

MINERAL POLICY AND LEGISLATION



# Indian Minerals Yearbook 2013

(Part- I : GENERAL REVIEWS)

52<sup>nd</sup> Edition

**MINERAL POLICY & LEGISLATION**

**(FINAL RELEASE)**

**GOVERNMENT OF INDIA  
MINISTRY OF MINES  
INDIAN BUREAU OF MINES**

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September, 2015

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## I POLICY

### A. The Mines and Minerals (Development and Regulation) Bill, 2011

1. The Mines and Minerals (Regulation and Development) Act, 1957 was enacted so as to provide for the regulation of mines and development of minerals under the control of the Union. The aforesaid Act was amended in the years 1958, 1972, 1986, 1987, 1994 and 1999.

2. The First National Mineral Policy was enunciated by the Central Government in 1993 paving way for liberalisation of the mining sector. The economic progress in the country required a vibrant energy, metal and commodities sector, to meet the infrastructure, manufacturing and other sectoral demands. Therefore, the nature and requirements of the mineral sector also changed with the passage of time. Based on the recommendations of a High Level Committee set up in the Planning Commission, Government of India, in consultation with State Governments, replaced the National Mineral Policy, 1993 with a National Mineral Policy, 2008 on 13<sup>th</sup> March, 2008. The new Policy provided for a change in the role of the Central and the State Governments, particularly in relation to incentivising private sector investment in exploration and mining; ensuring level-playing field and transparency in the grant of concessions; and promotion of scientific mining within a sustainable development framework along with protection of the interest of local population in mining areas. This necessitated promulgation of a new legislation that would be in harmony with the new National Mineral Policy.

3. Since the existing law had already been amended several times, and as further amendments may not clearly reflect the objects and reasons that are proposed in the new National Mineral Policy, it was considered necessary to reformulate the legislative framework in the light of the new National Mineral Policy, 2008 by repealing the Mines and Minerals (Regulation and Development) Act, 1957.

4. The Mines and Minerals (Development and Regulation) Bill, 2011 prepared by the Ministry of Mines to replace the existing Mines and Minerals (Development and Regulation) Act, 1957 had been approved by the Cabinet and bill was introduced in the Lok Sabha on 12<sup>th</sup> December, 2011, and the same was later referred to the Standing Committee on Coal and Steel on 5<sup>th</sup> January, 2012. The Committee held thirteen meetings (the last one was held on 16<sup>th</sup> November, 2012) and the recommendations of the Standing Committee in the form of 36<sup>th</sup> report of Lok Sabha Secretariat was presented in Lok Sabha on 7.5.2013 and also laid in Rajya Sabha on 7.5.2013.

Based on the recommendations of the Standing Committee and the comments/views received from the State Governments and concerned Central Ministries/Departments, the Ministry of Mines, in consultation with the Department of Legal Affairs, prepared draft official amendments to the MMDR Bill, 2011. Accordingly, a draft Cabinet Note for carrying out official amendments to the MMDR Bill, 2011 was prepared for the consideration of the Cabinet. The draft Cabinet Note was circulated to the concerned Central Ministries/Departments as part of inter – ministerial consultative process. The MMDR Bill, 2011, however, was caused to lapse with the dissolution of the XV Lok Sabha.

The Bill was prepared after several rounds of consultation and workshop with all the stakeholders. The draft Mines and Minerals (Development and Regulation) Bill, was circulated among all the stakeholders in July, 2009 for comments. Subsequently, 9 follow-up meetings and workshops were held with various stakeholders between August, 2009 and April, 2010. The successive versions of the draft Bill was also circulated/uploaded six times on the website of the Ministry for obtaining comments from stakeholders between August, 2009 and June, 2010.

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The Bill seeks holistic reform in the Mining Sector, with provisions to address issues relating to sustainable mining and local area development, especially for the populace that are directly impacted by mining operations. The Bill also aims to ensure transparency, equity, elimination of discretions, effective redressal and regulatory mechanisms along with incentives encouraging good mining practices. It will also lead to technology absorption and exploitation of deep-seated minerals.

5. The salient features of the Mines and Minerals (Development and Regulation) Bill, 2011, inter alia, are as follows:

(a) it provides for a simple and transparent mechanism for grant of mining lease or prospecting licence through competitive bidding in areas of known mineralisation and on the basis of first-in-time in areas where mineralisation is not known;

(b) it enables the mining lease holders to adopt advanced and sophisticated technologies for exploration of deep-seated and concealed mineral deposits, especially of metals in short supply through a new mineral concession;

(c) it enables the Central Government to promote scientific mineral development through Mining Plans and Mine Closure Plans enforced by a central technical agency, namely, the Indian Bureau of Mines, as well as the Regulatory Authorities and Tribunals;

(d) it empowers the State Governments to cancel the existing concessions or debar a person from obtaining concessions in order to prevent illegal and irregular mining;

(e) it empowers the Central Government and State Governments to levy and collect cess;

(f) it provides establishment of the Mineral Funds at National and State level for funding the activities pertaining to capacity building of regulatory bodies like Indian Bureau of Mines and for research and development issues in the mining areas;

(g) it provides reserved areas for the purpose of conservation of minerals;

(h) it enables the registered co-operatives for obtaining mineral concessions on small deposits in order to encourage tribals and small miners to enter into mining activities;

(i) it empowers the Central Government to institutionalise a statutory mechanism for ensuring sustainable mining with adequate concerns for environment and socio-economic issues in the mining areas through a National Sustainable Development Framework;

(j) it provides establishment of a National Mining Regulatory Authority, which consists of a Chairperson and not more than nine members to advise the Government on rates of royalty, dead rent, benefit sharing with District Mineral Foundation, quality standards and also conduct investigation and launch prosecution in cases of large-scale illegal mining;

(k) it provides establishment of State Mining Regulatory Authority consisting of such persons as may be prescribed by the State Government to exercise the powers and functions in respect of minor minerals;

(l) it provides establishment of a National Mining Tribunal and State Mining Tribunals to exercise jurisdiction, powers and authority conferred on it under the proposed legislation;

(m) it empowers the State Governments to constitute Special Courts for the purpose of providing speedy trial of the offences relating to illegal mining;

(n) it empowers the Central Government to intervene in the cases of illegal mining, where the concerned State Government fails to take action;

(o) it provides for stringent punishments for contravention of certain provisions of the proposed legislation; and

(p) to repeal the Mines and Minerals (Development and Regulation) Act, 1957.

6. A notable feature of the Bill is to provide a simple mechanism which ensures that revenues from mining are shared with local communities at individual as well as community level so as to empower them, provide them with choices, enable them to create, maintain and better utilise local

infrastructure and other services provided for their benefit.

**B. Committee for Review and Restructuring of the Functions and Role of IBM**

A committee was constituted on 23<sup>rd</sup> July, 2009 by the Ministry of Mines for reviewing and restructuring of functions and role of IBM in terms of the policy directions given in the National Mineral Policy, 2008. Based on the deliberations of the Stakeholders' Meeting held on 20<sup>th</sup> December, 2010 under the Chairmanship of Secretary (Mines), the Committee undertook modification of the report. Subsequently, a meeting with industry personnel was held under the Chairmanship of Secretary (Mines) on 30<sup>th</sup> August, 2011 on the issue of continuance of Ore Dressing Division in IBM. It was decided in the meeting that IBM's role should be restricted to be a Regulator in the field of mineral beneficiation rather than as commercial organisation for development of flow sheets. Based on the decisions taken in the meeting held on 30<sup>th</sup> August, 2011, certain chapters of the Report were re-drafted.

Vide The Gazette of India, Ministry of Mines, No.16/27/2011-M.VI (Part) dated 15.5.2012, the tenure of the Committee for Review and Restructuring of the Functions and Role of Indian Bureau of Mines (IBM) so as to accommodate the policy directions purported by the National Mineral Policy, 2008 constituted vide Resolution No.16(27)/2009-M.VI dated 23-7-2009 and modified vide Resolution No.16(27)/2009-M.VI dated 7.1.2010, was extended by the Government of India till 4<sup>th</sup> May, 2012. The final report of the Committee was submitted to the Ministry of Mines in May, 2012 and action has been initiated for implementation of the recommendations of the Committee. Its implementation would continue as per the Result Framework Document (RFD) of the Ministry of Mines.

Based on the Meeting of the Consultative Committee on IBM held on 27<sup>th</sup> November 2013, a Cabinet Note is under consideration of Ministry for seeking the Government's approval for strengthening IBM. The salient features of the recommendations include a new vision for IBM,

which aims to ensure evolvement of IBM as a National Technical Regulator.

**Mining Tenement System (MTS)**

The MTS has been envisaged by the Ministry to automate the various processes associated with the mineral concession regime. This would not only give an impetus to the decision-making process but is also expected to meet the ends of transparency and openness. The MTS will not only enable online filing of applications but it will also help identify online, the areas for various types of mineral concessions. This would involve integration of web-based technology services with Geographical Information System (GIS), so that information could be delivered spatially in the form of maps. IBM has been nominated by the Ministry as the Nodal Implementing Agency for the project.

The project for preparation of the Detailed Project Report (DPR) has been formulated and the consultant for DPR preparation was appointed in May, 2011. The inception report covering As-is-study of the Ministry of Mines and IBM has been completed and approved by the Ministry of Mines. The DPR of MTS had been approved by the Core Committee in its meeting held on 31.10.2012. M/s Ernst & Young Pvt Ltd had been requested to prepare Expression of Interest (EoI) and Request for Proposal (RFP) as per approved DPR.

The RFP document for selection of an Implementation Agency for design, development, maintenance and operations of Mining Tenement System was loaded on the website of IBM on 8.7.2014. The Implementation Agency is expected to:

1. Design the ICT (hardware and software) system framework of MTS;
2. Develop and implement MTS applications
3. Procure, implement and maintain the ICT infrastructure under MTS;
4. Deploy skilled personnel and effectively manage the services;
5. Maintain and operate the system; and
6. Digitise records for Indian Bureau of Mines, Ministry of Mines and State Departments.

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Detailed Scope of work is provided in this RFP document

Tender Notice for selection of an Implementing Agency for the purpose of undertaking the designing, development, maintenance and operations of Mining Tenement System was loaded on the website of IBM on 8.7.2014.

### **C. Coordination-cum-Empowered Committee**

The Ministry of Mines had constituted a Coordination-cum-Empowered Committee (CEC) on 4<sup>th</sup> March, 2009 under the chairpersonship of Secretary (Mines) to monitor and minimise delays at various levels in grant of approvals of mineral concession applications keeping in view the need for having more effective coordination among the Central Ministries/Departments and the State Governments for grant of mineral concessions as well as for dealing with various important matters relating to mineral development and regulation in the country.

The CEC that comprises senior officers of the Ministry of Mines, Environment and Forests, Home Affairs, Steel, Railways, Finance, Shipping, Fertilizers, Department of Atomic Energy, Directorate General of Civil Aviation (DGCA), Geological Survey of India (GSI), and Indian Bureau of Mines (IBM) meets every quarter along with representatives of State Governments who are also invited to the meetings of the CEC as special invitees.

The Terms of Reference (ToR) of the CEC have also been broadened so as to bring within its ambit, other important matters viz. Sustainable Development Framework, coordination, review of steps for prevention of illegal mining, issues arising out of the National Mineral Policy, legislation governing mineral development etc.

The deliberations held were for arriving at decisions aimed at minimising delays in processing of mineral concession applications at various levels and bringing about efficiency, transparency in the overall mineral concession regime.

The CEC has also decided to constitute State level Coordination-cum-Empowered Committee (SEC) in each State under the chairmanship of

Chief Secretary or Additional Chief Secretary/ Principal Secretary of the Mining/Industries Department with representation from all concerned Departments/institutions. Accordingly, all mineral-rich States viz. Andhra Pradesh, Chhattisgarh, Gujarat, Goa, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Odisha, Rajasthan and Tamil Nadu have constituted their respective SECs. The other major decisions/steps taken by the CEC relating to mineral concessions were that of calling upon the State Governments to ensure timely submission of quarterly reports on mineral concessions, prompt issuance of letters of intent (LOI) and expeditious disposal of longstanding concession cases.

### **D. Results Framework Document (RFD)**

The Central Government has adopted a Results Framework System to set goals and quantitatively monitor performances on an outcome basis. During the year 2013-14, the Ministry of Mines achieved a composite score of 72.94 and IBM achieved a composite score of 80.01percent.

### **E. Justice M.B. Shah Commission of Inquiry on Illegal Mining of Iron Ore and Manganese Ore**

In exercise of the powers conferred by Section 3 of the Commission of Inquiry Act, 1952 (60 of 1952), the Central Government vide notification of the Government of India in the Ministry of Mines, number S.O.2817(E), dated 22<sup>nd</sup> November, 2010, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), dated the 22<sup>nd</sup> November, 2010, appointed a Commission of Inquiry consisting of Shri Justice M.B. Shah, retired Judge of the Supreme Court of India, for the purpose of making an inquiry into a definite matter of public importance, namely, mining of iron ore and manganese ore in contravention of the provisions of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Forest (Conservation) Act, 1980 (69 of 1980), the Environment (Protection) Act, 1986 (29 of 1986) and other Central and State Acts and the Rules and guidelines issued thereunder and raising, transportation and exporting of such ores illegally or without lawful authority at various places within the country and to submit its report to the Central Government as soon as possible

but not later than eighteen months from the date of its first sitting. The first sitting of the Commission was held on the 17<sup>th</sup> day of January, 2011 and the Commission was to submit its report on or before the 16<sup>th</sup> day of July, 2012.

The Commission has begun collection and compilation of information on mining from seven important mineral producing States, which is quite voluminous. In consequence of a few States requiring more time for supply of requisite information to the Commission, the finalisation of report by the Commission, too, had to be deferred. In view of this situation and in exercise of the powers conferred by Section 3 of the Commissions of Inquiry Act, 1952 (60 of 1952), the Central Government has extended the term of the Justice Shri M.B. Shah Commission of Inquiry for a period of one year beyond the 16<sup>th</sup> July, 2012 up to the 16<sup>th</sup> July, 2013.

The Commission has requested for further time for completion of its report. Therefore, in exercise of the powers conferred by Section 3 of the Commissions of Inquiry Act, 1952 (60 of 1952), the Central Government further extended the term of Justice M. B. Shah Commission of Inquiry for a period of three months from the 17<sup>th</sup> July, 2013 to the 16<sup>th</sup> October, 2013 to finalise its Report(s).

The Commission has submitted 'First Interim Report' on 14.07.2011. The Report, along with 'Memorandum of Action Taken', was laid in the Lok Sabha on 20.12.2011 and in the Rajya Sabha on 30.04.2012. Further, 'Updated Memorandum of Action Taken' on the Report was laid in the Lok Sabha on 07.2.2014 and in the Rajya Sabha on 10.2.2014.

The CoI also submitted the following Reports to the Government on 14<sup>th</sup> October, 2013 which are under consideration:

1. Second Report on illegal mining of iron and manganese ores in the State of Odisha;
2. Third Report on illegal mining of iron and manganese ores in the State of Goa; and
3. First Report on illegal mining of iron and manganese ores in the State of Jharkhand.

#### **F. Measures Taken to Control Illegal Mining**

- State Governments were asked to frame rules to control illegal mining as per Section 23 (c) of MMDR Act (so far 20 States have framed rules).
- State Governments were requested to set up Task Forces at State and District levels to control illegal mining since the year 2005 (so far 22 States have reported to have set up Task Forces).
- State Governments were advised to set up State Coordination-cum-Empowered Committee (SCEC) to coordinate efforts to control illegal mining by including representatives of Railways, Customs and Port authorities (13 State Governments have set up such committees).
- All State Governments have been advised to adopt an Action Plan with specific measures to detect and control illegal mining including use of remote sensing, control on traffic, gather market intelligence, registration of end-users and setting up of special cells, etc.
- Railways have instituted a mechanism to allow transportation of iron ore only against permits issued rake-wise and verified by State Governments, apart from taking measures to fence and set up check posts at the railway sidings.
- Customs Department has issued instructions to all its field units to share information on ore export with State Governments.
- Ministry of Shipping has issued a direction to all major Ports to streamline the verification procedures for movement of consignment by road and rail to ports for export.

#### **G. Special Task Force for Inspection of Mines in Endemic Areas**

Separately, the Central Government through Indian Bureau of Mines (IBM) has constituted a Special Task Force for inspection of mines in endemic areas. During the year 2013-14 up to March 2014, IBM conducted 204 Special Task Force inspections in the States of Goa, Madhya Pradesh, Jharkhand, Karnataka, Andhra Pradesh, Gujarat, Rajasthan and Tamil Nadu. IBM has suspended 29 mines under Rule 13(2) of Mineral

Conservation and Development Rules, 1988 for serious violations.

#### **H. Landslide studies**

As per Ministry of Mines notification F No. 11/6/2012-M.I. dated 20<sup>th</sup> September, 2012, the Geological Survey of India (GSI) has been designated as the Nodal Agency for carrying out landslide studies. The National Disaster Management Guidelines of National Disaster Management Authority (NDMA) under the heading Management of Landslides and Snow Avalanches, recommends that a high level Scientific and Technical Advisory Committee be constituted under the Chairpersonship of the Secretary, Ministry of Mines, in consultation with NDMA. The Committee will serve as a think tank to nurse the landslide sector with fresh ideas and stimulus technology support.

On a rough estimate as per GSI, nearly 15% of India's landmass or 0.49 million sq km area is prone to landslide hazard. This includes 0.098 million sq km of the North Eastern Region, comprising the Arakan Yoma ranges, and 0.392 million sq km of parts of the Himalaya, Nilgiri, Ranchi Plateau and Eastern & Western Ghats. A gist of the Landslide study carried out by GSI is provided below:

##### **1. Uttarakhand**

A total of 343 landslide incidences was studied alongwith, 150 debris slides and 193 rockslides.

##### **2. Himachal Pradesh**

Close to 351 landslide incidences were studied. Most of these were debris slides. These include the slides prone areas like Dalhousie and Shimla towns and temple of Naina Devi

##### **3. Jammu and Kashmir**

About 84 incidences were studied. Majority included are locations along the NH 1A and NH-1B.

Inventory for 778 landslide incidences of NW Himalaya have been published.

