

BEFORE THE HON'BLE NATIONAL GREEN TRIBUNAL

WESTERN ZONE AT PUNE

ORIGINAL APPLICATION NO. 48 OF 2023 (WZ)

Akash Vyas Applicant

Versus

State of Gujarat & Others Respondents

Affidavit-in-reply for Respondent No. 6 – District Magistrate, Arvalli

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Ahmedabad

Date: 13/05/2024

PARTH H. BHATT

Advocate

706-707, Jaihind, Besides New York Tower

Mr. Thaltej Cross Road, S. G. Highway,

Thaltej, Ahmedabad-380054

+91 79 4937 9755

BEFORE THE HON'BLE NATIONAL GREEN TRIBUNAL

WESTERN ZONE BENCH AT PUNE

ORIGINAL APPLICATION NO. 48 OF 2023

IN THE MATTER OF:

AKASH VYAS

...Applicant

//Versus//

STATE OF GUJARAT & ORS.

...Respondents

AFFIDAVIT-IN-REPLY ON BEHALF OFRESPONDENTS NO. 6SR.NO. 01/135/843/24
DATE. 20/04/2024R.R. CHAVDA
NOTARY
GOVT. OF INDIA

20 APR 2024

IT IS MOST RESPECTFULLY SHOWETH:

I Ajit Devjibhai Chaudhari, aged 43 years, serving as Geologist, District Arvalli, do hereby solemnly affirm and state on oath as under: -

1. I state that, I have been served with the copy of petition and as I am conversant with the facts and circumstances, I am competent to file this reply and therefore I am filing the present reply.
2. It is most respectfully submitted that, this Hon'ble Tribunal vide order dated



03.10.2023 was kind enough to pass following order:

"In the e-mail sent to us by respondent Nos.1 to 3 today, it is also mentioned that it is not known to them whether the formalities have been completed by respondent Nos.4 and 5 regarding the extension of the lease period as the same can be made clear only by the Government or may be answered by respondent Nos.4 and 5. When we enquired from him as to what were the terms and conditions for issuing mining leases, it is stated by him that for that, the Commissioner of Geology and Mining only can provide the information regarding the leases granted to respondent Nos.4 and 5 along with the terms and conditions. We, therefore, direct the Registry to implead the Commissioner of Geology and Mining as respondent No.6 today only and issue notice to the newly impleaded respondent No.6, returnable within four weeks, directing him to place before us the mining leases issued in favor of



respondent Nos.4 and 5 along with the relevant terms and conditions and a copy of the same shall also be served upon the applicant and learned counsel for other respondents."

3. It is most respectfully submitted that, since the memo of the petition was no received by the respondent herein, the Hon'ble Tribunal was kind enough to issue following directions vide its order dated 02.01.2024:

"From the side of respondent No.6, Mr. Abhijit Dube, Law Officer has appeared, who submits that he has not been served a copy of the Original Application along-with all relevant documents because of which no reply affidavit could be filed from their side. We direct the Registry to serve a copy of the Original Application along-with all relevant documents as well as all orders passed by us in the present application upon the respondent No.6 because it is essential for us to understand as to what were the terms & conditions for issuing mining



leases, which could only be disclosed by the respondent No.6. The reply affidavit shall be filed from their side within four weeks."

4. It is most respectfully submitted the leases to the private respondents herein were granted vide order dated 05.07.2012 after taking NoC from all the competent authorities and the lease deed was executed on 06.08.2012 for a period of ten years, i.e. till 05.08.2022. The lessee is bound by the terms and conditions laid down under the lease deed as well as the rules framed by the State of Gujarat under Section-15 of the Mines and Minerals (Development and Regulation) act, 1957. A copy of the lease deed dated 06.08.2012 executed by the private respondents herein is annexed hereto and marked as **Annexure- 'R1 (Colly.)'**

5. It is most respectfully submitted that, in exercise of the powers conferred under Section-15 of the Mines and Minerals (Development and Regulation) Act, 1957



[Handwritten Signature]

the Government of Gujarat vide notification dated 24.05.2017 enacted the Gujarat Minor Mineral Concession Rules, 2017.

6. It is most respectfully submitted that in the said Rules, Rule-12(1)(a) provides for deemed extension of an existing quarry lease that has been granted or renewed prior to commencement of the 2017 Rules, i.e. before 24.04.2017. A copy of Rule-12 of the Gujarat Minor Mineral Concession Rule, 2017 is annexed hereto and marked as **Annexure- 'R2'**.
7. It is most respectfully submitted that, since the leases to the private respondents were granted prior to the commencement of the 2017 Rules and since the same were existing at the time of the commencement, the leases are deemed to have been extended till 31.03.2030 by virtue of the provisions laid down under Rule-12(1)(a) of the 2017 Rules.
8. It is most respectfully submitted that, a lessee, in addition to the term and conditions laid down under the lease



A handwritten signature in blue ink, appearing to be 'R. R. Chavda', located at the bottom center of the page.

deed, is also governed by the terms and conditions laid down under Chapter-III of the 2017 Rules. A copy of Chapter-III of the 2017 Rules is annexed hereto and marked as **Annexure- 'R3'** .

9. It is most respectfully submitted that, in addition to the abovementioned provisions, a lessee is also governed by Chapter-VIII and XV of the 2017 Rules, which deals with Scientific and Systematic, and Environment Management, respectively. A copy Chapter-VIII and XV of the 2017 Rules is annexed hereto and marked as **Annexure- 'R4 (Colly.)'** .

Solemnly affirmed at Gandhinagar on this 20th day of April 2024.

12 0 APR 2024



[Signature]

Deponent

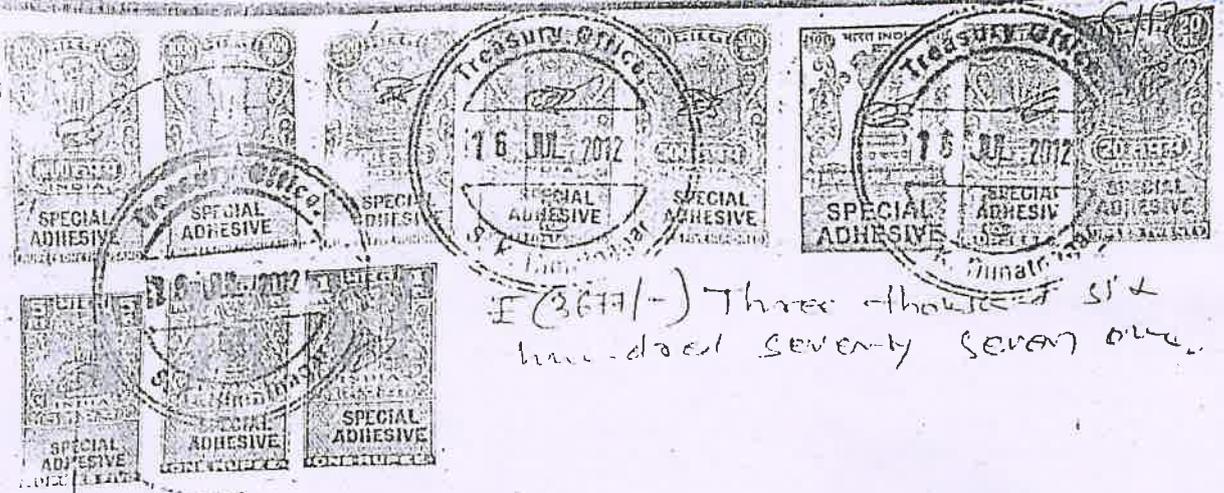


SOLEMNLY AFFIRMED BEFORE ME

[Signature]
R. R. CHAVDA
NOTARY
GOVT. OF INDIA

20 APR 2024





E (3677/-) Three thousand six hundred seventy seven only.

FORM-D

(See rule 10(3))

Form of quarry Lease/ Renewals

(under rule 10(3) of the Gujarat Minor Mineral Concession Rules, 2010)

Accountant
District Treasury Office
S.K. Himatnagar

THIS IDENTURE made this 6th day of August 2012 between the GOVERNOR OF GUJARAT (HEREINAFTER REFERRED TO AS THE "State Government" which expression shall where the context so admits be deemed do include this successors in office and assigns) of the one part and

(1) (Name of person) Shri. Ramesh shih. Khata shih. Chauhan

(address and occupation)

At. Po. shumbar. Tal. modasa dist. subarkantner.

(hereinafter referred to as "the lessee" which expression shall where the context so admits be deemed to include his heirs executors, administrators, representative and permitted assignees.

(2) (Name of person) Shri.....

(address and occupation)

and (Name of person)

of (address and occupation)

(hereinafter referred to as "the lessee" which expression shall where the context so admits be deemed to include their respective heirs, executors, administrators, representatives and their permitted assignees.)

(Handwritten signature)

(3) (Name of person) Shri.....

 of (address)
 and (Name of person)
 of (address)
 and (Name of person)
 of (Address) all carrying on business
 in partnership at (Address of the firm or syndicate)
 under the name style of (Name of the differ of syndicate)
 registered under
 (Act which registered (Hereinafter referred to as "the
 lessee" which expression shall when the context to admits be deemed to include all the partners of
 the said firm, their representatives, heirs executors, administrators and permitted assignees)

(4) (Name of Company) a company
 registered under (Act under which incorporated)
 and having its registered office at (address)
 (hereinafter referred to as "the lessee" which expression shall where the context so admits be
 deemed to include its successors and permitted assignee (-4) of the other part.

WHERE AS the lessee/lessees has/have applied to the Competent Authority concerned in
 accordance with the Gujarat Mineral Concession Rule 2010 (hereinafter referred to as the said rules)
 for a quarry lease/ ~~renewal~~ for (Name of Mineral) Quartzite in respect of
 the lands described in part I of the Schedule hereunder written and has/have deposited with the
 Government the sum of Rs. 2500/- as security Dated 24-07-2012
24-07-2012

AND WHERE AS the Commissioner has communicated his approval to the grant of this lease (in
 case of specified minor minerals)

NOW THIS LEASEWITNESSETH that in consideration of the rents and royalties covenant and
 agreement by and in these presents and the schedule hereunder written reserved and contained and
 on the part of the lessee/lessees to be paid those the quarries mines strata/veins seams and beds of
Quartzite (here state mineral of minerals)

Hereinafter and in the schedule referred to as the said minerals situated lying and being or under the
 lands which are referred to in part I of the said schedule, together with a liberties, powers and
 privileges to be exercised or enjoyed in connection herewith which are mentioned in part II of the
 said Schedule subject to the restrictions and conditions as to the exercise and enjoyment of such
 liberties, powers and privileges EXCEPT and reserving out of this demise unto the Government the
 liberties, powers and privileges mentioned in Part IV of the said Schedule TO HOLD the premises
 hereby granted and demised unto the lessee/lessees from the 6th August day of

(Signature)

2012 for the term of 10 (Ten) years than next ensuing YIELDING ANDPAYING therefore into the Government the several rents and royalties mentioned in Part V of the said Schedule at the respective times therein specified subject to the provisions contained in Part VI of the said Schedule and the lessee/lessees hereby/ convents/ convenient with the Government as in Part VII of the said Schedule is expressed and Government hereby covenants with the lessee/lessees as in part VII of the said Schedule is expressed AND it is hereby a mutually agreed between the parties hereto as in Part IX of the said Schedule is expressed.

IN WITNESS WHEREOF these presents have been executed in manner hereunder appearing the day and year first above written.

The Schedule above referred to Grant order No. GII/QL/ 5966/3919 to 3923

PART-I

Date- 5-7-2012

The area of this lease

Village Davali Taluka Maddur District Sabarkantha
 Survey No. Dungar Peeki-1 Area 1-00-00 Hectors Colored
Red/Bleek Type of land Govt. Land

On the North by Adjoining S. No. 62
 On the South by Adjoining Dungar Peeki
 On the East by Adjoining ---
 And
 On the West by Adjoining ---

hereinafter referred to as "the said lands"

PART-II

Liberties, Powers and Privileges to be Exercised and Enjoyed by the Lessee/ Lessees Subject to the Restriction and Condition in Part III

To enter upon land and search for, win, work etc.

1. Liberty and power at all times during the term hereby demised to enter upon the said lands and to search for, mine, quarry, bore, dig, drill for, win work, dress, process, convert; carry away and dispose of the said mineral/ minerals.

To sink drive and make pits shifts and inclines, etc.

2. Liberty and power for or in connection with any of the purposes mentioned in this part to sink, drive, make, maintain and use in the said lands any pits, shafts, inclines, drifts, levels, water ways and other works.

3. Liberty and power for or in connection with any of the purposes mentioned in this part to erect construct maintain and use on or under the said lands any engines machinery plant dressing-flowers furnaces coke ovens brick-kilns workshops store houses, bungalows, godowns sheds and other building and other works and convenience of the like nature on or under the said lands.

To make roads and ways etc. ad use existing roads and ways.

(Signature)

4. Liberty and power for or in connection with any of the purposes mentioned in this part to make any tramways, railways, roads and other ways in or over the said lands and to maintain and go and trespass with or without horses, cattle, wagons locomotives or other vehicles over the same (or any exiting tramways, railways, roads, and other ways in or over the said lands) on such conditions as may be agreed to.

To get building and road materials etc.

5. Liberty and power for or in connection with any of the purpose mentioned in this part to quarry and get ordinary building stone and gravel and other building and road materials (except that of specified minor mineral) and ordinary clay and to use and employ the same and to manufacture such ordinary clay into bricks or tiles and to use such bricks or tiles but not to sell any such materials bricks or tiles on payment of royalties prescribed in the said rules.

(Bracketed portion to be deleted in case the lease is for specified minor mineral)

To use water from streams etc.

6. Liberty power for or in connection with any of the purposes mentioned in this part but subject to the rights of any existing or future lessees and with the written permission of collector or any officer authorized by the Government in that behalf to appropriate and use water from any streams, water courses, spring or other sources in or upon the said lands and to divert step up or dam any such water course, culverts, drains or reservoirs but not as so to deprive any cultivated lands, villages, buildings or watering places for livestock of a reasonable supply of water as before accustomed nor in any way to foul or pollute any streams or springs. Provided that the lessee/lessees shall not interfere with the navigation in any navigable stream without the previous written permission of the Government.

To use land for stacking-heaping or depositing purposes.

7. Liberty and power to enter upon and use a sufficient part of the surface of the lands for the purpose of staking, heaping, storing or depositing thereon any produce of the mines, quarries or works carried on and any tools, equipment, earth and materials and substances dug or raised under the liberties and powers mentioned in this part.

Beneficiation and carrying away of production.

8. Liberty power to enter upon and use a sufficient part of the said lands to beneficiate, process, dress, convert the said minerals produced from the said lands and to carry away such beneficiated/ processed, dressed, converted mineral/ minerals.

To clear brush-wood and to fell and utilize.

9. Liberty and power for or in connection with any of the purposes mentioned in this part to fell and use any timber or trees or brushwood now standing or which hereafter may be standing upon the reserved forest land included within the said lands, provided that not more than sq. mts/bighas or such reserved forest land shall be cleared in any one year nor the same place oftener than once in every year and provided that the previous permission in writing of the Divisional Forest Officer for the time being (hereinafter referred to as the Divisional Forest Officer") is obtained which permission shall be granted by the said Divisional Forest Officer from time to time for an area not exceeding hectares at a time on written application of the lessee/lessees to the effect the effect that the lessee/lessees requires/require the additional area for bona fide and immediate extension of mining/quarry operations under this lease and provided also that the exercise of the liberty and power expressed in this clause shall be subject to the observance of the terms and conditions contained in the other part of this Schedule.



PART-III

*Restrictions and conditions as to the exercise of Liberties powers and privileges in Part-II***No building etc. upon certain places.**

1. No building or thing shall be erected set up or placed and no surface operations shall be carried on in or upon any public pleasure ground, burning or burial ground or place held sacred by any class of persons or any house or village site, public road or other place which the Government may cancel mine as public ground not in such a manner as to injure or prejudicially affect and buildings, works, property or rights of other persons and no land shall be used for surface operations which is already occupied by persons other than the Government for works or purposes not included in this lease. The lessee shall not also interfere with any right of way, well or tank.

Permission for surface operations in a land not already in use.

2. Before using for surface operations any land which has not already used for such operations the lessee/lessees shall give to the Competent Authority and the Collector of the District Sixty days previous notice in writing specifying the name or other designation of the situation and the extent of the land proposed to be so used, and the purpose for which the same is required and the said land shall not be so used if objection is issued by the Competent Authority or the collector of the District within one month after the receipt by him of such notice unless the objections so stated shall on reference to the Government be annulled or waived.

To cut trees in unreserved lands.

3.(a) the lessee shall not cut or injure any tree in the leased area without the previous sanction in writing of the Competent Authority.

(b) Notwithstanding anything contained in sub-clause (a), the lessee shall not cut or injure any tree in the leased area falling within reserved/ protected forest without the previous permission in writing of the Divisional Forest Officer or the Officer authorized by him in this behalf.

Not to enter upon reserved forest.

4. (a) Save as provided in clause 9 of Part II of this Schedule the lessee/ lessees shall not without the express sanction of the Divisional Forest Officer cut down or injure any timber or tress on the said lands but may without such sanction clear away any bush wood or under-growth which interferences with any operations authorized by these presents and not withstanding anything in this Schedule contained shall not enter upon any reserved forest included in the said land without seven days previous notice in writing to the Divisional Forest Officer nor without obtaining the sanction in writing of that officer nor otherwise than in accordance with such conditions as that officer may in his absolute discretion prescribe.

(b). The lessee shall pay such compensation as may be assessed by the Chief Conservator of Forests for damage caused to the land in any area of the reserved forest on account of the mining operation carried out in such area. The compensation for such damage shall be based on the value of the standing trees in such area and twenty times the sum of annual revenue derived by Government from such land immediately before the grant of lease.

No mining operation within 50 meters of Public Works etc.

5. The lessee/lessees shall not work or carry on or allow to be worked or carried on any quarry or mining operations at or to any point within a distance of 50 meters, if no blasting is involved and 200 meters, if blasting is involved from the boundary of any railway line except with the previous written permission of the railway Administration concerned or from the boundaries of any reservoir, canal or other public works or building or inhabited site except with the previous permission of

R. K. Sharma

Government or any other officer authorized by the Government in his behalf and otherwise than in accordance with such instructions restrictions and conditions either general or special which may be attached to such permission. The said distances of 50 meters or 200 meters shall be measured in the case of railway reservoir or canal 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 the plinth thereof.

Explanation :- For the purposes of this clause the expression Railway Administration shall have the same meaning as it is defined to have in the Indian Railway Act, 1890 by section 3, sub-section (4) of that Act, Public Road shall mean a road which has been constructed or artificially surfaced as district from a tract resulting for repeated use.

Facilities for adjoining Government licences, and leases.

6. The lessee/lessees shall allow existing and future holders of Government licences of leases over any land which is comprised in or adjoins or is reached by the land held by the lessee/ lessees reasonable facilities of access thereto.

PROVIDED THAT no substantial hindrance or interference shall be caused by such holders of licences or lessees to the operations of the lessee/lessees under these present and the lessee/lessees shall be entitled to compensation as may be mutually agreed upon between the lessee/lessees and such holders and in the event of disagreement such fair compensation may be cancel mined by the Competent Authority or any other officer authorized by the Government in respect of all loss or damage sustained by the lessee/lessees by reason of or the exercise of this liberty.

7. If the said lands or part thereof are forest lands, the lessee shall take all steps to ease the slopes and restore top soil in lands worked out, exploited or mined and it shall be open to the Government to afforest such lands even during the existence of the lease.

PART-IV

Liberties, Powers and Privileges Reserved to the Government

To work other minerals.

1. Liberty and power for the Government or any lessees or person authorized by it in that behalf to enter in to and upon the said lands to search for win, work, dip, get, raise, dress, process, convert and carry away any minerals other than the said minerals and any other substances and for those purposes to sink, drive, make, erect, construct, maintain and use such pits, shafts, inclines, drifts levels and other lines, waterways, airways, water courses, drains, reservoirs, engines, machinery, plant buildings, canals, tramways, railways, road ways and other works and conveniences as may be deemed necessary or convenient.

Provided that in the exercise of such liberty and power no substantial hindrance or interference shall be caused to or with the liberties powers and privileges of the lessee/ lessees under these presents and that the lessees shall be entitled to such fair compensation as may be mutually agreed upon or in the event of disagreements as may be cancel mined by the competent Authority or any other officer appointed by the Government in respect of all loss or damage sustained by the lessee/lessees by reason or in consequence of exercise of such liberty and power.

To make railways and roads.

2. Liberty and power to the Government or Central Government to Construct any road, railway or canal reservoir or to carry electric or telephone lines in or over the land under the lease is reserved.



7
 Provided that before such liberty or power is exercised a notice of not less than sixty days shall be given to the lessee and the area utilized by Government for any of the aforesaid purpose shall be excluded from the area under the lease and the lessee will not be entitled to claim any compensation for such exclusion.

3. Liberty and power to the Government to cancel mines, at any time by giving to the lessee six months notice in writing, the lease if the area for which the lease has been granted or any part thereof is required by the Government for any public purpose and declaration under the signature of the Commissioner that the area, or as the case may be the part of the areas is so required shall, as between the lessee and the Government, be conclusive.

4. on the cancellation of the lease under this power the area under the lease shall be resumed by the Government and the lessee shall be paid such compensation as may be cancel mined by an officer appointed by the Government for the purpose and in assessing the amount of compensation, the officer so appointed shall be guided by the principles laid down in the Land Acquisition Act, 1984 for such assessment.

PART-V

Rent and Royalties Reserved by this lease

To pay dead rent or royalty whichever is greater.

