GOVERNMENT OF KERALA

Industries (A) Department

NOTIFICATION

G. O. (P) No. 25/2017/ID.

Dated, Thiruvananthapuram, 22nd June, 2017
8th Mithunam, 1192.

S. R. O. No. 346/2017.—In exercise of powers conferred by sub-section (1) 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, 2015 issued by notification under G. O. (P) No. 16/2015/ID dated 7th February, 2015 and published as S.R.O. No. 72/2015 in the Kerala Gazette Extraordinary No. 288 dated 7th February, 2015, namely:—
RULES

1. Short title and commencement.— (1) These Rules may be called the Kerala Minor Mineral Concession (Amendment) Rules, 2017.

(2) They shall come into force at once.

2. Amendment of the Rules.— In the Kerala Minor Mineral Concession Rules, 2015, —

in rule 2, in sub-rule (1), —

(i) after clause (ix), the following clause shall be inserted, namely: —

"(ix)(a) "Minor Mineral" means building stones, gravel, ordinary clay, ordinary sand other than sand used for prescribed purposes, ordinary earth and such other minerals declared as minor minerals by the Government of India";

(ii) for clause (xv), the following clause shall be substituted, namely: —

"(xv) "Quarrying Permit" means a short term permit granted under these rules for a period not exceeding one year at a time to extract minerals specified in item numbers 1, 2, 3 and 5 of Schedule I";

(iii) for clause (xvi), the following clause shall be substituted, namely: —

"(xvi) "Quarrying Lease" means a mining lease granted under these rules for extraction of minerals specified in item numbers 4, 5, 6, 7, 8 and 9 of Schedule I, for a period as specified in Rule 39";

(2) in rule 3, in sub-rule (1), for the words "other than dimension stone," the words "other than the minerals specified in item numbers 4, 6, 7, 8 and 9 of Schedule I" shall be substituted;

(3) in rule 7, the following proviso shall be inserted, namely: —

"Provided that in cases where extraction of minerals are from Revenue Puramboke lands or from lands possessed by other Government Departments or Local Self Governments, the person who extracts minerals
from such lands shall pay compensation or value of minerals, as the case may be, to the department concerned for the quantity of such extraction, as fixed by such departments from time to time.”

(4) in rule 9,—

(i) in sub-rule (1), for the existing proviso, the following proviso shall be substituted, namely:

“Provided that the approved mining plan shall not be insisted, for the grant and renewal of quarrying permits for ordinary earth, ordinary clay, and laterite (building stone), in cases where the depth of mining does not exceed 2 metres.”;

(ii) in sub-rule (2), after the words “No Objection Certificate etc.” the words “as the case may be” shall be inserted.

(5) in rule 10,—

(i) in clause (a), in the second proviso, the words, symbols and figures “The Regional Controller of Mines, Yeshwantpur, Bengaluru-560 022” shall be omitted.

(ii) for clause (f), the following clause shall be substituted, namely:

“(f) the permit holder shall not carry on or allow to be carried on any quarrying operations at or to any points within a distance of 100 metres from any railway line except with the previous written permission of the Railway Administration concerned and any bridge on National Highway or 50 metres from any reservoir, tanks, canals, rivers, bridges, other public works, residential buildings, the boundary walls of places of worship, burial grounds, burning ghats or village roads or one kilometre from the boundaries of National Park or Wildlife Sanctuaries except with the previous permission of the authorities concerned or the Government or the competent authority.”;

Provided that the Railway Administration or the State Government or any other authority in this behalf may in granting such permission impose other such conditions as may be found proper and necessary:

(6) in rule 13, for the words and figures “3 years”, the words “five years” shall be substituted;
(7) in rule 14,—

(i) in sub-rule (2), for the existing provisos the following proviso shall be substituted, namely:

"Provided that in cases where transportation of ordinary earth is required, the owner of the land shall obtain mineral transit passes for the quantity to be transported under the Kerala Minerals (Prevention of Illegal Mining, Storage and Transportation) Rules, 2015 after making payment of royalty, on an application submitted in this regard. Such application shall be accompanied by (1) valid building permit for construction of building obtained from the Local Self Government authorities concerned, (2) land development permit obtained from the Local Self Government authorities concerned in cases where the levelling of the land and extraction of ordinary earth is involved and (3) possession and enjoyment certificate of the land issued by the Village Officer concerned:

Provided further that in cases where levelling of land and extraction of ordinary earth is involved, the building permit shall be accompanied by an approved building plan obtained from the Local Self Government authorities concerned which shall contain the area of land to be developed for the construction of the building and the quantity of ordinary earth to be extracted for such construction.";

(8) (ii) after sub-rule (2) the following sub-rules shall be inserted, namely:

"(3) A person who applies for mineral transit passes for transportation of ordinary earth under this rule shall also submit along with the application a sworn affidavit in stamped paper to the effect that he will carry out the proposed construction as per the building plan and building permit and shall complete at least the construction of basement of the building within one year from the date of issuance of mineral transit passes and intimate the same to the competent authority."
(4) In the event of extraction of ordinary earth outside the permitted area, the permission granted for extraction and transportation shall be liable for cancellation and the offender shall be liable to pay an amount equal to five times the royalty of the ordinary earth extracted outside the area of permission as penalty.

(5) In the event of failure to complete at least the construction of basement of building within one year from the date of issuance of mineral transit passes the act of extraction of ordinary earth shall be treated as illegal and the offender shall be liable to pay an amount equal to five times the royalty of the ordinary earth extracted from the area, in addition to the amount already paid."

(9) in rule 18, in item (ii), before the words “all those group of rocks” the words “Granite (building stone) which includes” shall be inserted.

(10) in rule 32, after sub-rule (2), the following sub-rule shall be inserted, namely:

“(3) In cases where extraction of minerals is from Revenue Puramboke lands or from lands possessed by other Government Departments or Local Self Governments, the person who extracts minerals from such lands shall be liable to pay compensation or value of minerals, as the case may be, to the department concerned for the quantity of such extraction, as fixed by such departments from time to time.”.

(11) in rule 37, in sub-rule (1), after the existing proviso, the following proviso shall be inserted, namely:

“Provided further that in the case of silica sand, the restrictions in minimum area for grant and renewal of quarrying lease shall not be applicable.”;

(12) in rule 40, in sub-rule (1),—

(i) for clause (i), the following clause shall be substituted, namely:—

“(i) the lessee shall not carry on or allow to be carried on any quarrying operations at or to any points within a distance of 100 metres from any railway line except with the previous written
permission of the railway administration concerned and any bridge on National Highway or 50 metres from any reservoir, tanks, canals, rivers, bridges, public roads, other public works, residential buildings, the boundary walls of places of worship, burial grounds, burning ghats or one kilometre from the boundaries of National Park or Wildlife Sanctuaries except with the previous permission of the authorities concerned or the Government or competent authority:

Provided that the railway administration or the State Government or any other authority in this behalf may in granting such permission impose such other conditions as may be found proper and necessary.”;

(ii) item (ii) of clause (m) shall be omitted.

(13) after rule 45, the following rule shall be inserted, namely:—

"45A. Amalgamation of quarrying leases.—The State Government or the competent authority may, in the interest of quarry development, with reasons to be recorded in writing, permit amalgamation of two or more adjoining leases held by a lessee:

Provided that the period of amalgamated leases shall be co-terminus with the lease of which period will expire first:

Provided further that the leaseholds to be amalgamated shall be contiguous:

Provided also that along with the application for amalgamation of leases, copy of the survey map of the combined area for amalgamation attested by an officer not below the rank of a Tahsildar of the Department of Land Revenue or Assistant Director of the Department of Survey and Land Records shall be submitted:

Provided also that amalgamation of leases shall be subject to submission of approved mining plan for the entire leasehold and Environmental Clearance.”;
(14) After rule 65, the following rule shall be inserted, namely:—

“65A. The holder of a quarrying permit/a quarrying lease issued under these rules after the date of commencement of the Kerala District Mineral Foundation Rules, 2017, shall pay to the District Mineral Foundation of the district in which the mining operations are carried on, an amount equivalent to such percentage of the royalty/consolidated royalty paid, as may be prescribed in the Kerala District Mineral Foundation Rules, 2017 in addition to the royalty/consolidated royalty instead of quarry safety fund specified in rules 63, 64 and 65 of these rules.