#### **I. Sustainable Development Framework for the Mining Sector (SDF)**

As per the recommendations of a High Level Committee headed by Shri Anwarul Hoda, a Sustainable Development Framework specially tailored to the Indian context was developed taking

into consideration the work being done in International Council of Mining and Metals (ICMM) and International Union for Conservation of Nature and Natural Resources (IUCN). The SDF was based on the following eight principles:

- Incorporating Environment and Social sensitivities in decision on leases.
- Strategic Assessment in Key Mining regions.
- Managing Impacts at the Mine Level through sound Management Systems.
- Addressing land, Resettlement and other Social impacts.
- Community Engagement and other Social impacts.
- Community Engagement, Benefit Sharing and contribution to Socio-economic Development.
- Mines Closure and Post Closure.
- Assurance and Reporting.

ERM India Pvt. Ltd was commissioned by Ministry of Mines to develop a Sustainable Development Framework for the Mining Sector (Non Coal, Non Fuel) in India.

The final report on Sustainable Development Framework has been finalised by the Ministry of Mines on 30.11.2011 and the same was uploaded on the website.

#### **J. Allocation of Coal Block**

The Ministry of Coal has initiated the process of allocation of Coal Blocks under the amended provisions of Section 11A of MMDR Act and Rules framed thereunder. In the first round, the Government proposes to allocate coal blocks to the Government Companies/Undertakings (Central and State) for specific end-use (power) and coal mining.

Accordingly, on 1<sup>st</sup> January, 2013, it was decided to offer 17 coal blocks with combined geological reserves of 8.5 billion tonnes (bt) (14 coal blocks with reserves of 8.2 bt for end-use, i.e., for power and 3 coal blocks for mining) to different Government Companies/Undertaking (Central and State). Detailed information of each of these coal blocks, such as covering area,

location and basic infrastructure, including coordinates, status of exploration, sequence of coal seams, quality of coal, estimated reserves, etc. was placed on the website of Ministry of Coal (<http://coal.nic.in>) and applications were invited. Earlier, Ministry of Coal had already placed on 27<sup>th</sup> December, 2012 the pre-determined evaluation criteria for specified end-use and coal mining along with the details to be furnished by the applicant, i.e. Government Companies/Undertakings. Stipulations were made for submission of applications within thirty days (i.e. till 30<sup>th</sup> January, 2013) and at the Ministry of Coal.

During the period from 1993 to 2011, 218 Coal blocks with geological reserves of about 50 billion tonnes were allocated to eligible public and private companies under the Coal Mines (Nationalisation) Act, 1973. Out of the 218 allocated blocks, as on date, 80 coal blocks were de-allocated (18 coal blocks were de-allocated based on the recommendations of the then Review Committee and 62 coal blocks were de-allocated based on the recommendations of the Inter-Ministerial Group O). Altogether 138 Coal blocks with geological reserves of about 30.77 billion tonnes have been allocated.

#### **K. Study Group on Revision of Rate of Royalty and Dead Rent**

In order to review the royalty rates and dead rent, the Ministry of Mines on 13<sup>th</sup> September 2011 constituted a Study Group on Revision of Rates of Royalty and Dead Rent for Minerals (other than coal, lignite and sand for stowing) to propose appropriate recommendations to the Government. The Study Group was reconstituted on 4<sup>th</sup> February, 2013, with the Special Secretary (Mines) as Chairperson. The Terms of Reference of the Study Group are as under:

(a) to review the existing rates of royalty on minerals (other than coal, lignite and sand for stowing) given in Second Schedule to the Mines and Minerals (Development and Regulation) Act, 1957 and to recommend revision of rates and in case, if necessary, give an additional conditional recommendation on what should be the royalty

rate and the mechanism for computation of royalty rates after taking into account the liabilities on the lease holder as envisaged in the draft MMDR Bill, 2011, in the event the Parliament approves the new draft Bill.

(b) to consider the feasibility of allowing incentivised royalty rates for base metals, noble metals, Rare Earth Elements and precious stones to encourage exploration.

(c) to suggest incentivised royalty rates on advalorem basis for beneficiated or concentrated ore.

(d) to consider and recommend policies relevant to mineral development and administration of royalty regime.

(e) to suggest appropriate revision in the existing rates of dead rent given in the Third Schedule to the Mines and Minerals (Development and Regulation) Act, 1957.

The Study Group commenced its discussions/ deliberations, and the draft recommendations on the rate of royalty and dead rent that have been prepared after circulation among the members of the Study Group and integration of their comments was finalised for submission.

The Ministry of Mines, however, decided vide its letter No. 3/3/2011-MVI dated 4<sup>th</sup> February, 2013 to extend the tenure of the Study Group for submission of the report up to 31.3.2013. Subsequently, it has been decided by letter of even no. dated 10<sup>th</sup> April, 2013 of Ministry of Mines to extend the tenure of the Study Group for submission of the report up to 31.6.2013.

The Cabinet Committee on Economic Affairs, chaired by the Prime Minister has approved the revision of rates of royalty and dead rent of all major minerals other than minor minerals, coal, lignite and sand for stowing, as per provisions of Mines and Minerals (Development and Regulation) (MMDR) Act, 1957 on 21<sup>st</sup> August, 2014. It also approved the application of these rates in all the States / Union Territories (UTs). The same has been notified on 1<sup>st</sup> Sept. 2014, the details of which are as follows:



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As per Gazette of India, Ministry of Mines, Notification, G.S.R.630(E) dated the 1<sup>st</sup> September, 2014, the Central Government hereby makes the following further amendments in the Mines and Minerals (Development and Regulation) Act, 1957, for the "Second Schedule", the following Schedule shall be substituted, namely:-

### "SECOND SCHEDULE

(See Section 9)

#### RATES OF ROYALTY IN RESPECT OF MINERALS AT ITEMS 1 TO 9, 11 TO 40 AND 42 TO 55

1. Apatite and Rock Phosphate :
  - (i) Apatite : Five per cent of average sale price on ad valorem basis.
  - (ii) Rock Phosphate :
    - (a) Above 25 per cent  $P_2O_5$  Twelve and half per cent of average sale price on *ad valorem* basis.
    - (b) Up to 25 per cent  $P_2O_5$  Six per cent of average sale price on *ad valorem* basis.
2. Asbestos :
  - (a) Chrysotile Eight Hundred and Eighty rupees per tonne.
  - (b) Amphibole Fifteen per cent of average sale price on *ad valorem* basis.
3. Barytes Six and half per cent of average sale price on *ad valorem* basis.
4. Bauxite and Laterite **(a) Metallurgical Grade:**  
Zero point six zero per cent of London Metal Exchange Aluminium metal price chargeable on the contained aluminium metal in ore produced for those dispatched for use in alumina and aluminium metal extraction.  
**(b) Non Metallurgical Grade:**  
Twenty five per cent of average sale price on *ad valorem* basis for those dispatched for use other than alumina & aluminium metal extraction.
5. Brown Ilmenite (Leucoxene), Ilmenite, Rutile and Zircon Two per cent of average sale price on ad valorem basis.
6. Cadmium Fifteen per cent of average sale price on *ad valorem* basis.
7. Calcite Fifteen per cent of average sale price on *ad valorem* basis.
8. China clay/Kaolin (including ball clay, white shale and white clay) :
  - (a) Crude Eight per cent of average sale price on *ad valorem* basis.
  - (b) Processed (including washed) Twelve per cent of average sale price on *ad valorem* basis.
9. Clay others: Twenty rupees per tonne.
10. Coal (including Lignite) \*
11. Chromite: Fifteen per cent of average sale price on *ad valorem* basis.

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12. Columbite-tantalite Ten per cent of average sale price on *ad valorem* basis.
13. Copper Four point six two per cent of London Metal Exchange Copper metal price chargeable on the contained copper metal in ore produced.
14. Diamond Eleven point five per cent of average sale price on *ad valorem* basis.
15. Dolomite Seventy-five rupees per tonne.
16. Dunite Thirty rupees per tonne.
17. Felspar Fifteen per cent of average sale price on *ad valorem* basis.
18. Fireclay Twelve per cent of average sale price on *ad valorem* basis.  
(including plastic, pipe, lithomargic and natural pozzolanic clay)
19. Fluorspar (also called fluorite) Eight per cent of average sale price on *ad valorem* basis.
20. Garnet :  
(a) Abrasive Four per cent of average sale price on *ad valorem* basis.  
(b) Gem Ten per cent of average sale price on *ad valorem* basis.
21. Gold :  
(a) Primary Four per cent of London Bullion Market Association Price (commonly referred to as London Price) chargeable on the gold metal in ore produced.  
(b) By-product gold Three point three per cent of London Bullion Market Association Price (commonly referred to as London Price) chargeable on the by-product gold metal actually produced.
22. Graphite :  
(i) With 80 per cent or more fixed carbon Two hundred and twenty-five rupees per tonne.  
(ii) With 40 per cent or more fixed carbon but less than 80 per cent fixed carbon One hundred and fifty rupees per tonne.  
(iii) With 20 per cent or more fixed carbon but less than 40 per cent fixed carbon Sixty-five rupees per tonne.  
(iv) With less than 20 per cent fixed carbon Twenty-five rupees per tonne.

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23. Gypsum	Twenty per cent of average sale price on <i>ad valorem</i> basis.
24. Iron Ore : (CLO, Lumps, fines and concentrates all grades)	Fifteen per cent of average sale price on <i>ad valorem</i> basis.
25. Lead	(a) Eight point five per cent of London Metal Exchange Lead metal price chargeable on the contained lead metal in ore produced.  (b) Fourteen point five per cent of London Metal Exchange Lead metal price chargeable on the contained lead metal in the concentrate produced.
26. Limestone :	
(i) L. D. Grade (less than 1.5 percent silica content)	Ninety rupees per tonne
(ii) Others	Eighty rupees per tonne
27. Lime kankar	Eighty rupees per tonne
28. Limeshell	Eighty rupees per tonne
29. Magnesite	Three per cent of average sale price on <i>ad valorem</i> basis.
30. Manganese Ore :	
(a) Ore of all grade	Five per cent of average sale price on <i>ad valorem</i> basis
(b) Concentrates	One point seven per cent of average sale price on <i>ad valorem</i> basis
31. Marl	Sixty rupees per tonne
32. Crude Mica, Waste Mica and Scrap Mica	Four per cent of average sale price on <i>ad valorem</i> basis
33. Monazite	One hundred and twenty-five rupees per tonne
34. Nickel	Zero point one two per cent of London Metal Exchange Nickel metal price chargeable on the contained nickel metal in ore produced.
35. Ochre	Twenty-four rupees per tonne
36. Pyrite	Two per cent of average sale price on <i>ad valorem</i> basis.
37. Pyrophyllite	Twenty per cent of average sale price on <i>ad valorem</i> basis
38. Quartz	Fifteen per cent of average sale price on <i>ad valorem</i> basis
39. Ruby	Ten per cent of average sale price on <i>ad valorem</i> basis
40. Sand (Others)	Twenty rupees per tonne
41. Sand for Stowing	**

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42. Shale	Sixty rupees per tonne.
43. Silica sand and moulding sand and Quartzite:	Ten per cent of average sale price on <i>ad valorem</i> basis
44. Sillimanite	Two point five per cent of average sale price on <i>ad valorem</i> basis.
45. Silver	
(a) By-product	Seven per cent of London Metal Exchange Price chargeable on by-product silver metal actually produced
(b) Primary silver	Five per cent of London Metal Exchange Silver Metal Price chargeable on the contained silver metal in ore produced
46. Slate	Forty-five rupees per tonne
47. Talc, Steatite and Soapstone	Eighteen per cent of average sale price on <i>ad valorem</i> basis
48. Tin	Seven point five per cent of London Metal Exchange Tin metal price chargeable on the contained tin metal in ore produced.
49. Tungsten	Twenty rupees per unit per cent of contained WO <sub>3</sub> per tonne of ore and on pro rata basis.
50. Uranium	Two per cent of annual compensation amount received by M/s. Uranium Corporation of India Ltd, to be apportioned among the States on the basis of data provided by Department of Atomic Energy.
51. Vanadium	Twenty per cent of average sale price on <i>ad valorem</i> basis
52. Vermiculite	Five per cent of average sale price on <i>ad valorem</i> basis
53. Wollastonite	Fifteen per cent of average sale price on <i>ad valorem</i> basis
54. Zinc	(a) Nine point five per cent of London Metal Exchange Zinc metal price on <i>ad valorem</i> basis chargeable on contained zinc metal in ore produced. (b) Ten per cent of London Metal Exchange Zinc metal price on <i>ad valorem</i> basis chargeable on contained zinc metal in concentrate produced.
55. All other minerals not hereinbefore specified (Agate, Corundum, Diaspore, Felsite, Fuschite-Quartzite, Jasper, Kyanite, Perlite, Pyroxenite, Rock Salt, Selenite etc.)	Twelve per cent of average sale price on <i>ad valorem</i> basis

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### Notes

1. \* Rates of royalty in respect of item No.10 relating to Coal (including Lignite) as revised *vide* notification number G.S.R. 349(E), dated the 10<sup>th</sup> May, 2012 read with corrigendum G.S.R. 525(E), dated the 14<sup>th</sup> June, 2012 of the Government of India in the Ministry of Coal shall remain in force until revised through a separate notification by the Ministry of Coal.
2. \*\* Rates of royalty in respect of item No.41 relating to Sand for stowing revised *vide* notification number G.S.R. 214(E), dated the 11<sup>th</sup> April, 1997, will remain in force until revised through a separate notification by the Ministry of Coal.”

## MINERAL POLICY AND LEGISLATION

As per the Gazette of India, Ministry of Mines, Notification No. G.S.R.631(E), dated 1<sup>st</sup> September, 2014, the Central Government hereby makes the following further amendments to the Third Schedule of the said Act, namely:-

2. In the Mines and Minerals (Development and Regulation) Act, 1957, for the “Third Schedule”, the following Schedule shall be substituted, namely:-

**“THIRDSCHEDULE**  
**(See Section 9A)**  
**Rates of Dead Rent**

1. Rates of dead rent applicable to the leases granted for low value minerals are as under:

**RATES OF DEAD RENT IN RUPEES PER HECTARE PER ANNUM**

From 2 <sup>nd</sup> Year of Lease	3 <sup>rd</sup> and 4 <sup>th</sup> Year of Lease	5 <sup>th</sup> Year onwards
400	1000	2000

2. Two times the rate specified at paragraph 1 above in case of lease granted for medium value minerals.
3. Three times the rate specified at paragraph 1 above in case of lease granted for high value minerals.
4. Four times the rate specified at paragraph 1 above in case of lease granted for precious metals and stones.

### Note

1. For the purpose of this notification:-

- (a) **“precious metals and stones”** means gold, silver, diamond, ruby, sapphire and emerald;
- (b) **“high value minerals”** means semi-precious stones (agate, gem garnet), corundum, copper, lead, zinc, and asbestos (chrysotile variety);
- (c) **“medium value minerals”** means chromite, manganese ore, kyanite, sillimanite, vermiculite, magnesite, wollastonite, perlite, diaspore, apatite, rock phosphate, fluorite (fluorspar), barytes, and iron ore;
- (d) **“low value minerals”** means the minerals other than precious metals and stones, high value minerals and medium value minerals.”

## ROYALTY ON COAL AND LIGNITE

Section 9(3) of the Mines and Minerals (Development and Regulation) Act, 1957 provides that the Central Government shall not enhance the rate of royalty in respect of any mineral more than once during any period of three years.

The Government constituted a Study Group on 4.02.2010 for revision of royalty rates for coal & lignite. Taking into consideration the submissions made by the stakeholders, the interests of the coal producing States, the consumers and the national economy as a whole, the Study Group recommended switching over to a full-fledged ad valorem regime of royalty for coal and lignite. Vide Gazette of India notification G.S.R. 349. (E), dated the 10<sup>th</sup> May, 2012 by the Ministry of Coal, the royalty rate of coal including lignite has been revised as detailed below. The revised royalty rates on coal and lignite are applicable for a minimum period of three years from 10.05.2012

A. Coal produced in all the States and Union Territories except the State of West Bengal.

(1) Royalty on Coal:

The rate of royalty on coal shall be @ 14% (fourteen percent) ad valorem on price of coal, as reflected in the invoice, excluding taxes, levies and other charges.

(2) Royalty on Lignite:

The rate of royalty on lignite shall be @ 6% (six percent) ad valorem on transfer price of lignite,

as ratified by the Central Electricity Regulatory Commission (CERC) and for lignite sold to other consumers, the royalty shall be @ 6% (six percent) ad valorem on the price of lignite as reflected in the invoice, excluding taxes, levies and other charges.

(3) Royalty on Coal and Lignite produced from captive mines:

For calculating royalty on coal and lignite produced from captive mines, the price of coal and lignite shall mean the basic pit head price of Run-of-Mine (ROM) coal and lignite, as notified by the Coal India Ltd / Singareni Collieries Company Ltd/ Neyveli Lignite Corporation, for similar Gross Calorific Value (GCV) of coal or lignite for the mines, nearest to that captive mine, provided that for the coal and lignite produced from the coal and lignite blocks, allocated under the Government dispensation route for commercial use, the respective ad valorem royalty shall be applicable on the price notified by the respective State Governments.

(4) Adjustment of royalty against levying of cess:

For the States other than West Bengal, for the levy of cess or other taxes, specific to coal bearing lands, the royalty allowed shall be adjusted for the local cess or such taxes, so as to limit the overall revenue yield.

