

Uttar Pradesh Shasan Geology And Mining Section

In pursuance of the Provisions of clause (3) of Article 348 of the Constitution of India, the Governor is pleased to order the publication of following English translation of notification no. 1157/86-2021-03 (Sa) / 2021 dated 29 October, 2021.

Notification

No. 1157/86-2021-03 (Sa) / 2021

Dated: Lucknow 29 October, 2021

In exercise of the powers conferred by sub-section (1) of section 15 of the Mines and Minerals (Development and Regulation) Act, 1957 (Act no. 67 of 1957), read with section 21 of the General Clauses Act, 1897 and in supersession of the Uttar Pradesh Minor Minerals (Concession) Rules, 1963, the Governor is pleased to make the following rules with a view to regulating the concession of minor minerals and other purposes connected there with:-

THE UTTAR PRADESH MINOR MINERALS (CONCESSION) RULES, 2021

CHAPTER-1

Preliminary

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| Short title, extent, commencement and application | 1. | (1) | These rules may be called the Uttar Pradesh Minor Minerals (Concession) Rules, 2021 . |
| | | (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. |
| Definitions | 2. | (1) | In these rules, unless the context otherwise requires,- |
| | | (a) | "Act" means the Mines and Minerals (Development and Regulation) Act, 1957 (Act No. 67 of 1957); |
| | | (b) | "Captive mines" shall mean the mining lease where more than 50 percent of the entire quantity of mineral extracted from the lease is used in an industry owned by the lessee; |
| | | (c) | "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 Notification No. 4343/18 12-90-601/87, dated August 29, 1990, whom the State Government has delegated its power under rule 73 in respect of reserve forest areas; |
| | | (d) | "Director" means the Director of Geology and Mining, Uttar Pradesh; |
| | | (e) | "District Officer" means the Collector or Deputy Commissioner of the district in which the land is situated; |
| | | (f) | "Form" means a form set out in the Third Schedule to these rules; |

- (g) "In situ rock deposit" means the mineral found in the form of rock and not displaced from the place of its origin;
- (h) "Mine" and "Owner" shall have the meanings respectively assigned to them in the Mines Act, 1952 (Act No. 35 of 1952);
- (i) "Mining operations" means any operations undertaken for the purpose of winning any minor mineral;
- (j) "Mining permit" means a permit granted under these rules to extract a specified quantity of minor mineral within the period stipulated in the permit;
- (k) "Minor minerals" means building stones, gravel, ordinary clay *or, ordinary earth*, ordinary sand other than sand used for prescribed purposes, sand-bajri-boulders in mixed state found in river bed (RBM) and any other mineral 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 (Development and Regulation) Act, 1957 (Act No. 67 of 1957);
- (l) "M-sand" means manufactured sand produced by crushing of in-situ-rock/overburden;"
- (m) "Pits mouth value" means the sale price of the minor mineral at the pit head or at the point of production;
- (n) "Railway" and "Railway Administration" shall have the meanings respectively assigned to them in the Indian Railways Act, 1890 (Act NO. 9 of 1890);
- (o) "Schedule" means a Schedule appended to these rules;
- (p) "State" and "State Government" respectively mean the State of Uttar Pradesh and Government of Uttar Pradesh.

(2) Words and expressions used but not defined in these rules shall have the same meaning as respectively assigned to them under the Act.

Mining operations to be under a mining lease or mining permit

13.

(1) No person shall undertake any mining operations in any area within the State of any minor mineral 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:

Explanation: For the purposes of this rule digging or extraction of ordinary clay, ordinary earth for making bricks and pottery shall not be treated as mining operations:

Provided that pit created by such digging or extraction should not be deeper than two meters.

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

CHAPTER II

GRANT OF MINING LEASE

Restriction on the grant of mining lease 4.

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

Explanation: For the purpose of this 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, 2013 (Act no. 18 of 2013)*, 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, 2013 (Act no. 18 of 2013)* ;
- (b) In the case of a private company as defined in *The Companies Act, 2013* only if all the members of the company are citizens of India (*Act no. 18 of 2013*) ;
- (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.

Application for grant of mining lease 5.

- (1) An Application in form MM-1 for grant of a mining lease 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 authorized 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 lease application in form MM-2.

Application fee and deposit for grant of mining lease 6.

- (1) Every application for grant of mining lease shall be accompanied by,-
 - (a) a non refundable fee of five thousand rupees,
 - (b) a deposit of ten thousand rupees for meeting the preliminary expenses, other than those specified in Rule 17 ;
 - (c) Four copies of the cadastral survey map with coordinates 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 District Officer or by such officer as may be authorized by the District Officer not below the rank of the Mines Inspector in this behalf, showing that no mining dues are outstanding against the applicant :

Provided 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 hold 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 character certificate given by the District Officer of the District, where the applicant permanently resides.
- (2) If 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 authorized 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.
- Enquiry and 7. The District officer shall, unless he is authorized to grant the mining reports 7. The District officer shall, unless he is authorized to grant the mining lease cause an enquiry to be made into all relevant matter 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 authorize in this behalf.
- Disposal of 8. The State Government or the authority authorized by it in this behalf Application 8. The State Government or the authority authorized by it in this behalf may approve or reject, subject to the provisions of these rules and after making such further enquiry as it may consider necessary, refuse or grant the application for grant of the mining lease for the whole or part of the area applied for and for such period as it may consider proper: **Provided** that where an application for grant of mining lease is refused or the area is reduced, reasons therefore shall be recorded and communicated to the applicant.
- Preferential right of certain persons 9. (1) Where the availability of area/areas are declared by the District Officer for grant of mining lease under the provisions of Rule 74, all the applications received during the period specified in such declaration shall be deemed to be received on the same day and shall be considered simultaneously according to the procedure laid down by the state Government.
- (2) Not with standing anything contained in Sub - Rule (1) leases for one third of the mining areas of Naxal affected villages, as declared by the State Government by general order, may be granted to the Self Assistance groups containing the members of the local residents where such leases are situated and such one third areas shall be marked for the purpose by the District Officer of the district, after seeking such approval from the Government: **Provided** that those Self Assistance groups will be entitled for getting preference under this sub-rule in which one third members belong to Schedule Caste/Schedule Tribe/members of the Castes traditionally engaged in sand mining such as Mallah, Kewat, etc. and are resident of the same village, where the lease areas are situated.
- Extent of area for which a mining lease may be granted 10. (1) Minimum area for grant of a mining lease for sand or morrum or bajri or boulder or any of these in mixed state exclusively found in river bed shall ordinarily be five hectares and mineral found in the form of rock and not displaced from the place of its origin and other minor minerals shall be one hectare: **Provided** that in case of non availability of such extent of area this sub rule shall not apply.
- (2) No mining lease shall be granted in respect of any area which is not compact and contiguous or otherwise not suitable to scientific development:

Provided that in respect of small deposits not suitable to scientific mining in isolated patches, a Mining lease may be granted for a cluster of such deposits without any division.

- (3) 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 exclusively found in river-bed, exceeding three mining leases, covering a total area of more than 25 Hectares:

Provided that mining leases in respect of sand or morrum or bajri or boulder or any of these in mixed state, exclusively found in the river bed exceeding two in number or total fifty Hectares in area shall not be granted in favor of any person in the State of Uttar Pradesh:

Provided further that 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 in writing permit any person to acquire one or more mining leases covering an area in excess of the limits mentioned above.

Explanation: For the purposes 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

Length and breadth of the area to be leased 11.

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

Period of Mining lease 12.

- (1) Except as provided in Sub Rule (2), a mining lease in respect of sand or morrum or bajri or boulder or any of these in mixed state exclusively found in the river bed shall be granted for a maximum period of five years and in respect of other minor minerals for a period not less than five years and not more than 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 in writing grant a mining lease of minor minerals, except the minerals exclusively found in the river bed, for any period exceeding 10 years but not exceeding 15 years.

Security deposit 13.

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. 10,000.00 (Rupees ten thousand). No interest shall be payable on such security deposit.

Lease deed to be executed within three month 14.