Note:—Rules 63, 64 and 65 shall cease to operate from the date of commencement of the Kerala District Mineral Foundation Rules, 2017.”;

(15) In rule 66,—

(i) For sub-rule (1) the following sub-rule shall be substituted, namely:—

(1) “Where quarrying operations for minor minerals have been undertaken before 7th day of February, 2015 without an approved mining plan, the holder of such lease shall not be permitted to operate such quarry unless he submits a mining plan for the remaining period of lease to the competent authority in this behalf.”;

(ii) Sub-rules (2) and (3) shall be omitted;

(16) In rule 89, after sub-rule (3), the following sub-rule shall be inserted, namely:—

“(4) In cases where the lessees who opted for registration of metal crusher units under sub-rule (1) for a financial year do not desire to opt for such registration in the succeeding year they shall pay royalty at the rates specified in Schedule I for removal and transport of balance quantity of granite aggregates stocked in the crusher units during the period of registration.”;

(17) For rule 95, the following rule shall be substituted, namely:—

“95. Cancellation of registration.—If a lessee operates any type of machine that is not included in the registration certificate or fails to comply with any of the conditions of registration, the competent authority shall, by an order in writing, rescind the registration granted to the metal crusher unit.”;
(18) for rule 104, the following rule shall be substituted, namely:—

"104. Power to grant special permission to extract and remove minor minerals in special circumstances.—In certain cases where extraction and removal of minor minerals is inevitable and in which the Government is of the opinion that the extraction is not for the purpose of winning the minerals and for reasons to be recorded in writing, the Government may by an order grant permission with conditions as they deem fit."

(19) in rule 108,—

(i) in sub-rule (2), in the first proviso, the words and symbols "limited to twice the royalty amount," and "In such a case while calculating the amount of royalty and price payable, the amount already paid by the permit holder/lessee for obtaining permission shall be deducted" shall be omitted;

(ii) after the 2nd-proviso, the following note shall be inserted, namely:—

"Note:—In this rule the price of the mineral shall be limited to two times the royalty."

(iii) after sub-rule (3), the following sub-rule shall be inserted, namely:—

"(4) whenever any person raises without any lawful authority any mineral from any land for the purpose of winning minerals and for that purpose brings on the land any tool, equipment, vehicle or any other thing, such mineral, tool, equipment, vehicle or any other thing shall be seized by an officer or authority specially empowered in this behalf by the Government."

(20) in the SCHEDULES,—

(i) in SCHEDULE I, for the entry against item number 5 in column (2), the following entry shall be substituted, namely:—

"Granite (building stone) and Laterite (building stone)"
(ii) after item number 5, and the entry against it in columns (2) and (3) the following items and entries shall respectively be inserted, namely:

6. Laterite (used for industrial purposes) 95 (Ninety-five) per tonne

7. China clay/Kaolin including ball clay, white shale and white clay
   (i) Crude (i) 50 (Fifty) per tonne
   (ii) Processed/washed (ii) 750 (Seven hundred and fifty) per tonne

8. Silica sand 250 (Two hundred and fifty) per tonne

9. Quartz 50 (Fifty) per tonne

(iii) for Schedule III, the following shall be substituted, namely:

“SCHEDULE III
CONSOLIDATED ROYALTY
(See rule 89)”

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Description of Crusher</th>
<th>Annual Consolidated royalty per machine (in Rupees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
</tr>
<tr>
<td>Secondary Jaw Crusher (in terms of area of feed opening)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Up to 929.03 sq.cm.</td>
<td>2,00,000</td>
</tr>
<tr>
<td>2</td>
<td>Greater than 929.03 sq.cm. but less than or equal to 1548.38 sq.cm.</td>
<td>4,00,000</td>
</tr>
<tr>
<td>3</td>
<td>Greater than 1548.38 sq.cm.</td>
<td>6,00,000</td>
</tr>
<tr>
<td>Cone Crusher (in terms of ‘Horse Power’ of motor used)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------------</td>
<td>-----------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>4 Up to 300</td>
<td>5 Greater than 300</td>
<td></td>
</tr>
<tr>
<td>16,00,000</td>
<td>26,00,000</td>
<td></td>
</tr>
</tbody>
</table>

| Sand Making Units (in terms of ‘Horse Power’ of motor used) (for those who use sand making machine only) |
|---------------------------------------------------------------|-----------------|-----------------|
| 6 Up to 300                                                  | 7 Greater than 300 |
| 16,00,000                                                    | 26,00,000       |

Exemption from payment of consolidated royalty is applicable to Vertical Shaft Impactor, Horizontal Shaft Impactor, Auto Sand Units which are fed by granite aggregates produced in the secondary jaw crushers or cone crushers for which the consolidated royalty has been paid and are located in the premises of those crusher units;

(iv) in Schedule IV,

(i) under the heading “A. Granite (Building stone)” for the entry against serial number 5 in column (3), the figures “7000” shall be substituted;

(ii) under the heading “B. laterite (Building Stone)” for the entry against serial number 5, in column (3), the figures “7000” shall be substituted;

(21) in Form D, the words “The Regional Controller of Mines, Yeshwanthpur, Bengaluru-560 022” shall be omitted.

