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STEEL & MINES DEPARTMENT

NOTIFICATION

The 14th December, 2016

ODISHA MINOR MINERAL CONCESSION RULES, 2016

S.R.O. No. 601/2016— In exercise of the powers conferred by sub-section (1) of Section 15 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) and in supersession of the provisions contained in the Odisha Minor Mineral Concession Rules, 2004, except as respects things done or omitted to be done before such supersession, the State Government hereby makes the following rules for regulating the grant of mineral concessions in respect of minor minerals and for the purposes connected therewith, namely:—

CHAPTER-I PRELIMINARY

1. **Short title and commencement:**— (1) These rules may be called the Odisha Minor Mineral Concession Rules, 2016.

(2) They shall come into force on the date of their publication in the *Odisha Gazette*.

2. **Definitions:**— (1) In these rules, unless the context otherwise requires,—

- (a) "Act" means the Mines and Minerals (Development and Regulation) Act, 1957;
- (b) "Additional charge" means the amount payable by a successful bidder on unit quantity of minerals towards auction money in addition to other charges leviable under these rules;
- (c) "Authorized Officer" means the Director of Mines or Director of Geology or any officer of the Directorate of Mines or Directorate of Geology duly authorized by the Government in writing for the purpose;
- (d) "Captive use" means use of the entire quantity of mineral(s) extracted from the mining lease in a mineral processing unit or mineral beneficiation unit owned by the lessee excluding the mineral of substandard quality or mineral rejects;
- (e) "Collector" means the Chief Officer-in-Charge of the revenue administration of a district and also includes the Additional District Magistrate;

- (f) "Competent Authority" means officer of the concerned Department of Government mentioned in columns (3) and (4) of Schedule IV for the purpose and jurisdiction specified against each of them in Columns (2) and (1) respectively thereof;
- (g) "Controlling Authority" means officers mentioned in the column (2) of Schedule III for the purpose and jurisdiction specified against each of them in column (1) thereof;
- (h) "Decorative Stone" means all types of granites as defined in the Granite Conservation and Development Rules, 1999 and any other rock suitable for decorative or export purpose including dimension stone;
- (i) "Deputy Director" means the Deputy Director of Mines, Odisha;
- (j) "Director" means the Director of Mines, Odisha;
- (k) "Form" means Form appended to these rules;
- (l) "Government" means the Government of Odisha;
- (m) "GramaPanchayat" means the Executive Committee of the "GramaSasan" established under section 7 of the Odisha Gram Panchayat Act, 1964;
- (n) "Granite" means dolerites, granite gneisses, migmatities, gabbros, anorthosites, rhyolites, syenites, leptynites, charnockites and other igneous and orthometamorphic rock types which are —
- (i) amenable to be recovered as dimensional stone,
 - (ii) capable of taking polish, and
 - (iii) commercially exploitable;
- (o) "Joint Director" means the Joint Director of Mines, Odisha;
- (p) "Minimum guaranteed quantity" means, in respect of sources for which the mining plan has been approved, the quantity of extraction approved for the year concerned as per the mining plan and in respect of sources for which mining plan has not been prepared and approved, such extractable quantity as may be assessed by the Competent Authority with approval of the Controlling Authority as the reasonable quantity that may be extracted from the source considering its potential.
- (q) "Mining lease" means a lease granted under these rules for specified minor minerals over a compact area;
- (r) "Mining Plan" in relation to specified minor minerals means a mining plan prepared under the 'Granite Conservation and Development Rules, 1999' and in relation to all other minor minerals means a mining plan prepared under these rules;
- (s) "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.

- (t) "Prospecting license-cum-mining lease" means a two stage concession granted for the purpose of undertaking prospecting operation in respect of specified minor minerals followed by mining operation over a compact area;
- (u) "Quarry lease" means a lease granted on tenure basis for extraction, collection and/or removal of minor minerals other than specified minor minerals over a compact area;
- (v) "Quarrying operation" means any operation undertaken for the purpose of winning any minor mineral other than specified minor minerals and shall include erection of machinery, laying of tramways, construction of roads and other preliminary operations for the purpose of quarrying;
- (w) "Quarry permit" means a permit granted for extraction, collection and/or removal of any specified quantity of minor minerals other than specified minor minerals under Chapter V of these rules;
- (x) "Recognised person" means a qualified person granted recognition under these rules for preparation of mining plan;
- (y) "Schedule" means a Schedule appended to these rules;
- (z) "Scheduled Areas" means the Scheduled Areas as referred to in Clause (1) of Article 244 of the Constitution of India;
- (aa) "Specified minor minerals" means all minor minerals including decorative stones other than the minor minerals listed at serial No. 1(ii) of Schedule-III;
- (bb) "Sub-Collector" means the officer-in-charge of a Revenue Sub-division; and
- (cc) "Tahasildar" means the officer so appointed by the Government and includes an Additional Tahasildar.
- (2) Words and expressions used herein but not defined in these rules shall have the meanings as respectively assigned to them in the Act, and rules made thereunder.