- (1) Where an order has been made for the grant of mining lease other than a mining lease for sand or morrum or bajri 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 bajri 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, bajri, 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 installments 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 Sub Rule (3)	Installments in the first Year			Installments in the Subsequent Years		
I	II	III			IV		
		Ist	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
April to June	25%	25% Oct., 1	50% Jan., 1	-	25% Oct., 1	25% Jan., 1	50% April, 1
July to September	25%	25% Jan.,1	50% April, 1	-	25% Oct., 1	25% Jan., 1	50% April, 1
October to December	25%	50% April, 1	25% July, 1	-	25% Oct., 1	25% Jan., 1	50% April, 1

- Refund of fee 15. (1) Where an application for grant of a mining lease is refused, the fee paid by the applicant under clause (a) of Sub - Rule (1) of Rule 6 shall not be refunded to him.
- (2) Where the whole or part of the amount deposited under clause (b) of Sub Rule (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.
- Restriction on determination of mining lease 16. No lessee shall determine a mining lease except after giving a notice in writing of not less than six months to the State Government.
- Survey of the area leased 17. (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 areas up to 10 hectares Rs. 5,000.00
- (ii) For areas beyond 10 hectares at the rate of Rs. 500.00 per hectare subject to the minimum of Rs. 6,000.00
- (b) In the hills
- (i) For areas up to 10 hectares Rs. 8,000.00
- (ii) For areas beyond 10 hectares at the rate of Rs. 800.00 per hectare subject to the minimum of Rs. 10,000.00
- (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 authorized by the Director in this behalf. The Mines Officer or the officer so authorized shall, on receipt of the certified map and upon being satisfied that demarcation charges have been duly deposited, within fifteen days from the date of such receipt, survey and demarcate the area taking as reference at least two fixed points on the map and denoting the geo-coordinates of all the boundary pillars of the demarcated lease area.
- (3) The Mines Officer or the officer so authorized 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.
- Boundaries below the surface 18. The boundaries of the area covered by a mining lease shall run vertically downwards below the surface towards the centre of the earth,-
- Transfer of lease 19. (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 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.

Registers 20.

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

- (1) A register of applications for mining leases in Form MM-2, and
- (2) A register of mining leases in Form MM-4.

CHAPTER-IV AUCTION LEASE

Declaration of
area for e-tender/
e-auction/e-
tender-cum e-
auction lease

23. (1) The State Government may by general or special order declare the area or areas with geo-coordinates which may be leased out by e-tender/ e-auction/e-tender-cum-e-auction.
- (2) Subject to direction issued by the State Government from time to time in this behalf-
- (a) The area or areas for mining leases in respect of sand or morrum or bajri or boulder or any of these in mixed state exclusively found in the river-bed shall be leased out only by e-tender or e-auction or e-tender-cum-e-auction for a maximum period of five years at a time:
Provided that, if for any reason, it is not possible to settle the river bed mining areas for the long term, the areas may be settled through short term mining permit. Short term permit will be granted for a maximum period of six months by e-tender/e-auction, under terms and conditions laid down by the State Government from time to time:
Provided further that in case of grant of mining permit, the permit holder shall make payment of all due amount in advance.
- (b) New area of natural rocks of building stones and earlier leased area/areas, which has/have been treated as redeemed after expiration of period of lease and will not be renewed, may be leased for a maximum period of twenty years only through the process of e-tender/e-auction/e-tender cum e-auction:
Provided that the earlier lease holder of the concerned lease area, whose lease had been determined recently, has to be accommodated an opportunity to offer bid of higher amount than the highest bid shorted out for the concerned lease, within one working-day after the finalization of the entire process of e-tender/e-auction/e-tender cum e-auction and before issuance of Letter of Intent, before the District Magistrate having territorial jurisdiction over the concerned lease area, however with conditions that:-
- (I) The character of the earlier lease-holder bears good conduct ;
- (II) He has abided fairly all the norms during the course of the entire lease period ;
- (III) He has no any due amount concerning mineral/mining ;
- (IV) His name is not mentioned inter alia black list ;
- (V) He has been a lease holder of the concerned area or more than that area and has produced certified document/s concerning the same ;
- (VI) He has participated for bid as per the prescribed process/ procedures through e-tender/e-auction/e-tender cum e-auction with the required proper document/s concerning the e-tender/e-auction/e-tender cum e auction:
Provided that the lease holder of more than 02 hectare area will have to install stone crusher within two years from execution of lease deed.
- (c) Naturally available rock type such mineral deposit which had been defined earlier as major mineral and that has been declared minor mineral, vide Notification No. S.O.423(E) Dated 10.02.2015 issued by the Government of India and new mining area containing embedded Granites (sized dimensional) shall be leased out as prospecting license cum mining lease for the maximum period of thirty two (32) years in

one term through the proper process of e-tender/e-auction/e-tender cum e-auction, however out of the above mentioned period of thirty two years, two years period will be reserved for prospecting works and on being proved availability of mineral the lease period shall be for maximum thirty (30) years.

If any area has remained on lease since before or availability of mineral has already been approved within the concerned area then in such cases the mining lease will be approved directly for a maximum period of thirty years:

Provided that the earlier lease-holder of the concerned lease area whose lease had terminated recently has to be accommodated an opportunity to offer bid of higher amount than the highest bid shorted out for the concerned lease, within one working-day after the finalization of the entire process of e-tender/e-auction/e-tender cum e-auction and before issuance of Letter of Intent, before the District Magistrate having territorial jurisdiction over the concerned lease area however with conditions that:-

- (I) The character of the earlier lease-holder bears good conduct;
 - (II) He has abided fairly all the norms during the course of the entire lease period;
 - (III) He has no any due amount concerning mineral/mining;
 - (IV) His name is not mentioned inter alia black list;
 - (V) He has been a lease holder of the concerned area or more than that area and has produced certified document/s concerning the same;
 - (VI) He has participated for bid as per the prescribed process/procedures through e-tender/e-auction/e-tender cum e-auction with the required proper document/s concerning the e-tender/e-auction/e-tender cum-e auction.
- (d) Naturally available in-situ-rock type mineral found in private land of minimum area one hectare shall be leased out for a maximum period of ten years through e-tender/e-auction/e-tender cum e-auction:
Provided that in respective mine area the District Officer after confirming the availability of mineral, suitability of area, certificate of land ownership, land owner's affidavit for consent, shall process e-tender/e-auction/e-tender cum e-auction after determination of quantity and period not exceeding ten years. The land owner/ owners after completion of e-auction process of the area will take cognizance of the highest bid and within seven working days get an opportunity to present an offer higher than the highest bid before the District Officer having territorial jurisdiction over the concerned area. If this right of first refusal is not exercised by the land owner/owners, the lease will be approved in favor of the highest bidder and the land owner/owners will have the right to receive a compensation equal to the amount as decided by the State Government from time to time, which will be in addition to the amount payable to the State Government. Payment to land owner/owners will be mandatory along with the payment to the State Government.
- (e) Private land situated in the river bed of area minimum one hectare in which sand or morrum or bajri or boulder or any of these in mixed state is available shall be leased out for the maximum period of six months through e-tender/e-auction/e-tender cum e-auction:
Provided that in respective mine area the District Officer after

confirming the availability of mineral, suitability of area, certificate of land ownership, land owner's affidavit for consent, shall process e-tender/e-auction/e-tender cum e-auction after determination of quantity and period not exceeding six months. The land owner/owners after completion of e-auction process of the area will take cognizance of the highest bid and within seven working days get an opportunity to present an offer higher than the highest bid before the District Officer having territorial jurisdiction over the concerned area. If this right of first refusal is not exercised by the land owner/owners, the lease will be approved in favor of the highest bidder and the land owner/owners will have the right to receive a compensation equal to the amount as decided by the State Government from time to time, which will be in addition to the amount payable to the State Government. Payment to land owner/owners will be mandatory along with the payment to the State Government.

(3) On the declaration of the area under Sub - Rule (1) the provisions of Chapters II, III, VI and IX except Rules 10, 17 and 95 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 authorized by him before the date fixed for e-tender/e-auction/e-tender-cum-e-auction.

Withdrawal of area from e-auction of e-tender or e-auction Cum-e-sender 24.

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 there in 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, VI and IX of these rules shall become applicable to such area or areas.

