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## STEEL & MINES DEPARTMENT

### NOTIFICATION

The 10th July, 2015

**S.R.O. No. 314/2015**— In exercise of the powers conferred by sub-section(1) of Section 15 of the Mines & Minerals (Development and Regulation) Act, 1957 (67 of 1957), the State Government do hereby make the following rules further to amend the Odisha Minor Mineral Concession Rules, 2004, namely:—

1. (1) These rules may be called the Odisha Minor Mineral Concession (Amendment) Rules, 2015.

(2) They shall come into force on the date of their publication in the *Odisha Gazette*.

2. In the Odisha Minor Mineral Concession Rules, 2004(hereinafter called as the said rules) in rule 2, in sub-rule(1), for clause(u-1), the following clause shall be substituted, namely:—

“(u-1)” recognized person for quarry lease” means a person granted recognition by the Director of Mines for preparation of Mining Plan in respect of the quarry lease subject to such conditions as may be specified by notification by the Government;”.

3. (a) In the said rules, in rule 26, after sub-rule(1), the following sub-rules shall be inserted, namely:—

“(1-a)The notice inviting applications for auction shall be issued by the Competent Authority and shall specify the minimum guaranteed quantity of the minor mineral to be extracted in a year by the applicant and the minimum amount of additional charge payable for the same as determined under sub-rule(10).”

“(1-b) In case the Mining Plan and / or Environmental Clearance for the proposed lease has been obtained by the Competent Authority, this fact along with the cost of obtaining thereof recoverable from the selected bidder shall also be mentioned in the notice.”;

(b) In sub-rule(2),—

(i) clauses (ii) and (vi) shall be omitted;

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

“(iv) proof of payment of earnest money equivalent to five per centum of the amount of additional charges and royalty payable for one whole year for the minimum guaranteed quantity of minor mineral to be extracted in one full year.”;

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

“(v) a solvency certificate or bank guarantee valid for a period of eighteen months for an amount not less than the amount of additional charge offered and the royalty payable for the minimum guaranteed quantity for one whole year and a list of immovable properties from the Revenue Authority;”

In sub-rule (3), the word ‘royalty’ wherever it occurs shall be substituted by the word “additional charge”;

(c) for sub-rules (4) to (8) the following sub-rules, shall be substituted namely:—

“(4) The selected bidder shall be intimated by the Competent Authority within seven days in Form-JA about the selection and terms and conditions of the lease”

(5) Within fifteen days of such intimation, the selected bidder shall be required to convey his acceptance of the terms and conditions and to deposit an amount which shall be calculated in such a way that it shall be equivalent to one-fourth of the total amount of royalty and additional charge and the amount of contribution payable to the District Mineral Foundation on the Annual minimum guaranteed quantity, taken together, reduced by the amount of earnest money, which, along with the earnest money, shall be held as, interest-free security deposit.

(6) The selected bidder shall also deposit the costs of obtaining the Mining Plan and Environmental Clearance approvals in case those have been obtained by the Competent Authority (non-refundable) before executing the lease deed.

(7) In the event of default by the highest bidder, the Competent Authority may issue intimation as specified in sub-rule(5) to the next highest bidder who shall then be required to convey his acceptance and to make the security deposit calculated in the manner mentioned in sub-rule(5).

- (8) If the second highest bidder does not convey the acceptance within the time stipulated for such acceptance, fresh notice inviting application for auction shall be issued with the approval of the next Higher Authority.
- (8-a) Immediately after compliance of the selected bidder, the earnest money of the unsuccessful bidders shall be refunded and the bank guarantees, if any, furnished by them, shall stand discharged.
- (8-b) The selected bidder shall be required to execute Mining Lease within three weeks from the date of intimation of his selection, if the approval of the Mining Plan and Environmental Clearance has been obtained before auction, and in other cases, four months from the date of intimation failing which the intimation shall stand cancelled and the security deposit shall stand forfeited:

Provided that the Controlling Authority may, for genuine and sufficient reasons, extend the said period, if it is satisfied that the delay in execution of lease deed is not due to reasons attributable to the selected bidder, and

- (e) For sub-rule (10), the following sub-rule shall be substituted, namely:–  
“(10) The minimum amount of additional charge to be quoted shall be such as the Competent Authority, in consultation with the Controlling Authority, decide and specify in the notice inviting applications for auction.”

**4. In the said rules, in rule 27-A, –**

- (a) in sub-rule(1), the following proviso shall be inserted, namely:–  
“Provided that the recognised person shall not charge any amount in excess of the ceiling on fees specified by the Director of Mines.”;
- (b) after sub-rule(1), the following sub-rule shall be inserted namely-  
“(1-a) The Competent Authority may cause the Mining Plan to be prepared and approved”, and
- (c) For sub-rule (2) the following sub-rule shall be substituted, namely:–  
“(2) In case the approval under sub-rule(1-a) has not been obtained by the Competent Authority, the selected bidder shall cause a Mining Plan to be prepared from a recognised person and approved by an Authorised Officer.”