1. As per rule 22 the lessee shall also pay to Govt. for every year of the lease, the yearly dead rent specified in Schedule-II, and if the lessee is permitted to work for more than one minor mineral in the same area, than lessee should pay the dead rent for both minor minerals.

Rate and mode of payment dead rent.

The lessee/ lessees shall not be liable to pay in respect of any yearly period both the dead rent reserved by Clause 2 of this part and also the sum of the royalties reserved by Clause-3 of this part, but shall pay only whichever of the said sums is greater.

2. Subject to the provision of Clause 1 of this part, as from the day of during the subsistence of this lease the lessee/ lessees shall pay to the Government annual dead rent at the rate mentioned in second schedule of the said rules per mineral.

Rate and mode of Payment of royalty

3. Subject to the provisions of clause 1 of this part, the lessee/lessees shall, during the subsistence of this lease, pay to Government at such times and in such manner as the Government may prescribe royalty in respect of any minor minerals removed by him/them from the leased area at the rates for the time being in force under Schedule I to the Gujarat Minor Minerals Concession Rules, 2008.

Payment of surface rent

4. The lessee shall pay rent to the Government for all parts of the surface area leased to him for the purpose of quarry, surface rent at the rate prescribed by Government from time to time.

Royalty/ Dead rent/ surface rent payable at the time to time as amended by Government.

PART-VI

Provisions relating to the rents and royalties

Rent and Royalties to be free from deductions etc.

1. The rent and royalties mentioned in Part V of this Schedule shall be paid free from any deductions to the Government at District/Sub-Treasury at Himmatnagar/Modeset and in such manner as the Competent Authority may prescribe. & E-payment.

Mode of computing of royalty

(Signature)

2. For the purpose of computing the said royalties the lessee/ lessees shall keep a correct account of the mineral/ minerals actually produced from the quarries/mines/lands and dispatched from the quarry in the form prescribed by Government and the number of persons employed therein and also complete plans of quarry and shall furnish to the Commissioner such information, report and returns as he may require from time to time together with representative samples of minerals and processed materials from the same obtained during the operations. The accounts as well as the quantity (in volume or in weight as the case may be) of the mineral/ minerals in stock or in the process of dispatch from the quarry may be checked by any officer authorized by the Government and or by the Competent Authority/ Commissioner.

Course of action if rents and royalties are not paid in time.

3. Should the royalty or rent both reserved and made payable by the lessee be not paid within thirty days next after the date fixed in the lease for the payment of the same the Competent Authority or an officer authorized by him or an officer authorized by the Commissioner or the Government may enter upon the premises and distrain all or any of the mineral or beneficiated/ processed/ dressed products or moveable property there and may order the sale of the property so distrained or of so much of it as will suffice for the satisfaction of the rent and/ or royalties due and all costs and expenses occasioned by the non payment thereof.

4. Any rent, royalty, tax, fees, penalty or other sum due to Government under the said Rules or under this lease shall together with simple interest due thereon at the rate 18% (eighteen) per annum shall be recovered as arrears of land revenue on the basis of certificate issued by the Competent Authority.

5. The lessee shall issue passes in triplicate for removal of the minor minerals from the leased area as may be prescribed by the Government/ Commissioner or the Competent Authority. He should also direct the purchaser or the driver of the vehicle to deliver one copy of the pass to the *naka* clerk, or office of Royalty inspector or mines supervisors.

PART-VII

The Covenants of the lessee/lessee

Lessees to pay rents, royalties, taxes, etc.

1. The lessee/lessees shall pay the rents and royalties received by this lease at such times and in the manners provided in PARTS V & VI of these presents and shall also pay and discharge all taxes, cesses, rates, assessment and impositions whatsoever being in the nature of public demands which shall from time to time be charged assessed or imposed by the Competent Authority of the Government upon or in respect of the premises and works of the lessee/lessees in common with other premises and works of alike nature except demands for land revenues (Here insert the rates/amounts in lump sum per year, etc. of taxes, cesses etc. leviable in this lease for the time being in force time to time.

To maintain and keep boundary marks good order.

2. The lessee/lessees shall at his own expense erect and at all times maintain and keep in repair boundary marks and pillars according to the demarcation to be shown in the plan annexed to this lease. Such marks and pillars marks shall be sufficient clear of the shrubs and other obstructions allow easy identification.

3. If the lessee is found to have encroached in the area not included in the lease, the Commissioner or the Competent Authority or officer authorized by him may issue a notice to vacate the area immediately and the lessee shall vacate the area and stop the excavation in that area immediately.

(Signature)

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appended to the rules, for each financial year ending 31st March, before the 30th April of the succeeding year.

To allow Inspection of working.

9. The lessee/lessees shall allow any officer authorized by the Central Government or the Government or the Competent Authority or the Commissioner under the said rules 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 plants thereof sampling and collecting any data and the lessee/lessees shall with proper person employed by the lessees/ lessees and acquainted with the mine/quarry and works effectively assist such officers agents, servants and workmen in conducting every such inspection and shall afford them all facilities information connected with the working of the quarry which they may reasonably require. Such Officer may issue such reasonable directions as he may deem fit to prevent wasteful extraction of minerals and it shall the duty of the lessee/lessees his/their agent/manager to carry out such directions within such period as the officer may specify. If the lessee/lessees, his/their agent or manager fails to carry out such directions within the specified period, the Competent Authority may cancel the lease or may impose a penalty not exceeding twice the amount of the annual dead rent.

To report accidents.

10. The lessee/lessees shall report all accidents to the Commissioner of Geology & Mining, Competent Officer the District Magistrate and the District Superintendent of Police concerned. IN case 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 of the operations under this lease the lessee shall send a complete report without any delay of such an accident to the said officers.

To report discovery of other minerals.

11. Whenever the lessee/lessees shall find in the said lands any mineral other than the said mineral/minerals the lessee/lessees shall immediately report such discovery in writing to the Competent Authority and to the Commissioner with full particulars of the nature and position of each such find.

To keep record and accounts regarding production and employees etc.

12. The lessee/lessees shall at all times during the said term keep or cause to be kept at an office to be situated upon or near the said lands correct and intelligible books of accounts which shall contain accurate entries showing from time to time.-

- (1) Quantity and quality of the said mineral minerals, realized from the said land.
- (2) Quantity of the various qualities of the said mineral/minerals beneficiated processed or converted;
- (3) Quantities of the various qualities of the said mineral/minerals sold and disposed of separately and the manner and purpose of such sale and disposal;
- (4) The prices and all other particulars of all sales of the said mineral/minerals;
- (5) The number of persons employed in the mines or works or upon the said lands specifying nationality; qualifications and pay of the technical personnel;
- (6) Such other facts, particulars and circumstances as the Competent Authority or the Commissioner may from time to time require and shall also furnish free of charge to such officers and at such times they may prescribe true and correct abstract of all or any such books of accounts and shall at all reasonable times allow such officers or any other officer as the Government shall in that behalf

R. Shukla

To commence operations within 90 days and work in a workmap like manner.

4. Unless the Competent Authority for good cause permits otherwise, the lessee/lessees shall commence operations within 90 days from the date of execution of the lease and shall thereafter at all time during the continuance of this lease search for, win, work and develop the said minerals without voluntary intermission in a proper skillful and workmanlike manner without doing or permitting to be done any unnecessary or avoidable damage to the surface of the said land or the crops, buildings, structures or other property thereon. The lessee shall prevent waste by removal of overburden, careful storage of waste, drainage and removal of all valuable minor minerals. For the purpose of this clause quarry operation shall include the erection of machinery, laying of a tramway or construction of a road in connection with the quarry.

To indemnify Government against any claims.

5. The lessee/lessees shall make and pay such reasonable compensation as may be assessed by lawful Competent Authority in accordance with the law in force on the subject for all damage, injury or disturbance which may be done by him in exercise of the powers granted by this lease and shall indemnify and keep indemnified fully and completely the Government against all claims which may be made by any person or persons in respect of any such damage, injury or disturbance and all costs and expenses in connection therewith.

To secure and keep in good condition pits, shafts.

6. The lessee/lessees shall during subsistence of this lease well and sufficiently secure and keep open with timber or other durable means all pits, shafts and workings that may be made or used in the said lands and make and maintain sufficient fences to the satisfaction of the Government round every such pit shaft or working whether the same is abandoned or not and shall during the same period keep all workings in the said lands, except such as may be abandoned, accessible free from water and foul air as far as possible. The lessee/lessees shall also take adequate steps to ensure that-

- (a) heights and widths or trenches in open quarries are properly maintained to facilitate easy removal of the mineral and muck.
- (b) the working faces are always kept clean, and
- (c) the minerals and or beneficiated, processed, dressed products there from won are stacked in suitable dimensions and each such stack is numbered or marked in a manner prescribed by the Competent Authority.
- (d) the proper sanitation of the area leased to him is maintained.

To strengthen and support the quarry to necessary extent.

7. The lessee/lessees shall strengthen and support to the satisfaction of the Railway Administration concerned or the Government or any other Competent Authority controlling the provisions of any law for the time being in force relating to the working of quarries and matters affecting safety, health and labour matters, as the case may be any part of the quarry which in its opinion requires such strengthening or support for the safety of any railway, reservoirs, canal, road and other public work or structures.

8.(1) The lessee/lessees shall submit from time to time or when required, progress reports to the Competent Authority along with analysis and representative samples of the mineral collected during the quarry operations as also the periodical returns prescribed in the said Rules or in the manner prescribed by him from time to time.

(2) The lessee/lessees shall submit to the Commissioner the Competent Authority and any other officer as may be specified by the Commissioner in this behalf, an annual return in form

[Handwritten Signature]

appoint, to enter into and have free access to, for the purpose of examining and inspecting the said books of accounts and to make copies thereof and make extracts there from.

To maintain plans, etc..

13. The lessee/lessees shall at all times during the said term maintain at the mine/quarry office correct intelligible up-to-date and complete plans and sections of the mines/quarries in the said lands. They shall show all the operations and working and all the trenches, pits and drillings made by him/them in the course of operations carried on by him/them in the course of operations carried on by him/them under the lease, faults and other disturbances encountered and geological data (and all such plans and sections shall be emended and filled up) from actual survey to be made for that purpose at the end of twelve months or any period specified from time to time and the lessee/lessees shall furnish free of charge to the Government and to the Commissioner true and correct copies of such plans and sections whenever these are required. Accurate records of all trenches, pits and drilling shall show :-

- (a) The subsoil and strata through which they pass.
- (b) Any other mineral encountered.
- (c) Any other matter of interest and all data required by the Government, the Competent Authority and or the Commissioner from time to time.

The lessee/lessee shall also any officer authorized by the Central or the Government or the Competent Authority or the Commissioner to inspect the same at all reasonable times.

To abide the provisions of the law in force in respect of labour welfare and safety measures,

14. The lessee/lessees shall be bound by the provisions of any laws for the time being in force relating to the working of the quarries (mines and minerals) and matters affecting safety, health and convenience of the lessee's/lessees employees of the public.

15. The lessee/lessees shall respect all existing rights of way, water and other basement and shall carry on mining/quarry or other operations under the said lease in any way other than prescribed under these rules.

To provide weighing machines.

16. The lessee/lessees shall provide and at all time/keep at or near the pit head or each of the pit head at which the said minerals shall be brought to bank on a properly constructed and efficient weighing machine and shall weigh or cause to be weighted thereon all the said minerals from time to time brought to bank, sold, exported and converted and also the converted products and shall at the close of each day cause the total weights, ascertained by such means of the said minerals, ores products raised, sold, exported and converted during the previous twenty four hours to be entered in the aforesaid books of accounts. The lessee/lessees shall permit the Government at all times during the said term to employ any persons to present at the weighing of the said minerals as aforesaid to keep accounts thereof and to check the accounts kept by the lessee/lessees. The lessee/lessees shall give four days previous notice in writing to the Competent Authority as defined under the said rules of every such measuring or weighing at he or some officer in his behalf may be present thereof:

Provided the Competent Authority may waive this clause in cases where royalty is payable other wise than by weight.

To allow test of weighing machines.

17. The lessee/lessees shall allow any person or persons appointed in that behalf by the Government at any time to time during the said term to examine and test, every weighing machine to be provided and kept as aforesaid and the weights used therewith in order to ascertain whether the same

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respectively are correct and in good repair and order and if upon any such examination or testing any such weighing machine or weights shall be found incorrect or out of repair or order to the Government may require that the same be adjusted, repaired and put in order by and at the expense of the lessee/lessees and if such requisition be not complied with within fourteen days after the same shall have been made, the Government may cause such weighing machine or weights to be adjusted, repaired and put in order and the expense of so doing shall be paid by the lessee/lessees to the Government on demand if upon any such examination or testing as aforesaid any error shall be discovered in any weighing machine or weights to the prejudice of the Government such error shall be regarded as having existed for three calendar months previous to the discovery thereof or from the last occasion of so examining and testing the same weighing machine and weights in case such occasion shall be within such period of three months and the said rent and royalty shall be paid and accounted for accordingly.

Government indemnified from paying Compensation injury to third parties.

18. The lessee/lessees shall make and pay reasonable satisfaction and compensation for all damage injury or disturbance of person or property which may be done by or on the part of the lessee/lessees in exercise of the liberties and power granted by these presents and shall at all times save harmless and kept indemnified the Government from and against all suits claims and demands which may be brought or made by any person or persons in respect of any such damage injury or disturbance.

Not to obstruct working of other minerals.

19. The lessee/lessees will exercise the liberties and powers hereby granted in such a manner as to offer no un-necessary or reasonably avoidable obstruction or interruption to the development and working within the said lands of any minerals not included in this lease and shall at all times afford to the Central and Governments and to the holders of quarry leases quarry permits and prospecting licenses or mining lease, in respect of any such minerals or any minerals within any lands as the case may be reasonable means of access and safe and convenient passage upon and across the said lands to such minerals for the purpose of getting, working developing and carrying away the same provided that the lessee/lessees shall receive reasonable compensation for any damage or injury which he may sustain by reason or in consequence of the use of such passage by such lessees or holders of prospecting licenses.

Liberty to assign or transfer right.

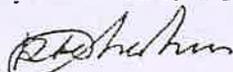
20. The lessee/lessees may assign this lease or transfer any rights, title or interest there under to any person with the previous written sanction of the Commissioner as provided in rule 20 of the said rules on payment of a fee of rupees equal to the single dead rent amount chargeable per year for first time transfer of quarry lease and 2nd or more transfer double the amount of yearly dead rent or 12 percent of the monetary consideration for transfer whichever ever is higher.

The lessee/lessees shall not allow this lease or any right title or interest hereunder to be attached sold in compliance with any decree or order of a Court or Revenue Officer; provided also assignment or transfer as aforesaid the instrument thereof shall be registered within three calendar months from the date of its completion.

21. (1) *Transfer of Quarry lease.* - The lessee shall not without the consent in writing of Commissioner.

(a) assign, subject or mortgage or in any other manner transfer the quarry lease, or any title or interest therein, or

(b) enter into or make any arrangement contract or understanding whereby the lessee/lessee will or may be directly indirectly financed to a substantial extent by, or under which the lessee/lessee



operations or under taking will or may be substantially controlled by any person or body of persons other than the lessees.

(2) The Commissioner may by order in writing, cancel the lease at any time, if the lessee/lessees has/have in the opinion of Commissioner committed a breach of any of the provisions contained in this clause, or has/have transferred the lease or any right, title or interest therein otherwise than in accordance with clause 19;

Provided that no such order shall be made without giving the lessee/lessees a reasonable opportunity of stating his/their case.

22. - *Not to be financed or controlled by a Trust, Corporation Firm or person.*- The lease shall not be controlled and the be controlled and the lessee/lessees shall not allow themselves to be controlled by any trust, syndicate, corporation, Firm or person except with the written consent of the Government. The lessee/lessees shall not enter into or make any arrangement, compact or understanding where by the lessee/lessees will or way be directly or indirectly financed by or under which the lessee's/lessee' operations or undertaking will or may be carried on directly or indirectly by or, may be carried on directly or indirectly Trust, Syndicate Corporation, Firm or person unless with the written sanction given prior to such arrangement, compact or understanding being entered into, or made, of the Government and any or every such arrangement compact, or understanding as aforesaid (entered into or made with such sanction as aforesaid) shall only be entered into or made shall always be subject to an express condition binding upon the other party or parties thereof that it shall be terminable if so required in writing by the Government and shall in their event of any such requisition being made be forthwith thereafter cancel mined by the lessee/lessees accordingly.

Lessee shall deposit an additional amount necessary other than security deposit.

23. Whenever the security deposit as provided in rule 19 of the said rules or any part thereof any further sum hereafter deposited with the Government in replenishment thereof shall be forfeited or applied by the Competent Authority pursuant to the power hereinafter declared in that behalf the lease/lessees shall deposit with the Government such further sum as may be sufficient with the unappropriated part thereof to bring the amount in deposit with the Government up to the sum equal to the full security deposit amount.

Delivery of working in good order to Government after cancellation of lease.

24. The lessee/lessees shall at the expiration or sooner cancellation of the said term or any renewal thereof deliver upto the Government all mines, pits, shafts, inclines, drifts, levels, waterways and other works now existing or hereafter to be sunk or made on or under the said lands except such as have been abandoned with the sanction of the Competent Authority and/ or the Commissioner and in an ordinary and fair course of working all engines, machinery, plant, buildings, structures, other works and conveniences which at the commencement of the term were upon or under the said lands and all such machinery set up by the lessee/lessees below ground which cannot be removed without causing injury to the mines quarries or works under the said lands (except such of the same as may with the sanction of the Competent Authority/ the Commissioner Government have come to be treated as disused) and all buildings and structures of bricks or stone erected by the lessee/lessees above ground level in good repair order and condition and fit in all respect for further working of the said mines and the said minerals.

Right of Preemption

25. (a) The Government shall from time to time and all times during the said term have the right (to be exercised by notice in writing go the lessees/lessees) of per-emption of the said minerals (and all

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products thereof) in or upon the said lands hereby demised or elsewhere under the control of the lessee/lessees and the lessee/lessees shall with all possible expedition deliver all minerals or products of minerals purchased by the Government under the power conferred by this provisions in the quantities at the times in the manner and at the place specified in the notice exercising the said right.

(b) Should the right to pre-emption conferred by this present provision be exercised and a vessel chartered to carry the minerals or products thereof procured on behalf of the Government be cancel mined or demurrage at the port of loading the lessee/lessees shall pay the amount due for demurrage according to the terms of the charter party of such vessel unless the Government shall be satisfied that the delay is due to causes beyond the control of the lessee/lessees.

(c) The price to be paid for all minerals or products of minerals taken in pre-emption by the Government in exercise of the right hereby conferred shall be the fair market price prevailing at the time of pre-emption PROVIDED THAT in order to assist in arriving at the said fair market price the lessee/lessees shall if so required furnish to the Government for the confidential information of the Government particulars of the quantities, descriptions and prices of the said minerals or products sold to other customers and of charters entered into for freight for carriage of the same and shall produce to such officer of officers as may be directed by the Government original or authenticated copies of contracts and charter parties entered into for the sale of freightage of such minerals or products.

(d) In the event of the existence of State of War or emergency (of which existence the President of India shall be the sole judge and a notification to this effect in the Gazette of India shall be conclusive proof) the Government with the consent of the Central Government shall from time to time and all times during the said term have the right to be exercised by a notice in writing (to the lessee/lessees) forthwith take possession and control of the works, plant, machinery and premises of the lessee/lessees on or in connection with the said lands or operations under this lease and during such possession or control the lessee/lessees shall conform and obey all directions given by or on behalf of the Central or Government regarding the use of employment of such works, plants premises and minerals, PROVIDED THAT fair compensation which shall be cancel mined in default or agreement by the Government shall be paid to the lessee/lessees for loss or damage sustained by him/them by reason or in consequence of the exercise of the powers conferred by this clause and PROVIDED ALSO that exercise of such powers shall not cancel mine the said term hereby granted or affect the terms and provisions of these presents further than may be necessary to give effect to the provisions of this clause.

Not to light fire in Forest

26. The lessee/lessees shall not light any fire upon the said lands if lying within the reserved forest areas except under such conditions as the Divisional Forest Officers may in writing specify and the lessee/lessees and his their workmen and employees shall render prompt assistance in extinguishing any fire on the said lands or in their vicinity. The lessee/lessees shall be liable for all damage resulting from the fire caused by the act of or omission of lessee/lessees or/their employees and shall pay such compensation for the said damage as may be assessed by the Divisional Forest Officer. The decision of the Divisional Forest Officer as to the amount of compensation payable by the lessee/lessees shall be final and binding on the lessee/lessees.

No right over produce other than minerals ore/s mentioned in the lease.

27. (a) The lessee/lessees shall not remove any other produce except the minor mine mentioned in the lease. The lessee/lessees shall without delay, report to the Competent Authority

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and the Commissioner the discovery in the areas, comprised in his/their lease of any mineral/s not specified in the lease.

(b) If any mineral/s not specified in the lease is/are discovered in the leased in the leased area, he/they shall not win and dispose of such mineral/s without obtaining a lease/leases therefore. If he fails/they fail to apply for such lease/leases within three months from the discovery of the said mineral/minerals the Competent Authority may grant a lease/leases in respect of such mineral/minerals to any other person/persons.

(c) Without the prior permission of the Commissioner the lessee shall not use the minor minerals quarried under these rules for a purpose, which will classify them as major minerals.

28. The lessee/lessees shall make available to the Government of India beryl or any other 'Substance prescribed' under section 3 of the Atomic Energy Act (Act XXIX of 1948) if they are found to occur in the said lands.

29. The Government shall be immune from the lessee's/lessees' claims for damage on account of any land having been included in his lease which may subsequently be discovered not to have been available for the lease.

30. The lessee/lessees or his/their transferees or assignees shall not effect any building in contravention of the provisions of any law for the time being in force relating to the erection of building or in contravention of any orders issued by any officer under any such law within whose jurisdiction the leased area is situated.

