

14. MAHARASHTRA

14.1 TITLE

Three sets of rules regulating the grant of minor minerals concessions are in force in Maharashtra, applicable to the different parts. In Marathwada region the rules framed by the erstwhile State of Hyderabad called the 'Rules Regulating the Working of Minor Minerals, 1954', are in force. In the Vidarbha region the rules in force are the 'Maharashtra Minor Mineral Extraction (Vidarbha Region) Rules, 1966'. In the remaining parts of Maharashtra (hereinafter described as 'Mumbai region') the rules applicable are 'Mumbai Minor Mineral Extraction Rules, 1955'.

14.2 ADMINISTERING AUTHORITY

The granting authority for the various mineral concessions in the different regions of the State is the 'Competent Officer'. In case of a quarrying lease (Mumbai and Marathwada regions) and mining lease (Vidarbha region), the 'Competent Officer' is the Collector of the district except in case of lands in the charge of the Forest Department or the PWD/Building and Communications/Irrigation and Power Departments. For forest lands, the 'Competent Officer' is the Divisional Forest Officer or the sub-Divisional Forest Officer of an independent Sub-Division whereas in case of the quarries in charge of the PWD (Mumbai region) or Building and Communications/Irrigation and Power Departments (Vidarbha region), the 'Competent Officer' is the Executive Engineer. In case of 'quarrying permit' in the Mumbai region or prospecting licence in Vidarbha region, 'Competent Officer' is the Mamlatdar and Mahalkari in Mumbai region or Tahsildar and Naib-Tahsildar in Vidarbha region or the Range and Forest Officer (for forest lands) if the quantity to be extracted under the permit does not exceed 100 brass and the Assistant and Deputy Collectors where the quantity does not exceed 1000 brass.

The appellate authority against the orders of the 'Competent Officer' is the State Government.

14.3 TYPES OF CONCESSIONS :

14.3.1 MUMBAI REGION

In this region, there are two types of concessions in vogue, viz., (i) quarrying lease, and (ii) quarrying permit. The 'quarrying lease' is similar in nature to the mining lease granted under MCR, 1960. On the other hand, the 'quarrying permit' means a permit to remove any mineral in specified quantities in specified (short) period.

14.3.2 MARATHWADA REGION

There are two types of concessions in force, namely, the 'quarrying lease', and short term (3 months) concession.

14.3.3 VIDARBHA REGION

The two types of concessions in vogue in this region are : (i) mining lease, and (ii) prospecting licence.

14.4 PROCEDURE FOR GRANT :

In all the three regions apart from grant of lease by application, the rules authorise the Government to dispose of right to remove the minor minerals by public auction or otherwise.

14.4.1 MUMBAI REGION

Quarrying lease : No quarrying lease may be granted (1) to any person other than an Indian citizen except with the prior approval of the Government, (2) in respect of limestone, limeshell or other specified minor minerals, except with the prior approval of the Director of Geology and Mining, and (3) in respect of lands notified by the Government as reserved for the use of Government, local authorities or for any other public or special purposes.

There is no prescribed form of application but the particulars required to be furnished in the application are :

- (a) name, nationality profession and residence if the applicant is an individual and name, nature and place of business and place of registration or incorporation for a company, syndicate, partnership or private firm;
- (b) a description illustrated by a map or plan showing as accurately as possible the situation, boundaries and area of land in respect of which quarrying lease is required;
- (c) the minor minerals proposed to be mined;
- (d) the purpose for which the mineral is to be used;
- (e) the period for which the lease is required;
- (f) the areas and minor minerals within the State in respect of which the applicant or any person joint in interest with him already holds a quarrying lease.

Every application should be accompanied by a fee of Rs.100/- and by certified copies of the relevant extracts of the Record of Rights pertaining to the lands in respect of which the quarrying lease is applied for and also a certificate of financial standing of the applicant from a Revenue Officer of the rank not lower than Tahsildar or a Bank.

The Competent Officer on making such enquiries as he deems fit may sanction the grant of the lease or refuse to sanction it. In case of refusal, the applicant must be informed in writing and the application fee is to be refunded. Before the lease is granted, a security deposit equal to 50 per cent of the annual dead rent fixed for the lease is to be

made for due observance of the terms and conditions of the lease. The formal lease is required to be executed within three months of the order sanctioning the lease. After the lease is granted, arrangements shall be made at the expense of the lessee for the survey and demarcation of the area granted under the lease.

