

RAJASTHAN
MINERAL POLICY
2011

1. PREAMBLE

Government of Rajasthan has considered it appropriate to promote proper use of huge mineral resources of the State for sustainable economic development of its people and the nation as a whole by amending its existing mineral policy, 1994. To achieve this, it has been decided to simplify the rules and procedures so as to ensure scientific, safe and eco-friendly mining, productivity, conservation and cost-effectiveness, social commitment, zero waste mining, health and welfare of people. The scientific mining has to go hand in hand with sustainable management practices for the long term economic development of the State.

2. MINERAL POTENTIAL – AN OVERVIEW

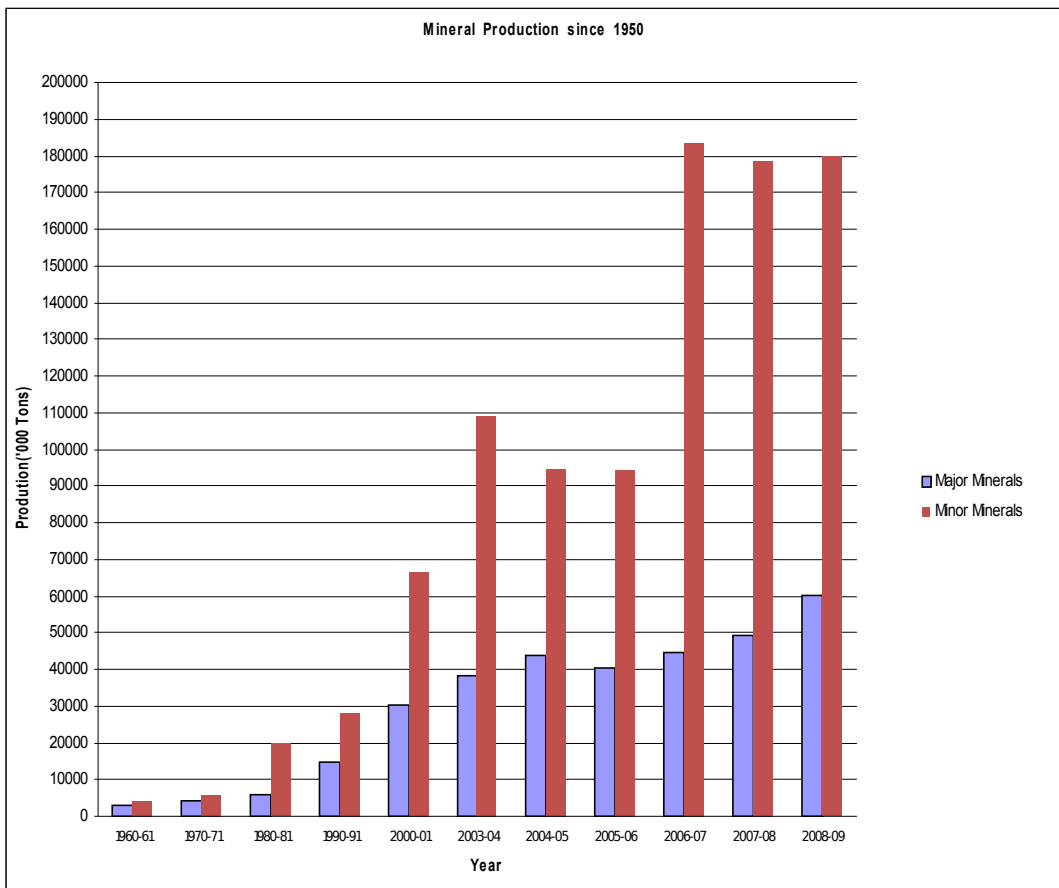
Mineral resources reflect the prosperity of a nation and play a major role in industrial and economic development of the country. Rajasthan is a mineral rich state and blessed with 79 varieties of minerals, of which 58 are being commercially exploited. State has virtual monopoly in the production of major minerals like Wollastonite, Lead–Zinc, Calcite, Gypsum, Rock phosphate, Ochre, Silver and minor minerals like Marble, Sandstone and Serpentine (Green Marble) etc., which contribute almost 90 to 100 % of national production. Huge reserves of Lignite (4986 million tonnes), Crude oil (480 million tonnes), Heavy oil (14.60 million tonnes), Bitumen (33.20 million tonnes), Lean gas (11790 million cubic meters) and High quality gas (3000 million cubic meters), further add in its mineral strength. Mining is not only a major source of employment in Rural and Tribal areas of the State, but also a major source of revenue and plays an important role in the development of the State.

Department of Mines & Geology, Rajasthan and Department of Petroleum are main agencies for mineral exploration and mineral administration in the State.

Department of Mines & Geology having its Directorate at Udaipur has a vast set up throughout the State and well defined policy for the grant of mineral concessions. Department of Petroleum has its Directorate at Jaipur and is controlling mineral concessions for Petroleum & Gas in the State.

A fully state owned company Rajasthan State Mines and Minerals Limited (RSMML) has its strong presence in country's industrial mineral sector and is mining and marketing mineral Rock phosphate, Lignite, Gypsum and Limestone.

Figure - 1
Mineral Production (1950-51 to 2008-09)



3. INFRASTRUCTURE RICH STATE

State has a rich infrastructural network conducive for industrial environment. It is well connected with rest of the country through Broad Gauge Railway Lines and Roads Network like Golden Quadrilateral, East-West Corridor, Mega Highways, other roads linking District head quarters, Sub divisional blocks, Villages having more than 1000 population. Delhi Mumbai Industrial Corridor (DMIC) will pass through Rajasthan. Many important Petroleum pipelines pass through the State of Rajasthan. Crude and Gas pipelines passing through the State are given below:

	Approx. Length (in Km.)
• IOCL: Kandla-Bhatinda Product Pipeline	1443
• IOCL: Koyali- Sidhpur- Sanganer Product Pipeline	751
• HPCL: Mundra-Delhi Product Pipeline	1054
• HPCL: Mundra-Bhatinda Crude Pipeline	1006
• IOCL: Salaya-Mathura Crude Pipeline	1870
• GAIL: Jamnagar-Loni LPG Pipeline	1339
• GAIL: Vijaypur- Ibrahimpur- Dadri- LNG Pipeline	650
• Ibrahimpur-Dholpur LNG Spurline	30
• GAIL: Hajira-Bijaypur-Jagdishpur(HBJ)LNG Pipeline	1800
• Vijaypur-Kota-Anta LNG Spurline	150
• Ambhepur (Chainsa)-Bhiwadi-Neemrana LNG Spurline	160
• GAIL: Shahgarh-Ramgarh Gas Pipeline	90
• Dandewala- Gamnewala- Ramgarh Gas Pipeline	67
• ONGCL/CAIRN: Barmer-Salaya Port Crude Pipeline	600

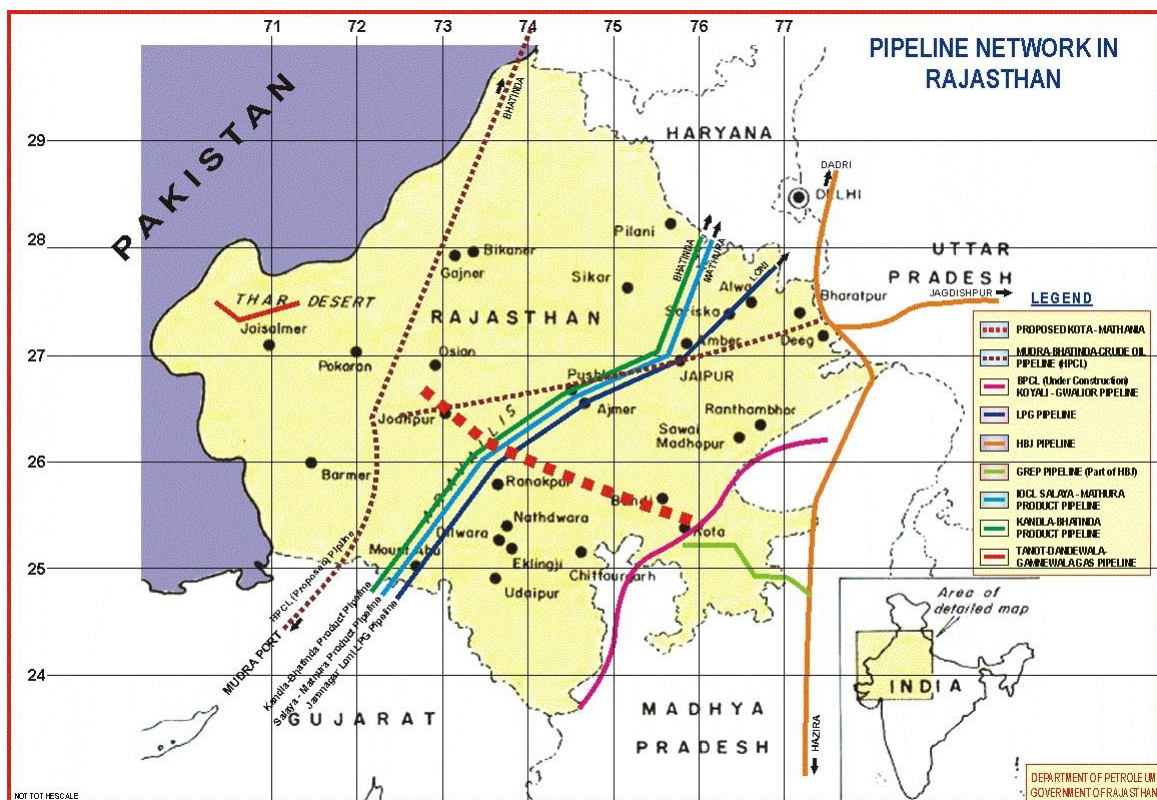
This pipeline networking has immense opportunities for downstream projects in the State such as establishment of Gas Grid and City Gas Distribution Projects, Supply Chain and Marketing Network of Petroleum Products, feed-stock for Thermal power plant, Fertilizer, Petro-chemical Hub, Refinery and fuel for Automotives and Industries etc.