31. The lessee/lessees shall abide by such reasonable instructions and directions as may be issued by the Commissioner from time to time regarding conservation and development of minor minerals.

PART-VIII

The Covenants of the Government

Lessee may hold and enjoy rights quietly

1. The lessee/lessees paying the rents and royalties hereby reserved and observing and performing all the covenants and agreements herein contained and on the part of the lessee/lessees to be observed and performed shall and may quietly hold and enjoy the rights and premises hereby demised for and during the term hereby granted without any unlawful interruption from or by the Government or any person rightfully claiming under it:

Provided further that in case the renewal application is not finalized within the aforesaid period the lease shall be deemed to have been extended for a further period till final order of renewal of lease is passed by the Competent Authority.

Acquisition of lands of third parties and compensation thereof

2. If in accordance with the provision of Clause 4 of Part VII of this Schedule the lessee/lessees shall offer to pay to an occupier of the surface or any part of the said lands compensation for any damage or injury which may arise from the proposed operations of the lessee/lessees and the said occupier shall refuse his consent to the exercise of the right and power reserved to the Government and demised to the lessee/lessees by these presents and the lessee/lessees shall report the matter to the Government and shall deposit with it the amount offered as compensation and if the Government are satisfied that the amount of compensation offered is fair and reasonable or if it is not so satisfied and the lessee shall have deposited with it such further amount as the Government shall consider fair and reasonable the Government shall order the occupier to allow the lessee/lessees to enter the land and to carry out such operation as may be necessary for the purpose of this lease. In assessing the

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amount of such compensation the Government shall be guided by the principles of the Land Acquisition Act.

To renew

3. If the lessee/lessees be desirous of taking a renewed lease of the premises hereby demised or of any part or parts of them for a further term from the expiry of the term hereby granted and if he/they file the Competent Authority an application in writing 180 days before the expiry of the lease as prescribed in the said rules, and shall pay the rents and royalties hereby reserved and shall observe and perform the several covenants and agreements herein contained and on the part of the lessee/lessees to be observed and performed upto the expiration of the term hereby granted the Competent Authority will upon the request and at the expense of the lessee/lessees and upon his/their executing and delivering to the Government if required a counterpart thereof execute and deliver to the lessee/lessees a renewal lease of the said premises for the further term as provided in these rules at such rents and royalties and on such terms and subject to such covenants and agreements including this present covenants to renew as shall be in accordance with the Rules applicable to Quartzite..... (name of minerals on the day next following the expiration of the term hereby granted.

Surrender of lease

4. The lessee may surrender his lease forth with if he has cleared his legitimate dues and submitted his application in prescribed format as provided in Form M.

After receiving surrender application from lease holder in prescribed form concerned Geologist has to submit his opinion within 45 days, to the Competent Authority and the Competent Authority shall take decision within 45 days after receiving the opinion of the concerned Geologist if decision is not taken in prescribed time limit the dead rent should be stopped.

Dead rent should stop, once the Geologist gives opinion to the Competent Authority within 45 days that the land can be surrendered or in 90 days whichever is earlier.

Refund of security deposit

5. The Security deposit is not refunded to the lease holder within the period mentioned in the lease deed, the Government shall pay simple interest at the rate of Saving A/c Bank rate of Nationalized Bank from the date of expiry, of the period mentioned in the lease deed.

PART-IX

General Provisions

Obstruction to inspection :

1. In case of breach of any of the conditions of the lease other than mentioned in Clauses-2 and 3 of this part, then the Competent Authority may require the lessee/lessees or his/their transferees or assignees to pay penalty not exceeding twice the amount of annual rent dead rent.

2. In case of lessee/lessees or his/their transferees or assignee does/do not allow or obstruct entry of inspection, by the officer authorized by the Government, the Competent Authority may cancel the lease and forfeit the whole or part of the deposit made under Rules 19 of the said Rules.

Lessee/assignee commit if any breach of conditions:

3. In case the lessee/lessees or his/their transferees or assignee commit any breach of the condition specified in chapter III of the said rules then and in any such case the Competent Authority shall give notice in writing to the lessee/lessees his/their or transferees or assignees as the case may be asking him/them to remedy the breach within 60 days from the date of the notice and if the breach is not remedied within such period the Competent Authority under the said rules may cancel the lease

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provided that nothing herein contained shall debar the Government from enforcing any other right or remedy that the Government may have against the lessee/lessees or his their transferees or assignees under any other provisions herein contained

To lay penalty in case of breach

4. In case of breaches of the covenants and agreements by the lessee/lessees on which the aforesaid notice has been given the Competent Authority under the said rules in lieu of giving notice may impose such penalty not exceeding Rs.1000.

5. If the lessee/lessees ceases/cease to work the quarry for a continuous period of 6 months the lease shall be liable to cancellation:

Provided that the lease shall not be cancelled if the lessee/lessees is/ are prevented from working the quarry owing to some reasonable cause or if the lessee/lessees ceases/cease to work with the prior permission of the Competent Authority.

Interpretation his lease.

6. If there is any dispute regarding their lease or any other matter or thing construction of a term or condition in this lease or anything connected with the quarries or minor minerals specified in this lease or the working or non-working of the quarry operated under this lease, the amount of payment of royalty or dead rent or its mode of payment to the Competent Authority, it shall be referred to the Government whose decision shall be final and binding on the lessee.

Saving cause.

7. Nothing contained in this lease shall be deemed to affect the provisions of Rules 67, 68, 69 and 70 of the Gujarat Land Revenue Rules, 1972 or any rules corresponding thereto.

Failure to fulfil the terms of lease due to "force majeure".

8. Failure on the part of the lessee/lessees to fulfill any of the terms and conditions of this lease shall not give the Government any claim against the lessee/lessees or be deemed a breach of this lease, in so far as such failure is considered by the Government to arise from force majeure and if through force majeure the fulfillment by the lessee/lessees of any of the terms and conditions of this lease be delayed, the period such delay shall be added to the period fixed by this lease. In this clause the expression force majeure means act of God, war, insurrection, riot civil commotion, strike, earthquake, tide storm, tidal wave, flood lightning, explosion fire, and any other happening which the lessee/lessees could not reasonably prevent or control.

Lessee to move his Properties on the expiry of lease.

9. The lessee/lessees having first paid and discharged the rent and royalties payable by virtue of these presents may at the expiration of sooner cancellation of the said term or within six calendar months thereafter (unless the lease shall be cancel mined under Clauses 1 and 2 of this Part and in that case at any time not less than three calendar months nor more than six calendar month after such cancel mination) take down and remove for his own benefit all or any engines, machinery, plant, buildings, structures, tramways-railways and other work, erections and conveyances of the lessee/lessees in or upon the said lands and which the lessee/lessees is/ are not bound to deliver to the Government under clause 21 of Part VII of this Schedule and which the Government shall not desire to purchase.

Forfeiture of property left more than six months after cancellation on lease.

10. If at the end of six calendar months after the expiration or sooner cancellation of the said term or after the date from which any surrender by the lessee/lessees of parts or parts of the said lands under the provisions contained in Clause 4 of VIII of this Schedule become effective there shall remain in

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or upon the said land or the surrendered part or parts thereof as the case may be any engines, machinery, plant, building, structures, tramways, railways, and other work erections and conveniences or other property which are not required by the lessee/lessees in connection with his/their operations in these parts of the said lands which he/ they/ has/ have not surrendered or in any other lands hold by him/ them/ under prospecting licence or mining lease the same shall if not removed by the lessee/lessees within one calendar month after notice in writing requiring their removal has been given to the lessee/lessees by the Government be deemed to become the property of the Government and may be sold or disposed of in such manner as the Government shall deem fit without liability to pay any compensation or to account to the lessee/lessees in respect thereof.

Services of notices.

11. Every notice by these presents required to be given to the lessee/lessees shall be given in writing to such person resident on the said lands as the lessee/lessees may appoint for the purpose of receiving such notice and if there shall have been no such appointment then every such notice shall be sent to the lessee/lessees by registered post addressed to the lessee/lessees at the address recorded in this lease or at such other address in India as the lessee/lessees may from time to time in writing to the Government designate for the receipt of notice and every such service shall be deemed to be proper and valid service upon the lessee/lessees and shall not be questioned or challenged by him.

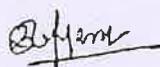
12. This quarry lease shall be subject to the Gujarat Minor Mineral Concession Rules-2010 as amended from time to time.

IN WITNESS WHEREOF these presents have been executed in the manner hereunder appearing the day and year first above written.

Signed by for and on behalf of the Governor of Gujarat in presence of

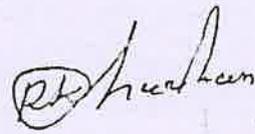

(Jayprakash Shivhare) I.A.S.
COLLECTOR SABARKANTHA

(1) Shri. K. M. Patel 
Geologist
Geology & Mining Dept.
Himmatnagar

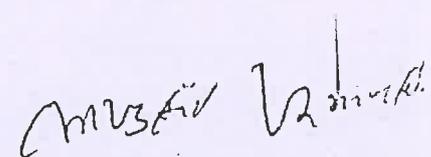
(2) Shri. S. K. Parmar 
Sr. Clerical

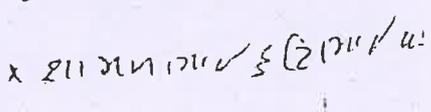
स्थानी कार्य
राज्यशास्त्री
सूक्ष्म विज्ञान मण्डल भाव
हिमातनगर

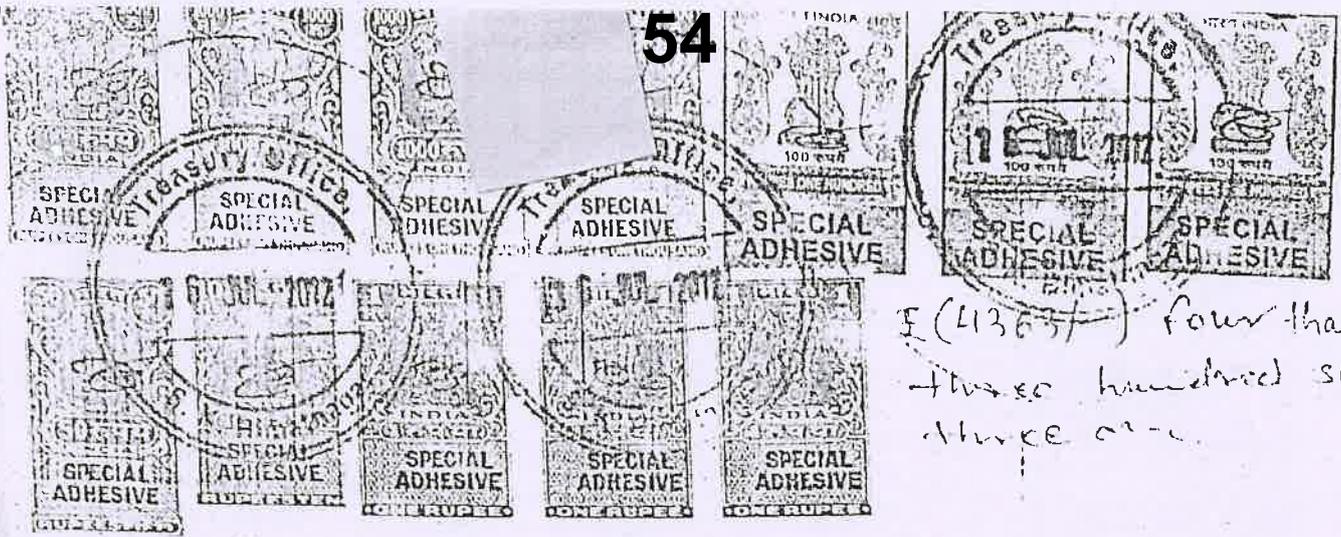
Signed by for and behalf of

(1) Shri. Ramesh shih. Khatashih. Cherehem x 

In the presence of

(1) Shri. Chauhan Bhikhu shih K. x 

(2) Shri. Shumal bhai Kumbhari Vankar x 



I (4365) four thousand three hundred sixty three only.

FORM-D

(Sec rule 10(3))

Form of quarry Lease/ Renewals

(under rule 10(3) of the Gujarat Minor Mineral Concession Rules, 2010)

Dy. Accountant
District Treasury Office
S.K. Himatnagar

THIS IDENTURE made this 6th day of August 2012 between the GOVERNOR OF GUJARAT (HEREINAFTER REFERRED TO AS THE "State Government" which expression shall where the context so admits be deemed do include this successors in office and assigns) of the one part and

(1) (Name of person) Shri. Charan Bhikushih Khuman Shih.

(address and occupation)

At. Po Shumbar Ta. Modasa Dist. Sabarkantha.

(hereinafter referred to as "the lessee" which expression shall where the context so admits be deemed to include his heirs executors, administrators, representative and permitted assignees.

(2) (Name of person) Shri.....

(address and occupation)

and (Name of person)

of (address and occupation)

(hereinafter referred to as "the lessee" which expression shall where the context so admits be deemed to include their respective heirs, executors, administrators, representatives and their permitted assignees.)

Charan Bhikushih Khuman Shih

(3) (Name of person) Shri.....

 of (address)
 and (Name of person)
 of (address)
 and (Name of person)
 of (Address) all carrying on business
 in partnership at (Address of the firm or syndicate)
 under the name style of (Name of the differ of syndical
 registered und

(Act which registered (Hereinafter referred to as "the
 lessee" which expression shall when the context to admits be deemed to include all the partners o
 the said firm, their representatives, heirs executors, administrators and permitted assignees)

(4) (Name of Company) a company
 registered under (Act under which incorporated)
 and having its registered office at (address
 (hereinafter referred to as "the lessee" which expression shall where the context so admits be
 deemed to include its successors and permitted assignee (4) of the other part.

WHERE AS the lessee/lessees has/have applied to the Competent Authority concerned in
 accordance with the Gujarat Mineral Concession Rule 2010 (hereinafter referred to as the said rules
 for a quarry lease/ renewal for (Name of Mineral) Quartzite in respect
 the lands described in part I of the Schedule hereunder written and has/have deposited with the
 Government the sum of Rs. 2500/- as security Date 23/7/2012

AND WHERE AS the Commissioner has communicated his approval to the grant of this lease (in
 case of specified minor minerals)

NOW THIS LEASE WITNESSETH that in consideration of the rents and royalties covenants
 agreement by and in these presents and the schedule hereunder written reserved and contained
 on the part of the lessee/lessees to be paid those the quarries/mines strata/veins seams and beds
Quartzite (here state mineral of minerals)

Hereinafter and in the schedule referred to as the said minerals situated lying and being or under
 lands which are referred to in part I of the said schedule, together with a liberties, powers
 privileges to be exercised or enjoyed in connection herewith which are mentioned in part II of
 said Schedule subject to the restrictions and conditions as to the exercise and enjoyment of
 liberties, powers and privileges EXCEPT and reserving out of this demise unto the Government
 liberties, powers and privileges mentioned in Part IV of the said Schedule TO HOLD the pre
 hereby granted and demised unto the lessee/lessees from the 6th August

(Handwritten signatures and dates)

2012 for the term of 10 (Ten) years than next ensuing YIELDING ANDPAYING therefore into the Government the several rents and royalties mentioned in Part V of the said Schedule at the respective times therein specified subject to the provisions contained in Part VI of the said Schedule and the lessee/lessees hereby/ convents/ convenient with the Government as in Part VII of the said Schedule is expressed and Government hereby covenants with the lessee/ lessees as in part VII of the said Schedule is expressed AND it is hereby a mutually agreed between the parties hereto as in Part IX of the said Schedule is expressed.

IN WITNESS WHEREOF these presents have been executed in manner hereunder appearing the day and year first above written.

The Schedule above referred to Grant order No. GH/QL/ 5935/3924 to 3928

PART-I

Date - 5/7/2012

The area of this lease

Village Duwali Taluka Modasa District Sebar Kanther.
 Survey No. Dungar Peiky Area 1-00-00 Hectar Colored
Red/Black Type of land Govt. Land

On the North by Adjoining S. No. 289, 288, 287

On the South by Adjoining Dungar Peiky

On the East by Adjoining —||—

And

On the West by Adjoining —||—

hereinafter referred to as "the said lands"

PART-II

Liberties, Powers and Privileges to be Exercised and Enjoyed by the Lessee/ Lessees Subject to the Restriction and Condition in Part III

To enter upon land and search for, win, work etc.

1. Liberty and power at all times during the term hereby demised to enter upon the said lands and to search for, mine, quarry, bore, dig, drill for, win work, dress, process, convert; carry away and dispose of the said mineral/ minerals.

To sink drive and make pits shifts and inclines, etc.

2. Liberty and power for or in connection with any of the purposes mentioned in this part to sink, drive, make, maintain and use in the said lands any pits, shafts, inclines, drifts, levels, water ways and other works.

3. Liberty and power for or in connection with any of the purposes mentioned in this part to erect construct maintain and use on or under the said lands any engines machinery plant dressing-flowers furnaces coke ovens brick-kilns workshops store houses, bungalows, godowns sheds and other building and other works and convenience of the like nature on or under the said lands.

To make roads and ways etc. ad use existing roads and ways.

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4. Liberty and power for or in connection with any of the purposes mentioned in this part to make any tramways, railways, roads and other ways in or over the said lands and to maintain and go and trespass with or without horses, cattle, wagons locomotives or other vehicles over the same (or any exiting tramways, railways, roads, and other ways in or over the said lands) on such conditions as may be agreed to.

To get building and road materials etc.

5. Liberty and power for or in connection with any of the purpose mentioned in this part to quarry and get ordinary building stone and gravel and other building and road materials (except that of specified minor mineral) and ordinary clay and to use and employ the same and to manufacture such ordinary clay into bricks or tiles and to use such bricks or tiles but not to sell any such materials bricks or tiles on payment of royalties prescribed in the said rules.

(Bracketed portion to be deleted in case the lease is for specified minor mineral)

To use water from streams etc.

6. Liberty power for or in connection with any of the purposes mentioned in this part but subject to the rights of any existing or future lessees and with the written permission of collector or any officer authorized by the Government in that behalf to appropriate and use water from any streams, water courses, spring or other sources in or upon the said lands and to divert step up or dam any such water course, culverts, drains or reservoirs but not as so to deprive any cultivated lands, villages, buildings or watering places for livestock of a reasonable supply of water as before accustomed nor in any way to foul or pollute any streams or springs. Provided that the lessee/lessees shall not interfere with the navigation in any navigable stream without the previous written permission of the Government.

To use land for stacking heaping or depositing purposes.

7. Liberty and power to enter upon and use a sufficient part of the surface of the lands for the purpose of staking, heaping, storing or depositing thereon any produce of the mines, quarries on works carried on and any tools, equipment, earth and materials and substances dug or raised under the liberties and powers mentioned in this part.

Beneficiation and carrying away of production.

8. Liberty power to enter upon and use a sufficient part of the said lands to beneficiate, process, dress, convert the said minerals produced from the said lands and to carry away such beneficiated/ processed, dressed, converted mineral/ minerals.

To clear brush-wood and to fell and utilize.

9. Liberty and power for or in connection with any of the purposes mentioned in this part to fell and use any timber or trees or brushwood now standing or which hereafter may be standing upon the reserved forest land included within the said lands, provided that not more than sq. mts/bighas or such reserved forest land shall be cleared in any one year nor the same place oftener than once in every year and provided that the previous permission in writing of the Divisional Forest Officer for the time being (hereinafter referred to as the Divisional Forest Officer") is obtained which permission shall be granted by the said Divisional Forest Officer from time to time for an area not exceeding hectares at a time on written application of the lessee/lessees to the effect the effect that the lessee/lessees requires/require the additional area for bona fide and immediate extension of mining/quarry operations under this lease and provided also that the exercise of the liberty and power expressed in this clause shall be subject to the observance of the terms and conditions contained in the other part of this Schedule.

PART-III

Restrictions and conditions as to the exercise of Liberties powers and privileges in Part-II**No building etc. upon certain places.**

1. No building or thing shall be erected set up or placed and no surface operations shall be carried on in or upon any public pleasure ground, burning or burial ground or place held sacred by any class of persons or any house or village site, public road or other place which the Government may cancel mine as public ground nor in such a manner as to injure or prejudicially affect and buildings, works, property or rights of other persons and no land shall be used for surface operations which is already occupied by persons other than the Government for works or purposes not included in this lease. The lessee shall not also interfere with any right of way, well or tank.

Permission for surface operations in a land not already in use.

2. Before using for surface operations any land which has not already used for such operations the lessee/lessees shall give to the Competent Authority and the Collector of the District Sixty days previous notice in writing specifying the name or other designation of the situation and the extent of the land proposed to be so used, and the purpose for which the same is required and the said land shall not be so used if objection is issued by the Competent Authority or the collector of the District within one month after the receipt by him of such notice unless the objections so stated shall on reference to the Government be annulled or waived.

To cut trees in unreserved lands.

3.(a) the lessee shall not cut or injure any tree in the leased area without the previous sanction in writing of the Competent Authority.

(b) Notwithstanding anything contained in sub-clause (a), the lessee shall not cut or injure any tree in the leased area falling within reserved/ protected forest without the previous permission in writing of the Divisional Forest Officer or the Officer authorized by him in this behalf.

Not to enter upon reserved forest.

4. (a) Save as provided in clause 9 of Part II of this Schedule the lessee/ lessees shall not without the express sanction of the Divisional Forest Officer cut down or injure any timber or tress on the said lands but may without such sanction clear away any bush wood or under-growth which interferes with any operations authorized by these presents and notwithstanding anything in this Schedule contained shall not enter upon any reserved forest included in the said land without seven days previous notice in writing to the Divisional Forest Officer nor without obtaining the sanction in writing of that officer nor otherwise than in accordance with such conditions as that officer may in his absolute discretion prescribe.