An application for a renewal of the lease must be made at least 60 days before the date of expiry of the lease and should be accompanied by a fee of Rs.100/-. In case of refusal in respect of the whole or part of the area, the reasons for refusal must be recorded in writing and communicated to the applicant. If the application for renewal, made within the prescribed period, is not disposed of before the date of expiry of the lease, the period of lease shall be deemed to have been extended by a further period of 3 months or till such date on which the applicant is informed about the refusal to grant renewal of the lease.

Quarrying permit : There is no prescribed application form for the grant of quarrying permit. However, the application should contain the particulars such as name and address and profession of the applicant; name, purpose and quantity of minor minerals for which permit is sought and description of the lands from which the mineral is to be extracted. Every application for a quarrying permit should be accompanied by a fee of Rs.25/-, certified true copies of the relevant extracts of the Record of Rights in receipt of the lands from which the mineral is proposed to be extracted and a no objection letter from the occupant of the lands in case of occupied lands. The application fee is Rs.5/- in case the quantity to be extracted is not more than 10 brass.

The Competent Officer may grant a permit to any person to extract and remove from any specified land within the limits of his jurisdiction, on payment of such royalties as the Competent Officer may fix but not exceeding the royalties calculated at the rates specified in Schedule I to these rules and also on payment of such land revenue and cesses as may be assessable on the lands. The Competent Officer may refuse to grant the permit for reasons to be recorded in writing. Every quarrying permit contains a condition that the depth of the pit below the surface shall not exceed 20 ft.

14.4.2 MARATHWADA REGION

In the case of murrum ordinary clay and ordinary sand, no quarry lease or permission to quarry is required except where a deposit of the said minerals has been declared by the Competent Officer to have a commercial value or is required for a public purpose. In the case of small stray deposits of minor minerals which are worked to meet the immediate or timely petty requirements of the local inhabitants, permission to quarry on payment of royalty may be granted by the 'Competent Officer'. Such permission shall in no case be for a period exceeding three months.

Quarries may in the discretion of the Competent Officer be leased out on application or by calling for tenders or by holding public auction. A lease may be granted for being worked either exclusively by the lessee or subject to the condition that the public shall enjoy the right of quarrying for themselves on payment of royalty to the lessee.

Application for quarry leases must be made in the prescribed form containing the particulars specified in the rules, to the 'Competent Officer'.

On receipt of an application for a quarry lease over an area which has not been declared a quarry, the Competent Officer shall ascertain whether the grant of the lease is inexpedient either on the ground that the land is required for a public purpose, or is especially valuable for cultivation or the land supports especially valuable forest growth or otherwise and also whether the said land is necessary to be worked to meet the requirements of the neighbourhood. If, after ascertaining the aforesaid facts, the Competent Officer is of the opinion that it is in the public interest to grant the lease over the area he shall grant the same to the applicant.

If more than one application for quarrying the same area is received, preference is given to the applications in the order in which they are received unless the Government for any special reasons decides to the contrary.

A quarry lease, in the prescribed form is to be executed on a stamped paper of the requisite value.

14.4.3 VIDARBHA REGION

Mining lease : The procedure for the grant of mining lease in Vidarbha region is the same as described earlier for the grant of 'quarrying lease' in the Mumbai region.

Prospecting licence : The 'Competent Officer', on an application made to him, may grant a prospecting licence to any person for the purpose of exploring, locating, or proving the deposit from any specified land within the limits of his jurisdiction. The application for the licence must contain the particulars such as name, address and profession of the applicant, quantity of minor minerals for which licence is required, name of minor mineral and the description of lands for which licence is sought. It must be accompanied by a fee of Rs.25/-, certified true copies of the relevant extracts from the Record of Rights in respect of the land applied for and in case of occupied lands a letter from the occupant to the effect that he has no objection to the exploration, location or proving of the mineral by the applicant. If the licence is refused, the application fee is refunded.

Every prospecting licence contains a condition that the depth of the pit below the surface shall not exceed 20 feet.

