



GOVERNMENT OF KERALA

Abstract

Industries Department – Mining and Geology – Judgment dated 26.06.2015 of the Hon'ble High Court in WP(C) No.14605/2015, and connected cases and the Judgment dated 26.05.2016 of the Hon'ble High Court in WP(C)No.17365/16 and connected cases – seizure of vehicles for illegal transportation of minerals – fee for compounding offences – guidelines - Orders issued.

**INDUSTRIES (A) DEPARTMENT**

**G.O(Ms)No.51/2017/ID**

**Dated, Thiruvananthapuram, 21.06.2017.**

- Read:- 1. Judgment dated 26.06.2015 of the Hon'ble High Court in WP(C) No. 14605/2015 and connected cases.  
2. Judgment dated 26.05.2016 of the Hon'ble High Court in WP(C) No. 17365/16 and connected cases.  
3. Letter No. 10414/M2/2015 dated 28.12.2016 of the Director of Mining and Geology.

**ORDER**

The Hon'ble High Court of Kerala in its judgment read as 1<sup>st</sup> and 2<sup>nd</sup> above directed Government to consider the remoulding of compounding provisions so as to avoid arbitrariness in exercise of power and also to avoid a possibility of offence being compounded without any deterrence or compensation to the State for the illegal activity carried on.

2. The Director of Mining and Geology has submitted a comprehensive proposal to streamline the compounding of the fines in each mineral in the State as per the letter read as 3<sup>rd</sup> paper above.

3. Government have examined the matter in detail and are pleased to issue the following guidelines for fixing the quantum of compounding fee for offences on seizure of vehicles involved in illegal extraction and transportation of minerals in the State for reducing arbitrariness and bringing uniformity.

Minimum compounding fee for vehicles seized in connection with illicit transportation of minor minerals

Quantity	Name of the Mineral	Ordinary Sand	Other Minerals of Schedule I
	<i>Kankar and other forms of limestone and all kinds of limeshell, ordinary clay, ordinary earth, Granite (building stone), Laterite (building stone)</i>		
Up to 5MT/2M <sup>3</sup>	10,000	25,000	25,000 + 3 times of royalty as royalty and price
Up to 10MT/4M <sup>3</sup>	25,000	50,000	40,000 + 3 times of royalty as royalty and price
More than 10 MT/4M <sup>3</sup>	50,000	75,000	50,000 + 3 times of royalty as royalty and price

Compounding fee for all other minor minerals which are transported from other States of India to Kerala

Quantity	Amount of fine
Up to 5MT/2M <sup>3</sup>	25,000 + 3 times of royalty as royalty and price
Up to 10MT/4M <sup>3</sup>	40,000 + 3 times of royalty as royalty and price
More than 10 MT/4M <sup>3</sup>	50,000 + 3 times of royalty as royalty and price

Compounding fee for all major minerals

Quantity	Amount of fine
Up to 5MT/2M <sup>3</sup>	25,000 + royalty + actual price as fixed by IBM
Up to 10MT/4M <sup>3</sup>	50,000 + royalty + actual price as fixed by IBM
More than 10 MT/4M <sup>3</sup>	75,000 + royalty + actual price as fixed by IBM

The compounding fee for all the equipment/tools, empty vehicles, seized in connection with illicit extraction shall be Rs. 25,000/-

4. In case of the continuing contravention, the provisions in sub section (2) of section 21 of the Mines and Minerals (Development & Regulation) Act and the Rule 29 of the Kerala Minerals (Prevention of Illegal Mining, Storage and Transportation) Rules 2015, and Rule 108 (1) of the KMMC Rules 2015 are applicable and the offender shall be punishable under the said provisions.

5. The direction contained in the judgment dated 26.05.16 in WP(C)No.17365/2016 is thus complied with.

6. All Geologists are directed to follow the guidelines scrupulously.

(By Order of the Governor)

**PAUL ANTONY**

Additional Chief Secretary to Government

To

The Advocate General (with C/L)  
The Director of Mining and Geology  
The State Police Chief, Thiruvananthapuram  
The Land Revenue Commissioner, Thiruvananthapuram  
All District Collectors  
All District Geologists  
All District Police Chiefs  
Director, Information & Public Relations  
Stock file/ Office copy.

Forwarded/ By Order

Section Officer

Copy to: PS to Hon'ble Minister (Industries & Sports)  
PA to Additional Chief Secretary (Industries Department)