(b). The lessee shall pay such compensation as may be assessed by the Chief Conservator of Forests for damage caused to the land in any area of the reserved forest on account of the mining operation carried out in such area. The compensation for such damage shall be based on the value of the standing trees in such area and twenty times the sum of annual revenue derived by Government from such land immediately before the grant of lease.

No mining operation within 50 meters of Public Works etc.

5. The lessee/lessees shall not work or carry on or allow to be worked or carried on any quarry or mining operations at or to any point within a distance of 50 meters, if no blasting is involved and 200 meters, if blasting is involved from the boundary of any railway line except with the previous written permission of the railway Administration concerned or from the boundaries of any reservoir, canal or other public works or building or inhabited site except with the previous permission of

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Government or any other officer authorized by the Government in this behalf and otherwise than in accordance with such instructions restrictions and conditions either general or special which may be attached to such permission. The said distances of 50 meters or 200 meters shall be measured in the case of railway reservoir or canal 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 the plinth thereof.

Explanation :- For the purposes of this clause the expression Railway Administration shall have the same meaning as it is defined to have in the Indian Railway Act, 1890 by section 3, sub-section (4) of that Act, Public Road shall mean a road which has been constructed or artificially surfaced as district from a tract resulting for repeated use.

Facilities for adjoining Government licences, and leases.

6. The lessee/lessees shall allow existing and future holders of Government licences of leases over any land which is comprised in or adjoins or is reached by the land held by the lessee/ lessees reasonable facilities of access thereto.

PROVIDED THAT no substantial hindrance or interference shall be caused by such holders of licences or lessees to the operations of the lessee/lessees under these present and the lessee/lessees shall be entitled to compensation as may be mutually agreed upon between the lessee/lessees and such holders and in the event of disagreement such fair compensation may be cancel mined by the Competent Authority or any other officer authorized by the Government in respect of all loss or damage sustained by the lessee/lessees by reason of or the exercise of this liberty.

7. If the said lands or part thereof are forest lands, the lessee shall take all steps to ease the slopes and restore top soil in lands worked out, exploited or mined and it shall be open to the Government to afforest such lands even during the existence of the lease.

PART-IV

Liberties, Powers and Privileges Reserved to the Government

To work other minerals.

1. Liberty and power for the Government or any lessees or person authorized by it in that behalf to enter in to and upon the said lands to search for win, work, dip, get, raise, dress, process, convert and carry away any minerals other than the said minerals and any other substances and for those purposes to sink, drive, make, erect, construct, maintain and use such pits, shafts, inclines, drifts levels and other lines, waterways, airways, water courses, drains, reservoirs, engines, machinery, plant buildings, canals, tramways, railways, road ways and other works and conveniences as may be deemed necessary or convenient.

Provided that in the exercise of such liberty and power no substantial hindrance or interference shall be caused to or with the liberties powers and privileges of the lessee/ lessees under these presents and that the lessees shall be entitled to such fair compensation as may be mutually agreed upon or in the event of disagreements as may be cancel mined by the competent Authority or any other officer appointed by the Government in respect of all loss or damage sustained by the lessee/lessees by reason or in consequence of exercise of such liberty and power.

To make railways and roads.

2. Liberty and power to the Government or Central Government to Construct any road, railway or canal reservoir or to carry electric or telephone lines in or over the land under the lease is reserved.

2. For the purpose of computing the said royalties the lessee/ lessees shall keep a correct account of the mineral/ minerals actually produced from the quarries/ mines/ lands and dispatched from the quarry in the form prescribed by Government and the number of persons employed therein and also complete plans of quarry and shall furnish to the Commissioner such information, report and returns as he may require from time to time together with representative samples of minerals and processed materials from the same obtained during the operations. The accounts as well as the quantity (in volume or in weight as the case may be) of the mineral/ minerals in stock or in the process of dispatch from the quarry may be checked by any officer authorized by the Government and or by the Competent Authority/ Commissioner.

Course of action if rents and royalties are not paid in time.

3. Should the royalty or rent both reserved and made payable by the lessee be not paid within thirty days next after the date fixed in the lease for the payment of the same the Competent Authority or an officer authorized by him or an officer authorized by the Commissioner or the Government may enter upon the premises and distrain all or any of the mineral or benefited/ processed/ dressed products or moveable property there and may order the sale of the property so distrained or of so much of it as will suffice for the satisfaction of the rent and/ or royalties due and all costs and expenses occasioned by the non payment thereof.

4. Any rent, royalty, tax, fees, penalty or other sum due to Government under the said Rules or under this lease shall together with simple interest due thereon at the rate 18% (eighteen) per annum shall be recovered as arrears of land revenue on the basis of certificate issued by the Competent Authority.

5. The lessee shall issue passes in triplicate for removal of the minor minerals from the leased area as may be prescribed by the Government/ Commissioner or the Competent Authority. He should also direct the purchaser or the driver of the vehicle to deliver one copy of the pass to the *naku* clerk, or office of Royalty inspector or mines supervisors.

PART-VII

The Covenants of the lessee/lessee

Lessees to pay rents, royalties, taxes, etc.

1. The lessee/lessees shall pay the rents and royalties received by this lease at such times and in the manners provided in PARTS V & VI of these presents and shall also pay and discharge all taxes, cesses, rates, assessment and impositions whatsoever being in the nature of public demands which shall from time to time be charged assessed or imposed by the Competent Authority of the Government upon or in respect of the premises and works of the lessee/lessees in common with other premises and works of a like nature except demands for land revenues (Here insert the rates/amounts in lump sum per year, etc. of taxes, cesses etc. leviable in this lease for the time being in force time to time.

To maintain and keep boundary marks good order.

2. The lessee/lessees shall at his own expense erect and at all times maintain and keep in repair boundary marks and pillars according to the demarcation to be shown in the plan annexed to this lease. Such marks and pillars marks shall be sufficient clear of the shrubs and other obstructions allow easy identification.

3. If the lessee is found to have encroached in the area not included in the lease, the Commissioner or the Competent Authority or officer authorized by him may issue a notice to vacate the area immediately and the lessee shall vacate the area and stop the excavation in that area immediately.

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To commence operations within 90 days and work in a workmanlike manner.

4. Unless the Competent Authority for good cause permits otherwise, the lessee/lessees shall commence operations within 90 days from the date of execution of the lease and shall thereafter at all time during the continuance of this lease search for, win, work and develop the said minerals without voluntary intermission in a proper skillful and workmanlike manner without doing or permitting to be done any unnecessary or avoidable damage to the surface of the said land or the crops, buildings, structures or other property thereon. The lessee shall prevent waste by removal of overburden, careful storage of waste, drainage and removal of all valuable minor minerals. For the purpose of this clause quarry operation shall include the erection of machinery, laying of a tramway or construction of a road in connection with the quarry.

To indemnify Government against any claims.

5. The lessee/lessees shall make and pay such reasonable compensation as may be assessed by lawful Competent Authority in accordance with the law in force on the subject for all damage, injury or disturbance which may be done by him in exercise of the powers granted by this lease and shall indemnify and keep indemnified fully and completely the Government against all claims which may be made by any person or persons in respect of any such damage, injury or disturbance and all costs and expenses in connection therewith.

To secure and keep in good condition pits, shafts.

6. The lessee/lessees shall during subsistence of this lease well and sufficiently secure and keep open with timber or other durable means all pits, shafts and workings that may be made or used in the said lands and make and maintain sufficient fences to the satisfaction of the Government round every such pit shaft or working whether the same is abandoned or not and shall during the same period keep all workings in the said lands, except such as may be abandoned, accessible free from water and foul air as far as possible. The lessee/lessees shall also take adequate steps to ensure that:-

(a) heights and widths or trenches in open quarries are properly maintained to facilitate easy removal of the mineral and muck.

(b) the working faces are always kept clean, and

(c) the minerals and or beneficiated, processed, dressed products there from won are stacked in suitable dimensions and each such stack is numbered or marked in a manner prescribed by the Competent Authority.

(d) the proper sanitation of the area leased to him is maintained.

To strengthen and support the quarry to necessary extent.

7. The lessee/lessees shall strengthen and support to the satisfaction of the Railway Administration concerned or the Government or any other Competent Authority controlling the provisions of any law for the time being in force relating to the working of quarries and matters affecting safety, health and labour matters, as the case may be any part of the quarry which in its opinion requires such strengthening or support for the safety or any railway, reservoirs, canal, road and other public work or structures.

8.(1) The lessee/lessees shall submit from time to time or when required, progress reports to the Competent Authority along with analysis and representative samples of the mineral collected during the quarry operations as also the periodical returns prescribed in the said Rules or in the manner prescribed by him from time to time.

(2) The lessee/lessees shall submit to the Commissioner the Competent Authority and any other officer as may be specified by the Commissioner in this behalf, an annual return in form G

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appended to the rules, for each financial year ending 31st March, before the 30th April of the succeeding year.

To allow Inspection of working.

9. The lessee/lessees shall allow any officer authorized by the Central Government or the Government or the Competent Authority or the Commissioner under the said rules 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 plants thereof sampling and collecting any data and the lessee/lessees shall with proper person employed by the lessees/ lessees and acquainted with the mine/quarry and works effectively assist such officers agents, servants and workmen in conducting every such inspection and shall afford them all facilities information connected with the working of the quarry which they may reasonably require. Such Officer may issue such reasonable directions as he may deem fit to prevent wasteful extraction of minerals and it shall be the duty of the lessee/lessees his/their agent/manager to carry out such directions within such period as the officer may specify. If the lessee/lessees, his/their agent or manager fails to carry out such directions within the specified period, the Competent Authority may cancel the lease or may impose a penalty not exceeding twice the amount of the annual dead rent.

To report accidents.

10. The lessee/lessees shall report all accidents to the Commissioner of Geology & Mining, Competent Officer the District Magistrate and the District Superintendent of Police concerned. IN case 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 of the operations under this lease the lessee shall send a complete report without any delay of such an accident to the said officers.

To report discovery of other minerals.

11. Whenever the lessee/lessees shall find in the said lands any mineral other than the said mineral/minerals the lessee/lessees shall immediately report such discovery in writing to the Competent Authority and to the Commissioner with full particulars of the nature and position of each such find.

To keep record and accounts regarding production and employees etc.

12. The lessee/lessees shall at all times during the said term keep or cause to be kept at an office to be situated upon or near the said lands correct and intelligible books of accounts which shall contain accurate entries showing from time to time:-

- (1) Quantity and quality of the said mineral minerals, realized from the said land.
- (2) Quantity of the various qualities of the said mineral/minerals beneficiated processed or converted;
- (3) Quantities of the various qualities of the said mineral/minerals sold and disposed of separately and the manner and purpose of such sale and disposal;
- (4) The prices and all other particulars of all sales of the said mineral/minerals;
- (5) The number of persons employed in the mines or works or upon the said lands specifying nationality; qualifications and pay of the technical personnel;
- (6) Such other facts, particulars and circumstances as the Competent Authority or the Commissioner may from time to time require and shall also furnish free of charge to such officers and at such times they may prescribe true and correct abstract of all or any such books of accounts and shall at all reasonable times allow such officers or any other officer as the Government shall in that behalf

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appoint, to enter into and have free access to, for the purpose of examining and inspecting the said books of accounts and to make copies thereof and make extracts there from.

To maintain plans, etc..

13. The lessee/lessees shall at all times during the said term maintain at the mine/quarry office correct intelligible up-to-date and complete plans and sections of the mines/quarries in the said lands. They shall show all the operations and working and all the trenches, pits and drillings made by him/them in the course of operations carried on by him/them in the course of operations carried on by him/them under the lease, faults and other disturbances encountered and geological date (and all such plans and sections shall be emended and filled up) from actual survey to be made for that purpose at the end of twelve months or any period specified from time to time and the lessee/lessees shall furnish free of charge to the Government and to the Commissioner true and correct copies of such plans and sections whenever these are required. Accurate records of all trenches, pits, and drilling shall show :-

- (a) The subsoil and strata through which they pass.
- (b) Any other minerals encountered.
- (c) Any other matter of interest and all date required by the Government, the Competent Authority and or the Commissioner from time to time.

The lessee/lessee shall also any officer authorized by the Central or the Government or the Competent Authority or the Commissioner to inspect the same at all reasonable times.

To abide the provisions of the law in force in respect of labour welfare and safety measures,

14. The lessee/lessees shall be bound by the provisions of any laws for the time being in force relating to the working of the quarries (mines and minerals) and matters affecting safety, health and convenience of the lessee's/lessees employees of the public.

15. The lessee/lessees shall respect all existing rights of way, water and other basement and shall carry on mining/quarry or other operations under the said lease in any way other than prescribed under these rules.

To provide weighing machines.

16. The lessee/lessees shall provide and at all time/keep at or near the pit head or each of the pit head at which the said minerals shall be brought to bank on a properly constructed and efficient weighing machine and shall weigh or cause to be weighted thereon all the said minerals from time to time brought to bank, sold, exported and converted and also the converted products and shall at the close of each day cause the total weights, ascertained by such means of the said minerals, ores products raised, sold, exported and converted during the previous twenty four hours to be entered in the aforesaid books of accounts. The lessee/lessees shall permit the Government at all times during the said term to employ any persons to present at the weighing of the said minerals as aforesaid to keep accounts thereof and to check the accounts kept by the lessee/lessees. The lessee/lessees shall give four days previous notice in writing to the Competent Authority as defined under the said rules of every such measuring or weighing at he or some officer in his behalf may be present thereof:

Provided the Competent Authority may waive this clause in cases were royalty is payable other wise than by weight.

To allow test of weighing machines.

17. The lessee/lessees shall allow any person or persons appointed in that behalf by the Government at any time to time during the said term to examine and test, every weighing machine to be provided and kept as aforesaid and the weights used therewith in order to ascertain whether the same

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respectively are correct and in good repair and order and if upon any such examination or testing any such weighing machine or weights shall be found incorrect or out of repair of order to the Government may require that the same be adjusted, repaired and put in order by and at the expense of the lessee/lessees and if such requisition be not complied with within fourteen days after the same shall have been made, the Government may cause such weighing machine or weights to be adjusted, repaired and put in order and the expense of so doing shall be paid by the lessee/lessees to the Government on demand if upon any such examination or testing as aforesaid any error shall be discovered in any weighing machine or weights to the prejudice of the Government such error shall be regarded as having existed for three calendar months previous to the discovery thereof or from the last occasion of so examining and testing the same weighing machine and weights in case such occasion shall be within such period of three months and the said rent and royalty shall be paid and accounted for accordingly.

Government indemnified from paying Compensation injury to third parties.

18. The lessee/lessees shall make and pay reasonable satisfaction and compensation for all damage injury or disturbance of person or property which may be done by or on the part of the lessee/lessees in exercise of the liberties and power granted by these presents and shall at all times save harmless and kept indemnified the Government from and against all suits claims and demands which may be brought or made by any person or persons in respect of any such damage injury or disturbance.

Not to obstruct working of other minerals.

19. The lessee/lessees will exercise the liberties and powers hereby granted in such a manner as to offer no un-necessary or reasonably avoidable obstruction or interruption to the development and working within the said lands of any minerals not included in this lease and shall at all times afford to the Central and Governments and to the holders of quarry leases quarry permits and prospecting licenses or mining lease, in respect of any such minerals or any minerals within any lands as the case may be reasonable means of access and safe and convenient passage upon and across the said lands to such minerals for the purpose of getting, working developing and carrying away the same provided that the lessee/lessees shall receive reasonable compensation for any damage or injury which he may sustain by reason or in consequence of the use of such passage by such lessees or holders of prospecting licenses.

Liberty to assign or transfer right.

20. The lessee/lessees may assign this lease or transfer any rights, title or interest there under to any person with the previous written sanction of the Commissioner as provided in rule 20 of the said rules on payment of a fee of rupees equal to the single dead rent amount chargeable per year for first time transfer of quarry lease and 2nd or more transfer double the amount of yearly dead rent or 12 ½ percent of the monetary consideration for transfer which ever is higher.

The lessee/lessees shall not allow this lease or any right title or interest hereunder to be attached or sold in compliance with any decree or order of a Court or Revenue Officer; provided also the assignment or transfer as aforesaid the instrument thereof shall be registered within three calendar months from the date of its completion.

21. (1) **Transfer of Quarry lease.** - The lessee shall not without the consent in writing of the Commissioner.

(a) assign, subject or mortgage or in any other manner transfer the quarry lease, or any right title or interest therein, or

(b) enter into or make any arrangement contract or understanding whereby the lessee/lessees will or may be directly indirectly financed to a substantial extent by, or under which the lessee's

operations or under taking will or may be substantially controlled by any person or body of persons other than the lessees.

(2) The Commissioner may by order in writing, cancel the lease at any time, if the lessee/lessees has/have in the opinion of Commissioner committed a breach of any of the provisions contained in this clause, or has/have transferred the lease or any right, title or interest therein otherwise than in accordance with clause 19;

Provided that no such order shall be made without giving the lessee/lessees a reasonable opportunity of stating his/their case.

22. *Not to be financed or controlled by a Trust, Corporation Firm or person.*- The lease shall not be controlled and the be controlled and the lessee/lessees shall not allow themselves to be controlled by any trust, syndicate, corporation, Firm or person except with the written consent of the Government. The lessee/lessees shall not enter into or make any arrangement, compact or understanding where by the lessee/lessees will or way be directly or indirectly financed by or under which the lessee's/lessee' operations or undertaking will or may be carried on directly or indirectly by or, may be carried on directly or indirectly by or for the benefit of or subject to the control of any Trust, Syndicate Corporation, Firm or person unless with the written sanction given prior to such arrangement, compact or understanding being entered into or made, of the Government and any or every such arrangement compact, or understanding as aforesaid (entered into or made with such sanction as aforesaid) shall only be entered into or made shall always be subject to an express condition binding upon the other party or parties thereof that it shall be terminable if so required in writing by the Government and shall in their event of any such requisition being made be forthwith thereafter cancel mined by the lessee/lessees accordingly.

Lessee shall deposit an additional amount necessary other than security deposit.

23. Whenever the security deposit as provided in rule 19 of the said rules or any part thereof any further sum hereafter deposited with the Government in replenishment thereof shall be forfeited or applied by the Competent Authority pursuant to the power hereinafter declared in that behalf the lease/lessees shall deposit with the Government such further sum as may be sufficient with the unappropriated part thereof to bring the amount in deposit with the Government up to the sum equal to the full security deposit amount.

Delivery of working in good order to Government after cancel mination of lease.

24. The lessee/lessees shall at the expiration or sooner cancel mination of the said term or any renewal thereof deliver upto the Government all mines, pits, shafts, inclines, drifts, levels, waterways and other works now existing or hereafter to be sunk or made on or under the said lands except such as have been abandoned with the sanction of the Competent Authority and/ or the Commissioner and in an ordinary and fair course of working all engines, machinery, plant, buildings, structures, other works and conveniences which at the commencement of the term were upon or under the said lands and all such machinery set up by the lessee/lessees below ground which cannot be removed without causing injury to the mines quarries or works under the said lands (except such of the same as may with the sanction of the Competent Authority/ the Commissioner Government have come to be treated as disused) and all buildings and structures of bricks or stone erected by the lessee/lessees above ground level in good repair order and condition and fir in all respect for further working of the said mines and the said minerals.

Right of Preemption

25. (a) The Government shall from time to time and all times during the said term have the right (to be exercised by notice in writing go the lessees/lessees) of per-emption of the said minerals (and all

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products thereof) in or upon the said lands hereby demised or elsewhere under the control of the lessee/lessees and the lessee/lessees shall with all possible expedition deliver all minerals or products of minerals purchased by the Government under the power conferred by this provisions in the quantities at the times in the manner and at the place specified in the notice exercising the said right.

(b) Should the right to pre-emption conferred by this present provision be exercised and a vessel chartered to carry the minerals or products thereof procured on behalf of the Government be cancel mined or demurrage at the port of loading the lessee/lessees shall pay the amount due for demurrage according to the terms of the charter party of such vessel unless the Government shall be satisfied that the delay is due to causes beyond the control of the lessee/lessees.

(c) The price to be paid for all minerals or products of minerals taken in pre-emption by the Government in exercise of the right hereby conferred shall be the fair market price prevailing at the time of pre-emption PROVIDED THAT in order to assist in arriving at the said fair market price the lessee/lessees shall if so required furnish to the Government for the confidential information of the Government particulars of the quantities, descriptions and prices of the said minerals or products sold to other customers and of charters entered into for freight for carriage of the same and shall produce to such officer of officers as may be directed by the Government original or authenticated copies of contracts and charter parties entered into for the sale of freightage of such minerals or products.

(d) In the event of the existence of State of War or emergency (of which existence the President of India shall be the sole judge and a notification to this effect in the Gazette of India shall be conclusive proof) the Government with the consent of the Central Government shall from time to time and all times during the said term have the right to be exercised by a notice in writing (to the lessee/lessees) forthwith take possession and control of the works, plant, machinery and premises of the lessee/lessees on or in connection with the said lands or operations under this lease and during such possession or control the lessee/lessees shall conform and obey all directions given by or on behalf of the Central or Government regarding the use of employment of such works, plants, premises and minerals, PROVIDED THAT fair compensation which shall be cancel mined in default or agreement by the Government shall be paid to the lessee/lessees for loss or damage sustained by him/them by reason or in consequence of the exercise of the powers conferred by this clause and PROVIDED ALSO that exercise of such powers shall not cancel mine the said term hereby granted or affect the terms and provisions of these presents further than may be necessary to give effect to the provisions of this clause.