Register of area or areas declared for e-tender/ e-auction e-tender-cum-e-auction lease 25.

The District Officer shall cause to be maintained a register of areas declared under Sub - Rule (1) of Rule 23 in Form MM-5.

Restriction on grant of lease 26.

No person shall be allowed to bid or take part in ***e-tender/e-auction/e-tender cum e-auction*** for a lease-

- (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 Magistrate or State Government or the Officer of the District duly authorized by it where he permanently resides, issued on the basis of concerned police verification;
- (d) Who has not produced his Aadhar Card;
- (e) Whose name has been mentioned in the Black List;
- (f) In the cases of Firm/Company, which has not produced/furnished its PAN No. and GST Registration Certificate;
- (g) Who has not submitted solvency certificate or solvency certificate with bank guarantee, of worth not less than 25% of the bid amount,

Procedure for approval grant of Lease by tender e-auction/ e-tender cum-e-auction

127. (1) Where the granting of lease of cum e-e-tender/e-auction/e-tender auction is expedient, the District Officer or Committee, as the case may be, shall fix the date, time and web portal determined by the State Government for e-tender/e-auction/e-tender cum e-auction, the procedure of which shall be such as may be determined by the State Government from time to time.
- (2) Lease through e-tender/e-auction/e-tender cum e-auction shall be granted in the following manner:-
- (a) The Committee authorized by the District Officer or the State Government shall publish public notice at least thirty days earlier to the concerned e-tender/e-auction/e-tender cum e-auction mentioning *inter alia* Date, Time and Web-portal determined by the State Government for such e-tender/e-auction/e-tender cum e-auction:
Provided that where e-tender/e-auction/e-tender cum e-auction, has not been completed due to any reason, whatsoever, such e-tender/e-auction/e-tender cum e-auction may be completed again after giving short term notice of not less than seven days.
- (b) the public notice of e-tender/e-auction/e-tender cum e-auction shall be published in the manner given below :-
- (i) copies of the notice shall be displayed/pasted at the notice board of the office of the District Magistrate;
- (ii) copies of the notice shall be displayed on the web portal or website determined by the State Government ;
- (iii) the notice shall be published in at least two national newspapers having circulation in the District for the information of general public; and
- (iv) in such other manner as may be directed by the State Government from time to time:
- (c) The District Magistrate may appoint an officer subordinate to him not below the rank of Additional District Magistrate, as presiding officer, for the purpose of e-tender/e-auction/e-tender cum e-auction;
- (d) The details of area or areas and terms and conditions of the lease for e-tender/e-auction/e-tender auction shall be mentioned in the notice to be issued;
- (e) Any person, who might be interested in participation with the proceedings concerning e-tender/e-auction/e-tender cum e-auction, will deposit Rupees Fifteen Thousand as fee which shall be non-refundable as prescribed and provided by the State Government;
- (f) Every bidder/tenderer desiring to participate in e-tender/e-auction/e-tender cum e-auction shall deposit such amount as earnest money as specified in the notice;
- (g) The earnest money deposited by the bidders/tenderers will be returned to them except the successful bidder/tenderer.
- (3) Upon grant of lease, the lease holder of river bed minerals such as sand, morrum, bajri, boulder mentioned in the Fifth Schedule and the lease holder of other minerals shall make payment of such amount as mentioned in the Fourth Schedule.

Grant of lease

28. (1) The District Officer or the Committee, as the case may be, shall in the case of e-tender accept the highest offer, in the case of e-auction accept the highest bid and in the case of e-auction-cum-e-tender accept the bid or offer whichever is highest.
- (2) The District Officer shall declare the highest bid/offer of concerned e-tender/e-auction/e-tender-cum-e-auction and a letter of intent shall be

issued to the person whose bid or offer is accepted which shall include,-

- (i) The successful bidder shall immediately deposit twenty-five 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 installment of royalty within two working days. The amount of earnest money will be adjusted into the first installment amount;
- (ii) The amount payable for the first year will be determined by multiplying mineral quantity mentioned in the environment clearance certificate with the rate obtained in the e-tender/e-auction;
- (iii) For the subsequent years the amount payable will be increased at the rate of ten percent on the preceding year's payable amount, except in case of in-situ rocks:
Provided that for in situ rocks minerals the amount payable for the first ten years shall be the bid rate or the royalty rate specified in the rules from time to time, whichever is higher.
Provided further that amount payable will be increased by twenty-five percent in every 10 years but in subsequent years the amount payable will not be less than the royalty rate specified in the rules,
- (iv) The amount of e-tender/e-auction shall be determined for river bed mineral such as sand, morrum, bajri boulder as mentioned in the Fifth Schedule and for other mineral as mentioned in the Fourth Schedule;
- (v) Demarcation of an area granted under lease shall be done in accordance with the provisions of rule-17 and boundary-pillars shall be fixed in accordance with rule 36 and maintenance thereof shall be done in accordance with the said rule;
- (vi) The conditions of lease shall be mentioned.

(3) If any bid or offer in e-tender/e-auction/e-tender-cum-e-auction is not satisfactory in the opinion of the District Magistrate, he may reject all the bids and offers in e tender/e-auction/e-tender-cum-e-auction and order for fresh e-auction or e-tender or e-tender cum e-auction after recording reasons therefore.

Execution of 129.
lease deed

(1) The successful bidder/tenderer after receiving letter of intent of concerned e-tender/e-auction/e-tender cum e-auction shall produce, approved Mining Plan and clean Environment Certificate prescribed as per rule, and a lease deed concerning the same will be executed in form MM-6 or in similar format. The registration of the said executed lease deed will be registered within three month period. The period of lease will be counted from the date of execution of the concerned lease deed.

(2) 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 within fifteen days from the date of execution thereof.

Surrender of 30.
Mining Lease

Lease holder, on the intended day of surrender, shall submit an amount equivalent to twenty-five percent of the annual installment of that year which may be adjusted against the security deposit and apply for surrender along with the following documents :-

- (a) No objection for transfer of Environment Clearance Certificate obtained for the concerned lenses area in favor of the State Government or subsequent proponent.

Certificate of money deposited for difference between quantity

mentioned in Environment Clearance Certificate and mined out quantity or in case of no difference, a Certificate in this regard for the concerned lease issued by Senior Mines Officer/Mines Officer/Mines Inspector.

In accordance with the above, lease holder will be prohibited from carrying out mining activities from the date of application for surrender of lease and the area will be deemed to be vacant.

Register of lease 31.

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

CHAPTER-V

CONDITIONS OF A MINING LEASE

- Conditions mentioned in this chapter to apply to all leases 32. 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.
- Discovery of other minerals 33. (1) The lessee shall report to the State Government the discovery in the leased area of any mineral 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 therefore.
- Foreign national not to be employed 34. Except with the prior approval of the State Government, the lessee shall not employ in connection with the mining operations any person who is not an Indian national.
- Mining operations to commence within six months 35. (1) The 'Selected Applicant' before the execution of mining lease deed under the provision of Chapter II, IV and IX or issuing a mining permit under chapter VI of these rules, shall get prepared a mining plan by the person, recognized and registered by the Director, having the qualification and experience namely:-
(i) A degree in Mining Engineering or post-graduate degree in Geology granted by University established or incorporated by or under Central Act or a Provincial Act or a State Act, including any institution recognized by the University Grants Commission established under section 4 of the University Grants Commission Act, 1956; and
(ii) Professional experience of five years of working in a supervisory capacity in the field of mining after obtaining the degree.
(2) The selected applicant shall, within one month of issuance of letter of intent, submit the mining plan for approval to the Officer authorized by notification in this behalf by the State Government, who may within thirty days from the date of receipt of mining plan approve, modify or reject it positively. The project proponent shall, within one month of approval of mining plan, submit the application for grant of Environment Clearance to the competent authority.
(3) The mining plan once approved shall be valid for entire duration of the mining lease/permit or for five years whichever is earlier. If the lease period is more than five years, then in that case the lease holder will resubmit mining plan before the Officer authorized by notification in this behalf by the State Government:
Provided that in case of premature termination or surrender of any mining lease/permit the approved mine plan shall be deemed transferred to the legal person in favor of whom such lease/permit is subsequently settled.
(4) Mining operations shall in respect of all minor mineral be undertaken in accordance with the mining plan, detailing yearly development schemes, aspect of reclamation and rehabilitation of mined out areas including progressive mine closure scheme duly approved by the Officer authorized by notification in this behalf by the State Government:
Provided that the lessee shall start the mining operation after obtaining environmental clearance if required under the provisions of Environment Impact Assessment Notification, dated September 14,

2006 issued by the Ministry of Environment, Forest and climate change, Government of India as amended from time to time. During the process of grant of Environment clearance, the proponent shall be bound to complete all desired formalities to resolve the objections raised by the competent authority within the required time frame:

Provided further that an application seeking prior environmental clearance in all cases shall be made by the project proponent or end-user agency as the case may be, in as provided in Paragraph 06 of the Environment Impact Assessment Notification, dated September 14, 2006 as Amended from time to time.

