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Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Amendment Rules, 2020

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NOTICE

This Ministry of Mines has prepared the draft Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Amendment Rules, 2020 seeking to amend the Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016.

As part of the Pre-Legislative Consultation Policy, the draft Amendment Rules is made available below. Comments / suggestions are invited from the general public, Government of States and Union Territories, Mining Industry, Stake Holders, Industry Associations, and other persons and entities concerned, on the draft Amendment Rules. The last date for receipt of the comments / suggestions is 19th February, 2020.

The comments / suggestions may be sent by e-mail in MS-Office word format in the following ID:

veena.kumarid@gov.in

The subject of the email should be captioned as “Comments / suggestions on the draft Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Amendment Rules, 2020”

Alternatively, comments/suggestions may also be sent by post to the following address:

**Veena Kumari Dermal, Director
Ministry of Mines
Room No-308, D-Wing
Shastri Bhawan
Dr. Rajendra Prasad Road
New Delhi-110001**

The envelope may kindly be super scribed on the top with: **“Comments / suggestions on the draft Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Amendment Rules, 2020”**

GOVERNMENT OF INDIA
MINISTRY OF MINES

New Delhi, the February, 2020

NOTIFICATION

G.S.R. (E).— In exercise of the powers conferred under section 13 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Central Government hereby makes the following rules to amend the Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016:-

2. (1) These rules may be called the Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Amendment Rules, 2020.
(2) They shall come into force on the date of their publication in the Official Gazette.
3. In the Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016,-

(A) After rule 9, the following rule shall be inserted, namely:-

Rule 9(A)- Conditions for issuance of vesting order and for obtaining rights, approvals, clearances, licenses etc. as per section 8B

- (1). For leases expiring vide sub sections 5 and 6 of section 8A of the Act, within one week of the notification of these rules, the State Government shall nominate a Secretary level officer in the State Government as the Nodal Officer. The nodal officer so nominated shall also be authorized to collect all the valid rights, approvals, clearances, licences and the like vesting hitherto with the previous lessee and shall *suo-moto* issue deemed vesting order in favour of the new lessee along-with the Letter of Intent.
- (2). The vesting order so issued shall have the same terms and conditions of every rights, approvals, clearances, licenses and the like which were vesting with the previous lessee.

Provided that any statutory payments or documents to be submitted for obtaining such rights, approvals, clearances, licenses, and the like including the period for which vesting right is issued, shall be done when the new lessee applies afresh.

Provided further that mandatory payments towards certain statutory clearances shall have to be paid as prescribed by concerned authorities or the nodal officer.

- (3). The validity of the vesting order shall be for a period of two years from the date of grant of Letter of Intent of new lease or till the date of getting all fresh approvals, clearances, licenses, permits, and the like, whichever is earlier.
- (4). It shall be lawful for the new lessee to commence and continue mining operations on the land in which mining operations were hitherto being carried out by the previous lessee, after the execution of the lease deed for a period of two years as provided in the Act.

Provided that in respect of land(s) not owned by the Government, the new lessee shall have the right to operate the mine, irrespective of any claim and/or dispute by the owner of the land or the previous lessee, as the case may be. Such claim and/or dispute shall be decided by the State Government, as per the extant laws.

(5). The new lessee shall immediately, but not later than ninety days from the date of issue of the Letter of Intent, apply for all necessary rights, approvals, clearances, licenses and the like under the applicable statutes/rules/regulations afresh for obtaining the necessary clearances to enable further continuance of the mining operations beyond two years, as per the proviso to sub-section(2) of section 8B of the Act.

Provided that the new lessee shall continue mining operation as per the approved mining plan of the previous lessee till the new mining plan is prepared and submitted for approval. On submission of new mining plan, the new lessee will switch over to the new mining plan. While undertaking mining operations as per the new mining plan, the new lessee shall conform to the approved quantity and the conceptual limit of mining plan held by previous lessee till the new lessee obtains afresh the requisite clearance, approvals, rights and the like.

(6). The new lessee shall inform the nodal officer about the submission of application as per sub-rule (5) above, along with copies of such applications. Nodal officer will facilitate the new lessee to obtain approvals required for mining operation through the single window system established by the State Government. However, the final responsibility of obtaining the necessary approvals required for continuing the mining operations shall rest with the new lessee.

(7). No authority shall reject grant of any rights, approvals, clearances, licenses and the like to the new lessee on account of past violations or outstanding dues of the previous lessee. These can be agitated before appropriate forums separately without prejudice to any rightful legal claims of the parties.

(8). The provisions of these rules shall prevail to the extent of any inconsistency with any other rule made under the MMDR Act 1957.

(B) After rule 12, the following rule shall be inserted, namely:-

Rule 12(A)-Additional conditions for commencement and continuation of production as per Section 4B

- (1) Notwithstanding anything contained in these rules, the holder of mining lease to whom the order of deemed vesting of rights, approvals, clearances, licences and the like has been conferred under section 8B of the Act, shall maintain a minimum 80% of the average annual production of two immediately preceding years on pro-rata basis for the first two years from the date of grant of new lease, failing which the appropriate actions as per the Mine Development and Production Agreement (MDPA) will be initiated.
- (2) The provisions of these rules shall prevail to the extent of any inconsistency with any other rules made under the MMDR Act 1957.

(C) In clause (gg) of sub-rule (1) of rule (12) for the word “six calendar months” the word “four calendar months” shall be substituted.

(D) After clause (gg) of sub-rule (1) of rule (12), the following proviso shall be inserted:

“Provided that in the cases of mining leases expiring under the provisions of sub-section (5) and (6) of section 8A of the Act, previous lessee shall remove all material, machines, structures and the like that may hamper or act as impediments to the mining activities by the new lessee, as soon as possible, but not later than thirty days after the issue of a notice in this regard by the new lessee to the old lessee, failing which the new lessee shall be at freedom to remove such obstruction under intimation to the State Government at the cost and risk of the previous lessee.”

(E) For rule 18, the following rule shall be substituted, namely:-

“The State Government shall conduct auction as per procedure specified in the Act and rules made thereunder, of an expiring mining lease well in advance of its expiry so as to prevent disruption in production of minerals. Under normal circumstances, the State Government shall target completion of auction process at least two years before the impending expiry of a mining lease so that there is a smooth transition from one lessee to the other. However, the lease in such cases shall be executed after the expiry of the lease period of the existing lessee.”

[F. No. 1/1/2020-M.VI]

(Anil Kumar Nayak)
Joint Secretary to the Government of India

Foot note: The Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016 were published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (i), dated the 04th March, 2016.