3. Restriction on prospecting or mining or quarrying operation:— (1) No person shall undertake any prospecting operation or mining operation or quarrying operation for minor minerals in any area except under and in accordance with the terms and conditions of a prospecting license-cum-mining lease or a mining lease or a quarry lease or a quarry permit, as the case may be, granted under these rules:

Provided that extraction, collection and/or removal of minor minerals by a person from his own land for normal agricultural operations or other bonafide domestic consumptions shall not be construed as mining or quarrying operation:

Provided further that nothing in this sub-rule shall affect any prospecting or mining or quarrying operation undertaken in any area in accordance with the terms and conditions of a

prospecting license or mining lease or quarry lease or quarry permit before commencement of these rules which is in force at such commencement:

Provided also that nothing in this rule shall apply to prospecting operations undertaken by any agency or organization of the State or the Central Government.

- (2) No person shall transport or store or cause to be transported or stored any minor mineral for the purpose of selling or trading otherwise than in accordance with these rules.
- (3) In the interest of mineral development, preservation of natural environment, prevention of pollution or to avoid danger to public health or communication or to ensure safety to buildings, monuments or other structures or to protect national security or for such other purposes, the Competent/Controlling Authority may, by an order in respect of any minor mineral, make premature termination of prospecting license-cum-mining lease or mining lease or quarry lease or quarry permit after giving the holder of license or lease or permit a reasonable opportunity of being heard:

Provided that the Deputy Director of Mines or Mining Officer or Tahasildar or Divisional Forest Officer having jurisdiction, may in an emergent situation or in case of irreparable loss, pass necessary orders as deemed proper in the interest of mineral development, preservation of natural environment, prevention of pollution, protection of national security, or to avoid danger to public health or communication or to ensure safety to buildings, monuments or other structures or for such other purposes.

4. Restriction on grant of prospecting license-cum-mining lease or mining lease or quarry lease or quarry permit:— (1) Notwithstanding anything contained in these rules, the State Government may, by an order, declare that no prospecting license-cum-mining lease or mining lease or quarry lease or quarry permit shall be granted in any area or in respect of any minor mineral(s) except on such terms and conditions as may be specified from time to time.

(2) No prospecting license-cum-mining lease or mining lease or quarry lease or quarry permit shall be granted to any person other than an Indian citizen and without prior approval of the Competent Authority.

(3) No prospecting license-cum-mining lease or mining lease or quarry lease or quarry permit shall be granted over areas which, in the opinion of the State Government are of historical, cultural, archaeological and scientific importance.

(4) No prospecting license-cum-mining lease shall be granted for a specified minor mineral over any area unless it is satisfied that the reconnaissance survey (G4 level) has been carried out over the area applied for to establish availability of mineral therein or evidence of mineral in the area has been established otherwise:

Provided that this provision shall not be applicable for areas in which mining has been carried out in the past under a mining lease.

(5) No mining lease shall be granted over any area for a specified minor mineral unless it is satisfied that the prospecting operations (G3 level) has been carried out over the area applied for to establish availability of mineral therein or evidence of mineral in the area has been established otherwise.

(6) No prospecting license-cum-mining lease or mining lease or quarry lease shall be granted in Scheduled Areas without recommendation of the concerned Grama Panchayat.

(7) No prospecting license-cum-mining lease or mining lease or quarry lease or quarry permit shall be executed in any forest land without prior approval of the Government of India as required under the Forest (Conservation) Act, 1980.

(8) No quarry lease or quarry permit for brick earth shall be granted for manufacture of clay bricks or tiles or blocks for use in construction activity within a radius of fifty kilometers from coal based thermal power plant unless an undertaking is furnished to the effect that at least twenty-five percent of ash (fly ash, bottom ash or pond ash) shall be used with brick earth on weight to weight basis.