- (5) The mining lease deed will be executed only after approval of mining plan by the officer authorized by notification in this behalf by the State Government and within one month from the date of issuance of environment clearance certificate in favor of the proponent. Mining operation shall commence, immediately for the lessee of river bed mineral, within 03 (three) months from the date of the execution of the lease deed by the lessee of other minor minerals and the lessee shall thereafter conduct such operations without deliberate intermission in a proper, skillful in work-man like manner:

Provided that even after termination of lease/permit by the Government in accordance with law or in any legal proceeding or is surrendered by the lease/permit holder the environmental clearance granted in favor of such lessee/permit holder may be transferred to the legal person in favor of whom such lease/permit is settled within the lease validity period.

- (6) Financial assurance has to be furnished by every lease holder. The amount of financial assurance shall be Rupees Twenty five thousand for in-situ-rock deposit and rupees Fifteen thousand for sand or morrum or bajri or boulder or any of these in mixed state exclusively found in the river bed mines per acres of the mining lease area put to use for mining and allied activities. However, the minimum amount of financial assurance to be furnished in any of the forms referred to in - Sub Rule (7) shall be Rupees Two Lac for each category of mines be respective of area:

Provided that a lease holder shall be required to enhance the amount of financial assurance with the increase in the area of mining and allied activities:

Provided further that where a leaseholder undertakes reclamation and rehabilitation measures as part of the progressive closure of mine, the amount so spent shall be reckoned as sum of the financial assurance already spent by the leaseholder and the total amount of financial assurance, to be furnished by the lessee, shall be reduced to that extent.

- (7) The Financial assurance shall be submitted by the lessee before the execution of lease deed in one of the following forms to the District officer or the officer authorized by the State Government in this behalf, as the case may be, or any amendment to it:-
- (a) Letter of Credit from any Scheduled Bank;
 - (b) Performance or surety bond;
 - (c) Any other form of security or any other guarantees acceptable to the competent authority.

- (8) Release of Financial assurance shall be effective upon the notice given by the lessee for the satisfactory compliance of the provisions contained in the mine closure scheme and certified by the District Officer or the Officer authorized by the State Government in this behalf, as the case

may be.

- (9) If the district Officer or the Officer authorized by the State Government in this behalf, has reasonable grounds for believing that the protective, reclamation and rehabilitation measures as envisaged in the approved 'mine closure scheme' as given in mining plan in respect of which financial assurance was given has not been or will not be carried out in accordance with the 'mine closure scheme' either fully or partially, the District Officer or the Officer authorized by the State Government in this behalf shall give the lessee a written notice of his intention to issue the orders for forfeiting the sum assured at least thirty days prior to the date of the order to be issued.
- (10) Within the thirty days of the receipt of notice referred in Sub - Rule (9), if no satisfactory reply has been received in writing from the lessee, the District Officer or the Officer authorized by the State Government in this behalf, as the case may be, shall pass an order for forfeiting the surety amount and a copy of such order shall be endorsed to the State Government.
- (11) Upon the issuance or order by the District Officer or the officer authorized by the State Government in this behalf, the State Government may realize any letter of credit or bond or any other surety, guarantee provided or obtained as financial assurance for the purpose of performance of protective reclamation, rehabilitation measures and shall carry out those measures, or appoint an agent to do so.

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

Demarcation of leased area, erection of boundary marks, determination of coordinates and their maintenance

36. (1) At the time of the survey and demarcation of the area granted under the lease the coordinates will be marked on the demarcating map of the concerned mining lease area and earlier to the execution of lease deed, lessee 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.
- (2) The mining lease holder whose mining lease area is more than five hectare, will construct, at his own expenses, check post/gate for observations of the vehicles transportation with accommodations / installation of four CCTV cameras capable of recording visuals at the 360 degree angle. The lease holder will also keep Radio Frequency Identification (R.F.I.D). Scanner at the said check post/gate to facilitate read and save data of bar code scribed over e-form M.M.-11 issued against each and every vehicles used for transportation in the concerned mining leased area and will care properly and maintain in working condition at all point of time. The lease holder shall preserve the entire recordings done by the said CCTV cameras and RFID Scanners at least for the thirty days and will produce the said recordings before the authorized officer as provided under the provisions of Rule 67.

Maintenance of correct accounts of minerals

37. 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 authorized by the Central or the State Government in this behalf to examine at any time any accounts,

Maintenance of record of trenches, pits, etc	38.	plans and records maintained by him and shall furnish to the Central or the State Government or any officer authorized by either in this behalf, may require.
Lessee strengthen support, etc	39.	<p>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 authorized by the Central or the State Government to inspect the same. Such records shall contains the following particulars, namely:-</p> <ul style="list-style-type: none"> (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. <p>The lessee shall strengthen 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.</p>
Right of pre-emption	40.	<ul style="list-style-type: none"> (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.
Liberties powers and privileges of the lessee	41.	<p>Subject to the restrictions and conditions mentioned in Rule 42 and the directions issued from time to time, by the Ministry of Environment, Forest and Climate Change of Government of India, a person holding a mining lease under these rules may have the liberty, power and privilege which are as under,-</p> <ul style="list-style-type: none"> (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) The lessee may quarry with the help of machine except in the stream of water, and may also use machine for loading and unloading as per the condition specified in the Environmental Clearance certificate. With prior approval from the District Officer the lessee may erect and construct on the land any machinery, plant, dressing, floors, furnaces, brick kiln, workshop, storehouse and other buildings of like nature; (d) To make any roads and other ways over the said lands and use and pass over the same; (e) 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

Restrictions and conditions as to exercise of the liberties, powers and privileges of: 42.

- (g) Subject to the existing rights of others and save as provided in clause (d) or rule 42 to clear undergrowth and brushwood and to fell and utilize 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 utilized by him at the rates to be determined, having regard to their market value, by the District Officer;
- (h) In the event of disruption of mining operation in the lease area owing to any special circumstances, the District Officer with the prior approval of the State Government shall adjust the amount equivalent to the installment payable during the disrupted period, online against the forthcoming installment.

The holder of a lease shall exercise the liberties, power and privileges mentioned in Rule 41 subject to the following restrictions and conditions:-

- (a) Nothing shall be erected or setup and no surface operations shall be carried on,-
 - (1) In or upon any public pleasure ground, burning or burial ground, or any place held (sacred) by class of persons, or house or village site, public road and or other place which may be declared by the District Officer as public place, and
 - (2) In such a manner as to injure or prejudicially affect any building work, property or rights of other persons;
- (b) No land shall be used for surface operations by persons, 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 felled, 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 meters from any railway line except with the previous written permission of the Railway Administration concern, 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 authorized 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 meters shall be measured in 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 plinth thereof:
Provided that the distance in the case of a village road shall be 10 meters from the outer edge of the cutting, and
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;
- (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 the 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 there for by such lease or permit-holder to the lessee;

- (g) The lessee is bound to keep vigilance for not polluting the environment of the lease-hold 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 environment pollution or imbalance of ecology, then after giving an opportunity of being heard, the lease may be prematurely terminated;
- (h) (1) The lessee shall not do any mining operation beyond the depth of three meters or water level whichever is less in the river bed and no mining shall be carried out in the safety zone so worked out by the District Officer:
Provided that no mining shall be carried out into the water stream with the help of suction machine or the lifter etc.
- (2) Lessee/Permit holder will display the rate of sale price at the place where e MM-11/MM-11 is issued:
Provided that if in the opinion of the State Government the maximum rate of sale price is to be fixed, it may be directed to the concession holder.
- (i) The lessee shall be bound to undertake the loading of minerals in his approved lease area in accordance with the norms laid down by the Government of India.

