

## **Uttar Pradesh Minor Minerals (Concession) Rules, 1963**

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## **Uttar Pradesh Minor Minerals (Concession) Rules, 1963**

### **CHAPTER 1 PRELIMINARY**

#### **1. Short title, extent, commencement and application :-**

1. These rules may be called the Uttar Pradesh Minor Minerals (Concession) Rules, 1963.
2. They shall extend to the whole of Uttar Pradesh.
3. They shall come into force with effect from the date of their publication in the Gazette.
4. They shall apply to all the minor minerals available in the state.

#### **2. Definitions :-**

In these rules, unless the context otherwise requires

(1) "Act" means the Mines and Minerals (Regulation and Development) Act, 1957 (Act No. 67 of 1957):

(1-a) "Committee" means the Committee, consisting of the District Officer as Chairman and the representatives of the Director and the Divisional Forest Officer as members, constituted by the State Government by Government Notification No. 4343/18-12-90-601/87, dated August 29, 1990, whom the State Government has delegated its power under rule 71 in respect of reserve forest areas:

(1-b) "Director" means the Director of Geology and Mining. Uttar Pradesh

(2) "District Officer" means the Collector or Deputy Commissioner of

the district in which the land is situated.

(3) "From" means a form set out in the Third Schedule to these rules:

(3-a) "In situ rock deposit" means the mineral found in the form of rock and not displaced from the place of its origin:

(4) "Mine" and "Owner" shall have the meanings respectively assigned to them in the Mines Act, 1952 (Act No. 35 of 1952):

(5) "Mining operations" means any operations undertaken for the purpose of winning any minor minerals:

(6) "Mining permit" means a permit granted under these rules to extract a specified quantity of minor mineral within the period stipulated in the permit:

(7) "Minor minerals" means building stones, gravel, ordinary clay, ordinary sand other than sand used for prescribed purposes, and any other minerals which the Central Government has declared from time to time or may declare, by notification in the official Gazette, to be a minor mineral, under clause (e) of section 3 of the Mines and Minerals (Regulation and Development) Act, 1957 (Act No. 67 of 1957): (7-a) "Pits mouth value" means the sale price of the minor minerals at the pit head or at the point of production: (8) "Railway" and "Railway Administration" shall have the meanings respectively assigned to them in the Indian Railways Act, 1890 (Act NO.9 of 1890) (9) "Schedule" means a Schedule appended to these rules: (10) "State" and "State Government" respectively mean the State of Uttar Pradesh and Government of Uttar Pradesh.

### **3. Mining operations to be under a mining lease or mining permit :-**

(1) No person shall undertake any mining operations in any area within the State of any minor minerals to which these rules are applicable except under and in accordance with the terms and conditions of a mining lease or mining permit granted under these rules:

Provided that nothing shall affect any operations undertaken in accordance with the terms and conditions of mining lease or permit duly granted before the commencement of these rules.

(2) No mining lease or mining permit shall be granted otherwise than in accordance with the provisions of these rules.

## **CHAPTER 2 GRANT OF MINING LEASE**

### **4. Restriction on the grant of mining lease :-**

No mining lease shall be granted to any person who is not an Indian National.

Explanation: - For the purpose of the rule a person shall be deemed to be an Indian national-

(a) in the case of a public company as defined in the Companies Act, 1956, only if a majority of the directors of the company are citizens of India and not less than fifty-one percent of the share capital thereof is held by persons who are either citizens of India, or Companies as defined in the Companies Act, 1956:

(b) in the case of a private company as defined in the companies Act, 1956 only if all the members of the company are citizen of India.

(c) in the case of firm or other association of individuals, only if all the partners of the firm or members of the association are citizens of India, and

(d) in the case of an individual, only if he is a citizen of India.

## **5. Application for grant or renewal of mining lease :-**

(1) An Application in form MM-1 for grant of a mining lease or in Form MM-1(a) for renewal shall be addressed to the State Government.

(2) The application referred to in sub-rule (1) shall be submitted in quadruplicate to the District Officer or to the officer authorised in this behalf by the State Government. Such officer shall endorse the receipt of the application on all the four copies entering the place, time and date of receipt. One copy shall be returned immediately to the person presenting the application.

(3) The application referred to in sub-rule (1) shall be entered in a register of mining application in form MM-2.

## **6. Application fee and deposit for grant of mining lease :-**

( 1 ) Every application for grant of mining lease shall be accompanied by-

(a) a fee of one thousand rupees:

(b) a deposit of two thousand rupees for meeting the preliminary expenses, other than those specified in Rule 17, and

(c) four copies of the cadastral survey map on which the area applied for is clearly marked and in case such area is not covered by cadastral survey, four copies of topographical survey map on a scale of at least 4" = 1 mile, on which the area applied for is

accurately marked,

(d) a certificate, issued by the District Officer or by such officer as may be authorised by the District Officer in this behalf, showing that no mining dues are outstanding against the applicant:

Provided further that such certificate shall not be required where the applicant has furnished an affidavit to the satisfaction of the State Government, stating that he does not held or had not held any mining lease or any other mineral concession in the territory of the State;

(e) a certificate of caste and residence of the applicant, where the application is for mining lease of sand or morrum or bajri or boulder or any of these in mixed state;

(f) a<sup>1</sup> character certificate given by the District Officer of the District, where the applicant permanently resides

(g) in case the area applied for is having annual lease amount or dead rent, as the case may be ,of rupees two lacs or more ,then the applicant shall also furnish no objection certificate of the following authorities:-

(i) Authorised officer of the Income Tax Department,

(ii) Authorised Officer of the Trade Tax Department,

(iii) District Magistrate of the District, where the applicant permanently resides,

(iv) Senior Superintendent of Police/Superintendent of Police of the district, where the applicant resides.

(2) If<sup>2</sup> the application is not complete in any respect or is not accompanied by the fee, deposit or the documents mentioned in sub-rule (1) the District Officer or the officer authorised by the State Government in this behalf, shall, by fifteen days notice, require the applicant to complete the application in all respects or, to deposit the fee or furnish the documents within such time as may be specified in the notice and if the applicant fails to do so within the specified time, such application shall not be considered.

1 Inserted vide Notification No.859/77-5-2001-8 (204)/95 T.C. dated 01 March 2001 and published in the Gazette dated 31-03-2001, Part I.

2 Substituted vide Notification No.859/77-5-2001-8 (204)/95 T.C. dated 01 March 2001 and published in the Gazette dated 31-03-2001, Part I.

#### **6A. Application fee etc. for renewal of mining lease :-**

(1) An application for renewal of mining lease may be made at least

six months before the date of expiry of the mining lease along with four copies of the map of lease hold area showing clearly the area applied for renewal and the provisions of clause (a) and (d) of sub-rule (1) of Rule 6 shall mutatis mutandis apply

(2) <sup>3</sup>The State Government may condone the delay caused in making the application for renewal of mining lease after the period specified in subrule (1).