B. Coal produced in the State of West Bengal.

MINERAL POLICY AND LEGISLATION

**Royalty on Coal for West Bengal**

<b>Group</b>	<b>Quality of Coal</b>	<b>Royalty on coal in Rupees per tonne</b>
Group – I	Steel Gr-I Steel Gr-II Washery-I Direct Feed	Seven rupees only per tonne
Group – II	Washery-II Washery-III Semi coking Gr-I Semi coking Gr-II Non-coking coal having GCV range of 6701 and above (Kcal/kg) Non-coking coal having GCV range of 6401-6700) (Kcal/kg) Non-coking coal having GCV range of 6101-6400 (Kcal/kg)	Six rupees and fifty paise only per tonne
Group-III	Washery-IV Non-coking coal having GCV range of 5801-6100 (Kcal/kg) Non-coking coal having GCV range of 5501-5800 (Kcal/kg) Non-coking coal having GCV range of 5201-5500 (Kcal/kg)	Five rupees and fifty paise only per tonne
Group-IV	Non-coking coal having GCV range of 4901-5200 (Kcal/kg) Non-coking coal having GCV range of 4601-4900 (Kcal/kg) Non-coking coal having GCV range of 4301-4600 (Kcal/kg)	Four rupees and thirty paise only per tonne
Group-V	Non-coking coal having GCV range of 4001-4300 (Kcal/kg) Non-coking coal having GCV range of 3701-4000 (Kcal/kg) Non-coking coal having GCV range of 3401-3700 (Kcal/kg) Non-coking coal having GCV range of 3101-3400 (Kcal/kg) Non-coking coal having GCV $\leq$ 3100	Two rupees and fifty paise only per tonne

## L. International Cooperation

The Ministry of Mines, Government of India, did continue its effort to engage with the world community in the areas of geology and mining. A Memorandum of Understanding on co-operation in the field of geology and mineral resources was signed during the year 2012-13 with Republic of Peru and Quebec Province of Canada. The Joint Working Group meetings as well as interactions in the areas concerning mining were held with Republic of Namibia, Ontario Province of Canada, Russian Federation, etc.

The 8<sup>th</sup> meeting of the India-Australia Joint Working Group (JWG) on Energy and Minerals was held on 12<sup>th</sup> June, 2013 at New Delhi. The Joint Working Group agreed to the Work Programme of activities during 2013-2015 for the Action Plans on (i) Mining and Minerals (ii) Petroleum and Natural Gas (iii) Coal (iv) Power and (v) Renewal energy. Concerned Ministry/ Departments signed the Work Programme separately on 12<sup>th</sup> June, 2013 with the authority concerned of the Australian Government.

## M. New Exploration Licencing Policy (NELP)

The New Exploration Licencing Policy (NELP) provides an international class fiscal and contract framework for exploration and production of hydrocarbons.

It is under consideration of the Government to offer as many as 68 blocks or areas for exploration of oil and gas in the tenth round of NELP for the year 2013-14. Of the blocks under consideration in NELP-X, 25 are deep water, 20 shallow water and 23 onland blocks. NELP-X is likely to be held on new terms wherein a bidder would have to quote the amount of oil or gas output it is willing to offer to the government from the first day of production.

The government has in previous nine rounds awarded 254 blocks for exploration of oil and gas and 148 are in operation under NELP. Of the 34 areas offered in NELP-IX in 2010, bids for 33 blocks were received at the close of the bidding process on March 28, 2011. The award of exploration blocks under NELP -IX was yet to be finalised.

## N. Union Budget 2014-15

In the Union Budget 2014-15, the following policy measures, custom duty, excise duty, export duty and other taxes have been imposed.

### 1. Mining

Changes, if necessary, in the MMDR Act, 1957, are to be introduced to encourage investment in mining sector and promote sustainable mining practices.

### 2. Petroleum & Natural Gas

Production and exploitation of Coal Bed Methane reserves will be accelerated;

Possibility of using modern technology to revive old or closed wells to be explored;

Usage of PNG to be rapidly scaled up in a Mission mode; and

Proposal to develop pipelines using appropriate PPP models to be pursued.

### 3. Energy

A new scheme "Ultra-Modern Super Critical Coal Based Thermal Power Technology" is to be taken up and an allocation of Rs.100 crores has been earmarked.

Comprehensive measures for enhancing domestic coal production are to be put in place ;

Adequate quantity of coal will be provided to power plants which are already commissioned or would be commissioned by March 2015; and

An exercise to rationalise coal linkages to optimise transport of coal and reduce cost of power would be vigorously pursued.

### 4. Customs Duty MINERAL PRODUCTS

- Basic Customs Duty on steel grade dolomite and steel grade limestone would be reduced from 5% to 2.5%.- Export duty on bauxite would be increased from 10% to 20%.

- The duty structure on non-agglomerated coal of various types would be rationalised at 2.5% BCD and 2% CVD. Accordingly, the BCD on



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coking coal would be increased from NIL to 2.5% and on steam coal and bituminous coal from 2% to 2.5%. The BCD on anthracite coal and other coal would be reduced from 5% to 2.5%. The CVD on Anthracite coal, coking coal and other coal would also be reduced from 6% to 2%.

- Basic Customs Duty on metallurgical coke would be increased from Nil to 2.5%.

- Basic Customs Duty on crude naphthalene would be reduced from 10% to 5%.

- Basic Customs duty on reformate and other goods under sub-heading 2707 50 00 would be reduced from 10% to 2.5%.

- Basic Customs Duty on coal tar pitch would be reduced from 10% to 5%.

### PRECIOUS AND SEMI-PRECIOUS STONES

- Full exemption from Basic Customs Duty is to be granted to pre-forms of precious and semi-precious stones.

- Basic Customs Duty on half-cut or broken diamonds is to be increased from NIL to 2.5% and on cut & polished diamonds including lab-grown diamonds and coloured gemstones the increase would be from 2% to 2.5%.

- The variation level and the parameter of measurement in respect of re-import of cut and polished diamonds after certification/grading from a foreign laboratory/agency are to be increased as a trade facilitation measure. Henceforth, in the case of re-import of cut and polished diamonds, a variance not exceeding  $\pm 0.05$ mm in diameter for round shape diamonds and  $\pm 0.07$ mm in length and breadth for diamonds of other shapes shall be allowed. The allowable variance in weight remains unchanged.

### BASE METALS

- Basic Customs Duty on stainless steel flat products (CTH 7219 and 7220) is to be increased from 5% to 7.5%.

- Basic Customs Duty is to be reduced from 10% to 5% on forged steel rings used in the manufacture of bearings of wind-operated electricity generators.

- Full exemption from Basic Customs Duty is being provided on flat copper wire for use in the manufacture of PV ribbons (tinned copper interconnect) for solar PV cells or modules.

### 5. Excise Duty

#### BASE METALS

- Excise duty is to be reduced from 12% to Nil on forged steel rings used in the manufacture of bearings of wind-operated electricity generators.

- Full exemption from excise duty is to be provided on flat copper wire used in the manufacture of PV ribbons (tinned copper interconnect) for use in the manufacture of solar cells or modules.

- Excise duty on winding wires of copper is to be increased from 10% to 12%.

### O. Policy Measures through Notifications

#### 1. Ministry of Mines Notification

In continuation of the Resolution of Ministry of Mines published vide Gazette Notification No.4(2)97-M.I dated 12.03.2009 regarding reconstitution of Central Geological Programming Board and 12 Committees thereunder for various sub-sectors. The Ministry of Mines, Vide its Gazette Notification No.F.No.4(2)2012-M.I., dated 19<sup>th</sup> February, 2014 has decided that the para immediately under the heading 'XII Geoscience for Sustainable Development' on p-48 shall be replaced by the following:-

Convenor : Joint Secretary (Policy),

Ministry of Mines

Member Secretary : Director (Tech), Ministry of Mines

1. Advisor (TPCC), Ministry of Mines
2. Representative of Department of Environment, MoEF
3. Representative of Department of Forests, MoEF
4. Representative of Ministry of Science & Technology
5. Representative of Ministry of Health
6. Representative of Ministry of Agriculture
7. Representative of Ministry of Rural Development, (MoRD)

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8. Representative of Department of Land Resources (MoRD)
9. Representative of Ministry of Urban Development
10. Representative of Ministry of Water Resources
11. Representative of Ministry of Earth Sciences
12. National Environmental Engineering Research Institute
13. Indian Bureau of Mines
14. Central Ground Water Board
15. The Energy and Resources Institute
16. State Agencies dealing with GIS/Spatial data application (to be nominated by respective State Governments)

### Commissions of Inquiry

As per Gazette of India, Ministry of Mines, Notification, S.O. 2205(E) dated 19<sup>th</sup> July, 2013 the Central Government vide notification of the Government of India in the Ministry of Mines, number S.O.2817(E), dated the 22<sup>nd</sup> November, 2010, published in the Gazette of India, Extraordinary, Part II Section 3, Sub-section (ii), dated the 22<sup>nd</sup> November, 2010, appointed a Commission of Inquiry consisting of Justice M.B.Shah, retired Judge of the Supreme Court of India for the purpose of making an inquiry into a definite matter of public importance, namely, mining of iron ore and manganese ore in contravention of the provisions of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Forest (Conservation) Act, 1980 (69 of 1980), the Environment (Protection) Act, 1986 (29 of 1986) and other Central and State Acts and the rules and guidelines issued thereunder and raising, transportation and exporting of such ores without lawful authority at various places within the country and to submit its report to the Central Government as soon as possible but not later than eighteen months from the date of its first sitting.

And whereas, the first sitting of the Commission was held on the 17<sup>th</sup> day of January,

2011 and the Commission had to submit its Report on or before the 16<sup>th</sup> day of July, 2012; And whereas on the request of the Commission, the tenure of the Commission was extended for a period of one year from the 17<sup>th</sup> July, 2012 to the 16<sup>th</sup> July, 2013 vide notification number S.O.1738(E) dated the 3<sup>rd</sup> August, 2012; And whereas, the Commission has requested for further time for completion of its report; Now therefore, in exercise of the powers conferred by section 3 of the Commissions of Inquiry Act, 1952 (60 of 1952), the Central Government hereby extends the term of Justice M.B.Shah Commission of Inquiry for a period of three months from the 17<sup>th</sup> July, 2013 to the 16<sup>th</sup> October, 2013 to finalise its Report(s).

### 2. Ministry of Coal - Notification

The Central Government of the Ministry of Coal Vide **S.O. 491(E), dated 19<sup>th</sup> February, 2014**, laid specification for production of cement, syn-gas obtained through coal gasification (underground and surface) and coal liquefaction to be end uses for the purpose of the said Act.

### 3. Trade Policy on Gold

#### Notification of Ministry of Commerce & Industry

a) As per Gazette of India, Ministry of Commerce & Industry, Department of Commerce, Notification No. 40 (RE-2013)/2009-2014, dated 6<sup>th</sup> September, 2013 (Non-insistence on sequencing of import of gold being followed by export of gold jewellery/articles of gold) and of S.O.2709(E) dated 6<sup>th</sup> September, 2013, the Central Government notified the following:

Chapter 71 of ITC(HS) 2012 Schedule 1 which stipulates that import of gold is 'subject to RBI regulations', The Reserve Bank of India has issued certain guidelines including A.P. (DIR Series) Circular No.25 dated August 14, 2013 on the operational aspect of the scheme of import of gold. Para 2(f) of the Circular No. 25 states:

“(f) Any authorisation such as Advance Authorisation/Duty Free Import Authorisation (DFIA) is to be utilised for import of gold meant for export purposes only and no diversion for domestic use shall be permitted.”

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3. This condition (f) when interpreted read as every import under Advance Authorisation /DFIA has to be followed by a corresponding export. Normally, import precedes export under AA/DFIA but in certain cases export may precede import. It is necessary that every import under AA/DFIA must be duly accounted for by corresponding exports without insisting on the sequence, i.e. import preceding export.

4. Accordingly, import of gold under AA/DFIA would have a corresponding export but not necessarily import first and export later.

Effect of this Notification: Import of gold under AA/DFIA would not necessarily be followed by export but each import has to be accounted for.

Substitution of Tables (Description of Goods and Tariff value)

b) As per Gazette of India, Ministry of Finance, (Department of Revenue), (Central Board of Excise and Customs), Notification No. 91/2013 – Customs (N. T.), S.O. 2761 (E) dated 29<sup>th</sup> August, 2013, the following Tables has been substituted, namely, (The relevant portion is reproduced as per MMDR Act 1957):

**Table-1**

Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$ (Per Metric Tonne)
(1)	(2)	(3)	(4)
8	7404 00 22	Brass Scrap (all grades)	3743 (i.e. no change)

**Table-2**

Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$
(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 321 and 323 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed	461 per 10 grams

2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 322 and 324 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed	803 per kilogram
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c) As per Gazette of India, Ministry of Finance, (Department of Revenue), S.O. 3277(E) dated 29<sup>th</sup> October, 2013, the following Tables has been substituted, namely:—

**Table-1**

Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$ (Per Metric Tonne)
(1)	(2)	(3)	(4)
8	7404 00 22	Brass Scrap (all grades)	3933 (i.e. no change)

**Table-2**

Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$
(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 321 and 323 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed	442 per 10 grams
2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 322 and 324 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed	699 per kilogram (i.e no change)

d) As per Gazette of India, Ministry of Finance, (Department of Revenue), S.O. 3297(E) dated 31<sup>st</sup> October, 2013, the following Tables has been substituted, namely:

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**Table-1**

Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$ (Per Metric Tonne)
(1)	(2)	(3)	(4)
8	7404 00 22	Brass Scrap (all grades)	3840 (i.e. no change)

**Table-2**

Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$
(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 321 and 323 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed	440 per 10 grams
2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 322 and 324 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed	738 per kilogram (i.e no change)

e) As per Gazette of India, Ministry of Finance, (Department of Revenue), S.O. 3439(E), dated 12<sup>th</sup> November, 2013, the following Tables has been substituted, namely:

**Table-1**

Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$ (Per Metric Tonne)
(1)	(2)	(3)	(4)
8	7404 00 22	Brass Scrap (all grades)	3840 (i.e. no change)

**Table-2**

Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$
(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 321 and 323 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed.	417 per 10 grams
2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 322 and 324 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed.	738 per kilogram (i.e no change)

f) As per Gazette of India, Ministry of Finance, (Department of Revenue), Notification No.111/2013-Customs (N.T.), S.O. 3442(E) dated 14<sup>th</sup> November, 2013, the following Tables shall be substituted, namely:—

**Table-1**

Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$ (Per Metric Tonne)
(1)	(2)	(3)	(4)
8	7404 00 22	Brass Scrap (all grades)	3995 (i.e. no change)

**Table-2**

Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$
(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 321 and 323 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed.	414 per 10 grams

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2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 322 and 324 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed.	672 per kilogram (i.e no change)
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g) As per Gazette of India, Ministry of Finance, (Department of Revenue), S.O. 3537(E) dated 29<sup>th</sup> November, 2013, the following Tables has been substituted namely:

<b>Table-1</b>			
Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$ (Per Metric Tonne)
(1)	(2)	(3)	(4)
8	7404 00 22	Brass Scrap (all grades)	3906 (i.e. no change)

<b>Table-2</b>			
Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$
(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 321 and 323 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed.	405 per 10 grams

2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 322 and 324 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed.	642 per kilogram (i.e no change)
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h) As per Gazette of India, Ministry of Finance, (Department of Revenue), Notification No.130/2013-Customs (N.T.), S.O. 3667(E), dated 13<sup>th</sup> December, 2013, the following Tables has been substituted, namely:

<b>Table-1</b>			
Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$ (Per Metric Tonne)
(1)	(2)	(3)	(4)
8	7404 00 22	Brass Scrap (all grades)	3930 (i.e. no change)

<b>Table-2</b>			
Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$
(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 321 and 323 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed.	398 per 10 grams
2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 322 and 324 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed.	643 per kilogram

i) As per Gazette of India, Ministry of Finance, (Department of Revenue), Notification No.2/2014-Customs (N.T.), S.O. 109(E), dated 15<sup>th</sup> January, 2014, the following Tables has been substituted, namely:

<b>Table-1</b>			
Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$ (Per Metric Tonne)
(1)	(2)	(3)	(4)
8	7404 00 22	Brass Scrap (all grades)	3995

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**Table-2**

Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$
(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 321 and 323 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed.	407 per 10 grams
2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 322 and 324 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed.	663 per kilogram

**j)** As per Gazette of India, Ministry of Finance, (Department of Revenue), Notification No.50/213/-Customs, GSR 779(E), dated 16<sup>th</sup> December, 2013, the Central Government effected the following further amendments vide Notification of the Ministry of Finance (Department of Revenue), No.10/2008-Custom, dated 15 January, 2008, the following table has been substituted.

*Note : The amendment in the aforesaid Notification No.50/213-Customs was published in the Gazette of India, Extraordinary Part II, Sec.3(i) vide GSR 779(E), dated 16<sup>th</sup> December, 2013*

**k)** As per Gazette of India, Ministry of Finance, (Department of Revenue), Notification No.56/213/-Customs, GSR 816(E), dated 31<sup>st</sup> December, 2013, the Central Government effected the following further amendments vide Notification of the Ministry of Finance (Department of Revenue), No.53/2011-Custom, dated 1<sup>st</sup> July, 2011, the following table has been substituted.

*Note : The amendment in the aforesaid Notification No.56/213-Customs was published in the Gazette of India, Extraordinary Part II, Sec.3(i) vide GSR 816(E), dated 31<sup>st</sup> December, 2013.*

**l)** As per Gazette of India, Ministry of Finance, (Department of Commerce), Notification No.14/2014-Customs (N.T.), S.O. 598(E), dated 28<sup>th</sup> February, 2014, the following Tables has been substituted, namely;

**Table-1**

Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$ (Per Metric Tonne)
(1)	(2)	(3)	(4)
8	7404 00 22	Brass Scrap	3924 (all grades)

**Table-2**

Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$
(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 321 and 323 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed.	433 per 10 grams
2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 322 and 324 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed.	699 per kilogram

**m)** As per Gazette of India, Ministry of Finance, Notification No.25/2014-Customs(N.T.), S.O. 980(E), dated 31 March, 2014, the following Tables shall be substituted, namely:—

**Table-1**

Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$ (Per Metric Tonne)
(1)	(2)	(3)	(4)
8	7404 00 22	Brass Scrap (all grades)	3879

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**Table-2**

Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$
(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 321 and 323 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed.	421 per 10 grams
2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 322 and 324 of the <b>Notification No. 12/2012-Customs dated 17.03.2012</b> is availed.	644 per kilogram

**4. Ministry of Steel - Notification**

a) As per the Notification of the Ministry of Steel, S.O. 3011(E) dated 1<sup>st</sup> Oct, 2013, the Central Government, after consulting the Bureau of Indian Standards, effected the following Order to further amend the Steel and Steel Products (Quality Control), Second Order, 2012, namely,

1. (1) This order may be called the Steel and Steel Products (Quality Control) Second (Fourth Amendment) Order, 2013.