Not to light fire in Forest

26. The lessee/lessees shall not light any fire upon the said lands if lying within the reserved forest areas except under such conditions as the Divisional Forest Officers may in writing specify and the lessee/lessees and his their workmen and employees shall render prompt assistance in extinguishing any fire on the said lands or in their vicinity. The lessee/lessees shall be liable for all damage resulting from the fire caused by the act of or omission of lessee/lessees or/their employees and shall pay such compensation for the said damage as may be assessed by the Divisional Forest Officer. The decision of the Divisional Forest Officer as to the amount of compensation payable by the lessee/lessees shall be final and binding on the lessee/lessees.

No right over produce other than minerals ore/s mentioned in the lease.

27. (a) The lessee/lessees shall not remove any other produce except the minor mineral mentioned in the lease. The lessee/lessees shall without delay, report to the Competent Authority

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and the Commissioner the discovery in the areas, comprised in his/their lease of any mineral/s not specified in the lease.

(b) If any mineral/s not specified in the lease is/are discovered in the leased in the leased area, he/they shall not win and dispose of such mineral/s without obtaining a lease/leases therefore. If he fails/they fail to apply for such lease/leases within three months from the discovery of the said mineral/minerals the Competent Authority may grant a lease/leases in respect of such mineral/minerals to any other person/persons.

(c) Without the prior permission of the Commissioner the lessee shall not use the minor minerals quarried under these rules for a purpose, which will classify them as major minerals.

28. The lessee/lessees shall make available to the Government of India beryl or any other 'Substance prescribed' under section 3 of the Atomic Energy Act (Act XXIX of 1948) if they are found to occur in the said lands.

29. The Government shall be immune from the lessee's/lessees' claims for damage on account of any land having been included in his lease which may subsequently be discovered not to have been available for the lease.

30. The lessee/lessees or his/their transferees or assignees shall not effect any building in contravention of the provisions of any law for the time being in force relating to the erection of building or in contravention of any orders issued by any officer under any such law within whose jurisdiction the leased area is situated.

31. The lessee/lessees shall abide by such reasonable instructions and directions as may be issued by the Commissioner from time to time regarding conservation and development of minor minerals.

PART-VIII

The Covenants of the Government

Lessee may hold and enjoy rights quietly

1. The lessee/lessees paying the rents and royalties hereby reserved and observing and performing all the covenants and agreements herein contained and on the part of the lessee/lessees to be observed and performed shall and may quietly hold and enjoy the rights and premises hereby demised for and during the term hereby granted without any unlawful interruption from or by the Government or any person rightfully claiming under it:

Provided further that in case the renewal application is not finalized within the aforesaid period the lease shall be deemed to have been extended for a further period till final order of renewal of lease is passed by the Competent Authority.

Acquisition of lands of third parties and compensation thereof

2. If in accordance with the provision of Clause 4 of Part VII of this Schedule the lessee/lessees shall offer to pay to an occupier of the surface or any part of the said lands compensation for any damage or injury which may arise from the proposed operations of the lessee/lessees and the said occupier shall refuse his consent to the exercise of the right and power reserved to the Government and demised to the lessee/lessees by these presents and the lessee/lessees shall report the matter to the Government and shall deposit with it the amount offered as compensation and if the Government are satisfied that the amount of compensation offered is fair and reasonable or if it is not so satisfied and the lessee shall have deposited with it such further amount as the Government shall consider fair and reasonable the Government shall order the occupier to allow the lessee/lessees to enter the land and to carry out such operation as may be necessary for the purpose of this lease. In assessing the

(Signature)

amount of such compensation the Government shall be guided by the principles of the Land Acquisition Act.

To renew

3. If the lessee/lessees be desirous of taking a renewed lease of the premises hereby demised or of any part or parts of them for a further term from the expiry of the term hereby granted and if he/they file the Competent Authority an application in writing 180 days before the expiry of the lease as prescribed in the said rules, and shall pay the rents and royalties hereby reserved and shall observe and perform the several covenants and agreements herein contained and on the part of the lessee/lessees to be observed and performed upto the expiration of the term hereby granted the Competent Authority will upon the request and at the expense of the lessee/lessees and upon his/their executing and delivering to the Government if required a counterpart thereof execute and deliver to the lessee/lessees a renewal lease of the said premises for the further term as provided in these rules at such rents and royalties and on such terms and subject to such covenants and agreements including this present covenants to renew as shall be in accordance with the Rules applicable to Quartzite (name of minerals on the day next following the expiration of the term hereby granted.

Surrender of lease

4. The lessee may surrender his lease forth with if he has cleared his legitimate dues and submitted his application in prescribed format as provided in Form M.

After receiving surrender application from lease holder in prescribed from concerned Geologist has to submit his opinion with in 45 days, to the Competent Authority and the Competent Authority shall take decision with 45 days after receiving the opinion of the concerned Geologist if decision is not taken in prescribed time limit the dead rent should be stopped.

Dead rent should stop, once the Geologist gives opinion to the Competent Authority within 45 days that the land can be surrender or in 90 days which ever is earlier.

Refund of security deposit

5. The Security deposit is not refunded to the lease holder within the period mentioned in the lease deed, the Government shall pay simple interest at the rate of Saving A/c Bank rate of Nationalized Bank from the date of expiry, of the period mentioned in the lease deed.

PART-IX

General Provisions

Obstruction to inspection :

1. In case of breach of any of the conditions of the lease other than mentioned in Clauses-2 and 3 of this part, then the Competent Authority may require the lessee/lessees or his/their transferees or assignees to pay penalty not exceeding twice the amount of annual rent dead rent.

2. In case of lessee/lessees or his/their transferees or assignee does/do not allow or obstruct entry or inspection, by the officer authorized by the Government, the Competent Authority may cancel the lease and forfeit the whole or part of the deposit made under Rules 19 of the said Rules.

Lessee/assignee commit if any breach of conditions:

3. In case the lessee/lessees or his/their transferees or assignee commit any breach of the conditions specified in chapter III of the said rules then and in any such case the Competent Authority shall give notice in writing to the lessee/lessees his/their or transferees or assignees as the case may be asking him/them to remedy the breach within 60 days from the date of the notice and if the breach is not remedied within such period the Competent Authority under the said rules may cancel the lease

Provided that nothing herein contained shall debar the Government from enforcing any other right or remedy that the Government may have against the lessee/lessees or his/their transferees or assignees under any other provisions herein contained.

To lay penalty in case of breach

4. In case of breaches of the covenants and agreements by the lessee/lessees on which the aforesaid notice has been given the Competent Authority under the said rules in lieu of giving notice may impose such penalty not exceeding Rs.1000.

5. If the lessee/lessees ceases/cease to work the quarry for a continuous period of 6 months the lease shall be liable to cancellation:

Provided that the lease shall not be cancelled if the lessee/lessees is/ are prevented from working the quarry owing to some reasonable cause or if the lessee/lessees ceases/cease to work with the prior permission of the Competent Authority.

Interpretation his lease.

6. If there is any dispute regarding their lease or any other matter or thing construction of a term or condition in this lease or anything connected with the quarries or minor minerals specified in this lease or the working or non-working of the quarry operated under this lease, the amount of payment of royalty or dead rent or its mode of payment to the Competent Authority, it shall be referred to the Government whose decision shall be final and binding on the lessee.

Saving cause.

7. Nothing contained in this lease shall be deemed to affect the provisions of Rules 67, 68, 69 and 70 of the Gujarat Land Revenue Rules, 1972 or any rules corresponding thereto.

Failure to fulfil the terms of lease due to "force majeure".

8. Failure on the part of the lessee/lessees to fulfill any of the terms and conditions of this lease shall not give the Government any claim against the lessee/lessees or be deemed a breach of this lease, in so far as such failure is considered by the Government to arise from force majeure and if through force majeure the fulfillment by the lessee/lessees of any of the terms and conditions of this lease be delayed, the period such delay shall be added to the period fixed by this lease. In this clause the expression force majeure means act of God, war, insurrection, riot civil commotion, strike, earthquake, tide storm, tidal wave, flood lightning, explosion fire, and any other happening which the lessee/lessees could not reasonably prevent or control.

Lessee to move his Properties on the expiry of lease.

9. The lessee/lessees having first paid and discharged the rent and royalties payable by virtue of these presents may at the expiration of sooner cancellation of the said term or within six calendar months thereafter (unless the lease shall be cancelled under Clauses 1 and 2 of this Part and in that case at any time not less than three calendar months nor more than six calendar month after such cancellation) take down and remove for his own benefit all or any engines, machinery, plant, buildings, structures, tramways-railways and other work, erections and conveyances of the lessee/lessees in or upon the said lands and which the lessee/lessees is/ are not bound to deliver to the Government under clause 21 of Part VII of this Schedule and which the Government shall not desire to purchase.

Forfeiture of property left more than six months after cancellation on lease.

10. If at the end of six calendar months after the expiration or sooner cancellation of the said term or after the date from which any surrender by the lessee/lessees of parts or parts of the said lands under the provisions contained in Clause 4 of VIII of this Schedule become effective there shall remain in

(M.B. S. V. 20/11/2011)

or upon the said land or the surrendered part or parts thereof as the case may be any engines, machinery, plant, building, structures, tramways, railways, and other work erections and conveniences or other property which are not required by the lessee/lessees in connection with his their operations in these parts of the said lands which he/ they/ has/ have not surrendered or in any other lands hold by him/ them/ under prospecting licence or mining lease the same shall if not removed by the lessee/lessees within one calendar month after notice in writing requiring their removal has been given to the lessee/lessees by the Government be deemed to become the property of the Government and may be sold or disposed of in such manner as the Government shall deem fit without liability to pay any compensation or to account to the lessee/lessees in respect thereof.

Services of notices.

11. Every notice by these presents required to be given to the lessee/lessees shall be given in writing to such person resident on the said lands as the lessee/lessees may appoint for the purpose of receiving such notice and if there shall have been no such appointment then every such notice shall be sent to the lessee/lessees by registered post addressed to the lessee/lessees at the address recorded in this lease or at such other address in India as the lessee/lessees may from time to time in writing to the Government designate for the receipt of notice and every such service shall be deemed to be proper and valid service upon the lessee/lessees and shall not be questioned or challenged by him.

12. This quarry lease shall be subject to the Gujarat Minor Mineral Concession Rules-2010 as amended from time to time.

IN WITNESS WHEREOF these presents have been executed in the manner hereunder appearing the day and year first above written.

Signed by for and on behalf of the Governor of Gujarat in presence of

(Jayprakash Shivhare) I.A.S.

COLLECTOR SABARKANTHA

(1) Shri. K. M. Patel

Geologist
Geology & Mining Dept.
Himmatnagar

(2) Shri. S. K. Parmar

Sr. Clerk

Signed by for and behalf of

(1) Shri. Charchan Bhikushih Khumian Shih. & Anubhai V. Ramani

In the presence of

(1) Shri. Charchan Ramesh Shih. K.

Charchan

(2) Shri. Sheemul bhai Ramibhai Vankar

21/11/2018

NOTIFICATION

Industries and Mines Department

Sachivalaya, Gandhinagar Date:24-05-2017.

Mines and Minerals (Development and Regulation) Act, 1957.

No.GU-2017-(21)-MCR-102017-MM-524-CHH:- In exercise of the powers conferred by section 15 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), and in suppression of all the rules made in this behalf the Government of Gujarat hereby makes the following rules, namely:-

CHAPTER I: PRELIMINARY**1. Short title and commencement.-**

- (1) These rules may be called the Gujarat Minor Mineral Concession Rules, 2017.
- (2) They shall come into force on the date of their publication in the *Official Gazette*.

2. Definitions.-

- (1) In these rules, unless the context otherwise requires-
 - (a) “**Act**” means the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957);
 - (b) “**agent**” when used in relation to a mine, means a person specified under sub-clause(c) of sub-section(1) of section 2 of the Mines Act, 1952 (35 of 1952);
 - (c) “**auction premium**” means the premium as specified in sub-rule (3) of rule 5;
 - (d) “**bank guarantee**” means a guarantee to be in **Form A** or **Form V** by a bank as may be notified by the Government in Finance Department for acceptance of bank guarantees as security deposit and earnest money deposit;
 - (e) “**beneficiation**” means processing of minerals or ores for the purpose of upgrading the quality, purity or assay grade of the desired product by removing unwanted constituents like gangue minerals or tailings;
 - (f) “**Cluster**” means a group of more than one mines formed when the distance between the peripheries of one lease is less than five hundred metres from the periphery of the other lease in a homogeneous mineral area;
 - (g) “**Committee**” means a committee constituted under Rule 50 for the purpose of revision under CHAPTER XIII;
 - (h) “**cores**” means the samples of subsurface rocks or mineralized zone obtained during the drilling of boreholes;
 - (i) “**Dead rent**” means the amount payable by a quarry lease holder, calculated on the basis of the area leased and not on the quantity of minerals extracted or removed;
 - (j) “**financial assurance**” means a bank guarantee or a non-interest bearing

amount equal to ¹⁴[0.25 per cent] of the value of estimated resources; and

- (b) in case of minerals specified in Part A-I of **Schedule III**, the amount specified in rule ¹⁵[57].
- (2) The upfront payment shall be payable to the Government in two instalments of twenty per cent and eighty per cent in respect of the minerals for which a quarry lease is granted. The upfront payment shall be adjusted in the following manner:
- (a) in case of minerals specified in Part A-II or Part B of **Schedule III**, it shall be adjusted against the amount paid under sub-rule (3) of rule 5, in the manner specified by the Government in the tender document, within the first five years of commencement of production of the mineral; and
 - (b) in case of minerals specified in Part A-I of **Schedule III**, such adjustment shall be carried out in the last year of the quarry lease period.

10. Performance security for quarry lease.-

- (1) The successful bidder shall provide a performance security equivalent to an amount of ¹⁶[0.25 per cent] of the value of estimated resources in case of minerals specified in Part A-II or Part B of **Schedule III** and the performance security shall be adjusted every five years so that it continues to correspond to ¹⁷[0.25 per cent] of the reassessed value of estimated resources.
- (2) The successful bidder shall provide a performance security of the amount specified in rule ¹⁸[57] in case of minerals specified in Part A-I of **Schedule III**.
- (3) The performance security provided may be appropriated as per the provisions of these rules, the tender document and the quarry lease deed.

11. Payments under quarry lease.-

- (1) The lessee shall pay royalties or dead rent to the Government.
- (2) The lessee shall pay the auction premium to the Government.
- (3) The lessee shall contribute such amounts as may be required under section 15A to the designated account of the District Mineral Foundation.
- (4) The lessee shall also pay such other amounts as may be required under any law for the time being in force to the concerned authorities.
- (5) The payments shall be made in the manner specified by the Government.

12. Period of the quarry lease.-

- (1) In case of:

¹⁴ Subs. by GJ/2018/12/MCR-102018-325-CHH, dated 9th March, 2018 (w.e.f. 09-03-2018).

¹⁵ Subs. by GJ/2017/26/MCR-102017-MM-995-CHH, dated 10th August, 2017 (w.e.f. 10-03-2017).

¹⁶ Subs. by GJ/2018/12/MCR-102018-325-CHH, dated 9th March, 2018 (w.e.f. 09-03-2018).

¹⁷ Subs. by GJ/2018/12/MCR-102018-325-CHH, dated 9th March, 2018 (w.e.f. 09-03-2018).

¹⁸ Subs. by GJ/2017/26/MCR-102017-MM-995-CHH, dated 10th August, 2017 (w.e.f. 10-08-2017).

- (a) all minor minerals specified in Part A-II or Part B of **Schedule III**, the period of quarry lease granted or renewed before the date of commencement of these rules, shall be extended and be deemed to have been extended up to a period ending on March 31, ¹⁹[2030 for the quarry leases granted on land owned by the Government; upto a period ending on March 31, 2035 for the quarry leases granted on land not owned by the Government] with effect from the date of expiry of the period of renewal last made or till the completion of period of quarry lease, if any, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with; and
- (b) minor minerals specified in Part A-I of **Schedule III**, the period of the quarry leases granted or renewed before the date of commencement of these rules, shall be extended and be deemed to have been extended up to a period ending on March 31, ²⁰[2022] with effect from the date of expiry of the period of renewal last made or till the completion of period of quarry lease, if any, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with.
- (2) The Government shall issue a written intimation to all existing quarry lease holders regarding the extension of lease period pursuant to sub-rule (1). The quarry lease holder shall, within thirty days of receipt of such intimation, complete all formalities with respect to such extension including payment of stamp duty for the extended period of quarry lease deed, if applicable.
- (3) On and from the date of commencement of these rules, all quarry leases shall be granted for a period of:
- (a) five years in case of minor minerals specified in Part A-I of **Schedule III**; and
- (b) thirty years in case of minor minerals specified in Part A-II or Part B of **Schedule III**.
- (4) Upon expiry of the period of the lease specified in sub-rule (1) or sub-rule (2), the lease shall be put up for auction as per the procedure specified in CHAPTER II :

Provided that any holder of a quarry lease granted, where the mineral is used for captive purpose, shall have the right of first refusal at the time of auction held for such quarry lease after the expiry of the quarry lease period, in the following manner:

- (a) to be eligible to exercise the right of first refusal, the lessee shall comply with the conditions of the quarry lease till its expiry;
- (b) prior to publication of the notice inviting tender, the Government shall provide a written notice to the lessee requiring the lessee to specify its willingness or non-willingness to exercise the right of first refusal in writing, within a period of thirty days of receipt of such notice;
- (c) the notice inviting tender shall specify that the lessee holding the lease prior to expiry of the quarry lease has the right of first refusal and shall also specify his willingness or non-willingness specified pursuant to clause (b), if any;

¹⁹ Subs. by GJ/2018/12/MCR-102018-325-CHH, dated 9th March, 2018 (w.e.f. 09-03-2018).

²⁰ Subs. by GJ/2018/12/MCR-102018-325-CHH, dated 9th March, 2018 (w.e.f. 09-03-2018).

- (d) upon conclusion of the Second Round of Auction as specified in sub rule (2) of rule 7, the Government shall issue a written notice to the lessee seeking written confirmation of his willingness to exercise the right of first refusal within a period of seven days of conclusion of the Second Round of Auction;
- (e) the notice given under clause (d) shall be acknowledged by the lessee;
- (f) the lessee shall, within a period of fifteen days of receipt of the notice issued under clause (d), exercise the right of first refusal in writing to the Government, failing which it shall be construed that the lessee is not desirous of exercising the right of first refusal and the preferred bidder shall be entitled to a quarry lease in the manner provided in rule 7; and
- (g) if the lessee exercises the right of first refusal in terms of clause (f) and matches the highest final premium offer, the lessee shall be deemed to be the preferred bidder in place of the earlier preferred bidder declared after the Second Round of Auction and shall be entitled to the quarry lease in the manner provided in rule 8.

Explanation: For the purposes of the proviso, the term “**captive purpose**” shall mean the use of more than fifty per cent of the entire quantity of mineral extracted from the quarry lease in a manufacturing unit owned by the lessee.

13. Area of a quarry lease.-

- (1) The minimum area for which a quarry lease may be granted shall be one hectare:
Provided that the Government may, for reasons to be recorded in writing, grant a quarry lease for an area which is less than one hectare:
- (2) The area under every quarry lease shall be contiguous; provided that the Government may, for reasons to be recorded in writing, permit grant of a quarry lease over any specified non-contiguous area.
- (3) Where subsequent to an e-auction for grant of a quarry lease, the landowner refuses his consent to the exercise of the rights and privileges of the successful bidder pursuant to these rules, the landowner may submit a written application to the Government for exclusion of the land owned by him from the lease area and the Government may, on being satisfied about the genuineness of the reasons for such request, consider exclusion of such land from the lease area.

14. Restriction on maximum area.-

No person shall acquire in respect of a particular mineral, one or more quarry lease in the State covering a total area of more than:

- (a) fifty hectares, in case minerals specified in Part A of **Schedule III**; and
- (b) five square kilometres, in case minerals specified in Part B of **Schedule III**:

Provided that the Government may, in the interest of development of any mineral and for reasons to be recorded in writing, increase the maximum lease area for a particular mineral.

15. New Discovery.-

- (1) Where a quarry lease has been granted for a minor mineral under the rules made under section 15 and subsequent to registration of the quarry lease, a new minor mineral(s) is discovered, then the quarry lease holder may request the Government in writing to include the new mineral(s) in the quarry lease. In such case, the Government may grant a quarry lease subject to compliance by the quarry lease holder of the provisions of applicable laws with respect to mining for the new mineral, including submission of a mining plan and payment of the auction premium to the Government:

Provided that where the quarry lease for a minor mineral was granted prior to commencement of these rules, the Government shall have power to specify the rate of payment for the new minerals.

- (2) Where a mining lease has been granted under the rules made under section 13 for a mineral which is not a minor mineral, and subsequent to registration of the mining lease, a new mineral is discovered which is a minor mineral, then at the request of the holder of the mining lease, the Government may grant a quarry lease for the new minerals on such terms and conditions including payment requirements, as may be specified by the Government.
- (3) Where prior to the commencement of an auction for grant of a composite license or a mining lease under the rules made under Section 13, presence of a minor mineral is established, the Government may grant a quarry lease for the minor minerals on such terms and conditions as may be specified by the Government in the tender document for such auction.
- (4) Where a quarry lease has been granted for a minor mineral under the rules made under Section 15, and subsequent to registration of the quarry lease a new mineral is discovered which is not a minor mineral, then the quarry lease holder shall stack such minerals in accordance with the written instructions issued by the Government.
- (5) The Government shall, at the time of making an order granting a quarry lease under this rule 15, also specify the manner in which the minerals are to be utilized and disposed.
- (6) Any discovery of a new mineral shall be reported in writing to the Government within thirty days of discovery of such mineral.