(9) No prospecting license-cum-mining lease or mining lease or quarry lease or quarry permit shall be granted to a person who is a defaulter in payment of Government dues under the Act and the rules made thereunder, unless recovery of such dues has been stayed by any Court or an Authority, before whom an appeal is pending under sub-rule (1) of rule 46 of these rules.

(10) No quarry lease or quarry permit for road metals including ballast and ordinary boulders shall be granted within the area for which a license-cum-lease or lease has been granted for specified minor minerals.

(11) No prospecting license-cum-mining lease or mining lease or quarry lease or quarry permit shall be granted to any person over any private land unless consent of the land owner in the form of a duly sworn in affidavit is obtained by the Controlling Authority before initiating the procedure for grant of such concession.

(12) All applications for prospecting license and mining lease for specified minor minerals received prior to the date of commencement of these rules shall become ineligible.

(13) Notwithstanding anything contained in sub-rule (12), the following applications shall remain eligible for grant of mining lease under these rules:

(a) Where before the commencement of these rules, a prospecting licensee has been granted in respect of any land for any specified minor mineral, the licensee shall have the right to obtain mining lease in respect of that mineral in that land, if the State Government is satisfied that the licensee,

- (i) has undertaken prospecting operations to establish the existence of mineral contents in such land in accordance with the provisions applicable during the period of license,
- (ii) has not committed any breach of the terms and conditions of the license.
- (iii) has not become ineligible for grant of mining lease,
- (iv) has not failed to apply for grant of mining lease within a period of three months after the expiry of prospecting license or such further period as may be extended by the State Government.

(b) Where the State Government has communicated order (terms and conditions) to grant a mining lease before commencement of these rules, the mining lease shall be granted subject to fulfillment of terms and conditions of the grant order within the time stipulated in the grant order or such further time, not exceeding two years, as may be extended by the State Government.

✓ **5. Maximum area for which a prospecting license-cum-mining lease or a mining lease may be granted:**— No person by himself or with any person having joint interest shall hold:—

- (a) one or more prospecting license-cum-mining lease covering a total area of more than five square kilometers (five hundred hectares) for specified minor minerals:

Provided that the area granted under a single prospecting license-cum-mining lease shall not exceed one square kilometer (one hundred hectares);

- (b) one or more mining leases for specified minor minerals covering a total area of more than five square kilometers (five hundred hectares):

Provided that the area granted under a single mining lease shall not exceed one square kilometer (one hundred hectares).

(2) For the purpose of this rule, a person acquiring, by or in the name of another person, a prospecting license-cum-mining lease or mining lease which is intended for him shall be deemed to be acquiring it himself.

(3) For the purpose of determining the total area referred to in sub-rule (1) the area held under a prospecting license-cum-mining lease or mining lease by a person as a member of a co-operative, society, company or other corporation or a Hindu Undivided Family or a partner of a firm shall be deducted from the area referred to in sub-rule(1) so that the sum total of the area held by such person under a prospecting license-cum-mining lease or mining lease, whether as such member or partner of individually, may not, in any case, exceed the total area specified in sub-rule (1).

6. Minimum area for which a prospecting license-cum-mining lease or mining lease may be granted:—The minimum area that may be granted under prospecting license-cum-mining lease or mining lease shall not be less than one hectare:

Provided that the State Government, if it is satisfied on the basis of proposed production level, geological or topographical conditions may, for the reasons to be recorded in writing, grant prospecting license-cum-mining lease or mining lease over an area more than the maximum area as specified in rule 5 or less than the minimum area as specified in this rule.

7. Boundaries below the surface:— The boundaries of the area covered by a prospecting license-cum-mining lease or a mining lease or quarry lease shall run vertically downwards below the surface towards the centre of earth.

8. Periods for which prospecting license-cum-mining lease, mining lease and quarry lease be granted for the specified minor minerals –

- (1) On and from the commencement of these rules, all prospecting license-cum-mining leases for specified minor minerals shall be granted in two stages, namely, prospecting license for one year followed by mining lease for thirty years.
- (2) On and from the commencement of these rules, all mining leases for specified minor minerals shall be granted for a period of thirty years.
- (3) On the expiry of the lease period, the lease shall be put up for auction as per the procedure specified under these rules.
- (4) The maximum period for which a quarry lease may be granted shall not exceed ten years and shall be subject to such terms and conditions as may be specified by the Competent Authority:

Provided that the minimum period for which any such lease may be granted shall be five years.