

THE NAGALAND OWNERSHIP AND TRANSFER OF LAND AND ITS RESOURCES ACT, 1990

(THE NAGALAND ACT NO. 1 OF 1993)

*Received the assent of the Governor of Nagaland on 27-5-93 and published in
the Nagaland Gazette extraordinary Dated 6th July, 1993,*

An

Act.

to provide, in the public interest, for the ownership and transfer of land and its resources in the State of Nagaland, for the imposition of tax on mineral rights, for the further amendment of law relating to acquisition of land and its resources in Nagaland, and for matters connected therewith or incidental thereto.

WHEREAS by virtue of the provisions of Clause (1) (a) (iv) of Article 371-A of the constitution, no Act of Parliament in respect of the ownership and transfer of land and its resources shall apply to the State of Nagaland unless the Legislative Assembly of Nagaland, by a resolution, so decides

AND WHEREAS no such resolution has been passed by the Legislative Assembly of Nagaland

AND WHEREAS in the absence of any such resolution, it has become necessary for the Legislative Assembly of Nagaland to regulate by law, the ownership and transfer of land and its resources in the State of Nagaland,

IT IS, THEREFORE, enacted by the Legislative Assembly of the State of Nagaland in the Forty-first Year of the Republic of India as follows:

CHAPTER 1 PRELIMINARY

1. (1) This Act may be called the Nagaland (Ownership and Transfer of Land and its Resources) Act, 1990.
- (2) It extends to the whole of the State of Nagaland.
- (3) Sections 4, 10, 11, 16, 20, 60, 72, to 76, (both inclusive) and 87 shall come into force on the appointed day and the remaining provisions of this Act shall be deemed always to have come into force on the 1st day of December, 1963 that is to say, the date on which the Constitution (Thirteenth Amendment) Act, 1963 came into force.

Definitions

2. In this Act, unless the context otherwise requires,
 - (a) “appointed day” in relation to any provision of this Act, means such day as the State Government, by notification published in the Official Gazette, appoint in relation to that provision, and different dates may be appointed for different provisions of this Act, and any reference in any provision of this Act to the appointed day shall be construed as a reference to the commencement of that provision;
 - (b) “drilling operations” means any operations, whether by drilling or otherwise,

for the purpose of locating or proving oil-field or other sources of mineral deposits;

- (c) “Government company” means any company in which not less than fifty-one percent of the paid-up share capital is held by the Central Government or any State Government or Governments or partly by the Central Government and partly by one or more State Governments and includes a company which is a subsidiary of a Government company as so defined;
- (d) “land and its resources” means advantages derived from the surface of the land and all that is below it and which is valuable or is a source of money or income, and includes:-
 - (i) minerals,
 - (ii) mineral oils, petroleum and petroleum products (including liquid petroleum gas) and
 - (iii) every other product of mines including forest and forest products.
- (e) “minerals” means all substances which can be obtained from the earth by mining, digging, drilling, dredging, hydraulic mining, quarrying or by any other operation, and includes mineral oils (which in turn include crude oil, natural gas and petroleum);
- (f) “mining lease” means a lease granted for the purpose of undertaking mining operations, and includes a sub-lease granted for all or any of such purposes;
- (g) “mining operations” means any operation undertaken for the purpose of winning any mineral.
- (h) “minor minerals” means building stones, gravel, ordinary clay, ordinary sand other than sand used for any of the prescribed purposes, and includes any other mineral which the State Government may, by notification, declare to be a minor mineral,
- (i) “motor conveyance” means any vehicle, vessel or aircraft for the conveyance of human beings, other animals or goods by land, water or air in which crude or mineral oils or natural gas or any other source of energy is used to generate the motive power;
- (j) “notification” means a notification published in the Official Gazette;
- (k) “oil field” means any area where any operation for the purpose of obtaining natural gas or petroleum, or both, crude oil, partially refined oil and any of the products of petroleum in liquid form or solid State is being, or is to be, carried on;
- (l) “Petroleum” means any liquid hydrocarbon or mixture of hydrocarbons, and any inflammable mixture liquid, viscous or solid, containing any hydrocarbon;
- (m) “Prescribed” means prescribed by rules made under this Act;
- (n) “Prospecting licence” means a licence granted under this Act for carrying out prospecting operations in the State for the purpose of locating or proving the existence of any mineral, oil-field or other source of minerals;
- (o) “Prospecting operations” means any operations (including drilling) undertaken for the purpose of exploring, locating or proving the existence of any mineral deposit or oil-field or other source of minerals;
- (p) “State” means the State of Nagaland.
- (q) “to transport minerals” means to move minerals from one place in the State to another place, whether, within or outside the State, by any means whatsoever, and includes movement from one place in the State to another place in the state across a territory which is not a part of the State;