Lessee to indemnify Government against all claims 43.

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.

Lessee to secure and keep in good condition pits shafts, etc 44.

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.

Lessee to allow inspection of working 45.

The lessee shall allow any officer authorized 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 then 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.
- Lessee to report 46. The lessee shall without delay, send to the District Officer a report of
accident
- Lessee shall 47. Whenever the security deposit or any part thereof or any further sum
deposit any 47. deposited with the State Government in replenishment thereof is
additional forfeited or applied by the State Government pursuant to the power
amount necessary: 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.
- Recovery of 48. If any of the works or matters which, in accordance with these rules, are
expenses of 48. to be carried out or performed by the lessee be not so carried out or
incurred by the performed within the time specified in that behalf, the State Government
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.
- Refund of 49. After the determination of a mining lease the amount of the security
security deposits 49. 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-VI MINING PERMIT

- Restrictions on grant of mining 50. No mining permit shall be granted to a person who is not an Indian national and for a period of more than six months.
- Application for grant of mining permit 51. 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 authorized by the State Government to grant such permit. It shall be accompanied by,-
- (i) A non refundable fee of Rs. 2,000, 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.
 - (iii) A character certificate given by the District Magistrate of the district, where the applicant permanently resides.
 - (iv) An earnest money in the form of Bank draft, payable in favor of District Officer to the concerned District, equivalent to amount of ten percent of the amount of royalty due on minerals proposed to be mining at the rate prescribed in the second schedule of this rule:
Provided that when mining permit is granted earnest money to be adjusted in the amount of royalty and in other hand if the application of mining permit is rejected the amount of earnest money is returned to the applicant hence forth:
Provided further that if the applicant fail to deposit the amount of royalty within the granted period or fail to execute the mining permit, then the amount of earnest money is forfeited in the favor of State Government.
- Procedure for Grant of Mining Permit Agricultural Land 52. (1) Notwithstanding anything contained in Rule 74 **the bhumidhar of agricultural land may apply for grant of mining permit for removal of sand or morrum or Bajri or Boulder or any of these in mixed state deposited on his land** in Form MM-8, in triplicate to the District Officer, accompanied by a **non refundable** fee of Rs. 2,000/- (Rupees two thousand) Only, and two copies of a cadastral Survey map on which the area, applied for, is clearly marked. **The District Officer shall cause an enquiry, if deemed necessary, through Revenue and Geology & Mining Departments regarding the title of the land and availability of minor mineral on the applied area.**
- (2) In the light of the report submitted by the concerned Officer, the District Officer, may grant the mining permit for a period not exceeding three months in favor of the bhumidhar, after realizing double the amount of royalty in advance.
 - (3) Except above mentioned provisions, the other provisions of these rules will apply mutatis mutandis to the mining permit granted under this rule.
- Procedure for grant of permit for mineral found in the process of construction of Building Develop mm Projects 53. (1) Not with standing anything contained in these rules, where any mineral found in the process of construction of any building or a development project has to be extracted in the process of execution of such project, the same shall be disposed off or consumed on a permit issued by the District Magistrate.

- (2) Upon receipt of the application, the District Magistrate may accept or reject the same within one month after site inspection and assessment of the available mineral by the District Senior Mines Officer /Mines Officer/Mines Inspector.
- (3) The said permit may be granted upon payment of the royalty applicable as prescribed in Schedule-1 to these rules.
Provided that non commercial private residential buildings shall be exempted from the above:
Provided further that if the application is not disposed off within the said period, the permit shall be deemed to have been issued upon payment of the amount of royalty of the assessed quantity.
The officer authorized 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 and 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 if paid shall be refunded.
- Disposal application of 54.
- Deposit royalty of 55. (1) When an order granting a mining permit has been made under Rule 54, 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 51 shall be forfeited to the State Government.
- Issue of mining permit 56. A mining permit in form MM-10 with such additional terms and conditions subject to which the order is made under Rule 54 shall be issued to the applicant within fifteen days of the deposit of the royalty in accordance with Sub - Rule (1) of Rule 5 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.
- Register of mining permits 57. 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 Officer or the officer authorized to grant mining permits,

CHAPTER VII CONTRAVENTIONS, OFFENCES AND PENALTIES

- Penalty for unauthorized mining 58. 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 five years or with fine which shall not be less than of 2 lacs rupees per hectare and which may extend to five lacs rupees per hectare of the area, or with both
- Consequences of non-payment of royalty rent or other dues 59. (1) The State Government or any officer authorized by it in this behalf may terminate 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 realize 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 18 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):
Provided that the District Magistrate, after adjusting the security money against the total amount due, shall issue recovery certificate for recovery of the outstanding amount.
- Consequences of contravention of certain conditions 60. (1) The proponent who has received letter of intent however has not produced mining plan or has not applied for grant of Environment Clearance within the stipulated period of one month as per the provisions mentioned in Rule 35 shall be liable for penalty of Rupees Ten Thousand per day. On failure to deposit the amount of penalty. the same shall be deducted by the District Magistrate from the security money deposited against the concerned lease *In case the proponent fails to execute the lease deed within one month of obtaining environment clearance certificate, the District Magistrate shall, subsequent to cancelling the letter of intent, forfeit the first installment and security money deposited by the proponent in favor of the State Government.*
- (2) The lessee who does mining works contravening the terms and conditions mentioned in the approved mining plan and clean environment certificate issued as per the provisions provided under Rule 35, then he will be liable for penalty at the rate of Rs. 50,000/- per occasion of default that shall be recovered by the District Magistrate.
- (3) If the lease holder disobeys the provisions of Rule 36 then penalty at the rate of rupees twenty five thousand per day for each and every default shall be levied by the concerned District Magistrate. In case of default on deposit of such levied penalty the concerned District Magistrate will deduct the said amount from the amount of security deposited against the said mining lease.
- (4) According to the provisions provided under Rule 42 (h) mining work through suction machine/lifter into the water stream will be prohibited. If any lessee is found contravening the provisions of the said rule then he will be liable for penalty at the rate of Rupees five lakh per occasion of contravening act, which will be recovered on the order of District Magistrate or Director. On failure to deposit of the above mentioned

amount of penalty the same shall be deducted by the District Magistrate from the security money deposited against the concerned lease.

(5) Any lessee holding a mining lease who commits a breach of any of the conditions provided in Rule 45 shall be liable for levy/penalty of Rupees fifty thousand. On failure to deposit the said amount of penalty the same shall be deducted by the District Magistrate from the security money deposited against the concerned lease.

(6) Where the lease holder fails to conform to the prescribed loading norms, penalty of Rs. 25,000.00 per occasion of default shall be imposed by the District Magistrate. Upon failure to deposit the said penalty, the same shall be deducted by the District Magistrate from the security money deposited against the concerned lease.

(7) Where the proponent fails to complete all desired formalities for obtaining Environment Clearance as required by the competent authority within the stipulated time frame, the District Officer may cancel the letter of intent issued in his favor.

Consequences of
contravention of
rules and
conditions of
lease generally

61. (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 may, after giving the lessee a reasonable opportunity to state his case, terminate the lease. The right shall be in addition to and without prejudice to the provisions of Rule 60

(2) If a lease is terminated under Sub - Rule (1) or Rule 59, the lessee may be black listed by the District Officer for such period, not exceeding two years, as he may consider proper which shall be uploaded on the website of the department and during the said 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.

(3) If any person other than the mining lease holder or entity held is convicted for the charge of illegal mining/transportation, then beside the penalty/punishment, name of such person or entity will be listed into the black list by the State Government and will be uploaded and displayed on the website of the department and no mining lease under these rules shall be granted within such period in favor of the said person or entity.