Establishment of new Lignite based, Atomic and Hydel power plants is in process to increase power availability in the state. State is rich in human resource development facilities to sustain development of mineral based industry.

Mining activities are generally located in remote areas. Infrastructure facilities such as link roads, rail connections, power etc., are the basic needs for the development of mining areas. State shall mobilize its resources to provide linkage of roads and power in mining areas. State will also implement the link road projects with the associations of lease holders on the basis of public private partnership (PPP), wherever possible.

Figure - 2

Crude & Gas Pipelines Passing Through the State



4. OBJECTIVES:

The new mineral policy has the following objectives:

- (A) To create favorable environment for value addition of the minerals in the State.
- (B) To enhance employment opportunities.
- (C) To explore mineral wealth of the State by adopting modern exploration techniques with a priority for strategic minerals like lignite, limestone and base metals.
- (D) To promote mechanized and scientific mining keeping in view the environmental measures and mineral conservation.
- (E) To promote development of human resources for meeting the requirements of mining and mineral based industries.
- (F) To de-mystify procedures and achieve greater transparency in decision making.
- (G) To strengthen infrastructural facilities in mineral bearing areas with special emphasis on linking existing infrastructure.
- (H) To promote prospecting and mining of noble and base metals, fertilizer and industrial minerals.
- (I) To create environment for establishment of Lignite and Methane based industries as well as Petroleum Refinery in the State.
- (J) To simplify the rules and procedures to remove the hurdles and bottlenecks in the interest of mineral development.
- (K) To implement welfare measures for the Mine Workers.

5. EXISTING ACTS AND RULES

- 5.1** Management of mineral resources is the responsibility of the Central Government and the State Government in terms of Entry 54 of the Union List (List-I) and Entry 23 of the State List (List II) of the Seventh Schedule of the Constitution of India. The Mines and Minerals (Development and Regulation) Act, 1957 lays down the legal framework for the regulation of mines and development of all minerals other than petroleum and natural gas. The Central Government intends to legislate a new Act called "The Mines and Minerals (Development and Regulation) Act.
- 5.2** The Central Government has framed the Mineral Concession Rules, 1960, for regulating grant of reconnaissance permit, prospecting licenses and mining leases in respect of all minerals except minor minerals. The Central Government has also framed the Mineral Conservation and Development Rules, 1988, for conservation of minerals and systematic development of mines. These rules are applicable to all minerals except oil, coal, atomic minerals and minor minerals.
- 5.3** The Central Government has also framed Granite Conservation & Development Rules, 1999 and Marble Development & Conservation Rules, 2002, for regulating the conservation and development of Granite and Marble respectively.
- 5.4** Other Central and State Government enactment such as Environment (Protection) Act, 1986, Forest Conservation Act, 1980, Explosive Act, 1884, Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 etc. and rules made there under are also applicable.

5.5 Under the powers conferred vide section 15 of MMDR Act, 1957, State Government framed Rajasthan Minor Mineral Concession Rules, 1959, which were subsequently amended and reframed in 1977 and 1986. In addition, State has also framed specific Mineral Policies for various important minerals for regulating their mineral concessions like Marble Policy, 2002, Granite Policy, 2002, and Brick Earth Policy, 1994 etc.

5.6 Mineral concessions of Petroleum & Gas are regulated in accordance with the provisions of–

(A) Oil field (Regulation & Development) Act, 1948.

(B) Petroleum & Natural Gas Rules, 1959.

(C) New Exploration Licensing Policy (NELP), 1998-99.

(D) Coal Bed Methane Policy (CBM), 1997-98.

5.7 Mineral concessions of Coal and Lignite are regulated in accordance with the provisions of Coal Mines (Nationalization) Act, 1973.

5.8 The rules, policies, important circulars and orders issued from time to time will be made available at department's website www.dmg-raj.org

6. NATIONAL MINERAL POLICY, 2008

Keeping in view the long term national goals and perspective for exploitation of minerals, Government of India has revised its earlier National Mineral Policy, 1993 and came up with a new National Mineral Policy 2008. Basic goals of NMP 2008 are-

A. Regional and detailed exploration using state of the art techniques in time bound manner.

B. Zero waste mining

For achieving the above goals, important changes envisaged are:

- Creation of improved regulatory environment to make it more conducive to investment and technology flows
- Transparency in allocation of concessions
- Preference for value addition
- Development of proper inventory of resources and reserves
- Enforcement of mining plans for adoption of proper mining methods and optimum utilization of minerals
- Data filing requirements will be rigorously monitored
- Old disused mining sites will be used for plantation or for other useful purposes.
- Mining infrastructure will be upgraded through PPP initiatives
- State PSU involved in mining sector will be modernized
- State Directorate will be strengthened to enable it to regulate mining in a proper way and to check illegal mining
- There will be arms length distance between State agencies that mine and those that regulate
- Use of machinery and equipment which improve the efficiency,
- productivity and economics of mining operation, safety and health of workers and others will be encouraged

7. MINERAL EXPLORATION

7.1 Mineral exploration shall be stepped up substantially so as to optimize gains to the State's economy. The Directorate will invite different national and international organizations and entrepreneurs of proven worth who are willing to invest in this realm in the state.

7.2 The State Mining Directorate and Public Sector Undertaking will be strengthened in order to increase the resource base of the State and regular programmes will be taken up for the purpose of

(i) Detailed mapping and exploration of the potential areas.

(ii) Prospecting operations of promising areas and preparation of feasibility reports.

7.3 A Geochemical Survey will be taken up to increase the mineral resource base of the State by the State Directorate and RSMML in collaboration with Geological Survey of India.

7.4 Department of Mines & Geology has to assume the lead role in the exploration activities of the State. It will now initiate drilling up to a depth of 1,000 meters especially for Lignite and Base Metal exploration so that mineral potential at depth can be established. Exploration of Base Metals will also be taken up as a joint venture with Central Government/private agency of proven expertise and experience.

7.5 Soapstone is an important mineral produced in the state and supplied through out India and abroad to cater the need of cosmetics, paper, paint, insecticide and many other industries. Keeping in view the requirement of soapstone in future and its limited resources, special efforts towards its exploration shall be made by deep hole drilling in existing soap stone bearing rock formations.

8. MINERAL CONCESSIONS - General

Subject to the provisions of the relevant Acts and Rules, the following policy priorities are determined:-

- (i) The public sector units of the State will be given priority in terms of prospecting licences and mining leases and areas will be reserved for such units keeping in view their capacity for mineral development and value addition. Value addition based projects of State PSUs will be given priority for allotment of prospecting licences/mining leases in terms of section 11(5) of the MMDR Act or its corresponding section in the new Central Act.
- (ii) Joint Ventures for exploiting mineral resources or setting up mineral based industries will be undertaken in a transparent manner by inviting expression of interest and selecting a suitable applicant based on notified criteria that may include all or any of the following:
 - (a) Special expertise or knowledge
 - (b) Long experience
 - (c) Financial resources
- (iii) In order to optimize revenue for the State, it is proposed that in Government land applications will be invited only after delineation. Prior to delineation all requisite NOCs shall be procured by the Department. After delineation 50% area will be reserved for allotment to different categories by way of lottery and remaining 50% area will be allotted by auction. In the reserved area application will be invited after 30 days of the notification and the applications received within a period of 30 days after 30 days of notification will be treated as received on the same date. New system will be effective from the date of issue of notification in this respect and the

applications received prior to issue of the notification will be disposed of as per prevailing rules in force prior to this notification.

