

To

All The State Governments concerned

Sub: Procedure for disposal of proposals received under Rule 12(1) (k) of "Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016".

Sir,

The Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016 were notified in the Gazette of India by the Ministry of Mines, Government of India on 4th March 2016.

Rule 12(1) (k) of the above rules specifies that,

(1) Every mining lease shall be subject to the following conditions:

(k) in respect of any mineral which in relation to its use for certain purposes is notified as a mineral other than a minor mineral and in relation to its use for other purposes as a minor mineral, the lessee who holds a lease for extraction of such minerals under these rules whether or not it is specified as a mineral other than minor mineral in the lease deed, shall not use or sell the mineral or deal with it in whatsoever manner or knowingly allow anyone to use or sell the mineral or deal with it in whatsoever manner as a minor mineral:

Provided that if on an application made to the State Government in this behalf by the lessee, the State Government, in consultation with Indian Bureau of Mines, is satisfied that having regard to the inferior quality of such mineral, it cannot be used for any of the purposes by reason of which use it can be called a mineral other than minor mineral or that there is no market for such mineral as a mineral other than minor mineral, the State Government may by order permit the lessee to dispose of the mineral in such quantity and in such manner as may be specified therein as a minor mineral;

In this connection, Indian Bureau of Mines is receiving many cases for disposal from State Governments and as well as directly from the lessees. The rule however specifies that the lessee shall apply to the State Government and the State Government in turn hold consultation with IBM before according permission for

disposing of such minerals in permitted quantity and manner as may be specified.

The matter has been examined in IBM and In order to have uniformity in approach for considering all such cases being received in IBM, it has been decided that, the lessee will make all such application only to the State Government in a format as specified in Annexure -1 attached to this letter.

The state Government, after conducting due examination of the proposal may forward the application of the lessee with the comments of the State Government to Controller General, IBM, Nagpur, for comments of IBM, in Annexure-2.

After detailed examination of the proposal IBM shall send the Comments/ Recommendation to the State Government for further action at their end.

This is issued with the approval of Controller General, IBM.

Yours faithfully,

(Parag M. Tadlimbekar)  
Suptdg. Mining Geologist

**FORMAT FOR DEALING OF ALL APPLICATIONS IN RESPECT OF ANY MINERAL WHICH IN RELATION TO ITS USE FOR CERTAIN PRUPOSES IS NOTIFIED AS A MINERAL OTHER THAN A MINOR MINERAL AND IN RELATION TO ITS USE FOR OTHER PURPOSES AS A MINOR MINERAL**

*An application made to the State Government by the lessee, in respect of any mineral which in relation to its use for certain purposes is notified as a mineral other than a minor mineral and in relation to its use for other purpose as a minor mineral.*

**Rule Position :**

**Rule 12(1)(k)of Minerals (Other than Atomic and Hydro Carbon Energy Minerals) Concession Rules, 2016**

**(12)Terms and conditions of a mining lease.-** (1) Every mining lease shall be subject to the following conditions:

- (1) in respect of any mineral which in relation to its use for certain purposes is notified as a mineral other than a minor mineral and in relation to its use for other purposes as a minor mineral, the lessee who holds a lease for extraction of such minerals under these rules whether or not it is specified as a mineral other than minor mineral in the lease deed, shall not use or sell the mineral or deal with it in whatsoever manner or knowingly allow anyone to use or sell the mineral or deal with it in whatsoever manner as a minor mineral:

Provided that if on an application made to the State Government in this behalf by the lessee, the State Government, in consultation with Indian Bureau of Mines, is satisfied that having regard to the inferior quality of such mineral, it cannot be used for any of the purposes by reason of which use it can be called a mineral other than minor mineral or that there is no market for such mineral as a mineral other than minor mineral, the State Government may by order permit the lessee to dispose of the mineral in such quantity and in such manner as may be specified therein as a minor mineral;

**Format for the Lessee to be submitted to the State Government concerned**

(To be submitted in three copies)

**1. Lease details-**

a. Name of Mine (with location details).....  
.....  
.....

b. Name of the Mine owner / Lessee.....

c. Date of Execution of lease.....

d. Period of the lease: From.....To.....

e. Name of the mineral granted in the lease and furnished in lease deed

1) .....2).....3).....

f. Name of the minerals being mined from the lease area

1).....2).....3).....4).....