- 16. Lease Period for more than one mineral in an area.-** Where more than one mineral is discovered in an area in respect of which a quarry lease has been granted under these rules or prior to commencement of these rules and a quarry lease is granted for such discovered minerals, the period of lease for the discovered minerals shall expire: (a) on the date of expiry of the lease which was originally granted; or (b) on the completion of extraction of the entire quantity of the minor mineral from the area, whichever is earlier:

Provided that where a minor mineral is discovered in an area where a mining lease has been granted under the Act and the rules made thereunder, for a mineral which is not a minor mineral, the lease for the minor mineral shall expire on the date of expiry of the mining lease granted under the Act and the rules made thereunder or on the completion of extraction of the entire quantity of the minor mineral from the area, whichever is earlier.

CHAPTER III: TERMS AND CONDITIONS OF THE QUARRY LEASE

- 17. Liabilities, powers and privileges of the lessee.-** Subject to the conditions mentioned hereunder, the lessee shall, with respect to the lease area, have the right for the purpose of

conducting mining operations on that land, to:

- (a) search for, mine, quarry, bore, dig, drill for, win, work, dress, process, convert, carry away and dispose of the minerals in respect of which the quarry lease has been granted;
- (b) sink, drive, make, maintain and use in the lease area, any pits, shafts, inclines, drifts, levels, waterways and other works;
- (c) erect, construct, maintain and use on or under the lease area any engines, machinery, plant, dressing-flowers, furnaces, brick-kilns, workshops, store houses, bungalows, godowns, sheds and other building and other works and convenience of the like nature on or under the lease area;
- (d) make any tramways, railways, roads and other ways in or over the said lands and to maintain and go and trespass with or without horses, cattle, wagons, locomotives or other vehicles over the same (or any existing tramways, railways, roads, and other ways in or over the said lands) on such conditions as may be agreed to;
- (e) quarry and obtain building and road materials and ordinary clay and to use and employ the same and to manufacture such ordinary clay into bricks or tiles and to use such bricks or tiles. The lessee shall not sell any such materials, bricks or tiles except on payment of the royalties prescribed herein;
- (f) appropriate and use, with prior written permission of the officer authorised by the Government, water from any streams, water-courses, spring or other sources in or upon the lease area and to divert, step up or dam any such stream, watercourse and collect or impound any such water and to make, construct and maintain any water course, culverts, drains or reservoirs but not so as to deprive any cultivated lands, villages, buildings or watering places for livestock of a reasonable supply of water as before accustomed nor in any way to foul or pollute any streams or springs:

Provided that the lessee shall not interfere with the navigation in any navigable stream nor divert such stream without the previous written permission of the Government;

- (g) use land for purpose of stacking, heaping, storing or depositing thereon any produce of the mines, quarries on works carried on and any tools, equipment, earth and materials and substances dug or raised;
- (h) beneficiate, process, dress, convert the minerals produced from the said lands and carry away such beneficiated/processed, dressed, converted minerals; and
- (i) do any other things as may be specified in the quarry lease deed.

18. Duties and obligations of the lessee.- The lessee shall, subject to the provisions of rule 19, have the following duties and obligations:

(1) Notice for opening of mine.-

- (a) The lessee shall send to the lease granting authority, an intimation in **Form C** of the opening of a mine so as to reach them within fifteen days of such opening.
- (b) The intimation in **Form C** sent under clause (a) shall be accompanied with a

copy of the approved mining plan, - when the mine is being opened after expiry of a five year period from the date of approval of the mining plan.

- (2) **No building etc., upon certain places-** The lessee shall not erect, place or set up any building or thing and shall not carry out any surface operations on, in or upon any public ground, burning or burial ground, house, village site, public road or place held sacred by any class of persons or any or other place which the Government may determine as a public ground.

The lessee shall not carry on his operations in a manner that would injure or prejudicially affect any buildings, works, property or rights of other persons and no land will be used by the lessee for surface operations which is already occupied by persons other than the Government, for works or purposes not included in the quarry lease deed.

- (3) **No interference-** The lessee shall not interfere with any right of way, well or tank.
- (4) **Permission for surface operations in a land not already in use-** The lessee shall, prior to using any land for surface operations which has not already been used for such operations, give written notice of two calendar months to the Government specifying the name or other description of the situation and the extent of the land proposed to be so used and the purpose for which the same is required. The said land shall not be used by the lessee if any objection is issued by the Government within two months of receipt of the lessee's notice in this regard, unless the objections so stated shall on reference to the Government be annulled or waived.

- (5) **Not to enter upon reserved forest-** The lessee shall not, without the express sanction of the Divisional Forest Officer, cut down or injure any timber or trees on the lease area but may, without such sanction, clear away any bush wood or under-growth which interferes with any of its operations. Notwithstanding the aforesaid, the lessee shall enter upon any reserved forest included in the lease area only after giving seven days previous written notice to the Divisional Forest Officer and after obtaining the written sanction of that officer and the lessee shall comply with such conditions as that officer may, in his absolute discretion, prescribe.

The lessee shall pay such compensation as may be assessed by the Chief Conservator of Forests for any damage caused to the land in any area of the reserved forest on account of the mining operations carried out in such area.

- (6) **No mining operations in certain areas-** Except with the written permission of the concern authority the lessee shall not carry on, or allow to be carried on, any mining operations at any point within a distance of:
- (a) fifty metres from any road (excluding a village road or other district road), notified reservoirs, canal, national highway, state highway, boundary of any railway line, public works, cities, towns, villages and other approved continuous habitations, if no blasting is involved; or
- (b) two hundred metres from any road, notified reservoirs, canal, national highway, state highway, boundary of any railway line, public works, cities, towns, villages and other approved continuous habitations, if blasting is involved,

The aforesaid distance shall be measured (a) in the case of a railway line, horizontally from the outer edge of the cutting, (b) in the case of a canal or reservoir, horizontally

from the outer toe of the bank or the outer edge of the cutting, as the case may be, and (c) in case of a building or any other structure for human habitation, horizontally from the plinth thereof. The lessee shall not carry on, or allow to be carried on, any mining operations under or beneath any ropeway or ropeway trestle or station, except under and in accordance with the written permission of the authority owning the ropeway. The written permission of the relevant authority may be conditional upon and subject to terms and conditions, in which case the lessee shall comply with all such terms and conditions.

Provided that in case any specific guidelines, directions, circulars, etc., are issued with respect to any mineral, mineral category, area, operation or otherwise for the purpose of sustainable mining or environment or pollution related matters, and the same envisage stricter norms, guidelines, directions, etc., the same will also be applicable with respect to mining operations undertaken within the aforesaid limits.

- (7) **To strengthen and support the quarry to necessary extent-** The lessee shall strengthen and support to the satisfaction of the railway administration concerned or the Government, as the case may be, any part of the mine which in his opinion, requires such strengthening or support for the safety of any railway, reservoir, canal, road and any other public works or structures, as the case may be.
- (8) **Facilities for adjoining Government licences, and leases-** The lessee shall allow reasonable facilities of access to any existing and future holders of Government licences or leases over any land which is comprised in or adjoins or is reached by the land held by the lessee:

Provided that no substantial hindrance or interference shall be caused by such holders of licences or leases to the operations of the lessee and fair compensation as may be mutually agreed upon or in the event of disagreement, as may be decided by the Government shall be paid by them to the lessee for any loss or damage sustained by the lessee by reason of the exercise of this liberty.

- (9) **To pay rents, royalties, taxes, etc.-** The lessee shall make payments as stipulated in rule ²¹[11] and CHAPTER XIV of the rules. In the event, taxes are payable, the lessee shall gross-up the amount payable and make payment of the aggregate amount.
- (10) **To maintain and keep boundary marks-** The lessee shall at his own expense, erect, maintain and keep in good repair all boundary marks and pillars and sign boards according to the Act and the rules with respect to the manner of construction and upkeep of boundary pillars including the following:
- (a) the lessee shall get the measurement of the lease area by District Inspector of Land Records;
 - (b) the lessee shall submit the copy of measurement sheet and shall establish the exact limitation marks as per the measurement sheet on the lease area and take care of the limitation marks/ stones;
 - (c) the lessee should maintain a (sign) board with the schematic map, showing the measurements of the lease area. The expenses of this board preparation, arrangement and its maintenance in good condition shall be the responsibility of the lessee;

²¹ Subs. by GJ/2017/26/MCR-102017-MM-995-CHH, dated 10th August, 2017 (w.e.f. 10-08-2017).

- (d) the lessee shall maintain the (sign) board at a proper place, in proper manner, easily visible to the visitors, during the whole lease period and should, for facilitating easy visibility of the notice board, remove the hindrances around it, like bushes, tree branches, shelters etc.;
- (e) the lessee must prepare, establish and maintain in good condition, the (sign) board and its facing, to indicate the landmarks of the lease area. The lessee shall arrange the landmark concrete pillars of 3' * 3' * 3' measurement for indicating the exact limitations of the lease area;
- (f) the lessee shall see that these concrete pillars are maintained in good condition during the entire quarry lease period. These concrete pillars should be painted with yellow colour for good visibility. The number of the pillar and the marks of latitude and longitude measurements of the pillar should be written in black colour;
- (g) except in the case of ordinary sand mineral, in case of all other minerals, the boundary of the lease area should be fenced properly; and
- (h) the District Geologist/ the District Assistant Geologist should provide the coordinates of the lease area and these coordinates should be clearly mentioned on the map of the quarry lease and the map of the quarry lease shall be kept by the lessee within the lease area at all times.

(11) To commence operations within specified time, not to work in certain areas and to work in a workman like manner-

- (a) The lessee shall commence mining operations within the time period specified herein and in the mining plan. All mining operation shall be conducted by the lessee in a proper, skillful and workman-like manner and the lessee shall reduce waste and do careful storage of waste and removal of all valuable minerals within the quarry:

Explanation: For the purpose of this clause (a) of sub-rule (11) of rule ²²[18], mining operations shall include the erection of machinery, laying of a tramway or construction of a road in connection with the working of the mine.

- (b) The lessee shall not, in the case of village roads (including any track shown in the revenue record as village road) and other district roads, allow any working to be carried on within a distance of ten metres of the outer edge of the cutting except with the previous permission of the Government in this behalf and otherwise than in accordance with such directions, restrictions and additions, either general or special, which may be attached to such permission.

- (12) To secure and keep in good condition pits, shafts-** The lessee shall during subsistence of the quarry lease, secure and keep open with timber or other durable means, all pits, shafts and workings that may be made or used in the lease area and make and maintain sufficient fences to the satisfaction of the Government around every such pit, shaft or working whether the same is abandoned or not. The lessee shall, during the same period, keep all workings in the lease area accessible, free from water and foul air as far as possible, except such area as may be abandoned.

- (13) Proper Maintenance of Trenches, Working Faces etc.-** During the tenure of the quarry

²² Subs. by GJ/2017/26/MCR-102017-MM-995-CHH, dated 10th August, 2017 (w.e.f. 10-08-2017).

lease, the lessee shall take adequate steps to ensure that:

- (a) the height and width of trenches in open quarries are properly maintained to facilitate easy removal of the mineral and waste;
 - (b) the working faces are always kept clean;
 - (c) the minerals won are stacked in suitable dimensions and each stack is numbered; and
 - (d) proper sanitation of the lease area is maintained.
- (14) **To submit progress reports-** The lessee shall, in addition to the periodical returns prescribed herein, submit such progress reports as may be required by the Government along with representative samples and analysis of the mineral collected during the quarry operations, within such timelines as may be specified by the Government.
- (15) **To Allow Inspection by Government-**
- (a) The lessee shall allow the Government or the officer authorised by the Government to enter upon buildings, excavation or land comprised in the quarry lease for the purpose of inspecting the same or inspecting any of the accounts, which he shall make available to the Government. The Government may issue such reasonable directions in writing as it may deem fit, to prevent wasteful extraction and ensure safety and conservation of the minor minerals and it shall be the duty of the lessee to carry out such directions within such period as the Government may specify.
 - (b) The lessee shall also supply on demand of the Government, a composite plan of the lease area showing thickness, dip, inclination, etc., of all the seams as also the quantity of reserves quality-wise for minor minerals specified in Part A-II or Part B of **Schedule III**.
- (16) **To report accidents-** The lessee shall send to the Government, without delay, 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 of its mining operations.
- (17) **To keep record and accounts regarding production and employees etc.-** The lessee shall keep accurate and faithful accounts showing the particulars of:
- (a) production and dispatch register, date-wise,
 - (b) prices obtained for the minerals,
 - (c) names of purchasers,
 - (d) receipts for money received,
 - (e) quantity of waste material excavated from the mine,
 - (f) the number of persons employed and their nationality,
 - (g) labour attendance register,
 - (h) the wages paid,

- (i) complete plans of the quarry,
- (j) the unutilized or non-saleable subgrade ores or minerals for future beneficiation,
- (k) contributions made to the District Mineral Foundation,
- (l) payments made to the Government in terms of royalty, dead rent, auction premium, surface rent,
- (m) explosives consumption register,
- (n) details of expenditure incurred towards the mine closure activities,
- (o) bore hole logs along with the chemical analysis reports,
- (p) mineral analysis reports,
- (q) details of mining machinery, and
- (r) copies of all notices and returns, plans, sections and schemes submitted to the Government under these rules.

The lessee shall allow the officer authorised by the Government, at all reasonable times, free access to enter into and to examine, take extracts or make true copies of, any accounts, plans and records maintained by him and shall furnish to the Government such information and returns as it may require.

(18) Machinery and plant-

- (a) Where heavy earth moving machinery is used in mines, the lessee shall maintain log books duly authenticated by the manager or mining engineer of such mines in respect of each machine showing date-wise account of hours worked, hours not worked, reasons for non-working, consumption of fuel/energy and lubricants and output of the machine during the corresponding working hours.
- (b) The summary of operation of each machine shall be recorded in the log book at the end of each month bringing out the percentage availability and percentage utilization of the machine, average hourly performance and average fuel/energy consumption per hour.
- (c) The log books may be maintained in electronic form or in hard copy and shall be made available to the officer authorised by the Government on demand.

- (19) To maintain plans, etc.-** The lessee shall at all times during the quarry lease term maintain at the mine/quarry office correct intelligible up-to-date copy of the approved mining plan and complete plans and sections of the mines/quarries in the lease area. All plans, sections and tracings or copies thereof kept at the quarry shall be serially numbered or suitably indexed. Every plan, section or part thereof prepared pursuant to these rules shall carry thereon a certificate for its correctness and shall be signed by the mining engineer / geologist with date.

Every copy of a plan and section or part thereof submitted or maintained pursuant to these rules shall bear a reference to the original plan or section from which it was copied and shall be certified thereon by the lessee, his agent, mining engineer, manager or geologist. The plans shall show all the operations and working and all the trenches, pits and drillings made by the lessee in the course of operations carried on by him under the quarry lease including all faults

and other disturbances encountered.

- (20) **To keep records of trenches, pits etc.-** The lessee shall keep accurate records of all trenches, pits and drillings made by the lessee in the course of mining operations carried on by the lessee under the quarry lease and shall allow the Government to inspect the same. Such records shall contain the following particulars, namely:
- (a) the subsoil and strata through which such trenches, pits or drillings pass;
 - (b) any mineral encountered; and
 - (c) such other particulars as the Government may from time to time require.
- (21) **To abide by the provisions of the law in force-**
- (a) The lessee shall at all times comply with the provisions of the Act, the rules and the quarry lease deed and shall abide by the provisions of any other applicable law for the time being in force and applicable to him including laws relating to mines and minerals and other matters affecting the safety, health and convenience of the lessee's employees or of the public. The lessee shall not carry on mining or other operations under the quarry lease in any way other than as prescribed under the quarry lease deed and these rules; and
 - (b) The lessee has and shall continue to comply with all the terms and conditions of the Act, the rules, the Gujarat Mineral (Prevention of Illegal Mining and Transportation and Storage) Rules, 2017, the mining plan and the tender document, as are required to be complied with by the lessee, with respect to lease area and the lessee shall continue to comply with all the eligibility conditions provided in the Act, the rules and the tender document during the quarry lease term.
- (22) **To provide weighing machines-** The lessee shall cause the minerals specified in Part A-I of **Schedule III** to be weighed at the nearest weigh bridge. In the case of minerals specified in Part A-II or Part B of **Schedule III**, the lessee shall, unless specifically exempted by the Government in writing, provide and at all times keep at or near the pit head or each of the pit heads at which the minerals shall be brought to bank, a properly constructed and efficient weighing machine and shall from time to time, weigh or cause to be weighed thereon all the said minerals brought to bank, sold, exported and converted and also the converted products. The lessee shall at the close of each day cause the total weights, ascertained by such means of the said minerals, products raised, sold, exported and converted during the previous twenty four hours, to be entered in the books of accounts maintained by the lessee. The lessee shall at all times during the term of the quarry lease, permit the Government to employ any person or persons to be present at the weighing of the said minerals as aforesaid and to keep accounts thereof and to check the accounts kept by the lessee.
- (23) **To allow testing of weighing machines-** The lessee shall at any time or times during the term of the quarry lease, allow any person or persons appointed in that behalf by the Government to examine and test every weighing machine to be provided and kept as specified in sub-rule (22) above and the weights used therewith in order to ascertain whether the same respectively are correct and in good repair and order. If upon any such examination or testing, any such weighing machine or weights shall be found incorrect or out of repair or order, the Government may require that the same be adjusted, repaired and put in order by and at the expense of the lessee. If such requisition is not complied with within fourteen days after the same has been made, the Government may cause such weighing machine or weights to be adjusted, repaired and put in order at the expense of the lessee. If upon any such examination or testing as aforesaid, any error is discovered in any weighing machine or weights to the

prejudice of the Government, such error shall be regarded as having existed for three calendar months prior to the discovery thereof or from the last occasion of so examining and testing the same weighing machine and weights, in case such occasion is within the said period of three months, and the lessee make all the payments accounted for accordingly.

- (24) **Not to light fire-** The lessee shall not light any fire upon the lease area if lying within the reserved forest areas except under such conditions as the Divisional Forest Officer may in writing specify and the lessee and his agents, workmen, employees etc., shall render prompt assistance in extinguishing any fire on the lease area or in their vicinity. The lessee shall be liable for all damage resulting from the fire caused by the act of or omission of lessee or his agents, workmen, employees etc., and shall pay such compensation for the said damage as may be assessed by the Divisional Forest Officer. The decision of the Divisional Forest Officer as to the amount of compensation payable by the lessee shall be final and binding.
- (25) **Precautions for Protection of Environment and Control of Pollution-** The lessee shall take necessary precautions for the protection of the environment and control of pollution while conducting quarry operations in the lease area e.g. planting of trees, reclamation of mined land, use of pollution-control devices and such other measures as may be prescribed by the Central Government or Government from time to time.
- (26) **Restoration of top soil-** If the lease area or part thereof are forest lands, the lessee shall take all steps to ease the slopes and restore top soil in lands worked out, exploited or mined and it shall be open to the Government to afforest such lands even during the continuance of the quarry lease.
- (27) **Not to Use Minor Minerals for Major Mineral Purpose or any other purpose-** Without the prior permission of the Commissioner, the lessee shall not sell or dispose any of the minerals specified in Part A of **Schedule III** that are extracted under the quarry lease for a purpose which will classify them as major minerals.

Where the Government reserves one or more minerals within a block for any particular end-use as specified in the tender document, the lessee shall use the minerals solely for the specified end-use and shall not sell or transfer or otherwise dispose the minerals either directly or indirectly.

- (28) **To employ Indian nationals-** The lessee shall not employ in connection with the mining operations, any person who is not an Indian national except with the previous written approval of the Government.
- (29) **Employment preference-** The lessee shall, in the matter of employment, give preference to the tribals and to the persons who become displaced because of the taking up of mining operations.
- (30) **To vacate encroached area-** If the lessee is found to have encroached upon an area not included in the lease area, the Government shall issue a notice to vacate the area. The lessee shall vacate the area and stop excavation in the area immediately. The lessee shall also be liable to pay the fine specified by the Government which may extend up to one hundred per cent of royalty plus premium or an amount equal to the mineral value for the mineral excavated from such area, whichever is higher.
- (31) **To reimburse expenses-** If the lessee fails to carry out or perform any of its obligations under these rules or the quarry lease deed within the time specified in that behalf, the Government may cause the same to be carried out or performed and the lessee shall pay the Government, on demand, all expenses incurred in this regard by the Government and the decision of the Government as to such expenses shall be final.

