed to be so used and the purpose for which the same is required and the said land shall not be so used if objection is issued by the Deputy Commissioner/Collector within two months after the receipt by him of such notice unless the objections so stated shall on reference to the State Government be annulled or waived.

To cut trees in unreserved lands: -

3. The lessee/lessees shall not without the express sanction of the Deputy Commissioner/Collector cut down or injure any timber or trees on the said lands but may without such sanction clear away any brushwood or undergrowth which interferes with any operations authorised by these presents. The Deputy Commissioner/Collector or the State Government may require the lessee/lessees to pay for any trees or timber felled and utilised by him/them at the rates specified by the Deputy Commissioner/Collector of the District.

To enter upon reserved forests:-

4. Notwithstanding anything in this Schedule contained the lessee/lessees shall not enter upon any reserved forest included in the said lands without previous sanction in writing of the District Forest Officer nor fell, cut and use any timber or trees without obtaining the sanction in writing of that Officer nor otherwise than in accordance with such conditions as the State Government may prescribe.

No mining operations within 50 metres of public works etc.:-

5. The lessee/lessees shall not work or carry on or allow to be worked or carried on any mining operations at or to any point within a distance of 50 metres from any railway line except with the previous written permission of the Railway Administration concerned or under or beneath any rope way or any ropeway trestle or station, except under and in accordance with the written permission of the authority owning the ropeway or from any reservoir, canal or other public works such as public roads and buildings or inhabited site except with the previous written permission of the Deputy Commissioner/Collector or any other officer authorised by the State Government in this behalf and otherwise than in accordance with such instructions, restrictions and conditions either general or special which may be attached to such permission. The said distance of 50 metres shall be measured in the case of railway, reservoir or canal horizontally from the outer toe of the bank or the outer edge of the cutting as the case may be and in case of a building horizontally from the plinth thereof. In the case of village roads no working shall be carried on within a distance of 10 metres of the outer edge of the cutting except with the previous permission of the Deputy Commissioner/Collector or any other officer duly authorised by the State Government in this behalf and otherwise than in accordance with such directions, restrictions and additions, either general or special, which may be attached to such permission.

Explanation:- For the purposes of this clause the expression ‘Railway Administration’ shall have the same meaning as it is defined to have in the Indian Railways Act. 1890, by clause (6) of section 3 of that Act. `Public Road' shall mean a road which has been constructed by artificially surfaced as distinct from a track resulting from repeated use. Village road will include any track shown in the Revenue record as village road.

Facilities for adjoining Government licences and leases:-

6. The lessee/lessees shall allow existing and future holders of Government licences or leases over any land which is comprised in or adjoins or is reached by the land held by the lessee/lessees reasonable facilities of access thereto:

PROVIDED THAT no substantial hindrance or interference shall be caused by such holders of licences or leases to the operations of the lessee/lessees under these presents and fair compensation (as may be mutually agreed upon or in the event of disagreement as may be decided by the State Government) shall be made to the lessee/lessees for loss or damage sustained by the lessee/lessees by reason of the exercise of this liberty.

PART IV

Liberties, Powers and Privileges reserved to the State Government

To work other minerals:-

1. Liberty and power for the State Government, or to any lessee or persons authorised by it in that behalf to enter into and upon the said lands and to search for, win, work, dig, get, raise, dress, process, convert and carry away minerals other than the said minerals and any other substances and for those purposes to sink, drive, make erect, construct, maintain and use such pits, shafts,inclines, drifts, levels and other lines, waterways, airways, water courses, drains, reservoirs, engines, machinery, plant, buildings, canals, tramways, railways, roadways and other works and conveniences as may be deemed necessary or convenient.

PROVIDED THAT in the exercise of such liberty and power no substantial hindrance or interference shall be caused to or with the liberties, powers and privileges of the lessee/lessees under these presents and that fair compensation (as may be mutually agreed upon or in the event of disagreement as may be decided by the State Government) shall be made to the lessee/lessees for all loss or damage sustained by the lessee/lessees by reason or in consequence of the exercise of such liberty and power.

To make railways and roads: -

2. Liberty and power for the State Government or any lessee or person authorised by it in that behalf to enter into and upon the said lands and to make upon over or through the same any railways, tramways, roadways or pipelines for any purpose other than those mentioned in Part II of these presents and to get from the said lands, stones, gravel, earth and other materials for making, maintaining and repairing such railways, tramways and roads or any existing railways and roads and to and repass at all times with or without horses, cattle or other animals, carts, wagons, carriages, locomotives or other vehicles over or along any such railways, tramways, road lines and other ways for all purposes and as occasion may require, provided that in the exercise of such liberty and power by such other lessee or person no substantial hindrance or interference shall be caused to or with the liberties, powers and privileges of the lessee/lessees under these presents and that fair compensation as may be mutually agreed upon or in the event of disagreement as may be decided by the State Government shall be made to the lessee/lessees for all loss or damage substantial hindrance or interference shall be caused to or with the exercise by such lessee or person of such liberty and power.

PART V

Rents and royalties reserved by this lease

To pay dead rent or royalty whichever is higher: -

1.The lessee shall pay, for every year except the first year of the lease, dead rent as specified in clause 2 of this Part:

Provided that, where the holder of such mining lease becomes liable under section 9 of the Act, to pay royalty for any mineral removed or consumed by him or by his agent, manager, employee, contractor or sub-lessee from the leased area, he shall be liable to pay either such royalty or the dead rent in respect of that area, whichever is higher.

Rate and mode of payment of dead rent.-

2. Subject to the provisions of clause 1 of this Part, during the subsistence of the lease, the lessee/lessees shall pay to the State Government annual dead rent for the lands demised and described in Part I of this Schedule at the rate for the time being specified in the Third Schedule to the Act, in such manner as may be specified in this behalf by the State Government.

Rate and mode of payment of royalty:-

3. Subject to the provision of clause 1 of this part, the lessee/lessees shall during the subsistence of this lease pay to the State Government at such times and in such manner as the State Government may prescribe royalty in respect of any mineral/minerals removed by him/them from the leased area at the rate for the time being specified in the Second Schedule to the Mines and Minerals (Development and Regulation) Act, 1957.

Payment of surface rent, and water rate:-

4. The lessee/lessees shall pay rent and water rate to the State Government in respect of all parts of the surface of the said lands which shall from time to time be occupied or used by the lessee/lessees under the authority of these presents at the rate of Rs..... and Rs..... respectively per annum per hectare of the area so occupied or used and so in proportion for any area less than a hectare during the period from the commencement of such occupation or used until the area shall cease to be so occupied or used and shall as far as possible restore the surface land so used to its original condition. Surface rent and water rate shall be paid as hereinbefore detailed in clause 2 : PROVIDED THAT NO such rent/water rate shall be payable in respect of the occupation and use of the area comprised in any roads or ways to which the public have full right of access.

PART VI

Provisions relating to the rents and royalties

Rent and royalties to be free from deduction etc.:-

1. The rent, water rate and royalties mentioned in Part V of this Schedule shall be paid free from any deductions to the State Government at ..... and such manner as the State Government may prescribe.

PROVIDED ALWAYS and it is hereby agreed that Rs ..... the balance standing to the credit of the lessee/lessees on account of the deposit made by him/them as a licensee/licensees over an area which included the said lands shall be retained and accepted by the State Government in satisfaction of the rents and royalties mentioned in Part V until they reach that amount.

Mode of computation of royalty:-

2. For the purposes of computing the said royalties the lessee/lessees shall keep a correct account of them mineral/minerals produced and despatched. The accounts as well as the weight of the mineral/minerals in stock or in the process of export may be checked by an officer authorised by the Central or State Government. Here specify the mode of arriving at sale price/prices at pits mouth of mineral/minerals.

