

20. UTTAR PRADESH

20.1 TITLE

Uttar Pradesh Minor Minerals (Concession) Rules, 1963.

20.2 ADMINISTERING AUTHORITY

The power to grant the mining lease or mining permit is vested in the State Government. However, the State Government may, by notification, direct that any power exercisable by it, may in relation to such matters and subject to such conditions, as may be specified in the notification, be exercisable also by such officer or authority as be specified in the notification. The applications for grant are submitted to the "District Officer", i.e. Collector or Deputy Commissioner of the District in which the land is situated or to such other officer who may be authorised in this behalf by the State Government. The processing of the application is also done by these authorities.

The Divisional Commissioner is the appellate authority against the orders passed by the District Officer or the Committee.

20.3 TYPES OF CONCESSIONS

Two types of concessions are available under these rules, namely, 'mining lease' and 'mining permit'. The 'mining lease' is similar in nature to the mining lease granted under MCR, 1960. However, when the lease is granted through auction, it is called 'auction lease'. The 'mining permit' means a permit granted to extract a specified quantity of minor mineral within a period stipulated in the permit.

20.4 PROCEDURE FOR GRANT

No mining lease, auction lease or mining permit can be granted to any person who is not an Indian national.

20.4.1 MINING LEASE

An application for grant of mining lease should be in the form prescribed under these rules. Four copies of the application should be handed over personally to the District Officer or any other authorised by him in this behalf. One copy shall be returned immediately to the person presenting it after entering the place, time and date of receipt. Every application should be accompanied by a fee of Rs.1,000/-, a deposit of Rs.2,000/- for meeting the preliminary expenses in connection with the grant of a mining lease and four copies of the cadastral survey map showing the area applied for. In case the area is not covered by cadastral survey, the area should be marked on a topographical map on a scale of at least 4" = 1 mile. The District Officer must cause an enquiry to be made into all relevant matters and unless he is himself authorised to grant the mining lease, should forward within two months of the date of receipt of the application, two copies of the application with his own recommendations to the State Government or to such authority who may be authorised by the State Government to grant the lease. The granting

authority may, after making such further enquiries as may be deemed necessary, grant or refuse the lease for the whole or part of the area applied for. The application must be disposed of within 6 months from the date of its receipt and if it is not disposed of within this period it shall be deemed to have been refused. If the lease is refused, the application fee is refunded.

Where two or more persons apply for a mining lease over the same area, the applicant whose application was received earlier has a preferential right for the grant of the lease over an applicant whose application was received later. If the applications are received on the same day, the State Government may grant the lease to such one of the applications as it may deem fit by taking into account their past experience, financial resources, nature and quality of technical staff employed or to be employed, past conduct in carrying out mining operations, etc. The State Government is empowered to grant the lease to an applicant whose application was received later in preference to an earlier applicant, for any special reasons to be recorded. In respect of mining lease for excavation of sand or murrum, etc. found in river bed preference shall be given to a person or group of persons belonging to socially and educationally backward classes of citizens engaged in excavation of sand or murrum as a profession and are resident of the same district. They have established or intend to establish the aforesaid minor mineral based industry in the State registered in the same district consisting of persons who are engaged in carrying on the occupation of excavation of sand as a profession.

The lease is required to be executed within three months (one month for leases for sand) from the date of the communication of the grant order. Before the lease is executed the grantee is required to deposit as security for due observance of the terms and conditions of lease, a sum equal to 25% of the annual dead rent or annual lease amount of the lease area subject to the minimum of Rs.2,000/-. When the lease is granted, arrangements shall be made by the Director for the survey and demarcation of the leased area for which the lessee will be charged at the rates specified in the rules.

Rules also provide that the State Government may by general or special order declare the area or areas which may be leased out by auction or by tender or by auction-cum-tender. The State Government may by declaration withdraw any area or areas declared to be granted under lease by auction or by tender. The procedure for auction and inviting tender is prescribed in the rules.

20.4.2 MINING PERMIT

An application for the grant of mining permit should be submitted in the prescribed form, in triplicate, to the District Officer or to such other authority who may be authorized by the State Government to grant such permit. It should be accompanied by a fee of Rs.400/- and two copies of a cadastral survey map or a topographical survey map on a scale of at least 4" = 1 mile showing the area applied for. The officer authorised to grant the permit, may, after making such enquiries as may be deemed necessary grant or refuse to grant the permit for the whole or part of the area applied for and subject to such conditions as the officer may consider necessary. The applicant is required to deposit, within fifteen days of the communication of the grant order, royalty for the total quantity of the mineral permitted in the order, at the rates specified in the

First Schedule. A mining permit in the prescribed form shall be issued to the applicant within fifteen days of the deposit of the royalty.