- (iv) Mining plans and Mine Closure plans shall be approved after adequate scrutiny in terms of stakeholder impact. There shall be adequate provision for reclamation and/or restoration of land to the best possible potential.
- (v) Any applicant (other than PSUs) claiming preference for special reasons shall make a specific claim to this effect supported by documents and all such claims shall be considered together and disposed of in a transparent manner. Special reasons must closely relate to value addition, zero waste scientific mining, strategic mineral development, use of new and advanced technologies and ownership of land of the recommended area.
- (vi) The State Government shall take steps to improve the regulatory supervision for checking illegal mining and incentivize the Village Panchayats to keep vigil on the illegal mining.

9. IMPORTANT MINERALS -THEIR LEASING POLICY

9.1 PETROLEUM & GAS

- (A) The Crude Oil & Natural gas resources tapped during 1999-2008 in Barmer-Sanchore Basin and high quality Gas discovery in Jaisalmer Basin have put Rajasthan on the Oil Map of the World. Till now 25 Oil Fields have been established in Barmer-Sanchore Basin, wherein in-place reserves of about 480 million tonnes (3.5 billion barrels) of crude oil and 3,000-6,000 million cubic meters of gas have been proved. As per latest estimates of

M/s Cairn India, Barmer-Sanchor basin has the resource potential of about 6.5 billion barrels (i.e. 900 million tonnes) of oil equivalent. In-place reserves of about 19000 million cubic meter of natural gas (Lean and Rich) have been proved in Jaisalmer Basin.

- (B) Total petroliferous area of the State is around 1, 50,000 sq. km.
- (C) Policy of Liberalization was announced in 1991 by Government of India and accordingly Petroleum Sector was opened up for private participation. New Exploration Licensing Policy (NELP) was announced in 1998-99 and Coal Bed Methane Policy (CBM) was announced in 1997-98. Presently Oil & Gas blocks are being awarded as per the NELP and CBM policy.
- (D) Ten Petroleum Mining Leases (PML) and 21 blocks for Oil, Gas and CBM are under exploration and exploitation in the State, covering about 60,000 sq. km area.
- (E) About 9.5 lac cubic meter of gas per day is already under production and being supplied to Ramgarh Gas Thermal Power Plant. Reserves of around 7 billion cubic meter has been established in Shahgarh area of Jaisalmer.
- (F) Production of Crude Oil from Barmer-Sanchore Basin was commenced on 29th of August, 2009 and Peak Plateau Production is anticipated in the range of 1,50,000-1,75,000 barrels of oil per day to be achieved in about one year. As per the latest estimates of Cairn India, the production rate could be enhanced to 2,40,000 barrels per day.
- (G) Pilot scale operation is underway to establish producibility of Heavy Oil (14.60 million tonnes) and Bitumen (33.2 million

tonnes) in Bikaner-Nagaur Basin. Trial production of heavy oil has commenced in August 2009.

- (H) An area of 1691.75 sq. km. has been reserved for UCG operations in Barmer-Sanchor Basin. State Government has entered into MoU with GAIL for development of Underground In-situ Lignite Gasification Project in 25 Sq. Km. area. Data thus generated shall be used for carving out of blocks for the commercial exploitation of Syn-gas with the approval of Ministry of Coal (MOC). Technical tie up for the pilot scale operation is under consideration with Uzbek Coal, a Government Department of Republic of Uzbekistan.
- (I) A project has been recently approved by Directorate General of Hydrocarbon (DGH) and Oil Industry Development Board (OIDB) for CBM in Bikaner District.
- (J) Gas Authority of India Limited (GAIL) is in the process of developing City Gas Distribution systems in Kota and Expression of Interests (EOIs) have already been issued by Petroleum & Natural Gas Regulatory Board (PNGRB) for Udaipur and Jaipur.
- (K) State Government is making sincere efforts for establishment of a well head refinery in the State.
- (L) State has identified remaining unexplored areas of Hydrocarbon for exploration and carved out blocks are being proposed to Ministry of Petroleum & Natural Gas (MoPNG) for their allotment in regular process.
- (M) Rajasthan State Petroleum Corporation Limited (RSPCL), a subsidiary of RSMML has been created for State participation

in Petroleum Sector. A business plan for the RSPCL has been prepared by the Indian School of Petroleum, Dehradun. The RSPCL shall undertake activities for oil refining, pipeline transport, gas retailing, City Gas Distribution, oil exploration and oil field support services.

- (N) Efforts shall be made to enhance power/energy production capacity on the basis of increased production of Natural Gas. The Rajasthan Vidhyut Utpadan Nigam (RVUN) has entered into an agreement with Focus Energy for the supply of 0.95 mmscmd gas for the existing unit and additional unit of 160 MW to be installed at Ramgarh.

9.2 LIGNITE

Rajasthan has about 4986 million tonne deposits of lignite out of 37,460 million tonnes of proven reserves in the country. The State shares 13% of the country's total resource and is ranked second after Tamil Nadu.

- (A) Out of 70,000 Sq.Km. area of the tertiary formation of the State, where there is a possibility of lignite deposits, only about 800 Sq.Km. area has been explored so far. Thus, there is a tremendous possibility for further exploration of lignite. Besides, the State has deep seated lignite deposits which can be utilized for generation of natural gas through Underground Coal Gasification (UCG) and Coal Bed Methane (CBM).
- (B) The State Government will take a considered decision for grant of mineral concession looking to the workability and feasibility for UCG, CBM and Lignite vis-à-vis oil exploitation and power generation.

(C) It is planned to establish lignite and gas based power generation plants in Barmer and Bikaner Districts.

9.3 LIMESTONE (CEMENT GRADE)

Limestone produced in the state is used in cement manufacturing, in chemical industries and for lime burning. SMS grade lime stone is also produced in the State which is used in the steel plants. Limestone is available in almost all parts of the State and huge reserves to the tune of 19486 million tonnes (all grades) have been proved till now.

- (A) With 14 major cement plants and two white cement plants, having a total capacity of 41 million tonnes per annum, Rajasthan is the second highest cement producing state in India.
- (B) An investment worth Rs.5000 Crores is expected in the cement plants to be established in Rajasthan during coming years.
- (C) Mining lease of cement grade limestone will be allotted only for captive use by cement plants.

9.4 LIMESTONE (SMS GRADE)

900 million tonnes of SMS grade limestone and high grade limestone reserves have been proved in parts of Jaisalmer, Nagaur, Jodhpur and Pali districts. SMS grade limestone is used as flux in steel plants. It co-exists with cement grade, chemical grade and burning grade and therefore its separate mining is not possible.

Presently there is a policy to grant leases of SMS grade Limestone to State undertakings only. But where it is produced incidental to production of other grades of Limestone in existing leases, dispatch

of SMS grade Limestone is allowed to steel plants, on payment of royalty at the rates prescribed in II Schedule of MMDR Act 1957.

The above policy will continue with the modification that priority may be given by the State Government in allotment of SMS grade Limestone to an agency (RSMML or Joint Venture involving RSMML at least 51% stake) who intends to set up a steel plant in Rajasthan.

9.5 DOLOMITE

Dolomite mineral has been reserved exclusively for working in Public Sector undertaking vide State Government order dated 18.08.1981. This policy shall be reviewed keeping in view the later developments, mineral conservation and environment protection. Inclusion of Dolomite (other than steel grade Dolomite) shall be permitted in existing major mineral leases where host rock is Dolomite and fresh application of mining leases of Dolomite (other than steel grade Dolomite) will also be considered. Steel grade Dolomite leases will be given only to State PSU or JV involving State PSU.

9.6 BASE METALS AND NOBLE METALS

(A) LEAD-ZINC, COPPER:

The State contributes significantly in the national production of Lead and Zinc (100%) and Copper (47.76%). The important Copper deposits are located at Khetri in North Delhi Fold Belt, which is a 80 km. long belt. The South Delhi Fold Belt, which includes Aguchua (Bhilwara), Rajpura - Dariba (Rajsamand) and Zawar (Udaipur), is known for Lead and Zinc deposits. Besides, Deri-Basantgarh in Sirohi district, Srinagar in Ajmer district, Kho-Dariba in Alwar

district and Khan-Khera in Bharatpur district are other important known base metal deposits.

(B) SILVER AND GOLD:

Gold deposits are found in Banswara and Dausa districts, where exploration is still in progress. Silver accounts for 80.84% of the total country's reserves and is recovered during the smelting process of base metals.