CHAPTER VIII MISCELLANEOUS

- Power to rectify 62. 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;
Provided that no order prejudicial to any person shall be passed unless he has been given a reasonable opportunity for stating his case.
- Registers to be 63. (1) All registers prescribed to be maintained by these rules shall be open to open to inspection on payment of a fee of twenty rupees for an entry.
(2) Certified copy of an entry of the registers 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 I: 'An entry' means all entries in respect of one permit or mining lease or auction lease, as the case may be.
Explanation II: The fee shall be paid in the manner prescribed under Rule 65 and the treasury challan shall be accompanied with the application for inspection or for certified copies, as the case may be.
- Change of name, 164. (1) An applicant for or the holder of a mining lease/permit shall intimate to nationality etc. the State Government within sixty days any change that may take place in his name, nationality or other particulars mentioned in the relevant Forms.
(2) In the case of the death of an applicant/permit holder/lease holder the application of the permit/mining lease/executed mining lease/ will be considered in favor of his legal heir. In this regard, after proper examination, order will be issued by the District Magistrate.
- Mode of 65. Any amount payable under these rules shall be paid in such manner as Payment of fees and deposit the State Government may specify in this behalf
- Facilities for 66. (1) *Every owner*, agent or manager of a mine shall permit students of training for of mining and geological institutions approved by the State Government students to acquire practical training of the mines and plants operated by them and provide all necessary facilities required 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 or 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.
- Power of 67. (1) For the purpose of assessment of royalty and for ascertaining the assessment, entry and inspection 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 Inspector appointed for such purposes by the Director or any other officer authorized in this 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 laying 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 of identifications thereon and take extracts from or make copies of such document, 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 authorized 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, 1860 (Act no. 45 of 1860) 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 the case may be.
68. (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.
69. 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, authorize 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.
70. (1) Notwithstanding anything to the contrary contained in these rules, the State Government may, by a written order, reserve any area to a Government organization or any person/company in the interest of industrial promotion, for mining operation subject to such terms and conditions as may be specified in the said order.
- (2) Upon such reservation, mining lease or mining permit as the case may be for the area so reserved, shall be granted to the Government organization or any person/company in the interest of industrial promotion, in whose favor the reservation has been made subject to such terms and conditions as may be decided by the State Government.
- (3) The mining lease for a period not exceeding ten years may be granted under this rule, as may be decided by the State Government.
- (4) The Lessee, to whom a lease has been granted under this rule, shall pay

to the Government all amount payable by a lessee under these rules and such additional charges as may be decided by the State Government from time to time.

Explanation:- For the purposes of this rule, "Government organization" shall mean a Government department or corporation established under any Central or State Act or a Government company within the meaning of clause (45) of section 2 of the Companies Act, 2013 and includes State authorities or organization controlled substantially by Central or State Government.

Royalty or dead rent may be collected through a contractor

71. (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 to 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.

Restriction on transport of the minerals

72. (1) The holder of a mining lease or permit or a person authorized by him in this behalf shall issue a pass in Form MM-11 or Form e-MM-11 prepared through electronic process 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, without carrying a pass *in Form MM-11/Form e-MM-11 issued under Sub Rule (1), valid transit pass issued under Rule 7(3) of Uttar Pradesh Mineral (Prevention of Illegal Mining, Transportation and storage) Rules, 2018 or similar valid transit pass issued by any other State:*
Provided that if the State Government enters into an agreement to collect the Royalty through contractor, receipt of royalty or zero receipt as the case may be shall be issued by such contractor and in such cases carrying out such receipt with Form MM-11/form e-MM-11 will be mandatory for transportation.
Provided further that the transportation of the mineral will be valid only after the State Government has determined the regulation fees imposed from time to time on the mineral coming from other State.
- (3) Every person carrying any minor mineral shall, on demand by any officer authorized under Rule 67 or such officer as may be authorized by the State Government in this behalf, show the said pass to such officer and allow him verify the correctness of the particulars of the pass with references 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 to 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 then the District Magistrate will recover penalty of Rs. 25,000/- (twenty five thousands) along with the price of such minor mineral including royalty and any such penalty for violation of environmental norms, as prescribed by the State Government From time to time. After deposit of the entire amount mentioned above the vehicle etc including minor mineral will be released.
- Delegation 73. 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.
- Availability of area for regrant on mining lease to be notified 74. (1) If any area, which was held under a mining lease under chapter-II or reserved under section 17-A of the Act, becomes available for regrant 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 sub-rule.
- (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.
- Returns 75. (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 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. 2,000.00.
- Cognizance of offences 76. (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 authorized 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.
- Compounding of offence 77. (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 authorize 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 forth with along with the seized vehicle, equipment or mineral if any after deposition of cost of mineral along with the compounding fee:
Provided that where the application for compounding has not been received within 3 working days, the officer concerned shall file a complaint in writing before the competent court.
- (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.
- Assistance of Police 78. The Officer referred to in Rule 67 may request 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.
- Appeal 79. 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.
- Revision 80. 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.
- Fees 81. The appeal under Rule 79 or an application under Rule 80 shall be presented in form MM-13 in duplicate and be accompanied with a treasury receipt showing that a fee of twenty five hundred rupees has been paid in Government treasury to the credit of the State Government under the head specified under Rule 65.

CHAPTER-IX

GRANT OF PROSPECTING LICENSE OR MINING LEASE FOR DIASPORE, PYROPHYLITE, FELDSPAR, CALCITE, SILICA SAND, CHINA CLAY, QUARTZ, etc.

82. The provisions of this chapter shall be applicable for diaspore, pyrophyllite, dolomite, feldspar, calcite silica sand, china clay, quartz and any other minerals notified by the Government of India, by notification no. S.O. 423(E), dated 10-02-2015 as a minor mineral.
83. The provision of chapter II, IV and VI shall not be applicable to the lease granted under this chapter.
84. No mining lease or prospecting license shall be granted to any person who is not an Indian National.
Explanation - For the purpose of this 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, 2013, (Act no. 18 of 2013) only if a majority of the directors of the company are citizens of India and not less than fifty-one percent the share capital there of is held by persons who are either citizens of India, or Companies as defined in the Companies Act, 2013 (Act no. 18 of 2013);
- (b) In the case of a private company as defined in the companies Act, 2013 (Act no. 18 of 2013), only if all the members of the company are citizens 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:
Provided that no mining lease shall be granted unless it is being satisfied that there is evidence to show that the area for which the mining lease is applied for has been prospected earlier or existence of the mineral there in has been otherwise established.
85. (1) An application in the form MM-15 for grant of prospecting license 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 authorized 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 add ate 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 prospecting license application in form MM-19.
86. (1) An application in form MM-16 for grant of a mining lease 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 authorized 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 lease application in form MM-17.

Application fee and deposit for grant of prospecting license

87. (1) Every application for grant of prospecting license shall be accompanied by.-
- (a) A non refundable fee of ten thousand rupees, other than those specified in Rule 102;
 - (b) Four copies of the topo sheet map on a scale of 1: 50000 which shows coordinates and corresponding cadastral survey map on which the area applied for is clearly marked or four copies of topographical survey map on a scale of at least 4"-1 mile, on which the area applied for is accurately marked;
 - (c) A certificate, issued by District Officer or by such officer as may be authorized by the District Officer in this behalf, showing that no mining dues are outstanding against the applicant:
Provided 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 hold or had not held any mining lease of any other mineral concession in the territory of the state;
 - (d) A certificate of residence of the applicant;
 - (e) A character certificate given by the District officer of the district, where the applicant permanently resides.
- (2) If 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 authorized 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.