- (32) **Removal of workings that are not to be delivered to the Government-** The lessee may erect on the lease area any structures, machinery, tramways etc., required for bona fide quarry purposes. The lessee may, after paying the rents, rates, royalties, auction premiums and any other payment payable under these rules or the quarry lease deed, on the surrender, expiry or termination of the quarry lease term or within six calendar months thereafter, whichever is earlier (unless the quarry lease is surrendered or terminated on account of default of the lessee, in which case the lessee shall not be entitled to take down and remove anything from the lease area) take down and remove for its own benefit, all or any mineral excavated during the currency of the quarry lease, engines, machinery, plant, buildings structures, tramways, railways and other works, erections and conveniences which may have been erected, set up or placed by the lessee in or upon the lease area and which the lessee is not bound to deliver to the Government or which the Government does not desire to purchase.
- (33) **Limited mining rights-** The lessee shall not be entitled to conduct the mining operations in any other area outside the lease area. The rights granted to the lessee to conduct mining operations are exclusive within the lease area.
- (34) **Authorisations-** The lessee shall obtain and maintain all governmental approvals required for conducting the mining operations within the lease area and performing its obligations under the quarry lease. The Government shall undertake, on a no-obligation basis, to expeditiously provide all necessary approvals and assistance for conducting mining operations and as otherwise may be reasonably required by the lessee in relation to the rights granted to it under the quarry lease.
- (35) **Geological and archaeological finds-** Other than rights to mine for the mineral(s), geological or archaeological rights shall not form part of the rights granted to the lessee hereunder or under the quarry lease deed and except in relation to the mineral(s), the lessee shall not have any mining rights or interest in the underlying minerals, metals, gas, oil, fossils, antiquities, structures or other remnants or things either of particular geological or archaeological interest and such rights, interest and property on or under the lease area shall vest in and belong to the Government under applicable law. The lessee shall take all reasonable precautions to prevent its workmen or any other person from removing or damaging such interest or property and shall inform the Government forthwith of the discovery thereof and comply with such instructions as the Government may reasonably give for the removal of such property.
- (36) **No Claim against Government-** The Government shall be immune from the lessee's claims for damage on account of any land having been included in his lease which may subsequently be discovered not to have been available for the quarry lease.
- (37) **Erection of buildings-** The lessee or his transferees or assignees shall not erect any building in contravention of the provisions of any law for the time being in force relating to the erection of building or in contravention of any orders issued by any officer under any such law within whose jurisdiction the lease area is situated.
- (38) **Additional Conditions-** A quarry lease deed may contain such other conditions as the Government may deem necessary in regard to the following, namely:
- (a) the time-limit, mode and place of payment of rents, royalties and any other payments payable under the rules;
 - (b) compensation for damage to land in respect of which the lease has been granted;
 - (c) restrictions regarding felling of trees on unoccupied and unreserved Government land;

- (d) the restriction of surface operations in any area prohibited by any authority;
- (e) the notice by the lessee for surface occupation;
- (f) the provision of proper weighing machines and maintenance of weighing records;
- (g) facilities to be given by the lessee for working other minerals in the leased area or adjacent area;
- (h) the entering and working in a reserved or protected forest;
- (i) the securing of pits and shafts;
- (j) the reporting of accidents;
- (k) indemnity to Government against the claim of a third party for any damage, injury or disturbance caused to him by the lessee;
- (l) the delivery of possession of lands and mines on the surrender, expiration or termination of the lease;
- (m) the time limit for removal of any mineral, plant, machinery and other properties from the lease hold area after expiration, termination, surrender or abandonment of the quarry lease;
- (n) the forfeiture of property left after termination of the lease;
- (o) the power to take possession of the plant, machinery, premises and mines in the event of war or emergency;
- (p) filing of civil suits or petitions relating to disputes arising out of the area under lease:

Provided that in case of a quarry lease granted through auction, the Government shall specify conditions relating to filing of such civil suits or petitions in the tender document for auction of the quarry lease;
- (q) the lessee shall abide by the provisions of any law for the time being in force and applicable to him relating to mines and minerals and other matters affecting the safety, health and convenience of the lessee's employees or of the public; and
- (r) such other special conditions which the Government may specify.

19. Liabilities, rights, powers, privileges and obligations of the Government.-

- (1) **Survey and demarcation-** When a quarry lease is granted by the Government, arrangements shall be made by the Government at the expense of the lessee for the survey, identification and demarcation of the area granted under the quarry lease using differential global positioning system and preparation of topographic and geological map using total station and possession of the area shall be deemed to have been handed over to the lessee on the date that the quarry lease deed is executed.
- (2) **Right of Pre-emption-** The Government shall at all times have the right of pre-emption of the minerals won from the lease area. If the Government is desirous of exercising its right of pre-emption with respect to any mineral(s) the Government

shall pay the fair market price of such minerals prevailing at the time of pre-emption, as determined by the Government. In order to assist in arriving at the said fair market price, the lessee shall, if so required, furnish to the Government for its information, particulars of the quantities, descriptions and prices of the mineral or products thereof sold to third parties and shall produce, to the officer or officers as may be authorised by the Government, original or authenticated copies of contracts and charter parties entered into for such sale.

(3) **Right of entry and inspection-** The Government or any person authorised in that behalf by the Government shall have the right to:

(a) enter into and upon the lease area and to construct upon, over or through the same, any railways, tramways, roadways or pipelines for any purpose authorised by the Government and to get from the lease area stones, gravel, earth and other materials for making, maintaining and repairing such railways, tramways, roads or any existing railways and roads:

Provided that before such liberty or power is exercised, a notice of not less than sixty days shall be given to the lessee and the area utilized by Government for any of the aforesaid purpose shall be excluded from the lease area and the lessee will not be entitled to claim any compensation for such exclusion; and

(b) to pass over or along any such railways, tramways, road lines and other ways, at all times, with or without horses, cattle or other animals, carts, wagons, carriages, locomotives or other vehicles for all purposes:

Provided that in the exercise of such liberty and power by such other person authorised by the Government, no substantial hindrance or interference shall be caused to or with the liberties, powers and privileges of the lessee and fair compensation as may be mutually agreed upon or in the event of disagreement, as may be decided by the Government, shall be made to the lessee for all loss or damage substantial hindrance or interference caused to the lessee by such other person authorised by the Government.

(4) **War or emergency situations-** In the event of the existence of a state of war or emergency (of which existence the President of India shall be the sole judge and a notification to this effect in the Gazette of India shall be conclusive proof), the Government with the consent of the Central Government shall, from time to time and at all times during the quarry lease term, have the right (to be exercised by a notice in writing to the lessee) forthwith to take possession and control of the works, plant, machinery and premises of the lessee on or in connection with the lease area or the operations under the quarry lease and during such possession or control, the lessee shall conform to and obey all directions given by or on behalf of the Central Government or Government regarding the use or employment of such works, plants, premises and minerals, provided that fair compensation shall be paid to the lessee for all loss or damage sustained by him by reason or in consequence of the exercise of the powers conferred hereby. The exercise of such power shall not result in termination or extension of the quarry lease term or affect the terms and provisions of the quarry lease other than to the extent specified herein.

(5) **Right to sell workings-** If at the end of six calendar months after the expiry or termination of the quarry lease on account of default of the lessee, there shall remain in or upon the lease area any mineral, engines, machinery, plant, buildings structures, tramways, railways and other work, erections and conveniences or other property, the

same shall be deemed to become the property of the Government and may be sold or disposed of in such manner as the Government shall deem fit without liability to pay any compensation or to account to the lessee in respect thereof.

- (6) **Acquisition of land of third parties and compensation thereof-** If after the receipt of an offer of compensation for any damage which is likely to arise from the proposed operation of the lessee, the occupier of the surface or any part of the said lands refuses his consent to the exercise of the rights and powers reserved to the Government and granted by the quarry lease, the lessee shall report the matter to the Government and shall deposit with it the amount offered as compensation and if the Government is satisfied that the amount of compensation is reasonable or if it is not so satisfied and the lessee shall have deposited with it such further amount as the Government may consider reasonable, the Government shall order the occupier to allow the lessee to enter upon the said land and carry out such operations as may be necessary for the purpose of the quarry lease. In assessing the amount of such compensation the Government shall be guided by the principles of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.
- (7) **Changes to demarcation of the lease area –** Where subsequent to grant of a quarry lease, the landowner refuses his consent to the exercise of the rights and privileges of the lessee pursuant to the rules, the landowner may submit a written application to the Government for exclusion of the land owned by him from the lease area. The Government may, on being satisfied about the genuineness of the reasons for such request, consider exclusion of such land from the lease area.

CHAPTER IV: QUARRY PERMIT

20. Grant of a quarry permit-

²³[The Competent Authority under rule 23 may, upon receipt of an application in writing, grant a quarry permit in accordance with the provisions of this Chapter to an individual who is an Indian national or a company as defined in clause (20) of section 2 of the Companies Act, 2013, for extracting to use or otherwise deal with any minor mineral specified in Part A of the Schedule III for the work relating to item (i) the Central or the State Government, Government Undertaking and any work being of national or state importance, as the case may be; or item (ii) basement or levelling of land for any industrial or residential or commercial purposes:

Provided that, no such quarry permit shall be required for extracting any minor mineral specified in Part A of Schedule III, if the extracted mineral is not being transported out of the same revenue survey number or It has been extracted out of the same land-owner's another revenue survey number of the same village and is being used for levelling of the land of the same land-owner:

Provided further that, no such quarry permit for extracting to use or otherwise deal with ordinary sand or minerals specified in Part A-II of Schedule III will be granted for the purpose of the work mentioned at item (ii) above unless such permit is applied in accordance with the provisions of this chapter by;

- (a) an individual who is an Indian national or a co-operative housing society registered under the Gujarat Co-operative Societies Act, 1961, for using up to one hundred metric tonnes for construction of residential unit(s) for dwelling purposes;

²³ Subs. by GU/2019/12/MCR-102019-MM-720(1)-CHH, dated 21st June 2019 (w.e.f. 21-06-2019).

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- (10) If any mineral is removed without payment of royalty as required to be paid under the quarry parwana, the District Collector or any officer duly authorised by him may enter the land in respect of which the quarry parwana is granted and take possession of all or any of minerals or movable property or such part of it as will suffice to recover the royalty payable.
- (11) If the payment of any amount recoverable under the quarry parwana is not made within thirty days from the due date, the same may be recovered as arrears of land revenue and the quarry parwana may be terminated.
- (12) On or after expiry of the period of the quarry parwana or when the quarry parwana is terminated before the date of expiry of the period, the quarry parwana holder shall not, after the date of such cancellation, carry on any quarrying operations or remove any mineral that may have been excavated.
- (13) The quarry parwana holder shall maintain accounts to verify the production and payment of royalty in the manner as may be specified by the Commissioner.
- (14) In case no quarrying operations are carried out in the notified area specified in the quarry parwana, for a period of ninety days without any reasonable cause or without permission of the District Collector, the quarry parwana shall be liable to be terminated after giving the quarry parwana holder an opportunity to state his case.
- (15) Notwithstanding anything to the contrary contained herein, the provisions of rule 56 shall not apply to a quarry parwana issued under this CHAPTER VII.
- 33. Dimension of area for Quarry Parwana.-** The dimension of the area to be granted under a quarry parwana shall be a square or rectangular.
- 34.** ⁴¹[**Security Deposit for Quarry Parwana.-** The person to whom a quarry parwana is granted shall, within thirty days of such grant, pay a refundable security deposit of the following amount as may be applicable-
- a. rupees two thousand for an area up to one thousand square metres; and
 - b. rupees five thousand for an area more than one thousand square metres:

Provided that such security deposit or part thereof, to the extent not required to be applied to any of the purposes mentioned in these rules, shall be refunded to the quarry parwana holder in case the quarry parwana is surrendered or the period of the quarry parwana has expired and no renewal thereof has been applied for, within sixty days of such surrender or expiry, as the case may be.]

⁴²[**34A Refund of Payments:**

Any payments made to the District Collector by the holder of a quarry parwana pursuant to rule 32 shall be refunded by the Collector to such holder of quarry parwana if the minor mineral in respect of which such payments were made is not dispatched.]

CHAPTER VIII: SCIENTIFIC AND SYSTEMATIC MINING

35. Mining Plan.-

⁴¹ Subs. by GU/2019/12/MCR-102019-MM-720(1)-CHH, dated 21st June 2019 (w.e.f. 21-06-2019).

⁴² Ins. by GU/2019/12/MCR-102019-MM-720(1)-CHH, dated 21st June 2019 (w.e.f. 21-06-2019).

- (1) No mining operations shall be undertaken except in accordance with the mining plan which has been approved by the Government in terms of rules ⁴³[35, 36, 37 and 38] :

Provided that in cases which are exempt from the requirement of procuring an environmental clearance under the Environment Impact Assessment Notification, 2006, issued by the Ministry of Environment and Forests, no mining plan shall be required.

- (2) The mining plan shall incorporate:-
- (a) the plan of the mineral concession area showing the nature and extent of the mineral body, spot or spots where the mining operations are proposed to be based on the prospecting data provided by the Government or gathered by the bidder or any other person;
 - (b) details of the geology and lithology of the area including mineral resource and reserves of the area;
 - (c) the extent of manual mining or mining by the use of machinery and mechanical devices;
 - (d) the plan of the area showing natural water courses, limits of reserves and other forest areas and density of trees, if any, assessment of impact of mining activity on forest, land surface and environment including air and water pollution, details of scheme of restoration of the area by afforestation, land reclamation, use of pollution control devices and such other measures as may be directed by the Government in writing from time to time;
 - (e) a tentative scheme of mining and annual programme and plan for excavation from year to year for five years;
 - (f) a progressive mine closure plan as defined under these rules, if applicable;
 - (g) tentative estimate about accretion of mine waste and its manner and its manner and mode of disposal and confinement;
 - (h) manner of mineral processing and mineral up-gradation including mode of tailing disposal;
 - (i) pre-feasibility report prepared in accordance with the Environment Impact Assessment Notification, 2006,; and
 - (j) any other information which the Government may require the bidder to provide in the mining plan.
- (3) The mining plan shall be made in accordance with a manual/guidelines, as may be specified by the Government, in that regard:

Provided that the Government may revise or update, every five years or earlier if required, the formats of the mining plan and the mine closure plan prescribed by it:

Provided further that in case of mining of granite or marble, the mining plan shall

⁴³ Subs. by GJ/2017/26/MCR-102017-MM-995-CHH, dated 10th August, 2017 (w.e.f. 10-08-2017).

conform to Granite Conservation and Development Rules 1999 or the Marble Development and Conservation Rules 2002, respectively.

- (4) The Government may impose such conditions as it considers necessary by an order in writing if such modification or imposition of conditions are considered necessary in the light of the experience of operation of mining plan or in view of the change in the technological development.
- (5) If the mining operations are not carried out in accordance with the approved mining plan or any information contained in the mining plan is found to be incorrect, misleading or non-compliant with applicable laws including these rules, the Government may by order, suspend all or any of the mining operations and permit continuance of only such operations as are required to restore the conditions in the mine as envisaged under the approved mining plan or modified mining plan, for the purpose of restoration to the extent possible:

Provided that the mineral concession holder should be informed in writing about the violation and if the violation is not rectified within a period of forty five days thereof, a show cause notice should be given asking reasons why the mining operations should not be suspended and, further, if no satisfactory reply is received within a period of thirty days, the mining operations can be suspended:

Provided further that the competent authority may revoke the suspension after the mineral concession holder rectifies the violation intimated in this regard.

36. Preparation of Mining Plan.-

- (1) Every mining plan shall be prepared by a person who has the following qualifications and experience:
 - (a) a degree in mining engineering or a post-graduate degree in geology obtained from a university established or incorporated by or under a Central Act, a Provincial Act or a State Act, including any institutions recognized by the University Grants Commission established under section 4 of the University Grants Commission Act, 1956 or any equivalent qualification granted by any university or institution outside India and recognised by the Government of India; and
 - (b) relevant professional experience of five years of working in a supervisory capacity in the field of mining after obtaining the degree.
- (2) Only a person qualified to prepare a mining plan may carry out modifications to a mining plan.
- (3) It shall be the obligation of the successful bidder/ mineral concession holder to ensure that the mining plan is prepared in accordance with applicable laws.

For the purposes of preparation of a mining plan, the successful bidder may, upon a written request in **Form I**, be granted a limited prospecting permit to conduct prospecting operations. The purpose of such limited exploration shall be strictly to gather information and data for the purposes of preparing a mining plan. Any minerals won during such exploration shall be handed over to the Government, free of cost:

Provided that the successful bidder may retain the core recovered during the

prospecting operations.

The prospecting permit shall be granted in the format specified in **Form J**.

37. Procedure for approval of the Mining Plan.-

- (1) The mining plan shall be submitted to the Government.
- (2) Every mining plan submitted for approval under sub-rule (1) shall be accompanied by a fee of rupees five thousand.
- (3) The Government shall, by an order in writing, dispose of the application for approval of the mining plan within a period of ninety days from the date of receiving of such application:

Provided that the aforesaid period of ninety days shall be applicable only if the mining plan is complete in all respects, and in case of any modifications subsequently suggested by the Government after the initial submission of the mining plan for approval, the said period shall be applicable from the date on which such modifications are carried out and submitted afresh to the Government.

- (4) The Government may, by an order in writing, at any time direct modification of the mining plan or impose such conditions in the mining plan as it may consider necessary.

38. Modification and review of the mining plan.-

- (1) The mining plan for minerals specified in Part A-II or Part B of **Schedule III**, once approved, shall be subject to review and updation at an interval of every five years starting from date of registration of the duly executed quarry lease deed.
- (2) At least one hundred twenty days before the expiry of every five years period specified in sub-rule (1), the lessee shall submit a mining plan for mining operations, for the minerals specified in Part A-II or Part B of **Schedule III**, for a period of five subsequent years prepared in accordance with rule ⁴⁴[36], which shall be disposed of in accordance with rule ⁴⁵[37]:

Provided that the mining operations shall not be carried out or allowed to be carried out by the quarry lease holder till the approval of the scheme of mining.

- (3) The mining plan for minerals specified in Part A-I of **Schedule III**, once approved, shall be subject to review and updation at least once during the period of the quarry lease.
- (4) A quarry lease holder may seek modifications in the approved mining plan as are considered expedient, keeping in view changes in the business environment; or in the interest of safe and scientific mining, conservation of minerals, for the protection of environment; or any other reason to be specified in writing by the quarry lease holder. Any modification to a mining plan shall be approved in writing by the authority that approved the initial mining plan.
- (5) In case of modifications to a mining plan, the provisions of rule 37 shall apply

⁴⁴ Subs. by GJ/2017/26/MCR-102017-MM-995-CHH, dated 10th August, 2017 (w.e.f. 10-08-2017).

⁴⁵ Subs. by GJ/2017/26/MCR-102017-MM-995-CHH, dated 10th August, 2017 (w.e.f. 10-08-2017).

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39. Mining plan to be submitted by existing lessee.-

- (1) Where mining operations for minor minerals have been undertaken before the commencement of these rules without an approved mining plan, the lease holder of such lease shall submit a mining plan within a period of six months from the date of commencement of the rules, to the Government for its approval.
- (2) If a lease holder has not been able to submit the mining plan within the specified time for reasons beyond his control, he may apply in writing for extension of time giving reasons to the Government.
- (3) The Government on receiving an application made under sub-rule (2) above, may on being satisfied extend, through an order in writing, the period for submission of the mining plan for a period which may not exceed one year.
- (4) The Government may, through an order in writing, approve the mining plan submitted by the lease holder under sub-rule (1) with modifications to be carried out in the mining plan and the lease holder shall carry out such modifications and re-submit the modified mining plan for approval of the Government.
- (5) The Government shall, within a period of ninety days from the date of receipt of the mining plan or the modified plan convey its or his approval or disapproval in writing to the applicant and in case of disapproval it or he shall also convey the reasons for disapproving the said mining plan or the modified mining plan:

Provided that in case of disapproval of a mining plan, no mining operations shall be carried out until the mining plan is resubmitted and is approved in accordance with these rules.

- (6) If no decision is conveyed within the period stipulated under sub-rule (5), the mining plan or the modified mining plan, as the case may be, shall be deemed to have been provisionally approved and such approval shall be subject to the final decision whenever communicated.
- (7) The mining plan submitted under sub rule (1) shall be prepared by a person specified in sub-rule (1) of rule 36.

CHAPTER IX: EXPIRY OF A QUARRY LEASE

- 40. Auction after expiry of a quarry lease.-** On the expiry of the lease period, the quarry lease shall be put up for auction as per the procedure specified in the rules.

CHAPTER X: LAPSE, SURRENDER OR TERMINATION

41. Lapsing of the quarry lease-

- (1) A quarry lease shall lapse in accordance with the provisions of section 4A. Subject to the conditions of this rule, where quarrying operations are not commenced within a period of two years from the date of execution of the quarry lease, or are discontinued for a continuous period of two years after commencement of such operations, the quarry lease shall lapse.
- (2) The lapsing of a quarry lease shall be recorded through an order issued by the

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- (6) The holder of a mineral concession granted under these rules shall also pay a yearly surface rent to the Government for the surface area leased to him, at the rate of rupees one thousand per hectare or part thereof or at the non-agriculture assessment rate prescribed by the Revenue Department from time to time, whichever is higher.

57. ⁵³[**Upfront payment and performance security for minerals specified in Part A-I of Schedule III:-** In case of minerals specified in Part A-I of Schedule III, each of (a) the upfront payment to be made under rule 9; and (b) the performance security to be furnished under rule 10, each shall be an amount equivalent to one per cent. of the total value of estimated resources.]

58. **Sum Due to Be Recovered as Arrears of Land Revenue.-** Any rent, royalty, tax, fee, penalty, auction premium or other sum due to the Government may be recovered as arrears of land revenue on the basis of a certificate issued by the Government.

⁵⁴[58A. **Minimum Alternate Premium.-**

Any person to whom a quarry lease is granted under rule 29 or a quarry lease is granted without auction or competitive bidding, shall pay a minimum alternate premium in addition to other applicable amounts payable under these rules. The amount of such minimum alternate premium to be paid shall be as notified by the Government for various districts or talukas in the State of Gujarat for the minerals listed in Schedule III:

Provided that, the Government shall not enhance the rate of Minimum Alternate Premium in respect of any mineral more than once during any period of three years.]

CHAPTER XV: ENVIRONMENT MANAGEMENT

59. **Environmental clearance.-**

Mining operations will be undertaken only pursuant to a valid environmental clearance in accordance with the provisions of the Environment (Protection) Act, 1986 and the rules and notifications issued thereunder, including the Environment Impact Assessment Notification,

⁵³ Subs. by GU/2019/12/MCR-102019-MM-720(1)-CHH, dated 21st June 2019 (w.e.f. 21-06-2019). Earlier rule 57 was substituted by GJ/2018/12/MCR-102018-325-CHH, dated 9th March, 2018 (w.e.f. 09-03-2018). Rule 57, before substitution by GU/2019/12/MCR-102019-MM-720(1)-CHH, dated 21st June 2019 (w.e.f. 21-06-2019), stood as under:

“57. **Upfront payment and performance security for minerals specified in Part A-I of Schedule III:-** In case of minerals specified in Part A-I of **Schedule III**, the upfront payment to be made under rule 9 and the performance security to be furnished under rule 10 shall each be for an amount equal to the aggregate of:

- (a) twenty five cent of the estimated annual royalty payable for the first year of the lease which shall be a product of the: (i) royalty for the mineral(s) per metric tonne; and (ii) estimated quantity of mineral resources being auctioned expressed in metric tonne divided by the tenure of the lease; and
- (b) twenty five cent of the estimated annual auction premium payable for the first year of the lease which shall be a product of the:
 - (i) highest final premium offer; and
 - (ii) value of estimated resources divided by the tenure of the lease.”