Course of action if rents and royalties are not paid in time :-

3. Should any rent, royalty or other sums due to the State Government under the terms and conditions of these presents be not paid by the lessee/lessees within the prescribed time the same, together with simple interest due thereon at the rate of twenty-four per cent per annum may be recovered on a certificate of such officer as may be specified by the State Government by general or special order, in the same manner as an arrear of land revenue.

PART VII

The Covenants of the Lessee/Lessees

Lessee to pay rents and royalties, taxes, etc.:-

1. The lessee/lessees shall pay the rent, water rate and royalties reserved by this lease at such times and in the manner provided in PARTS V and VI of these presents and shall also pay and discharge all taxes, rates, assessments and impositions whatsoever being in the nature of

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public demands which shall from time to time be charged, assessed or imposed by the authority of the Central and State Governments upon or in respect of the premises and works of the lessee/lessees in common with other premises and works of a like nature except demands for land revenues.

To maintain and keep boundary marks in good order:-

2. The lessee/lessees shall at his/their own expense erect and at all times maintain and keep in repair boundary marks and pillars according to the demarcation to be shown in the plan annexed to this lease. Such marks and pillars shall be sufficiently clear of the shrubs and other obstructions as to allow easy identification.

To commence operations within two years and work in a workman-like manner:-

3. The lessee/lessees shall commence operation within two years from the date of execution of the lease and shall thereafter at all times during the continuance of his lease search for, win, work and develop, the said minerals without voluntary intermission in a skilful and workman-like manner and as prescribed under clause 12 hereinafter without doing or permitting to be done any unnecessary or avoidable damage to the surface of the said lands or the crops buildings structures or other property thereon. For the purposes of this clause operations shall include the erection of machinery, laying of a tramway or construction of a road in connection with the mine.

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To indemnify Government against all claims:-

4. The lessee/lessees shall make and pay such reasonable satisfaction and compensation as may be assessed by lawful authority in accordance with the law force on the subject for all damage, injury or disturbance which may be done by him/them in exercise of the powers granted by this lease and shall indemnify and keep indemnified fully and completely the State Government against all claims which may be made by any person or persons in respect of any such damage, injury or disturbance and all costs and expenses in connection therewith.

To secure and keep in good condition pits, shafts, etc.:-

5. The lessee/lessees shall during the subsistence of this lease well and sufficiently secure and keep open with timber or other durable means all pits, shafts and workings that may be made or used in the said lands and make and maintain sufficient fences to the satisfaction of the State Government round every such pit, shaft or working whether the same is abandoned or not and shall during the same period keep all workings in the said lands except such as may be abandoned accessible free from water and foul air as far as possible.

To strengthen and support the mine to necessary extent: -

6. The lessee/lessees shall strengthen and support to the satisfaction of the Railway Administration concerned or the State Government, as the case may be any part of the mine

which in its opinion requires such strengthening or support for the safety of any railway, reservoir, canal, road and any other public works or structures.

To allow inspection of workings: -

7. The lessee/lessees shall allow any officer authorised by the Central Government or the State Government in that behalf to enter upon the premises including any building, excavation or land comprised in the lease for the purpose of inspecting, examining, surveying, prospecting and making plans thereof sampling and collecting any data and the lessee/lessees shall with proper person employed by the lessee/lessees and acquainted with the mines and work effectually assist such officer, agents, servants and workmen in conducting every such inspection and shall afford them all facilities, information connected with the working of the mines which they may reasonably require and also shall and will conform to and observe all orders and regulations which the Central and State Governments as the result of such inspection or otherwise may, from time to time, see fit to impose.

To report accident:-

8. The lessee/lessees shall without delay send to the Deputy Commissioner/ Collector a report of any accident causing death or serious bodily injury or serious injury to property or seriously affecting or endangering life or property which may occur in the course of the operations under this lease.

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To report discovery of other minerals:-

9.The lessee/lessees shall report to the State Government the discovery in the leased area of any mineral not specified in the lease within sixty days of such discovery along with full particulars of the nature and position of each such find. If any mineral not specified in the lease is discovered in the leased area, the lessee/lessees shall not win and dispose of such mineral unless such mineral is included in the lease or a separate lease is obtained therefor.

To keep records and accounts regarding production and employees etc.:-

10. The lessee/lessees shall at all time during the said term keep or cause to be kept at an office to be situated upon or near the said lands correct and intelligible books of accounts which shall contain accurate entries showing from time to time:-

(1) Quantity and quality of the said mineral/minerals realised from the said lands.
(2) Quantity of the various qualities of ores beneficiated or converted (for example coal converted into coke).
(3) Quantities of the various qualities of the said mineral/minerals sold and exported separately.
(4) Quantities of the various qualities of the said mineral/minerals otherwise disposed of and the manner and purpose of such disposal.
(5) The prices and all other particulars of all sales of said mineral/minerals.

(6) The number of persons employed in the mines or works or upon the said lands specifying nationality, qualifications and pay of the technical personnel.

(7) Such other facts particulars and circumstances as the Central or the State Governments may from time to time require and shall also furnish free of charge to such officers and at such times as the Central and State Governments may appoint true and correct abstract of all or any such books of accounts and such information and returns to all or any of the matters aforesaid as the State Government may prescribe and shall at all reasonable times allow such officers as the Central Government or State Government shall in that behalf appoint to enter into and have free access to the said officers for the purpose of examining and inspecting the said books of accounts, plans and records and to make copies thereof and make extracts therefrom.

To maintain plans, etc:-

11. The lessee/lessees shall at all times during the said term maintain at the mine office correct intelligible up-to-date and complete plans and sections of the mines in the said lands. They shall show all the operations, and workings and all the trenches, pits and drillings made by him/them in the course of operations carried on by him/them under the lease, faults and other disturbances encountered and geological data and all such plans and sections shall be amended and filled up by and from actual surveys to be made for that purpose at the end of twelve months or any period specified from time to time and the lessee/lessees shall furnish free of charge to the Central and State Governments true and correct copies of such plans and sections whenever required. Accurate records of all trenches, pits and drillings shall show: -

(a) The subsoil and strata through which they pass.

(b) Any mineral encountered.

(c) Any other matter of interest and all data required by the Central and State Governments, from time to time.

The lessee/lessees shall allow any officer of the Central or the State Government, authorised in this behalf by the Central Government, to inspect the same at all reasonable times. He/they shall also supply when asked for by the State Government/the Coal Controller the Director General, Geological Survey of India, the Controller General, Indian Bureau of Mines a composite plan of the area showing thickness dip, inclination, etc. of all the seams as also the quantity of reserves quality-wise.

11A. The lessee shall pay a wage not less than the minimum wage prescribed by the Central or State Government from time to time.

11B. The lessee shall comply with provisions of the Mines Act, 1952 and the rules made thereunder.

11C. The lessee shall take measures for the protection of environment like planting of trees, reclamation of land, use of pollution control devices; and such other measures as may be prescribed by the Central or State Government, from time to time, at his own expense.

11D. The lessee shall pay compensation to the occupier of the land on the date and in the manner laid down in these rules.

11E. The lessee shall, in the matter of employment, give preference to the tribals and to the persons who become displaced-because of the taking up of mining operations.

Act 67 of 1957:-

12.The lessee/lessees shall be bound by such rules as may be issued from time to time by the Government of India under section 18 of the Mines and Minerals (Development and Regulation) Act, 1957 (Act 67 of 1957) and shall not carry on mining or other operations under the said lease in any way other than as prescribed under these rules.