Application fee and deposit for grant of mining lease

88. (1) Every application for grant of mining lease shall be accompanied by,-
- (a) A non-refundable fee of twenty five thousand rupees, other than those specified in rule 100; and
 - (b) Four copies of the topographical survey map on a scale of 1: 50000 with coordinate and corresponding cadastral survey map on which the area applied for is clearly marked or four copies of topographical survey map on a scale of at least 4"-1 mile, on which the area applied for is accurately marked;
 - (c) A certificate, issued by District officer or by such officer as may be authorized by the District officer in this behalf, showing that no mining dues are outstanding against the applicant:
Provided 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 hold or had not held any mining lease or any other mineral concession in the territory of the state;
- (a) Certificate of residence of the applicant;
 - (b) A character certificate given by the District officer of the district, where the applicant permanently resides;
 - (c) Solvency certificate.
- (2) If 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 authorized 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.
- Enquiry and 89. The District Officer shall, unless he is authorized to grant the mining reports 89. The District Officer shall, unless he is authorized to grant the mining lease or grant prospecting license cause an enquiry through Senior Mines Officer/Mines Officer/Mines Inspector of the concerned district to be made into all relevant and technical 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 authorize in this behalf
- Disposal of 90. The State Government or the authority authorized by it in this behalf application 90. The State Government or the authority authorized by it in this behalf may, subject to the provisions of these rules and after making such further enquiry as it may consider necessary in case of application for grant of a mining lease or prospecting license, refuse or grant the mining lease for the whole or part of the area applied for and for such period as it may consider proper:
Provided that where an application for grant of a mining lease or grant of prospecting license is refused or the area is reduced, reasons thereof shall be recorded and communicated to the applicant:
Provided further that if the application for the grant of mining lease or prospecting license is not disposed off within 12 months from the date of receipt, it shall be deemed to be refused.
- Preferential right for prospecting license or mining lease where area has been declared under rule 105 91. (1) Where the availability of area/areas are declared by the District Officer for grant of prospecting license or mining lease under the provisions of rule 10 5, all the applications received during the period specified in such declaration shall be deemed to be received on the same day and shall be considered simultaneously after taking into consideration matters specified in sub-rule (2) and shall grant the mining lease to such one of the applicants as he/she may deem fit.
(2) The matters referred to in Sub - Rule (1) are -
(a) Any special knowledge or experience possessed by the applicant;
(b) An intent to establish any value addition or processing or manufacturing unit;
(c) The financial resources of the applicant;
(d) The nature and quality of the technical staff employed or to be employed by the applicant;
(e) The conduct of the applicant in carrying out mining operations on the basis of any previous lease or permit and complying with conditions of such lease or permit of the provisions of any law in connection therewith; and
(f) Such other matters, as may be considered necessary by the State Government.
(3) Notwithstanding anything contained in Sub Rules (1) and (2) leases for one third of the mining areas of Naxal affected villages as declared by the State Government by general order may be granted to the Self Assistance groups containing the members of the local residents where such leases are situated and such one third areas shall be marked for the purpose by the District officer of the district, after seeking such approval from the State Government:
Provided that those Self Assistance groups will be entitled for getting preference under Sub - Rule (3) in which one third members belong to

<p>Preferential right for prospecting license where sees is not declared for grant under Rule 105</p>	<p>92.</p>	<p>(1)</p>	<p>Scheduled Caste/ Scheduled Tribe/members of the caste traditionally engaged in sand mining such as Mallah, Kewat, etc. and are resident of the same village, where the lease areas are situated. An application which has been received earlier shall have preference over subsequent application.</p>
		<p>(2)</p>	<p>If the application is received on same day, the preference shall be decided on following matter ;</p>
		<p>(a)</p>	<p>Any special knowledge or experience in prospecting operation and the nature and quality of technical staff employed or to be employed by the applicant;</p>
		<p>(b)</p>	<p>Such other matters as may be considered necessary by the State Government</p>
<p>Preferential right for mining lease where prospecting license has been granted in respect of any land</p>	<p>93.</p>		<p>Where a prospecting license has been granted in respect of any land, the licensee shall have a preferential right for obtaining a mining lease in respect of that land over any other person if the State Government is satisfied that the licensee has,-</p>
		<p>(a)</p>	<p>Undertaken prospecting operations to establish mineral resources;</p>
		<p>(b)</p>	<p>Not committed any breach of the terms and conditions of the prospecting license.</p>
<p>Extent of area for which a mining branch or prospecting license may be motel</p>	<p>94.</p>	<p>(1)</p>	<p>Minimum area for grant of a prospecting license or mining lease for minerals mentioned in chapter IX shall be five hectare.</p>
		<p>(2)</p>	<p>No mining lease shall be granted in respect of any area which is not compact and contiguous or otherwise not suitable to scientific development:</p>
			<p>Provided that in respect of small deposits not suitable to scientific mining in isolated patches a mining lease may be granted for a cluster of such deposits without any division.</p>
		<p>(3)</p>	<p>No person shall acquire in respect of minor mineral mentioned in this chapter more than three mining lease, covering a total area of four hundred hectare</p>
		<p>(4)</p>	<p>No person shall acquire one or more prospecting license, covering a total area of five hundred hectare :</p>
			<p>Provided that 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 in writing permit any person toe acquire one or more mining leases covering an area in excess of the limits mentioned in this rule.</p>
			<p>Explanation: For the purposes 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.</p>
<p>Length and breadth of the area to be leased</p>	<p>95.</p>		<p>The length of an area under a mining lease shall ordinarily not exceed four times its breadth.</p>
<p>Period of mining lease and prospecting license</p>	<p>96.</p>	<p>(1)</p>	<p>A mining lease in respect of minerals shall be granted for a period not less than twenty years and not more than thirty years.</p>
		<p>(2)</p>	<p>Prospecting license shall be granted for a fixed period of two years.</p>

- Security deposit 97. (1) An applicant for a mining lease shall, before the deed referred to in rule 100 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 deadrent of the leased area subject to the minimum of Rs. 50,000.00 (fifty thousand rupees) and no interest shall be payable on such security deposit.
- (2) The security deposit for prospecting license shall be Rs. 25,000.00 (twenty five thousand rupees) and no interest shall be payable on such security deposit.
- Every prospecting license granted under these rules be subject to the following condition 98. Where an order has been made for grant of prospecting license, the deed in Form MM-3 (A) shall be executed within 3 months and the date of commencement of prospecting license shall be effective from the date of execution or within such further period as the District officer or the Committee, as the case may be, allow in this behalf.
- Condition of prospecting license 99. Every prospecting license granted under these rules be subject to the following condition:-
- (1) The licensee shall pay a prospecting fee of Rupees 100.00 per hectare of land covered by license for each year or part thereof for which the license is granted subject to minimum of Rs. 5000.00, which can be changed from time to time by the State Government.
- (2) The licensee may win and carry for purposes other than commercial purposes
- (a) Thirty cubic meter of such mineral without any payment;
- (b) Hundred cubic meter of such mineral on payment of royalty
- Provided** that if any quantity in excess of the quantities mentioned above is won and carried away, the State Government may recover the cost of the excess quantity of minerals mentioned in clause(b) above, won and carried away.
- (3) With the written approval of the State Government, the licensee may carry away quantities of minerals in excess of the limits specified in Sub - Rule (2)
- (4) Save in the case of land in respect of which the licensee is granted a mining lease, the licensee shall, within ninety days from the date of determination of the license or the date of abandonment of the prospecting operations whichever is earlier, securely plug all bores and fill up or fence all excavations
- (5) The licensee shall report to the State Government the discovery of any mineral not specified in the license within sixty days from the date of such discovery
- (6) The licensee shall not transfer his license except with the previous sanction of the State Government.
- (7) The licensee shall restore, to the extent possible, other flora destroyed by prospecting operation.
- (8) The licensee shall pay to the occupier of surface of land such compensation as may become payable under these rules.
- (9) The State Government may impose such further conditions as may be considered necessary in the interest of mineral development
- (10) In case of breach of any condition imposed on any holder of prospecting license under these rules, the State Government may, by order in writing. cancel the license and/or forfeit the security amount deposited by the licensee under Rule 97 (2) after giving opportunity of

hearing

- (11) Any security deposit made under Rule 97(2), if not forfeited under these rules, shall be refunded to the applicant after expiry of the license.
- (12) Every licensee shall maintain account of all expenses incurred by him on prospecting operations and also the quantity and other particulars of all minerals obtained during such operations and their dispatch thereof.
- (13) The licensee shall, after the survey and demarcation of the area granted under the license and before executing the licence 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 license deed.
- (14) The licensee shall pay such reasonable compensation as may be assessed by the State Government if any damage, injury or disturbance occurs by any action of the licensee.
- (15) The licensee shall allow any officer authorized under Rule 67 or 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 there of, sampling and collecting any data and the licensee shall with suitable person in his employment 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 conform 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 deem fit to make.
- (16) The licensee 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 license.