(2) It shall come into force with effect from 1st October, 2013.

2. In the Steel and Steel Products (Quality Control) Second Order, 2012, for the Schedule, the following Schedule shall be substituted, namely,

**“SCHEDULE**

[See paragraph 2(f) and 3]

List of steel products under mandatory Bureau of Indian Standards certification

Sl No.	Indian Standard number	Title	ITC (HS) Code	Date of coming into force of the product in the standard to the extent given below	
1	2	3	4	5	
1	2002	Steel plates for pressure vessels for intermediate and high temperature service including boilers	72085110	(A) Product	(B) With effect from
			72085120		
			72085210		
			72085220		
			72111300		
			72111420		
2	2041	Steel plates for pressure vessels used at moderate and low temperature	72085110	(a)Plates of thickness more than 80 mm in Ultrasonic Tested condition;	1 <sup>st</sup> April, 2014
			72085120		
			72085210		
			72085220		
			72111300		
			72111420		
		72111490	(c) for other products excluding (a) and (b) above	12 <sup>th</sup> September, 2012	
		72119090			

(Contd.)

MINERAL POLICY AND LEGISLATION

1	2	3	4	5	
3	2830	Carbon steel cast billet ingots, billets, blooms and slabs for re-rolling into steel for general structural purposes	72061090 72071190 72071290 72071920 72071990	All products	12 <sup>th</sup> September, 2012
4	2831	Carbon steel cast billet ingots, billets, blooms and slabs for re-rolling into low tensile structural steel	72061090 72071190 72071290 72071920 72071990 72072090	All products	Omitted
5	1786	High strength deformed steel bars and wires for concrete reinforcement (8 mm and above)	72131090 72142090	(a) High strength deformed steel bars and wires of size below 12mm  (b) High strength deformed steel bars and wires of sizes between 12mm and below 16mm  (c) for other products excluding (a) and (b) above	1 <sup>st</sup> April, 2014  1 <sup>st</sup> March, 2014  12 <sup>th</sup> September, 2012
6	648	Cold rolled non-oriented electrical steel sheet and strip fully processed type (CRNO)	72251920 72261920	(a) Cold rolled non-oriented electrical steel sheets and strips with Watt loss not exceeding 5.3 watt/Kg (at 1.5 tesla/50 hz)  (b) For other products excluding (a) above	1 <sup>st</sup> April, 2014  12 <sup>th</sup> September, 2012
7	3024	Grain oriented electrical steel sheet and strip (CRGO)	72251100 72261100	(a) Domain Refined Grain Oriented Electrical Steel Sheets and Strips with minimum polarization of 1.85 Telsa at a field strength of 800 A/m and maximum specific core loss of 0.90 watt/kg (1.70 telsa/50 hz) for nominal thickness of 0.23 mm and 0.95 watt/kg (1.70 tesla/50 hz) for nominal thickness of 0.27 mm)  (b) For products excluding (a) above	1 <sup>st</sup> April, 2014  1 <sup>st</sup> October 2013
8	15391	Cold rolled non-oriented, electrical steel sheet and strip-semi-processed type (CRNO)	72251920 72261920 72091720 72091730 72091790 72092720 72092730 72092790	All products	12 <sup>th</sup> September, 2012

(Contd.)





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1	2	3	4	5
			72083910	
			72083920	
			72083930	
			72083940	
			72083990	
			72085110	
			72085120	
			72085130	
			72085140	
			72085190	
			72085210	
			72085220	
			72085230	
			72085240	
			72085290	
			72085310	
			72085320	
			72085330	
			72085340	
			72085390	
			72089000	

*Explanation:* For the purpose of this Order, it is, hereby, clarified that while taking a decision on the levy of duty as per the Customs Tariff Heads, the provisions of this Order shall apply to the specific products described under corresponding entry under Column (2), covered under the Indian Standard Number mentioned under corresponding entry under Column (1) and in such case this Order shall not apply to those products which falls under the ITC (HS) Codes mentioned in corresponding entry under Column (3) but do not fall under the corresponding Indian Standards mentioned under Column (1)”.

*Note:* The principal Order was published in the Gazette of India, Extraordinary vide notification number S.O. 415(E), dated the 12<sup>th</sup> March, 2012 and subsequently amended vide notification numbers S.O. 2128(E), dated the 10<sup>th</sup> September, 2012 ; S.O. 2510(E), dated the 17<sup>th</sup> October, 2012, S.O. 450(E), dated the 15<sup>th</sup> February, 2013 and SO 853 (E) dated 28<sup>th</sup> March, 2013.

As per Gazette of India, Ministry of Steel, S.O. 979 (E), dated 31<sup>st</sup> March, 2014, the Central Government, after consultation with the Bureau of Indian Standards, effected the following Order further to amend the Steel and Steel Products (Quality Control) Second Order, 2012, namely :—

1. (i) This Order may be called the Steel and Steel Products (Quality Control) Second (Amendment) Order, 2014.

(ii) It shall come into force with effect from 1<sup>st</sup> April, 2014.

2. In the Steel and Steel Products (Quality Control) Second Order, 2012, for the Schedule, the following Schedule shall be substituted, namely,

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“SCHEDULE

[See paragraph 2(f) and 3]

List of steel products under mandatory Bureau of Indian Standards certification

SI No.	Indian Standard number	Title	ITC (HS) Code	Date of coming into force of the product in the standard to the extent given below			
(1)	(2)	(3)	(4)	(5)			
1	2002	Steel plates for pressure vessels for intermediate and high temperature service including boilers	72085110 72085120 72085210 72085220 72111300 72111420 72111490 72119011 72119090	(A) Product	(B) With effect from		
				(a) Plates of thickness more than 85 mm in Ultrasonic Tested condition;	1 <sup>st</sup> July, 2014		
				(aa) Plates of thickness more than 80 mm but not exceeding 85 mm in Ultrasonic Tested condition;	1 <sup>st</sup> April, 2014		
				(b) Plates of thickness less than 16 mm but width more than 3500 mm;	1 <sup>st</sup> April, 2014		
				(c) for other products excluding (a), (aa) and (b) above	12 <sup>th</sup> September, 2012		
2	2041	Steel plates for pressure vessels used at moderate and low temperature.	72085110 72085120 72085210 72085220 72111300 72111420 72111490 72119011 72119090	(a) Plates of thickness more than 85 mm in Ultrasonic Tested condition;	1 <sup>st</sup> July, 2014		
				(aa) Plates of thickness more than 80 mm but not exceeding 85 mm in Ultrasonic Tested condition;	1 <sup>st</sup> April, 2014		
				(b) Plates of thickness less than 16 mm but width more than 3500 mm;	1 <sup>st</sup> April, 2014		
				(c) for other products excluding (a), (aa) and (b) above	12 <sup>th</sup> September, 2012		
3	2830	Carbon steel castbillet ingots, billets, blooms and slabs for re-rolling into steel for general structural purposes	72061090 72071190 72071290 72071920 72071990	All Products	12 <sup>th</sup> September, 2012		
4	2831	Carbon steel castbillet ingots, billets, blooms and slabs for re-rolling into low tensile structural steel	72061090 72071190 72071290 72071920 72071990	All Products	Omitted		
5	1786	High strength deformed steel bars and wires for concrete reinforcement (8mm and above)	72072090 72131090 72142090	(a) High strength deformed steel bars and wires of diameter less than 12 mm (b) High Strength deformed steel bars and wires of sizes between 12 mm and below 16 mm (c) for other products excluding (a), & (b) above	1 <sup>st</sup> October, 2014 31 <sup>st</sup> March, 2013 12 <sup>th</sup> September, 2012		
6	648	Cold rolled non-oriented electrical steelsheet and stripfully processed type (CRNO)	72251920 72261920	(a) Cold rolled non-oriented electrical steel sheets and strips with Watt loss not exceeding 5.3 Watt/Kg (at 1.5 Tesla/50 Hz) (b) For other products excluding (a) above	1 <sup>st</sup> July, 2014 12 <sup>th</sup> September, 2012		

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(1)	(2)	(3)	(4)	(5)	
7	3024	Grain oriented electrical steelsheet and strip(CRGO)	72251100 72261100	(a) Domain Refined Grain Oriented Electrical Steel Sheets and Strips with minimum polarization of 1.85 Tesla at a field strength of 800 A/m and maximum specific core loss of 0.90 Watt/Kg (1.70 Tesla/50 Hz) for nominal thickness of 0.23 mm and 0.95 Watt/Kg (1.70 Tesla/50 Hz) for nominal thickness of 0.27 mm. (b) For products excluding (a) above	1 <sup>st</sup> July, 2014  1 <sup>st</sup> October,2013
8	15391	Cold rolled non oriented electrical steelsheet and stripsemi-processed type (CRNO)	72251920 72261920 72091720 72091730 72091790 72092720 72092730 72092790	All products	12 <sup>th</sup> September, 2012
9	2062	Hot rolled medium and high tensile structural steel (excluding bars and rods of diameter or thickness less than 6 mm and structurals below 50 mm x 50 mm x 6 mm)	72139190 72139990 72149990 72161000 72162100 72162200 72163100 72163200 72163300 72164000 72165000 72111300 72111410 72111420 72111430 72111440 72111450 72111460 72111490 72119012 72119090 72139190 72139990 72149190 72149990 72082510 72082520 72082530 72082540 72082590 72082610 72082620 72082630 72082640 72082690 72082710 72082720 72082730	(a) Hot Rolled Flat Rolled products (sheets/ strips/ coils) less than 6 mm thickness; (b) Flat bars and rounds/ squares/ hexagons/octagon bars of thickness/ diameter 12 mm and above (ba) Flat bars and rounds/ squares/ hexagons/octagon bars of thickness/ diameter less than 12 mm (c) Plates of thickness more than 85 mm in Ultrasonic Tested condition; (ca) Plates of thickness more than 80 mm but not exceeding 85 mm in Ultrasonic Tested condition; (d) Plates of thickness less than 16 mm but width m more than 3500 mm; (e) Universal Beam structural steel of size (depth) greater than 590 mm up to and including size 1016 mm; (f) Universal Column structural steel of size greater than 305 mm up to and including size 356 mm; (fa) Plate of thickness of 10 mm to 80 mm and width of 2500 mm or more; (fb) Angle (L section) structural steel of size between 50x50x4 and 100x100x8 (g) for other products excluding (a), (b), (ba), (c), (ca), (d), (e), (f), (fa) and (fb) above	31 <sup>st</sup> March, 2013  1 <sup>st</sup> October, 2014  1 <sup>st</sup> July 2014  1 <sup>st</sup> April 2014  31 <sup>st</sup> March, 2013  12 <sup>th</sup> September, 2012

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(1)	(2)	(3)	(4)	(5)
			72082740	
			72082790	
			72083610	
			72083620	
			72083630	
			72083640	
			72083690	
			72083710	
			72083720	
			72083730	
			72083740	
			72083790	
			72083810	
			72083820	
			72083830	
			72083840	
			72083890	
			72083910	
			72083920	
			72083930	
			72083940	
			72083990	
			72085110	
			72085120	
			72085130	
			72085140	
			72085190	
			72085210	
			72085220	
			72085230	
			72085240	
			72085290	
			72085310	
			72085320	
			72085330	
			72085340	
			72085390	
			72089000	

*Explanation:*For the purpose of this Order, it is, hereby, clarified that while taking a decision on the levy of duty as per the Customs Tariff Heads, the provisions of this Order shall apply to the specific products described under corresponding entry under Column (2), covered under the Indian Standard Number mentioned under corresponding entry under Column (1) and in such case this Order shall not apply to those products which falls under the ITC (HS) Codes mentioned in corresponding entry under Column (3) but do not fall under the corresponding Indian Standards mentioned under Column (1)".

*Note:* The principal Order was published in the Gazette of India, Extraordinary vide notification number S.O. 415(E), dated the 12th March, 2012 and subsequently amended vide notification numbers S.O. 2128(E), dated the 10th September, 2012 ; S.O. 2510(E), dated the 17th October, 2012, S.O. 450(E), dated the 15th February, 2013 and SO 853 (E) dated 28th March, 2013.

**5. Island Protection Zones Notifications of MoEF**

As per Gazette of India, Ministry of Environment and Forests, Notification, S.O.2558 (E) dated the 22<sup>nd</sup> August, 2013, the Central Government declared certain areas as Island Protection Zones and restrictions were imposed on setting up and expansion of industries, operations and processes in the said Zone;

And whereas the Andaman and Nicobar Administration of the Union territory of Andaman and Nicobar Islands has drawn the attention of the Central Government to the difficulties being faced by the local population of the said territory due to lack of alternative construction materials available in the Islands and the restrictions imposed by the aforesaid notification on mining of sand in the Coastal Regulation Zone in the said territory;

## MINERAL POLICY AND LEGISLATION

And whereas, the Hon'ble Supreme Court *vide* its Order dated the 7<sup>th</sup> May, 2002 in Writ Petition (Civil) No.202 of 1995 had passed Orders on mining of sand in Andaman and Nicobar Islands;

And whereas, the Central Government is of the opinion that it is in public interest to dispense with the requirement of notice under Clause (a) of Sub-rule (3) of Rule 5 of the Environment (Protection) Rules for amending the said notification;

Now, therefore, in exercise of the powers conferred by Sub-section (1) and Clause (v) of Sub-section (2) of Section 3 of the Environment (Protection) Act, 1986 (29 of 1986) read with Clause (d) of Sub-rule (3) and Sub-rule (4) of Rule 5 of the Environment (Protection) Rules, 1986, the Central Government has effected the following amendments in the said notification, namely,

In the said notification,

(1) in paragraph I, in item B, after the words "Greater Nicobar", the words "Baratang, Havelock, Little Andaman, Car Nicobar, Neil and Long islands" shall be inserted.

(2) in paragraph III, in item D,

(a) under heading 3, relating to 'ICRZ-II', after sub-item (a), the following provision shall be inserted, namely,

"Provided that the NDZ for the development of eco-tourism activities shall be 50 m. and the Andaman and Nicobar Administration shall ensure that the livelihood and concerns of the fishing community are fully protected. When the hazard line is delineated and if it falls beyond 50 m the hazard line shall be considered as the NDZ limit."

(b) under heading 5, relating to 'period for which ICRZ and IIMPs shall be valid', for sub-item (ii), the following sub-item shall be substituted, namely,

"(ii) the Coastal Zone Management Plans already approved by the Ministry of Environment and Forests shall be used till 31<sup>st</sup> January, 2014.";

(c) under heading 7, relating to 'The following activities prohibited in the islands of A&N and Lakshadweep', after sub-item (xvi), the following sub-item shall be inserted, namely, "(xvii) mining of sand for construction purpose:

Provided that the mining of sand shall be permitted in identified non eco-sensitive and approved sites, subject to the following conditions, namely,

(i) mining of sand shall be permitted only in identified and approved sites [accretion areas identified by the Institute for Ocean Management (IOM), Chennai], for construction purpose by A&N CZMA and they may consider permission based on mining plans and shall stipulate sufficient safeguards to prevent damage to the sensitive coastal eco-system & its habitats including corals, turtles, crocodiles, birds nesting sites and protected areas;

(ii) the total quantity of sand to be mined shall be fixed taking into consideration the Order of Hon'ble Supreme Court dated the 7<sup>th</sup> May, 2002 in Writ Petition (Civil) No.202 of 1995;

(iii) the sand mining shall be monitored by a Committee constituted by the Lieutenant Governor of the Andaman and Nicobar Islands under the Chief Secretary, Andaman and Nicobar Administration consisting of (i) the Chief Secretary, Andaman and Nicobar Administration (2) the Secretary, Department of Environment (3) the Secretary, Department of Water Resources (4) the Secretary, Andaman Public Works Department (5) representative from the Regional Office of the Ministry of Environment and Forests, Bhubaneswar and (6) representative of a Non-Governmental Organisation based at Andaman and Nicobar."

### **6. Mining of Minerals and Slurry Pipelines Notifications of MoEF**

a) As per Gazette of India, Ministry of Environment and Forests Notification, S.O. 2731 (E) dated the 9<sup>th</sup> September, 2013, the Central Government effected the following further amendment *vide* the notification of the Ministry of Environment and Forests number S.O. 1533(E), dated 14<sup>th</sup> September, 2006 after having dispensed with the requirement of notice under Clause (a) of Sub-rule (3) or the said Rule 5 in public interest, namely:

In the said notification, in the Schedule, for item I (a) and entries relating thereto, the following item and entries have been substituted, namely,

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(1)	(2)	(3)	(4)	(5)
“1(a)	(i) Mining of minerals	e”50 ha of mining lease area in respect of non coal mine lease.	<50 ha of mining lease area in respect of minor minerals mine lease; and	General Conditions shall apply except for project or activity of less than 5 ha of mining lease area for minor minerals:
		>150 ha of mining lease area in respect of coal mine lease	d” 50 ha e”5 ha of mining lease area in respect of other non-coal mine lease.	Provided that the above exception shall not apply for project or activity if the sumtotal of the mining lease area of the said project or activity and that of existing operating mines and mining projects which were accorded environment clearance and are located within 500 metres from the periphery of such project or activity equals or exceeds 5 ha
		Asbestos mining Irrespective of mining area.	d”150 ha>5ha of mining lease area in respect of coal mine lease.	<p><b>Note:</b></p> <p>(i) Prior environmental clearance is required at the stage of renewal of mine lease for which an application shall be made up to two years prior to the date due for renewal. Further, a period of two years with effect from the 4<sup>th</sup> April, 2011 is provided for obtaining environmental clearance for all those mine leases, which were operating as on the 4<sup>th</sup> April, 2011with requisite valid environmental clearance and which have fallen due for renewal on or after 4<sup>th</sup>November. 2011:</p>
	(ii) Slurry pipelines (coal lignite and other ores) passing through national parks or sanctuaries or coral reefs, ecologically sensitive areas.		All projects.	I Provided that no fresh environmental clearance shall be required for a mining project or activity at the time of renewal of mining lease, which has already obtained environmental clearance under this notification.
				(ii) Mineral prospecting is exempted”.