- (r) “to store minerals” means to keep any mineral in one or more places in the State but does not include any detention happening during the ordinary course of transport;
- (s) “to import minerals” means to bring any mineral into the State by land, air, pipeline or otherwise;

Central Act 35 of 1952

- (t) the expressions “mine”, “minerals” and “owner” have the meanings, respectively, assigned to them in the Mines Act, 1952.

**CHAPTER II
GENERAL RESTRICTIONS ON UNDERTAKING, PROSPECTING
AND MINING OPERATIONS**

Prospecting or mining operations to be under licence or lease

- 3. (1) No person shall undertake any prospecting or mining operations in any area in the State except under, and in accordance with, the terms and conditions of a prospecting licence or, as the case may be, a mining lease granted under this Act and the rules made thereunder

Provided that nothing in this Subsection shall apply to any prospecting operations undertaken by the Geological Survey of India, Bureau of Mines, Atomic Minerals Division of the Department of Atomic Energy of the Central Government, Directorate of Mining and Geology of the State Government by whatever name called or a Government company or any other authority specified under this Act;

- (2) No Prospecting licence or mining lease shall be granted otherwise than in accordance with the provisions of this Act and the rules made thereunder;
- (3) The holder of a prospecting licence or a mining lease, whether granted under sub-section (i) of this section or continued under Sub-section 4, shall have, while carrying on such prospecting or mining operations, the same powers, and shall be subject to the same obligations, conditions and restrictions as the authority specified under Section 21 may exercise and be subject to the provisions of the said Section 21, and the provisions of the said Section except Sub-section (6) thereof shall apply to such holder of prospecting licence or mining lease to the same extent as they apply to the specified authority and for this purpose, reference in the said Section 21 to the “specified authority” shall be construed as references to such holder of prospecting licence or mining lease;

Existing prospecting licences and mining Leases and rights acquired or liability incurred thereunder to continue

- 4. (1) Every prospecting licence or mining lease granted before the appointed day under any Act of Parliament and the rules made thereunder, and in force immediately before the appointed day, shall continue to be in force until the expiry of the period of validity or termination thereof, whichever is earlier, as if such licence or mining lease were granted under the corresponding provisions of this Act and the rules made thereunder.
- (2) Every prospecting licence or mining lease which continues to be in force by virtue of the provisions of Sub-section (1), shall be held under the same terms, conditions and restrictions on which they were held immediately before the

appointed day as if such terms, conditions and restrictions were imposed by or under the corresponding provisions of this Act or the rules made there under, and every inquiry instituted, right acquired or liability incurred, immediately before the appointed day may be continued, enforced or imposed, as the case may be, as if such inquiry were instituted, rights were acquired or liability were incurred under the corresponding provisions of this Act and the rules made there under :

Provided that no person shall be subjected to a penalty greater than that which might have been inflicted under the Act of Parliament and the rules made there under as in force at the time of the commission of the offence.

Termination of prospecting licence or mining lease

5. (1) Where the State Government is of opinion that it is expedient in the interest of regulation of mines and mineral development, preservation of natural environment, control of floods, prevention of pollution or to avoid danger to public health or communication or to ensure safety of buildings, monuments or other structures or for the conservation of mineral resources or for safety in mines, or for such other purposes as the State Government may think fit, it is necessary in the public interest so to do in respect of any area within the State, it may make an order making a premature termination of such prospecting licence or mining lease with respect to such area or part thereof, and granting a fresh prospecting license or mining lease in respect of such area in favour of such Government company or corporation owned or controlled by Government as it may think fit :

Provided that no such termination shall be made after giving to the holder of such prospecting licence or the lease of such mining lease a reasonable opportunity of being heard.