14.5 PERIOD AN AREA :

Mumbai region : The period for which a quarrying lease may be granted shall not, except with the approval of the Government, exceed ten years. The lease is renewable at the option of the lessee for one period not exceeding the duration of the original lease.

Except with the prior approval of Government, no quarry lease may be granted in the case of 'specified minor minerals' (limestone, limeshell or others notified by the Government) for an area exceeding 50 acres and in case of other minor minerals for an area exceeding 150 acres. The maximum area that a lessee is allowed to hold under lease

in respect of one or a group of minor minerals is 3 square miles. The area under any quarrying lease shall be compact block unless the Competent Officer directs otherwise. The length of the area under lease should not exceed four times its breadth. The State Government may relax this condition in any particular case.

The 'quarrying permit' is for the removal of a specified quantity from a specified area. The maximum quantity that is permitted to be removed under one permit is one million cubic ft. The period within which the specified quantity of minor minerals should be removed is also specified in the permit.

Marathwada region : A quarrying lease may be granted for a period of one year or more but not exceeding 5 years and may be renewed for any period not exceeding 5 years. The length of any leased area should not exceed four times its width.

Vidarbha region : The provisions regarding the period and area for the 'mining lease' in the Vidarbha region are identical to those relating to the 'quarrying lease' in the Mumbai region.

The rules do not prescribe any period or limits of area in respect of prospecting licence. However, a prospecting licence may contain a condition regarding the period within which the minor mineral shall be explored.

14.6 TRANSFER, SURRENDER, TERMINATION

14.6.1 MUMBAI AND VIDARBHA REGIONS

The holder of a quarrying lease or mining lease, as the case may be, may with the previous sanction of the Competent Officer, and subject to the condition that the transfer does not result in the transgression of the upper limit of 3 sq. miles of area under lease in respect of one minor mineral and length of the area not to exceed 4 times its breadth, transfer his lease or any right, title or interest therein to any person on payment of a fee of Rs.200/- to the Government. However, prior approval of the Government or the Director of Geology and Mining is needed in case the lease was granted with their approval.

The lessee may surrender the lease at any time by giving a notice of not less than 6 months in writing to Competent Officer. Also, the lessee is entitled to surrender any part of the area at the time of renewal of the lease.

The lease is liable to be cancelled :

- (i) if the lessee, his agent or manager fails to carry out the directions, within the specified period, issued by authorised inspecting officers for prevention of wasteful extraction of minerals;
- (ii) if the lessee ceases to work the quarry for a continuous period of 6 months without the prior permission of the Competent Officer, except in cases where he is prevented from working the quarrying owing to some reasonable cause;

- (iii) if the lessee does not allow entry or inspection by the authorised officers;
- (iv) if the lessee commits any breach of the other conditions of the lease. In such cases the Competent Officer must give notice in writing to the lessee asking him to remedy the breach within 30 days from the date of the notice. If the breach is not remedied within this period, the lease may be cancelled.

14.6.2 MARATHIWADA REGION

The lessee shall not assign, sublet, transfer or otherwise dispose of the lease without obtaining the previous sanction in writing of the Competent Officer.

The lessee may surrender the lease by giving notice in writing at any time to the Competent Officer that he will surrender the lease on the expiry of 6 months from the date of notice.

If the lease money, royalty, quarrying fee or the rent payable by the lessee is not paid within 3 months next after the date fixed in the lease for its payment the Competent Officer or any other officer authorised by him may enter upon the lease premises and distrain all or any of the minerals or movable property thereon and may order the sale of the property so distrained or so much of it as will suffice for the recovery of all minerals dues etc. and shall determine the lease. The Competent Officer may determine the lease if considered desirable from the point of view of Government interest after giving 12 months notice in writing.

14.7 RENTS AND ROYALTIES :

14.7.1 DEAD RENT

Mumbai and Vidarbha regions : The lessee is required to pay every year of the lease except the first 3 months following the date of execution of the lease, such yearly dead-rent within the limits specified in schedule II of these rules as may be fixed by the Collector in the lease. If the lease permits the working of more than one mineral in the same area the Collector may fix separate dead rent in respect of each mineral. The lessee is liable to pay the dead rent or royalty in respect of each minor mineral, whichever be higher in amount, but not both. The dead rent is to be paid half year.