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b) Ministry of Environment and Forests, Notification, S.O. 3905(E) — in the notification of the Government of India, Ministry of Environment and Forests number S.O. 2731(E), dated the 9<sup>th</sup> September, 2013, published in the Gazette of India, Extraordinary, Part II, Section 3, Subsection (ii) dated the 10<sup>th</sup> September, 2013, on page (1), under column (4), for “< 50 ha > 5 ha of mining lease area in respect of other non-coal mine lease”, read “ < 50 ha > 5 ha of mining lease area in respect of other non-coal mine lease” .

c) As per Gazette of India, Ministry of Environment and Forests, (Forest Conservation), Notification GSR 185(E), dated 14<sup>th</sup> March, 2014 the Central Government has effected the following rules to amend the Forest (Conservation Rules), 2003.

Note – The aforesaid rules to amend the Forest (Conservation Rules), 2003, were published in the Gazette of India, Extraordinary Part II, Sec.3(i) vide Notification No.GSR185(E), dated 13<sup>th</sup> March 2014.

d) As per Gazette of India, Ministry of Environment and Forests, Notification, S.O.3100(E), dated 14<sup>th</sup> October, 2013, the Central Government has effected certain amendments in the Hazardous Waste (Management, Handling and Trans-boundary Movement), Rules 2008.

Note – The aforesaid rules, to amend in the Hazardous Waste (Management, Handling and Trans-boundary Movement), Rules 2008, were published in the Gazette of India, extraordinary Part II, Sec.3(i) vide Notification, S.O.3100(E), dated 14<sup>th</sup> October, 2013.

### 7. Notification of Ministry of Labour and Environment

a) As per the Ministry of Labour and Employment, Notification, S.O. 3422(E) dated 4<sup>th</sup> November, 2013 the Central Government, has effected the following amendments to the Second Schedule in the said Act, namely,

1. (1) These amendments would be called the Factories Act (Second Schedule), Amendment, 2013.

(2) It would come into force on the date of its publication in the Official Gazette.

(2) In the Second Schedule for the entries at Serial Number 116 (b), the following would be substituted, namely,

“(b) Amorphous Silicates: 10 mg/m<sup>3</sup>, Total Dust Asbestos (H.C.)

(i) Amosite	0.1 fibre/cc***
(ii) Chrysotile	0.1 fibre/cc***
(iii) Crocidolite	0.1 fibre/cc***

(c) Portland cement: 10 mg/m<sup>3</sup>, Total dust containing less than 1% quartz.

(d) Coal Dust: 2 mg/m<sup>3</sup>, respirable dust fraction containing less than 5% quartz.

mppcm = Millions particles per cubic metre of air, based on impinger samples counted by light field techniques”.

\*\*\* (i) For fibres greater than 5 µm in length and less than 5 µm in breadth with length to breadth ratio equal to or greater than 3:1.

(ii) As determined by the membrane filter method at 400-450 x magnification (4 mm objective) phase contrast illumination.

b) As per the Ministry of Labour and Employment, Notification, S.O. 3646(E) dated 12<sup>th</sup> December 2013 declared by the Notification of the Government of India in the Ministry of Labour and Employment, dated 13.06.2013, the service in the Iron Ore Mining Industry which is covered by Item 16 of the First Schedule to the Industrial Disputes Act, 1947 (14 of 1947) is to be a Public Utility Service for the purpose of the said Act, for a period of six months from the 18<sup>th</sup> June, 2013.

And whereas, the Central Government is of opinion that public interest requires the extension of the said period by a further period of six months. Now, therefore, in exercise of the powers conferred by the Proviso to Sub-clause (vi) of Clause (n) of Section 2 of the Industrial Disputes Act, 1947, the Central Government declared the said industry to be a Public Utility Service for the purposes of the said Act, for a period of six months from the 18<sup>th</sup> December, 2013.



**(c) Ministry of Labour and Employment, Notification, S.O. 557(E), dated 26<sup>th</sup> February,** the Government of India in the Ministry of Labour & Employment dated 13.08.2013, the service in the Copper Mining Industry which is covered by Item 13 of the First Schedule to the Industrial Disputes Act, 1947 (14 of 1947) is to be a Public Utility Service for the purpose of the said Act, for a period of six months from the 26<sup>th</sup> August 2013.

And whereas, the Central Government is of opinion that public interest requires the extension of the said period by a further period of six months.

Therefore, in exercise of the powers conferred by the Proviso to Sub-clause(vi) of Clause (n) of Section 2 of the Industrial Disputes Act, 1947, the Central Government, declared the said industry to be a Public Utility Service for the purposes of the said Act, for a period of six months from 26<sup>th</sup> February, 2014.

**d) As per the Ministry of Labour and Employment, Notification, S.O. 147(E), dated 20<sup>th</sup> January, 2014,** the Central Government post its satisfaction and on public interest required that the services in the Uranium Industry which is covered by Item 19 of the First Schedule to the Industrial Disputes Act, 1947 (14 of 1947), be declared a Public Utility Service for the purposes of the said Act.

Therefore, in exercise of the powers conferred by Sub-clause (vi) of Clause (n) of Section 2 of the Industrial Disputes Act, 1947, the Central Government, declared with immediate effect the said industry to be a Public Utility Service for the purpose of the said Act for a period of six months.

### **8. Foreign Trade Policy, 2009-2014**

a) As per Gazette of India, Ministry of Commerce and Industry, Department of Commerce, Notification No.02(RE-2013) 2009-2014, dated 18<sup>th</sup> April, 2013, in exercise of powers conferred under Paragraph 2.4 of the Foreign Trade Policy, 2009-2014, the Director General of Foreign Trade notified the following amendments in Chapter 4 of the Handbook of Procedures (Volume I). This came into force from 18<sup>th</sup> April, 2013.

1. In order to facilitate disposing of pending requests of the exporters by RAs, decision was undertaken to amend Para 4.20.5 of HBP v1 which

read as under: No clubbing of authorisations issued on or before 31<sup>st</sup> March, 2004 shall be allowed. Further, no clubbing of authorisations covered under Appendix 30A of the HBPv1 or authorisations with less than 18 months EOP shall be allowed. The amended Sub-para is now read as under [new portion in bold letters] “No clubbing of authorisations issued on or before 31<sup>st</sup> March, 2004 shall be allowed. Further, no clubbing of authorisations covered under Appendix 30A of the HBPv1 or authorisations with less than 18 months EOP shall be allowed. However, requests for clubbing of Advance Licenses/Authorisations, issued between 1.4.2002 and 31.5.2012, and received by RAs on or before 4.6.2012 may be disposed of as per the provisions of HBP-v1 prior to issue of Revised Edition/Annual Supplement dated 5.6.2012, provided conditions stipulated in Public Notice No. 79 dated 13.10.2011 are adhered”. /To rectify the omission under Appendix 21 C relating to PROCEDURE OF ELECTRONIC FUND TRANSFER in NOTE 3, the word ‘DFIA’ has been inserted after the words “Advance Authorisation’ in the 1<sup>st</sup> sentence of the NOTE. /Effect of this Public Notice: This would facilitate disposal of pending requests of the exporters for clubbing of advance authorisations where applications have been received up to 4.6.2012. The second para would facilitate issue of duplicate authorisation in lieu of cancelled authorisation after payment of only ₹ 200/- as additional application fee as in the case of other authorisations.

**b) As per Gazette of India, Ministry of Commerce and Industry (Department of Commerce), Notification, F.No.01/94/180/395 – Foreign Trade Policy/AM13/PC-4, Dated 18<sup>th</sup> April 2013,** the Central Government has notified the following amendments in the Foreign Trade Policy 2009-2014 to be incorporated in the Annual Supplement. This came into force w.e.f. 18<sup>th</sup> April, 2013.

(1) In Chapter 4 a new Sub-para (d) after Para 4.2.6(c) of FTP has been inserted to disallow exemption from Anti-dumping Duty and Safeguard Duty once a DFIA is made transferable. The Sub-para (d) inserted would read as under: “Exemption from Anti-dumping Duty and Safeguard Duty would be available on actual user basis only, i.e., before endorsement of ‘transferability’.”(2)The word “energy” in second

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sentence of Para 4.1.3.1 of the FTP stands deleted. (3) In Para 4A.16A of FTP inserted vide Notification No.30 dated 31.01.2013 in respect of Private/Public Bonded Warehouse the minimum value addition of 5% shall be only for DTA units and not SEZ units. Accordingly, the para has been modified as under:

“Private/Public Bonded Warehouses may be set up in SEZ/DTA for import and re-export of cut and polished diamonds, cut and polished coloured gemstones, uncut and unset precious and semi-precious stones, subject to achievement of minimum VA of 5% by DTA units”.

*Effects of this Notification:* Anti-dumping Duty and Safeguard Duty would be leviable on goods imported against transferred DFIs. Advance Authorisations will no more be available for import/supply of ‘energy’. Value Addition in respect of SEZ (in respect of Para 4A.16A of FTP) would be as per SEZ Act.

### Corrigendum, on Final Findings

As per Gazette of India, Ministry of Finance (Department of Revenue), Directorate General of Safeguards, Customs and Central Excise, Corrigendum, G.S.R.346(E) dated 30<sup>th</sup> May 2013, the following substitution in the Final Findings of the Safeguards investigation notification issued vide F.No.D-22011/6/2012 dated 25.5.2013 is held to be warranted.

Accordingly, in the last line of Para 70 (Recommendation) of the final findings, i.e., “(same as in provisional findings/corrigendum)” is substituted by the following:

“[i.e. “Hot Rolled Flat products of Stainless Steel-304 grade (up to a maximum width of 1625 mm) encompassing all austenitic grades having minimum Nickel (Ni) content of 6%, compulsorily containing chromium with or without the presence of other alloying elements like molybdenum, titanium etc”.

These products are classifiable or imported under Sub-headings nos. 72191111, 72191112, 72191190, 72191200, 72191300, 72191400, 72192111, 72192112, 72192121, 72192122, 72192131, 72192132, 72192141, 72192142, 72192190, 72192211, 72192212, 72192219, 72192291, 72192292, 72192299,

72192310, 72192320, 72192390, 72192411, 72192412, 72192413, 72192419, 72192421, 72192422, 72192423, 72192429, 72192490, 72201110, 72201121, 72201122, 72201129, 72201190, 72201210, 72201221, 72201222, 72201229, 72201290 of the Customs Tariff Act, 1975 (HS code is only indicative and the product description shall prevail in all circumstances)]”.

**c) As per Gazette of India, Ministry of Commerce and Industry (Department of Commerce), Notification, S.O.1999(E) dated 3<sup>rd</sup> July 2013, the Central Government notified the following amendments in the Foreign Trade Policy (FTP) 2009-14.**

Para 4A.2.1 and Para 4A.2.2 of FTP have been amended to allow reduction in size of diamond from ‘0.25 carat and above’ to ‘0.10 carat and above’ for certification by authorised laboratories in India and abroad (and re-import duty free in case of export after certification). After amendment the opening portion of the amended paras 4A.2.1 & 4A.2.2 read as under:

“4A.2.1 Following are authorised laboratories for certification/grading of diamonds of 0.10 carat and above.....”

“4A.2.2 An exporter (with annual export turnover of Rs 5 crores for each of the last three years) may export cut & polished diamonds (each of 0.10 carat or above) to any of the above agencies/laboratories with re-import facility at zero duty within 3 months from the date of export.”

*Effect of this Notification:* Cut & polished diamonds of 0.10 carat or above can be exported and thereafter re-imported duty free after certification by authorised laboratories. Earlier this was allowed for diamonds of size 0.25 carat and above only.

**d) As per Gazette of India, Ministry of Commerce and Industry, (Department of Commerce), Notification No.51(RE-2013)/2009-14, S.O. 3441(E) dated 14<sup>th</sup> November, 2013, the Central Government amended Paragraphs 4.1.13(a) and 6.2 (a)(i) of the FTP 2009-2014 (RE-2012).**

2. The amended paragraphs read as under (new words/sentence that are added at the end of the para are in bold letters for easy reference):

(i) Para 4.1.13(a):

No export or import of an item shall be allowed under Advance Authorisation/DFIA if the item is prohibited for exports or imports respectively. **Export of a prohibited item may be allowed under Advance Authorisation provided it is separately so notified subject to the conditions given therein.**

(ii) Para 6.2(a)(i)

An EOU / EHTP/STP/BTP unit may export all kinds of goods and services except items that are prohibited in ITC (HS). Export of Special Chemicals, Organisms, Materials, Equipment and Technologies (SCOMET) shall be subject to fulfilment of the conditions indicated in ITC (HS). **In respect of an EOU, permission to export a prohibited item may be considered, by BOA, provided such raw materials are imported and there is no procurement of such raw material from DTA.**

*Effect of this Notification:* Certain items which are prohibited for export have been allowed for export under advance authorisation scheme, subject to stipulated conditions. BOA to consider requests for export of a prohibited item from an EOU

e) As per Gazette of India, Ministry of Commerce and Industry, (Department of Commerce), Public Notice No.37(RE-2013)/2009-2014, F. No. 01/94/180/51 / AM14 / PC-4, dated 4<sup>th</sup> November, 2013, the Director General of Foreign Trade has made the following amendments in Paragraph 4.4.1 of the Handbook of Procedures Vol. I, 2009-14 (RE 2012):

1. Existing para 4.4.1 is re-numbered as Para 4.4.1 (a)
2. Sub-para (b) is added after Para 4.4.1(a) as under:

**Authorisation for items which are otherwise prohibited for export**

Items covered under Chapter 7 and Chapter 15 of ITC (HS) Schedule 2, which are prohibited for export, shall be allowed to be exported under the advance authorisation scheme. Export shall be allowed subject to pre import condition under notified SION/prior fixation of norms by Norms Committee in terms of Para 4.4.2 of HBP Vol.1. Import/Export would be permitted only through EDI enabled ports. The Export obligation period (EOP) of advance authorisations issued for such items will be 90 days from the date of clearance of import consignment and no extension in EOP shall be allowed. Such

import shall be subject to actual user condition and no transfer of imported raw material, for any purpose, including job work, shall be permitted. In case of non-fulfilment of EO/ non-achievement of stipulated value addition, a penalty equal to five times of the CIF value of the imported material, corresponding to the shortfall in EO, shall be imposed in addition to the applicable duty and interest. Provisions of Para 4.28 of HBP vol.1 shall not be applicable in this case.

*Effect of this Public Notice:* Items which are otherwise prohibited for exports but which have been permitted for export under the advance authorisation scheme have been specified along with conditions applicable for such exports.

f) As per Gazette of India, Ministry of Commerce and Industry, (Department of Commerce), Directorate General of Foreign Trades) Notification No.58 (RE-2013)/2009-2014, S.O. **3722 (E)**, dated 18<sup>th</sup> December, 2013, the Central Government, notified the following amendment in Para 9.28 of Foreign Trade Policy, 2009-2014:

2. The definition of “Group Company” in Para 9.28 of Foreign Trade Policy, 2009-2014 has been amended to be read as under:

“Group Company” means two or more enterprises which, directly or indirectly, are in a position to,

- (a) exercise twenty-six per cent or more of voting rights in other enterprise; or
- (b) appoint more than fifty per cent of members of board of directors in the other enterprise.

The term ‘Enterprise’ used above would include (i) Public Limited Company, (ii) Private Limited Company and (iii) Limited Liability Partnership (LLP), but not a partnership firm or a proprietorship firm.

For group companies to claim benefits or have their exports counted for benefits to be claimed by another member of group, the group company should have been in existence at least 2 years prior to date of application under any of export promotion schemes notified in FTP.

3. *Effect of this Notification:* Para 9.28 of FTP has been amended to include Limited Liability Partnerships (LLPs) in the definition of “Group Company”. Neither partnership nor proprietorship firm would come within the ambit of the definition of a “Group Company”.

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g) As per Gazette of India, Ministry of Commerce and Industry, (Department of Commerce), Notification No.69(RE-2013)/2009-2014, S.O. 475(E), dated 19<sup>th</sup> February, 2014, the Central Government, effected an amendment in Paragraph 1.2(a) of FTP 2009-2014 (RE-2013) by substituting the phrase “shall remain in force up to 31<sup>st</sup> March, 2014 unless otherwise specified” by the phrase “shall remain in force until further orders.”

2. The amended Paragraph 1.2(a) of FTP 2009-14 (RE-2013) is as under:

1.2 (a) “The Foreign Trade Policy (FTP) 2009-2014, incorporating provisions relating to export and import of goods and services, shall come into force with effect from 27<sup>th</sup> August, 2009 and shall remain in force until further orders. All exports and imports up to 26<sup>th</sup> August 2009 shall be accordingly governed by the FTP 2004-2009.”

*Effect of this Notification:* The existing Foreign Trade Policy 2009-14 (RE-2013) was to remain in force until 31-3-2014. To provide continuity in policy environment, this is being extended beyond 31.3.2014 until further orders.

### **h) Import of Rough Marble Blocks for Indian Companies**

As per Gazette of India, Ministry of Commerce and Industry, Department of Commerce, Notification No. 36 (re-2013)/2009-2014, dated the 26<sup>th</sup> August, 2013 (Policy for allocation of quota for import of Rough Marble Blocks for Indian companies investing abroad in marble mining, for the year 2013-14.), S.O.2608 (E) dated 26<sup>th</sup> August, 2013, the Central Government effected the following amendments in Schedule-I (Imports) to the ITC (HS) Classifications of Export and Import Items:

2. Import Licensing Note No. (5) inserted at the end of Chapter 25 through Notification No.20 of 9<sup>th</sup> October 2012, had been amended and would be read as :

#### **“5. Facility for Indian companies who have invested in Mining abroad.**

This will be subject to conditions laid down as under:

5(a): Eligibility;

- i. Mining company where such investment is made must be a 100% subsidiary of the Indian company.
- ii. Minimum investment should be Rupees 10 crores as on 31.3.2013 and is subsisting.
- iii. Such investment should only be in plant and machinery. No plant and machinery on leased basis will be considered.
- iv. The overseas mining company should be operational and have the operating license in its own name.