20.5 PERIOD AND AREA

Normally, the period of a 'mining lease' shall not exceed ten years. If the State Government is of the opinion that in the interest of mineral development it is necessary so to do, it may, for reasons to be recorded, grant a mining lease for any period longer than 10 years, but not exceeding 15 years. There is no provision in the rules for the renewal of the mining lease.

No person can acquire in respect of any minor mineral one or more mining lease covering a total area of more than thirty acres. The State Government is, however, empowered to permit any person to acquire one or more mining leases covering an area in excess of 30 acres in the interest of mineral development. The length of the area under a mining lease shall ordinarily not exceed four times its breadth.

When a mining lease is granted by auction or by tender or by auction-cum-tender, the period of the lease cannot exceed five years.

As stated earlier, a 'mining permit' is granted to extract a specified quantity of minor mineral within a specified period. No mining permit may be granted for a period of more than six months.

20.6 TRANSFER, SURRENDER, TERMINATION

The lessee shall not assign, sublet, mortgage or in any other manner transfer the mining lease, or any right, title, or interest therein. He shall also not enter into or make any arrangement, contract or understanding whereby his mining operations or undertaking will or may be substantially controlled, by any person or body of persons other than himself. With the prior approval of the State Government, and subject to such conditions/restrictions imposed by it; the lessee may mortgage to a finance corporation owned/controlled by State Government or a Scheduled Bank u/s 2 of the Reserve Bank of India Act, 1934 or under First Schedule to the Banking Companies (Acquisition and transfer of undertaking) Act, 1970 or assign to any other person a mining lease or any right, title or interest therein.

No lessee shall determine a mining lease except after a notice, in writing, of not less than 6 calendar months to the State Government.

The State Government or any officer authorised by it in this behalf may determine the mining lease after serving a notice on the lessee to pay within 30 days of the receipt of the notice any dead rent or royalty or any other amount due to the State Government if it was not paid within 15 days next after the date fixed for such payment. Likewise, in case of any breach or contravention by the lessee of any of the rules or conditions and covenants of the lease, the State Government may after giving the lessee a reasonable opportunity to state his case, determine the lease. The State Government may by an order in writing determine any lease at any time, if the lessee has assigned, sublet, Mortgage or in any other manner transferred/the mining lease or any right, title or interest therein or

entered into or made any arrangement, contract or understanding without its prior approval or has committed breach of any condition or restriction specified by the State Government in this behalf.

20.7 RENTS AND ROYALTY

Dead rent : The holder of a mining lease is required to pay in advance in installments for every year of the lease, yearly dead rent at the rates mentioned in the Second Schedule and specified in the lease deed by the State Government. If the lease permits the working of more than one mineral in the same area, the dead rent is payable separately for each mineral. However, the lessee is liable to pay the dead rent or royalty in respect of each mineral, whichever be higher in amount, but not both.

Second Schedule (Rates of Dead Rent)

Name of Minor Mineral	Name of District	Rate of dead rent Per acre per annum
1. Marble and marble chips	Dehradun, Sonebhadra, Almora, Tehri Garhwal and other district, if any.	Rs.3,000.00
2. Lime stone	Dehradun, Sonebhadra, Almora, Tehri Garhwal, Nanital and other district if any.	Rs.2,000.00
3. (i) Building stone (other than granite)	Jhansi, Lalitpur, Hamirpur, Banda, Sonebhadra, Mirzapur, Allahabad, Mathura, Agra, Jalaun and other district if any,	Rs.2,000.00
(ii) Dimensional stone granite	Jhansi, Lalitpur, Hamirpur, Banda, Jalaun, Sonebhadra and other district if any	Rs.6,000.00
4. Such building stone Ballast bariari and ordinary sand as are found in mixed form in the river bed.	Dehradun (river bed), Nanital Tehri Garhwal, Bijnor, Pauri Garhwal, Pithoragarh, Almora, Saharanpur, bahraich, Chamoli, Lakhimpur Kheri, Uttarkashi, and other district, if any	Rs.2,000.00 (Boulder) Rs.2,000.00 (Bajari) Rs.1,400.00 (Ordinary rate will be send charged on each mineral.
5. Morrum	Hamirpur (Betwa river), Jhansi, Banda, Jalaun, Lalitpur (on hills), Fatehpur, Sonebhadra and other district if any.	Rs.3,000.00