To provide weighing machine:-

13.Unless specifically exempted by the State Government the lessee/lessees shall provide and at all times keep at or near the pit head or each of the pit heads at which the said minerals shall be brought to bank a properly constructed and efficient weighing machine and shall weigh or cause to be weighed thereon all the said minerals, from time to time, brought to bank, sold, exported and converted and also the converted products and shall at the close of each day cause the total weights, ascertained by such means of the said minerals, ores products raised, sold, exported and converted during the previous twenty- four hours to be entered in the aforesaid books of accounts. The lessee/lessees shall permit the State Government at all times during the said term to employ any person or persons to be present at the weighing of the said minerals as aforesaid and to keep accounts thereof and to check the accounts kept by the lessee/lessees. The lessee/lessees shall give..... days previous notice in writing to the Deputy Commissioner/Collector of every such measuring or weighing in order that he or some officer on his behalf may be present thereat.

To allow test of weighing machine:-

14. The lessee/lessees shall allow any person or persons appointed in that behalf by the State Government at any time or times during the said term to examine and test every weighing machine to be provided and kept as aforesaid and the weights used therewith in order to ascertain whether the same respectively are correct and in good repair and order and if upon any such examination or testing any such weighing machine or weights shall be found incorrect or out of repair or order the State Government may require that the same be adjusted, repaired and put in order by and at the expense of the lessee/lessees and if such requisition be not complied with within fourteen days after the same shall have been made, the State Government may cause such weighing machine or weights to be adjusted, repaired, and put in order and the expense of so doing shall be paid by the lessee/lessees to the State Government on demand and if upon any such examination or testing as aforesaid any error shall be discovered in any weighing machine or weights to the prejudice of the State Government such error shall be regarded as having existed for three calendar months, previous to the discovery thereof or from the last occasion of so examining and testing the same weighing machine and weights in case such occasion be

within such period of three months and the said rent and royalty shall be paid and accounted for accordingly.

To pay compensation for injury of third parties:-

15. The lessee/lessees shall make and pay reasonable satisfaction and compensation for all damage, injury or disturbance or person or property which may be done by or on the part of lessee/lessees in exercise of the liberties and power granted by these presents and shall at all times save harmless and keep indemnified the State Government from and against all suits. claims and demands which may be brought or made by any person or persons in respect of any such damage, injury or disturbance.

Not to obstruct working of other minerals:-

16. The lessee/lessees will exercise the liberties and powers hereby granted in such a manner as to offer no unnecessary or reasonably avoidable obstruction or interruption to the development and working within the said lands of any minerals not included in this lease and shall at all times afford to the Central and State Government and to the holders of prospecting licences or mining leases in respect of any such minerals or any minerals within any land adjacent to the said lands as the case may be reasonable means of access and safe and convenient passage upon and across the said lands to such minerals for the purpose of getting working, developing and carrying away the same provided that the lessee/lessees shall receive reasonable compensation for any damage or injury which he/they may sustain by reason or in consequence of the use of such passage by such lessees or holders of prospecting licences.

Transfer of lease:-

17.(1) The lessee/lessees shall not, without the previous consent in writing of the State Government, Omitted

(a) assign, sublet, mortgage, or in any other manner, transfer the mining lease, or any right, title or interest therein, or

(b) enter into or make any arrangement, contract or understanding whereby the lessee/lessees will or may be directly or indirectly financed to a substantial extent by, or under which the lessee's operations or undertakings will or may be substantially controlled by, any person or body of persons other than the lessee/lessees:

Provided that the State Government shall not give its written consent unless-

(a) the lessee has furnished an affidavit along with his application for transfer of the mining lease specifying therein the amount that he has already taken or proposes to take as consideration from the transferee;

(b) the transfer of the mining lease is to be made to a person or body directly undertaking mining operations.

(2) Without prejudice to the above provisions the lessee/lessees may, subject to the conditions specified in the proviso to Rule 35 of said Rules, transfer this lease or any right, title or interest therein, to a person who has filed an affidavit stating that he has filed up-to-date income tax returns, paid income tax assessed on him and paid the income tax on the basis of self-assessment as provided in the Income Tax Act, 1961 (43 of 1961), on payment of five hundred rupees to the State Government:

Provided that the lessee/lessees shall make available to the transferee the original or certified copies of all plans of abandoned workings in the area and in a belt 65 metres wide surrounding it.

Provided further that where the mortgagee is an Institution or a Bank or a Corporation specified in Schedule V, it shall not be necessary for any such Institution or Bank or Corporation to meet with the requirement relating to income tax and the said valid clearance certificate.

(3) The State Government, may by order in writing, determine the lease at any time if the lessee/lessees has/have in the opinion of the State Government, committed a breach of any of the above provisions or has/have transferred the lease or any right, title or interest therein otherwise than in accordance with clause (2) :

Provided that no such order shall be made without giving the lessee/lessees a reasonable opportunity of stating his/their case.

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Not to be financed or controlled by a Trust, Corporation, Firm or person:-

18.The lease shall not be controlled and the lessee/lessees shall not allow themselves to be controlled by any Trust, Syndicate, Corporation, Firm or person except with the written consent of the Central Government. The lessee/lessees shall not enter into or make any arrangement compact or understanding whereby the lessee/lessees will or may be directly or indirectly financed by or under which the lessee's/lessees' operations or undertakings will or may be carried on directly or indirectly by or for the benefit of or subject to the control of any Trust, Syndicate, Corporation, Firm or person unless with the written sanction given prior to such arrangement compact or understanding being entered into or made of the Central Government and any or every such arrangement compact or understanding as aforesaid (entered into or made with such sanction as aforesaid) shall only be entered into or made and shall always be subject to an express condition binding upon the other party or parties thereto that on the occasion of a state of emergency of which the President of India in his discretion shall be the sole judge it shall be terminable if so required in writing by the State Government and shall in the event of any such requisition being made be forthwith thereafter determined by the lessee/lessees accordingly.

Lessee shall deposit any additional amount necessary:-

19. Whenever the security deposit of Rs.2,000 / 1,000 or any part thereof or any further sum hereafter deposited with the State Government in replenishment thereof shall be forfeited or applied by the Central or State Government pursuant to the power in hereinafter declared in that behalf the lessee/lessees shall deposit with the State Government such further sum as may be sufficient with the unappropriated part thereof to bring the amount in deposit with the State Government up to the sum of Rs. 1,000 / 500.

Delivery of workings in good order to State Governments after determination of lease: -

20.The lessee/lessees shall at the expiration or sooner determination of the said term or any renewal thereof deliver up to the State Government all mines, pits, shafts, inclines, drifts, levels, water ways, airways and other works now existing or hereafter to be sunk or made on or under the said lands except such as have been abandoned with the sanction of the State Government and in any ordinary and fair course of working all engines, machinery, plant, buildings, structures, other works and conveniences which at the commencement of the said term were upon or under the said lands and all such machinery set up by the lessee/lessees below ground which cannot be removed without causing injury to the mines or works under the said lands (except such of the same as may with the sanction of the State Government have become disused) and all buildings and structures of bricks or stone erected by the lessee/lessees above ground level in good repair order and condition and fit in all respects for further working of the said mines and the said minerals.

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Right of pre-emption:-

21 .(a) The State Government shall from time to time and all times during the said term have the right (to be exercised by notice in writing to the lessee/lessees) of pre-emption of the said minerals (and all products thereof) lying in or upon the said lands hereby demised or elsewhere under the control of the lessee/lessees and the lessee/lessees shall with all possible expedition deliver all minerals or products or minerals purchased by the State Government under the power conferred by this provision in the quantities at the times in manner and at the place specified in the notice exercising the said right.