#### **(b) Quantity to be permitted:**

- i. Only marble blocks produced from its own quarries overseas shall be allowed for import.
- ii. The total annual import quantity will be limited to 1 lakh MT .
- iii. The quantity to be allocated for import per applicant shall not exceed 30,000 MT or the total quantity of marble mined and sold from its overseas mines in the previous financial year, whichever is less. (Reference to financial year would be Indian financial year i.e., 1<sup>st</sup> April 2012-31<sup>st</sup> March 2013)
- iv. If the quantity to be imported by the eligible applicants exceeds 1 lakh MT, then allocation will be on a pro rata basis. Distribution of pro rata allocation will be on the basis of total sale of quantity produced in the previous financial year from its mines overseas. Quantum of sale shall be certified by an independent Chartered Accountant and will be accompanied with annual accounts of foreign mines (subsidiary of Indian Company).

#### **(c) Filing of Application:**

Applications should reach DGFT (HQ) office at Udyog Bhavan, New Delhi before 5 pm on 5<sup>th</sup> September 2013.

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### (d) Floor Price:

Such imports shall be subject to a floor price of US\$ 325 per Metric Tonne (MT) .

### (e) ITC HS Codes:

Such imports shall be permissible under ITC HS Codes 25151100 and 25151210.

### (f) Actual User Condition;

All authorisations shall be subject to actual user condition.

### (g) Monthly Return;

Authorisation holders shall file monthly returns regarding imports made by them, to the concerned Regional Authority of DGFT by the 15<sup>th</sup> of each succeeding month in which authorisation is obtained (for example if a authorisation is obtained on 13<sup>th</sup> September, the authorisation holder will file monthly return by 15<sup>th</sup> of October and for each month thereafter). This is a mandatory requirement.

### (h) Validity of Import Authorisation;

Authorisation for Import of marble will have a validity of 12 months from date of issue.

Effect of this Notification: Import Policy for allocation of quota for import of Rough Marble Blocks by Indian companies investing abroad in marble mining has been notified with an annual quota of 1 lakh MT.

### **i) Import Licences of Rough Marble and Travertine Blocks**

As per Gazette of India, Ministry of Commerce and Industry, Department of Commerce, Notification No. 37 (re-2013)/2009-2014, (Policy for Issue of Import Licences of Rough Marble and Travertine Blocks for the Financial Year 2013-14.), S.O. 2609(E) dated 26<sup>th</sup> August, 2013, the Central Government effected the following amendments in Schedule-I (Imports) to the ITC (HS) Classifications of Export and Import Items:

2. Import Licensing Note No. (2) inserted at the end of Chapter 25, was amended to be read as : “Import of rough marble blocks will be subject to conditions laid down in Notification No.37 dated 26<sup>th</sup> August, 2013.”
3. Conditions for import of marble:

A. The following Policy provisions will be applicable for import of Rough Marble Blocks and Travertine for the financial year 2013-14. This will supersede earlier Policy /Guidelines for issue of import licenses of Rough Marble Blocks.

B. Attention is invited to ITC HS Codes 25151100 and 25151210 indicated in Schedule-1 (Imports) of ITC (HS) Classifications of Export and Import Items. As per the provisions contained therein, import of Marble and Travertine – Crude or Roughly trimmed and merely cut, by sawing or otherwise, into blocks of a rectangular (including square) shape is restricted and subject to import licensing procedures.

C. The applications for import license for import of rough marble blocks and travertine under the above mentioned ITC HS Codes would have to be considered in the following manner: -

I. Eligibility of the units would be decided based on the following three criteria:

a. Units that have installed marble gang saw machine (except 100% EOUs and units in SEZ) on or prior to 31.3.2013. The marble gangsaw machine shall be in the name of the applicant only. No gangsaw on “Lease Basis” shall be considered for the purpose of allocation of import entitlement.

b. The Units should have been in operation for 5 years on or prior to 31.3.2013.

c. All eligible units as per (a) above should have cumulative turnover of atleast Rupees Five crores ( Rs 5 Crores) during the 5 years period i.e. financial years 2007-08 to 2011-12 irrespective of whether it is from domestic or foreign sources in respect of processed marble slabs/tiles only.

### II. Floor Price-

Licenses for import of crude or roughly trimmed marble and travertine blocks or merely cut, by sawing or otherwise into blocks of a rectangular (including square) shape shall be subject to a floor price of US\$ 325 per Metric Tonne (MT), which shall be endorsed on all licenses.

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### III. Entitlement:

The total import of Rough Marble and Travertine blocks under ITC HS Codes 25151100 and 25151210 will be subject to a ceiling of 6 lakh MT for the whole of the licensing year, 2013-14. Eligible units will be entitled for an import license on the basis of cumulative turnover ( indigenous or foreign) of atleast Rupees 5 crores of processed marble slabs/tiles only, over the previous five financial years 2007-08 to 2011-12. The quantity so calculated will however be subject to the overall ceiling of 3000 MT for the first gang saw and 1500 MT for every subsequent gang saw.

### IV. Actual User Condition:

All licenses shall be subject to actual user condition. Modalities for submitting hard copies of the applications is attached as Annexure 1 to this notification.

### V. Monthly Return

License holders shall file monthly returns regarding imports made by them, to the concerned Regional Authority of DGFT by the 15<sup>th</sup> of each succeeding month in which license is obtained (for example if a license is obtained on 13<sup>th</sup> September, the license holder will file monthly return for imports made in September by 15<sup>th</sup> of October and for each month thereafter by the 15<sup>th</sup>). This is a mandatory requirement.

### VI. Validity of Import licences

Licenses for Import of Marble and Travertine will have a validity upto 30<sup>th</sup> September 2014.

#### 4. Effect of this notification:

Import policy of Rough Marble and Travertine blocks for the year 2013-14 has been notified with a quota of 6 lakh MT and an MIP of US\$ 325 per MT .

#### **Annexure-1 to Notification No: 37 (RE-2013)/2009-14 Dated: 26<sup>th</sup> August, 2013**

#### Modalities for submitting applications for grant of quota for import of rough marble blocks

1. Eligible applicants will submit hard copies of their application, in the relevant Aayaat Niryaat Form, along with the documents prescribed therein, to concerned RA for import of rough marble blocks for the financial year 2013-14. RA will then forward the applications to DGFT HQ for scrutiny and allocation of quota. Calendar of events is attached as Annexure 2 to this Notification.
2. The following conditions would need to be followed and documentary proof submitted to concerned RA along with the application for grant of quota :-
  - a. The Marble gangsaw in the Unit should be in the name of the Unit and established on or prior to 31.3.2013, as certified by State Industry Department (District Industry Centre). The gang saw should not be 'on Lease' from any other party. The marble gangsaw machine should have linear movement and should have minimum 60 steel blades impregnated with diamond segments and be used only for cutting marble blocks into slabs;
  - b. SSI/SIA Registration Certificate should show the Unit being in operation on or prior to 31.3.2008;
  - c. The list of equipments / capital goods (other than Marble gangsaw) set up by the applicant in the Unit for processing marble slabs / tiles should be prior to 31.3.2008, as per Balance Sheet as on 31.3.2008, duly certified by a Chartered Accountant;
  - d. Income Tax Return for the financial year 2007-08 indicating processing of marble by the Unit duly certified by a Chartered Accountant;
  - e. A Certificate indicating domestic/foreign sales turnover of marble slabs / tiles of years 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12; and
  - f. A copy of Chartered Accountant certified statement of accounts, filed along with Balance Sheet to Income Tax authorities for each of the years i.e. 2007-08, 2008-09, 2009-

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10, 2010-11 and 2011-12 (in order to prove cumulative turnover from domestic or foreign sources) of marble slabs / tiles of atleast Rs. 5 crore in the last 5 years).

- g. The sale against Form H and other relevant Forms, job work income earned by any unit sawing marble blocks of third parties into slabs/tiles and the amount of excise duty, service tax and sales tax/VAT paid on such indigenous sales turnover of marble slabs/tiles may also be included for calculating indigenous sales turnover of the applicant. An applicant would need to submit certified copies of VAT/Sales Tax returns filed by the applicant for each of the 5 financial years indicating the indigenous sales turnover of marble slabs/tiles along with the income tax returns for the same period. No trading turnover shall be considered.
  - h. With regard to calculation of indigenous sales turnover, it is clarified that the turnover will include the net sales after deducting the sales returns from the gross sales. It is also clarified that the turnover of the applicant only shall be taken into consideration and the turnover of group concerns/ sister concerns/ subsidiaries etc. shall not be counted for calculating the turnover.
  - i. The applicant must not be on DEL (Denied Entities List).
  - j. In case any applicant/ firm is found to have furnished wrong/ false information or made any misrepresentation, then it shall be debarred from the allocation for import of marble and also liable for penal action under the provisions of FTD&R Act 1992, as amended.
3. The last date for receipt of hard copy of application with complete documents with RA shall be 5<sup>th</sup> September, 2013.

### **Annexure-2 to Notification No: 37 (RE-2013)/2009-14 Dated : 26<sup>th</sup> August,2013**

#### **j) Import policy of Worked monumental or building stone**

As per Gazette of India, Ministry of Commerce and Industry, Notification no. 38 (re-2013)/2009-2014, (Import policy of Worked monumental or building stone (except slate) and articles thereof, other than goods of heading 6801; mosaic cubes and the like, of natural stone (including slate), whether or not on a backing; artificially coloured granules, chippings and powder, of natural stone (including slate)), S.O.2610(E) dated 26<sup>th</sup> August, 2013, the Central Government hereby makes the following amendments in the Schedule 1 (Imports) of the ITC (HS) Classifications of Export and Import Items.

2. Existing policy conditions (prior to this amendment) as available at page 545-546, for the ITC HS Codes 68022310, 68022390, 68022900, and 68029300 of Chapter 68 of ITC(HS) Classifications of Export and Import Items are extracted below (earlier policy conditions)

“Import permitted freely”

- 3. After amendment the entry would read as below (amended policy conditions):

“Import permitted freely provided cif value is US\$ 80 & above per square metre.”

- 4. The effect of this Notification :-

Now the import of items under the ITC HS Codes specified above is permitted freely if cif value is US\$ 80 and above per square meter.

**k) As per Gazette of India, Ministry Of Commerce and Industry, (Department of Commerce), Notification No.62(RE-2013)/2009-2014, S.O. 13(E), dated 1<sup>st</sup> January, 2014,** the Central Government hereby withdraws Notification No. 34(RE-2012)/2009-2014 dated 08.02.2013, with immediate effect.

2. Notification No. 54(RE-2010)/2009-14 of 7-6-2011 had permitted export of specified quantities of Stone Aggregates to Maldives for the years 2011-12, 2012-13 and 2013-14. This was stopped till further notice vide Notification No. 34 (RE-2012)/2009-14 dated 8-2-2013. Now Notification No. 34 (RE-2012)/2009-14 dated 8-2-2013 is being withdrawn. Accordingly, export of Stone Aggregates to Maldives is permitted with immediate effect.

**3. Effect of this notification:**

Export of Stone Aggregates to the Republic of Maldives is being permitted subject to the conditions and quantity ceiling indicated in Notification No.54 dated 7.6.2011.

**l) As per Gazette of India, Ministry of Commerce and Industry, (Department of Commerce), Notification No.75(RE-2013)/2009-2014, S.O. 919 (E), dated 27<sup>th</sup> March, 2014,** the Central Government hereby substitutes the Export Licencing Note 2 as appearing in Chapter 25 of Schedule 2 of ITC(HS) Classification of Export & Import Items, as below:

**“Note 2**

(i) Export of River Sand to Maldives permitted as per ceiling mentioned below subject to issue of No Objection within the annual ceiling by CAPEXIL who shall monitor the ceiling and send a quarterly report to Export Cell in DGFT:

Sl. No.	Item	Annual Ceiling of Quantity in MTs		
		2014-15	2015-16	2016-17
1.	River Sand	2 lakh	2.5 lakh	3 lakh

(ii) For the export of above quantity of River Sand, CAPEXIL shall ensure that the suppliers/extractors have obtained appropriate clearances and mining of the sand is not undertaken in the Coastal Regulation Zone Area, which is prohibited under the Coastal Regulation Zone notification.

(iii) In addition to above, export of River Sand will be allowed subject to the exporter obtaining necessary environmental clearances/No Objection Certificate from the designated nodal authority of respective State Governments from where the River Sand is obtained. This permission will also be subject to any State legislation/judicial orders relating to mining of River Sand.”

**2. Effect of this notification:**

Export of the quantities of River Sand with the annual ceiling indicated in the respective columns in Export Licencing Note 2(i) above has been permitted for export to the Republic of Maldives under Bi-lateral Trade Agreement

between Government of India and Government of the Republic of Maldives.

**m) As per Gazette of India, Ministry of Commerce and Industry, (Department of Commerce), Notification No.76/RE-2013/2009-2014, S.O. 920 (E), dated 27<sup>th</sup> March, 2014,** the Central Government hereby substitutes the Export Licencing Note 1 as appearing in Chapter 25 of Schedule 2 of ITC(HS) Classification of Export & Import Items, as below :

**“Note 1**

(i) Export of Stone Aggregate to Maldives permitted as per ceiling mentioned below subject to issue of No Objection within the annual ceiling by CAPEXIL who shall monitor the ceiling and send a quarterly report to Export Cell in DGFT:

Sl. No.	Item	Annual Ceiling of Quantity in MTs		
		2014-15	2015-16	2016-17
1.	Stone Aggregate	5 lakh	5.5 lakh	6 lakh

(ii) For the export of above quantity of Stone Aggregates, CAPEXIL shall ensure that the suppliers/extractors have obtained appropriate clearances,.

**2. Effect of this notification:**

Export of the quantities of Stone Aggregate with the annual ceiling indicated in the respective columns in Export Licencing Note 1 (i) above has been permitted for export to the Republic of Maldives under Bi-lateral Trade Agreement between Government of India and Government of the Republic of Maldives.

**Ministry of Labour and Employment Notification:**

a) As per Gazette of India, Ministry of Labour and Employment (Directorate General of Mines Safety), Notification, G.S.R. 275(E), dated 2<sup>nd</sup> April, 2014,-In exercise of the powers conferred on me under Sub-regulation 3 of Regulation 181 of the Coal Mines Regulations, 1967 I, Rahul Guha, Chief Inspector of Mines, also designated as Director



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General of Mines Safety declare 01-05-2014 as the date from which the following safety items, namely Safety Goggles, Reusable Earplugs and Visibility (Reflective) Harness will be considered approved by me for use in below ground Coal Mines by this general order in writing if they conform to the respective standards (with amendments, if any) given below:

- (i) Safety Goggles - IS 5983 : 1980
- (ii) Reusable Earplugs - IS 9167 : 1979 &  
IS 6229:1980
- (iii) Visibility Harness - BS EN 471: 2003

This is being issued in modification of the notification published in the Gazette of India, Part-II, Section 3 (i), dated 28th July, 2007 (G.S.R. 154).

b) As per Gazette of India, Ministry of Labour and Employment (Directorate General of Mines Safety), Notification, G.S.R. 276(E), dated 2nd April, 2014, -In modification of G.S.R. No. 260 & 261 published in Gazette of India Part II, Sec. 3, Sub-section(i) on 1<sup>st</sup> December, 2007, I Rahul Guha, Chief Inspector of Mines, also designated as Director General of Mines Safety, in exercise of powers conferred on me under Regulation 182 B of the Metalliferous Mines Regulations, 1961 and Regulation 191 B of the Coal Mines Regulations, 1957 declare 01-05-2014 as the date from which the following safety items, namely Safety Goggles, Reusable Earplugs, Visibility (Reflective) Harness and Dust Respirator may be provided either as an individual item or in a kit form in coal and metalliferous mines.

### **9. Ministry of Finance Notification:**

As per Gazette of India, Ministry of Finance, (Department of Revenue), No.91/2013- Customs (N.T.), S.O.2761 (E) 29th August, Notification No.03/2014-Customs, G.S.R. 64 (E) dated the 27<sup>th</sup> January, 2014, the Central Government on being satisfied that it is necessary in the public interest so to do, has effected the following further amendments in the notification of the Government

of India in the Ministry of Finance (Department of Revenue), No.27/2011-Customs, dated the 1<sup>st</sup> March, 2011 which was published in the Gazette of India, Extraordinary, vide number G.S.R. 153(E), dated the 1<sup>st</sup> March, 2011, namely: In the said notification in the Table, against Serial Number 23, in Column (4), for the entry "Nil", the entry "5%" has been substituted.

## **II LEGISLATION**

### **A. Replacement of MMDR Act, 1957**

The Mines and Minerals (Development and Regulation) Act, 1957 was enacted so as to provide for the regulation of mines and development of minerals under the control of the Union. The aforesaid Act was amended in the years 1958, 1972, 1986, 1987, 1994 and 1999.

Since the existing law had already been amended several times, and as further amendments may not clearly reflect the objects and reasons emanating from the new National Mineral Policy, it is considered necessary to reformulate the legislative framework in the light of the new National Mineral Policy, 2008 by repealing the Mines and Minerals (Regulation and Development) Act, 1957.

To replace the existing Mines and Minerals (Development and Regulation) Act, 1957, the Mines and Minerals (Development and Regulation) Bill, 2011 has been prepared by the Ministry of Mines. The Cabinet has approved the Bill and it has been introduced in Lok Sabha on 12<sup>th</sup> December, 2011, and the same has been referred to the Standing Committee on Coal and Steel on 5<sup>th</sup> January, 2012. The recommendations of the Standing Committee has been presented to Lok Sabha and laid in Rajya Sabha on 7.5.2013.