So far, the base metal and noble metal exploration in the State was carried out in the shallow horizons. Rajasthan has been the first State to introduce air-borne surveys through multinational and joint venture companies, which have identified 663 anomalies, indicating possibilities of metallic mineral sub-surface, which needs exploration to be initiated in the deeper horizons. There are strong possibilities of locating new base metal and noble metal deposits at deeper horizons. Data generated by various multi national and Joint Venture companies are being re-processed and re-interpreted by the Department as well as by other agencies. These geo-physical data are also made available to prospective entrepreneurs on cost basis. Priority will be given to RSMML or joint ventures involving RSMML for prospecting and mining of gold.

(C) IRON AND MANGNESE

Priority for allotment of prospecting/mining lease for Iron and Manganese will be given to the agency which makes a firm commitment to set up a steel plant in Rajasthan. Among various applicant agencies, priority will be given to State PSU and Joint Ventures involving State PSU. In case State PSU is not interested, priority will be determined for other applicants on the basis of financial strength and use of advanced technology.

9.7 QUARTZ AND FELDSPAR (CERAMIC MINERALS)

Quartz and Feldspar deposits are found mainly in more than 200 km long belt extending from Rajsamand in Southwest to Tonk in Northeast through Bhilwara and Ajmer. They are also found extensively in the districts of Jaipur, Sikar, Jhunjhunu, Udaipur, Pali and Sirohi. Rajasthan is the main producer of Quartz and Feldspar along with other ceramic minerals like Clays and Wollastonite. There is huge potential for setting up of ceramic units, specially the vitrified ceramic tiles, which are in increasing demand presently. Advantage of HBJ and LPG pipelines in the State will encourage long awaited growth of such units.

To restrict the tendency to hold large areas under Prospecting License for Quartz, Feldspar, Clays etc., for long time and unauthorized excavation of minerals, preference shall be given for mining lease over prospecting license for major minerals like Quartz, Feldspar, Clay where the existence of such minerals has been proved by various agencies of the State/ Central Government.

9.8 FERTILIZER MINERALS

(A) GYPSUM

Gypsum deposits are available in the western part of the state which account for 81.39% of total country's reserves. State is the principal producer of Gypsum, accounting for 98.81% of the total country's production. Cement and fertilizers are the two major industries in which Gypsum finds its use. Apart from this it is also used in manufacturing of plaster of paris, partition blocks, sheets and tiles, insulation board, pharmaceuticals, textiles, paint, paper etc.

Presently Gypsum leases are given to Government undertakings such as Rajasthan State Mines & Minerals Limited and FCI Aravali

Gypsum and Minerals India Limited for commercial sales to various industries. Besides this, some Gypsum leases have been given to small entrepreneurs for captive use in Gypsum based plaster of paris industries.

Certain Gypsum bearing areas will be reserved by the Directorate of Mines & Geology, wherein Gypsum mining will be permitted to plaster of paris unit owners on the basis of MoUs executed between the Directorate and plaster of paris units.

RSMML will also reserve certain blocks of Gypsum in their lease area from where supply of Gypsum will be made on priority basis to plaster of paris units on concessional rates determined by Board of Directors of RSMML. Guidelines will be prescribed to permit mining of Gypsum by private persons to a limited extent in Khatedari lands having mineral bearing areas.

Effective steps will be taken to control illegal mining of Gypsum.

(B) ROCK PHOSPHATE

The state accounts for about 94.08% of the country's total production of Rock Phosphate. Its important deposits are located at Jhamar-Kotra, Kanpur, Bargaun, Dakan-Kotra etc., in Udaipur district and Birmania in Jaisalmer district. Extensive exploration of new deposits of Rock Phosphate is being carried out by State Government and also by RSMML to cater to the future needs of the mineral in fertilizer and other industries. This mineral is presently reserved for mining purpose for Public Sector Undertaking like RSMML and this policy will continue in future also.

(C) POTASH

Among the fertilizer minerals, Potash is an important one. Since there is no commercial production of Potash in the country, India

meets its entire requirement through import. Thus there exists huge investment opportunities for Potash exploration and mining in the State.

Geological Survey of India (GSI) has identified the deep seated vast reserves of Potash mineralization in Nagaur-Ganganagar basin of Rajasthan, over an area of 30,000 Sq.Km.

Keeping in view the scarcity and importance of this mineral, suitable step shall be taken for exploration and mining of Potash deposits available in the State. Priority will be given to RSMML / Joint Venture involving RSMML (at least 51% stake) in terms of prospecting and mining of Potash.

9.9 PRECIOUS AND SEMI PRECIOUS STONES

Rajasthan is a store house of many precious and semi precious stones. The most important are Emerald, Aquamarine, Heliodor, Corundum, Diamond, Epidote, Topaz, Tourmaline, Emethyst crystal Quartz, Garnet, green and blue Quartzite. A special drive will now be launched for new discovery and value-added development of precious and semi-precious stones in 240 Km long belt of Beryl, Emerald, Topaz, Aquamarine and Ruby etc., in the State. Keeping in view the requirement of huge investment, the companies which possess super-specialty in exploring and locating new deposits will be encouraged.

9.10 DIMENSIONAL STONES

The State is well known for its richness and varieties of dimensional and decorative stones such as Marble, Granite, Sandstone, Kota stone (Limestone splittable), Slate/Schist stone etc. The white marble of Makrana and Rajsamand, pink Marble of Udaipur and Banswara,

green Marble of Udaipur and Dungarpur, yellow Marble of Jaisalmer, pink Granite of Jalore, cherry red Granite of Jaisalmer, greenish-grey Granite of Barmer, red and buff coloured Sandstone of Jodhpur, Bharatpur, Dholpur, red and grey Sandstone of Bundi and Bijolia (Bhilwara), flaggy Limestone of Kota, Nimbahera and Chittorgarh, have earned international repute. Besides Makrana and Rajsamand, sizeable resources of different kinds of Marble are found in Sirohi, Banswara, Ajmer, Chittorgarh, Dungarpur, Jaipur, Jodhpur and Alwar districts.

There is a good export market of dimensional and decorative stones all over the world specially of the green Marble, wood textured Marble of Churu, Sandstone, Slatestone, Kota stone and Granite produced from Rajasthan.

A. MARBLE

Marble reserves of different varieties to the tune of 1122 million tones are proved and available in various parts of the State. State accounts for more than 90% of national production of Marble.

Presently leases of Marble are granted as per the provisions of Marble Policy 2002 of the State and Marble Development & Conservation Rules, 2002 of Government of India. Present policy for grant of Marble leases will be continued.

As Marble Policy was issued prior to Marble Conservation & Development Rules, 2002, therefore, some contradictions exist in the provisions and the same shall be removed by amending the concerned provisions of Marble Policy, 2002.

Special package will be worked out for marble mines of Makrana. A survey will be carried out to find out ways to ensure long term

viability of Makrana Marble. 30 meters wide strip of Government land shall be kept reserved around the existing mining lease/quarry boundaries for allotment to adjoining leases/ licences to enhance size for scientific mining, provided that the existing lessee/licencee in whose lease/licence, the strip is added shall pay, four time premium equivalent to Dead Rent/Rent of the area to be added, in addition to Dead Rent/Rent as per rules.

B. GRANITE

Granite reserves of different varieties to the tune of 8525 million tones which accounts for 22.77% of National Resources are proved and available mostly in the western part of the State.

Presently leases of Granite are granted as per the provisions of Granite Policy 2002 of the State and Granite Conservation & Development Rules, 1999 of Government of India. Present policy for grant of Granite leases will be continued.

Rule 11(2) of RMMCR, 1986, provides that maximum number of mining leases to be granted for a particular mineral of associated group under this rule to a person within direct jurisdiction of any Mining or Assistant Mining Engineer shall be restricted to two and the total number of leases in the entire State would not exceed three whereas Marble and Granite Policy 2002, prescribes the maximum area to be granted to a person. Marble and Granite Policy shall be amended to allow the prescribed limit of area irrespective of number of leases.

Provisions regarding grant of the gap areas for Granite similar to the provisions of grant of gap areas in Marble Policy, shall be made in Granite Policy also.

C. SANDSTONE

Huge deposits of Sandstone in Rajasthan are exposed over an area of nearly 35,000 sq.km., covering districts of Dholpur, Bharatpur, Karauli, Sawai Madhopur, Tonk, Bundi, Jhalawar, Kota, Bhilwara, Jodhpur, Naguar, Churu, Bikaner and Chittaurgarh.

Sandstone finds its use in roofing, flooring and cladding in rural as well as in urban areas. It is also exported to various countries in huge quantities for multiple uses.

