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Gujarat Minor Mineral Concession (Amendment) Rules, 2019

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NOTIFICATION

Industries and Mines Department
Sachivalaya, Gandhinagar.
Dated the 21st June, 2019.

**Mines and
Minerals
(Development
and
Regulation)
Act, 1957.**

No.GU/2019/12/MCR-102019-MM-720(1)-CHH:- In exercise of the powers conferred by section 15 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Government of Gujarat hereby makes the following rules further to amend the Gujarat Minor Mineral Concession Rules, 2017, namely :-

1. These rules may be called the Gujarat Minor Mineral Concession (Amendment) Rules, 2019.
2. In the Gujarat Minor Mineral Concession Rules, 2017 (hereinafter referred to as "the said rules,") in rule 8-(i), in sub-rule (3), after the first proviso, the following proviso shall be inserted, namely :-

"Provided further that, for minerals other than Marble, Granite and the minor minerals mentioned in Central Government Notification, No.S.O.423(E), dated the 10th February,2015, Commissioner of Geology and Mining shall have power to extend the period of Letter of Intent upto 365 days within one year from the expiry date of the original letter of Intent, and thereafter the matter may be referred to the Government for extension of period, whose decision shall be final.";

(ii) for sub-rule (4), the following sub-rule shall be substituted, namely :-

- "(4) Upon fulfillment of the conditions specified in sub-rule (3), the successful bidder shall pay the second instalment being eighty per cent. of the upfront payment within thirty days, and upon such payment within sixty days, the Government shall issue a written order for grant of quarry lease. The Government shall have right to forfeit the performance security provided by the successful bidder in the event that the successful bidder fails to pay the second instalment within the prescribed period of thirty days:

Provided that, where the Commissioner of Geology and Mining is satisfied that the applicant is not responsible for the

delay, he may issue a written order for grant of a quarry lease even after the expiry of the said period of sixty days. In case of the period of more than one year from the receipt of such payment, the matter shall be referred to the Government, whose decision shall be final.”;

(iii) for sub-rule (5), the following sub-rule shall be substituted, namely:-

“(5) The quarry lease deed shall be executed by the Government within sixty days from the order for the grant of quarry lease and the date on which a duly executed quarry lease deed in Form B is registered shall be the date of commencement of the quarry lease and the successful bidder shall ensure that it achieves registration of the quarry lease deed within thirty days from the date of its execution. The Government shall have the right to forfeit the performance security provided by the successful bidder in the event that the successful bidder fails to register the quarry lease within the prescribed period of thirty days. In such cases, the order for grant of quarry lease shall become void.

Provided that where the Commissioner of Geology and Mining is satisfied that the applicant is not responsible for the delay in the execution of the lease deed, he may permit the execution of the lease deed even after the expiry of the said period of sixty days. For the period of more than one year from the date of execution of lease deed, the matter shall be referred to the Government, whose decision shall be final.”.

3. In the said rules, for rule 20, the following rule shall be substituted, namely:-

“20. **Grant of quarry permit.-**

The Competent Authority under rule 23 may, upon receipt of an application in writing, grant a quarry permit in accordance with the provisions of this Chapter to an individual who is an Indian national or a company as defined in clause (20) of section 2 of the Companies Act, 2013, for extracting to use or otherwise deal with any minor mineral specified in Part A of the Schedule III for the work relating to item (i) the Central or the State Government, Government Undertaking and any work being of national or state importance, as the case may be; or item (ii) basement or levelling of land for any industrial or residential or commercial purposes:

Provided that, no such quarry permit shall be required for extracting any minor mineral specified in Part A of Schedule III, if the extracted mineral is not being transported out of the same revenue survey number or It has been extracted out of the same land-owner's another revenue survey number of the same village and is being used for levelling of the land of the same land-owner:

Provided further that, no such quarry permit for extracting to use or otherwise deal with ordinary sand or minerals specified in Part A-II of Schedule III will be granted for the purpose of work mentioned at item (ii) above unless such permit is applied in accordance with the provisions of this chapter by;