As per Gazette of India, Ministry of Law and Justice (Legislative Department), Notification No.3 dated 12<sup>th</sup> January, 2015 the Mines and Minerals (Development and Regulation) Amendment Ordinance, 2015 is Notified. The same is reproduced below:

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	<b>THE MINES AND MINERALS (DEVELOPMENT AND REGULATION) AMENDMENT ORDINANCE, 2015</b>	
	Promulgated by the President in the Sixty-fifth Year of the Republic of India.	
	An Ordinance further to amend the Mines and Minerals (Development and Regulation) Act, 1957.	
	<p>WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action; NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:-</p> <p style="text-align: center;"><b>Chapter I Preliminary</b></p>	
Amendment of section 3.	<p><b>1.</b> (1) This Ordinance may be called the Mines and Minerals (Development and Regulation) Amendment Ordinance, 2015. (2) It shall come into force at once.</p> <p><b>2.</b> In the Mines and Minerals (Development and Regulation) Act, 1957 (hereinafter referred to as the principal Act), in section 3, - (i) after clause (e), the following clause shall be inserted, namely:- '(ea) "notified minerals" means any mineral specified in the Fourth Schedule;'; (ii) after clause (g), the following clause shall be inserted, namely:- '(ga) "prospecting licence-cum-mining lease" means a two stage concession granted for the purpose of undertaking prospecting operations followed by mining operations;'; (iii) in clause (hb), the word "and" occurring at the end shall be omitted; (iv) after clause (hb), the following clause shall be inserted, namely:- '(hc) "Special Court" means a Court of Session designated as Special Court under sub-section (1) of section 30B; and'.</p>	Short title and commencement  67 of 1957
Amendment of section 4.	<p><b>3.</b> In section 4 of the principal Act, in the second proviso to sub-section (1), for the words and figures "section 617 of the Companies Act, 1956", the words, brackets and figures "clause (45) of section 2 of the Companies Act, 2013, and any such entity that may be notified for this purpose by the Central Government" shall be substituted.</p>	1 of 1956 18 of 2013
Amendment of section 4A.	<p><b>4.</b> In section 4A of the principal Act, in sub-section (4), for the provisos, the following provisos shall be substituted, namely:- "Provided that the State Government may, on an application made by the holder of such lease before it lapses and on being satisfied that it will not be possible for the holder of the lease to undertake mining operations or to continue such operations for reasons beyond his control, make an order, within a period of three months from the date of receiving of such application, subject to such conditions as may be prescribed, to the effect that such lease shall not lapse: Provided further that such lease shall lapse on failure to undertake mining operations or inability to continue the same before the end of a period of six months from the date of the order of the State Government: Provided also that the State Government may, on an application made by the holder of a lease submitted within a period of six months from the date of its lapse and on being satisfied that such non-commencement or discontinuance was due to reasons beyond the control of the holder of the lease, revive the lease within a period of three months from the date of receiving the application from such prospective or retrospective date as it thinks fit but not earlier than the date of lapse of the lease: Provided also that no lease shall be revived under the third proviso for more than twice during the entire period of the lease".</p>	

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<p>1 of 1956 18 of 2013</p>	<p>5. In section 5 of the principal Act, - (A) in sub-section (1), - (i) in clause (a), for the words, brackets and figures “sub-section (1) of section 3 of the Companies Act, 1956”, the words, brackets and figures “clause (20) of section 2 of the Companies Act, 2013” shall be substituted;(ii) for the proviso, the following proviso shall be substituted, namely:- “Provided that in respect of any mineral specified in Part A and Part B of the First Schedule, no reconnaissance permit, prospecting licence or mining lease shall be granted except with the previous approval of the Central Government.”; (B) in sub-section (2),- (i) for clause (a), the following clause shall be substituted, namely:-“(a) there is evidence to show the existence of mineral contents in the area for which the application for a mining lease has been made in accordance with such parameters as may be prescribed for this purpose by the Central Government;”(ii) after clause (b), the following proviso shall be inserted, namely:- “Provided that a mining lease may be granted upon the filing of a mining plan in accordance with a system established by the State Government for preparation, certification, and monitoring of such plan, with the approval of the Central Government.”.</p>	<p>Amendment of section 5.</p>
<p>Amendment of section 6.</p>	<p>6. In section 6 of the principal Act, in sub-section (1), in clause (b), for the proviso, the following proviso shall be substituted, namely:- “Provided that if the Central Government is of the opinion that in the interest of the development of any mineral or industry, it is necessary so to do, it may, for reasons to be recorded in writing, increase the aforesaid area limits in respect of prospecting licence or mining lease, in so far as it pertains to any particular mineral, or to any specified category of deposits of such mineral, or to any particular mineral located in any particular area.”.</p>	
<p>Substitution of section 8.  Periods for which mining leases may be granted or renewed.</p>	<p>7. For section 8 of the principal Act, the following section shall be substituted, namely:-” 8. (1) The provisions of this section shall apply to minerals specified in Part A of the First Schedule.(2) The maximum period for which a mining lease may be granted shall not exceed thirty years: Provided that the minimum period for which any such mining lease may be granted shall not be less than twenty years.(3) A mining lease may be renewed for a period not exceeding twenty years with the previous approval of the Central Government.”.  8. After section 8 of the principal Act, the following section shall be inserted, namely:-” 8A. (1) The provisions of this section shall apply to minerals other than those specified in Part A and Part B of the First Schedule. (2) On and from the date of the commencement of the Mines and Minerals (Development and Regulation) Amendment Ordinance, 2015, all mining leases shall be granted for the period of fifty years. (3) All mining leases granted before the commencement of the Mines and Minerals (Development and Regulation) Amendment Ordinance, 2015 shall be deemed to have been granted for a period of fifty years. (4) On the expiry of the lease period, the lease shall be put up for auction as per the procedure specified in this Act. (5) Notwithstanding anything contained in sub-sections (2), (3) and sub-section (4), the period of lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Ordinance, 2015, where mineral is used for captive purpose, shall be extended and be deemed to have been extended upto a period ending on 31<sup>st</sup> March, 2030 with effect from the date of expiry of the period of renewal last made or till the completion of renewal period, if any, or a period of fifty years from the date of grant of such lease, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with. (6) Notwithstanding anything contained in sub-sections (2), (3) and sub-section (4), the period of lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Ordinance, 2015, where mineral is used for other than captive purpose, shall be extended and be deemed to have been extended upto a period ending on 31<sup>st</sup> March, 2020 with effect from the date of expiry of the period of renewal last made or till the completion of renewal period, if any, or a period of fifty years from the date of grant of such lease, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with. (7) Any holder of a lease granted, where mineral is used for captive purpose, shall have the right of first refusal at the time of auction held for such lease after the expiry of the lease period. (8) Notwithstanding anything contained in this section, the period of mining leases, including existing mining leases, of Government companies or corporations shall be such as may be prescribed by the Central Government. (9) The provisions of this section, notwithstanding anything contained therein, shall not apply to a mining lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Ordinance, 2015, for which renewal has been rejected, or which has been determined, or lapsed.</p>	<p>Insertion of new section 8.  Period of grant of a mining lease for minerals other than coal, lignite and atomic minerals.</p>

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<p>Insertion of new section 9B and 9C</p> <p>District Mineral Foundation</p>	<p><b>9.</b> After section 9A of the principal Act, the following sections shall be inserted, namely:-”</p> <p><b>9B.</b> (1) In any district affected by mining related operations, the State Government shall, by notification, establish a trust, as a non-profit body, to be called the District Mineral Foundation.</p> <p>(2) The object of the District Mineral Foundation shall be to work for the interest and benefit of persons, and areas affected by mining related operations in such manner as may be prescribed by the State Government.</p> <p>(3) The composition and functions of the District Mineral Foundation shall be such as may be prescribed by the State Government.</p> <p>(4) The holder of a mining lease or a prospecting licence-cum-mining lease shall, in addition to the royalty, pay to the District Mineral Foundation of the district in which the mining operations are carried on, an amount which is equivalent to such percentage of the royalty paid in terms of the Second Schedule, not exceeding one-third of such royalty, as may be prescribed by the Central Government.</p> <p><b>9C.</b> (1) The Central Government shall, by notification, establish a Trust, as a non-profit body, to be called the National Mineral Exploration Trust.(2) The object of the Trust shall be to use the funds accrued to the Trust for the purposes of regional and detailed exploration in such manner as may be prescribed by the Central Government.(3) The composition and functions of the Trust shall be such as may be prescribed by the Central Government.(4) The holder of a mining lease or a prospecting licence-cum-mining lease shall pay to the Trust, a sum equivalent to two per cent. of the royalty paid in terms of the Second Schedule, in such manner as may be prescribed by the Central Government.”.</p>	<p>National Mineral Exploration Trust</p>
<p>Grant of mining lease in respect of notified minerals through auction.</p>	<p><b>10.</b> After section 10 of the principal Act, the following sections shall be inserted, namely:-”</p> <p><b>10A.</b> (1) All applications received prior to the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Ordinance, 2015, shall become ineligible.</p> <p>(2) Without prejudice to sub-section (1), the following shall remain eligible on and from the commencement of the Mines and Minerals (Development and Regulation) Amendment Ordinance, 2015: —</p> <p>(a) applications received under section 11A of this Act;</p> <p>(b) where before the commencement of the said Ordinance a reconnaissance permit or prospecting licence has been granted in respect of any land for any mineral, the permit holder or the licensee shall have a right for obtaining a prospecting licence followed by a mining lease, or a mining lease, as the case may be, in respect of that mineral in that land, if the State Government is satisfied that the permit holder or the licensee, as the case may be, - (i) has undertaken reconnaissance operations or prospecting operations, as the case may be, to establish the existence of mineral contents in such land in accordance with such parameters as may be prescribed by the Central Government; (ii) has not committed any breach of the terms and conditions of the reconnaissance permit or the prospecting licence; (iii) has not become ineligible under the provisions of this Act; and (iv) has not failed to apply for grant of prospecting licence or mining lease, as the case may be, within a period of three months after the expiry of reconnaissance permit or prospecting licence, as the case may be, or within such further period not exceeding six months as may be extended by the State Government; (c) where the Central Government has communicated previous approval as required under sub-section (1) of section 5 for grant of a mining lease, or if a letter of intent (by whatever name called) has been issued by the State Government to grant a mining lease, before the commencement of the Mines and Minerals (Development and Regulation) Amendment Ordinance, 2015, the mining lease shall be granted subject to fulfilment of the conditions of the previous approval or of the letter of intent within a period of two years from the date of commencement of the said Ordinance:</p> <p>Provided that in respect of any mineral specified in the First Schedule, no prospecting licence or mining lease shall be granted under clause (b) of this sub-section except with the previous approval of the Central Government.</p> <p><b>10B.</b> (1) The provisions of this section shall not be applicable to cases covered by section 10A or section 17A or to minerals specified in Part A or Part B of the First Schedule or to land in respect of which the minerals do not vest in the Government.</p> <p>(2) Where there is inadequate evidence to show the existence of mineral contents of any notified mineral in respect of any area, a State Government may, after obtaining the previous approval of the Central Government, grant a prospecting licence-cum-mining lease for the said notified mineral in such area in accordance with the procedure laid down in section 11.</p> <p>(3) In areas where the existence of mineral contents of any notified mineral is established in the manner prescribed by the Central Government, the State Government shall notify such areas for grant of mining leases for such notified mineral, the terms and conditions subject to which such mining leases shall be granted, and any other relevant conditions, in such manner as may be prescribed by the Central Government.</p> <p>(4) For the purpose of granting a mining lease in respect of any notified mineral in such notified area, the State Government shall select, through auction by a method of competitive bidding, including e-auction, an applicant who fulfils the eligibility conditions as specified in this Act.</p> <p>(5) The Central Government shall prescribe the terms and conditions, and procedure, subject to which the auction shall be conducted, including the bidding parameters for the selection, which may include a share in the production of the mineral, or any payment linked to the royalty payable, or any other relevant parameter, or any combination or modification of them.</p> <p>(6) Without prejudice to the generality of sub-section (5), the Central Government shall, if it is of the opinion that it is necessary and expedient to do so, prescribe terms and conditions, procedure and bidding parameters in respect of categories of minerals, size and area of mineral deposits and a State or States, subject to which the auction shall be conducted:</p> <p>Provided that the terms and conditions may include the reservation of any particular mine or mines for a particular end use and subject to such condition which allow only such eligible end users to participate in the auction.</p> <p>(7) The State Government shall grant a mining lease to an applicant selected in accordance with the procedure laid down in this section in respect of such notified mineral in any notified area.</p>	<p>Insertion of new sections 10A, 10B and 10C</p> <p>Rights of existing concession holders and applicants</p>

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<p>Grant of non-exclusive reconnaissance permits.</p> <p>Submission of Section 11.</p> <p>Grant of prospecting licence-cum mining lease through auction in respect of minerals other than notified minerals.</p>	<p><b>10C.</b> (1) Non-exclusive reconnaissance permits may be granted in respect of any notified mineral or non-notified mineral or a group of specified minerals, other than minerals specified in Part A or Part B of the First Schedule, subject to such terms and conditions as may be prescribed by the Central Government.(2) The holder of such non-exclusive reconnaissance permit shall not be entitled to make any claim for the grant of any prospecting licence-cum-mining lease or a mining lease.”</p> <p><b>11.</b> For section 11 of the principal Act, the following section shall be substituted, namely:-</p> <p>”<b>11.</b> (1) The provisions of this section shall not be applicable to cases covered by section 10A or section 17A or to minerals specified in Part A or Part B of the First Schedule or to land in respect of which minerals do not vest in the Government. (2) In areas where there is evidence to show the existence of mineral contents as required by clause (a) of sub-section (2) of section 5, the State Government shall grant a mining lease for minerals other than notified minerals following the procedure laid down in section 10B. (3) In areas where there is inadequate evidence to show the existence of mineral contents as required under clause (a) of sub-section (2) of section 5, the State Government shall grant a prospecting licence-cum-mining lease for minerals other than notified minerals in accordance with the procedure laid down in this section. (4) The State Government shall notify the areas in which prospecting licence-cum-mining leases shall be granted for any minerals other than notified minerals, the terms and conditions subject to which such prospecting licence-cum-mining leases shall be granted, and any other relevant conditions, in such manner as may be prescribed by the Central Government. (5) For the purpose of granting prospecting licence-cum-mining leases, the State Government shall select, through auction by method of competitive bidding, including e-auction, an applicant who fulfils the eligibility conditions as specified in this Act. (6) The Central Government shall prescribe the terms and conditions, and procedure, subject to which the auction shall be conducted, including the bidding parameters for the selection, which may include a share in the production of the mineral, or any payment linked to the royalty payable, or any other relevant parameter, or any combination or modification of them. (7) Without prejudice to the generality of sub-section (6), the Central Government shall, if it is of the opinion that it is necessary and expedient to do so, prescribe terms and conditions, procedure and bidding parameters in respect of categories of minerals, size and area of mineral deposits and a State or States, subject to which the auction shall be conducted. (8) The State Government shall grant a prospecting licence-cum-mining lease to an applicant selected in accordance with the procedure laid down in this section. (9) The holder of a prospecting licence-cum-mining lease shall be required to complete, within the period laid down in section 7, the prospecting operations satisfactorily as specified in the notice inviting applications. (10) A holder of a prospecting licence-cum-mining lease, who completes the prospecting operation as laid down in sub-section (9) and establishes the existence of mineral contents in the area in conformity with such parameters as may be prescribed for this purpose by the Central Government, shall be required to apply for a mining lease for such area and shall have the right to get the mining lease and thereafter undertake mining operations in accordance with the provisions of this Act.”</p>	
<p>Power of Central Government to amend First Schedule and Fourth Schedule</p>	<p><b>12.</b> After section 11A of the principal Act, the following sections shall be inserted, namely:-”</p> <p><b>11B.</b> The Central Government may, by notification in the Official Gazette, make rules for regulating the grant of mining leases or other mineral concessions in respect of minerals specified in Part B of the First Schedule and for purposes connected therewith, and the State Government shall grant a reconnaissance permit, prospecting licence or mining lease in respect of any such mineral in accordance with such rules.</p> <p><b>11C.</b> The Central Government may, by notification in the Official Gazette, amend the First Schedule and the Fourth Schedule so as to add or delete any mineral as may be specified in the notification.”.</p>	<p>Insertion of new sections 11B and 11C</p> <p>Power of Central Government to make rules for regulating atomic minerals specified under Part B of First Schedule.</p>

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<p>Insertion of new section 12 A</p> <p>Transfer of mineral concessions.</p>	<p><b>13.</b> After section 12 of the principal Act, the following section shall be inserted, namely:-</p> <p><b>"12A.</b> (1) The provisions of this section shall not apply to minerals specified in Part A or Part B of the First Schedule.</p> <p>(2) A holder of a mining lease or a prospecting licence-cum-mining lease granted in accordance with the procedure laid down in section 10B or section 11 may, with the previous approval of the State Government, transfer his mining lease or prospecting licence-cum-mining lease, as the case may be, in such manner as may be prescribed by the Central Government, to any person eligible to hold such mining lease or prospecting licence-cum-mining lease in accordance with the provisions of this Act and the rules made thereunder.</p> <p>(3) If the State Government does not convey its previous approval for transfer of such mining lease or prospecting licence-cum-mining lease, as the case may be, within a period of ninety days from the date of receiving such notice, it shall be construed that the State Government has no objection to such transfer:</p> <p>Provided that the holder of the original mining lease or prospecting licence-cum-mining lease shall intimate to the State Government the consideration payable by the successor-in-interest for the transfer, including the consideration in respect of the prospecting operations already undertaken and the reports and data generated during the operations.</p> <p>(4) No such transfer of a mining lease or prospecting licence-cum-mining lease, referred to in sub-section (2), shall take place if the State Government, within the notice period and for reasons to be communicated in writing, disapproves the transfer on the ground that the transferee is not eligible as per the provisions of this Act:</p> <p>Provided that no such transfer of a mining lease or of a prospecting licence-cum-mining lease, shall be made in contravention of any condition subject to which the mining lease or the prospecting licence-cum-mining lease was granted.</p> <p>(5) All transfers effected under this section shall be subject to the condition that the transferee has accepted all the conditions and liabilities under any law for the time being in force which the transferor was subject to in respect of such a mining lease or prospecting licence-cum-mining lease, as the case may be.</p> <p>(6) The transfer of mineral concessions shall be allowed only for concessions which are granted through auction".</p>	
	<p><b>14.</b> In section 13 of the principal Act, in sub-section (2), –</p> <p>(i) after clause (j), the following clause shall be inserted, namely:- "(jj) parameters of existence of mineral contents under clause (a) of sub-section (2) of section 5;"</p> <p>(ii) in clause (qq), the word "and" occurring at the end shall be omitted;</p> <p>(iii) after clause (qq), the following clauses shall be inserted, namely:-"</p> <p>(qqa) the amount of payment to be made to the District Mineral Foundation under sub-section (4) of section 9B;</p> <p>(qqb) the manner of usage of funds accrued to the National Mineral Exploration Trust under sub-section (2) of section 9C;</p> <p>(qqc) the composition and functions of the National Mineral Exploration Trust under sub-section (3) of section 9C;</p> <p>(qqd) the manner of payment of amount to the National Mineral Exploration Trust under sub-section (4) of section 9C;</p> <p>(qqe) the terms and conditions subject to which mining leases shall be granted under sub-section (3) of section 10B;</p> <p>(qqf) the terms and conditions, and procedure, subject to which the auction shall be conducted including the bidding parameters for the selection under sub-section (5) of section 10B;</p> <p>(qqg) the time limits for various stages in processing applications for grant of mining lease or prospecting licence-cum-mining lease under sections 10B, 11, 11A, 11B, and section 17A, and their renewals;</p> <p>(qqh) the terms and conditions for grant of non-exclusive reconnaissance permits under sub-section (1) of section 10C;</p> <p>(qqi) the terms and conditions for grant of prospecting licence-cum-mining leases under sub-section (4) of section 11;</p> <p>(qqj) the terms and conditions, and procedure, including the bidding parameters for the selection under sub-section (6) of section 11;</p> <p>(qqk) the amount to be payable by a Government company or corporation, or a joint venture for grant of mining lease under sub-section (2C) of section 17A; and".</p>	<p>Amendment of Section 13</p>