3 Inserted vide above notification consider proper;

## **7. Enquiry and reports :-**

The District officer shall, unless he is authorised to grant or renew the mining lease cause an enquiry to be made into all relevant matters and, within two months from the date of receipt of application of mining lease, forward two copies of the application along with his report to the State Government or to such other authority as the State Government may authorise in this behalf.

## **8. Disposal of application :-**

(1) The State Government or the authority authorised by it in this behalf may, subject to the provisions of these rules and after making such further enquiry as it may consider necessary: -

(a) In case of application for grant of a mining lease, refuse or grant the mining lease for the whole or part of the area applied for and such period as it may

(b) In the case of application for renewal of a mining lease, refuse or renew the mining lease for the whole or part of the area applied for and for such period, not exceeding the period of the original lease, as it may consider proper:

Provided that where an application for grant or renewal of a mining lease refused or the area is reduced, reasons therefore shall be recorded and communicated to the applicant.

(2) <sup>4</sup>

4 Omitted vide Notification No.859/77-5-2001-8 (204)/95 T.C. dated 01 March 2001 and published in the Gazette dated 31-03-2001, Part I.

## **9. Preferential right of certain persons :-**

(1) Where two or more persons have applied for a mining lease in

respect of the same land the applicant whose application was received earlier shall have a preferential right for the grant of lease over the applicant whose application was received later:

Provided that where such application are received on the same day, the State Government may, after taking into consideration the matters specified in sub-rule (2), grant the mining lease to such one of the applicants it may deem fit.

(2) The matters referred to in sub-rule (1) are-

(a) Any special knowledge or experience in mining operations possessed by the applicant;

(b) The Financial resources of the applicant;

(c) The nature and quality of the technical staff employed or to be employed by the applicant;

(d) The conduct of the applicant in carrying out mining operations on the basis of any previous lease or permit and in complying with conditions of such lease or permit or the provisions of any law in connection therewith; and

(e) <sup>5</sup>

In respect of mining lease for sand or morrum or bajari or boulder or any of these in mixed state, exclusively found in the river bed, if other things are equal, preference shall be given to a person or group of persons, whether incorporated or not who belong to Socially Educationally Backward Classes (such as Mallah, Kewat, Bind, Nishad, Manjhi, Batham, Dhiwar, Themer, Chai, Sirahia, Turha, Raikwar, Kaiwrt, Khulwat, Tiwar, Gaudia, Godia and Kashyap) and other such castes of citizens, as notified by the State Government from time to time who have obtained a certificate in Form MM-14 from the concerned District Officer, or such other Officer authorized in this behalf by the State Government, certifying that such person/persons is/ are traditionally engaged in excavation of sand/morrum for their livelihood and who are resident of the District for which the application has been given;

(f) Such other matters as may be considered necessary by the State Government.

(3) Notwithstanding anything contained in sub-rule (1) and (2), the State Government may, for any special reasons to be recorded grant a mining lease to an applicant whose application was received later in preference to an applicant whose application was received earlier.

<sup>5</sup> Inserted vide Notification No , dated October 2004 and published in the Gazette dated October 2004.

6 \*\*Omitted vide Notification No.1666/77-5-2004 -8 (204)/95, dated 22 June 2004 and published in the Gazette dated 26-06-2004, Part I.

**10. Maximum area for which a mining lease may be granted :-**

<sup>7</sup>Maximum area for which a mining lease may be granted No person shall acquire in respect of any minor mineral, except sand or morrum or bajri or boulder or any of these in mixed state, one or more mining lease covering a total area of more than thirty acres: Provided that if the State Government is of opinion that in the interests of mineral development it is necessary so to do, if may, for reasons to be recorded, permit any person to acquire one or more mining leases covering an area in excess of the aforesaid maximum of thirty acres. Explanation: - For the purpose of these rules, a person acquiring by or in the name of another person a mining lease which is intended for himself shall be deemed to be acquiring it himself

7 Substituted vide Notification No.1666/77-5-2004 -8(204)/95, dated 22 June 2004 and published in the Gazette dated 26-06-2004, Part I.

**11. Length and breadth of the area to be leased :-**

The length of an area under a mining lease shall ordinarily not exceed four times its breadth.

**12. Period of mining lease :-**

(1) Except as provided in sub-rule (2), the period for which a mining lease may be granted shall not exceed ten years.

(2) If the State Government is of opinion that in the interest of mineral development it is necessary so to do, it may for reasons to be recorded, grant a mining lease for any period exceeding 10 years but not exceeding 15 years.

**13. Security deposit :-**

An application for a mining lease shall, before the deed referred to

in rule 14 is executed and in such manner as the State Government may by order specify deposit as security, for the due observance of the terms and conditions of the lease, a sum equal to twenty five percent of the annual dead rent or annual lease amount of the leased area subject to the minimum of Rs. 2,000.00 No interest shall be payable on such security deposit..

**14. Lease deed to be executed within three months :-**

(1) Where an order has been made for the grant of mining lease other than a mining lease for sand or morrum or bajari or boulder or any of these in mixed state a lease deed in Form MM-3 or in a form as near there to as the circumstances of each case may require, shall be executed within three months of the communication of the said order or within such further period as the State Government may allow in this behalf. If no such deed is executed within the aforesaid period due to any default on the part of the applicant, the State Government may revoke the order granting the lease and in that event the application fee and security amount shall be forfeited to the State Government.

(2) The date of commencement of a mining lease referred to in sub rule (1) shall be the date on which the deed is executed under the said sub-rule.

(3) Where an order has been made for the grant of a mining lease for sand or morrum or bajari or boulder or any of these in mixed state twenty five percent of the annual lease amount shall be deposited within seven days of the order or within such further - period as may be allowed by the District Officer not exceeding seven days and a lease deed in form MM-3 or in a Form as near there-to-as the circumstances of each case may require, shall be executed within one month of the communication of the said order or within such further period as the State Government may allow in this behalf The lease amount shall in respect of sand or morrum be determined on the basis of the average of the amount received during the last three years from that area or the amount received in the preceding year from such area which ever is higher and in respect of sand, bajari, and boulder or any of these in mixed state be determined on the basis of the highest amount received during the last three years. If no lease amount is deposited or no lease deed is executed within the aforesaid period due to any default on the part of applicant, the State Government may revoke the order granting the lease and in that event the application fee and

security amount shall be forfeited to the State Government.

(4) The date of commencement of mining lease referred to in sub-rule (3) shall be the date on which the deed is executed under the said sub-rule or the date of actual commencement of mining operation which ever is earlier.

(5) In case a lease referred to in sub-rule (3) is granted during the period of an year mentioned in column I of the schedule below, the annual lease amount shall be deposited in, respect of the first and subsequent years of the period of lease, in the instalments of such percentage of the annual lease amount and before such dates as are mentioned against each in the respective columns thereof namely:

SCHEDULE OF DEPOSIT		Period	During which lease is Granted	Percentage of lease amount deposited under subrule (3)
Instalments in the first Year	Instalments in the Subsequent years	I	II	III
1st	2nd	3rd	1st	2nd
2nd	3rd	1st	2nd	3rd
January to March	25%	25%	July, 1	25%
Oct., 1	25%	Jan., 1	50%	April, 1
25%	Oct., 1	25%	Jan. 1	25%
April to June	25%	25%	Oct., 1	50%
Jan., 1	50%	April, 1	July to September	25%
25%	Jan., 1	50%	April, 1	25%
Oct., 1	25%	Jan., 1	50%	Apri.1
October to December	25%	50%	April, 1	25%
July, 1	25%	Oct., 1	25%	Jan., 1
50%	Apri.1			

### **15. Refund of fee :-**

(1) Where an application for grant or renewal of a mining lease is refused, the fee paid by the applicant under clause (a) of sub-rule (1) rule 6 or under rule 6-A shall be refunded to him.

(2) Where the whole or part of the amount deposited under clause (b) of subrule (1) of rule 6 has not been expended for the purposes specified in the said clause, it shall be refunded to the applicant:

Provided that in case the amount to be expended for the purposes specified in the said clause (b) is more than the amount deposited under that clause, that applicant shall have to deposit the extra amount as may be determined by the State Government

(3) Unless the State Government having regard to the facts of a particular case direct otherwise, the application fee shall not be refunded on an application being withdrawn.

(4) Notwithstanding anything contained in sub-rules (1) and (2), where an application for grant or renewal of a mining lease is refused on account of any lapse on the part of the applicant, the application fee and preliminary expenses shall not be refunded and

forfeited to State Government.

**16. Restriction on determination of mining lease :-**

No lessee shall determine a mining lease except after giving a notice in writing of not less than six months to the State Government.

**17. Survey of the area leased :-**

(1) When a mining lease is granted, arrangement shall be made by the Director for survey and demarcation of the area granted under the lease for which lessees shall be charged at the following rates:

(a) in the plains

(i) for area up to 10 hectares Rs. 1,000.00

(ii) for areas beyond 10 hectares at the rate of Rs. 100.00 per hectare subject to the minimum of Rs. 1,200.00

(b) in the hills

(i) for areas up to 120 hectares Rs. 1600.00

(ii) for areas beyond 10 hectares at the rate of Rs. 160.00 per hectare subject to the minimum of Rs. 2,000.00

(2) The lessee shall, after the lease is granted to him, pay the demarcation charges through treasury challan and submit a map of the area granted under the lease, certified by the District Officer, to the concerned, Mines Officer or to such other officer as may be authorised by the Director in this behalf. The Mines Officer or the officer so authorised shall, on receipt of the certified map and satisfying that demarcation charges have been deposited, survey and demarcate the area within thirty days from the date of such receipt.

(3) The mines Officer or the officer so authorised may, for the purpose of survey and demarcation of the area, take the help of such officer of the revenue and forest department of the district as he may consider necessary.

(4) If any dispute arises in respect of demarcation of the area, the matter shall be referred to the Director, who shall, after giving the parties a reasonable opportunity of being heard, decide the matter.

(5) The decision of the Director under sub-rule (4) shall be final.

**18. Boundaries below the surface :-**

The boundaries of the area covered by a mining lease shall run vertically downwards below the surface towards the centre of the

earth.

### **19. Transfer of lease :-**

(1) A lessee shall not

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

(b) enter into or make any arrangement, contract or understanding whereby the lessee may be directly or indirectly financed to a substantial extent or may be substantially controlled in mining operations by any person or body of persons other than himself: Provided that a lessee may, with the prior approval of the State Government and subject to such conditions and restrictions, as may be imposed by it, mortgage to a finance corporation owned and controlled by the State Government or to a scheduled Bank as defined in clause (a) of Section 2 of the Reserve Bank of India Act, 1934 or a Bank specified in Column 2 of the First Schedule to the Banking Companies (Acquisition and transfer of undertaking) Act 1970; or, assign to any other person a mining lease or any right, title or interest therein.

(2) The State Government, may by an order in writing, determine any lease at any time if the lessee has, in the opinion of the State Government assigned, sublet, mortgaged or in any other manner transferred the mining lease or any right, title or interest therein or entered into or made any arrangement, contract or understanding without its prior approval or has committed breach of any condition or restriction specified by the State Government in this behalf:

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

### **20. Registers :-**

The following registers shall be maintained in the office of the District Officer:

(a) a register of applications for mining leases in Form MM-2, and

(b) a register of mining leases in Form MM-4.

## **CHAPTER 3 PAYMENT OF ROYALTY AND DEAD RENT**

### **21. Royalty :-**

(1) The holder of a mining lease granted on or after the commencement of these rules shall pay royalty in respect of any mineral removed by him from the lease area at the rates for the

time being specified in the First Schedule to these Rules,

(2) The State Government may, by notification in the Gazette, amend the First Schedule so as to include therein or exclude there from or enhance or reduce the rate of royalty in respect of any mineral with effect from such date as may be specified in the notification. Provided that the State Government shall not enhance the rate of royalty in respect of any mineral for more than once during any period of three years and shall not fix the royalty at the rate of more than 20 percent of the pits mouth value,

(3) Where the royalty is to be charged on the pits mouth value of the mineral the State Government may assess such value at the time of the grant of the lease and the rate of royalty will be mentioned in the lease deed. It shall be open to the State Government to reassess not more than once in a year the pits mouth value if it considers that an enhancement is necessary.

## **22. Dead Rent :-**

The holder of a mining lease shall, during the terms of the lease, pay advance, in instalments for every year of the lease, such amount as dead rent at the rates mentioned in the second schedule to these rules, as may be specified in the lease deed by the State Government, and if the terms of lease permit the working of more than one mineral in the same area, the said dead rent shall be paid separately for each such minerals.

Provided that the lessee shall in respect of each mineral, pay the dead rent or the royalty, whichever is higher in amount and not the both.

## **CHAPTER 4 AUCTION LEASE**

### **23. Declaration of area for auction/tender/auction-cum-tender lease :-**

(1) The State Government may by general or special order declare the area or areas which may be leased out by auction or by tender or by auction-cum-tender.

(2) Subject to direction issued by the State Government from time to time in this behalf no area -or areas shall be leased out by auction or by tender or by auction-cum-tender for more than five years at a time; Provided that the period in respect of in-situ rock type mineral deposit shall be five years and in respect of river bed mineral deposit shall be one year at a time.

(3) On the declaration of the area or areas under sub-rule (1) the provisions of chapters II, III and VI of these rules shall not apply to the area or areas in respect of which the declaration has been issued. Such area or areas may be leased out according to the procedure described in this Chapter.