Keeping in view the abundant availability of Sandstone in large area of the State and its industrial and export avenues, the Sandstone leasing policy shall be made transparent and employment oriented, having following salient features:-

- (a) Total lease/licence area to be granted to a person shall be linked with the investment in mine mechanization and establishment of industry to create better industrial environment in the State.
- (b) Greater transparency in giving priority to mining lease applications shall be ensured by making open auction for premium.
- (c) It is proposed that in Government land applications will be invited only after delineation. Prior to delineation all requisite NOCs shall be procured by the Department. After delineation 50% area will be reserved for allotment to different categories by way of lottery and remaining 50% area will be allotted by auction. In the reserved area application will be invited after 30 days of the notification and the applications received within a period of 30 days after 30 days of notification will be treated as received on the

same date. New system will be effective from the date of issue of notification in this respect and the applications received prior to issue of the notification will be disposed of as per prevailing rules in force prior to this notification.

- (d) Certain percentage of new delineated prescribed size plots for mining leases in Government land shall be kept reserved for categories, like- existing and new (where effective steps have been taken) Sandstone industrial units, SC, ST, OBC, SBC, Unemployed mining graduates and dependents of martyrs of defense forces and freedom fighters and for societies of unemployed youth of Rajasthan. For this purpose, an unemployed youth is a person between 18-35 years of age having an annual income of less than Rs. 25000 from all sources.
- (e) Cluster of 10% of delineated plots in new Sandstone boundaries shall be kept reserved for registered society for unemployed youth of Rajasthan. Allotment in clusters for other categories will also be encouraged.
- (f) In case of availability of Sandstone in other minor mineral leases inclusion of Sandstone shall be allowed.
- (g) As a precautionary measure for timely establishment of industrial units based on Sandstone, a provision for keeness money shall be introduced.
- (h) In case of mining leases, gap areas upto 1 hectare will be auctioned among the adjoining lessees while gap areas of more than 1 hectare will be put to general auction. In case of quarry licences, gap areas upto 0.25 hectare will be auctioned among adjoining licensees while gap areas of more than 0.25 hectare will be put to general auction.

- (i) Where Government land is available a strip of land upto 30 meter wide will be allotted to adjoining lease/quarry licences to facilitate increase in the size of existing lease/quarry. The licensee/lease holder will have to pay a premium equivalent to four times the dead rent.
- (j) On discovery of Sand stone within an existing major mineral lease, a separate lease of Sand stone can be permitted.
- (k) Procedure will be notified for amalgamation of mining lease/quarry licence.
- (l) A committee shall be constituted to evaluate the weight loss of Sand stone during processing to review the rate of royalty of processes and cut slabs of Sand stone.
- (m) Health check up camps will be organized for Sandstone workers. Special measure will be introduced to prevent silicosis.
- (n) The requirements of safe distance to be left by quarry licensee from approach roads / National and State Highways will be streamlined.
- (o) The rates of royalty for dressed and cut slabs of Sandstone will be reviewed.
- (p) Guidelines for allotment of Akhlies (Stockyard) will be brought out.
- (q) Quarry licence will be granted for 15 years instead of 10 years and it will be renewed for 10 years in place of 5 years.
- (r) In some places delineated boundaries of Sandstone quarry licence were notified in Government land but after notification it was found that part of the delineated area falls in khatedari land. Such delineated notified plots falling fully

or partially in khatedari land could not be allotted due to objections of khatedar. Due to non allotment of such plots problem of illegal mining exists there. Such delineated plots shall be granted to khatedars of the land under quarry licence but in future it will be ensured that no new delineation in khatedari land shall be done for grant of quarry licence.

- (s) Permanent fixed reference point for new delineated boundaries will be prescribed.
- (t) Permission to install cutting unit in quarry licence area will be considered.
- (u) Review of catchment areas will be taken in consultation with Department of Water Resources/Public Health Engineering Department.
- (v) Review of rules regarding preferential rights of certain categories will be undertaken.
- (w) Deterrent actions will be taken up to stop unauthorized mining.
- (x) Time limit for verification of lease/ licence areas will be prescribed.
- (y) Government will make efforts to open Aanganwari Kendra in Quarry licence areas.
- (z) All pending mining lease applications which have not been disposed of will be rejected provided that the applications, which are under consideration by the orders of the court, shall not be rejected and same shall be decided as per merits of the applications.

D. KOTA STONE (LIME STONE SPLITTABLE)

The State is endowed richly with the occurrence of Kota Stone (Limestone splittable) of greenish-grey colour. It has gained tremendous popularity worldwide and widely used for flooring and cladding purposes. It is available in Ramganjmandi area of Kota and Jhalawar district.

Presently leases of Kota Stone of 4 hectare are granted by application method as per the State Government Policy issued on 28.01.2008. This policy will be reviewed.

9.11 MASONARY STONE

Masonry stone is widely used in construction activities as main raw material. Masonary stone plays an important part in per capita consumption of minerals and in the years to come, there will be significant rise in the demand of Masonary stone in the country. It is available in almost all the parts of the State.

Masonry stone contributes about 40% of total minor mineral leases granted in the state. Most of the lessees are from rural areas. Keeping in view the difficulties faced by rural public, provisions laid down in RMMCR, 1986 in respect of mining leases of Masonary stone shall be reviewed to simplify the procedure. A system of auction based allotment of Masonary stone leases will be introduced. It proposed that in Government land applications will be invited only after delineation. Prior to delineation all requisite NOCs shall be procured by the Department. After delineation 50% area will be reserved for allotment to different categories by way of lottery and remaining 50% area will be allotted by auction. In the reserved area application will be invited after 30 days of the notification and the

applications received within a period of 30 days after 30 days of notification will be treated as received on the same date. New system will be effective from the date of issue of notification in this respect and the applications received prior to issue of the notification will be disposed of as per prevailing rules in force prior to this notification.

Priority will be given to unemployed mining engineers, SC/ST/OBC, SBC, persons, dependents of defence martyrs and societies of unemployed youth of Rajasthan in terms of allotment of masonry stone mining leases of prescribed plot size. For this purpose, unemployed youth is defined as a person between 18-35 years having an annual income of less than Rs.25000 from all sources.

10. SIMPLIFICATION OF PROCEDURES

10.1 TRANSFER OF LEASES:

Presently leases for minor minerals are transferred after two years of their commencement. This policy will continue.

10.2 INCLUSION OF NEWLY DISCOVERED MINERALS IN EXISTING MINOR / MAJOR MINERAL LEASES-

Government will permit the inclusion of newly discovered minerals in minor mineral leases. Suitable amendments in this regard in rule 18(16) of Rajasthan Minor Mineral Concession Rules, 1986 shall be made. In case minor minerals are discovered within major mineral lease area, application for minor mineral lease by the major mineral lease holder will be allowed on priority basis subject to maximum of two plots of prescribed size.

10.3 CONSENT FROM KHATEDAR:

In the interest of mineral development and to resolve the disputes of khatedar and lessee, Revenue Department shall issue the instructions

that once registered consent given by any khatedar in favour of lessee/licensee before grant of lease/licence, such consent shall stand valid (till the lease/licence remains in force) even if khatedar of the land is changed or lease/licence is transferred to other person. For this purpose suitable provisions will be incorporated in the agreement which is signed between the khatedar and the lease/licence holder.

10.4 LEGAL NOTICE FOR DEFICIENCY

Existing check list will be revised and computerized legal notice for the deficiencies in the application will be issued and served to the applicant, along with the acknowledgement slip on the same day.

10.5 CHARAGAH LAND

The present policy of obtaining NOC from District Collector for charagah land up to 4 hectare and from Revenue Department Government of Rajasthan for more than 4 hectare area shall continue.

10.6 RENEWAL OF MINING LEASES

Previously large areas of mining leases were granted without obtaining prior consent from khatedar and NOC of charagah from competent authority. At the time of renewal, lessee is supposed to obtain either requisite consent/NOC or reduce such restricted area from the original area granted to him. In such cases where area for renewal is reduced and remaining area is left in more than one block, then renewal of such reduced area in more than one block shall be allowed, subject to condition that every block to be renewed is not less than the prescribed size. In cases where lessee holds a minor mineral lease containing both Government and Khatedari land and

he has never mined in the Khatedari land, renewal can be permitted on the condition that before entry into Khatedari land required consent will have to be obtained.

10.7 PERIOD OF MINING LEASE

Rule 16(1) of RMMCR, 1986, provides maximum period for which a mining lease may be granted is 20 years and minimum period is not less than 10 years. This provision shall be suitably amended to make the period of mining lease to 30 years and minimum period shall not be less than 20 years. Further Rule 16(2) shall also be amended suitably to extend the period of existing mining leases (not renewed) from 20 years to 30 years.

