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STEEL & MINES DEPARTMENT NOTIFICATION

The 16th September, 2014

S.R.O. No.443/2014— 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), the State Government hereby makes the following rules further to amend the Orissa Minor Minerals Concession Rules, 2004, namely:—

1. (1) These rules may be called the Odisha Minor Minerals Concession (Amendment) Rules, 2014.
(2) They shall come into force on the date of their publication in the *Odisha Gazette*.
2. In the said rules, in rule 2,—
 - (a) In sub-rule (1),—
 - (i) clause (b) shall be omitted;
 - (ii) for clause (c), the following clause shall be substituted, namely:—

“(c) “Authorised Officer” means the Director of Mines or Director of Geology or any officer of the Directorate of Mines or Directorate of Geology duly authorised by the Government in writing for the purpose”;
 - (iii) for clause (p), the following clause shall be substituted, namely:—

“(p) “mining plan” in relation to quarry lease means, a plan as may be prepared by the recognised person in the prescribed form and approved by the authorised officer and in relation to decorative stones means a mining plan prepared under the Granite Conservation and Development Rules, 1999”.
 - (iv) after clause (u), the following clause shall be inserted, namely:

“(u-1) “recognised person for quarry lease” means a person granted recognition by the Authorised Officer for preparation of mining plan in respect of quarry lease;
 - (b) The existing sub-rule (3) shall be renumbered as sub-rule (2).

3. In the said rules, in rule 3, in sub-rule (1), the words "or auction of source" shall be omitted.
4. In the said rules, in rule 4, the words "or auction of source" wherever that occur shall be omitted.
5. In the said rules, in rule 8, —
 - (a) for sub-rule (5) the following sub-rule shall be substituted, namely:—

"(5) No quarry lease shall be granted for a period less than five years on such terms and conditions as may be specified by the Competent Authority;"
 - (b) sub-rule 6 shall be omitted; and
 - (c) In sub-rule (7) the words "quarry lease" shall be omitted.
6. In the said rules, for rules 26 and 27 the following rules shall be substituted namely,—

"26. Application for quarry lease:—

 - (1) The area of the quarry lease shall be delineated and notification inviting applications shall be published in two daily newspapers, atleast one of which is state level and other having wide publicity in the area, where the lease is located and such notification shall be published atleast fifteen days before the intended date of inviting applications and shall contain the date and time within which applications shall be received.
 - (2) The intending applicant may apply for grant of quarry lease for such area or areas in FORM-J in triplicate accompanied with the following documents and particulars to the Competent Authority in a sealed cover which shall be settled subject to other provisions of these rules:—
 - (i) treasury Challan showing deposit of one thousand rupees (non-refundable) towards the application fee;
 - (ii) land schedule and boundary description which would facilitate easy identification of the area applied for;
 - (iii) an affidavit stating that no mining due payable under the Act and the Rules made thereunder, is outstanding against the applicant;
 - (iv) where the land applied for belongs to private persons, consent of all such persons for grant of quarry lease;
 - (v) a solvency certificate and a list of immovable properties from the Revenue Authority;