(4) The District Officer shall get the area or areas declared under sub-rule(1), evaluated for quality and quantity of mineral for fixing minimum bid or offer by the Director, Geology and Mining, Uttar Pradesh or by an officer authorised by him before the date fixed for auction or tender or auctioncum tender, as the case may be.

#### **24. Withdrawal of area from auction or tender or auction-cum-tender :-**

The State Government may by declaration withdraw any area or areas declared under sub-rule (1) of rule 23 or part thereof from any system of lease referred to therein and from the date of withdrawal specified in the declaration which shall not be the date during the subsistence of a lease granted under this chapter, the provision of chapter II, III and VI of these rules shall become applicable to such area or areas.

#### **25. Register of area or areas declared for auction or tender or auction-cumtender lease :-**

The District Officer shall cause to be maintained a register of areas declared under sub-rule (1) of rule 23 in form MM-5.

#### **26. Restriction on grant of lease :-**

No person: -

- a) who is not an Indian national;
- b) against whom mining dues are outstanding;
- c) who has not obtained a character certificate from the District officer of the District where he permanently resides.
- d) who has not furnished No Objection Certificate of the following authorities :-
  - (i) Authorised Officer of the Income Tax Department;
  - (ii) Authorised Officer of the Trade Tax Department;
  - (iii) District Magistrate of the district, where the bidder/tender or permanently reside;
  - (iv) Senior Superintendent of police / Superintendent of police , where the applicant permanently resides; shall be allowed to bid at the

auction or take part in the tender proceeding for a lease ;

Provided that clause (d) shall only be applicable where the area put on auction is evaluated for minimum bid or offer of rupees two lacs for the first year;

Provided further that in case ,it is borne out from the record or it is proved that some of the perspective bidders were threatened or prevented from participating in the bid ,or they were prevented to submit their tender,then in such case ,contract shall be liable to be cancelled ,and fresh assignment shall be given after inviting fresh tender.

## **27. Procedure for grant of lease by auction :-**

In respect of an area or areas declared under sub-rule (1) of rule 23 as area for grant of lease by auction the following shall be the procedure:

(a) The District Officer or the Committee authorised by the State Government under rule 71 hereinafter referred to as the Committee, shall at least thirty days before the date of auction, give notice in the manner given below indicating the date, time and place of the auction;

Provided that where for any reason the auction is not completed a fresh auction may be held after giving a shorter notice of at least seven days,

(i) Copies of a notice shall be put up on the Notice Board at the office of the District Officer and at some convenient place close to the area:

(ii) a copy of the notice shall be send to the Gaon Sabha or any other local authority in whose jurisdiction the area is situate:

(iii) the notice for general information shall be given by beat of drum in the locality where the area is situated: and

(iv) in any other manner as may be directed by the State Government.

(b) The District Officer may appoint any officer subordinate to him as the Presiding Officer for the auction.

(c) The details of the area or areas and the terms and conditions of lease shall be read out to intending bidders at the time of auction.

(d) Any person intending to bid shall deposit rupees two thousand with the Presiding Officer in advance as earnest money.

(e) (i) On completion of the auction, the result shall be announced and the provisionally selected bidder shall immediately deposit 25 percent of the amount of bid as security for execution of the lease

deed and due observance of the terms and conditions of the lease and an. equal amount as first instalment of royalty. The bid shall not be treated as -accepted unless the State Government or the District Officer or the Committee, as the case may be, accepts it.

(ii) The selected bidder shall before the execution of lease deed produce solvency certificate issued by a competent Revenue Officer, and permanent address.

(f) The earnest money shall be refunded at the end of the auction except that which was deposited by the provisionally selected bidder, in whose case it will be adjusted towards security.

(g) The presiding Officer shall submit papers to the District Officer or to the Committee, as the case may be.

### **27A. Procedure for grant of lease by tender :-**

(a) In respect of an area or areas declared under: sub-rule (1) of rule 23, as area for grant of lease by tender the following shall be procedure:

(i) The District Officer or the Committee shall at least thirty days before the last date of submission of tenders, invite tender by publishing a tender notice in a daily Hindi News paper having circulation in the district, in which the area or areas is/are situate. The tender notice shall contain the term and conditions of the lease and details of area or areas along with the last date and time up to which and place where the tenders may be submitted.

(ii) Copies of tender notice shall also be put on the Notice Board at the office of the District Officer and at some convenient place close to area.

(b) The District Officer may appoint any officer subordinate to him as Presiding Officer for conducting the tender proceedings.

(i) Any person who is not ineligible under rule 26 may submit a tender under his signature in a sealed cover addressed to the District Officer or the Committee as the case may be containing:

(a) Name, fathers name and address (permanent and temporary) of the tenderer.

(b) Description of area and mineral for which he has submitted his tender.

(c) The sum of money offered in words as well as in figures.

(d) A bank draft of Rupees two thousand in favour of the District Officer Towards earnest money.

(e) A declaration that no mining dues are outstanding against him along with a certificate of the District Officer or an affidavit to that

effect.

(f) Bank guarantee or property certificate or solvency certificate issued by a competent Revenue Officer and permanent address,

(ii) If any information, certificate or document as required in sub-clause (1) is not submitted the tender shall be rejected by the presiding Officer.

(c) The Presiding Officer shall open the tenders in the presence of the tenderers if they are present at the time of opening of the tenders, and announce the amount given in different tenderers, The tenders who has offered the highest I sum of money shall have to deposit 25 percent of the amount offered in the tender immediately as security for execution of lease deed and observance of the terms and conditions of the lease and an equal amount as first instalment of royalty, The tender shall not be treated as accepted unless the State Government or the District Officer or the Committee, as the case may be, accept it.

(d) The bank draft filed towards earnest money shall be refunded to the tenderers I except that which was filed by the tenderer whose offer is found to be highest in whose case it will be adjusted towards security.

(e) The Presiding Officer shall submit the papers to the District Officer or the Committee as the case may be,

### **27B. Procedure for grant of lease by auction-cum-tender :-**

(1) Where the District Officer or the committee is of the opinion that it is expedient to grant the lease by auction-cum-tender he or it, as the case may be, shall simultaneously invite the tender and fix the date, time and place for auction.

(2) The District Officer may appoint any officer subordinate to him as Presiding Officer. .

(3) A tenderer shall also be eligible to participate in the bidding at an auction for the same area or areas.

(4) The tenderer should be present at the place of auction.

(5) The presiding officer before commencement of the auction shall declare the number of tenders received for areas or specific area.

(6) A tender once submitted shall not be withdrawn before the expiration of sixty" days or until any bid or tender in respect of the area or areas in accepted by the Officer authorised.

(7) The procedure or auction and inviting tenders shall be, as far as possible, be as specified in rules 27 and 27 A.