(b) Should the right of pre-emption conferred by this present provision be exercised and a vessel chartered to carry the minerals or products thereof procured on behalf of the State Government or the Central Government be detained on demurrage at the port of loading the lessee/lessees shall pay the amount due for demurrage according to the terms of the charter party of such vessel unless the State Government shall be satisfied that the delay, is due to causes beyond the control of the lessee/lessees.

(c) The price to be paid for all minerals or products of minerals taken in pre-emption by the State Government in exercise of the right hereby conferred shall be the fair market price prevailing at the time of pre-emption PROVIDED THAT in order to assist in arriving at the said fair market price the lessee/lessees shall if so required furnish to the State Government for the confidential information of the Government, particularly of the quantities, descriptions and

prices of the said minerals or products thereof sold to other customers and of charters entered into for freight, for carriage of the same and shall produce to such officer or officers as may be directed by the State Government original or authenticated copies of contracts and charter parties entered into for the sale or freightage of such minerals or products.

(d) In the event of the existence of a state of war or emergency (of which existence and President of India shall be the sole judge and a notification to this effect in the Gazette of India shall be conclusive proof), the State Government with the consent of the Central Government shall from time to time and all times during the said term have the right (to be exercised by a notice in writing to the lessee/lessees forthwith take possession and control of the works plant machinery and premises of the lessee/lessees on or in connection with the said lands or operations under this lease and during such possession or control the lessee/lessees shall conform to and obey all directions given by or on behalf of the Central Government or State Government regarding the use or employment of such works, plants, premises and minerals: PROVIDED THAT fair compensation which shall be determined in default of agreement by the State Government shall be paid to the lessee/lessees for all loss or damage sustained by him/them by reason or in consequence of the exercise of the powers conferred by this clause and PROVIDED ALSO that the exercise of such powers shall not determine the said term hereby granted or affect the terms and provisions of these presents further than may be necessary to give effect to the provisions of this clause.

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Employment of foreign national:-

22. The lessee/lessees shall not employ, in connection with the mining operations any person who is not an Indian national except with the previous approval of the Central Government.

Recovery of expenses incurred by the State Government:-

23. If any of the works or matters which in accordance with the covenants in that behalf hereinbefore contained are to be carried or performed by the lessee/lessees be not so carried out or performed within the time specified in that behalf, the State Government may cause the same to be carried out or performed and the lessee/lessees shall pay the State Government on demand all expenses which shall be incurred in such carrying out or performance of the same and the decision of the State Government as to such expenses shall be final.

Furnishing of geophysical data:-

24. The lessee/lessees shall furnish:

(a) all geophysical data relating to mining fields, or engineering and ground Water surveys, such as anomaly maps, sections, plans, structures, contour maps, logging, collected by him/them during the course of mining operations to the Director-General, Geological Survey of India, Calcutta.

(b) all information pertaining to investigations of radioactive minerals collected by him/them during course of mining operations to the Secretary, Department of Atomic Energy, New Delhi.

Data or information referred to above shall be furnished every year reckoned from the date of commencement of the period of the mining lease.

PART VIII

The Covenants of the State Government

Lessee/lessees may hold and enjoy rights quietly :-

1. The lessee/lessees paying the rents, water rate and royalties hereby reserved and observing and performing all the covenants and agreements herein contained and on the part of the lessee/lessees to be observed and performed shall and may quietly hold and enjoy the rights and premises hereby demised for and during the term hereby granted without any unlawful interruption from or by the State Government, or any person rightfully claiming under it.

Acquisition of land of third parties and compensation thereof :-

2. If in accordance with the provision of clause 4 of Part VII of this Schedule the lessee/lessees shall offer to pay to an occupier of the surface of any part of the said lands compensation for any damage or injury which may arise from the proposed operations of the lessee/lessees and the said occupier shall refuse his consent to the exercise of the right and powers reserved to the State Government and demised to the lessee/lessees by these presents and the lessee/lessees shall report the matter to the State Government and shall deposit with it the amount offered as compensation and if the Central/State Government is satisfied that the amount of compensation offered is fair and reasonable or if it is not so satisfied and the lessee/lessees shall have deposited with it such further amount as the State and Central Government shall consider fair and reasonable the State Government shall order the occupier to allow the lessee/lessees to enter the land and to carry out such operations as may be necessary for the purpose of this lease. In assessing the amount of such compensation the State Government shall be guided by the principles of the Land Acquisition Act.

To renew:-

3. The mining lease is renewable in terms of the provisions of the Act and the rules made thereunder.

Provided that the State Government may for reasons to be recorded in writing reduce the area applied for.

If the lease is in respect of minerals specified in the First Schedule to the Act, renewal will be subject to the prior approval of the Central Government.

If the lessee/lessees be desirous of taking a renewed lease of the premises hereby demised or of any parts of them for a further term from the expiration of the term hereby granted and is otherwise eligible, they shall prior to expiration of the last mentioned term give to the State Government twelve calendar months previous notice in writing and shall pay the rent, rates and royalties hereby reserved and shall observe and perform the several covenants and agreements herein contained and on the part of the lessee/lessees to be observed and performed up to the expiration of the term hereby granted. The State Government on receipt of application for renewal, shall consider it in accordance with the provisions of the Act and the rules made thereunder and shall pass orders as it deems fit. If renewal is granted, the State Government will at the expense of the lessee/lessees and upon his executing and delivering to the State Government if required a counterpart thereof execute and deliver to the lessee/lessees a renewed lease of the said premises or part thereof for the further term of ..... years at such rents, rates and royalties and on such terms and subject to such rents, rates and royalties and on such terms and subject to such covenants and agreements, including this present covenant to renew as shall be in accordance with the Mineral Concession Rules, 1960, applicable to.....(name of minerals) on the day next following the expiration of the term hereby granted.

Liberty to determine the lease:-

4. The lessee/lessees may at any time determine this lease by giving not less than 12 calendar months notice in writing to the State Government or to such officer, or authority as the State Government may specify in this behalf and upon the expiration of such notice provided that the lessee/lessees shall upon such expiration render and pay all rents, water rates, royalties, compensation for damages and other moneys which may then be due and payable under these presents to the lessor or any other person or persons and shall deliver these presents to the State Government then this lease and the said term and the liberties, powers and privileges hereby granted shall absolutely cease and determine but without prejudice to any right or remedy of the lessor in respect of any breach of any of the covenants or agreements contained in these presents.

4A. The State Government may on an application made by the lessee permit him to surrender one or more minerals from his lease which is for a group of minerals on the ground that deposits of that mineral have since exhausted or depleted to such an extent that it is no longer possible to work the mineral economically, subject to the condition that the lessee-

(a) Makes an application for such surrender of mineral at least six months before the intended date of surrender; and

(b) Gives an undertaking that he will not cause any hindrance in the working of the mineral surrendered by any other person who is subsequently granted a mining lease for that mineral.

Refund of security deposits:-

5. On such date as the State Government may elect within 12 calendar months after the determination of this lease or of any renewal thereof, the amount of the security deposit paid in respect of this lease and then remaining in deposit with the State Government and not required to

be applied to any of the purposes mentioned in this lease shall be refunded to the lessee/lessees. No interest shall run on the security deposit.

PART IX

General Provisions

Obstructions to inspection :-

1. In case the lessee/lessees or his/their transferee/assignee does/do not allow entry or inspection by the officers authorised by the Central or State Government under clauses (i), (j) or (1) of sub-rule (1) of rule 27 of said Rules, the State Government shall give notice in writing to the lessee/lessees requiring him/them to show cause within such time as may be specified in the notice why the lease should not be determined and his/their security deposit forfeited; and if the lessee/lessees fails/fail to show cause within the aforesaid time to the satisfaction of the State Government, the State Government may determine the lease and forfeit the whole or part of the security deposit.

Penalty in case of default in payment of royalty and breach of covenants:-

2. If the lessee/lessees or his / their transferee or assignee makes/make any default in payment of rent or water rate or royalty as required by section 9 of the Act or commits a breach of any of the conditions and convenants other than those referred to in covenant 1 above, the State Government shall give notice to the lessee/lessees requiring him/them to pay the rent, water rate, royalty or remedy the breach, as the case may be, within sixty days from the date of receipt of the notice and if the rent, water rate and royalty are not paid or the breach is not remedied within such period, the State Government without prejudice to any proceedings that may be taken against him/them, determine the lease and forfeit the whole or part of the security deposit.

Penalty for repeated breaches of covenants:-

3. In cases of repeated breaches of covenants and agreements by the lessee/ lessees for which notice has been given by the State Government in accordance with clauses (1) and (2) aforementioned on earlier occasion, the State Government without giving any further notice, may impose such penalty not exceeding twice the amount of annual dead rent specified in clause 2, Part V.

Failure to fulfil the terms of leases due to "Force Majeure":-

4. Failure on the part of the lessee/lessees to fulfil any of the terms and conditions of this lease shall not give the Central or State Government any claim against the lessee/lessees or be deemed a breach of this lease, in so far as such failure is considered by the said Government to arise from force majeure, and if through force majeure the fulfilment by the lessee/lessees of any of the terms and conditions of this lease be delayed, the period of such delay shall be added

to the period fixed by this lease. In this clause the expression "Force Majeure" means act of God, war, insurrection, riot, civil commotion, strike, earth quake, tide, storm, tidal wave, flood, lightning, explosion, fire, earthquake and any other happening which the lessee/lessees could not reasonably prevent or control.

Lessee/lessees to remove his/their properties on the expiry of lease:-

5. The lessee/lessees having first paid discharged rents, rates and royalties payable by virtue of these presents may at the expiration or sooner determination of the said term or within six calendar months thereafter (unless the lease shall be determined under clauses 1 and 2 of this Part and in that case at any time not less than three calendar months nor more than six calendar months after such determination) take down and remove for his/their own benefit all or any [1][ore mineral excavated during the currency of lease] engines, machinery, plant, buildings structures, tramways, railways and other works, erections and conveniences which may have been erected, set up or placed by the lessee/lessees in or upon the said lands and which the lessee/lessees is/are not bound to deliver to the State Government under clause 20 of Part VII of this Schedule and which the State Government shall not desire to purchase.

Forfeiture of property left more than six months after determination of lease: -

6. If at the end of six calendar months after the expiration or sooner determination of the said term under the provision contained in clause 4 of Part VIII of this Schedule become effective there shall remain in or upon the said land any [2][ore or mineral] engines, machinery, plant, buildings structures, tramways, railways and other work, erections and conveniences or other property which are not required by the lessee/lessees in connection with operations in any other lands hold by him/them under prospecting licence or mining lease the same shall if not removed by the lessee/lessees within one calendar month after notice in writing requiring their removal has been given to lessee/lessees by the State Government be deemed to become the property of the State Government and may be sold or disposed of in such manner as the State Government shall deem fit without liability to pay any compensation or to account to the lessee/lessees in respect thereof.

Notices : -

7. Every notice by these presents required to be given to the lessee/lessees shall be given in writing to such person resident on the said lands as the lessee/lessees may appoint for the purpose of receiving such notices and if there shall have been no such appointment then every such notice shall be sent to the lessee/lessees by registered post addressed to the lessee/lessees at the address recorded in this lease or at such other address in India as the lessee/lessees may from time to time in writing to the State Government designate for the receipt of notices and every such service shall be deemed to be proper and valid service upon the lessee/lessees and shall not be questioned or challenged by him/them.

1. Inserted by G.S.R.No.56 (E), dated 17.1.2000.
2. Ibid.

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Immunity of State Government from liability to pay compensation:-

8. If in any event the orders of the State Government are revised, reviewed or cancelled by the Central Government in pursuance of proceedings under Chapter VII of the Mineral Concession Rules, 1960, the lessee/lessees shall not be entitled to compensation for any loss sustained by the lessee/lessees in exercise of the powers and privileges conferred upon him/them by these presents.

8A.The lease is executed at …… the capital town of the State of ..... (name of the State) and subject to the provision of Article 226 of the Constitution of India, it is hereby agreed upon by the lessee and the lessor that in the event of any dispute in relation to the area and lease, condition of lease, the dues realisable under the lease and in respect of all matters touching the relationship of the lessee and the lessor, the suits (or appeals) shall be filed in the civil courts at …….. (name of the city) and it is hereby expressly agreed that neither party shall be competent to file a suit or bring any action or file any petition at any place other than the courts named above.

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9. For the purpose of stamp duty the anticipated royalty from the demised land is Rs..... per year.

IN WITNESS WHEREOF these presents have been executed in the manner hereunder appearing the day and year first above written.

Signed by

for and on behalf of the Governor/President of India in the presence of

FORM L

REGISTER OF APPLICATIONS FOR MINING LEASES

(See rule 40(1)]

1. Serial No.
2. Date of application for mining lease.
3. Date on which application was received by the Receiving Officer.
4. Name of the applicant with full address.
5. Situation and boundaries of the land applied for.
6. Estimated area of the land.
7. Particulars of minerals which the applicant desires to mine.
8. Particulars of the prospecting licence if the area applied for is covered by it.
9. Application fee paid and preliminary expenses deposited.
10. Final disposal of the application together with number and date of the order.
11. Remarks.
12. Signature of the officer.

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FORM M

REGISTER OF MINING LEASES

[See rule 40(2)]

1. Serial No.
2. Name of the lessee.
3. Residence with complete address of lessee.
4. Date of application.
5. Date on which application was received by Receiving Officer.
6. (a) Number and date of grant of lease.
   (b) Date of execution of mining lease.
7. (Omitted)
8. Situation and boundaries of the land.
9. Total area for which lease has been granted.
10. Mineral or minerals for which lease originally granted.
11. Mineral or minerals added to the mining lease with date.
12. Period for which granted.
13. Date and period of renewal.
14. Date of change together with details of change that take place in name, nationality or other particulars of the holder of mining lease.
15. Date of assignment of transfer of the lease, if any, and the name and address of the assignee/transferee.
16. Date of expiry or relinquishment or cancellation.
17. Date from which the area is available for regrant.
18. Remarks.
19. Signature of the officer.

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FORM-N

"To be submitted in triplicate"

MODEL FORM OF APPLICATION FOR REVISION

(See rule 54)

1. Name and address of individual/s firm or company applying.
2. Profession of individual/s or firm or company.
3. (a) Number and date of order and authority passing the order against which revision application is filed;
   (b) Date of communication of the order to the applicant.
4. (a) Omitted.
   (b) If the application is in respect of an order made on an application for mineral concession, specify -
      (i) whether for grant or renewal;
      (ii) whether for prospecting licence or for mining lease;
      (iii) date of such application;
      (iv) if for renewal, the number and date of letter of the State Government conveying the grant and the date upto which licence/lease was granted;
      (v) in the case of second or subsequent renewal, the number and date of letter of earlier grant (s) and date (s) upto which grant (s) have been made.
5. Mineral or minerals for which the revision application is filed.
6. Details of the area in respect of which the revision application is filed.

District	Taluk	village	Khasra No.

Total area claimed.

(A map or plan of the area (s) to be attached.)