- (vi) any other information which the applicant intends to furnish, such as, technical knowledge, experience, machinery under possession, financial position and the like.
- (3) Subject to the provisions of these rules, the quarry lease shall be granted in favour of the applicant who has quoted the highest rate of royalty:
- Provided that if more than one applicant have quoted the highest rate of royalty, then the applicant shall be selected by draw of lots.
- (4) The lessee shall have to pay the amount of royalty quoted by him in the sealed cover multiplied by the quantity of minerals approved by the Authorised Officer before execution of lease deed, failing which the amount so deposited by the lessee shall be forfeited.
- (5) The selected lessee shall deposit earnest money within seven days of the finalisation of the bid at the rate per hectare of land to be fixed by the Competent Authority and the earnest money so deposited shall be forfeited, if the lessee does not submit mining plan and environment clearance etc. in time.
- (6) The earnest money so fixed shall be through Demand Draft drawn in favour of the Competent Authority or in shape of cash as may be decided by the Competent Authority.
- (7) In the event of default by the highest successful bidder, the Competent Authority shall intimate the second and subsequent higher bidder in descending order directing him to deposit the earnest money and obtain mining plan and environment clearance within the prescribed time.
- (8) In case the bid is confirmed and the total royalty amount is deposited, the earnest money deposited, before the lease agreement is executed shall be converted to security deposit by depositing the same through Postal Savings Account duly pledged in favour of the concerned Competent Authority.
- (9) Security deposit shall be refunded after expiry of the lease period if the lessee has fulfilled all conditions of lease and in case of violation of any of the conditions of lease, the security deposit shall be forfeited in whole or in part by the Competent Authority.
- (10) The application submitted in FORM-J shall be summarily rejected if the rate of royalty quoted is less than the rate of royalty specified in Schedule-II and if the application is not accompanied with documents and particulars as specified in sub-rule (2).

- (11) The Collector or the Conservator of Forest, as the case may be, shall have power to cancel the bid duly recording the reasons thereof if he is not satisfied with the publicity, participation of bidders and amount of royalty quoted.
- (12) Where the lessee, who quoted the highest rate of royalty, dies after deposit of royalty amount or after execution of lease agreement by him, such deposit or agreement shall be deemed to have been made or executed by the legal heir or legal representative, if they so like.
27. Lease of Minor Minerals:— Notwithstanding anything contained in these rules, no quarry lease specified in item 1(i) of Schedule III shall be granted for a period less than five years on such terms and conditions as may be specified by the Competent Authority.
- 27-A. (1) Mining Plan as a pre-requisite to the grant of quarry lease:— No quarry lease shall be granted by the Competent Authority unless there is a mining plan prepared by the recognised persons and duly approved by the Authorised Officer for the development of the mineral deposits in the area concerned.
- (2) On receipt of the intimation from the Competent Authority for the precise area to be granted, the applicant shall submit application before the recognized person selected by the Authorized Officer for preparation of mining plan.
- (3) The recognized person shall prepare the mining plan in FORM-ZB within thirty days from the date of receipt of the application and submit the same to the Authorized Officer for approval.
- (4) The Authorized Officer, after receipt of the mining plan from the recognized person, shall approve the same within thirty days from the date of receipt with modifications, if any, and submit the same to the Competent Authority.
- (5) The mining plan for quarry lease shall contain,—
- (i) the plan of the quarry lease hold area showing the nature and extent of the mineral body, spot or spots where the mining operations are proposed to be carried out by the applicant;
 - (ii) details of mineral reserve of the area;
 - (iii) the extent of manual mining or mining by the use of machinery and mechanical devices on the precise area;

- (iv) the plan of the precise area showing natural water courses, limits of reserves and other forest areas and density of trees, if any, assessment of impact of mining activities on forest, land surface, structures in the vicinity of the spot of mining, details of scheme of restoration of area by afforestation, if required, land reclamation and use of pollution control devices;
- (v) annual programme and plan for excavation on the precise area from year to year for five years; and
- (vi) a progressive mine closure plan.

(6) The selected lessee shall bear the cost for preparation of the mining plan.

(7) A holder of a quarry lease desirous of seeking modification in the approved mining plan for quarry lease as considered expedient in the interest of safe and scientific mining, conservation of minerals, or for the protection of the environment, shall apply to the Authorized Officer, setting forth the intended modifications and explaining the reasons for such modifications.

(8) The Authorized Officer may approve the modifications under sub-rule (7) within a period of thirty days from the date of receipt of the application.

(9) The modification of the mining plan for quarry lease shall remain valid for the remaining period of the quarry lease.

27-B. Environment clearance for grant of quarry lease:— (1) No quarry lease for minor minerals shall be granted without the approval of the Competent Authority as prescribed in Ministry of Environment & Forests, Government of India Notification No. S.O. 1533 dated 14th September, 2006.

(2) The Competent Authority shall intimate the selected lessee to the effect that he has been selected for grant of quarry lease for the period and area (to be specified) and lease will be granted to him after he receives the environment clearance.

(3) The lessee shall be responsible for obtaining environment clearance and implementing the environment management plan.

27-C. Grant of river bed sand mining:— (1) In case of mining leases for river bed sand mining, specific river stretches shall be identified and mining lease shall be granted stretch wise.

(2) The depth of the mining shall be restricted to three metres or water level, whichever is less.

(3) The Competent Authority in consultation with the local official not below the rank of Assistant Engineer of Water Resources Department shall work out appropriate safety zone taking into account the structural parameters, locational aspects, flow rate etc. for carrying out mining in proximity to any bridge or embankment.

(4) No mining should be carried out in the safety zone so worked out.

27-D. Adoption of cluster approach in small quarries,— (1) Individual quarries having area less than five hectares and in total not more than one hundred hectare in a development block may be clubbed and declared as 'Cluster' by the Competent Authority.

(2) For a cluster of mineral concessions, an environment management plan shall be prepared collectively by the lessees or mineral concession holders of the cluster through recognized persons as mentioned in rule 27-B and submitted to the State Level Environment Impact Assessment Authority(SEIAA) constituted under the provisions of Ministry of Environment & Forests, Government of India Notification No. S.O. 1533 dated 14th September, 2006 for approval.

27-E. Environment Management Fund:—(1) The Environment Management Fund shall be created at the State level for reclamation, and rehabilitation of mined out areas of minor minerals and conservation of environment thereof.

(2) An amount equal to 5% of the royalty payable shall be collected from the Lessees or Mineral Concession Holders as the case may be, to be credited to the fund in the appropriate head of account to the Government Treasury.

(3) The Environment Management Fund shall be utilized for the following objects, namely:—

(i) Restoration;

(ii) Repair, reclamation and rehabilitation work required to be undertaken for adjoining or external damage, outside the quarry, caused by mining activities;

Provided that any such casualty by the lessee or Mineral Concession Holder due to his negligence or non-compliance of conditions of mineral concession shall be compensated or rehabilitated by the Mineral Concession Holder concerned;

- (iii) provision of common facilities for the benefit of community in and around areas where mining activities are undertaken;
- (iv) development of infrastructure facilities for orderly growth of the mining operations and allied activities e.g. roads, stone crusher estates, water supply etc.;
- (v) funding of the studies commissioned or activities related to the mining sector e.g. survey, exploration and prospecting of minerals, procurement of equipment and machinery required to support such activities;
- (vi) education, awareness and training of the lessees or Mineral Concession Holders and the staff of the Department through field visits and exposure to the best mining practices;
- (vii) funding of expenditure incurred on implementation of any scheme of incentives that the Government may frame for recognition and awards for scientific mining undertaken with highest regard to mineral conservation, rehabilitation measures, along with environment safeguards and other measures; and
- (viii) Any other objects which the Government may consider appropriate".

7. In the said rules, for rule 28, the following rule shall be substituted, namely:—
- "28. Liability for payment of Royalty, Dead Rent etc:- (1) All the lessees shall be liable to pay royalty, dead rent, surface rent and fees for compensatory afforestation.
- (2) The lessee shall pay to the State Government every year dead rent and surface rent at the rates specified in Schedule-I for all the areas included in the instrument of lease:
- Provided that the rates specified in Schedule-I may be revised by the Government, from time to time, by an amendment made to the said Schedule, but no enhancement shall be made before the expiry of three years from the date when the rates were last fixed:
- (3) The State Government may, by notification, in the official gazette, amend Schedule-II as to enhance the rate of royalty but such enhancement shall not be made before expiry of three years from the date when the rates were last revised.

(4) The lessee shall pay, in addition to the surface rent, dead rent or royalty, as the case may be, fees for compensatory afforestation at rates as may be specified by the Government from time to time".

8. In the said rules, after sub-rule (26) of rule 29 the following sub-rule shall be inserted, namely:—

"(27) The lessee shall abide by the provisions of the Mines Act, 1952 and rules and regulations framed thereunder, the Explosives Act, 1884 and rules made thereunder for development of the source of minor minerals in workman like manner and for avoidance of any danger arising out of such winning of minor mineral".

9. In the said rules, in rule 30 the following proviso shall be added, namely:-

"Provided that no quarry permit shall be granted to anybody other than the State Agencies or Project Proponents for public purposes."

Explanation: "State Agency" shall mean any Department of the State or Central Government or company/corporation under the control of the State or Central Government. "Project Proponent for public purposes" shall mean any person or firm or company executing any Government project.

10. In the said rules, CHAPTER-VI shall be omitted.

11. In the said rules, for FORM-J, the following FORM shall be substituted, namely:—

FORM – J

**Application for grant of quarry lease
(See Rule 26(2) of the Odisha Minor Mineral Concession (Amendment) Rules, 2014)**

To

.....

Dated the 20

Sir,

1. I/We submit an application for a quarry lease for.....(mineral) for a term ofyears over.....hectares of land in the area specified in the Annexure given below—
2. A sum of Rs.....payable as fee (non-refundable) for grant of such lease under Rule 26(2)(i) of the Odisha Minor Minerals Concession (Amendment) Rules,2014 has been paid in the Government Treasury at.....and the receipted Challan bearing No.....dated.....is enclosed.
3. The required particulars are given blow:—
 - (1) An affidavit stating that no mining due payable under the Act and Rules made thereunder is outstanding against the applicant.
 - (2) Where land belongs to private persons, consent of all such persons for grant of quarry lease.
 - (3) Solvency certificate and list of immovable property from the Revenue Authority.
4.
 - (i) Name and address of the applicant.....
 - (ii) Nationality of the applicant.....
 - (iii) Profession of the applicant
 - (iv) Particulars of the areas, mineral-wise, within the State for which the applicant or any person having joint interest with him.....
 - (a) already holds a quarry lease.....
 - (b) has already applied for a quarry lease but not granted.....
 - (c) being applied for simultaneously.....
 - (d) nature of joint interest, if any,.....
 - (v) Means by which the minor minerals is/are to be raised, i.e. whether manual or mechanical.....

- (vi) Manner in which the minor mineral raised to be utilized—
 - (a) for manufacture.....
 - (b) for sale.....
 - (c) any other purpose.....
- (vii) Details of the plan boundary description and land schedule of the area applied for to be enclosed.
- (viii) Has the applicant any previous experience in quarrying/ mining? If yes, details should be given.....
- (ix) Financial Resources of the applicant.
 - (a)
 - (b)
- (x) Total investment in the operations anticipated.....
- (xi) Any other particulars which the applicant wishes to furnish:
 - (a) Name of the village/Forest Block
 - (b) Whether the area belongs to Scheduled Area
 - (c) Details of the area applied for in each Survey Number
 - (d) Full description of the area applied for with regard to natural features
 - (e) District.....

5. Rate of Royalty (per cubic meter) quoted—

NB: The application shall be summarily rejected if the rate of royalty quoted is less than the rate of royalty specified in Schedule-II.

I/We hereby declare that the particulars furnished above are correct and undertake to furnish other details, plan, etc., as may be required by you.

Place.....

Date.....

Yours faithfully,

Signature of the applicant

NB: If the application is signed by an authorised agent of the applicant, the power of attorney should be attached.

12. In the said rules, after FORM-ZA the following form shall be inserted, namely:—

FORM-ZB

(See Rule 27-A (3) of the Odisha Minor Mineral Concession (Amendment) Rules, 2014)

MINING PLAN FOR WINNING OF _____ (RIVER SAND/LATERITE
SLABS/MORRUM/ORIDINARYCLAY/ROADMETAL etc.) FROM _____
(NAME OF THE VILLAGE/FOREST etc.) UNDER _____ PANCHAYAT,
TAHASIL OF _____ DISTRICT.