- (2) Where the holder of a prospecting licence or mining lease fails to undertake prospecting or mining operations for a period of one year from the date of the issue of the licence or, as the case may be, lease, or having commenced prospecting or mining operations, has discontinued the same for a period of one year, the prospecting licence or the mining lease, as the case may be, shall lapse on the expiry of the period of one year from the date for issue or as the case may be, the discontinuance of the prospecting or mining operations :

Provided that the State Government may, on an application made by the holder of such licence or lease before the expiry of the said period of one year, and on being satisfied that it will not be possible for the holder of such licence or lease to undertake prospecting or mining operations or to continue such operations for reasons beyond his control, make an order, subject to such conditions as may be prescribed, to the effect that the said licence or lease shall not lapse.

- (3) Where a prospecting licence or mining lease has lapsed under Sub-section (2) the State Government may, on an application made to it by the, holder of such licence or lease, submitted within a period of six months from the date of its lapse and on being satisfied that such non-commencement or discontinuance was due to reasons beyond the control of the holder of such licence or lease, revive the licence or lease, as the case may be, from such prospective or retrospective date as it thinks fit but not earlier than the date of lapse of the licence or lease :

Provided that no licence or lease shall be revived under this Sub-section for more than twice during the entire period of the licence or lease, as the case may be.

Restrictions on the grant of prospecting licence or mining lease

6. (1) No prospecting licence or mining lease shall be granted to any person unless he-
- (a) holds a certificate of approval in the prescribed form from the State Government,
 - (b) satisfies such other conditions as may be prescribed.

Explanation : For the purpose of this Sub-section, a person shall be deemed to hold a certificate of approval notwithstanding that at the relevant time his certificate of approval has expired, if an application for its renewal is pending at that time.

- (2) No prospecting licence or mining lease shall be granted to any person who is not an Indian national.

Explanation : For the purpose of this Sub-section, a person shall be deemed to be an Indian national,

Central Act 1 of 1956

- (a) in the case of a public company as defined in the Companies Act, 1956, only if a majority of the directors of the company are citizens of India and not less than fifty-one percent of the share capital thereof is held by persons who are either citizens of India or companies as defined in the said Act;
 - (b) in the case of a private company as defined in said Act, only if all the members of the company are citizens of India;
 - (c) in the case of a firm or other association of individuals, only if the partners or members of the firm or association are citizens of India; and
 - (d) in the case of an individual, if he is a citizen of India,
- (3) No prospecting licence or mining lease shall be granted unless the State Government is satisfied that —.
- (a) there is evidence to show that the area for which prospecting licence or lease has been applied for has been prospected earlier and the existence of mineral prospects therein has been established :

Provided that nothing in this Clause shall apply to any area if such area has already been prospected by a Department or an agency of the Government and the existence of mineral contents there has been established;

- (b) there is a mining plan duly approved by the State Government for the development of mineral deposits in the area concerned.

Maximum area for which a prospecting licence or a mining lease can be granted

7. (1) No person shall acquire in the State in respect of any mineral or prescribed group of associated minerals
- (a) One or more prospecting licences covering a total area of more than twenty-five square kilometers in the case of minerals (other than mineral oils) and two hundred and twenty-five square kilometers in the case of mineral oils;
 - (b) One more mining lease covering a total area of not more than ten square kilometers, in case of all minerals (except mineral oil) and seventy five square kilometers in case of mineral oils:

Provided that if the State Government is of opinion that in the interest of the development

of any mineral, it is necessary so to do, it may, for reasons to be recorded by it in writing, permit any person to acquire one or more prospecting licences or mining leases covering an area in excess of the aforesaid total area;

- (c) Any prospecting licence or mining lease in respect of an area which is not compact or contiguous;

Provided that if the State Government is of opinion that in the interest, of the development of any mineral, it is necessary so to do, it may, for reasons to be recorded by it in writing, permit any person to acquire a prospecting licence or mining lease in relation to any area which is not compact or contiguous.

- (2) For the purpose of this Section, a person acquiring by, or in the name of another person, a prospecting licence or mining lease which is intended of for himself shall be deemed to be acquiring it himself.
- (3) For the purpose of determining the total area referred to in Sub-section (1), the area held under a prospecting licence or mining lease by a person as a member of a co-operative society, company or other corporation, or a partner of a firm, shall be deducted from the area referred to in Subsection (1) so that the sum total of area held by such person, under a prospecting licence or a mining lease, whether as such member or partner, or individually, may not in any case, exceed the total area specified in Sub-section (1).