(22) in Form H, for condition No. 7, the following condition shall be substituted, namely:—

The lessee shall not carry on or allow to be carried on any quarrying operations at or to any points within a distance of 100 metres from any railway line except with the previous written permission of the railway administration concerned and any bridge on National Highway or 50 metres from any reservoir, tanks,
canals, rivers, bridges, public roads, other public works, residential buildings, the boundary walls of places of worship, burial grounds, burning ghats or one kilometre from the boundaries of National Park or Wildlife Sanctuaries except with the previous permission of the authorities concerned or the Government or competent authority:

Provided that the railway administration or the State Government or any other authority in this behalf may in granting such permission impose such other conditions as may be found proper and necessary.

By order of the Governor,

PAUL ANTONY,
Additional Chief Secretary to Government.

Explanatory Note

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

The Kerala Minor Mineral Concession Rules, 2015 were framed by the Government of Kerala to regulate extraction of minor minerals in the State. As per S.O. 423 (E) of Ministry of Mines dated 10th February, 2015, thirty-one minerals have been included in the category of minor minerals. Among these minerals mining leases were being granted to laterite used for industrial purpose, china clay, silica sand and quartz as per the provisions contained in the Mineral Concession Rules, 1960. As these minerals are now declared as minor minerals, these minerals are to be included in the Kerala Minor Mineral Concession Rules, 2015. When the minerals are extracted from the Government owned lands, the Government have to get compensation for the minerals extracted other than the mere payment of royalty and hence new provisions have been introduced in rules 7 and 32. The Regional Controller of Mines, Bengaluru is not the authority to deal with mining of minor minerals and hence there is no need to send Form ‘D’ of the rules to the said authority. In the Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016 for major minerals the distance criteria adopted for the mining activities were retained as stipulated earlier in the Mineral Concession Rules, 1960. Hence a different criterion cannot be adopted in
the case of minor minerals. In such circumstances, in order to make it in
tune with the Minerals (Other than Atomic and Hydro Carbons Energy
Minerals) Concession Rules, 2016, it is decided to incorporate the same
distance criterion in Rules 10 and 40 as well as Form H. As per
S.O. 141(E) dated 15-1-2016, environmental clearance has been exempted
for digging of foundation for buildings which do not require prior
environmental clearance and hence amendment is necessitated in rule 14.
In Writ Petition (C) No. 29710/2014 and 23251/2016, the Honourable
High Court of Kerala has observed that there is possibility of misuse of
rule 14 in the guise of building permit issued by Local Self Government
authorities and directed the Government to find ways to avoid such
misuse. Hence an amendment to this extent is necessitated. Since mining
plan has been introduced in the rules, it is impractical for the lessees who
have obtained two or more leases adjacent to one another to leave, a
buffer zone of 7.5 meter between two lease areas and hence a new rule,
'Amalgamation of quarrying leases' has to be introduced in the rules for
practicing scientific mining. Since quarry safety related activities mentioned
in rule 65 have been included as one of the permisible activities in
Kerala District Mineral Foundation Rules, rules 63, 64 and 65 have to be
amended. As per rule 66 mining plan is to be submitted by the existing
lessees within a period of one year from 7th February, 2015. As per
existing sub-rules (2) and (3) of rule 66, there is provision for extension of
time for one year for those who cannot submit mining plan within such
period. Now two years have been passed by and there is no need to give
time extension. In order to rectify this, an amendment is necessitated. In
order to clarify the price of the mineral to be realized while compounding
offences, amendment is to be made in rule 108. Provision for seizure of
tools, minerals and equipment as existed in the earlier rules is reintroduced
by amending rule 108. Since there are different sizes of jaws as stipulated
in Schedule III available, it is difficult to fix royalty for a jaw crushe
which is not mentioned in Schedule III. Since the area of a feed opening
of a jaw crusher is the basic criteria for determining the quantum of
production of granite building stone aggregates, this can be included in
Schedule III instead of sizes of jaws for easy determination of royalty for
a different size of jaw crusher and hence this notification.

The notification is intended to achieve the above objects.