10.8 TIME LIMIT FOR DISPOSAL

(A) For speedy disposal of concession applications, following time limits shall, however, be fixed for the disposal of applications at various levels:

Application disposal Authority	Time period for disposal	After time period in column (B) Power shifted to
(A)	(B)	(C)
AME	3 months from date of completion of application or 9 months from date of application which ever is earlier	SME (till final disposal)
ME	3 months from date of completion of application or 9 months from date of application which ever is earlier	
SME	3 months after receiving the complete proposals from AME/ME	ADM (till final disposal)
ADM	3 months after receiving the complete proposals from AME/ME	DMG (till final disposal)
DMG	3 months after receiving the complete proposals from AME/ME	Govt. (till final disposal)

(B) AME/ME shall forward the proposals directly to the competent

authorities within 9 months from the date of application or 3 months from the date of completion of application whichever is earlier. In case, where proposals are submitted to SME and other higher authorities, the time limit specified in column (b) shall be followed. In cases, where competent authority is Government, proposals shall be routed through Directorate of Mines and Geology.

- (C) In case the applications are not disposed of in prescribed time schedule, the concerned authority shall forward the application/proposals to next higher authority, specifying reasons of delay.
- (D) Where approved mine plan and environment clearance from Ministry of Environment & Forest is a pre-requisite before sanction then issue of consent letter confirming decision to grant the precise area shall be considered as the date of disposal.
- (E) For greater transparency, copy of inter-departmental correspondence with Revenue Department; Forest Department etc., shall be made available to the applicant concerned.

10.9 SPEEDY DISPOSAL OF APPEALS OR REVISION

- (A) To ensure speedy disposal of revision and appeals, suitable guidelines with regards to reply from concerned office, number of sitting days of court and minimum cases to be disposed in a month will be issued.
- (B) Rule 43(1) of RMMCR, 1986 shall be suitably amended to bring all the orders passed by Superintending Mining Engineer, Superintending Mining Engineer (Vigilance), Mining Engineer (Vigilance), Mining Engineer, Assistant Mining Engineer under the scope of appeal.

(C) In the matter of revision application of major minerals at the level of Central Government, the reply will be submitted to Government of India within a period of three months.

10.10 LAND STATUS REPORT FROM FOREST DEPARTMENT AND N.O.C. FROM REVENUE DEPARTMENT

For the transfer of existing leases not falling in the forest land, status report from Forest Department will not be necessary in cases where NOC of the Department of Forests has already been issued in past. However, in cases where leases were sanctioned without NOC from Department of Forest and they are within 500 meters from the forest boundary, the status report will be mandatory at the time of transfer or renewal of leases. NOC from Revenue Department will not be required at the time of transfer and renewal of leases.

10.11 N.O.C. FROM DISTRICT COLLECTOR (OTHER THAN CHARAGARH CASES)

Final decisions regarding NOC, if not communicated by the District Collectors and Divisional Commissioners within the period as prescribed vide circular No. KA-3(4)RAJ-6/2008/11 dated 21.07.2008, then Mines Department will be free to execute the lease agreement. District Collector has to convey his final decision before the deadline and any objection made afterwards shall not be accepted. Further in such cases where lease agreement is executed without NOC after the time limit specified in circular No. KA-3(4)RAJ-6/2008/11 dated 21-07-2008, no disciplinary action shall lie against concerned Mining Engineer/Assistant Mining Engineer.

The Departments which have already issued NOC to ME/AME for the grant of mining lease will not be consulted again by District Administration for NOC. The concerned Mining Engineer/Assistant

Mining Engineer shall forward such reports available in his office to the District Collector along with his proposal for NOC.

10.12 ADJUDICATION OF STAMP DUTY

Adjudication of stamp duty for registration of lease agreement shall not be necessary. Since the formula for calculating the stamp duty is prescribed, it should not be necessary for the registering authority to send the agreement to higher authority for adjudication of the stamp duty.

10.13 ISSUE OF RAWANNA BOOKS

Facilities will be provided to generate rawanna forms / royalty receipts to the interested lessees and contractors through their own computers in a phased manner.

10.14 INSPECTION OF LEASE/ LICENSE BY OFFICERS ONLY

No coercive action against lessee or licensee shall be taken on the inspection report of subordinate technical staff until it is verified by AME or ME concerned on site.

10.15 PRE DEMARCATION

Mining lease/quarry license will be granted after pre-demarcation of the area, so that land status and mineral availability can be known to the applicant at site before grant of lease/quarry license. Adjoining lessees shall also be informed to be present at the time of pre-demarcation.

10.16 AMALGAMATION OF MINING LEASE/ QUARRY LICENCES

Existing leases / quarry licenses of a single lease/licence holder shall be allowed to amalgamate for safe and scientific working in the area.

10.17 REGULARISATION OF BAPI RIGHTS

Bapi Rights in Makrana, Nagaur, Sojat and some other areas, which are long outstanding issues, will be resolved, regularizing such rights with certain conditions and suitable amendments shall be made in RMMCR, 1986 to regularize Bapi rights.

10.18 TIME LIMIT FOR RENEWAL OF MINING LEASES

With a view to provide investment security to mining entrepreneurs, the time limit for all renewals of mining leases put together will be increased from 60 years period to 90 years period and Rule 17 of RMMCR, 1986 shall be suitably amended to incorporate this provision.

10.19 REQUIREMENT OF NO DUES CERTIFICATE

No dues certificate will be required at the time of applying for a quarry license/ prospecting license/ mining lease. The fresh certificate will be required only at the time of execution of lease deed in case the previous one has expired. No dues certificate will be valid upto a period for 6 months form the date of the issue.

10.20 INTERACTION AMONG DEPARTMENT & LESSEES

To resolve the problems of lessees/licensees in time, joint meetings will be held at the level of concerned Superintending Mining Engineer, concerned Additional Director, Mines and also State Mineral Advisory Committee once in a year. A special interdepartmental cell will be created in the secretariat to redress grievances of the mining entrepreneurs.

10.21 ASSESSMENT PERIOD OF MAJOR MINERAL LEASES

The assessment period of major mineral leases will be changed according to financial year.

10.22 SEPARATE ECO FRIENDLY MINING PLAN WILL NOT BE REQUIRED FOR SUCH MINERALS WHERE APPROVED MINING PLAN IS MANDATORY

Presently there are instructions to grant the minor mineral leases after taking eco-friendly mining plan from applicants. Applicants for Marble and Granite are also required to submit the approved mining plan before sanction of leases. Since approved mining plan contains all details which are to be incorporated in eco-friendly mining plan, therefore, for such minerals where approved mining plan is mandatory, the applicants shall not be asked to submit a separate eco-friendly plan.

10.23 LEASES IN SAME SLOPE AREA

Priority will be given to the existing lessees, wherever free area exists in the same slope of the hill.

10.24 RATE OF ROYALTY FOR PROCESSED / DRESSED SANDSTONE

In the Schedule-I of Rajasthan Minor Mineral Concession Rules, 1986, the rate of royalty for Sandstone, dressed, polished or cut slabs is double of the undressed, irregular or rough slabs, patti katla, ashlar, tiles, flooring and roofing stones and blocks.

A committee shall be constituted in this regard to evaluate the weight loss of sand stone during the processing to review the rate of royalty of processed and cut slabs of sandstone.

10.25 ALLOTMENT OF AKHALI (STOCKYARD) AREA

Stock yards of Sandstone in mining areas have a local name akhali. There are lots of disputes pending in various courts with regard to the allotment of akhali. To resolve the issue of allotment of akhalies, transparent guide lines shall be issued.

10.26 NOTIFICATION TO DECLARE THE AREA, FREE FOR GRANT, UNDER SECTION 11(2) OF MMDR ACT, 1957 AND RULE 59 OF MCR 1960.

Rule 59 of MCR, 1960 provides procedure of notification for declaring availability of area for re-grant. As per rule 59(1)(ii), "The availability of the area for grant is notified in the Official Gazette and specifying a date (being a date not earlier than thirty days from the date of the publication of such notification in the Official Gazette) from which such area shall be available for grant." where as section 11(4) of MMDR Act, 1957 provides that "subject to the provisions of sub section (1), where the State Government notifies in the Official Gazette an area for grant of reconnaissance permit, prospecting licence or mining lease, as the case may be, all the applications received during the period as specified in such notification, which shall not be less than 30 days, shall be considered simultaneously as if all such applications have been received on the same day and the State Government, after taking into consideration the matters specified in sub section (3), may grant the reconnaissance permit, prospecting licence or mining lease, as the case may be, to such one of the applicants as it may deem fit."

Keeping in view the provisions of Act and Rules, for greater transparency, the notifications published under rule 59 of MCR, 1960 shall essentially display the exact date from which the area

shall be treated free and also the date up to which all the applications received shall be treated as received on the same day, which shall not be less than 30 days.