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<p>Amendment of Section 15</p>	<p><b>15.</b> In section 15 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:-</p> <p>"(4) Without prejudice to sub-sections (1), (2) and sub-section (3), the State Government may, by notification, make rules for regulating the provisions of this Act for the following, namely:-</p> <p>(a) the manner in which the District Mineral Foundation shall work under sub-section (2) of section 9B;</p> <p>(b) the composition and functions of the District Mineral Foundation under sub-section (3) of section 9B; and</p> <p>(c) the amount of payment to be made to the District Mineral Foundation by concession holders of minor minerals under section 15A."</p>	
	<p><b>16.</b> After section 15 of the principal Act, the following section shall be inserted, namely:-</p> <p style="text-align: center;"><b>"15A.</b> The State Government may prescribe the payment by all holders of concessions related to minor minerals of amounts to the District Mineral Foundation of the district in which the mining operations are carried on."</p>	<p>Insertion of new section 15A</p> <p>Power of State Government to collect funds for District Mineral Foundation in case of minor minerals</p>
	<p><b>17.</b> In section 17A of the principal Act, after sub-section (2), the following sub-sections shall be inserted, namely:-"(2A) Where in exercise of the powers conferred by sub-section (1A) or sub-section (2), the Central Government or the State Government, as the case may be, reserves any area for undertaking prospecting or mining operations, the State Government shall grant prospecting licence or mining lease, as the case may be, in respect of such area to such Government company or corporation:</p> <p>Provided that in respect of any mineral specified in Part A and Part B of the First Schedule, the State Government shall grant the prospecting licence or mining lease, as the case may be, only after obtaining the previous approval of the Central Government.(2B) Where the Government company or corporation is desirous of carrying out the prospecting operations or mining operations in a joint venture with other persons, the joint venture partner shall be selected through a competitive process, and such Government company or corporation shall hold more than seventy-four per cent of the paid up share capital in such joint venture. (2C) A mining lease granted to a Government company or corporation, or a joint venture, referred to in sub-sections (2A) and (2B), shall be granted on payment of such amount as may be prescribed by the Central Government."</p>	<p>Amendment of Section 17A</p>
<p>Insertion of new section 20 A</p> <p>Power of Central Government to issue directions</p>	<p><b>18.</b> After section 20 of the principal Act, the following section shall be inserted, namely:-</p> <p><b>"20A.</b> (1) Notwithstanding anything contained in this Act, the Central Government may issue such directions to the State Governments, as may be required for the conservation of mineral resources, or on any policy matter in the national interest, and for the scientific and sustainable development and exploitation of mineral resources.</p> <p>(2) In particular, and without prejudice to the generality of the foregoing powers, the Central Government may also issue directions in respect of the following matters, namely:-</p> <p>(i) improvement in procedure for grant of mineral concessions and to ensure co-ordination among agencies entrusted with according statutory clearances;</p> <p>(ii) maintenance of internet-based databases including development and operation of a mining tenement system;</p> <p>(iii) implementation and evaluation of sustainable development frameworks;</p> <p>(iv) reduction in waste generation and related waste management practices and promotion of recycling of materials;</p> <p>(v) minimising and mitigating adverse environmental impacts particularly in respect of ground water, air, ambient noise and land;</p> <p>(vi) ensuring minimal ecological disturbance, in terms of bio-diversity, flora, fauna and habitat;</p> <p>(vii) promoting restoration and reclamation activities so as to make optimal use of mined out land for the benefit of the local communities; and</p> <p>(viii) such other matters as may be necessary for the purposes of implementation of this Act."</p>	

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<p>Insertion of a new Sections 30B and 30C</p> <p>Constitution of Special Courts.</p>	<p><b>19.</b> In section 21 of the principal Act, for sub-sections (1) and (2), the following sub-sections shall be substituted, namely:-</p> <p>"(1) Whoever contravenes the provisions of sub-section (1) or sub-section (1A) of section 4 shall be punishable with imprisonment for a term which may extend to five years and with fine which may extend to five lakh rupees per hectare of the area.</p> <p>(2) Any rule made under any provision of this Act may provide that any contravention thereof shall be punishable with imprisonment for a term which may extend to two years or with fine which may extend to five lakh rupees, or with both, and in the case of a continuing contravention, with additional fine which may extend to fifty thousand rupees for every day during which such contravention continues after conviction for the first such contravention."</p> <p><b>21.</b> After section 30A of the principal Act, the following sections shall be inserted, namely:-</p> <p><b>"30B.</b> (1) The State Government may, for the purposes of providing speedy trial of offences for contravention of the provisions of sub-section (1) or sub-section (1A) of section 4, constitute, by notification, as many Special Courts as may be necessary for such area or areas, as may be specified in the notification.</p> <p>(2) A Special Court shall consist of a Judge who shall be appointed by the State Government with the concurrence of the High Court.</p> <p>(3) A person shall not be qualified for appointment as a judge of a Special Court unless he is or has been a District and Sessions Judge.</p> <p>(4) Any person aggrieved by the order of the Special Court may prefer an appeal to the High Court within a period of sixty days from the date of such order."</p>	<p>Amendment of section 21</p>
	<p><b>30C.</b> Save as otherwise provided in this Act, the Code of Criminal Procedure, 1973, shall apply to the proceedings before the Special Court and for the purpose of the provisions of this Act, the Special Court shall be deemed to be a Court of Session and shall have all powers of a Court of Session and the person conducting a prosecution before the Special Court shall be deemed to be a public prosecutor.</p>	<p>2 of 1974</p>
<p>Amendment of First Schedule</p>	<p><b>22.</b> In the principal Act, in the First Schedule, for the figures and brackets "8(2)", the figures, brackets, letters and word "8(1), 8A(1), 10A, 10B(1), 10C(1), 11(1), 11B, 11C, 12A(1), and 17A(2A)" shall be substituted.</p>	<p>Insertion of a new Schedule</p>
	<p><b>23.</b> In the principal Act, after the Third Schedule, the following Schedule shall be inserted, namely:-</p> <p style="text-align: center;"><b>"THE FOURTH SCHEDULE</b></p> <p style="text-align: center;">[See clause (ea) of section 3]</p> <p><b>Notified Minerals</b></p> <ol style="list-style-type: none"> <li>1. Bauxite</li> <li>.2. Iron ore.</li> <li>3. Limestone.</li> <li>4. Manganese ore."</li> </ol> <p><b>24.</b> (1) If any difficulty arises in giving effect to the provisions of the Mines and Minerals (Development and Regulation) Amendment Ordinance, 2015, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of the said Ordinance, as appear to it to be necessary or expedient for removing the difficulty:</p> <p>Provided that no such order shall be made under this section after the expiry of a period of two years from the commencement of the said Ordinance.</p> <p>(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.</p>	<p>Power to remove difficulties</p>



**MCR, 1960**

As per the Gazette of India, Ministry of Mines, Notification F.No.7/2/2012-M.VI, G.S.R. No.510(E), dated 18<sup>th</sup> July, 2014, the central government hereby makes the following rules further to amend the Mineral Concession Rules, 1960, namely:

1. (1) These rules may be called the Mineral Concession (Amendment) Rules, 2014.

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

2. In the Mineral Concession Rules, 1960, in Rule 24A —

(a) For sub-rule (6), the following sub-rule shall be substituted, namely,

“(6) If an application for first renewal of a mining lease made within the time referred to in sub-rule (1) is not disposed of by the state government before the date of expiry of the lease, the period of that lease shall be deemed to have been extended by a further period of two years or till the state government passes order thereon, whichever is earlier:

Provided that the leases where applications for first renewal of mining lease have been made to the state government and which have not been disposed of by the state government before the date of expiry of lease and are pending for disposal as on the date of the notification of this amendment, shall be deemed to have been extended by a further period of two years from the date of coming into force of this amendment or till the state government passes order thereon or the date of expiry of the maximum period allowed for first renewal, whichever is the earliest:

Provided further that the provisions of this sub-rule shall not apply to renewal under subsection (3) of Section 8 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957).”

(b) In sub-rule (9), the words “or the date of expiry of the maximum period allowed for first renewal, whichever is earlier” shall be inserted at the end.

**The Mineral Conservation and Development Rules, 1988 (MCDR)**

The Mineral Conservation and Development Rules, 1988 (MCDR) provides for measures to ensure scientific management of the mining process. Rule 45 of the MCDR provides for the mining companies to provide periodic reports on the extraction and disposal of the mined material. Keeping in view the need to improve the monitoring of the production, movement and sale of ore, Rule 45 of MCDR has been extensively amended on 9<sup>th</sup> February, 2011, to facilitate end-to-end national-scale accounting of all minerals produced in the country from the pit head to its end-use, reducing the scope for illegal mining, royalty evasion, etc. with possible corruption in inspection of mines and in issue of transportation permits. The amended Rule now makes it mandatory for all miners, traders, stockists, exporters and end-users of minerals to register and report on the production, trade and utilisation of minerals to the State Government(s) and Indian Bureau of Mines. Up to 31<sup>st</sup> March, 2014, total 8835 mining leases have been registered online with the IBM. The IBM has suspended 958 mines for non-compliance and recommended 578 cases to State Governments for termination. Similarly as regards to the status of registration of end users, traders, stockist and exporters, at the end of March, 2014 total 2753 units of endusers, 3698 number of traders, 1343 number of stockist and 702 number of exporters have been registered. Indian Bureau of Mines has also requested the State Governments not to issue transit passes for movement of minerals to unregistered operators.

**Ministry of Mines, F. No. 5/1/2015-M. VI, Notification S.O. 423(E)**, dated 10<sup>th</sup> February, 2015, - In exercise of the powers conferred by clause (e) of section 3 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Central Government hereby declares the following minerals to be minor minerals in addition to the minerals already declared by notification as minor minerals hereinbefore under the said clause: (i) Agate; (ii) Ball Clay; (iii) Barytes; (iv) Calcareous Sand; (v) Calcite; (vi) Chalk; (vii) China Clay; (viii) Clay (Others); (ix) Corundum; (x) Diaspore;

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(xi) Dolomite; (xii) Dunite or pyroxenite; (xiii) Felsite; (xiv) Felspar; (xv) Fireclay; (xvi) Fuschite Quartzite; (xvii) Gypsum; (xviii) Jasper; (xix) Kaolin; (xx) Laterite; (xxi) Limekankar; (xxii) Mica; (xxiii) Ochre; (xxiv) Pyrophyllite; (xxv) Quartz; (xxvi) Quartzite; (xxvii) Sand (Others); (xxviii) Shale; (xxix) Silica Sand; (xxx) Slate; and (xxxi) Steatite or Talc or Soapstone.

### **Ministry of Mines, Resolution No. 31/49/20014-M.III, dated the 3<sup>rd</sup> November 2014**

—The Government had set up a Committee for review and restructuring of the functions and role of IBM in 2009. The Committee submitted its report to Government in May, 2012. The Committee has, interalia, suggested the renaming of the Mines Control & Conservation of Minerals Division and Ore Dressing Division as under:- i. “Mines Control & Conservation of Minerals Division”:- The Committee felt that the role of Mines Control & Conservation of Minerals (MCCM) Division of IBM is not limited to ensuring conservation of minerals but will also encompass functions like National body for formulation of regulatory standards for sustainable development of mineral resources in the country, to provide support for the capacity building for creation and improvement of State level regulatory systems. Apart from regulatory functions, the division performs various roles as facilitator to the mining industry. Therefore, the Committee recommended renaming of the Division as “Minerals Development and Regulation Division”. ii. “Ore Dressing Division”:- The expression ‘Mineral Processing’ is more contemporary and would be an accepted phrase world over and would be more relevant to the existing and envisaged functions & activities of the Ore Dressing Division of IBM. The Committee therefore recommended that the appellation “Mineral Processing” be adopted and the Division be renamed as “Mineral Processing Division” instead of the existing “Ore Dressing Division”. The Government of India have carefully considered the suggestions of the Committee and decided to rename the Mines Control & Conservation of Minerals Division as “Minerals Development & Regulation Division” and the Ore Dressing Division as “Mineral Processing Division”. ORDER Ordered, that this resolution be communicated to all State Governments and

Central Ministries of the Govt. of India, Prime Minister’s Office, Cabinet Secretariat, Ministry of Parliamentary Affairs, Planning Commission and Comptroller and Auditor General of India, Indian Bureau of Mines, Geological Survey of India and Department of Atomic Energy. Ordered, also that this resolution be published in the Gazette of India for general information.

### **Ministry of Mines, Resolution No. F.No. 31/49/2014-M.III, dated the 3<sup>rd</sup> November 2014**

—The Indian Bureau of Mines (IBM) functions today under a charter that was issued vide Government Resolution no.35/1/2002-M.III dated 6<sup>th</sup> March, 2003, and published in the Gazette of India on 22nd March 2003. There have been numerous developments since that date which now necessitated a review of the role and scope of the functions of the IBM to make the IBM a competent instrument for the implementation of the National Mineral Policy, 2008, and to bring its charter in line with the contemporary situation. Accordingly, the Government had set up, in 2009, a Committee for review and restructuring of the functions and role of IBM. The Committee submitted its report to Government in May, 2012. The Committee has, interalia, suggested that the functioning of the IBM should be under a redefined charter, and has, accordingly, provided a draft of the same. The Government of India have carefully considered the suggestion of the Committee and decided that the present charter of IBM should be modified, taking into account the draft suggested by the Committee. In supersession of all of earlier resolutions in this regard, Government have decided that the charter of functions of IBM will be as follows: CHARTER OF FUNCTIONS OF INDIAN BUREAU OF MINES.

The objective of the IBM will be to promote systematic and scientific development and optimum utilisation of mineral resources of the country (both on-shore and off-shore).

In order to achieve this objective the IBM will:

1) Collect, collate, and organise into a database, all information on exploration, prospecting, mines and minerals in the country in the shape of a National Mineral Information Repository and take steps to publish and disseminate the same; 2) Function as the National

Technical Regulator in respect of the mining sector, and lay down regulations, procedures and systems to guide the State Governments (first tier of regulation); 3) Build up capacity in the system, both for regulatory as well as the developmental work, at the central level as well as at the level of the States; 4) Establish institutional mechanisms of coordination between the Centre, the States, mineral industry, research and academic institutions, and all stake holders, so as to proactively develop solutions to the demands and problems faced by the industry; 5) Promote research on all aspects of practical relevance to the industry and to act as a bridge between research institutions on the one hand and user industry on the other; 6) Provide technical consultancy services; 7) Participate in international collaborative projects in the area of regulation and development of the mineral sector; 8) Advise Government on all matters relating to the mineral industry; and 9) Undertake any such other activity as has become necessary in the light of developments in the field of geology, mining, mineral beneficiation and the environment. ORDER Ordered, that this resolution be communicated to all State Governments, Ministries of the Government of India, Prime Minister's Office, Cabinet Secretariat, and Comptroller and Auditor General of India. Ordered, also that this resolution be published in the Gazette of India for general information.

### **Preparation of Guidelines on “Environmental Aspects on Quarrying Minor Minerals – Evolving Model Guidelines”**

Ministry of Environment & Forests had constituted a Group of State Secretaries of both the Environment and Mining Departments of major States under the chairmanship of Secretary (E&F), Government of India, to evolve model guidelines on environmental aspects of quarrying of minor minerals. IBM represented the Ministry of Mines as a member of the Group. The Group submitted its report in March, 2010. As a follow up of the recommendations of the Group, the Ministry of Mines was assigned the work of preparation of

guidelines on “Environmental Aspects on Quarrying Minor Minerals – Evolving Model Guidelines” for (i) Mining framework of Minor Minerals, (ii) Framework for cluster of mining and (iii) Guidelines for reclamation and rehabilitation”. IBM constituted a committee which drafted the model guidelines after obtaining comments from stakeholders and State Governments and posted it on Ministry and IBM website.

In the light of the Supreme Court Order in Deepak Kumar Vs State Government of Haryana dated 27<sup>th</sup> February, 2012, the Mines Ministry was directed to frame model guidelines and also to take steps to bring into force the Minor Minerals Conservation and Development Rules 2010. Accordingly, a committee was constituted comprising members from IBM, MoEF and State Governments of Andhra Pradesh, Chhattisgarh and Rajasthan which has submitted draft guidelines.

### **Grant of Exploration Licence in the Offshore Areas**

The Controller General, Indian Bureau of Mines is the Administering Authority for the Offshore Areas Mineral (Development and Regulation) Act, 2002. The mineral bearing blocks available for the grant of Exploration Licence in the offshore waters of Bay of Bengal and Arabian Sea were notified on 7<sup>th</sup> June 2010. In response to this, 377 applications were received for grant of Exploration Licence and Grant orders were issued for 62 blocks to 16 applicants in April 2011. Exploration Licenses are yet to be executed as the matter is sub judice.

A technical committee to frame field guidelines for exploration of offshore areas as per UNFC classification was constituted on 27.08.2010 under the Chairmanship of Controller General, IBM with representatives from Ministry of Earth Sciences, New Delhi, National Centre for Antarctic & Ocean Research, Vasco-da- Gama and National Institute of Oceanography, Dona Paula, Goa. The draft field guidelines for exploration (placers) in offshore areas for adoption of UNFC have been prepared.