Mining Lease deed to be executed within six month

- 100. (1) Where an order has been made for the grant of mining lease, a lease deed in Form **MM-3(A)** or in a form as near thereto as the circumstances of each case may require, shall be executed within six 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.

Restriction on determination of mining lease

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

Survey of the area licensed or leased

- 102. (1) When a mining lease or prospecting license is granted, arrangement shall be made by the Director for survey and demarcation of the area granted under the lease or license for which lessees/licensees shall be charged at the following rates:-

- (A) For mining leases:
 (i) For areas Upto 10 hectares Rs. 10,000.00
 (ii) For areas beyond 10 hectares at the rate of Rs. 500.00 per hectare subject to the minimum of Rs. 15,000.00
- (B) For prospecting license
 (i) For areas Upto 10 hectares Rs. 5,000.00
 (ii) For areas beyond 10 hectares at the rate of Rs. 250.00 per hectare subject to the minimum of Rs. 10,000.00
- (2) The lessee or licensee shall, after the lease or license is granted to him, pay the demarcation charges through treasury challan and submit a map of the area granted under the lease or license, certified by the District Officer, to the concerned Senior Mines Officer/Mines Officer/Mines Inspector or to such other officer as may be authorized by the Director in this behalf the Senior Mines Officer/Mines Officer/Mines Inspector or the officer so authorized 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 Senior Mines Officer/Mines Officer/Mines Inspector or the officer so authorized 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.
- Boundaries below the surface 103. The boundaries of the area covered by a mining lease shall run vertically downwards below the surface towards the centre of the earth.
- Registers 104. The following registers shall be maintained in the office of the District-office-
- (a) A register of applications for mining leases in Form MM-17, and
 (b) A register of mining leases in Form MM-18,
 (c) A register of applications for prospecting license in Form MM-19, and
 (d) A register of prospecting license in Form MM-20.
- Availability of area for regrant on prospecting license or mining lease, to be notified 105. (1) If any area, which was held under a mining lease under Chapter IX or under Mineral Concession Rules, 2016 or reserved under section 17-A of the Act., becomes available for regrant on prospecting license or mining lease, the District officer shall notify the availability of the area through a notice inviting applications for grant of prospecting license or 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 prospecting license or 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 this area a fresh in accordance with the said Sub - Rule.
- (3) An application for grant of prospecting license or mining lease for such area which is already held under a lease or notified under Sub - Rule (1) of Rule 23 or reserved under section 17-A 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.

By Order,
Dr. Roshan Jacob
Sachiv.

²First Schedule
Rate of Royalty
(See rule-21)

SI No.	Minerals	Rate of Royalty
1	2	3
1.	Omitted	Omitted
2.	Marble or Marble Chips (Sangmermer)	Rs. 206.00 per tonne or Rs. 405.00 Per cubic meter
3.	Brick earth	Nil
4.	Building Stone	
(i)	Granite (sized dimensional stone)	
	(a) 1 meter or above size	Rs. 6000.00 per cubic meter
	(b) below 1 meter size	Rs. 4000.00 per cubic meter
(ii)	Sized dimensional stone including slabs and ashlar, (sand stone, quartzite)	Rs. 850.00 per cubic meter
(iii)	Millstone and Hand Chakis (Sand Stone, Quartzite)	Rs. 600.00 per cubic meter
(iv)	Khandas and Boulders	
	(a) Granite and Dolostone sized up to 25xcmx25cmx25cm	Rs. 125.00 per cubic meter
	(b) Sand stone and Quartzite sized up to 25xcmx25cmx25cm	Rs. 100.00 per cubic meter
(v)	Ballast (Gitti)	
	(a) Granite and Dolostone	Rs. 165.00 per cubic meter
	(b) Sand stone/Quartzite	Rs. 140.00 per cubic meter
	(c) Stone Dust	Rs. 100.00 per cubic meter
5.	Morrum	
	(a) available in the river bed	Rs. 190.00 per cubic meter
	(b) red morrum deposit due to erosion of hills	Rs. 100.00 per cubic meter
6.	Ordinary sand (Other than sand used for prescribed purposes)	
	(a) First Category (Found in districts mentioned in schedule second)	Rs. 80.00 per cubic meter
	(b) Second Category (Found in districts mentioned in schedule second)	Rs. 70.00 per cubic meter
7.	(i) Bajri (Single)	Rs. 110.00 per cubic meter
	(ii) Sand/Bajri/Boulder in mixed state (R.B.M)	Rs. 160.00 per cubic meter
8.	Ordinary Clay or Ordinary earth	Nil
9.	Pyrophyllite	Rs. 340.00 per tonne
10.	Diaspore	Rs. 525.00 per tonne
11.	Sillica Sand	Rs. 150.00 per tonne
12.	China Clay	12% of Pit mouth value
13.	Calcite	12% of Pit mouth value
14.	Omitted	Omitted
15.	Any other minor mineral for which the rate of royalty not specified	10% of Pit mouth value

²Second Schedule
Rate of Dead Rent
(See rule-22)

SI. No.	Minerals	Name of Districts/River	Rate of Dead Rent per acre per annum
1.	Marble, Marble Chips (Sangmermer)	Sonbhadra and Other district if any.	Rs. 60,000.00
2.	Omitted	Omitted	Omitted
3.	Building Stone		
(A)	Sand stone and Quartzite	Lalitpur, Banda, Mirzapur, Sonbhadra, Prayagraj, Mathura and other districts if any.	Rs. 97,500.00
(B)	Granite Dolostone	Jhansi, Lalitpur, Hamirpur, Mahoba, Banda, Jalaun, Sonbhadra and other districts if any,	Rs. 1,80,000.00
4.	Such Building Stone, Ballast, Bajri and Ordinary Sand as are found in mixed form in the river bed.	Bijnor, Saharanpur, Bahraich, Lakhimpur Khiri, Balrampur and other districts if any,	Rs. 1,35,000.00 (Boulder) Rs. 1,35,000.00 (Bajri) Rs. 60,000.00 (Ordinary Sand) The separate rate will be charged on each minerals.
5.	Morrum		
(I)	River Bed	Hamirpur, Mahoba, Jhansi, Banda, Chitrakoot, Jalaun, Lalitpur, Kaushambi (Yamuna) Fatehpur, Sonbhadra and other districts if any,	Rs. 1,35,000.00
(II)	Red Morrum deposit due to erosion of hills.	All districts where available.	Rs. 36,000.00
6.	Ordinary sand Category-I	Prayagraj (Yamuna), Mirzapur, Firozabad, Agra, Meerut, Mau, Ghaziabad, Bagpat, Gautam Buddha Nagar, Varanasi, Gorakhpur, Chandauli, Sant Ravidas Nagar, Azamgarh, Kanpur Nagar, Bijnor, Unnao, Etawah, Auraiya, Ballia, Ayodhya, Bulandsahar, Muzzaffarnagar, Ambedkar nagar, Deoria, Kushinagar, Basti, Santkabir nagar, Gonda, Maharajganj, Sidharth Nagar, Balrampur,	Rs. 75,000.00

		Ghazipur, Bahraich, Sharawasti, Barabanki, Saharanpur, Shamli, Hapur, Kasganj, Sambhal, Amroha, Kanpur Dehat	
7.	Ordinary sand Category-II	Shajahanpur, Mathura, Moradabad, Badaun, Rampur, Lucknow, Aligarh, Hardoi, Raebareliy, Fatehpur (Ganga), Kaushambi (Ganga), Prayagraj (Ganga), Pratapgarh, Etah, Bareilly, Sultanpur, Sitapur, Farukhabad, Kannauj, Pilibhit, Mainpuri, Hathras, Jaunpur, Lakhimpur Kheri, Amethi	Rs. 45,000.00
8.	Ordinary Clay or Ordinary earth	In all districts where available.	Rs. 15,000.00
9.	Pyrophyllite, Diaspore, Silica Sand, China Clay, Calcite and other minor minerals	In all districts where available.	Rs. 30,000.00