7. Whether application fee of Rs. 500/- has been deposited in the manner prescribed in sub-rule (1) of rule 54 of the Mineral Concession Rules, 1960. If so, treasury receipt or bank draft in original should be attached.

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8. Whether the revision application has been filed within three months of the date of communication of the order passed by the State Government.
9. If not the reasons for not presenting it within the prescribed limit as provided for in proviso to sub-rule (1) of rule 54 of Mineral Concession Rules, 1960.
10. Name and complete address of the party/parties impleaded sub- rule (2) of rule 54
11. [1]Number of copies of petition attached sub-rule (3) of rule 54.
12. Grounds of revision.
13. If the revision application has been filed by the holder of Power of Attorney, the Power of Attorney to be attached.

Yours faithfully,

Place
Date

Signature and designation of the applicant

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1. Revision petition is to be submitted in triplicate if no party is impleaded. Besides these, for each party impleaded one additional copy is to be enclosed.

FORM- O

Model form for transfer of mining lease

(See rule 37 A)

When the transferor is an individual.....The indenture made this.....day of.....…… 20….between..... (Name of the person with address and occupation) (hereafter referred to as the "transferor" which expression shall where the context so admits be deemed to include his heirs, executors, administrators, representatives and permitted assigns).

When the transferors are more than one individual.....(Name of person with address and occupation) and …….....(Name of person with address and occupation) (hereinafter referred to as the "transferor" which expression shall where the context so admits be deemed to include their respective heirs, executors, administrators, representatives and permitted assigns).

When the transferor is a registered firm.....(Name of the person with address of all the partners) all carrying on business in partnership under the firm name and style of.....(Name of the firm) registered under the Indian Partnership Act, 1932(9 of 1932) and having their registered office at.....(hereinafter referred to as the "transferor" which expression where the context so admits be deemed to include all the said partners, their respective heirs, executors, legal representatives and permitted assigns).

When the transferor is a registered company .....(Name of Company) a company registered under .....(Act under which incorporated) and having its registered office at.....(Address)(hereinafter referred to as the "transferor" which expression shall where the context so admits be deemed to include its successors and permitted assigns) of the first part.

And

When the transferee is an individual ..... (Name of person with address and occupation) (hereinafter referred to as the "transferee" which expression shall where the context so admits be deemed to include his heirs, executors, administrators, representatives and permitted assigns.).

When the transferees are more than one individual.....(Name of the person with address and occupation) and .....(Name of person with address and occupation)(hereinafter referred to as the "transferee" which expression shall where the context so admits be deemed to include their respective heirs, executors, administrators, representatives and permitted assigns).

When the transferee is a registered firm.....(Name and address of all the partners all carrying on business in partnership under the firm name and style of) .....(Name of the firm) registered under the Indian Partnership Act, 1932 (9 of 1932) and having their registered office at.....(hereinafter referred to as the "transferee" which expression where the context so admits be deemed to include all the said partners, their respective heirs, executors, legal representatives and permitted assigns).

When the transferee is a registered company.....(Name of the Company) a company registered under (Act under which incorporated) and having its registered office at ..... (Address) (hereinafter referred to as the "transferee" which expression shall where the context so admits be deemed to include its successors and permitted assigns) of the second part.

And

The Governor of ..... (hereinafter referred to as the 'State Government' which expression shall where the context so admits be deemed to include the successors and assigns) of the third part.

Whereas by virtues of an indenture of lease dated the ..... and registered as No. .....on .....…… (date) in the office of the Sub-registrar of ……. (place) (hereinafter referred to as lessee) the original whereof is attached hereto and marked `A' entered into between the State Government (therein called the lessor) and the transferor (therein called the lessee), the transferor is entitled to search for, win and work mines and minerals in respect of.....(Name of mineral/s) in the lands described in Schedule thereto and also in Schedule annexed hereto for the term and subject to the payment of the rents and royalties and observance and performance of the lessee's covenant and conditions in the said deed of lease reserved and contained including a covenant not to assign the lease or any interest thereunder without the previous sanction of the State Government.

And whereas the transferor is now desirous of transferring and assigning the lease to the transferee and the State Government has, at the request of the transferor, granted (with the prior approval of the Central Government) permission to the transferor vide order No.....dated ..... to such a transfer and assignment of the lease upon the condition of the transferees entering into an agreement is and containing the terms and conditions hereinafter setforth.

Now this Deed Witnesseth follows:

1.-Omitted.

2. The transferee hereby covenants with the State Government that from and after the transfer and assignment of the lease the transferee shall be bound by, and be liable to perform, observe and conform and be subject to all the provisions of all the covenants, stipulations and conditions contained in said hereinbefore recited lease in the same manner in all respects as if the lease had been granted to the transferee as the

lessee thereunder and he had originally executed it as such.

3. It is further hereby agreed and declared by the transferor of the one part and the transferee of the other part that

(i) The transferor and the transferee declare that they have ensured that the mineral rights over the area for which the mining lease is being transferred vest in the State Government.

(ii) The transferor hereby declares that he has not assigned, sublet, mortgaged or in any other manner transferred the mining lease now being transferred and that no other person or persons has any right, title or interest where under in the present mining lease being transferred.

(iii) The transferor further declares that he has not entered into or made any Agreements, contract or understanding whereby he had been or is being Directly or indirectly financed to a substantial extent by or under which the Transferor's operation or understandings were or are being substantially controlled by any person or body of persons other than the transferor.

(iv) The transferee hereby declares that he/she has accepted all the conditions and liabilities which the transferor was having in respect of such mining licence.

(v) The transferee further declares that he is financially capable of and will directly undertake mining operations.

(vi) The transferee further declares that he has filed an affidavit stating that he has filed up-to-date income tax returns, paid the income tax assessed on him and paid the income tax on the basis of self-assessment as provided in the Income Tax Act, 1961, (43 of 1961).

(vii) The transferor has supplied to the transferee the original or certified Copies of all plans of abandoned workings in the area and in a belt 65 Metres wide surrounding it.

(viii) The transferee hereby further declares that as a consequence of this Transfer, the total area while held by him under mineral concessions are not in contravention of Section 6 of the Mines and Minerals (Development and Regulation) Act, 1957 or rule 35 of the Mineral Concession Rules, 1960.

(ix) The transferor has paid all the rent, royalties, and other dues towards Government till the date, in respect of this lease.

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In witness whereof the parties hereto have signed on the date and year first above written.

SCHEDULE

Location and area of the lease

All that tract of lands situated at .....……..
(Description of area or areas) .....…… in (Pargana) in
……the Registration Distt..... Sub
District.....……..and Thana…….....bearing Cadestral Survey
Nos……..... containing an area of .....or thereabout
delineated on the plan hereto annexed and thereon coloured ……...
and bounded as follows:-

ON THE NORTH BY
ON THE SOUTH BY
ON THE EAST BY
AND
ON THE WEST BY

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Signed by
for and on behalf of the State Govt. in the presence of

1.

2.

Signature of transferor in the presence of witnesses

1.

2.

Signature of transferee in the presence of

1.
2.

---

[1][FORM-P

Model form for transfer of prospecting licence

(See rule 15A)

When the transferor is an individual.....……This indenture made this.....day of.....…… 20….between..... (Name of the person with address and occupation) (hereinafter referred to as the "transferor" which expression shall where the context so admits be deemed to include his heirs, executors, administrators, representatives and permitted assigns).

When the transferors are more than one individual.....(Name of persons with address and occupation) and …….....(Name of persons with address and occupation) (hereinafter referred to as the "transferor" which expression shall where the context so admits be deemed to include their respective heirs, executors, administrators, representatives and permitted assigns).