**2. Details of approved Mining Plan / Scheme of Mining/ Review of Mining Plan**

a. Date of approval of Mining Plan.....

b. Date of approval of Scheme of Mining / Review of Mining Plan (last).....

c. Name of the minerals for which Mining Plan / Scheme of Mining / Review of Mining Plan has been approved.....

d. Proposed end use of the mineral as furnished in the approved Mining Plan/Scheme of Mining / Review of Mining Plan.....

e. User specifications of the minerals, as furnished in the approved Mining Plan / Scheme of Mining / Review of Mining Plan .....

f. Name of the minerals / rocks available within the lease.....

g. Details of overburden / inter burden / side burden / & mineral rejects available in the lease.....

**3. Name of Mineral ( as mentioned in lease deed) intended to being used as minor mineral.....**

4. **Total proposed quantity (in tones) of mineral to be used as minor mineral (location to be given on surface plan).....**
5. Detailed chemical analysis report of the mineral (for all the radicals) proposed to be used as minor mineral from a NABL laboratory/Govt. laboratory .....
6. Reasons for not being used as a mineral other than a minor mineral [Tick the appropriate reason]
  - a) Mineral being chemically sub-grade material which is below the acceptable limits of user specifications
  - b) Material of different physical characteristics not acceptable to the market
  - c) Material of sizes other than required by the industry
  - d) Material containing deleterious constituents
  - e) Combination of the above
7. Use of Mineral being proposed to be disposed as minor mineral.....
8. Mineral wise production and dispatches data:

(a) Mineral wise Production data as per annual returns furnished to IBM, under Rule 45 of MCDR, 1988/2017 for the last five years

S. No.	Year	ROM(t) Production	Graded	Subgrade	Reject	Remarks

(b) Mineral wise Dispatch data as per annual returns furnished under Rule 45 of MCDR, 1988/2017, for the last five years

S. No.	Year	Dispatches	Grade	User Industries

(b) Cutoff grade of the mineral .....

(d) Threshold value (if prescribed) of those minerals proposed to be used as minor mineral.....

**8. Mineral wise unsold Stack within mining lease as shown on Surface Plan**

Stack No. /ID	ROM fractions [Tick the appropriate one]			Location Within lease#	Area covered (in hect.)	Volume in cum	Bulk density (t/cum)	Tonnage (Vol*B.D.)	Grade (*)	Reasons for non-marketing
	Graded/clean ore	Subgrade/Non Saleable grade mineral (below cutoff grade and above threshold value, if prescribed)/Mineral Rejects	Mineral Waste (below threshold value)							

(\* Please enclose analysis certificate from NABL recognized laboratory.)

(# details of such stacks to be listed out separately in a spreadsheet as an Annexure and location of all such stacks to be shown on surface plan duly signed by the authorized signatory, which is to be attached with proposal.)

(# The Surface Plan should indicate-

(a) Date of Survey,

(b) Location : Location and quantity of material / dumps of ROM, nonsalable/nonmarketable, subgrade, reject, waste, designated with symbols, tonnages and grade,

(c) Colour code showing stacks/ dumps (with tonnages) intended for permission for use as minor mineral.)

**9. Proposed Year wise disposal of the applied stocks:**

Year	Stack number/ID	Quantity to be disposed (in ton.)	Grade	Proposed Use

10. **Beneficiability**

- (a) Whether the mineral proposed to be disposed of, can be blended with high grade ore or economically beneficiated (study report to be enclosed) and sold as major mineral. If no then justify.
  