Periods for which prospecting licence may be granted or renewed

- 8. (1) The period for which a prospecting licence may be granted shall not -
 - (i) in the case of mica, exceed two years; and
 - (ii) in the case of any other mineral, exceed four years.
- (2) If the State Government is satisfied that longer period is required, in the public interest, to enable the licencees to complete prospecting operations it may renew a prospecting licence for a further period of one year at a time, but such further period shall not exceed four years in the aggregate.

Periods for which mining leases may be granted or renewed

- 9. (1) The period for which a mining lease may be granted shall not exceed twenty years.
- (2) A mining lease may be renewed for two periods but each of such period shall not exceed ten years
- (3) Notwithstanding anything contained in Sub-section (2), if the State Government is of opinion that in the interest of mineral development, it is necessary so to do in the public interest, it may, for reasons to be recorded by it in writing, authorize renewal of a mining lease for a further period or periods not exceeding in the each case the period or periods not exceeding in each case the period for which the mining lease was originally granted.

Royalties in respect of mining leases

- 10. (1) The holder of a mining lease granted, or continue under Section 4, on or after the appointed day shall, notwithstanding anything contained in the instrument of lease, pay to the State Government royalty in respect of any mineral removed or consumed by him or by his agent, manager, employee, contractor or sub lease from the leased area at the rate for the time specified in the First Schedule in respect of that mineral.
- (2) Notwithstanding anything contained in Sub-section (1) the holder of a mining

lease, whether granted before or after the appointed day, shall not be liable to pay any royalty in respect of any coal consumed by workman engaged in a colliery, provided that such consumption by the workman does not exceed one-third of a tone per month :

Provided further that no royalty shall be payable in respect of any crude oil, casing head condensate as natural gas which is unavoidably lost or returned to the reservoir or is used for operations relating to the production of petroleum or natural gas or both.

- (3) The State Government may, by notification, amend the First Schedule so as to enhance or reduce the rate at which royalty shall be payable in respect of any mineral with effect from such date as may be specified in the notification:

Provided that the State Government shall not enhance the rate of royalty in respect of any mineral more than once during any period of two years.

Dead rent to be paid by leases

11. (1) The holder of a mining lease granted or continued under Section 4, on or after the appointed day shall, notwithstanding anything contained in the instrument of lease, pay to the State Government dead rent at such rates as may be specified for the time being in the Second Schedule, for all the areas of the State included in the instrument of lease.
- (2) The State Government may, by notification, amend the Second Schedule so as to enhance or reduce the rate at which dead rent shall be payable, in respect of any area covered by a mining lease and such enhancement or reduction shall take effect from such date as may be specified in the notification.

Provided that the State Government shall not enhance the rate of dead rent in respect of any such area more than once during any period to two years.

CHAPTER III

PROCEDURE FOR OBTAINING PROSPECTING LICENCES OR MINING LEASES IN RESPECT OF LAND

Application for prospecting licence or mining lease

12. (1) An application for a prospecting licence or mining lease in respect of any land within the State in which minerals vest in the State Government shall be made to the State Government in the prescribed form and shall be accompanied by the prescribed fee.
- (2) Where an application received under Sub-section (1) there shall be sent to the applicant an acknowledgement of its receipt within the prescribed time in the prescribed form;
- (3) On receipt of an application under this Section, the State Government may having regard to the provisions of this Act and the rules made thereunder, grant or refuse to grant the licence or lease

Provided that no such refusal shall be made except after giving to the applicant a reasonable opportunity of being heard.

Preferential rights of certain persons

13. (1) Where prospecting licence has been granted in respect of any land within the State, the holder of the licence shall have a preferential right for obtaining a mining lease in respect of that land over any other person:

Provided that the State Government is satisfied that the licensee had not committed any breach of the terms and conditions of the prospecting licence and is otherwise a fit person for being granted the mining lease.

- (2) Subject to the provisions of Sub-section (1), where two or more persons have applied for prospecting licence or a mining lease in respect of the same land, the applicant whose application was received earlier shall have a preferential right for the grant of the licence or lease, as the case may be, over the applicant whose application was received later:

Provided that where any such application is received on the same day, the State Government may, after taking into consideration the matters specified in Sub-section(3), grant the prospecting licence or mining lease, as the case may be, to such one of the applicants as it may deem fit.