### **28. Grant of lease :-**

(1) The District Officer or the Committee, as the case may be, shall in the case of auction accept the highest bid, in the case of tender accept the highest offer and in the case of auction-cum-tender accept the bid or offer which is highest. A letter of acceptance shall be issued to the person whose bid or offer is accepted:

Provided that the State Government may, after taking into consideration the matter specified below, accept any other bid or offer made at the auction or in the tender:

(a) Past experience:

(b) financial resources:

(c) nature and quality of technical staff employed or to be employed by the bidder:

(d) the conduct of the bidder in carrying out mining operations on the basis of any previous lease or permit and complying with the conditions of such lease or permit or the provisions of any law in connection therewith, and

(e) such other matters as maybe considered necessary by the State Government.

(2) If no bid or offer in tender is satisfactory in the opinion of the District Officer or the Committee, he or it, as the case may reject all the bids and offer in tenders and order for fresh auction or tender after recording reasons therefore.

## **29. Execution of lease deed :-**

(1) When a bid offer is finally accepted a lease deed in respect of auction lease in form MM-6 and in respect of tender or auction-cum-tender lease in a form as near there to as the circumstances of each case may require shall be executed within one month of the receipt, by the bidder or the tenderer of the letter of acceptance or within such further period as the District Officer or the Committee, as the case may be, allow in this behalf If no such deed is executed within the aforesaid period, due to any default on the part of bidder or the tenderer shall stand revoked and in that event the security deposited by the bidder or the tenderer shall be forfeited to the State Government.

(2) The period of the lease shall be calculated with effect from the date of receipt of the letter of acceptance of the bid or the tender by bidder or the tenderer.

(3) A copy of the lease deed together with the map of the area shall be sent by the District Officer or the Committee, as the case

may be, to the Director, Geology and Mining, Uttar Pradesh, within fifteen days from the date of execution thereof.

### **30. Register of lease :-**

A register of mining lease shall be maintained in the officer of the District Officer in Form MM-7 and a copy thereof shall be sent by the District Officer to the Director, Geology and Mining, Uttar Pradesh.

## **CHAPTER 5 CONDITIONS OF MINING LEASE**

### **31. Conditions mentioned in this Chapter to apply to all leases :-**

(1) Every mining lease shall be subject to the conditions mentioned in this chapter which shall be deemed to be incorporated in every mining lease granted under these rules;  
Provided that the provisions of rules 46 and 47 shall not apply to the leases granted in accordance with the procedure prescribed in Chapter IV of these rules.

### **32. Discovery of other minerals :-**

(1) The lessee shall report to the State Government the discovery in the leased area of any minerals not specified in the lease, within thirty days of such discovery.  
(2) If any mineral not specified in the lease is discovered in the leased area the lessee shall not win and dispose of such mineral unless a separate lease is obtained therefor.

### **33. Foreign national not to be employed :-**

Except with the prior approval of the State Government, the lessee shall not employ in connection with the mining operations a person who is not an Indian national.

### **34. Mining operations to commence within six months :-**

(1) Except where the State Government, for sufficient reasons, permits otherwise the lessee shall commence mining operations within six months from the date of execution of the lease deed and shall thereafter conduct such operations without deliberate intermission in a proper, skilful and workman like manner.  
(2) Mining operation shall in respect of in situ rock deposits be

undertaken in accordance with the mining plan, detailing yearly development schemes, duly approved by the Director.

(3) A mining plan referred to in sub-rule (2) shall be prepared by a qualified person recognised in this behalf by the Indian Bureau of Mines in accordance with the provisions of Mineral Concession Rules, 1960 made under the Mines and Minerals (Regulation and Development) Act, 1957.

(4) The lessee shall submit the mining plan for approval to the Director who may, within three months from the date of receipt of the mining plan, approve modify or reject it, failing which the mining plan for the first year shall be deemed to have been approved.

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

### **35. Erection and maintenance of boundary marks :-**

The lessee shall, after the survey and demarcation of the area granted under the lease and before executing the lease deed, at his own expense, erect and at all times maintain and keep in good repair boundary marks and pillars necessary to indicate the demarcation shown in the plan annexed to the lease deed,

### **36. Maintenance of correct accounts of minerals :-**

(1) The lessee shall keep correct accounts showing the quantity and other particulars of all minerals obtained and dispatched from the mine, giving mode of transport registration number of vehicle, person incharge of vehicle or animal and nature and quantity of minerals carried, the prices and all other particulars of all sales of mineral, the number and nationality of persons employed therein, and complete plans of the mine, and shall allow any officer authorised by the Central or the State Government in this behalf to examine at any time any accounts, plans and records maintained by him and shall furnish to the Central or the State Government or any officer authorised by either in this behalf, may require.

### **37. Maintenance of record of trenches, pits, etc. :-**

The lessee shall keep accurate records of all trenches, pits and drilling made by him in the course of mining operations carried on by him under the lease, and shall allow any officer authorised by

the Central or the State Government to inspect the same. Such records shall contains the following particulars, namely:

- (a) the sub-soil and strata through which such trenches, pits or drilling pass:
- (b) any mineral encountered
- (c) such other particulars as the Central or the State Government may, from time to time, require.

**38. Lessee to strengthen, support, etc. :-**

The lessee shall strength and support to the satisfaction of the Railway Administration concerned or the State Government, as case may be, any part of the mine which in the opinion of such administration or Government requires such strengthening or support for the safety of any railway, reservoir, canal, road or any other public works or buildings.

**39. Right of pre-emption :-**

- (1) The State Government shall at all times have the right of pre-emption of the minerals or products of minerals won from the land in respect of which the lease has been granted, the price to be paid being the fair market price prevailing at the time of pre-emption.
- (2) In order to assist in arriving at the said price the lessee shall, if so required furnish to the State Government for its confidential information, the description and prices of such minerals or products thereof sold to other customers and of charters entered in to of freight for carriage of the same.

**40. Liberties, power and privileges of the lessee :-**

Subject to the restrictions and conditions mentioned in rule 41, a person holding a mining lease under these rules may have the liberty, power and privilege:

- (a) to enter upon the lands mentioned in the lease and to search for mine, bore, dig, drill or win, work, dress, process, convert, carry away and dispose of the mineral for which the lease is held;
- (b) to make in the said lands any pits, shafts, inclines, levels, waterways or other works;
- (c) to erect and construct on the lands any machinery, plant, dressing, floors, furnaces, brick-kilns, workshops, storehouses and other building of the like nature;
- (d) to make any roads and other ways over the said lands and use

and pass over the same; (6) to quarry and get stone gravel and other building and road materials and clay and to use the same and to manufacture such clay into bricks or tiles and to use such bricks or tiles but not to sell any such materials, bricks or tiles.

(f) to use a sufficient part of the surface of the said lands for the purpose of storing or depositing any produce of the mines or works carried on and any tools, equipment, earth and materials and substances dug or raised; and

(g) subject to the existing rights of others and save as provided in clause (d) of rule 41 to clear undergrowth and brushwood and to fell and utilise any tress or timber standing or found on the said lands, provided that the lessee may be asked by the District Officer to pay for any trees or timber felled and utilised I by him at the rates to be determined, having regard to their market value, by the District Officer.