**5. In the said rules, in rule 27-B, –**

- (a) after sub-rule(1), the following sub-rule shall be inserted, namely:–  
“(1-a) The Competent Authority may apply for and obtain the Environmental Clearance”, and

(b) For sub-rule(2) the following sub-rule shall be substituted, namely:–

“(2) In case the approval under sub-rule(1-a) has not been obtained by the Competent Authority, the selected bidder shall obtain the Environmental Clearance before executing the lease deed”.

6. In the said rules, in rule 27-D, in sub-rule(2), for the words “collectively by the lessees or mineral concession holders of the cluster through recognized person as mentioned in rule 27-B” the words “Competent Authority” shall be substituted.

7. In the said rules, in rule 27-E, –

(a) in sub-rule(2), for the words “credited to the fund in the appropriate head of account to the treasury” the words “paid to the Environment Management Fund in such manner as may be specified in the notification issued by the Government and the amount of contribution payable to the fund shall be realized along with royalty” shall be substituted, and

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

“(4) The Environment Management Fund shall be managed by such Officer, Authority or Organization as may be specified in the notification issued by the Government.”

8. In the said rules, after rule 27-E, the following rule shall be inserted, namely:–

“27-F, Liability for payment of royalty, additional charge and amount of contribution payable to the District Mineral Foundation.–

(1) The lessee shall be liable to pay royalty, additional charges and amount of contribution payable to the District Mineral Foundation in advance on quarterly basis on or before the first day of the beginning of the quarter, i.e. before the end of the months of March, June, September and December, on a pro-rata basis on the annual minimum guaranteed quantity of minor mineral even if the actual extraction falls short of such quantity:

Provided that the amounts paid in excess of the actual extraction during a particular Financial Year may be adjusted against the amounts payable in respect of extraction in excess of the minimum guaranteed quantity in the subsequent period of the same Financial Year.

(2) In case the actual extraction exceeds the minimum guaranteed quantity, such mineral may be removed from the lease area only after payment of additional charge, royalty and contribution to the District Mineral Foundation on pro-rata basis.

(3) The royalty, additional charge and contribution to the District Mineral Foundation for the period upto commencement of the next quarter shall be paid on a pro-rata basis before the execution of lease deed.

(4) For the purpose of determination of minimum guaranteed quantity, in the cases where the lease has been executed on or after the 1<sup>st</sup> April, the minimum guaranteed quantity for the first Financial Year shall be equal to the annual guaranteed quantity divided by twelve and multiplied by the number of months remaining in the first year of the lease, treating part of any month as full month.

9. In the said rules, in rule 29, in sub-rules (1) and (2), for the words “within a fortnight of” the word ‘before’, shall be substituted.

**‘FORM JA’**

[See rule 26 (4)]

Letter No. \_\_\_\_\_

Dated \_\_\_\_\_

From

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Sub: Intimation to successful bidder.**

Sir/Madam,

This is to intimate that you have been selected as the successful bidder for the minor mineral lease described below, namely;

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Name of lease, area, period of lease) based on your application for the said lease. The minimum guaranteed quantity for the said lease is \_\_\_\_\_ cubic metre per annum and amount of additional royalty bid by you and accepted is Rs. \_\_\_\_\_ per cubic metre.

The Mining Plan and the Environmental Clearance for the said lease has been obtained / has not been obtained. (Strike off whichever is inapplicable). The tentative selection is subject to the provisions of the OMMC Rules, 2004 and to the terms and conditions annexed with this letter.

You are directed to convey your acceptance to the terms and conditions and to deposit an amount equivalent to one-fourth of the amount of royalty, additional royalty and the amount of contribution payable to the District Mineral Foundation reduced by the amount of the earnest money deposited which shall be held as interest-free security deposit. You are also required to deposit an amount of Rs.\_\_\_\_\_ towards the costs of obtaining the Mining Plan and the Environmental Clearance. Proof of deposit of the aforesaid amount along with acceptance should reach the undersigned within fifteen days of the date of issue of this letter failing which this intimation shall stand automatically revoked without any further notice and the earnest money shall stand forfeited.

You are also directed to execute lease deed for the aforesaid lease within the period specified in sub-rule (8-a) of rule 26 of the Odisha Minor Mineral Concession Rules, 2004.

Yours faithfully

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(Name/designation)  
(Competent Authority)

[No. 6309–IV(DS)SM-29/2014(Pt.)/SM.]

By Order of the Governor

R. K. SHARMA

Principal Secretary to Government