Name of Minor Mineral	Name of District	Rate of dead rent Per acre per annum
6. Ordinary sand First category	Alhabad (Yamuna river)	Rs.2,000.00
	Allhabad (Ganga river)	Rs.2,000.00
	Mirzapur (Ganga river)	Rs.2,000.00
	Agra (Yamuna river)	Rs.2,000.00
	(Chambal river)	Rs.2,000.00
	Ghaziabad (Yamuna river)	Rs.2,000.00
	Meerut (Yamuna river)	Rs.2,000.00
	Varanasi (Ganga river)	Rs.2,000.00
	(Karamnasha and other rivers)	Rs.2,000.00
	Gorakhpur (Ghaghra Dadi rivers)	Rs.2,000.00
	Azamgarh (Ghaghra jamin river)	Rs.2,000.00
	Kanpur(city) and Kanpur(dehat)(Ganga river	Rs.2,000.00
	Unnao (Ganga river)	Rs.2,000.00
	Unnao (Sai river)	Rs.2,000.00
	Kanpur (Dehat Yamuna river)	Rs.1,400.00
	Sitapur (Gomti, Sarju river)	Rs.1,400.00
	Farrukhabad (ganga, Kale river)	Rs.1,400.00
	Pilibhit (Garrah, Dehua river)	Rs.1,400.00
	Rampur (Ram Ganga river)	Rs.1,400.00
	Badaun (Ganga river)	Rs.1,400.00
	Mainpuri	Rs.1,400.00
	Jaunpur (Gomti, Sai river)	Rs.1,400.00
	Aligarh (Ganga river)	Rs.1,400.00
	Hardoi (Garrah, Ganga and Gomti river)	Rs.1,400.00

Surface rent : There is no provision in these rules for the levy of surface rent.

Royalty : The holder of a mining lease is liable to pay royalty in respect of any minor mineral removed by him from the leased area at the rates for the time being specified in the first Schedule to the rules. The State Government may, by notification in the Gazette, amend the First Schedule so as to include therein or exclude therefrom or enhance or reduce the rate of royalty in respect of any mineral with effect from such date as may be specified in the notification. These rules lay down a further condition that the State Government may not enhance the rate of royalty in respect of any mineral more than once during any period of three years and shall not fix the rate of royalty at more than 20 per cent of the pit's mouth value.

First Schedule (Rates of Royalty)

Mineral	Rate (Rs.)
1. Limestone	25.00 per tonne or 45 per cu.m.
2. Marble or marble chips (Sangmarmar)	40.00 per tonne or 72.00 per cu.m.
3. Brick earth	4.00 per thousand bricks produce
4. Salpetre	0.40 per kg. or 40.00 per quintal
5. Building stones	
(i) Sized dimensional stone Including slabs and ashlar other than Granite.	60.00 per cu.m.
(ii) Mill stone and hand Chakkis other than Granite.	75.00 per cu.m.
(iii) Khandas and boulders	10.00 per cu.m.
(iv) Ballast (Gitti)	10.00 per cu.m.
(v) Granite sized dimensional Stone.	200.00 per cu.m.
6. Muurrum (including river coarse sand)	12.00 per cu.m.
7. Ordinary sand other than sand used for prescribed purposes.	8.00 per cu.m.
8. Kankar	7.00 per cu.m.
9. Shingle (Bajri)	12.00 per cu.m.
10. Ordinary earth	4.00 per cu.m.
11. Any other minor mineral for which The rate of royalty not specified.	10 per cent of pit's Mouth value.

20.8 DISPUTE SETTLEMENT PROCEDURE

The provision regarding appeal and revision are as follows :

An appeal against a order passed under the rules by the District Officer or the Committee shall lie to the Divisional Commissioner with a period of 60 days from the date of communication of such order to the party aggrieved.

The State Government may, either suo moto at any time or on an application made within 90 days from the date of communication of the order, call for the examine the record relating to any order passed or proceeding taken by the District Officer, Committee, Director or the Divisional Commissioner under these rules and pass such orders as it may think fit.