#### **41. Restrictions and conditions as to exercise of the liberties, powers and privileges of lessee :-**

The holder of a lease shall exercise the liberties, power and privileges mentioned in Rule 40 subject to the following restrictions and conditions:

(a) nothing shall be erected or set. up and no surface operations shall be carried on-

(i) in or upon any public pleasure ground, burning or burial ground, or any place held (sacred) by any class of persons, or any house or village site, public road or other place which may be declared by the District Officer as public place, and

(ii) in such a manner as to injure or prejudicially affect any building, I works, property or rights of other persons;

(b) no land shall be used for surface operations, which is already occupied by persons, other than the State Government for works or purposes not included in the lease;

(c) no right of way, well or tank shall be interfered with;

(d) no entry shall be made on any reserved, protected or vested forest without the previous sanction in writing of the Divisional Forest Officer, nor shall any trees or timber be filled, cut or used without obtaining the sanction in writing of that Officer nor otherwise than in accordance with such conditions as the State Government may impose in this behalf;

(e) no mining operation shall be carried on at or to any point within a distance 50 metres from any railway line except with the previous

written permission of the Railway Administration concerned, or from any reservoir, canal or other public works, such as public roads and buildings or inhabited site, except with the previous written permission of the District Officer or any other officer authorised by the State Government in this behalf and otherwise than in accordance with such instructions and conditions either general or special, which may be attached to such permission. The said distance of 50 metres shall be measured in the case of railway, reservoir, canal or road horizontally from the outer toe of the Bank or the outer edge of the cutting, as the case may be, and in case of a building horizontally from the plinth thereof;

Provided that the distance in the case of a village road shall be 10 metres from the outer edge of the cutting.

Explanation: For the purpose of this sub-rule, the expression public road, shall mean a road which has been constructed after being artificially surfaced as distinct from a track resulting from repeated use, and village road will include any track shown in the revenue record as village road; and

(f) the existing and future holders of Government lease or permit in respect of any land which is comprised in or adjoins or is reached by the land held by the lease shall be allowed reasonable facilities of access thereto. In case any loss or damage is caused by such lease or permit-holders by exercise of this liberty, a fair compensation (as may be mutually agreed upon or in the event of disagreement as may be decided by the State Government) shall be payable therefore by such lease or permit-holder to the lessee;

(g) <sup>8</sup> the lessee is bound to keep vigilance for not polluting the environment of the leasehold area and nearby area in connection with mining operation and also maintain ecological balance of the area. If at any time it is found that the mining operation are leading to environmental pollution or imbalance of ecology, then after giving an opportunity of being heard, the lease may be prematurely terminated.

(h) No active association with Mafia or any unsocial element or organised crime shall be permitted.

(i) If after grant of mining lease or mining permit, it is brought to the notice of the state Government or the District Officer of the concerned district that the lessee or holder of mining permit is actively associated with Mafia or any unsocial element or organised crime or is a mafia or Mafiso, then after giving an opportunity of being heard, the lease or mining permit, as the case may be, may be terminated prematurely.

8 Inserted vide Notification No.859/77-5-2001-8 (204)/95 T.C. dated 01 March 2001 and published in the Gazette dated 31-03-2001, Part I.

**42. Lessee to indemnify Government against all claims :-**

The lessee shall guarantee the payment and pay such reasonable compensation as may be assessed by the State Government for all damage, injury or disturbance which may be done by him in exercise of the powers granted by the lease and shall indemnify and keep indemnified fully and completely the State Government from and against all claims, suits and demands which may be made or brought by any person or persons in respect of any such damage injury or disturbance and all costs and expenses in connection therewith.

**43. Lessee to secure and keep in good condition pits, shafts, etc :-**

The lessee shall during the subsistence of the lease sufficiently secure and keep open with timber or other durable means all pits, shafts and working that may be made or used in the land and make and maintain sufficient fences to the satisfaction of the State Government, round every such pit, shaft or working, whether the same is abandoned or not, and shall during the same period keep all working in the land, except such as may be abandoned, accessible and free from water and foul air, as far as possible.

**44. Lessee to allow inspection of working :-**

The lessee shall allow any Officer authorised by the Central Government or the State Government in that behalf to enter upon the premises including any building, excavation or land comprised in the lease for the purpose of inspecting, examining, surveying and making plans thereof, sampling and collecting any data and the lessee shall with suitable person in his employ and acquainted with the mines and work, properly assist, such officer and his agents, servants and workmen in conducting every such inspection, and shall afford and furnish to them all facilities information, etc. connected with the working of the mines, which they may reasonably require, and shall also confirm to and observe all orders and regulations which the Central Government or the State Government, as a result of such inspection or otherwise, may from time to time see fit to make.

**45. Lessee to report accident :-**

The lessee shall without delay, send to the District Officer a report of any accident, causing death or serious bodily injury or serious injury to property, or seriously affecting or endangering life or property, which may occur in the course or any operations under the lease.

**46. Lessee to provide weighting machine :-**

(Omitted)

**47. Lessee to allow test of weighing machine :-**

(Omitted)

**48. Lessee shall deposit any additional amount necessary :-**

Whenever the security deposit or any part thereof or any further sum deposited with the State Government in replenishment thereof is forfeited or applied by the State Government pursuant to the power given by these rules, the lessee shall deposit with the State Government such further sum as may be necessary to make good, the deficiency caused by such forfeiture or application.

**49. Recovery of expenses incurred by the Government :-**

If any of the works or matters which, in accordance with these rules, are to be carried out or performed by the lessee be not so carried out or performed within the time specified in that behalf, the State Government may cause the same to be carried out or performed and the lessee shall pay to the State Government on demand all expenses incurred by the State Government in connection therewith. The decision of the State Government as to such expenses shall be final.

**50. Refund of security deposits :-**

After the determination of a mining lease the amount of the security lying in deposit with the State Government and not required to be applied to any of the purposes mentioned in these rules shall be refunded to the lessee ordinarily within a period of six months from the date of the determination of the lease

**CHAPTER 6 MINING PERMIT**

### **51. Restrictions on grant of mining permit :-**

No mining permit shall be granted to a person who is not an Indian national or for a period of more than six months.

### **52. Application for grant of mining permit :-**

An application for the grant of a mining permit shall be submitted in form MM-8, in triplicate, to the District Officer or to such other authority who may be authorised by the State Government to grant such permit. It shall be accompanied by:

- (i) a fee of Rs. 400, and
- (ii) two copies of a cadastral survey map, or in case of area not covered by such survey two copies of a topographical survey map, on a scale of at least 4" = 1 mile, on which the area applied for is clearly marked.