- (a) an individual who is an Indian national or a co-operative housing society registered under the Gujarat Co-operative Societies Act, 1961, for using up to one hundred metric tonnes for construction of residential unit(s) for dwelling purposes;
- (b) labour co-operative societies registered under the Gujarat Co-operative Societies Act, 1961 as on the date of commencement of these rules and traditionally undertaking manual mining:

Provided also that a quarry permit for the purpose of work mentioned at item (ii) above may be granted, recording reasons in writing by the granting authority as specified in rule 23 and on the submission of applicant adequate documentary evidence including consent to establish or approval for land use or building design plan approval from relevant urban local body or any other relevant Government authority authorised in this regard, or any other relevant documents establishing bona fide requirement of basement or levelling of land for any industrial or residential or commercial purposes:

Provided also that if any minor mineral specified in Part B of Schedule III is discovered by any person undertaking work relating to item (i) above, then such minor mineral may be used or dealt with by that person only upon obtaining necessary prior written approval of the competent authority who is authorised to grant the quarry permit as

specified in sub-rule (1) of rule 23 and upon making all payments in advance as prescribed in sub rule (1) of rule 22.”.

4. In the said rules, in rule 21, for sub-rule (1), the following sub-rule shall be substituted, namely:-

“(1) An application for the grant of a quarry permit may be made to the Government in Form D along with payment of a refundable security deposit of an amount equivalent to twenty per cent. of royalty payable on the total quantity of mineral for which the permit is being sought and a non-refundable fee at the rates mentioned below in the table.

“Sr. No.	Quantities	Application Fees in Rupees
1.	2.	3.
1.	Not exceeding twenty thousand metric tonnes	₹ 5,000/-
2.	Exceeding twenty thousand metric tonnes	₹10,000/-.”

5. In the said rules, in rule 22-(i) for sub-rule (1), the following sub-rule shall be substituted, namely:-

“(1) On an application made in writing to the Government by any person in accordance with the provisions of rule 20 and rule 21 along with the payment of an application fee and security deposit prescribed thereunder, the Government may grant a quarry permit, in Form E to such person:

Provided that such security deposit shall be refunded without any interest thereon, subject to any adjustments as may be deemed appropriate by the Government, after ninety days from the date of expiry of the quarry permit.”;

- (ii) after sub-rule (1), the following sub-rule shall be inserted, namely:-

“(1A) The holder of a quarry permit shall, before dispatching for use or otherwise dealing with the mineral from the parcel of land where from it has been extracted, make the following payments;

- (a) the royalty payable to the Government in respect of the minor mineral extracted and being dispatched as specified in these rules;
- (b) permit premium equivalent to fifty per cent. of the royalty to the Government under clause (a) above;
- (c) contribution of amounts as prescribed under the Gujarat District Mineral Foundation Rules, 2016;
- (d) payment of such other amount as may be required under any law for the time being in force to the concerned authorities.”.

6. In the said rules, in rule 23-(i), in sub-rule (1), in clause (a), in sub-clauses (i) and (ii), for the words “five thousand”, the words “ten thousand” shall be substituted;

(ii) in sub-rule (1), for clause (b), the following clause shall be substituted, namely:-

“(b) the depth of the pit below the surface shall not be more than six meters below the surface or such lesser depth limit prescribed under applicable environmental laws; ”;

(iii) in sub-rule (3), after the words “property of the Government”, the words and proviso shall be inserted, namely:-

“and the advance amount paid along with the security deposit shall stand forfeited by the Government:

Provided that, such cancellation order shall be in writing by the relevant authorised officer to grant the quarry permit as specified in sub-rule (1).”.