When the transferor is a registered firm.....(Name of the person with address of all the partners) all carrying on business in partnership under the firm name and style of.....(Name of the firm) registered under the Indian Partnership Act, 1932 (9 of 1932) and having their registered office at.....(hereinafter referred to as the "transferor" which expression shall where the context so admits be deemed to include all the said partners, their respective heirs, executors, legal representatives and permitted assigns).

When the transferor is a registered company .....(Name of the Company) a company registered under .....(Act under which incorporated) and having its registered office at.....(Address) (hereinafter referred to as the "transferor" which expression shall where the context so admits be deemed to include its successors and permitted assigns) of the first part.

AND

When the transferee is an individual ..... (Name of person with address and occupation) (hereinafter referred to as the "transferee" which expression shall where the context so admits be deemed to include his heirs, executors, administrators, representatives and permitted assigns).

When the transferees are more than one individual.....……....(Name of the person with address and occupation) and .....(Name of person with address and occupation) (hereinafter referred to as the "transferee" which expression shall where the context so admits be deemed to include their respective heirs, executors,

---

1. Inserted by G.S.R. No. 31 (E), dated 22.1.2001.

administrators, representatives and permitted assigns).

When the transferee is a registered firm.....(Name and address of all the partners) all carrying on business in partnership under the firm name and style of .....(Name of the firm) registered under the Indian Partnership Act, 1932 (9 of 1932) and having their registered office at.....(hereinafter referred to as the "transferee" which expression where the context so admits be deemed to include all the said partners, their respective heirs, executors, legal representatives and permitted assigns).

When the transferee is a registered company.....(Name of the Company) a company registered under ……(Act under which incorporated) and having its registered office at ..... (Address) (hereinafter referred to as the "transferee" which expression shall where the context so admits be deemed to include its successors and permitted assigns) of the second part.

AND

The Governor of ..... (hereinafter referred to as the 'State Government' which expression shall where the context so admits be deemed to include the successors and assigns) of the third part.

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Whereas by virtue of an indenture of licence dated the .....…..…… and registered as No. .....on .....…… (date) in the office of the Sub-registrar of ……..(place) (hereinafter referred to as licensor) the original whereof is attached hereto and marked `A' entered into between the State Government (therein called the licensor) and the transferor (therein called the licensee), the transferor is entitled to search for, the minerals in respect of.....(Name of mineral(s) in the lands described in the Schedule thereto and also in Schedule annexed hereto for the term and subject to the payment of prospecting and other fees and royalties and observance and performance of the licensee's covenant and conditions in the said deed of licence reserved and contained including a covenant not to assign the licence or any interest thereunder without the previous sanction of the State Government.

And whereas the transferor is now desirous of transferring and assigning the licence to the transferee and the State Government has, at the request of the transferor, granted permission to the transferor vide order No.....dated ..... to such a transfer and assignment of the licence upon the condition of the transferee entering into an agreement in and containing the terms and conditions hereinafter setforth.

Now this Deed Witnesseth as follows:

1. The transferee hereby covenants with the State Government that from and after the transfer and assignment of the licence, the transferee shall be bound by, and be liable to perform, observe and conform and be subject to all the provisions of all the

covenants, stipulations and conditions contained in said hereinbefore recited licence in the same manner in all respects as if the licence had been granted to the transferee as the licensee thereunder and he had originally executed it as such.

2. It is further hereby agreed and declared by the transferor of the one part and the transferee of the other part that -

(i) the transferor and the transferee declare that they have ensured that the mineral rights over the area for which the prospecting licence is being transferred vest in the State Government;

(ii) the transferor hereby declares that he has not assigned, sublet, mortgaged or in any other manner transferred the prospecting licence now being transferred and that no other person or persons has any right, title or interest where under in the present prospecting licence being transferred;

(iii) the transferor further declares that he has not entered into or made any agreement, contract or understanding whereby he had been or is being directly or indirectly financed to a substantial extent by or under which the transferor's operation or understandings were or are being substantially controlled by any person or body or persons other than the transferor;

(iv) the transferee hereby declares that he has accepted all the conditions and liabilities which the transferor was having in respect of such prospecting licence;

(v) the transferee further declares that he is financially capable of and will directly undertake prospecting operations;

(vi) the transferee further declares that he has filed an affidavit stating that he has filed up-to-date income tax returns, paid the income tax assessed on him and paid the income tax on the basis of self-assessment as provided in the Income Tax Act, 1961, (43 of 1961);

(vii) the transferor has supplied to the transferee the original/or certified copies of all plans of exploration and abandoned pits in the area and in a belt of 65 meters wide surrounding it;

(viii) the transferee hereby further declares that as a consequence of this transfer, the total areas held by him under mineral concessions are not in contravention of section 6 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957);

(ix) the transferor has paid all the prospecting and other fees, royalties, and other dues towards Government till the date, in respect of this licence.

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In witness whereof the parties hereto have signed on the date and year first above written.

SCHEDULE

Location and area of the licence:

All that tract of lands situated at ……..…….. (Description of areas) .....… in (Pargana) in ……the District.....….. Sub-District.....……and Thana…….....bearing Cadestral Survey Nos.…….....…….....… containing an area of .....or thereabout delineated on the plan hereto annexed and thereon coloured.....……. and bounded as follows:-

ON THE NORTH BY
ON THE SOUTH BY
ON THE EAST BY
AND
ON THE WEST BY

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Signed by
for and on behalf of the State Government in presence of

1.

2.

Signature of transferor in the presence of witnesses

1.

2.

Signature of transferee in the presence of

1.

2.]

---

[1][SCHEDULE II

[See rule 9(2)(a)]

Application fee for prospecting licences

(1) For first square kilometre or part thereof two hundred and fifty rupees.
(2) For each additional square kilometre fifty rupees.]

SCHEDULE III

[See rule 14(1) (ii) (a) & (b)]

Maximum quantities of ores and minerals removable

Class	Mineral/ore	Quantities that can be carried away without any payment	Maximum quantity that can be carried away by payment of royalty
1	2	3	4
Class-I	Asbestos, graphite, mica, native sulphur, auriferous rock with visible uranium mineral and uranium bearing minerals, minerals of rare earths group, beryl, tantalite, columbite-concentrates of ores of antimony, arsenic, bismuth, chromium, copper, lead, nickel, tin, titanium, tungsten, zinc.	250 kg	10 tonnes
Class-II	Auriferous rock and gravel containing no visible gold, metalliferous ores meant for extracting cadmium, cobalt, mercury, molybdenum, silver, helium, vanadium, barytes, bitumen, borax, corundum, emery, grossularite, felspar, fluorspar and calcite.	5 tonnes	200 tonnes
Class-III	Uraniferous rock without visible uranium minerals, metalliferous ores meant for extracting antimony, arsenic, bismuth, chromium, copper, lead, nickel, tin, titanium, tungsten, zinc and compound ores containing metals of cadmium, cobalt, mercury, molybdenum, silver, helium and vanadium, gypsum, limestone, iron pyrites, shales, red & yellow ochre, bauxite, metalliferous ores meant for extracting aluminium, iron and manganese.	10 tonnes	200 tonnes
Class-IV	Limestone, sillimanite, kyanite, magnesite, serpentine, steatite, vermiculite, fireclay, kaolin and other refractory materials, coal and lignite.	50 tonnes	200 tonnes
Class-V	All other minerals not specified above.	10 tonnes	200 tonnes

1 Substituted by G.S.R. 21 (E), dated 11.1.2002.

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SCHEDULE IV

Omitted by G.S.R. 1010, dated 15.9.1973

SCHEDULE V

Institutions/Banks/Corporations
(See rule 37)

1. A Scheduled Bank as defined in clause (e) of Section 2 of the Reserve Bank of India Act, 1934 (2 of 1934).
2. A Bank specified in column 2 of the First Schedule to the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (5 of 1970).
3. A Finance Corporation owned and controlled by a State Government.
4. A State Industrial Development Corporation.
5. Unit Trust of India.
6. Industrial Finance Corporation of India.
7. State Trading Corporation of India.
8. Industrial Credit and Investment Corporation of India.
9. Life Insurance Corporation of India.
10. Industrial Development Bank of India.
11. Industrial Reconstruction Corporation of India Ltd., Kolkata.
12. State Industrial Corporation of Maharashtra.
13. General Insurance Corporation of India and its four subsidiaries, viz. (1) Oriental Insurance Co., New Delhi, (2) New India Assurance Co., Mumbai, (3) National Insurance Co., Kolkata and (4) United Insurance Co., Chennai.
14. The Export and Import Bank of India.
15. The National Bank of Agriculture and Rural Development.