10.27 CONVERSION OF MINOR MINERAL LEASE INTO MAJOR MINERAL LEASE.

Minerals like Limestone, Quartzite, Dolomite etc., occur as major as well as minor minerals. Conversion from one category to the other will be allowed subject to the following conditions:

- (i) It is recommended by a committee comprising one Superintending Geologist, one Mining Engineer and one Geologist.
- (ii) There is no revenue loss to State Government.

10.28 GRANT OF MINING LEASE BY AUCTION OR TENDER.

Rule 21 of RMMCR, 1986 provides for grant of mining lease by auction or tender. Keeping in view the greater transparency and revenue interests of the government, it is proposed that in Government land applications will be invited only after delineation. Prior to delineation all requisite NOCs shall be procured by the Department. After delineation 50% area will be reserved for allotment to different categories by way of lottery and remaining 50% area will be allotted by auction. In the reserved area application will be invited after 30 days of the notification and the applications received within a period of 30 days after 30 days of notification will be treated as received on the same date. New system will be effective from the date of issue of notification in this respect and the applications received prior to issue of the notification will be disposed of as per prevailing rules in force prior to this notification.

10.29 ALLOTMENT OF 30 METER STRIP OF FREE

GOVERNMENT LAND TO EXISTING LESSEES/LICENCES.

30 Meter wide strip of land in Government land shall be kept reserved around the existing mining lease/quarry boundaries for allotment to adjoining leases/licenses to enhance lease/ quarry size for scientific and safe mining purpose, provided that the existing lessee/licencee in whose lease/licence, the strip is added shall pay, four time premium equivalent to dead rent/rent of the area to be added, in addition to dead rent/rent as per rules.

10.30 USE OF MARBLE SLURRY/ POWDER SHALL BE ALLOWED FREE OF ROYALTY.

Keeping in view the environmental problems from Marble slurry/ powder generated during mining operations of Marble as well as block processing into slabs, Marble slurry powder so produced shall be allowed to be used and transported free of royalty.

10.31 NEW POLICY FOR MARBLE MINING AT MAKARANA.

Makarana has a unique problem of mining as quarries of very small areas are operating since 400 years. Keeping in view the world class quality of marble reserves at depth, its local problems and abadi and industrial area adjoining to the mining areas, a separate policy in this regard after obtaining technical feasibility report from expert agencies, shall be formulated in near future.

10.32 SHORT TERM PERMIT FOR HIGHWAY PROJECTS.

If a contractor who has been awarded work for National/State Highway (road construction) project applies for short term permit for mineral (s) used in construction of roads, he will be given priority over other applicants who have applied for the same area for mining lease within a period preceding 3 months from the date, such

short term permit application is made by the contractor. This will be subject to the following conditions.

- (i) The contractor is a citizen of India.
- (ii) He makes application of short term permit within 6 months of the date he has been awarded contract for National/State Highway (road construction) project.
- (iii) The National/State Highway (road construction) project is not more than 100 Km. away from the short term permit area applied for.

11. PROCEDURAL AMENDMENTS IN RAJASTHAN MINOR MINERAL CONCESSION RULES, 1986

Mineral concessions in respect of minor minerals are granted and regulated in accordance with the provisions of the Mines and Minerals (Development & Regulation) Act, 1957 and the Rajasthan Minor Mineral Concession Rules, 1986. The later, which came into force with effect from 4th March, 1986 are proposed to be extensively amended. Some of the amendments have become necessary, keeping in view simplifying and streamlining the procedures, promoting scientific and mechanized mining, curbing illegal mining and bringing transparency in decision making to minimize litigation. A synopsis of the important amendments proposed is given below:

- 11.1** Definitions of boundary pillar, family, scheduled banks, surveyor / Sr. Surveyor and unemployed youth shall be incorporated in rule 3.
- 11.2** A separate chapter specifying the provisions for grant of prospecting licenses shall be included.
- 11.3** Form No. I-A & I-B, I-C for applying mining lease, renewal of mining lease and quarry license shall be suitably amended to make them more informative with regard to identification of applicant and

a new column to provide latitude and longitude of the applied area shall be inserted.

- 11.4** To attract investment in mining and mineral based industries, rule 7 regarding preferential right, shall be suitably amended to provide preference for allotment of mining leases to entrepreneurs who have set up or willing to set up value addition industries in the state.
- 11.5** Time period of 60 days prescribed for the submission of no-dues certificate in rule 5 (3) shall be reduced to 30 days keeping in view the speedy disposal of applications.
- 11.6** Rule 14 regarding security deposits shall be suitably amended to accept security deposits in the form of FDR of scheduled bank/nationalized bank in place of nationalized bank.
- 11.7** A new provision regarding performance guarantee equivalent to 25% of existing dead rent, in the form of fixed deposit/ N.S.C., similar to rule 34 (gg) and 35 (gg) shall be introduced for mining leases. The performance guarantee for every lease shall be equivalent to 25% of existing dead rent which will be proportionately increased, at the time of enhancement of dead-rent.
- 11.8** The existing rule 18 (24) shall be suitably amended linking the deployment of mining engineer and mines foreman with the dead rent and royalty whichever is higher.
- 11.9** Rule 26(3) and 30 (2) regarding quarry licence shall be suitably amended to remove contradictions.
- 11.10** Chapter for grant of royalty collection / excess royalty collection contracts shall be redrafted with following main amendments keeping in view the transparent and speedy disposal of the cases.
- (A) The earnest money amount shall be enhanced to 10% of the bid amount and the earnest money amount of provisionally selected

bidder/ tenderer shall be converted into security amount. This will curb the practice of false tenders and will curtail delays in sanctioning of the contracts.

- (B) In unavoidable circumstances period of contract may be enhanced for 3 months by the competent authority with the prior approval of the Director and the existing contractor shall pay 10% higher of existing annual contract amount or equivalent to next contract amount which ever is higher in addition for the period of extension.
- (C) The provision regarding getting tender forms from the concerned AME/ME/SME/ADM office shall be removed and a standard performa of tender of all over State shall be framed. The same shall also be uploaded on website. Any one who is interested in participating tender procedure can download the performa from website or get the photocopy from the RMMCR, 1986. This will reduce the chances of pooling in the contract.
- (D) Rule 33-A regarding reserve price shall be redrafted to make it more transparent and practical.
- (E) Rule 33(2) regarding receipt and opening of the tender shall be redrafted to simplify the procedures for speedy disposal of cases.

11.11 Rule 19 regarding delay in execution/registration of lease dead shall be suitably amended to make it more effective and transparent.

11.12 The discretionary powers given under Rule 65 of MMCR, 1986 shall be used in public interest by the Cabinet only.

11.13 Apart from the above amendments, requisite amendments will also be made as indicated in various announcements contained in

the policy documents. Suitable provisions for e-auction/e-tender will be introduced.

12. INCENTIVES FOR MINERAL BASED INDUSTRIES

- (A) Mining leases shall be continued to be mortgaged in favour of financial institutions for procurement of term loans.
- (B) The priority with regard to the applications for new or intending mineral based industries for areas notified for prospecting or mining leases may be determined with weightage for all or any of the following criteria -
- State PSU
 - Financial strength of the applicant
 - Quantum of Investment
 - Experience
 - Pioneering nature of the industry in the district
 - Induction of high end and sophisticated technology
 - Use of advanced equipment and successfully proved novel mining technologies
 - Beneficiation or value addition at ore stage and better utilization of the run-off mine
- (C) Grant of major mineral leases to later applicant shall be considered in accordance with Section 11(5) of MMDR Act, 1957, for the applicants who are interested in installation of value addition units in the following order.
- State PSU
 - Value addition
 - Exhaustion of captive capacity
 - Special technology
 - Ownership of the land of the recommended area

- Scientific and systematic mining

The above criteria will be applicable only in cases where applications are considered under section 11(5) of MMDR Act of the corresponding section of the new Act. In other cases pertaining to value addition, priority will be determined on the basis of criteria given in section 11(3) of MMDR Act and/or those given in 12(B) above.

- (D) For export promotion of mineral based industries, regular mineral fairs, exhibitions and seminars shall be organized by department in association with concerned mineral associations at different locations having mineral exposures.

13. DATA BASE OF MINERAL RESOURCES

In line with the National Mineral Policy, 2008, the state will create its own inventory of mineral resources in digitized form by uploading all the available exploration data in coordination with GSI and IBM. Resource inventory shall be in accordance with the latest version of the United Nations Framework of Classification (UNFC) system. Detailed reports shall also be made available to the interested investors on cost recovery basis. The available mineral directory of Rajasthan and booklet on mineral resources will be regularly updated by the Department.