7. In the said rules, after rule 23, the following rule shall be inserted, namely:-

“23A. Refund of Payments.-

- (1) Any payments made to the Government by the holder of a quarry permit pursuant to rule 22 (1A) shall be refunded by the relevant officer who is authorised to grant the quarry permit as specified in sub-rule (1) of rule 23, in case such mineral is not dispatched for the reasons beyond the control of the permit holder.
- (2) The refundable security deposit furnished by the permit holder to the Government pursuant to rule 22 (1) shall be

refunded within 90 days of the expiry of the quarry permit by the relevant officer who is authorised to grant the quarry permit after adjusting any payments due towards the Government.”.

8. In the said rules, for rule 28, the following rule shall be substituted, namely:-

“28. Removal from agricultural land.-

Any occupant of an agricultural land shall be permitted to remove the minerals specified in Part A of Schedule III from the agricultural land for the betterment thereof:

Provided that, any sale or commercial use of such mineral shall require a permit from the Government:

Provided further that, any sale or any removal of the mineral specified in Part B of Schedule III by any person from agricultural lands shall require a grant of permit from the Government, in accordance with the procedure notified by the Government for each mineral.”.

9. In the said rules, In rule 30, after the words “The District Collector” the words “with the prior approval of the Commissioner of Geology and Mining” shall be inserted.
10. In the said rules, in rule 32-(i), for sub-rule (4), the following sub-rule shall be substituted, namely:-
- “(4) The quarry parwana shall be granted for a maximum period of three years.”;
- (ii) after sub-rule (7), the following explanation shall be inserted, namely:-
- “Explanation:** For the purpose of this rule, the amount payable by the holder of a Quarry Parwana as contribution to the District Mineral Foundation shall be calculated on the basis of amount of royalty notified by the Government.”.
11. In the said rules, for rule 34, the following rule shall be substituted, namely:-

"34. Security Deposit for Quarry Parwana.- The person to whom a quarry parwana is granted shall, within thirty days of such grant, pay a refundable security deposit of the following amount as may be applicable-

- a. rupees two thousand for an area up to one thousand square metres; and
- b. rupees five thousand for an area more than one thousand square metres:

Provided that such security deposit or part thereof, to the extent not required to be applied to any of the purposes mentioned in these rules, shall be refunded to the quarry parwana holder in case the quarry parwana is surrendered or the period of the quarry parwana has expired and no renewal thereof has been applied for, within sixty days of such surrender or expiry, as the case may be."

12. In the said rules, after rule 34, the following rule shall be inserted, namely:

"34A. Refund of payments.-

Any payments made to the District Collector by the holder of a quarry parwana pursuant to rule 32 shall be refunded by the Collector to such holder of quarry parwana if the minor mineral in respect of which such payments were made is not dispatched."

13. In the said rules, after rule 52, the following rule shall be inserted, namely:-

"52A. Refund of Payments.-

(1) Any payments excluding performance security or financial assurance or any such payment in the nature of refundable deposit made to the Government by the holder of a Quarry Lease pursuant to the Act or rules shall be refunded to such holder of quarry lease if the minor mineral in respect of which such payments were made is not dispatched and such refund shall be granted by,

- (a) in case of minerals other than Marble, Granite and the minor minerals mentioned in Central Government Notification No.S.O.423(E), dated the 10th February, 2015,
 - (i) the District Collector, for an amount up to rupees one lakh;
 - (ii) The Commissioner of Geology and Mining, for an amount up to rupees ten lakhs; or

- (iii) the Government, for an amount exceeding rupees ten lakhs,
- (b) in case of Marble and Granite mentioned in Central Government Notification No.S.O.423 (E), dated the 10th February, 2015,
 - (i) the Commissioner of Geology and Mining, for an amount up to rupees ten lakhs;
 - (ii) the Government, for an amount exceeding rupees ten lakhs.

(2) The refundable security deposit or financial assurance or any such payment in the nature of refundable deposit provided to the Government by the holder of the quarry lease shall be refunded within 180 days of the expiry of the quarry lease by the Government after recording that no payment is due or outstanding to be received by the Government from the holder of such quarry lease;

Provided that, in case any payment is due or outstanding from the holder of such quarry lease, such payment shall be adjusted by the Government and the balance amount of security deposit shall be refunded.”.