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छत्तीसगढ़ शासन
खनिज साधन विभाग
मंत्रालय
महानदी भवन, नया रायपुर,–492002

20 AUG 2014

क्रमांक एफ 7–31 / 2014 / XII नया रायपुर, दिनांक

प्रति,

संचालक,
भौमिकी तथा खनिकर्म,
सोनाखान भवन,
रायपुर (छ0ग0)।

Director
21 AUG 2014

विषय :– **Amendment to Rule 24A(6) of Mineral Concession Rules, 1960.**

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उपरोक्त विषयांतर्गत खान मंत्रालय, भारत सरकार, नई दिल्ली से प्राप्त पत्र क्रमांक 7 / 2 / 2012–M.VI, दिनांक 22.07.2014 के साथ खनिज रियायत नियम, 1960 के नियम 24A में संशोधन हेतु जारी अधिसूचना दिनांक 18.07.2014 की प्रति छायाप्रति आवश्यक कार्यवाही हेतु संलग्न प्रेषित है।

संलग्नः– उपरोक्तानुसार।

19/8/14

(संजय कनकने)
अवर सचिव
छत्तीसगढ़ शासन
खनिज साधन विभाग

क्रमांक एफ 7–31 / 2014 / XII नया रायपुर, दिनांक

प्रतिलिपिः–

समस्त कलेक्टर, जिला–..... छत्तीसगढ़ की ओर सूचनार्थ एवं आवश्यक कार्यवाही हेतु प्रेषित।

सही/–
अवर सचिव
छत्तीसगढ़ शासन
खनिज साधन विभाग

Director of Geology & Mining
726
21 AUG 2014
छत्तीसगढ़

रजिस्ट्री सं० डी० एल०-33004/99 REGD. NO. D. L.-33004/99

भारत का राजपत्र
The Gazette of India

असाधारण
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खान मंत्रालय

अधिसूचना

नई दिल्ली, 18 जुलाई, 2014

सा.का.नि. 510(अ).—केंन्द्रीय सरकार, खान और खनिज (विकास और विनियमन) अधिनियम, 1957 (1957 का 67) की धारा 13 द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, खनिज रियायत नियम, 1960 का और संशोधन करने के लिए निम्नलिखित नियम बनाती है, अर्थात् :—

1. (1) इन नियमों का संक्षिप्त नाम खनिज़ रियायत (संशोधन) नियम, 2014 है।

(2) ये राजपत्र में प्रकाशन की तारीख को प्रवृत्त होंगे।

2. खनिज रियायत नियम, 1960 के नियम 24 क में-

(क) उप-नियम (6) के स्थान पर निम्नलिखित उप-नियम रखा जाएगा, अर्थात् :—

"(6) यदि खनन पट्टे के प्रथम नवीकरण के लिए उप-नियम (1) में निर्दिष्ट समय के भीतर किये गये आवेदन को पट्टा समाप्ति तिथि से पहले राज्य सरकार द्वारा नहीं निपटाया जाता है तो उस पट्टे की अवधि को दो और वर्षों की अवधि अथवा राज्य सरकार द्वारा उस पर आदेश दिया जाने, जो भी पहले हो, तक के लिए विस्तारित माना जायेगा।

परंतु पट्टे, जिनमें खनन पट्टे के प्रथम नवीकरण के लिए राज्य सरकार को आवेदन किया गया है और पट्टे की समाप्ति की तारीख से पूर्व राज्य सरकार द्वारा उनका निपटान नहीं किया गया है तथा इस संशोधन की अधिसूचना की तारीख को निपटान के लिए लंबित है, को इस संशोधन के लागू होने की तारीख से दो और वर्षों की अवधि अथवा राज्य सरकार द्वारा उस पर आदेश पारित करने या प्रथम नवीकरण के लिए अनुज्ञात अधिकतम अवधि की समाप्ति की तारीख, जो भी पहले हो, तक के लिए विस्तारित माना जाएगा:

परंतु यह भी कि इस उप-नियम के प्रावधान खान और खनिज (विकास और विनियमन) अधिनियम, 1957 (1957 का 67) की धारा 8 की उप-धारा (3) के तहत नवीकरण पर लागू नहीं होंगे।"

(ख) उप-नियम (9) में शब्दों "अथवा प्रथम नवीकरण के लिए अनुज्ञात अधिकतम अवधि की समाप्ति की तिथि, जो भी पहले हो।" को अंत में अंत:स्थापित किया जाए।

[फा.सं. 7/2/2012-एम.VI]

आर. श्रीधरन, अपर सचिव

टिप्पण: खनिज रियायत नियम, भारत के राजपत्र में सं. सा.का.नि. 1398, तारीख 26 नवंबर, 1960 द्वारा प्रकाशित किए गए थे और अधिसूचना सं. सा.का.नि. 593(अ), तारीख 26 जुलाई, 2012 द्वारा अंतिम संशोधन किया गया।

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MINISTRY OF MINES

NOTIFICATION

New Delhi, the 18th July, 2014

G.S.R. 510(E).— In exercise of the powers conferred by Section 13 of the Mines and Minerals (Regulation and Development) Act, 1957 (67 of 1957), the Central Government hereby makes the following rules further to amend the Mineral Concession Rules, 1960, namely :—

1. (1) These rules may be called the Mineral Concession (Amendment) Rules, 2014.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Mineral Concession Rules, 1960, in Rule 24A, -

(a) For sub-rule (6), the following sub-rule shall be substituted, namely:-

"(6) If an application for first renewal of a mining lease made within the time referred to in sub-rule (1) is not disposed of by the State Government before the date of expiry of the lease, the period of that lease shall be deemed to have been extended by a further period of two years or till the State Government passes order thereon, whichever is earlier:

Provided that the leases where applications for first renewal of mining lease have been made to the State Government and which have not been disposed of by the State Government before the date of expiry of lease and are pending for disposal as on the date of the notification of this amendment, shall be deemed to have been extended by a further period of two years from the date of coming into force of this amendment or till the State Government passes order thereon or the date of expiry of the maximum period allowed for first renewal, whichever is the earliest:

Provided further that the provisions of this sub-rule shall not apply to renewal under sub-section (3) of Section 8 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957).".

(b) in sub-rule (9), the words "or the date of expiry of the maximum period allowed for first renewal, whichever is earlier." shall be inserted at the end.

[F. No.7/2/2012-M.VI]

R. SRIDHARAN, Addl. Secy.

Note: - The Mineral Concession Rules were published in the Gazette of India, *vide* No. G.S.R. 1398, dated the 26th November, 1960 and lastly amended *vide* notification No. G.S.R. 593(E), dated the 26th July, 2012.

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