Schedule II (Limits of Dead Rent)

	Per annum, per acre or portion thereof	
	Minimum (Rs.)	Maximum (Rs.)
1. Specified minor minerals	10	25
2. All other minor minerals	5	10

Marathwada region : There is no provision regarding dead rent in the rules applicable to this region. These rules, however, provide that when quarry lease is granted on application, the lessee shall pay either the royalty or fixed quarrying fee whichever is higher, in quarterly instalments on the date fixed thereof. The minimum quarrying fee prescribed is Rs.100/- per acre per annum. The rate is liable to be revised once in every four years.

14.7.2 SURFACE RENT

Mumbai and Vidarbha regions : The lessee must pay surface rent for the surface area used by him for the purpose of mining, at such rate, not exceeding the land revenue and cesses assessable on the land, as may be fixed by the Collector and specified in the lease. The surface rent is to be paid each half year.

Marathwada region : There is no provision in the rules for charging surface rent. However, the lessee is required to pay annually the land assessment, if any, of the leased area.

14.7.3 ROYALTY

Mumbai and Vidarbha regions : The lessee is liable to pay royalty on minor minerals despatched from the leased area at the rates specified in Schedule I to the rules. The rules empower the State Government to revise the rates of royalty once in four years.

Marathwada region : When the quarry lease is granted on application, the lessee must pay royalty on minerals quarried from the leased area at the rates specified in the lease. The rates are liable to be revised every four years.

The rates of royalty prescribed under three sets of rules are identical and the current rates are given below :

RATES OF ROYALTY

Sr. No.	MINERAL	RATES	
		Rs. per tonne	Rs. Per brass
1.	Limestone and limeshell used in kilns for manufacture of lime used for building material.	2.50	10.00
2.	All stones removed irrespective of size including stone dust either by excavation or collection.	2.50	10.00
3.	(a) Shingle, Gravel, Murrum, Kankar all removed either by excavation or collection.	2.50	10.00
	(b) Chalcedony pebbles used for ball mill purpose only.	10.00	40.00
	(c) Ordinary sand not used for the following prescribed purposes : (1) refractory and manufacture of ceramic, (2) metallurgical (3) optical, (4) stowing in coal mines, (5) manufacture of silvitrete cement, (6) manufacture of sodium silicate, and (7) manufacture of pottery and glass.	2.50	10.00
4.	Ordinary clay		
	(a) Used by village potter	1.25	5.00
	(b) When used for manufacture of tiles (Mangalore pattern or any other purposes).	3.25	13.00
5.	Ordinary earth used as filling.	2.50	10.00
6.	Slate and shale when used for building material.	5.00	20.00
7.	Earth, silt and all types of clays etc. used for manufacture of bricks and other purposes.	1.25	5.00
8.	Fuller's earth or Bentonite.	8.00	32.00
9.	All stones intended for use for decorative purposes.	15.00	60.00
10.	All other minor minerals.	2.50	10.00

14.8 DISPUTE SETTLEMENT PROCEDURE :**APPEAL :**

Mumbai and Vidarbha regions : Any person aggrieved by an order of the Competent Officer refusing to grant a quarrying lease, mining lease, prospecting licence or quarrying permit, determining or cancelling a lease, licence or permit, or refusing to permit transfer of a quarrying or mining lease may, within two months of the date of such order, apply to the State Government for reviewing the same. The appeal should be accompanied by a fee of Rs.50/-. Upon receipt of such application, Government may, if it thinks fit, call for the relevant records and other information from the Competent Officer and after giving opportunity to the parties to be heard, may vary his order or revise it in such manner as Government may deem just and proper.

Marathwada region : An appeal against an order passed by the Collector shall lie, within 30 days of the order, with the Secretary to the Government, Commerce and Industries Department (Mines).

REVISION/REVIEW :

Any decision, order or regularity of proceedings of any Competent Officer in the whole State are subject to revision by the State Government. The State Government or the Competent Officer have the powers to review suo motto or on application by any interested party, any order passed by itself/himself or their predecessor. No order dealt with the appeal or in revision is however, open to review by Competent Officer and orders passed in review cannot be reviewed.