⁵⁴ Ins. by GU/2019/12/MCR-102019-MM-720(1)-CHH, dated 21st June 2019 (w.e.f. 21-06-2019).

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60. Mine Closure plan.-

Every mine shall have a mine closure plan which shall contain steps to be taken for reclamation, rehabilitation measures taken in respect of a mine or part thereof commencing from cessation of quarrying or processing operations in a mine / cluster or part thereof. The mine closure plan shall be of two types:

- (a) progressive mine closure plan; and
- (b) final mine closure plan.

61. Submission of progressive mine closure plan.-

- (1) The progressive mine closure plan shall be prepared by the quarry lease holder only for minerals specified in Part A-II or Part B of **Schedule III**, for the purpose of providing protective, reclamation and rehabilitation measures in a mine or part thereof.
- (2) The progressive mine closure plan shall be prepared in the manner specified and in the standard format as per the guidelines issued by the Government in this regard.
- (3) In case of fresh grant of quarry lease, a progressive mine closure plan as a component of mining plan shall be submitted to the Government.
- (4) The lessee shall, in case of an existing quarry lease, submit a progressive mine closure plan to the Government/officer authorised by the Government in this behalf for approval within a period of one year from the date of commencement of these rules.
- (5) The lessee shall review the progressive mine closure plan every five years from the date of its approval in case of existing mine or from the date of opening of the mine in case of fresh grant of quarry lease, as the case may be and shall submit to the officer authorised by the Government for its approval.
- (6) The Government/officer authorised by the Government shall convey his approval or refusal of the progressive mine closure plan in writing within a period of ninety days from the date of receipt:

Provided that the aforesaid period of ninety days shall be applicable only if the progressive mine closure plan is complete in all respects, and in case of any modifications subsequently suggested by the Government after the initial submission of the progressive mine closure plan for approval, the said period shall be applicable from the date on which such modifications are carried out and submitted afresh to the Government.

- (7) If the approval or refusal of the progressive mine closure plan is not conveyed to the lessee, within the period as specified in sub-rule (6), the progressive mine closure plan shall be deemed to have been provisionally approved and such approval shall be subject to the final decision whenever communicated.

62. Submission of Final mine closure plan.-

- (1) The final mine closure plan shall be prepared by all mineral concession holders under

these rules for the purpose of decommissioning, reclamation and rehabilitation in the mine, cluster or part thereof after cessation of mining and mineral processing operations.

- (2) The final mine closure plan shall be prepared in the manner specified and in the standard format as per the guidelines issued by the Government in this regard
- (3) The lessee shall submit final mine closure plan to the Government/officer authorised by the Government for the approval one year prior to the proposed closure of the mine. Such final mine closure plan shall be approved by the Government and the approval or refusal of the final mine closure plan shall be conveyed within a period of ninety days from the date of its receipt:

Provided that the aforesaid period of ninety days shall be applicable only if the final mine closure plan is complete in all respects, and in case of any modifications subsequently suggested by the committee referred at sub-rule (3) of rule ⁵⁵[64] after the initial submission of the final mine closure plan for approval, the said period shall be applicable from the date on which such modifications are carried out and submitted afresh.

- (4) If approval or refusal of the final mine closure plan is not conveyed in writing to the lessee within time period as specified in sub-rule (3), the final mine closure plan shall be deemed to have been provisionally approved and such approval shall be subject to the final decision whenever communicated in writing.

63. Responsibilities of holder of mineral concession.-

- (1) The holder of a mineral concession shall have the responsibility to ensure that the protective measures contained in the mine closure plan including reclamation and rehabilitation work have been carried out in accordance with the approved mine closure plan or with such modifications as approved by the Government/officer authorised by the Government under these rules.
- (2) The holder of a mineral concession shall submit to the Government / officer authorised by the Government a yearly report before 1st July of every year setting forth the extent of protective and rehabilitative works carried out as envisaged in the approved mine closure plan and if there is any deviation, reasons thereof.

64. Financial assurance.-

- (1) Financial assurance shall be furnished by every lease holder for due and proper implementation of the approved progressive and final mine closure plan. The amount of financial assurance shall be rupees one lakh per hectare or part thereof the quarry lease area put to use for mining and allied activities:

Provided that a quarry 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 quarry lease holder undertakes reclamation and rehabilitation measures as part of the progressive closure of mine, the amount so spent shall be reckoned as the sum of the financial assurance already spent by the lease holder and the total amount of financial assurance to be furnished by the lease

⁵⁵Subs. by GJ/2017/26/MCR-102017-MM-995-CHH, dated 10th August, 2017 (w.e.f. 10-08-2017).

shall be reduced to that extent.

- (2) The financial assurance shall be submitted by way of a bank guarantee in the format as provided in **Form V** or a non-interest bearing security deposit. The financial assurance should remain valid:
 - (a) for an initial period of five years and thereafter for subsequent periods of five years or the remaining term of the quarry lease, whichever is lower, in case of minerals specified in Part A-II or Part B of **Schedule III**; or
 - (b) for the entire duration of the quarry lease term, for minerals specified in Part A-I of **Schedule III**, as the case may be.
- (3) Release of financial assurance shall be effective upon the notice given by the lease holder for the satisfactory compliance of the provisions contained in the mine closure plan and certified by a committee comprising of three members, one each from the following departments, as nominated by the respective head of department: (a) Geologist (CGM); (b) Gujarat Pollution Control Board; and Roads and Buildings Department.
- (4) If the committee referred at sub-rule (3) has reasonable grounds for believing that the protective, reclamation and measures as envisaged in the approved mine closure plan in respect of which financial assurance was given have not been or will not be carried out in accordance with mine closure plan, either fully or partially, the committee shall give the lease holder a written notice of its intension to issue the orders for forfeiting the sum assured at least thirty days prior to the date of the order to be issued.
- (5) Within thirty days of the receipt of notice referred to in sub-rule (4) if no satisfactory reply has been received in writing from the lease holder, the committee referred at sub-rule (3) shall pass an order for forfeiting the surety amount (pursuant to security provided under sub-rule (2)) and a copy of such order shall be endorsed to the Government.
- (6) Upon the issuance of an order by the committee referred at sub-rule (3), the Government may realize/ invoke any security provided under sub-rule (2) for the purpose of performance of protective, reclamation, rehabilitation measures and shall carry out those measures, or appoint an agent to do so.

65. System of working.-

- (1) System of working in quarry lease shall be performed by formation of benches.
- (2) Such benches in mineral and overburden including weathered mineral shall be staked separately and the benches in overburden or weathered mineral shall be kept sufficiently away in advance so that their working does not interfere with the working of quarry.
- (3) In order to ensure optimum production with minimum waste generation, every lease holder shall endeavour to deploy machinery and equipment as per the mining plan.

66. Separate stacking of non-saleable mineral.-

- (1) The non-saleable mineral or sub-grade mineral at a quarry or mine bottom shall regularly be collected and transported to the surface and the quarry or mine floor shall be kept reasonably clear of debris.

- (2) The overburden and waste material obtained during mining operations shall not be allowed to be mixed with non-saleable or subgrade minerals. The mineral, overburden, waste material, non-saleable mineral or sub-grade mineral shall be stacked separately on the ground earmarked for the purpose.
- (3) The ground selected for dumping of top soil, overburden, waste material and non-saleable mineral or sub-grade mineral shall be far away from workings of quarry or mine, but within the leased area.

67. Employment of Qualified officers.-

- (1) For the purpose of carrying out mining operations in accordance with these rules, every quarry lease holder shall employ a part-time mining engineer and a part-time geologist.

- (a) In case of minerals specified in Part A of **Schedule III**, the part-time mining engineer and geologist can be employed up to a maximum of:

- (i) eighteen mines/quarries where mining is carried out by manual means; and
- (ii) twelve mines/quarries where mining is carried out by any other means;

provided that all such mines/quarries are located within a radius of fifty kilometres.

- (b) In case of minerals specified in Part B of **Schedule III**, the part-time mining engineer and geologist can be employed up to a maximum of six mines/quarries; provided that all such mines/quarries are located within a radius of fifty kilometres:

Provided further that a whole-time geologist may be employed in-lieu of a part-time mining engineer.

- (2) A geologist or mining engineer referred in sub-rule (1) above shall possess the qualifications specified below:-

- (a) **Geologist:** A postgraduate degree in Geology obtained from a University established or incorporated by or under a Central Act, 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 or any equivalent qualification;

- (b) **Mining Engineer:**

- (i) A degree in mining engineering obtained from a University established or incorporated by or under a Central Act, 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 or any equivalent qualification; or

- (ii) three years full time diploma certificate in Mining Engineering awarded by the State Technical Education Boards with two years' experience in mining

operations.

- (3) If a quarry lease holder possesses the qualifications as mentioned in sub-rule (1), he may appoint himself as the qualified officer for the purpose of sub-rule (1).
- (4) The lease holder shall intimate the Government, the details of qualified officer employed by him together with consent of such officer. When the employment of any such qualified officer is terminated or any such qualified officer leaves the said employment, the holder of the quarry lease shall within fifteen days from the date of such appointment, termination or leaving, inform such changes in writing to the Government.
- (5) The quarry lease holder shall also comply with the provisions of the Mines Act, 1952 (35 of 1952) with regard to employment of qualified officers.

68. Duties of qualified officer.-

- (1) Duties of Geologist: It shall be the duty of the geologist to:-
 - (a) be responsible for periodic updating of minerals resources, maintenance of bore cores or samples and bore hole logs;
 - (b) plan for conservation of mineral resources and optimal utilisation of the minerals and ores in the mining leases;
 - (c) prepare a scheme of prospecting as per the format specified by the Government and to carry out the investigation operation as per the scheme;
 - (d) prepare the necessary geological maps, plans and sections which are required to delineate the ore body;
 - (e) carry out petrological and mineralogical studies of host rock and mineralized zones;
 - (f) calculate reserves and its grade;
 - (g) provide all the necessary information required for controlling the quality of the minerals produced;
 - (h) maintain proper records of the prospecting operations and records of sinking of shafts and boreholes as provided under these rules;
 - (i) work out the appropriate method of sampling and ensure preparation of samples accordingly;
 - (j) update the reserve figures, grade-wise and category-wise at the end of every year in case of a working mine;
 - (k) identify the associated rocks and minerals and maintain proper records of the stacks of non-salable/sub-grade minerals produced; and
 - (l) carry out all such orders and directions as may be given in writing under these rules by the Government and to forward a copy of all such orders or directions to the lease holder.

- (2) Duties of Mining Engineer: It shall be the duty of the mining engineer to:-
- (a) take all necessary steps to plan and conduct mining operations, so as to ensure conservation of minerals, systematic development of the mineral deposits and protection of environment in and around the quarry lease area in accordance with these rules;
 - (b) prepare and maintain plans, sections, reports and schemes in accordance with these rules;
 - (c) carry out the study of the associated rocks and minerals, identify them and stack the various minerals produced separately;
 - (d) carry out all such orders and directions as may be given in writing under these rules by the Government and to forward a copy of such orders or directions to the holder of quarry lease;
 - (e) ensure that there is sufficient provision of proper materials, appliances and facilities at all times at quarry lease for the purpose of carrying out the provisions of these rules and orders issued thereunder and where he is not the lessee of the quarry lease, he shall make requisition in writing to the lessee for anything required for the aforesaid purpose. A copy of every such requisition shall be recorded in bound paged book kept for the purpose. The lessee shall provide, as soon as possible after receipt of such requisition, the materials and facilities requisitioned by the mining engineer.

69. Environmental Safeguards to be implemented regarding mining operations.-

- (1) Mine working shall be strictly as per the conditions of approved mining plan including the environment management plan, as the case may be.
- (2) Failure to comply with sub-rule (1) may result in termination of quarry lease after giving thirty days' notice to the lease holder for compliance.

70. Environment Impact Mitigating Measures.-

The following measures shall be incorporated in the environment management plan and shall be followed by every lease holder:

- (1) Removal and utilization of top soil:-
 - (a) The top soil collected during mining operations shall be managed to stack systematically at the approved site; and
 - (b) Top soil so stacked shall be utilized for plantation or for restoration and rehabilitation of the land no longer required for mining operations or for stabilizing/ landscaping the overburden dumps.
- (2) Storage of overburden, waste rock, etc:-
 - (a) The overburden, waste rock and non-saleable mineral generated during mining operations shall be managed to stack separately in properly formed dumps on grounds earmarked in approved environmental clearance;
 - (b) The over burden dump shall be properly secured to prevent the degradation

of the surrounding land or silting of water courses.

- (c) Wherever possible, the waste rock or overburden or other rejects shall be used for back filling the worked out quarry or mine where the mineral has been recovered up to the optimum depth, with a view to restore the land to its original use or desired alternate use. Where the backfilling is not feasible, the waste dumps shall be scientifically vegetated by suitable native species to prevent erosion and surface run off; and
- (d) The maximum height of the already existing waste dumps shall not exceed five metres and it shall be protected by walls of rubble stones or Geo-green blanket to prevent the flow of fine particles.

(3) Reclamation and Rehabilitation of lands:-

Restoration, reclamation and rehabilitation of land affected by mining operations shall be undertaken in a phased manner so that the work is completed before the conclusion of mining operations and the abandonment of the quarry or mine, with a view to leave a productive and sustainable site.

(4) Precaution against ground vibrations.-

Whenever any damage to public buildings or monuments is apprehended due to their proximity to the quarry lease area, scientific investigations shall be carried out by the holder of the quarry lease so as to keep the ground vibrations caused by blasting operations within safe limit.

(5) Precaution against air pollution:-

- (a) Air pollution due to dust, exhaust emissions or fumes during, mining or processing operations for mineral and related activities shall be controlled and kept within permissible limits as specified under any environmental law for the time being in force. Main haulage roads of the mine shall be kept wet by sprinkling of water; and
- (b) Periodical examination of air quality shall be monitored by the association of the cluster and results shall be intimated to concerned District Geologist / District Assistant Geologist as well as the regional officer of the State Pollution Control Board.

(6) Discharge of toxic liquids:-

All possible precautions shall be taken to prevent or reduce to a minimum, the discharge of toxic and objectionable liquid effluents from a quarry or mine, workshop or beneficiation or metallurgical plants, tailing ponds, into surface or ground water bodies, ground water aquifers and usable lands. These effluents shall conform to the standards laid down in this regard.

(7) Precaution against noise pollution:-

- (a) Noise arising out of mining and processing operations for a mineral at the source shall be controlled so as to keep it within the permissible limit; and
- (b) Periodical examination of noise pollution shall be monitored by the association of the cluster and results shall be intimated to concerned District

Geologist / District Assistant Geologist as well as the regional officer of the State Pollution Control Board.

(8) Restoration of fauna/flora:-

- (a) Effective measures shall be taken for plantation in the area earmarked in the environment management plan. It shall be ensured that plantation shall be done at least five per cent of the total land of the cluster as specified every year;
- (b) The earmarked site for plantation shall be fenced and proper planning of watering and caring the plants shall be implemented. The same shall be looked after during the subsistence of the cluster;
- (c) Suitable trees shall be planted along cluster boundary, on both sides of the major roads, near site office of the mine and over the inactive dumps;
- (d) The lease holder shall not cut or injure any trees in area of his quarry lease without the previous sanction in writing of any officer authorised in this behalf under any law in force; and
- (e) All precautionary measures shall be taken during mining operations for conservation and protection of endangered fauna and flora.

(9) Water management:-

- (a) Water collected shall be analyzed and if found potable then it shall be diverted for drinking purpose in consultation with Gujarat Water Supply and Sewerage Board.
- (b) Accumulated unpotable rain water shall be de-watered and diverted to nearby pond / aquifer / river / nallah, catchment area by providing suitable pipe line or drains or link canals, as the case may be, in consultation with Gujarat Water Supply and Sewerage Board;
- (c) The procedure of water harvesting shall be adopted to recharge the ground water table;
- (d) Effective steps shall be taken for setting up of a water treatment plant wherever required to treat the effluents collected in the working pits; and
- (e) For working below ground water level, the quarry lease holder shall carry out a detailed hydro-geological study taking into account the mine water discharge, management of discharged water and shall obtain prior approval of the State Ground Water Department.

(10) Corporate Social Responsibility:-

- (a) Regular health check-up camps for the workers engaged in mines shall be organized;
- (b) Occupational health surveillance programme of the workers shall be undertaken periodically to observe any contractions due to exposure to dust and take corrective measures, if needed;

- (c) Insurance cover to all workers engaged in mines shall be provided;
- (d) Common vocational training center shall be setup at a district level; and
- (e) Local needs of habitant like school, creche, hospital, veterinary hospital, sanitation, drinking water etc., shall be considered positively.

71. Open cast working.-

- (1) In open cast workings, the benches formed shall be so arranged that the benches in mineral and overburden are separate so as to avoid mixing of waste with the minerals.
- (2) The benches in overburden shall be kept sufficiently in advance so that their workings do not interfere with the working of minerals.
- (3) Orientation of the workings and sequence of mining operations shall be such that different grades of minerals can be obtained simultaneously for blending with a view to achieve optimum recovery of minerals from the deposit.

72. Notice of temporary discontinuance of work in mines and obligations of the lease holders.-

- (1) Temporary discontinuance shall mean the planned or unplanned suspension of mining operations in a mine or part thereof and where the operations are likely to be resumed not earlier than sixty days.
- (2) The lessee shall send to lease granting authority written notice in **Form W** when the mining or mineral processing operations in the mine or part thereof are discontinued for a period exceeding sixty days so as to reach them within seventy five days from the date of such temporary discontinuance.
- (3) Where the discontinuance takes place as a result of the occurrence of natural calamity beyond the control of the lessee, or in compliance with any order or directions issued by any statutory authority established under any law in force or any tribunal or a court, a written notice of discontinuance, under this sub- rule shall be submitted to the lease granting authority within a period of fifteen days of such discontinuance in **Form W**.
- (4) During the temporary discontinuation of a mine or part thereof, it shall be the responsibility of the lessee to comply with the reasonable prohibitive measures to restrict access for unauthorised entry, provide protective measures to potentially dangerous sources of electrical and mechanical installations, the mine openings or workings and all other structures. It shall be ensured that all contaminated effluents are controlled and all physical, chemical, biological monitoring programmes have been continued. It shall also be ensured that all rock piles, over burden piles and stock piles and tailings and other water impoundment structures have been maintained in stable and safe conditions.

73. Intimation of reopening of a mine.- The lessee shall send to the lease granting authority, a written intimation in **Form C** of reopening of a mine after temporary discontinuance so as to reach them within fifteen days from the date of such reopening.

74. Examination of mineral deposits and taking of samples.- The Government may enter and inspect a mine and may examine any mineral deposit in any area under quarry lease and take samples therefrom at any time for the purposes of these rules.

75. **Prohibition of deployment in certain cases.-** If any mine or part thereof, in the opinion of the Government poses a grave and immediate threat to the conservation of minerals or to environment, it may, by an order in writing to the lessee, require him to take such measures as may be specified in the order and may prohibit, until the requirements as specified in the order are complied with to its satisfaction, the deployment of any person other than those required for compliance with the requirement of the order.

CHAPTER XVI: MISCELLANEOUS

76. **Exercise of powers on behalf of the Government.-**

For the purposes of these rules, the references to the expression "Government" shall mean reference to the one or more of the officers specified in **Schedule V**. No authority exercising the powers conferred on it under these rules shall be entitled to delegate such powers. In the event that any power conferred under these rules has not been assigned to the jurisdiction of any officer under **Schedule V**, such power shall be exercised by the Government.

77. **Power to rectify apparent mistakes.-** Any clerical or arithmetical mistake in any order passed by the Government or any authority or officer under these rules and any error arising therein due to accidental slip or omission, may be corrected, through an order in writing, by the Government, the concerned authority or officer, as the case may be:

Provided that no rectification order prejudicial to any person shall be passed unless such person has been given a reasonable opportunity of being heard.

78. **Special provisions relating to minerals specified in Part B of the First Schedule to the Act.-** Notwithstanding anything contained in these rules:

- (1) if the holder of a mineral concession discovers any mineral specified in Part B of the First Schedule to the Act and not specified in such mineral concession, in the area granted under such mineral concession, the discovery of such mineral shall be reported in writing to the Director, Atomic Minerals Directorate for Exploration and Research, Hyderabad within sixty days from the date of discovery of such mineral;
- (2) the holder of such mineral concession shall not win or dispose of any mineral specified in Part B of the First Schedule to the Act unless a separate lease or license for the purpose has been obtained;
- (3) the quantities of any mineral specified in Part B of the First Schedule to the Act recovered incidental to such mining operations shall be collected and stacked separately and a report to that effect shall be sent to the Director, Atomic Minerals Directorate for Exploration and Research, Hyderabad every month for such further action by the lessee or permit holder as may be directed by the Atomic Minerals Directorate for Exploration and Research.

79. **Exploration Obligation.-**

- (1) A quarry lease holder granted through auction shall, for minerals listed in Part B of **Schedule III**, namely:
 - (a) if at the time of auction, exploration up to level of inferred mineral resources (333) had been completed and included in geological report forming part of the tender document, within a period of one year from the registration of the relevant lease deed:

