

Karnataka Minor Mineral Concession Rules, 1994

CONTENTS

CHAPTER 1 :- PRELIMINARY

1. Title And Commencement
2. Definitions

CHAPTER 2 :- GENERAL

3. Quarrying To Be Under Quarrying Lease Or Quarrying Licence
4. Competent Authority
5. Controlling Authority
6. General Conditions Of Quarrying Lease And Licence
- 7 . Power Of The Competent Authority To Specify Additional Conditions
8. Restrictions On Grant Or Renewal Of Quarrying Lease Or Licence
- 8A. Section 8A
- 8B. Notifying The Area For Grant Of Lease By Tender-Cum-Action

CHAPTER 3 :-GRANT OF QUARRYING LEASE FOR SPECIFIED MINOR MINERALS

9. Application For Grant Or Renewal Of A Quarrying Lease
10. Exemption Of Security Deposit
11. Grant Or Renewal Of Quarrying Lease
12. Priorities
13. Register Of Application And Quarrying Lease
14. Disposal Of Application For Grant Or Renewal Of Lease
15. Maximum Area Of Quarrying Lease To Be Granted
- 16 . Periods For Which Quarrying Leases May Be Granted Or Renewed
17. Survey And Demarcation Of The Area Granted
18. Execution Of Quarrying Lease
19. Surrender Of Lease
- 19A. Section 19A
20. Rights Of The Lessee

CHAPTER 4 :-GRANT OF QUARRY LEASES FOR NON-SPECIFIED MINOR MINERALS

21. Section 21
- 21(A). Grant Of Quarrying Permits
- 22 . Scrutiny Of Applications, Inspection Of Applied Area And Disposal Of Applications

23. Priority
24. Register Of Applications And Quarrying Leases
25. Maximum Area Of Quarrying Lease To Be Granted
26. Period Of Quarrying Lease
27. Notification Of Grant Of Lease
28. Intimation Of Refusal
29. Survey And Demarcation Of The Area Granted
30. Execution Of Lease Deed
31. Conditions Of Quarrying Lease
- 31A. Notification For Grant Of Quarrying Lease
- 31B. Manner Of Submission Of Tender
- 31C. Joint Tender
- 31D. Disqualification
- 31E. Withdrawal Of Tender
- 31F. Withdrawal Of Tender-Cum-Auction
- 31G. Undertaking To Be Given With Tender Or Bid
- 31H. Payment To Be Made
- 31i. Rejection Of Tender Or Bids
- 31J. Rejection Of Tender Or Bids
- 31K. Execution Of Quarrying Lease
- 31L. Register Of Notification And Quarrying Lease
- 31M. Period Of Quarrying Lease
- 31N. Renewal Of Lease
- 31O. Surrender Of Lease
- 31P. Transfer Of Lease
- 31Q. Application Of Certain Rules For Lease Granted Or Renewed Under Chapter

CHAPTER 5 :-LICENCEFOR QUARRYING MINOR MINERALS IN PRIVATE OR PATTA LANDS

32. Quarrying Licence
33. Quarrying By Pattadars In Ex-Madras State Territory
34. Grant Or Renewal Of A Quarrying Licence In Private Lands Other Than Those Referred To In Rules 32 And 33
- 34A. Transfer Of Licence
35. Quarrying Non-Specified Minor Minerals In Private Land For Bonafide Domestic Use

CHAPTER 6 :-ROYALTY, DEADRENT, SECURITY DEPOSIT, INTEREST AND MINERAL DESPATCH PERMIT

36. Payment Of Royalty And Dead Rent In Advance
37. Head Of Account To Which Royalty Etc., To Be Credited
38. Refund Of Security Deposit
39. Recovery Of Amount Due To The Government
40. Issue Of Annual Audit Reports
41. Payment Of Interest
42. Transport Of Minor Minerals

CHAPTER 7 :-CONTROLLING OF UNAUTHORISED

TRANSPORTATION OF MINOR MINERALS, CHECKING OF MINERALS IN TRANSIT AND UNAUTHORISED QUARRYING OFFENSES

- 43. Checkposts And Checking Of Minerals In Transit
- 44. Offenses
- 45. Termination Of Lease Or Licence Held By An Offender
- 46. Power Of Entry, Inspection Etc

CHAPTER 8 :-DISPOSAL OF SEIZED OR CONFISCATED MINOR MINERALS AND MINOR MINERALS LEFT AFTER THE EXPIRY OR TERMINATION OF LEASE THROUGH AUCTION SALE

- 47. Procedure For Disposing Seized Minor Minerals
- 48. Sale To Be Notified
- 49. Disqualification To Bid
- 50. Earnest Money
- 51. Conduct And Confirmation Of Sale
- 52. Penalty For Non-Removal Of Auctioned Minor Mineral

CHAPTER 9 :- REVISION AND MISCELLANEOUS

- 53. Revision
- 54. Delegation Of Powers
- 55. Power To Rectify Apparent Mistakes
- 56. Relaxation Of Rules In Special Cases
- 56A. Manner Of Payment Of Fees Etc
- 57. Application Of These Rules For Renewal
- 58. Repeal And Saving
- 59. Transitory Provisions

SCHEDULE 1 :- SCHEDULE 1

SCHEDULE 2 :- SCHEDULE 2

SCHEDULE 3 :- SCHEDULE 3

SCHEDULE 4 :- SCHEDULE 4

SCHEDULE 5 :- SCHEDULE 5

Karnataka Minor Mineral Concession Rules, 1994

In exercise of the powers conferred by section 15 of the Mines and Minerals {Regulation and Development} Act, 1957 (Central Act 67 of 1957), the Government of Karnataka hereby makes the following rules, namely:-

CHAPTER 1 PRELIMINARY

1. Title And Commencement :-

- (1) These rules may be called the Karnataka Minor Mineral Concession Rules, 1994.
- (2) They shall come into force on the date of their publication in the official Gazette.

2. Definitions :-

In these rules, unless the context otherwise requires:-

- (a) "Act" means the Mines and Minerals { Regulation and Development } Act, 1957 {Central Act 67 of 1957};
- (b) "Competent Authority" means a Competent Authority appointed under rule 4;
- (c) "Controlling Authority" means a Controlling Authority appointed under rule 5;
- (d) "Director" means the Director, Department of Mines and Geology;
- (e) "Form" means a form appended to these rules;
- (f) "Non-specified minor mineral" means minor minerals other than specified minor minerals;
- (g) "Ordinary building stone" means ordinary building stone specified by the State Government from time to time.
- (h) "Permit" means a mineral despatch permit granted under these rules;
- (i) "Quarry" means any area declared as such by the Controlling Authority and set a part for quarrying any minor mineral;
- (j) "Quarrying lease" means a lease granted to quarry minor mineral under these rules;
- (k) "Quarrying Licence" means a quarrying licence granted under these rules;
- (l) "Schedule" means a Schedule appended to these rules;
- (m) "Specified minor mineral" means minor minerals specified by the State Government from time to time.

CHAPTER 2 GENERAL

3. Quarrying To Be Under Quarrying Lease Or Quarrying Licence :-

- (1) No person shall undertake any quarrying operation in respect of any minor mineral in any land except under or in accordance with the terms and conditions of a quarrying lease or licence or quarrying permit granted under these rules.
- (2) No Quarrying lease or licence or quarrying permit shall be granted otherwise than in accordance with these rules.

4. Competent Authority :-

The State Government may by notification, appoint the Competent Authority for all or any of the purposes of these rules.

5. Controlling Authority :-

The State Government may by notification appoint the Director or any other officer to be Controlling Authority for all or any of the purposes of these rules, within such limits as it may assign to them respectively.

6. General Conditions Of Quarrying Lease And Licence :-

(1) Where the holder of a quarrying lease or quarrying licence fails to undertake quarrying operations for a period of one year after the date of execution of the lease or date of grant of licence or, having commenced the quarrying operations, has discontinued the same for a period of one year the quarrying lessee or the licence shall lapse on the last day of the period of one year:

Provided that the Competent Authority may, on an application made by the holder of such lease or licence before its expiry and on being satisfied that the holder of such lease or licence could not undertake quarrying operations or continue such operations for reasons beyond his control, make an order, that such lease shall not lapse or where it has already lapsed, order for revival of such lease or licence:

Provided further that no order under the first proviso shall be made for more than twice during the entire period of the lease or licence.

(2) No person shall carry on or allow to carry on any quarrying operations within a distance of fifty meters if no blasting is involved and two hundred meters if blasting is involved from the boundary of any railway line, reservoir, tank bund, canal or other public works and public structures or any public road, or building, except with the written permission of the concerned authorities or the Competent Authority. The holder of a quarrying lease or licence shall also abide by such conditions as the Competent Authority may impose to carry on quarrying operations in the vicinity of the aforesaid buildings or places.

(3) In case of breach by the lessee or licence or his transferee or assignees of any of the conditions specified in these rules or in the quarrying lease deed or licence, the Competent Authority shall require by notice in writing the lessee or licence to remedy the breach within thirty days from the date of notice and if the breach is not remedied within such period the Competent Authority may

levy a fine not exceeding two thousand rupees in the case of non-specified minor minerals and rupees ten thousand in case of specified minor minerals and the Competent Authority may without prejudice to any other action that may be taken against such lessee licensee, transferee or assignee determine the lease or licence after providing an opportunity of being heard.

(4) Any minor mineral extracted from a quarry and not removed by the lessee or licence before the date of termination or determination or expiry of the quarrying lease or licence shall be the property of the State Government.

7. Power Of The Competent Authority To Specify Additional Conditions :-

A quarrying lease or licence may contain such other conditions, as the competent Authority may deem necessary.

8. Restrictions On Grant Or Renewal Of Quarrying Lease Or Licence :-

(1) No quarrying lease or licence shall be granted to any person other than an Indian Citizen except with the prior approval of the Central Government.

(2) Quarrying lease may be granted in any forest land by the State Government with the prior approval of the Central Government under the Forest Conservation Act 1980.

Provided that the State Government in favour of any undertaking may grant a lease in such land owned by the Central Government or State Government, after obtaining prior approval under the Forest (Conservation) Act, 1980.

(3) No quarrying lease shall be granted in respect of any land notified by the State Government as reserved for use by the State or Central Government, any body or corporation owned or controlled by the State or Central Government or for any other public or special purposes.

(4) No quarrying lease or licence or renewal shall be granted in respect of any minor mineral to any person if such person has contravened the provisions of the Act or the rules made thereunder.

(5) The Competent Authority shall before granting or renewing a lease, consult,-

(i) in case of specified minor minerals, the Deputy Commissioner of the District concerned: and

(ii) in the case of non-specified minor minerals, the Tahasildar of

the taluk concerned.

(6) The Deputy Commissioner or the Tahasildar, as the case may be, shall send his recommendation within thirty days from the date of receipt of communication from the Competent Authority for the word 30 days" the words 90 days shall be substituted; and

ii) the following proviso shall be inserted, namely:- "Provided that if, no recommendation is received from the Deputy Commissioner or the Tahsildar, as the case may be, within ninety days from the date of receipt of communication from the Competent Authority, recommendation for grant or renewal of a quarrying lease shall be deemed to have been made by him".

8A. Section 8A :- Availability of land belonging to the State Government to be notified for grant.

(1) No area belonging to the State Government ,-

(a) Which was previously held or is being held under quarrying lease; or

(b) the quarrying lease granted in respect of which has lapsed under Rule 6;

(c) In respect of which a Notification as been issued under Sub-Rule (3) of Rule (8); shall be available for grant unless the availability of the area for the grant is notified in the official Gazette and specifying the date (being the date not earlier than 30 days from the date of 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 renewal of a Quarrying lease in favour of the original lessee or his legal heirs, notwithstanding the fact that the lease has already expired. (omitted)

Provided further that where as area is reserved for use by the State of Central Government of company or any body of corporation owned or controlled by the State or Central Government issue of such notification under this rule shall not be necessary before grant of quarrying lease in respect of such area.

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

(3) Any application for grant of Quarrying lease in respect of areas whose availability for grant is required to be notified under Sub-Rule (1) shall, if-

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

(b) Whether any such notification has been issued, the period specified in the notification has not expired.be deemed to be premature and shall not be entertained, and the application fee

thereon, if any paid shall be refunded.

8B. Notifying The Area For Grant Of Lease By Tender-Cum-Action :-

(1) Notwithstanding anything contained in these rules the competent authority may by notification direct that quarrying lease to quarrying specified or nonspecified minor mineral in any area belonging to the State Government and available for grant, as may be specified in such Notification, shall be granted by tender-cum-action in accordance with the provisions of Chapter IV A.

(2) Where any area is notified under sub-rule (1), no quarrying lease to quarry specified or as the case may be, non-specified minor mineral in such area shall be granted in accordance with the provisions of Chapter III or Chapter IV, as the case may be.

CHAPTER 3 GRANT OF QUARRYING LEASE OR SPECIFIED MINOR MINERALS

9. Application For Grant Or Renewal Of A Quarrying Lease :-

(1) Every application for grant of a lease to quarry specified minor minerals in the land belonging to the State Government which has not been notified under rule 8B shall be made in FORM-AQL to the Director and shall be accompanied by a security deposit in the form of treasury challan for a sum calculated at the rate of rupees five thousand per acre and an application fee of rupees two thousand in the form of a treasury challan under the specified Head of account together with other documents together with a certificate issued by the Competent Authority for having cleared the arrears if any in respect of any lease held by him as on the date of making application as specified in FORM-AQL.

(2) An application for renewal of a quarrying lease to quarry specified minor mineral belonging to the State Government shall be in FORM-R and shall be made to the Director at least twelve months before the expiry of the lease. The application shall be accompanied by a fee of rupees two thousand in the form of a treasury challan under the specified Head of account together with the difference of amount of security deposit, if any, to be paid by the lessee at the prevailing rates in the form of treasury challan together with other document together with a certificate issued by the Competent Authority for having cleared the arrears if any in

respect of any lease held by him as on the date of making application and documents.

"(2A), If an application for renewal of a quarrying lease made within the time referred to in sub-rule (2) 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 orders thereon".

(3) Application received under sub-rules (1) and (2) shall be acknowledged in FORM-A. The acknowledgment shall be sent to the applicant by Registered post.

10. Exemption Of Security Deposit :-

Government may by order make an exemption or reduction in the amount of security deposit payable by companies or undertakings owned by the State Government.

11. Grant Or Renewal Of Quarrying Lease :-

(1) There shall be a Committee to make recommendations for grant or renewal of a quarrying lease under this rule.

The committee shall consist of the following members;

a) The Secretary to Government, Commerce and Industries Department who shall be the Chairman;

b) The Secretary to Government, Finance Department: or his nominee not below the rank of the Deputy Secretary to Government.

c) The Secretary to Government, Revenue Department; or his nominee not below the rank of the Deputy Secretary to Government.

The Secretary to Government, Forest, Ecology and Environment Department; or his nominee not below the rank of the Deputy Secretary to Government.

d) The Director, Department of Mines and Geology, who shall be the Member Secretary;

1 A) Three members shall form the quorum for a meeting of the committee.

(2) The Director shall, on receipt of the application under rule 9 scrutinies all such application and submit with his remarks to the committee.

(3) On receipt of applications from the Director, the committee shall having regard to the priorities under rule 12, and the guidelines issued by the State Government, if any, consider such applications and make recommendations to the Director.

" Provided that the Committee shall not consider such applications in respect of any area, which is notified under rule 8B after the receipt of the application on or before the date of consideration and all such application shall be liable to be return to the applicants and security deposit and fee paid, if any, may be refunded.

(4) The Director may, having regard to recommendations of the committee, order for grant or renewal of a quarrying lease or reject the application.

(5) Where the quarrying lease is granted or renewed under sub-rule(4),the Director shall notify in FORM-GL the grant or renewal of the lease and in the case of rejection of application, such rejection together with reasons therefore shall be intimated to the applicant.

12. Priorities :-

(1) Selection from amongst the applicants for grant of quarrying lease under this chapter shall normally be made in the following order of preference, namely:-

(i) A Corporation or undertaking owned or controlled by the State or Central Government and Joint Sector projects with such Government Corporations or Undertakings;

(ii) Persons who have already established hundred per cent export oriented units for cutting and polishing of granites in the State;

(iii) Persons who have already established a small scale Industrial unit for cutting and polishing of granites in the State;

(iv) Persons who hold a valid licence for establishment of a granite cutting and polishing unit within the State for the purpose of hundred per cent export and persons who hold a permanent Registration Certificate for establishment of a Small Scale Industrial Unit in the State;

(v) Society registered under the Karnataka Co-operative Societies Act,1959, and the members of which belong to the Scheduled Castes & Scheduled Tribes;

(vi) A Society registered under the Karnataka Co-operative Societies Act,1959, and the members of which belong to economically weaker sections of the Society and who are also stone quarry workers by tradition;

(vii) all others:

(2) In case of applicants falling under clause (iv) of this rule 12 who require specified minor mineral for their proposed industry they shall set up industry in accordance with their industrial program within a period of twenty four months from the date of

execution of lease deed and shall keep the Director informed of the progress made every six months from the date of execution of lease deed. On setting up of industry the lessees shall inform the fact in writing to the Director failing which the lease shall be deemed to have been terminated on the expiry of the said period of twenty four months. Where the lessees are unable to set up industry within the said period for reasons beyond their control they may submit before the expiry of the said period an application to the Director explaining the reasons for the same together with affidavits. The Director shall forward such applications to the State Government and it may on being satisfied that such failure in setting up the industry was due to reasons beyond the control of the lessee, extend the period of such lease by one more year either prospectively or retrospectively.

13. Register Of Application And Quarrying Lease :-

(1) The Director shall cause to be maintained the following Registers, namely:-

(a) Register of applications for quarrying leases in FORM-QLA.

(b) Register of quarrying leases in FORM-QL with area sketches appended.

(2) Every such Register is open to inspection by any person on a written request and payment of rupees five hundred and at the discretion of the Director.

14. Disposal Of Application For Grant Or Renewal Of Lease :-

(1) Application for grant or renewal of lease shall be disposed;

(i) in the case of an existing industry within a period of One hundred and eighty days from the date of receipt of application failing which the applicants shall be informed of the reasons for delay within fifteen days after the expiry of the disposal period.

(ii) in all other cases within a period of four months from the date of receipt of applications failing which the applicants shall be informed of the delay within fifteen days after the expiry of the disposal period.

15. Maximum Area Of Quarrying Lease To Be Granted :-

(1) Total area of one or more quarry leases to quarry specified minor minerals shall not exceed;

(i) fifty acres in case of an existing hundred percent export oriented granite cutting and polishing unit in the State, falling under clause (ii) of sub-rule (1) of rule of 12,
(ii) forty acres in case of other granite cutting and polishing units in the State, falling under clause (iii) (iv) and (v) of Sub-rule (1) of rule 12, (iii) ten acres in all other cases, falling under clause (iv),(v),(vi) and (vii) of sub-rule (1) of rule 12.

(2) Nothing in Sub-rule (1) shall apply to State or Central Government undertakings and Joint Sector projects undertaken by the State or Central Government undertakings within the State.

(3) While determining the total area referred to in sub-rule (1), the area held under a quarrying lease by a person as a member or partner of a company or corporation or Firm or a Co-operative Society shall be deducted from the area referred to under sub-rule (1) so that the sum total of the area held by such person under quarrying leases whether as such member or partner or individually shall not, in any case exceed the total area specified under sub-rule (1).

16. Periods For Which Quarrying Leases May Be Granted Or Renewed :-

(1) The period for which a quarrying lease may be granted under this chapter shall not exceed twenty years in any case.

(2) A quarrying lease under this chapter may be renewed for two periods each not exceeding twenty years.

17. Survey And Demarcation Of The Area Granted :-

(1) After the grant of quarrying lease is notified under sub-rule (5) of rule 11 the Competent Authority shall make arrangements for survey and demarcation of the area subject to the grantee paying the expenses at the rate of Rupees five hundred per acre of land so granted " within one month from the date of receipt of notification by the grantee"

(2) The boundaries of area covered by a quarrying lease shall run vertically downwards below the surface towards the centre of the earth.

18. Execution Of Quarrying Lease :-

(1) When a quarrying lease is granted under rule 11, lease deed

shall be got executed in FORM-E by the grantee within three months of the order granting or renewing the lease or within such further period as the Competent Authority may allow in this behalf and if no such lease deed is executed within the aforesaid period, the order granting or renewing the lease shall be deemed to have been revoked.

(2) Before execution of a lease deed, the grantee shall pay in advance fifty percent of the total dead rent payable during the first year.

(3) The grantee shall also submit a QUARRYING PLAN which shall incorporate geological map cum contour plan of the area and a map showing the layout of the proposed quarry and the area identified for dumping waste rocks, if any, together with a brief report about the minor minerals occurring in the area and their probable reserves.

a) In respect of quarrying lease consisting of an area of five acres and more; a quarrying plan, containing the particulars specified in clause (c) shall be submitted by the lessee within six months from the date of grant of lease.

b) The quarrying plan so prepared shall be valid for working in the next five years or the duration of the quarrying lease whichever is less and modification or alternation in the quarrying plan with reason thereof shall be reported to the Competent authority.

c) The quarrying plan shall contain the following particulars, namely:-

i) Contour Plan showing the Geological map;

ii) Quarry lease area map showing the layout of the proposed quarrying and manner in which the quarrying is to be developed.

iii) Identification of the area for dumping waste rocks and soil.

iv) A brief report about the minerals occurring, probable reserves and the recovery of the different sizes of the mineral.

v) Impact of quarrying on Environment and measures proposed for preservation of the Environment.

(4) As soon as the lease deed is executed the copy of the same shall be forwarded to the concerned Deputy Commissioner.

(5) The lessee shall at his own expense erect and at all times maintain and keep in good condition marks and pillars necessary to indicate the boundaries of the area leased to him.

(6) If any mineral, major or minor, not specified in the lease is discovered in the leased area, the lessee shall report the discovery without undue delay to the concerned Competent Authority and to the officer in charge of the District and shall seek permission to

quarry or dispose of such mineral.

(7) The lessee shall abide by such reasonable instructions and directions as may be issued by the Competent Authority from time to time regarding the conservation and development of minor minerals.

(8) The lessee shall abide by provisions of any law for the time being in force relating to working of minerals, ecology and environment and matters affecting surface and ground water conditions, safety, health and convenience of the lessees employees or of the public.

(9) The lessee shall keep correct accounts showing the quantity and other particulars of all minor minerals produced or obtained, in stock and despatched from the leased area and the number of persons employed therein and also compile survey plans of the quarry workings and shall furnish to the Competent Authority or any officer of the Department of Mines and Geology authorised by the State Government or Director such information/reports and returns as the State Government or the Director may require from time to time.

(10) The lessee shall submit to the Competent Authority or any other officer authorised by him or the State Government quarterly returns in FORM-Q before the eighth day of the succeeding month and annual returns in FORM-Y for each financial year before the tenth day of April of the succeeding year. Such reports shall furnish specific information on the quantity of minor minerals and waste rocks produced, quantity sold or utilised, quantity in stock, royalty or dead rent paid and permits obtained.

19. Surrender Of Lease :-

(1) Lessee may surrender his lease granted under rule 11 or part of the leased area by giving a notice in writing of not less than ninety days to the Competent Authority and by delivering possession of the area leased.

(2) The Competent Authority may accept the surrendered area after due verification of the land and subject to the following conditions, 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 State Government under the lease up to the date of application.

(3) The Competent Authority shall dispose of the application under

this rule within ninety days from the date of receipt of the application.

(4) The surrender shall take effect at the end of the said period of ninety days subject to the fulfilment of the conditions by the lessees and in other cases it shall take effect only when the Competent Authority accepts surrender and lessee delivers possession of the quarry or part of the quarry area to the Competent Authority.

(5) At the time of renewal of the quarrying lease, the lessee shall be entitled to surrender any part of the leased area.

19A. Section 19A :-

(1) Prohibition of Transfer of leases; The lessee shall not,

(a) assign, sub-let, mortgage or in any other manner transfer the quarrying lease or any right, title or interest therein, or

(b) enter into any agreement, arrangement or understanding with any person whereby lessee is directly or indirectly financed to a substantial extent by such person and quarrying operation and other activities connected therewith are substantially controlled by such person;

Provided that nothing in this rule shall apply to mortgage made by a lessee in favour of the Institutions specified in Schedule VI". (i)

(a) " or to transfer of lease held by the lessee to the company or firm in which he is one of the Directors or partners, as the case may be".

Provided further that such transfer of lease shall not be made without a written consent of the Competent Authority and such consent shall not be given unless:

(i) the lessee has furnished an affidavit along with his application, for transfer of the quarrying lease specifying therein the amount that he has already taken or proposed to take as consideration from the transferee;

(ii) the transfer of the quarrying lease is to be made to a company or firm directly under taking quarrying operation in which the lessee is one of the directors or partners as the case may be, in the said company or firm and the company or firm has filed an affidavit stating that they have filed an up to-date Income tax returns, paid the income tax assessed on them and paid the income tax on the basis of self assessment as provided in the Income Tax Act, 1961; and

(iii) A processing fee of rupees one thousand is paid in the form of a Demand Draft drawn in favour of the Director of Mines and

Geology, Bangalore.

Provided also 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 quarrying operation over the area leased to him".

(2) The Competent Authority may, by order, in writing determine any lease at any time, if, the lease, has, in the opinion of the Competent Authority, committed a breach of any of the provisions of sub-rule (1) or has transferred any lease or any right, title or interest therein without the previous consent in writing of the Competent Authority.

(3) Where the Competent Authority has given consent for transfer of such lease, a transfer of lease deed in form "T" shall be executed within three months of the date of consent, or within such further period not exceeding three months as the Competent Authority allows thereon."

20. Rights Of The Lessee :-

Subject to the conditions specified in these rules, lessee shall, for the purpose of quarrying operations have rights to ;

- (1) Work the quarry well within the limits of the area granted and as per the sketch of the lease area appended to the lease deed;
- (2) sink pits, shafts and open tunnels in a systematic manner;
- (3) construct buildings of dimension not more than forty square meters only over non-mineral bearing area;
- (4) use water subject to any law in force.

CHAPTER 4 GRANT OF QUARRY LEASES FOR NON-SPECIFIED MINOR MINERALS

21. Section 21 :-

(1) Every application for grant of a quarrying lease to quarry non-specified minor minerals in the land belonging to the State Government which has not been notified under rule 8-B shall be made in FORM-AQL to the Competent Authority. The application shall be accompanied by a security deposit in the form of treasury challan for a sum calculated at the rate of rupees two thousand five hundred per acre and an application fee of rupees one thousand in the form of a treasury challan, together with a certificate issued by the Competent Authority for having cleared the arrears, if any, in respect of any lease held by the applicant as on the date of making

the application area sketch etc. as specified in FORM-AQL.

(2) Every application for renewal of a quarrying lease to quarry non specified minor mineral in the land belonging to the State Government which has not been forfeited under rule 8 B shall be made in FORM-R to the competent authority on or before ninety days before the expiry of the lease together with a certificate issued by the Competent Authority for having cleared the arrears, if any, in respect of any lease held by the applicant as on the date of making the application to the Competent Authority. The application shall be accompanied by an application fee of Rs.1,000.00 in the form of a treasury challan together with the difference of Security deposit, if any, to be paid by the lessee at the prevailing rate, sketch etc. as specified in FORM-R.

(2A) If an application for renewal of a quarrying lease made on or before the expiry of the lease, is not disposed of by the Competent Authority before such expiry, the period of lease shall be deemed to have been extended for a further period, till the Competent Authority passes orders thereon".

Provided that an application for grant or renewal of a quarrying lease by any person belonging to economically weaker section and who is a quarry operator by tradition and whose livelihood depended entirely on quarrying of ordinary building stones, shall be accepted with rupees one thousand as the security deposit per acre and rupees five hundred as application fee.

(3) Application received under sub-rule (1) and (2) shall be acknowledged in FORM-A.

21(A). Grant Of Quarrying Permits :-

(1) Notwithstanding anything contained in these rules, on an application made, by any person in form AQP to the Competent Authority, may grant a quarrying permit in form QP to extract or remove ordinary sand in the revenue Districts of Bangalore, Bangalore Rural, Mandya, Kolar and Tumkur within such areas, as may be specified by the competent authority not exceeding one thousand tonne under any one permit, on payment to the competent authority of royalty calculated at the rates specified in Schedule 2. The validity of such quarrying permit shall not exceed three months from the date of issue.

Provided that the Competent Authority may for reasons to be recorded in writing refuse to grant such permit.

a) provided that nothing in this rule shall apply to grant of a quarrying lease to quarry ordinary sand. The grant of ordinary sand

shall be by auction in accordance with the provisions of the Chapter IVA of the rules.

b) The period for which a quarrying lease may be granted by auction shall be one year.

c) There shall be a taluk level auction committee consisting of the following members.

i) Assistant Commissioner of the respective Jurisdiction Chairman

ii) Tahasildar of the respective Jurisdiction Member

iii) Executive Officer of the respective taluk panchayath Member

iv) Senior Geologist/Geologist of the respective Jurisdiction Member Secretary

v) The provision of rules 7, 29, 31, (2) (3) (4) of the chapter II and IV, of Rules 31A, 31D,

vi) 31E, 31G, 31H, 31I, 31K and the Provisions of Rule of Rule 30, 31L and 31O of Chapter IV A shall mutatis and mutaudisapply to quarry leases granted.

(2) A register of quarrying permit shall be maintained by the competent authority in form "QPR".

22. Scrutiny Of Applications, Inspection Of Applied Area And Disposal Of Applications :-

(1) Every application made under rule 21 shall be disposed of within ninety days from the date of its receipt and if it is not disposed within that period, the applicant shall be informed of the reasons for the delay within fifteen days after the expiry of the said period of ninety days. The Competent Authority shall obtain a report of inspection of the applied area in FORM-S.

23. Priority :-

(1) If more than one application for a quarrying lease over the same area is received under rule 21, preference shall be given to the applications in the order of date of receipt.

(2) If more than one application over the same area is received under rule 21 on the same day, preference shall be given to the applicants in the following order, namely;

(i) application from a person belonging to economically weaker sections of society who is a quarry operator by tradition and whose livelihood depended entirely on quarrying of ordinary minor minerals;

(ii) application from any Co-operative Society Registered under the

Karnataka Co-operative Societies Act,1959 all the members of which are bonded labourers, freed and discharged in accordance with section 4 of the "Bonded labour System (Abolition) Act, 1976 (Central Act .19 of 1976);

(iii) application from any Co-operative Society Registered under the Karnataka Co-operative Societies Act,1959 all the members of which belong to Scheduled Castes or Scheduled Tribes;

(iv) Sculptors;

(v) all other applications in order of receipt and date of application, on first-come first basis;

(3) Notwithstanding anything obtained in sub-rules (1) and (2),in the case of an applied area which is free for grant but is already being worked and in possession of persons belonging to the categories (i),(ii) or (iii) of sub-rule (2) above, irrespective of whether they are members of a Co-operative Society or not, they shall, by a written notice be called upon to stop unauthorised quarrying, if any, unless such quarrying is regularised within a period of one month time from the date of issue of notice. If no such persons or their Registered Society make applications within the said period of one month, any pending application in respect of such area shall be processed in accordance with priorities under sub-rule (1) .

(4) Not withstanding any thing contained in sub-rules (1) and (2) ,the Competent Authority may reserve or grant any area for quarrying in lands belonging to the State Government, in favour of State or Central Government undertakings or Government Departments provided that applications from them is received before the execution of lease deed.

24. Register Of Applications And Quarrying Leases :-

(1) The Director or the concerned Competent Authority shall cause to be maintained the following registers, namely:-

(i) Register of applications for quarrying leases in FORM-QLA.

(ii) Register of quarrying leases executed in FORM-QL.

(2) Every such register referred to in sub-rule (1) shall be open to inspection by any person on written request and payment of rupees one hundred at the discretion of the Competent Authority.

25. Maximum Area Of Quarrying Lease To Be Granted :-

(1) The total area of one or more quarry leases granted or renewed under this chapter shall not exceed twenty-five acres except in the

case of public sector undertakings and State Government Departments.

(2) The area to be granted shall resemble a square or a rectangular block. In the case of rectangular block, the longest side of the block shall not exceed four times the shortest side. Provided that nothing in this shall apply to grant or renewal of quarrying lease in respect of ordinary sand.

26. Period Of Quarrying Lease :-

(1) The period for which a quarrying lease may be granted under this chapter shall not exceed five years;

Provided that where the request for grant of a quarrying lease is in respect of a mineral based industry belonging to the applicant, lease may be granted for a period not exceeding ten years.

(2) A quarrying lease may be renewed for two periods each not exceeding five years at a time

Provided that, if the lessee is owner of an industry which is based on the quarry lease held by him, the lease may be renewed for ten years at a time.

27. Notification Of Grant Of Lease :-

The Competent Authority may, having regard to the provisions of these rules and after making such enquiries as it deems fit, grant or refuse to grant or renew a quarrying lease. Where a lease is granted or renewed, the Competent Authority shall issue a notification in FORM-GL.

Provided that the competent authority shall not grant a quarry lease in respect of any area which is notified under rule 8-B after the date of receipt of applications but before the date of consideration of grant, and all such application for grant made in respect of such area shall be liable to be returned to the applicants and security deposit and fee paid, if any, be refunded.

28. Intimation Of Refusal :-

If the application for a quarrying lease or renewal thereof is rejected by the Competent Authority, it shall record the reasons therefore and shall communicate the reasons to the applicant concerned within fifteen days of the date recording such decision.

29. Survey And Demarcation Of The Area Granted :-

After the grant or renewal of a lease is notified under rule 27, the Competent Authority shall arrange for survey and demarcation of the area notified at the expense of the grantee, which shall be at

the rate of rupees three hundred per acre of land granted for quarrying. And the amount towards such expenses shall be paid by the grantee within one month from the date of receipt of the notification issued under rule 27.

30. Execution Of Lease Deed :-

(1) When a quarrying lease is granted or renewed under rule 27, a lease deed shall be got executed by the grantee in FORM-E within three months of the order granting or renewing lease, or within such further period not exceeding three months as the Competent authority may allow in this behalf failing which the Competent Authority shall communicate to the grantee the cancellation of the order made under rule 27.

(2) Before executing lease deed the grantee shall pay fifty percent of the dead rent payable during the first year.

(3) The Competent Authority shall forward to the Director and concerned Tonsillar one copy of the quarrying lease deed as soon as the lease deed is executed.

31. Conditions Of Quarrying Lease :-

(1) The provisions of rules 6,7,8,19, 19A, 20, and rules 35 to 41 shall "mutatis mutandis" apply to quarry leases granted or renewed under this chapter.

(2) A quarrying lease deed may contain such other conditions as the Competent Authority may deem necessary in the interest of maintaining the local

(3) environment, habitat of surrounding area leased and in the interest of conservation of minerals.

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| CHAPTER IVA GRANT OF QUARRYING LEASE BY TENDER-CUM-AUCTION |
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31A. Notification For Grant Of Quarrying Lease :-

(1) For the purpose of grant of quarrying lease by tender-cum-auction in respect of the area notified under rule 8B the Director shall issue a notification containing the following particulars, namely :

1) Name of the minor mineral.

2) Survey Number, extent of the area and boundaries.

3) Name of the Village, Taluk and District.

4) The period of lease.

5) The last date for receipt of tender, the time at which and the place in which the auction will be held: and (vi) general conditions

governing the tender-cum-auction.

(2) The notification shall also be published in at least two daily newspapers (One English and one Kannada) at least fifteen days before the last date specified in the Notification for the receipt of tender.

31B. Manner Of Submission Of Tender :-

(1) Tenders shall be submitted in the form specified by the Director. The tender shall be submitted by the tender or himself or by his power of attorney holder in a sealed cover addressed to " the Director ".

2) The cover containing the tender shall be superscribed with the words " Tender against Notification No Dated " It shall be delivered to the Director to such officer as the Director may authorise to receive, not later than the date and time fixed for the receipt of the tenders.

3) Where more than one tender is submitted for grant of Quarrying Lease by a person, the tender containing the highest offer shall be considered and not for other tenders.

4) Even tender received shall be acknowledged by the officer receiving it.

5) A tender shall not be conditional and if it is conditional it shall not considered.

6) Every tender shall be accompanied by an earnest money deposit of an amount equal to on years dead rent for the area covered under notification. Such earnest money deposit shall be made in the form of Demand Draft drawn on scheduled Bank in favour of the Government of Karnataka, payable at Bangalore. Tenders not be considered, accompanied by such earnest money deposit shall not be considered.

7) The tender shall be accompanied by.

i Clearance certificate in respect of mining dues, such as or royalty dead rent and surface rent payable under the Act or the rules made there under, obtained from the Government or any officer or authority authorised by it in this behalf; an affidavit stating that the applicant has,

A Filed up-to-date income-tax Returns.

B Paid the income tax assessed on him, and

C paid the income tax on the basis of self assessment as provided in the Income tax Act, 1961.

8) Tender forms which are incomplete or not accompanied by the

documents specified in Sub-rule(7) shall not be considered.

31C. Joint Tender :- A tender submitted jointly by more than one person shall not be considered except in the case of tender by a firm, company or a body corporate and in the case of a firm, company or a body corporate tender shall be submitted by the person duly authorised by the firm, company or body corporate as the case may be.

31D. Disqualification :-

(1) A person shall be disqualified from submitting a tender, if he,-

- i) is a minor or an undischarged insolvent or is of unsound mind, or
- ii) is holding an office of profit under the State Government or Central Government, or
- iii) has not paid the arrears of royalty or dead rent in respect of lease held by him, or
- iv) has been convicted of any offence involving moral turpitude

31E. Withdrawal Of Tender :- A tender once submitted shall not be withdrawn till the grant of quarry lease is made in respect of such area consideration.

31F. Withdrawal Of Tender-Cum-Auction :-

1) The Director shall, on the date and at the time and place specified in the notification under Rule-31A, hold the auction. If the auction is not held on that day due to the day being a public holiday or for any other reason, the auction shall be held at the same time on the next working day for which no further notification or notice shall be necessary.

2) The Director causes the auction notification to be read out and explained in English and Kannada. He shall prepare a list of intending bidders in respect of each area including those who have submitted tenders and desire to take part in bidding. The intending bidders shall register themselves by paying a nonrefundable registration fee of Rupees Five hundred only and an earnest money deposit of an amount equal to one years dead rent for the mineral in area covered in notification. The registration fees and dearness money deposit shall be payable in the form of Demand draft payable in favour of the Government of Karnataka at Bangalore or

by cash.

3) Only persons included in such list shall be permitted to bid.

4) No person shall be included in such list if,

a) he is a person disqualified from submitting a tender, or

b) he has not paid the Registration fee and the earnest money deposit at the rate and in the manner specified in sub-rule (2), or

c) has not given the undertaking under Rule-31G.

5) The bids offered shall be recorded in the list of bidders and the signature of the highest bidder obtained in token of his offer. A bid once offered shall not be withdrawn.

6) A bid offered jointly by more than one person shall not be considered. A person offering a bid shall be entitled to be represented by duly constituted attorney.

7) After all the areas notified are auctioned, the Director shall open the tenders received in respect of the respective areas and record the offers contained in each tender. He may accept, provisionally, the highest amount offered in the tender or at the auction and announce the same.

31G. Undertaking To Be Given With Tender Or Bid :- The person submitting a tender or offering a bid shall give a prior undertaking to fulfil the stipulation that such tender or bid shall not be withdrawn.

31H. Payment To Be Made :-

(1) The person whose tender or offer or bid is accepted provisionally shall within fifteen days of such acceptance is announced, make a deposit of the amount equal to the tender or offer or bid which is provisionally accepted. The earnest money deposit paid, along with tender or at the auction shall be adjusted against the amount payable.

2) If the payment as required by sub-rule(1) is not paid, the provisional acceptance of the tender or offer or bid shall stand cancelled, the earnest money shall be forfeited and the Director may either accept provisionally the next highest tender or offer or bid or grant the lease afresh in such manner as the State Government may direct.

3) In the later case, the grant shall be at the rise of the defaulter who shall not be entitled to any excess amount realised but shall he liable for the losses sustained by the State Government. The

Director shall be entitled to assess such loss and recover it from the defaulter as if it were an arrear of land revenue. A defaulter shall not be entitled to submit tender or offer or bid at the auction held under sub-rule(2).

31i. Rejection Of Tender Or Bids :- The Director may reject any tender or offer or bid submitted to him on the ground that such tender or offer or bid is too low or for any other reason, to be recorded in writing.

31J. Rejection Of Tender Or Bids :-

(1) Where the Director has accepted provisionally a tender or offer or bid, he shall forthwith submit to the State Government the records of the proceedings conducted by him, for confirmation.

2) The State Government shall, on a consideration of the records under sub-rule (1) pass an order either confirming the bid or tender for grant of a quarrying lease or refusing to confirm the same. The order passed thereon shall be communicated forthwith to all concerned.

31K. Execution Of Quarrying Lease :- The person whose tender or offer or bid is confirmed under Rule-31J shall execute a lease deed. The provision of Rule-18 shall mutatis mutandis apply in respect of Execution of lease deed under this rule.

31L. Register Of Notification And Quarrying Lease :- The Director shall cause to be maintained the following Registers, namely:-

i) Register of Notification for quarrying leases in FORM-QLN.
ii) Register of Quarrying Leases executed in Form QL with area, sketches appended.

2) Every such Register referred to in Sub-Rule (1) shall be open to inspection by any person on a written request and payment of Rupees one hundred and at the discretion of the competent authority.

31M. Period Of Quarrying Lease :- The period for which a quarrying lease may be granted under this Chapter shall not exceed ten years.

31N. Renewal Of Lease :-

(1) An application for renewal of Quarrying lease under this Chapter shall be made in Form-R to the Director at least Ninety days before the expiry of the lease. The application shall be accompanied by a Treasury Challan for having paid the difference of the amount of Security Deposit, if any, to be paid by the lease at the prevailing rates and a Treasury Challan for an amount equal to the amount specified in sub-rule(2) as consideration for the renewal of the lease.

2) An amount equal to the amount of the tender or bid, as the case may be, paid as consideration for the grant of the quarry lease, plus twenty five per cent or fifty per cent of such amount shall be paid for the first and second renewal respectively.

3) A quarrying lease granted under this Chapter may be renewed for two periods, each period not exceeding the period of the original lease.

4) The application for renewal of the lease shall be disposed of by the competent authority before the date of expiry of the lease, failing which the lease shall be deemed to have been extended by a further period till the competent authority. passes order thereon.

5) The competent authority may after giving a reasonable opportunity of being heard and for reasons to be recorded in writing and communicated to the applicant, refuse to renew a quarrying lease for the whole or part of the applied area.

Provided that where the sanction for renewal is only for a portion of the applied area, the amount payable as consideration for the grant of renewal of the lease under Sub-Rule (2) shall be in proportion to the area for which the renewal is sanctioned.

31O. Surrender Of Lease :-

(1) A Lease may surrender his lease granted under this Chapter by giving notice in writing of not less than ninety days to the competent authority and by delivering possession of the area leased.

2) The competent authority may accept the surrender of the lease, subject to the condition that the lessee has paid all the dues payable to the State Government under the lease up to the date of application.

3) The competent authority shall dispose of the application under this Rule within Ninety days from the date of receipt of the

application.

4) The surrender shall take effect at the end of the said period of Ninety days subject to fulfilment of the condition specified in Sub-Rule (2) and in order cases, it shall take effect only, when the competent authority accepts surrender. Lessee/ex-lessee shall not be entitled to continue in possession or re-enter possession of the quarry thereafter.

31P. Transfer Of Lease :-

(1) No lessee shall without the previous consent in writing of the competent authority :

A assign, sublet, mortgage or in any other manner transfer the Quarrying Lease or any right, title or interest therein, or :

B enter into an agreement, contract or understanding with any persons whereby the lessee is directly or indirectly financed to a substantial extent by such person and quarry operations and any other activities connected there with are substantially controlled by such person:

Provided that nothing in the rule shall apply to mortgage made by the lessee in favour of the Institution specified in Schedule-VI.

2) The competent authority shall not give its consent to transfer of Quarrying Lease unless the transferee:

A has accepted all the conditions attached to the lease and liabilities which the transferor was having in respect of such lease:

B agree to pay to equivalent around which the transferor had paid in respect of the tender or bid to obtain the right to the grant of the lease as consideration for the transfer.

3) The competent authority by order in writing determined any lease at any time, if the lessee has in the opinion of the Competent Authority committed breach of any of the provisions of Sub-Rule(1) or has transferred any lease or any right, title or interest therein otherwise than in accordance with SubRule(2).

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

4) An application for transfer of lease shall be disposed of by the competent authority within ninety days from the date of receipt of the application.

5) The sanction for the transfer shall take effect at the end of Ninety days, from the date of such sanction, subject to the fulfilment of the conditions specified in Sub-Rule (2).

6) Where on an application for transfer of quarrying lease, previous

consent for the transfer has been obtained under this rule, a deed in such form as may be specified by the competent authority, shall be executed within ninety days of the date of obtain consent for the transfer or within such period as the competent authority may allow in this behalf.

31Q. Application Of Certain Rules For Lease Granted Or Renewed Under Chapter :- The provisions of Rule 6,7,8,20 and Rules 36 to 41 shall " Mutatis Mutandis " apply to Quarry leases granted or renewed under this Chapter.

CHAPTER 5 LICENCE FOR QUARRYING MINOR MINERALS IN PRIVATE OR PATTA LANDS

32. Quarrying Licence :-

No person shall undertake quarrying operation in respect of minor minerals in any private land (including pattaland) except under a quarrying licence granted under this chapter.

(2) When a Pattadars applies to the competent authority concerned for Mineral Despatch Permit for the first time, the competent authority shall arrange for survey and demarcation of the area, subject to the pattadar paying the expenses which shall be at the rate of Rupees Five hundred per acre of land and the provisions of rule 42 shall "mutatis mutandis" apply.

Provided that nothing in this rule shall apply to quarrying by persons in possession of pattalands in ex-Mysore State territory which is now situated in Karnataka State and who are full owners of certain sub-soil minor minerals situated in their pattalands.

33. Quarrying By Pattadars In Ex-Madras State Territory :-

(1) An occupant or tenant or Power of Attorney holder or Contractor in actual possession of the pattaland land in Ex-Madras State territory now situated in Karnataka State who intends to commence quarrying or renew quarrying in such land shall make an application in Form-AQL or Form-R, as the case may be, together with a security deposit and application fee as specified in subrule(2) of rule 34 to the Competent Authority for grant or renewal of a quarrying licence.

(2) On receipt of the application under sub-rule (1), the Competent Authority shall, if it sees no valid objection, obtain a report of

inspection of the applied area in Form-S and grant or renew a quarrying licence in Form-GL in accordance with the provisions of this chapter or reject the application.

(3) The provisions of chapter II and rules 13,17,18, 19,20 and sub-rules (4), (5), (6), (7) and (9) of rule 34 shall, mutatis mutandis apply for grant or renewal of a quarrying licence under this rule.

34. Grant Or Renewal Of A Quarrying Licence In Private Lands Other Than Those Referred To In Rules 32 And 33 :-

(1) Every application for grant of a quarrying licence to quarry any specified minor mineral on private land other than those referred to in rules 32 and 33 shall be made in FORM-AQL to the Director which shall be accompanied by a security deposit in the form of treasury challan for a sum calculated at the rate of rupees five thousand per acre and an application fee of rupees two thousand in the form of treasury challan under the prescribed Head of Account and other documents as specified in FORM-AQL.

(2) An application for renewal of a quarrying licence under this rule shall be in FORM-R and it shall be made to the Director at least ninety days before the expiry of the period of licence. The application shall be accompanied by an application fee of rupees two thousand in the form of treasury challan for the said sum and other documents specified in FORM-R. Further, the renewal application shall be accompanied by the difference of amount of security deposit, if any, to be paid by the licensee at the prevailing rates. Such difference of amount shall also be paid through a treasury challan.

(3) Every application under this rule shall be accompanied by a letter from the owner or the occupant of the land to the effect that he has no objection for quarrying minor mineral by the applicant. and this consent shall not be withdrawn for any reason during the pendency of the application for grant of quarrying licence or during the currency of the lease.

(4) Application received under sub-rule (1) of rule 33 and sub-rules(1) and(2) of this rule shall be acknowledged in FORM-A.

(5) Application for grant or renewal of a quarrying licence under this rule shall be disposed of within a period of four months from the date of receipt of application failing which the applicant shall be informed of the delay within fifteen days after the expiry of the said period.

"(5A) If an application for renewal of quarrying licence made within the time referred to in sub-rule (2) is not disposed of by the State Government before the date of expiry of licence the period of that licence shall be deemed to have been extended by a further period till the State Government passes the orders thereon".

(6) The period for which the a quarrying licence may be granted or renewed shall not exceed ten years.

(7) Maximum area to be permitted for quarrying shall be at the discretion of the COMMITTEE or the Competent Authority, as the case may be.

(8) The provision of chapter II and rules 11,13,17,18,19 and 20 shall mutatis mutandis apply for grant of quarrying licence under this rule depending upon whether the application is in respect of specified minor mineral or nonspecified minor mineral.

(9) A quarrying licence may contain such other conditions as the State Government or the Competent Authority may, as the case may be, deem necessary in the interest of maintaining the local environment/habitat surrounding the area permitted for quarrying and in the interest of conservation of minerals.

34A. Transfer Of Licence :-

(1) No licence shall without the previous consent of the competent authority assign or in any manner transfer the quarrying licence or any right, title or interest therein.

(2) Every licensee seeking the previous consent under sub rule (1) shall make application to the competent authority which shall be accompanied by a letter of consent from the owner of occupant of the land to the effect that he has No objection for quarrying minor minerals by the transferee.

(3) The competent authority may give its consent for transfer of licence only if a transferor was having in respect of such quarrying licence, and has consented to pay a transfer fee of rupees five thousand per acre to the Government. The Competent authority may also impose such other conditions as it may deem fit.

(4) The application for transfer shall be disposed of by the competent authority within a period of ninety days from the date of receipt of application.

(5) The competent authority shall issue a licence in Form -T to the transferee within a period of ninety days from the date of recording consent.

35. Quarrying Non-Specified Minor Minerals In Private Land

For Bonafide Domestic Use :-

Notwithstanding anything contained in these rules, occupant of any land may remove from his land any non-specified minor mineral on a small scale for his own use in respect of specific bonafide domestic or agricultural purposes:

Provided that the quarrying operation shall not be continued indefinitely and for commercial purposes and that the land is not rendered less fit for cultivation than before:

Provided further that the Competent Authority concerned shall be informed before commencing quarrying operations under this rule.

CHAPTER 6 ROYALTY, DEADRENT, SECURITYDEPOSIT, INTEREST AND MINERAL DESPATCH PERMIT**36. Payment Of Royalty And Dead Rent In Advance :-**

(1) The holder of a quarrying lease or licence under these rules , shall pay dead rent at the rates specified in SCHEDULE-1 as may be modified from time to time or royalty at the rates specified in SCHEDULE-2 as may be modified from time to time which ever is more whether minor mineral is removed or consumed by him or his agent, manager, employee or contractor. Provided that no such royalty shall be payable in respect of leases for clay in tank bed with an Achcat not exceeding 100 hectares.

Explanation: Royalty shall also be payable under this rule in respect of minor minerals classified as waste rock having volume not exceeding 0.08 cubic meters generated in any ornamental and decorative stone quarry and waste rock rejects of any size not exceeding 0.02 square meters generated in any "shahabad stone" quarry.

(2) The dead rent shall be paid in advance at every six months.

(3) No person shall remove or transport or cause to be removed or transported any minor mineral without paying the royalty or dead rent.

(4) The State Government may by order exempt the dead rent or reduce the rate of dead rent payable by companies or undertakings owned by the State Government.

37. Head Of Account To Which Royalty Etc., To Be Credited :-

The royalty, dead rent, penalty amount, security deposit and auction sale proceeds payable under these rules, shall be credited into the Head of Account specified below:

0853 - Non Ferrous Mining and Metallurgical Industries

102 - Mineral Concession Fees, Rents and Royalties

1 - Geological Department

05 - Royalty on Minor Minerals.

38. Refund Of Security Deposit :-

On an application made by an applicant whose application in FORMALP or FORM-R has been rejected, the security deposit may be refunded to such applicant within sixty 60 days from the date of receipt of the application for refund, if dead rent or royalty or penalty is not due from him;

Provided that where the holder of a quarrying lease or licence is liable to pay either penalty, royalty or dead rent or against whom complaints of unauthorised quarrying or transportation of minor mineral has been registered, the security deposit of such person shall not be refunded until a no objection certificate is obtained from the concerned Competent Authority.

39. Recovery Of Amount Due To The Government :-

If dead rent, royalty or penalty or other amount payable by a person is due to the State Government, and is not paid within ninety days next after the date fixed under these rules for its payment, the Competent Authority shall give notice to the defaulter requiring him to pay the dues within sixty days from the date of receipt of the notice failing which the Competent Authority may, forfeit the security deposit and report to the Deputy Commissioner concerned to recover the balance amount due in accordance with Section 25 of the Act.

If the holder of a quarrying lease or licence makes any default in the payment of royalty or dead rent payable under rule 36, the competent authority shall give notice to such holder of quarrying lease or licence, requiring him to pay royalty or dead rent within sixty days from the date of receipt such notice failing which the competent authority may without prejudice to any other action that may be taken against such holder, determine the lease or licence and forfeit the whole or part of the security deposit.

40. Issue Of Annual Audit Reports :-

The Competent Authority shall, after conducting inspection of register of accounts of production, despatch and stock, quarry area and connected stone cutting and polishing unit or crushing unit, stock yards, if any, connected with the quarry, submit every financial year a report to the Director. The Competent Authority

may call for from the holder of a quarrying lease or licensee any other details or documents, which are required for the preparation of annual audit, report. The holder of a quarrying lease or licence or his agent shall make available such details and documents. The report shall be issued before the end of June of the year next following the financial year.

41. Payment Of Interest :-

The State Government may charge simple interest at the rate of fifteen percent per annum on any dead rent, royalty or penalty or other sum due to the State Government under the Act or these rules from the sixtieth day after the expiry date fixed for payment of such rent, royalty, penalty or other sum.

42. Transport Of Minor Minerals :-

(1) No person shall transport or cause to be transported any minor mineral except under or in accordance with a MINERAL DESPATCH PERMIT in FORM-MDP issued under this rule by the Competent Authority or any other officer authorised by the State Government or the Director.

Any person desiring to transport the minor mineral by road, by rail or any other means of transport shall apply in Form - AP to the concerned competent authority for issue of permit.

(3) The Competent Authority after such enquiry as it deems fit, if satisfied that the information furnished in the application is correct and the applicant is entitled for a permit, it may issue a permit in FORM-MDP.

(4) The permit shall be issued on the basis of one permit for one vehicle basis.

(5) The permit shall be valid for a period not exceeding seven days from the date of issue;

Provided that the Competent Authority may, on a written request by the holder of permit and after such enquiry as it deems fit renew the permit subject to collection penalty at the rate of five percent of the royalty per day from the date of expiry of the permit till he makes a written request to the competent authority.

CHAPTER 7 CONTROLLING OF UNAUTHORISED TRANSPORTATION OF MINOR MINERALS, CHECKING OF MINERALS IN TRANSIT AND UNAUTHORISED QUARRYING OFFENSES

43. Checkposts And Checking Of Minerals In Transit :-

(1) The State Government may, by notification, direct the establishment of Check posts or erection of barriers or both at such place or places as it thinks fit with a view to prevent or check unauthorised transportation of minor minerals and evasion of royalty or commission of any other offence in respect of minor minerals;

Provided that till such check posts are established or barriers are erected in any place or places, the State Government may, notify the check posts already established or barriers erected in such place or places under the Karnataka Sales tax Act, 1957 or the Karnataka Forest Rules 1964 to be the check posts or barriers for the purposes of these rules also.

(2) Every driver or person in charge of a vehicle carrying minor mineral shall be in possession of a valid permit and waybill, sale or delivery note and FORM-39 issued by Commercial Taxes Department containing necessary particulars in respect of such minerals and shall produce the same before any authorised officer in charge of a check post or barrier.

(3) Any officer authorised by the State Government in this behalf (herein after referred to as authorised officer) may check a vehicle carrying minor mineral at any place, and the owner or person in charge of the vehicle shall produce the permit and other documents such as waybill etc, as demanded by the authorised officer.

(4) At every check post or barrier set up or notified under sub-rule (1) or at any other place, when so required by any authorised officer, the driver or any other person in charge of the vehicle carrying minor mineral shall stop the same and keep the vehicle stationed so long as may reasonably be necessary, and allow the officer in charge of the check post or the barrier or, as the case may be, the authorised officer to examine and take measurements of the minor minerals in transit and inspect all records relating to the minerals in possession of such driver or other person. The driver or other person shall, if so required by the officer in charge of the check post or the barrier or the authorised officer, give his name and address and also that of the owner or the consignor and consignee. After checking the minerals and vehicle, the officer shall put his signature and rubber stamp on the permit so as to avoid any further checking at another check post.

(5) If the driver or person in charge of the vehicle fails to produce a valid permit, the officer in charge of the check post or barrier may require the driver or the owner or person in charge of the vehicle to pay penalty equal to five times the amount of royalty payable as

per SCHEDULE-2.

(6) The Officer in charge of the check post or the barrier or the authorised officer may seize and confiscate any minor mineral which is under transit by a vehicle and as well as such vehicle if the owner or the driver or person in charge of the vehicle refuses to make payment as required under sub-rule(5).

(7) The officer in charge of the check post or the barrier or the authorised officer shall give a receipt for having seized such minor mineral together with vehicle to the person from whose possession or control it is seized.

(8) Whenever an order of confiscation in respect of minor mineral seized under sub-rule(6) is made the confiscating officer shall give an option to the owner or driver or person in charge of the vehicle to pay the amount as required under sub-rule (5) in lieu of such confiscation. In case of failure of the Driver, owner or person in charge of the vehicle to exercise such option, the confiscated material may be disposed of by the officer by auction sale;

Provided that no such minor mineral confiscated under sub-rule(6), shall be disposed of by the confiscating officer before expiry of three days from the date of such confiscation and, till such time option shall remain with the owner or person in charge of the vehicle to carry the minor mineral after paying the penalty assessed.

44. Offenses :-

2 (I) Any person who contravenes the provisions of Sub-rule(1) of rule 3 shall, on conviction be punished with imprisonment for a term which may extend to one year or with fine which may extend to rupees five thousand or with both, and in the case of a continuing contravention with an additional fine which may extend to five hundred rupees for every day during which such contravention continues after first such contravention.

*2 (2) Any persons who undertakes any quarrying operation in respect of any minor minerals "either without a licence or quarrying permit granted under these rules or in contravention of the terms and conditions of any licence or permit shall be punishable with imprisonment for a term which may extended to one year or with fine which may extended to five hundred rupees for every day during which such contravention continues after conviction for the first such contravention."

45. Termination Of Lease Or Licence Held By An Offender :-

Where the holder of a lease or licence has committed an offence

under sub-section (1) of section 21, without prejudice to the penalty for which the holder of a lease or licence is liable under that sub-section, the Competent Authority may, after such enquiry as it deems fit, terminate the quarry lease or licence held by such person.

46. Power Of Entry, Inspection Etc :-

(1) Any officer empowered by the State Government by notification in this behalf (hereinafter in this rule referred to as empowered officer) may, for the purpose[of these rules require any quarry operator, lessee, licensee, dealer in minor minerals, owner or manager of granite cutting and polishing units, transport of minor mineral, clearing and forwarding agents for granite and other specified minor minerals, to produce before him the accounts, registers and other documents and to furnish any other information relating to quarrying operation or business or trade in minor minerals.

(2) All accounts registers and other documents pertaining to the business of a dealer, lessee, licensee, the minerals in his possession or in the possession of his agent including clearing and forwarding agents or broker and their offices, go down, cutting and polishing units, factory, vehicle or any other place where the business is done or accounts are kept shall be open for entry and inspection and examination at all reasonable times by the empowered officers.

(3) If the empowered officer has reason to suspect that any dealer, lessee or licensee is attempting to evade payment of royalty or other dues under these rules, he may, for reasons to be recorded in writing, seize such mineral, accounts registers or other documents of the dealer, lessee or licensee as he may consider necessary and shall give receipt to the dealer, lessee, licensee or any other person from whose custody such mineral, accounts registers, documents are seized. The accounts registers and documents so seized shall be retained by such officer only for their examination or for any enquiry or proceedings under these rules or for prosecution:

Provided that the mineral, accounts registers and documents so seized shall not be retained by such officer beyond a period of thirty days from the date of seizure without the written order of the Director for reasons to be recorded in writing:

Provided further that before returning the minerals, accounts registers and documents, the empowered officer may require that the dealer, lessee or licensee shall give a written undertaking that

the minerals, accounts registers and documents shall be presented whenever required by the empowered officer for proceedings under these Rules and that such undertaking shall be supported by a security in such form as may be specified for a total sum calculated at the rate of five times the royalty prevailing as per schedule 2 for the possession or utilisation of minerals not accounted for.

(4) The empowered officer may, after giving the dealer/lessee/licensee an opportunity of being heard and holding such further enquiry as he may consider fit, realise from him, the cost of the mineral for the possession or utilisation of mineral not accounted for.

(5) For the purpose of sub-rule (2) and (3), the empowered officer shall have powers to enter and search at all reasonable times, any offices, go down, stone cutting and polishing units, factory or vehicle or any other place of business or any building or place where, the empowered officer has reason to believe that the dealer, lessee or licensee keeps or for the time being keeping any mineral, accounts registers or other documents pertaining to his business or quarrying operations.

(6) Such empowered officer may, when it is not practicable to seize any books or accounts registers, documents or mineral, serve upon the dealer, lessee or licensee or the person who is in immediate possession or control thereof, an order that he shall not remove, part-with or otherwise deal with them except with the previous permission of such empowered officer who may take such steps in accordance with rules, as may be necessary for ensuring compliance of this sub-rule.

(7) The power conferred by sub-rule (4) and (5) shall include the power to break open any box or receptacle in which any accounts registers or documents of dealer, lessee or licensee may be contained or to break open the door of any premises where any such mineral, accounts registers or documents may be kept or to place marks of identification on his books of accounts, registers or documents to make or cause to be made extracts or copies thereof: Provided that the power to break open the door shall be exercised only after the dealer, lessee or licensee or any other person in occupation of the premises, if he is present therein, fails or refuses to open the door on being called upon to do so.

(8) The empowered officer may require any person:-

(a) Who transports or holds in custody of any mineral for delivery to or on behalf of any dealer, lessee or licensee to give any information likely to be in his possession in respect of such mineral

or to permit inspection thereof, as the case may be;

(b) Who maintains or has in his possession any accounts or documents relating to the trade or quarrying operations, to produce such accounts or documents for inspection.

(9) The provisions of the Code of Criminal Procedure 1973 (Central Act 2 of 1974) relating to searches shall apply, so far as may be, to the searches made under these rules.

CHAPTER 8 DISPOSAL OF SEIZED OR CONFISCATED MINOR MINERALS AND MINOR MINERALS LEFT AFTER THE EXPIRY OR TERMINATION OF LEASE THROUGH AUCTION SALE

47. Procedure For Disposing Seized Minor Minerals :-

(1) All minor minerals seized under sub-section (4) of section 21 of the Act, sub-rule(6) of rule 44 and minor minerals left at the quarry after the expiry or termination of lease or licence shall be disposed of by public auction by an officer authorised in this behalf (hereinafter referred to as the authorised officer)

(2) The minimum rate per unit volume or weight of any minor mineral which is classified in FORM-O shall be fixed in accordance with the rate specified in SCHEDULE-3.

48. Sale To Be Notified :-

A notification of sale by auction shall be published in the official Gazette and in not less than two daily news papers in Kannada and in English having wide circulation;

Provided that where the estimated value of minor minerals sought to be auctioned is less than rupees twenty five thousand, the sale notification may be displayed on the notice board of the office of the authorised officer and the office of the Tahsildar of the concerned taluk and copies of such sale notification shall also be circulated in the locality.

49. Disqualification To Bid :-

No person who is black-listed or declared to be insolvent or minor or who has failed to pay State Government dues outstanding either in his name or in the name of a company owned or controlled by him or in the name of a firm in which he is a partner, shall be eligible to bid in the auction.

50. Earnest Money :-

(1) The amount of earnest money to be deposited by a bidder shall

be at the rate of twenty five percent of the total amount of minimum rate assessed for the minor mineral lot offered for auction sale.

(2) Earnest money deposit shall be paid by the bidder through a demand draft drawn in favour of the authorised officer.

(3) Persons intending to deposit and bid as agent of another person or company or firm shall produce before the authorised officer the power of attorney duly executed by such another person or executed on behalf of such company or firm and signed either by all the directors or partners, as the case may be.

(4) Persons intending to deposit and bid as agents of Government undertakings shall produce before the authorised officer a letter of authority from the Head of such undertaking.

51. Conduct And Confirmation Of Sale :-

(1) No auction sale shall be conducted when a single bidder is present.

(2) Prior to the commencement of the auction sale, the sale conditions shall be read out and the signature of all intending purchasers shall be obtained on the sale notice in the presence of the authorised Officer in token of their having been appraised of, and having accepted, the sale conditions.

(3) If the bid of any person participating in the sale is disputed, the decision of the authorised officer on the spot shall be final and binding.

(4) The bidder in whose favour the minor mineral lots have been decided shall affix his signature in the "Auction Sale Slip Form" against the amount offered by him in token of his having accepted the correctness of the transaction entered in the Sale Slip Form.

(5) Where the highest bid in an auction sale is complete in all respects and is equal to or exceeds the minimum grade-wise price specified in SCHEDULE-3 the authorised officer shall accept the bid if it is within his power of sanction as specified in SCHEDULE-4 and shall issue confirmation or acceptance order:

Provided that if the bid, the value of which is not within the power of sanction of the authorised officer he shall, on the same day or the next working day submit to the concerned confirming authority specified in SCHEDULE-4 the sale records along with his opinion on the quality of material offered as per Form-O, on the general result of the sale, the demand for specified variety or type of minor mineral amongst the lots offered for auction sale and any other

relevant information gathered during auction, for confirmation and acceptance of the bid. The confirming authority shall, on accepting the bid, issue confirmation or acceptance order.

(6) The confirming authority may, before taking decision to accept the bid call for further details. The confirming authority shall as far as possible, take a decision within three days from the date of receipt of the report under sub-rule (5).

(7) Immediately on the acceptance and confirmation of the bid, the bidder shall remit the entire bid amount on the spot and obtain a receipt. It shall thereafter be the responsibility of the bidder to arrange for protection and transport of the auctioned mineral. However, the bidder shall, within fifteen days from the date of confirmation of auction, arrange to remove the minor mineral well-outside the area (outside the survey number) where the sale was conducted.

52. Penalty For Non-Removal Of Auctioned Minor Mineral :-

Penalty as specified in SCHEDULE-5 shall be levied by the concerned Competent Authority or authorised officer for non-removal of the auctioned minor mineral or for non-payment of the final bid amount.

CHAPTER 9 REVISION AND MISCELLANEOUS

53. Revision :-

(1) Any person aggrieved by an order of the Competent Authority not above the rank of Additional Director may, within sixty days of the date of communication of such order apply in Form-RV to the Controlling Authority for revision of such order.

(2) Any person aggrieved by an order of the competent authority above the rank of Additional Director may, within two months from the date of communication of such order apply in FORM-RV to the State Government for revision of such order:

"(2A) Any person aggrieved by the order of the Director rejecting any tender or offer or bid under rule 31 I may within sixty days from the date of such order apply in Form RV to the State Government for revision of such order".

Provided that the Controlling Authority or the State Government, as the case may be, may, if he or it is satisfied that the applicant had sufficient cause for not making the application in-time, entertain such application if it is made within a period of thirty days from the date of expiry of the aforesaid period of sixty days.

(3) An application under sub-rule (1) or (2) or (2A) shall be accompanied by a treasury challan for having paid a fee of rupees one thousand five hundred.

(4) On receipt of an application for revision under sub-rule (1), (2) or (2A) the Controlling Authority, or as the case may be, the State Government, may call for the records of the case and pass such order thereon as he or it may deem fit:

Provided that no order under this rule shall be made to the prejudice of any person unless he has been given a reasonable opportunity of being heard.

(5) Any application for revision made under rule 61 of the repealed Karnataka Minor Mineral Concession Rules, 1969 and pending before the Controlling Authority or the Karnataka Appellate Tribunal, shall on the commencement of these rules, stand transferred respectively to the concerned Controlling Authority or the State Government, and it shall be decided by them as if it had been filed before them.

54. Delegation Of Powers :-

(1) The State Government may, by notification in the official gazette direct that any power exercisable by it under these rules may, in relation to such matters and subject to such conditions, if any, as may be specified in the notification be exercisable also by such officer or a or authority subordinate to the State Government.

55. Power To Rectify Apparent Mistakes :-

Any clerical or arithmetical mistakes in any order passed by the Competent Authority, Director or the State Government or any other authority or officer under these rules and any error arising therein from accidental slip or omission may, within one year from the date of the order be corrected by such 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 of being heard.

56. Relaxation Of Rules In Special Cases :-

(1) In case where the State Government is of the opinion that public interest so requires it may authorise the grant of a quarrying lease or licence for quarrying or reserve any land on such terms and conditions other than those prescribed in these rules as the State Government may by order specify.

(2) Notwithstanding anything contained in these rules such safeguards, territorial, financial or otherwise may be provided to the lessees or licensees with a view to safeguard the interest of any industry or trade in order to avoid unhealthy competition among the lessees and licensees and to prevent any fall in the trade and to see that the minor mineral is exploited in a scientific and systematic manner.

56A. Manner Of Payment Of Fees Etc :- Notwithstanding anything contained in these rules where the fees, earnest money, security deposit or any other amount payable under these rule is required to be paid through a treasury challan, may also be paid by a demand draft on a scheduled Bank, payable at Bangalore in favour of the Government of Karnataka.

57. Application Of These Rules For Renewal :-

Where a quarrying lease or any other right for quarrying a minor mineral has been granted before the commencement of these rules is renewed after such commencement, these rules shall apply in relation to such renewal of a quarrying lease or licence granted after such commencement.

58. Repeal And Saving :-

The Karnataka Minor Mineral Concession Rules, 1969 are hereby repealed; Provided that the repeal shall not affect the previous operation of the repealed rules, and, anything done or any action taken there under shall be deemed to have been done or taken under the corresponding provisions of these rules.

59. Transitory Provisions :-

(1) Where any person who had already applied under the repealed rules for obtaining a quarrying lease or permit and such application is pending consideration immediately prior to the commencement of these rules, such person may, within thirty days from such commencement, apply afresh for grant or renewal of quarrying lease or permit under these rules.

(2) All applications made under the repealed rules for grant of a quarrying lease prior to the commencement of these rules and pending consideration on the date of such commencement shall abate and the fee and security deposit paid in respect of such application shall be refunded to the applicant unless he applies

afresh under sub-rule (1) in which case the fee and security deposit so paid shall be adjusted towards the fee and security deposit payable in respect of the applications made afresh.

Any applications for grant or renewal of a quarry lease, licence or permit pending consideration immediately prior to the commencement of these rules shall be considered in accordance with the provisions of the said rules as amended before these rules.

SCHEDULE 1

SCHEDULE 1

(See sub-rule (1) of Rule 36)

DEAD RENT

| Sl.No | Name of Minor Mineral | Rate per acre/annum Rs. |
|--------------|---|--------------------------------|
| 1. | ORNAMENTAL & DECORATIVE BUILDING STONES. (As defined under clause (m) of rule 2) | 25,000 |
| 2. | Felsite & its varieties suitable for use as Ornamental Stones | 25,000 |
| 3. | Quartzite & Sandstone and their varieties suitable for use as Ornamental stones. | 25,000 |
| 4. | Marble or crystalline Limestone as ornamental Stone. | 25,000 |
| 5. | Bentonite | 25,000 |
| 6. | Fuller's Earth | 25,000 |
| 7. | Limestone under title "Shahabad Stone" | 15,000 |
| 8. | Lime stone (Non-Cement) | 15,000 |
| 9. | Ordinary Building Stones. (As defined under clause (g) of rule 2) | - |
| a | Bangalore, Kolar, Mysore, Mandya & Tumkur | 15,000 |
| b | Other Districts | 10,000 |
| 10. | Limeshell | 15,000 |
| 11. | Lime Kankar | 15,000 |
| 12. | Agate & Chalcedony | 15,000 |
| 13. | Ordinary Sand | 10,000 |
| 14. | Brick & Tile clays | 5,000 |
| 15. | Steatite used for making household articles | 10,000 |
| 16. | Sandstone used for making household articles. | 10,000 |
| 17. | Murram | 3000 |
| 18. | All other minor minerals | 5,000 |

SCHEDULE 2

SCHEDULE 2

(See sub rule (1) of Rule 36)

ROYALTY

| | | |
|--|--|--|
| | | |
|--|--|--|

| Sl.No | Name of Minor Mineral | Rate per unit/quantity Rs. |
|-------|--|----------------------------|
| 1. | ORNAMENTAL & DECORATIVE BUILDING STONES. (As defined under clause (m) of rule 2) | |
| | A) DYKE ROCK | |
| | (i) Black granites: | |
| | a) Mysore & Chamarajnagar District. | 3,000 per M 3 |
| | b) All other districts other than (a) above. | 2,500 per M 3 |
| | ii) Other varieties of dyke other than Black granites (Entire state) | 1500 per M 3 |
| | B) (I) PINK & RED GRANITES | |
| | [ILKAL PINK variety] (i) Hungund Taluk of Bagalkot & Badami taluk of Bijapur district, Kushtagi of Koppal district | 2,500 per M 3 |
| | (ii) Pink & Red granites, gneisses & their textural & structural varieties, (other than ILKAL PINK variety) | 1,500 per M 3 |
| | C) GREY & WHITE GRANITES & Their varieties | |
| | (i)Very fine grained grey Granite [SIRA GREY variety]. Sira, Madhugiri of Tumkur dist. Chintamani, Gudibande,Siddlaghatta of Kolar dist. Hosakote of Bangalore district. | 1,500 per M 3 |
| | ii) Grey & White granites & their textural varieties having shades of grey, black & white colours, (other than (I) above) Entire State | 1,000 per M 3 |
| | iii) Grey Granite of Sadarahally Koirra of Bangalore Rural District. | 600 per M 3 |
| 2. | Felsite and its varieties suitable for use as Ornamental Stone – Entire State | 1,200 per M 3 |
| 3. | Granite and Sandstones and their varieties suitable for use as ornamental Stones – Entire State. | 1,200 per M 3 |
| 4. | Marble or crystalline limestone as ornamental stone. – Entire state. | 1,200 per M 3 |
| 5. | Bentonite -- Entire state | 200 per MT |
| 6. | Fullers Earth – Entire State | 200 per MT |
| 7. | Limestone under the title "Shahabad Stone" | 80 per 10 Sq. m |
| 8. | Limestone (Non-Cement) when used for building stone -- Entire State | 20 per MT |
| 9. | Ordinary Building stones --Entire State (As defined under clause (g) of rule 2) | 30 per MT |
| 10. | Limeshell – Entire State | 60 per MT |
| 11. | Lime Kankar (Non-Cement) – Entire State | 25 per MT |
| 12. | Agate, Chalcedony, Flint – Entire State | 120 per MT |
| 13. | Ordinary Sand: Entire State | 30 per MT |
| 14. | Steatite and sand stone used for making household utensils/articles – Entire State | 20 per MT |
| 15a. | Murram (All types of soils) – Entire State | 10 per MT |
| | | |

| | | |
|-----|---|------------------------------------|
| b | Clay used for manufacturing tiles & Bricks | 20 per MT |
| 16. | All other minerals – Entire State | 30% of the sale value at Pit mouth |
| 17. | Waste rocks generated in ornamental stone quarry -- Entire State see explanation under rule 36 | 200 per Tonne or 600 per M3. |
| 18. | Irregular shaped waste rock, quarry which is not suitable for ornamental purposes – Entire State. | 30 per MT |
| 19. | Waste rocks generated in Shahabad stone quarries. – Entire State. see explanation under rule 36 | 30 per MT |
| 20. | Finished kerb stones/cubes not exceeding 30 cms. Each face. – Entire State. | 80 per MT |

SCHEDULE 3

SCHEDULE 3

(See Sub-Rule(2) of Rule 47)

MINIMUM RATE PER UNIT VOLUME OR WEIGHT OF MINOR MINERALS

| Sl.No | Classification Code as per form O | Unit of Measurement | Minimum Rate |
|-------|---|---|--|
| 1. | Lst | Tonnes | Rs.40/- Tonne |
| 2. | Lsh | Tonnes | Rs.30/- Tonne |
| 3. | i) Bst-1 ii) Bst-2 iii) Bst-3 | Tonnes No.of Stones Tonnes | Rs.50/- Tonne Rs.1/- Size stone Rs.30/- Tonne |
| 4. | OS | Tonnes | Rs.30/- Tonne |
| 5. | Pbl | Tonnes | Rs.50/- Tonne |
| 6. | Cly | Tonnes | Rs.20/- Tonne |
| 7. | Flr | Tonnes | Rs.250/- Tonne |
| 8. | i) B(O) II) B(M) | Number of Bricks Number of Bricks | Rs.500/1000 Bricks Rs.750/1000 Bricks |
| 9. | Sh.ST | Sq.mt | Rs.300/10 Sq.Mt. |
| 10. | Granites | | |
| (1) | a) BLG-1 b) BLG-2 c) BLG-3 d) BLG-4(I) e) BLG-4(ii) f) BLG-5 | Cu.Mt Cu.Mt Cu.Mt Cu.Mt Cu.Mt Cu.Mt. | Rs. 500/- Cu.Mt Rs. 1500/- Cu.Mt. Rs. 3000/- Cu.Mt. Rs. 6000/- Cu.Mt. Rs.10000/- Cu.Mt. Rs. 2000/- Cu.Mt. |
| (2) | a) PNG-1 b) PNG-2 c) PNG-3 d) PNG-4 (I) e) PNG-4 (ii) f) PNG-5 | Cu.Mt Cu.Mt Cu.Mt Cu.Mt Cu.Mt Cu.Mt | Rs. 500/- Cu.Mt Rs. 1500/- Cu.Mt. Rs. 2000/- Cu.Mt. Rs. 5000/- Cu.Mt. Rs.10000/- Cu.Mt. Rs. 2000/- Cu.Mt |
| (3) | a) PGM-1 b) PGM-2(I) c) PGM(ii) | Cu.Mt Cu.Mt Cu.Mt | Rs. 500/- Cu.Mt. Rs. 1500/- Cu.Mt. Rs. 2500/- Cu.Mt. |
| | a) GRG-1 | Cu.Mt | Rs. 300/- Cu.Mt. |

| | | | |
|-----|--------------------------------|-------------------------|--|
| (4) | b) GRG-2 c) GRG-3 d) WYG | Cu.Mt Cu.Mt Cu.Mt | Rs. 2500/- Cu.Mt. Rs. 5000/- Cu.Mt Rs. 1500/- Cu.Mt. |
|-----|--------------------------------|-------------------------|--|

SCHEDULE 4

SCHEDULE 4

(see sub-rule (5) of Rule 51)

AUCTION SALE CONFIRMING AUTHORITIES

| Name of authorised Officer | Max.value of auction lot (Rs.) | Confirming authority |
|--|--------------------------------|----------------------|
| (1) Geologist having jurisdiction over the district. | Upto 50,000 | Senior Geologist |
| (2) Senior Geologist having jurisdiction over the districts (In the case where Senior Geologist is in charge of Dist he will conduct sale for less than Rs. 50,000 also) | Upto 1,00,000 | Joint Director |
| (3) Joint Director | Upto 4,00,000 | Additional Director |
| (4) Deputy Director(MA) or any Deputy Director in H.O. duly authorised by the Director. | Upto 6,00,000 | -do- |
| (5) Additional Director | Upto 10,00,000 | Director |
| (6) Director | Above 10,00,000 | Government |

SCHEDULE 5

SCHEDULE 5

(See Rule 52)

PENALTY FOR NON-REMOVAL OF MINOR MINERAND/OR NON-PAYMENT OF FINAL BID AMOUNT THEREBY CAUSING INCONVENIENCE.

| Sl.No. | Category of Minor Mineral | Penalty Amount |
|--------|---|--|
| 1. | Non-specified minor mineral | Forfeiture of the earnest money paid as per Rule 51 |
| 2. | Specified minor minerals other than granites. | Forfeiture of the earnest money paid as per Rule 51 and black-listing the bidder so that the bidder in his company/Firm cannot take part in future auctioning. |
| 3. | Granites (all types mentioned in Form-O) | Forfeiture of the earnest money paid as per Rule 51, and black listing. |