(Category : _____ (B1/B2)

1. Name & Address of the Lessee: _____ :
2. Particulars of the Area (Acreage, Boundary :
Description & Land Schedule): (Attach
location map and surface plans showing the
existing features of the area with contours at
2m interval)
3. Status of the Lessee: (Private :
individual/Private Company/ Public Sector
Undertaking/ Joint Sector Undertaking/
Others)
4. Period of the concession _____ : (from _____ to _____)
5. Mineral intended to be won:
6. Name, Address & Registration No. of RQP :
preparing the mining plan with validity of
Recognition:
7. Order No. & date of Competent Authority :
granting the concession: (copy of the order
to be attached)
8. If, forest area, whether forest clearance :
obtained: (Attached copy of forest
clearance):

9. Reserves: :
- (Estimation to be based on the exploration, if any, carried out in the area or on the local parameters)
10. Mining:
- (a) Whether manual or semi-mechanized or mechanized: :
- (b) If semi-mechanized or mechanized, number, type and capacity of machines to be used: :
- (c) Whether drilling and blasting will be made use of, If yes, state monthly quantity of explosives to be consumed: :
- (d) Benching pattern (Height x Width) : :
- (e) Face lay out (attached development plan): :
- (f) Quarry Floor level (RL) at the end of the year or period of the concession : :
- (g) Quantity of mineral to be won (Annual Level of Production) : :
- (h) Quantity of overburden to be removed (Show location of such disposal in development plan) : :
- (i) Whether heavy blasting to be adopted If yes, location of nearest habitation (to be shown in the surface plan) : :
- (j) Safety precautions to be adopted: : :
- (k) Brief description on method of procurement and storage of explosives: : :
11. Waste Disposal: : :
- (a) Location (show it in the development plan): : :
- (b) Area covered: : :
- (c) Environmental safeguards for such disposal : :

12. Mine drainage: :
- (Give details of total make of water during dry and rainy season and its method of handling).
13. Mineral processing: :
- (Give details of processing including sizing, sorting, generation of rejects/fines etc.)
14. (a) No. of trees to be uprooted due to mining operation :
- (b) Programme of Plantation :
15. Manpower: :
- (a) Supervisory :)(inclusive of statutory personnel's) :
- (b) Non-Supervisory(skilled, semi-skilled & unskilled) :
- (c) OMS: :
16. Use of Mineral: :
- (Specification and monthly quantity to be dispatched be furnished)
- (a) For domestic use: :
- (b) For export: :
17. Mine Closure Plan:
- (a) Describe the process/activities to be undertaken for reclamation and rehabilitation in respect of the following: :
- (i) Mined out land
- (ii) Waste/reject dump
- (iii) Top-soil stack and its utilization
- (b) Financial assurance:
- (To be furnished as a bank guarantee in respect of the area to be put to use at the rate of Rs._____per hectare)

18. Certificate:

I/We, the holder of _____(type of concession) for _____(mineral) over _____hects., in _____(village/forest) under _____Panchayat, _____Tahasil of _____District hereby solemnly affirm that the plans and programmes in this mining plan will be scrupulously implemented by me/us and I/we will be strictly held responsible for any deviation thereof. I/We also hereby certify that the provisions of Mines and Minerals (Development & Regulation) Act, 1957, and the Mines Act,1952 and Rules and Regulations made under these Acts, along with the provisions of Odisha Minor Mineral Concession Rules,2004 will be strictly adhered to while implementing this mining plan and wherever specific permissions will be required, I/We will approach the concerned authorities of Directorate General of Mines Safety and the State Government as the case may be.

(Signature of the Concessionaire)

[No. 6945- IV (DS) SM-29/2014/ SM.]

By order of the Governor

G. SRINIVAS
Commissioner-*cum*-Secretary to Government