14. In the said rules, for rule 57, the following rule shall be substituted, namely:-

“57. **Upfront payment and performance security for minerals specified in Part A-I of Schedule III:-** In case of minerals specified in Part A-I of Schedule III, each of (a) the upfront payment to be made under rule 9; and (b) the performance security to be furnished under rule 10, each shall be an amount equivalent to one per cent. of the total value of estimated resources.”.

15. In the said rules, after rule 58, the following rule shall be inserted, namely:-
“58A. **Minimum Alternate Premium.-**

Any person to whom a quarry lease is granted under rule 29 or a quarry lease is granted without auction or competitive bidding, shall pay a minimum alternate premium in addition to other applicable amounts payable under these rules. The amount of such minimum alternate premium to be paid shall be as notified by the Government for various districts or talukas in the State of Gujarat for the minerals listed in Schedule III:

Provided that, the Government shall not enhance the rate of

Minimum Alternate Premium in respect of any mineral more than once during any period of three years.”.

16. In the said rules, after rule 90, the following rule shall be inserted, namely:-

“90A. Transfer to legal heir.-

In case of the death of holder of a mineral concession, the mineral concession may deemed to be transferred to the legal heir of the deceased subject to compliance of this rule 90A.

- (1) The legal heir of the deceased shall intimate the Government of such death of the holder of the mineral concession within one hundred and eighty days, with adequate documentary evidence, and shall also furnish all particulars of the legal heir in whose name the mineral concession is to be transferred.

- (2) If the legal heir of the deceased fails without sufficient cause to furnish the information referred to in sub-rule (1), the Government may impose a fine which may extend to rupees one lakh and in the case of continued contravention of the provisions of sub-rule (1), the Government may terminate the mineral concession:

Provided that, no such termination order shall be made without giving the legal heir a reasonable opportunity of stating his case:

Provided further that, where such intimation is received in time, the Granting Authority for such quarry lease shall be the Competent Authority to take decision. In case, where such intimation is not received in time, the matter may be referred to the State Government, whose decision shall be final.”.

17. In the said rules, in rule 91, for the word “Penalty”, the word “Fine” shall be substituted.

18. In the said rules, after rule 91, the following rule shall be inserted, namely:-

“91A. Penalty.-

- (1) If any person, who is required under these rules to furnish any return, document, report or information, fails to furnish the same within seven working days from the due date, he shall be liable to pay a penalty of rupees ten thousand;

- (2) Contravention of any provision of these rules or of the conditions laid down in the quarry lease deed shall attract a penalty of rupees ten thousand per condition which may extend to rupees five lakhs in a financial year.”.

19. In the said rules, In SCHEDULE V; under the heading AUTHORISED OFFICERS FOR RESPECTIVE JURISDICTIONS, under the sub-heading Designated Officer, at serial number 1 related to Commissioner of Geology and Mining (CGM) and at serial number 2 relating to District Collector, rule number 13 and rule name and rule reference thereto shall be deleted.

By order and in the name of the Governor of Gujarat,



(D.G. Chaudhari)

Deputy Secretary to Government

To,

- Personal Secretary to Hon. Governor, Rajbhavan, Gandhinagar. (*By Letter)
- Personal Secretary to Hon. Chief Minister, Office of Hon. Chief Minister, Swarnim Sankul-1, Sachivalay, Gandhinagar.
- Deputy Secretary to Chief Secretary, Chief Secretary's office, Sachivalay, Gandhinagar.
- Personal Secretary to Principal Secretary, Industries and Mines Department, Sachivalay, Gandhinagar.
- Commissioner, Office of Geology and Mining, Udyog Bhavan, Sector-11, Gandhinagar.
- With a request to forward this notification to all Geologists/Assistant Geologists under their control.
- All the District Collectors, Gujarat.
- Managing Director, Gujarat Mineral Development Corporation, Vastrapur, Ahmedabad.
- Revision Authority, Industries and Mines Department, Sachivalay, Gandhinagar. (3 Copies)