GOVERNMENT OF KERALA

Industries (A) Department

NOTIFICATION


S. R. O. No. 39/2008. — In exercise of the powers conferred by Clause (g) of sub-section (1A) of section 15 of the Mines and Minerals (Development and Regulation) Act, 1957 (Central Act 67 of 1957), the Government of Kerala hereby make the following rules further to amend the Kerala Minor Mineral Concession Rules, 1967 issued under Notification No. 15203/E2/63/ID dated 24th November, 1967 and published as S. R. O. No. 364/67 in Part I of the Kerala Gazette No. 49 dated 12th December, 1967, namely:

RULES

1. Short title and commencement.—(1) These Rules may be called the Kerala Minor Mineral Concession (3rd Amendment) Rules, 2007.

(2) They shall come into force at once.
2. **Amendment of the Rules.**—In the Kerala Minor Minerals Concession Rules, 1967, for the existing Schedule II, the following Schedule shall be substituted, namely:

"**Schedule II**

**DEAD RENT**

*(See Rule 29)*

(1) Rates of Dead Rent in Rupees per Hectare per annum.

<table>
<thead>
<tr>
<th>1st Year</th>
<th>2nd Year</th>
<th>3rd year onwards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs. Nil</td>
<td>Rs. 100</td>
<td>Rs. 400</td>
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</table>

(2) Two times of the rate specified under (1) above, in the case of lease granted for all other minor minerals except in item (3) and (4) below.

(3) Three times of the rate specified under (1) above, in the case of lease granted for Kankar, limestone and lime shell.

(4) Four times of the rate specified under (1) above, in the case of Dimension and decorative stone as specified in classification in rule 8A, sub-item (i)."

By order of the Governor,

T. BALAKRISHNAN,
*Principal Secretary to Government.*

**Explanatory Note**

(This does not form part of the notification, but is intended to indicate its general purport.)

The Kerala Minor Minerals Concession Rules, 1967 were framed by the Government of Kerala to regulate the extraction and movement of all minor minerals in the State. The dead rent fixed by the Government as per G. O. (P) 63/97/ID dated 10-4-1997 published as S. R. O. 264/97 for various minor minerals was exorbitant and as a result the lessees were forced to pay huge amounts as dead rent to Government for the failure to operate the quarry due to various
unforeseen reasons. This has resulted in number of court cases before Honourable High Court of Kerala and appeal petitions before Government and several cases before the Honourable Supreme Court and also several complaints before the District Geologist and the Director of Mining and Geology. This has led to the loss of good amount of valuable time of the Government machinery, paper work and huge amounts incurred by way of TA, DA and fees for the counsels etc. Assessment on dead rent as per the last notification has also resulted in non-operation of dimension stones, quarries due to accrual of huge amount of dead rent. Revenue Recovery Proceedings and court cases are involved against the defaulters. This has led to the back track of the new entrepreneurs in the field of Granite Dimension Stone Industry in Kerala.

The Central Government has fixed the dead rent four times of the above rate as per section 9A of Central Act even for the high value mineral like precious metals, stones and also for Gold, Silver, Diamond, Ruby, Sapphire, Emerald and Alexandrite, etc.

The intention of this amendment is to reduce the burden of the public for non-operation of leases beyond their control and court cases, petitions and complaints and thereby reducing the work load of the Government machinery and reduction in expenditure of the Government. This will also result in the early settlement of dead rent cases and thereby increasing extraction of the mineral wealth which will be otherwise kept idle and thereby boosting revenue collection of the State.

This notification is intended to achieve the above object.