14. CHECK ON ILLEGAL MINING, STORAGE & TRANSPORTATION

- (A) Vigilance wing of the Department shall be strengthened to closely watch the mining activities in the field and their offices will be located at appropriate places in the State.

- (B) Illegal mining is a cognizable offence under Cr.P.C. as per the amended provision 21(6) of MMDR Act. Steps will be taken for its effective implementation.
- (C) An incentive scheme to award officers of the Department doing best efforts for checking unauthorized mineral movement and illegal mining shall be introduced. There will also be a scheme for rewarding the informers on the basis of quality of information.
- (D) The owner of land i.e., Forest Department, JDA, Panchayat, Municipal Board/ Council, Khatedar etc., shall be made accountable for any unauthorized mining in their land. Incentives will be given to Panchayats for helping the authorities to check illegal mining.
- (E) Regular joint inspections shall be made by officers of Mines, Revenue and Forest Department in mining areas to check illegal mining.
- (F) Owner and driver of the vehicle carrying mineral without proper rawanna or carrying mineral mined from unauthorized pits shall also be made responsible for such illegal activity; suitable amendments in rules to this effect will be introduced.
- (G) Rule 48 and 68 of RMMCR, 1986 shall be redrafted to make them more stringent against the illegal miners and transporters.
- (H) Mineral check posts will be modernized with sophisticated equipments to track illegal transportation of mineral.
- (I) Suitable enactment will be made to enable state mines department to seize and confiscate vehicles and equipments used in illegal mining and transportation of minerals.

- (J) A committee headed by Chief Secretary has been constituted to control illegal mining, to restore abandoned mines and to upgrade environment.
- (K) Offenders shall not be considered for allotment of new mines or renewals.
- (L) Mining without permit and licence will be prosecuted under IPC as theft of public property.
- (M) Suitable provisions will be made to enable Mines Department to restore the illegal mined out pits created by illegal miners and to realize the expenditure from illegal miners as arrears of land revenue.

15. ENVIRONMENTAL PROTECTION AND CONSERVATION

To protect environment in mining areas and for sustainable development following steps shall be ensured.

- (A) Effective implementation of existing provisions of various Acts and Rules related with Environment Protection shall be ensured and for this purpose Department of Mines & Geology shall be strengthened accordingly.
- (B) Implementation of the provisions of mine plan and mine closure plan shall be closely monitored.
- (C) Keeping in view the local requirement of minerals & employments, rationalization of wild life sanctuary boundaries shall be considered and a committee shall be constituted to recommend the cases of rationalization.
- (D) Zero waste mining principle shall be implemented in true sense and for this purpose the following steps will be ensured:-

(a) Masonary stone available as overburden in lease area of major mineral leases as waste dumps shall be permitted for utilization in construction works without quantity restrictions. For this purpose Government circular dt. 26.03.08 shall be amended and word short term permit shall be replaced by permit. For this purpose special permit fee of Rs. 10/- (ten) per tones or as amended by the Government shall be payable by the lessee in addition to royalty.

(b) Permission to despatch waste from waste dumps out side lease area will be allowed without quantity restrictions.

(c) Manufacturers of bricks shall be encouraged to use fly ash available within a radius of 100 Kms. of brick kiln. Separate guidelines will be issued in this regard.

(d) Dumping area for waste generated during minor mineral production shall be earmarked. District Collector shall allot land for dumping of waste at appropriate locations and such waste dumps shall be notified. A penalty provision shall also be introduced for defaulters who are not dumping waste at earmarked places.

(e) To undertake reclamation of existing dumps and mined out abandoned pits an expert agency shall be hired to study the problems, survey and identify dumps/assess the quantum of work, suggest methodology of reclamation and utilization of dumps and after that reclamation work shall be undertaken by expert agency. Suitable budget provision for this purpose shall be made. The expenditure on reclamation of areas damaged due to illegal mining shall be realized from illegal miners as arrears of land revenue and suitable provisions will be made to give effect to this clause.

(f) Norms and targets for plantation by mining lease holders/ quarry licence holders in and around mining areas shall be prescribed and if, the land is not available in mining lease/quarry licence area then, plantation work will be taken up on charagh/ panchayat lands after seeking approval of the competent authority. If charagah/ panchayat lands are not available in the vicinity of mining area suitable land shall be made available for plantation work by the Revenue Department.

16. TRIBAL AREA POLICY

Tribal area policy declared vide notification dated 05.02.2008 is modified as follows,

- (i) (a) New RP/PL/ML of major minerals in tribal areas will be granted only to RSMML. It will be open for RSMML to form joint venture with private investors subject to the condition that the share of RSMML in such joint venture is not less than 51 percent. At least 26% of the net profit from mining of major minerals in tribal areas will be spent on welfare of scheduled tribes residing in scheduled areas. In addition to it, dead rent and royalty as per rules shall also be payable. RSMML will also pay an additional amount equal to royalty accrued on mineral produced annually in case mining is being carried out in Khatedari land of tribals. The lease holder will employ at least 50% of local tribals.
- (b) Those mining leases which were in force prior to September, 2000 will continue to be in force till their tenure ends. Their renewal can also be considered as per

rules. The concerned authorities will ensure strict compliance of court orders, if any, at the time of renewal.

(c) All pending applications of major minerals in tribal areas as on 10 March, 2010, will be rejected except for the cases where there are stay orders from courts against cancellation.

17. PROTECTION OF FOREST LAND, WILDLIFE SANCTUARIES AND NATIONAL PARKS.

Provisions of Forest Conservation Act, 1980 and orders of various courts with regard to forest lands shall be strictly followed.

No mineral concession shall be granted within the 25 meter proximity of the forest boundary.

No mineral concession within the proximity of 500 meters of forest boundary shall be granted without prior land status report from the concerned forest office.

Before Revenue Department transfers land to Forest Department in lieu of the diverted forest land, Mines Department will be consulted about availability of minerals in the land to be transferred.

No mining activities shall be allowed within the notified boundaries of any wild life sanctuary /national park.

A notification is to be issued by Government of India about Eco Sensitive Zones around various sanctuaries/national park. When the notification is issued, mining will be regulated in accordance with the provisions contained in the notification.

18. WELFARE OF MINE WORKERS

Mining is one of the most hazardous professions because of safety as well as health concerns. Mining projects depend heavily on manual laborers, most of whom are from rural areas and not very well educated. For achieving the desired mineral production, the safety procedures are many a times overlooked, resulting in accidents and health hazards. For promoting the welfare of the unprivileged mine workers, following measures shall be enforced-

- (a) The mine owners shall be made liable for compulsory maintenance of medical and life insurance policy for each mine worker at the mine owner's expense.
- (b) Periodical medical check up camps at nearest public health centre shall be organized to medically examine the mine workers with a special attention towards mining born diseases like silicosis in sandstone mining areas and a proper record shall be maintained at public health centre level for such diseases. Special measures will be taken to prevent silicosis.
- (c) Effective coordination with Indian Bureau of Mines and Director General of Mines Safety shall be maintained in regular inspections of mines with a view to enforce safety standards laid down in various provisions of Rules and Acts. For this purpose quarterly joint meetings at the level of Superintending Mining Engineer concerned, shall be organized to check out the regular inspection programs to cover larger areas and to avoid duplicity in inspection.
- (d) Proper rest shelters and wash rooms shall be erected in Mining areas for workers. For this purpose separate guidelines shall be issued regarding concessionary land allotment in mining areas.

19. RESEARCH & DEVELOPMENT

Research for up gradation of low grade minerals such as Bentonite, China clay, Ball clay, Fuller earth; Soapstone, Wollastonite, Quartz and Feldspar etc., shall be given priority.

Keeping in view the depleting reserves of Soapstone, its mining method for underground mining shall be developed through agencies working for this purpose like Central Mining Planning & Development Institute (CMPDI), Central Mining Research Institute (CMRI) Dhanbad, Research Wings of various mining engineering colleges, etc.

20. TRAINING

Separate training cell at Udaipur shall be established to provide training to employees of the department for smooth implementation of provisions of various Acts and Rules related with mining.

Employees of the department shall also be imparted training in different discipline to keep them updated with the recent technologies developing in mining sector.

21. E-GOVERNANCE

The Department has already launched its website and now all the information available with the Department are uploaded in the website. Departmental offices have already started functioning online and work like demand, receipts, rawanna generation, human resources information has already started online. Further on line scrutiny of pending applications has also started. It will provide information like status of lease application, dues in the lessees, availability of areas for mining lease etc., on its web site. This will also facilitate the lessees to generate rawanna from their own system.

On line scrutiny of lease applications commenced on 18.12.2009. Once the system is fully operative, then disposal of applications shall be faster and greater transparency will be there. A system of e-tending / e-auction will also be developed.