- (b) Whether the mineral proposed to be disposed of, is beneficial. If no then enclose a copy of beneficiation report as may be available.

**Signature.....**

**Name in full:.....**

**Designation: Owner / Agent / Mining  
Engineer / Geologist / Manager**

**Report of State Government**

(After due verification)

**The report should address and include the following;**

1. Stock measurement and verification report on the number of stacks of Major minerals sought for its use as minor mineral, its location, tonnage and grade. The grade verification can be done from a Government laboratory or a NABL laboratory.
2. Verification certificate issued by the competent authority of State Government for the mineral proposed to be used as minor mineral, based on the stock measurement exercise.
3. Recommended year wise disposal of stock (attach separate sheet)
4. Authentication of Surface Plan submitted under item 8 by the competent authority of State Government.
5. Attach a copy of Annexure-1 as submitted by the lessee.
6. Recommendation of the State Government, including the specified period for the use of mineral as minor mineral depending upon the total available stock and its proposed dispatches; to be sent to IBM for consultation.

**Signature.....**

**Name in  
full:.....**

**Designation of State**

**Authority.....**



**THE INFERIOR QUALITY OF MINERALS OTHER THAN MINOR MINERALS** shall be classified on basis of following:

- (1) All those major minerals (including notified minerals) below threshold value, which has been specified by IBM.
- (2) Lean grade Mineral for which threshold value is not specified by IBM. Viz. Cu Ore, Pb-Zn ore, precious stones, gold, asbestos.
- (3) The another part of inferior quality of major mineral constituted from (1) and (2) as fractions, generated after processing of ROM or the fractions generated through beneficiation .

The list of such mineral is given below,

Rule 12(k) : Such mineral other than minor mineral of		
( A)Inferior quality		(B)Non-marketable
(A1)Mineral below threshold value	Minerals for which no threshold value specified (term as specified w.r.t end use	Marketability constraints for nonsalable minerals
<ol style="list-style-type: none"> <li>1. Appatite /rock phosphate</li> <li>2. Bauxite</li> <li>3. Aluminous laterite</li> <li>4. Chromite</li> <li>5. Fluorite</li> <li>6. Graphite</li> <li>7. Iron ore</li> <li>8. Limestone</li> <li>9. Magnesite</li> <li>10. Mn ore</li> <li>11. Wollastonite</li> </ol>	<p>Lean grade ore, feebly lean grade. Below cut off limit/Low grade of</p> <p>Base metals Cu, Pb, Zn</p> <p>Precious metal-Ag, Au, Co-Ni ore, Tin, Tungsten ores</p> <p>&amp;Compound ores- Cd, Mo, Hg, Au, Ag, Sn, W etc.</p> <p>Precious stones: Diamond, ruby</p> <p>Asbestos, Illmenite, rutile, zircon, garnet, Kynite / sillimanite, Vermiculite, perlite, selenite, rocksalt, marl (?)</p>	<p>Major Mineral-</p> <ol style="list-style-type: none"> <li>1. Logistics</li> <li>2. Grade</li> <li>3. Demand</li> <li>4. Over production</li> <li>5. Substitutes</li> <li>6. Absence of processing facilities in nearby area for further refinement in grade.</li> <li>7. Size</li> </ol>
<p><b>ROM fractions :</b></p> <ul style="list-style-type: none"> <li>• Non blendable mineral, Subgrade.</li> <li>• Size rejects: Undersized fines, Chemical reject, mineralogical rejects</li> </ul>	<p><b>ROM fractions :</b></p> <ul style="list-style-type: none"> <li>• Non blendable mineral, Subgrade</li> <li>• Size rejects: Undersized fines Chemical reject, mineralogical rejects</li> </ul>	
<p><b>Processed fractions:</b> Middlings , tailings.</p>	<p><b>Processed fractions:</b> Middlings /Tails containing metal values,</p>	