### **53. Deposal of application :-**

The officer authorised to grant the permit may after making such enquiries as may be deemed necessary, refuse to grant the permit or by an order grant it for the whole or a part of the area applied for a subject to such terms and conditions as the said officer may consider necessary. Provided that an application for the grant of mining permit for such area which is already held under a lease or mining permit shall be deemed to be premature and shall be refused and the application fee thereon is paid shall be refunded.

### **53A. XXX XXX XXX :-**

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9 \* Omitted vide Notification No.1666/77-5-2004 -8 (204)/95, dated 22 June 2004 and published in the Gazette dated 26-06-2004.

### **54. Deposit of royalty :-**

(1) When an order granting a mining permit has been made under rule 53, the applicant shall, within fifteen days of the communication of the order, deposit the royalty for the total quantity of the mineral permitted in the said order at the rate of the time being specified in the first Schedule to these rules and, if the holder of the permit, due to any reason attributable on his part,

could not remove the mineral within the permitted time, any amount deposited as royalty shall not be refunded.

(2) If the applicant fails to deposit the royalty within the period mentioned in sub rule (1) or within such further period, as may be allowed by the officer granting the permit, the order granting the permit shall stand revoked and the fee mentioned in clause (1) of the rule 52 shall be forfeited to the State Government.

#### **55. Issue of mining permit :-**

A mining permit in form MM-IO with such addition terms and conditions subject to which the order is made under rule 53 shall be issued to the applicant within fifteen days of the deposit of the royalty in accordance with sub-rule (1) of rule 54 and the permit so issued shall be valid until the date of expiry of the period specified in the permit or till such date when the permitted quantity of the mineral is removed, whichever is earlier.

#### **56. Register of mining permits :-**

A register of all applications for mining permits, with details of permits issued, shall be maintained in Form MM-9, in the office of District I Officer or the officer authorised to grant mining permits.

### **CHAPTER 7 CONTRAVENTIONS, OFFENCES AND PENALTIES**

#### **57. Penalty for unauthorised mining :-**

Whoever contravenes the provisions of rule 3 shall on conviction be punishable with imprisonment of either description for a term, which may extend up to six months or with fine which may extend to one thousand rupees, or with both.

#### **58. Consequences of non-payment of royalty rent or other dues :-**

(1) The State Government or any officer authorised by it in this behalf may determine the mining lease after serving a notice on the lessee to pay within thirty days of the receipt of the notice any amount due or dead rent under the lease including the royalty due to the State Government if it was not paid within fifteen days next after the date fixed for such payment. This right shall be in addition to and without prejudice to the right of the State Government to realise such dues from the lessee as arrears of land revenue.

(2) Without prejudice to the provisions of these rules, simple interest at the rate of 24 percent per annum may be charged on any rent, royalty, demarcation fee and any other dues under these rules, due to the State Government after the expiry of the period of notice under sub-rule (1).

#### **59. Consequences of contravention of certain conditions :-**

Any lessee holding a mining lease who commits a breach of any of the conditions provided in rules 44 and 47 (relating to inspection of workings and weighing machines) shall on conviction be punishable with imprisonment of either description for a term which may extend up to six months or with fine which extend to one thousand rupees, or with both

#### **60. Consequences of contravention of rules and conditions of lease generally :-**

(1) In case of any breach or contravention by a lessee of any of these rules or conditions and covenants contained or deemed to be contained in the lease except those relating to payment of royalty, rent or other sums due to the State Government, the State Government, after giving the lessee a reasonable opportunity to state his case, determine the lease. The right shall be in addition to and without prejudice to the provisions of rule 59.

(2) If a lease is determined under sub-rule (1), the lessee may be black listed by the District Officer for such period, not exceeding five years, as may be considered proper and during this period no mineral concession under these rules shall be granted to him. An entry in this regard shall be made in the remarks column of the registers of mining lease or the auction lease, as the case may be.

### **CHAPTER 8 MISCELLANEOUS**

#### **61. Power to rectify apparent mistakes :-**

Any clerical or arithmetical mistake in any order passed under these rules by the State Government or any other competent authority or officer may be corrected by the State Government, authority or officer, as the case may be.

#### **62. Register to be open to inspection :-**

10 Register to be open to inspection:

(1) All registers prescribed to be maintained by these rules shall be open to inspection on payment of a fee of twenty rupees for an entry.

(2) Certified copy of an entry of the register referred to in sub-rule (1) and the orders passed by the District Officer on any application may be obtained by any person on payment of a fee of -

(a) Rs. 100.00 for obtaining the copy within seven days, and

(b) Rs. 200.00 for obtaining the copy within twenty four hours.

Explanation 1: An entry means all entries in respect of one permit; or mining lease I or auction lease as the case may be.

Explanation II : The fee shall be paid in the manner prescribed under Rule 64 and the treasury challan shall be accompanied with the application for inspection or for certified copies, as the case may be.

10 Substituted Notification No.859/77-5-2001-8 (204)/95 T.C. dated 01 March 2001 and published in the Gazette dated 31-03-2001, Part I.

### **63. Change of name, nationality, etc. to be intimated :-**

An applicant for or the holder of I a mining lease shall intimate to the State Government within sixty days any change that may take place in his name, nationality or other particulars mentioned in the relevant Forms.

### **64. Mode of payment of fees and deposit :-**

Any amount payable under these rules shall I be paid in such manner as the State Government may specify in this behalf

### **65. Facilities for training of students :-**

(1) Every owner agent or manager of a mine shall permit students of mining and geological institutions approved by the State Government to acquire practical training of the mines and plants operated by them and provide all necessary facilities requires for the training of such students

(2) Applications for training from students of institution teaching mining or Geology should be forwarded to the owner, agent or manager of a mine through the Principal of Head of the institutions. Cases of refusal to provide facilities for practical training by any owner, agent or manager of a mine should be referred to the Director of Geology and Mining, Uttar Pradesh.

## **66. Power of assessment entry and inspection :-**

(1) For the purpose of assessment of royalty and for ascertaining the position of the working, actual or prospective, of any mine or abandoned mine or for any purposes connected with these rules, the District Officer or the officer of the Directorate of Geology and Mining, Uttar Pradesh, not below the rank of Mines inspectors appointed for such purposes by the Director or any other Officer authorised in his behalf by the State Government by general or special order may

(a) enter and inspect any mine

(b) survey and take measurement in any such mine.

(c) weigh, measure or take measurement of the stock of mineral lying at any mine.

(d) examine any document, book, register or record in the possession or power of any person having the control of, or connected with any mine and place marks or identifications thereon and take extracts from or make copies of such documents, book, register or records:

(e) summon or order the production of any such document, book, register or record as is referred to in clause (d)

(f) summon or examine any person having the control of, or connected with any mine; and

(g) call for such information or return as may be considered necessary

(2) Every person authorised by the State Government under sub-rule (1) shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code and every person to whom an order or summons is issued by virtue of power conferred by clause (e) or clause (f) of the said sub-rule shall be legally bound to comply with such order or summons, as case may be.

## **67. No restriction etc. to be imposed by owner of land on mining operation except demand of compensation :-**

(1) No person, who has right in any capacity on the land covered by a mining lease or mining permit, shall be entitled to impose any prohibition or restriction on the mining operations by the holder of such lease or permit of such land or to demand any sum by way of premium or royalty for the removal of minor mineral.

Provided that such person shall be entitled to get annual compensation from the said holder of mining lease or permit for the

use of surface of the land for mining operations, as may be agreed upon between them.

(2) Where the holder of a mining lease or permit and the owner of the surface of the land could not agree upon the amount of annual compensation and a dispute arises in respect thereof, it shall be determined by the District Officer in such manner that:

(a) in the case of agricultural land, the amount of annual compensation shall be worked out on the basis of the average annual net income from the cultivation of similar land for the past three years, and

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

#### **68. Relaxation of rules in special cases :-**

The State Government may, if it is of opinion that in the interest of mineral development it is necessary so to do, by order in writing and for reasons to be recorded, authorise in any case the grant of any mining lease or the working of any mine for the purpose of winning any mineral on terms and conditions different from those laid down in these rules.

#### **69. Royalty or dead rent may be collected through a contractor :-**

(1) The Government may arrange to collect the royalty or dead rent from the holders of mining leases through a contractor, and such holders when directed by the State Government to do so, shall pay the royalty or dead rent to such contractors at the rates specified in their lease during such period as may be directed.

(2) The consequences of non-payment of the contractor of royalty or dead rent, as the case may be, by the holders of mining leases shall be the same as on default of payment to the State Government, and the State Government shall in that case, have all the powers for the recovery of the arrears from the lessee and in respect of determination of the lease as provided in these rules.

(3) The State Government may enter into agreement with any person who is considered suitable, whether by holding an auction or by inviting tenders or in any other manner to collect royalty or dead rent of the holders of mining leases in a specified area during a period not exceeding three years on such terms and conditions as are considered suitable.

## **70. Restrictions on transport of the minerals :-**

(1) The holder of a mining lease or permit or a person authorised by him in this behalf may issue a pass in Form MM-11 to every person carrying, a consignment of minor mineral by a vehicle, animal or any other mode of transport. The State Government may, through the District Officer, make arrangements for the supply of printed MM-11 Form books on payment basis.

(2) No person shall carry, within the State a minor mineral by a vehicle, animal or any other mode of transport excepting railway, without carrying a pass in Form MM-II issued under sub-rule (I).

(3) Every person carrying any minor mineral shall, on demand by any officer authorised under rule 66 or such officer as may be authorised by the State Government in this behalf, show the said pass to such officer and allow him to verify the correctness of the particulars of the pass with reference to the quantity of the minor mineral.

(4) The State Government may establish a check post for any area included in any mining lease or permit, and when a check post is so established public notice shall be given of this fact by publication in the Gazette and in such other manner as may be considered suitable by the State Government.

(5) No person shall transport a minor mineral for which these rules apply from such area without first presenting the mineral at the check post established for that area for verification of the weight or measurement of the mineral.

(6) Any person found to have contravened any provision of this rule shall, on conviction, be punishable with imprisonment of either description for a term, which may extend to six months or with fine which may extend to one thousand rupees or with both.

## **71. Delegation :-**

The State Government may, by notification in the 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 authority subordinate to the State Government as may be specified in the notification.

## **72. Availability of area for regrant on mining lease to be notified :-**

(1) If any area, which was held under a mining lease under chapter-II or on reserved under section 17-A of the Act, becomes available for re-grant on mining lease, the District Officer shall notify the availability of the area through a notice inviting for applications for grant of mining lease specifying a date, which shall not be earlier than thirty days from the date of notice and giving description of such area and a copy of such notice shall be displayed on the notice board of his office and shall also be sent to the Tehsildar of such area and the Director.

(2) The applications for grant of mining lease under sub-rule (1) shall be received within seven working days from the date specified in the notice referred to in the said sub-rule, if, however, the number of applications received for any area is less than three the District Officer may further extend the period for seven more working days and if even thereafter the number of applications remain less than three, the district officer shall notify the availability of the area a fresh in accordance with the said subrule.

(3) An application for grant of mining lease for such area, which is already held under a lease or notified under sub-rule (1) or rule 23 or reserved under section-17A of the Act and whose availability has not been notified under sub-rule (1) shall be deemed to be premature and shall not be considered and the application fee thereon if paid shall be refunded.

### **73. Returns :-**

(1) The holder of a mineral concession under these rules shall submit quarterly return in respect of the preceding quarter in Form MM-12 to the District I Officer and to the Regional Office of the Director, in the second week of July, October, January and April every year.

(2) Whenever any holder of mineral concession fails to submit the return within the time specified in sub-rule (1) he shall be liable to a penalty of Rs. 400.00.

### **74. Cognizance of offences :-**

(1) No court shall take cognizance of any offence punishable under these rules except on a complaint in writing of the fact constituting such offence by the District Officer or by any officer authorised by him in this behalf.

(2) No court inferior to that of a magistrate of the first class, shall try any offence under these rules.

## **75. Compounding of offence :-**

(1) Any offence punishable under these rules may, either before or after the institution of the prosecution be compounded by the District Officer or by such officer as the State Government may by general or special order authorise in this behalf on payment to the State Government of such sum as such officer may specify.

Provided that in the case of an offence punishable with fine only, no such sum shall exceed the maximum amount of fine, which may be imposed for that offence.

(2) Where an offence is compounded under sub-rule (1), no proceeding or further proceeding, as the case may be, shall be taken against the offender in respect of the offence so compounded and the offender if in custody, shall be released forthwith.

(3) The officer compounding the offence under sub-rule (1) shall maintain a register showing the following details:

- (a) Serial number (by financial year),
- (b) Name and address of the offender,
- (c) Date and details of offence.
- (d) Sum of compounding amount and date of its payment.
- (e) Signature of the officer with date and seal.

## **76. Assistance of Police :-**

The Officer referred to in rule 66 may requested for the help of the local police for lawful exercise of his powers under these rules and the local Police shall render all possible assistance, as may be necessary to enable the officer to exercise the powers under these rules.

## **77. Appeal :-**

An appeal against an order passed under these rules by the District Officer or the Committee shall lie to the Divisional Commissioner within a period of sixty days from the date of communication of such order to the party aggrieved.

## **78. Revision :-**

The State Government may, either suo moto at any time or on an application made within ninety days from the date of communication of the order, call for the examine the record relating to any order passed or proceeding taken by the District Officer,

committee, Director or the Divisional Commissioner under these rules and pass such orders as it may think fit.

**79. Fees :-**

The appeal under rule 77 or an application under rule 78 shall be presented in form M11-13 in duplicate and be accompanied with a treasury receipt showing that a fee of five hundred rupees has been paid in Government treasury to the credit of the State Government under the head specified under rule 64.