- (3) The matters referred to in Sub-section (2) are the following:
 - (a) any special knowledge of, or experience in, prospecting operations or mining operations, as the case may be, possessed by the applicant;
 - (b) The financial resources of the applicant;
 - (c) The nature and quality of the technical staff employed or to be employed, by the applicant;
 - (d) Such other matters as may be prescribed.
- (4) Notwithstanding anything contained in Sub-section (2) but subject to the provisions of Sub-section (1), the State Government may, for any specified reasons to be recorded by it in writing, grant a prospecting licence or a mining, grant a prospecting licence or a mining lease to an applicant whose application was received later in preference to an applicant whose application was received earlier.

Register of prospecting licences and mining leases

14. (1) The State Government shall cause to be maintained, in the prescribed form;
 - (a) a register of applications for prospecting licences;
 - (b) a register of applications for mining leases;
 - (c) a register of applications for prosecuting leases;
 - (d) a register of mining leases.
- (2) Every such register shall be open to inspection by any person on payment of such fee as may be prescribed.

CHATER IV

RULES FOR REGULATING THE GRANT OF PROSPECTING LICENCES AND MINING LEASES

Power of State Government to make rules in respect of minerals

15. (1) The State Government may by notification, make rules regulating the grant of prospecting licences and mining leases in respect of minerals and for purposes connected therewith.
- (2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for au or any of the following matters namely:
 - (a) the persons by whom and the manner in which applications for prospecting licence, quarry lease, mining lease or other concessions may be made and the fees to be paid therefore;
 - (b) the time within which and the form in which acknowledgement of the receipt of any such application may be sent;
 - (c) the matters which may be considered where applications in respect of the same land are received within the same day;
 - (d) the persons to whom certificates of approval may be granted, the form of such certificate and the fee payable for the grant or renewal of such certificate;
 - (e) the terms on which, and tile conditions subject to which and the authority by which prospecting licences, quarry leases, mining leases or other mineral concessions may he granted or renewed in respect of land of which minerals vest in the State Government;
 - (f) the procedure for obtaining prospecting licences, quarry leases, mining leases or other mineral concessions;
 - (g) the facilities to be afforded by holders of quarry leases, mining leases or other mineral concessions to persons deputed by the Government for the purpose of undertaking research or training in matters relating to mining operation;
 - (h) the fixing and collection of rent, royalty, cess, dead rent, fines or other charges and the time within which and the manner in which these shall be payable;
 - (i) the manner in which right of any owner of land may he protected (whether by way of payment of compensation or otherwise) in cases where any owner is prejudicially affected by reason or any prospecting or mining operations; and the person by whom and the manner in which such protections shall, be made, or, as the case may be, the compensation shall be paid, and in the event of any dispute as to such protective work or as to the amount or such compensation, the authority by whom such disputes shall he settled;
 - (j) the manner, in which rehabilitation of flora and other vegetation, such as trees, shrubs and the like, destroyed by reasons of any prospecting, quarrying or mining operations shall he made in the same area or any other area selected by the State Government (whether by way of reimbursement of the cost to rehabilitation or otherwise) by the person holding the prospecting licence, quarrying or mining lease;
 - (k) the construction, maintenances and use of road, transmission lines, tramways, railways, aerial, ropeways, pipelines and the making of passage for water for mining purposes on any land comprised in a quarry

- or mining lease or other mineral concession;
- (l) the form of registers to be maintained under this Act;
- (m) the reports and Statements to be submitted by holders of prospecting licences, quarry or mining leases or other mineral concessions and the authority to which such reports and Statements shall be submitted;
- (n) the period within which and the manner in which and the authority to which appeal or revision of any order passed by any authority under these rules may be made, the fees to be paid therefore, and the powers of the appellate and revisional authority; and
- (o) any other matter which is to be, or may be, prescribed.

Sections 3 to 15 not to apply to minor minerals

16. The provisions of Sections 3 to 15 (both inclusive) shall not apply to quarry leases, mining leases or other mining concessions in respect of minor minerals.

Power of State Government to make rules in respect of minor minerals

17. (1) The State Government may, by notification, make rules for regulating the grant of quarry leases or other mining concessions in respect of minor minerals and for purposes connected therewith.
- (2) Until rules are made under Sub-section (1), the State Government may, declare by notification, that the rules made by such State Government as is specified in the notification, regulating the grant of quarry leases, mining leases or other minerals concessions in respect of minor minerals which were in force immediately before the appointed day, shall continue to be in force.

CHAPTER V

SPECIAL POWERS OF STATE GOVERNMENT TO UNDERTAKE PROSPECTING OR MINING OPERATION IN CERTAIN CASES

Special power of State Government to undertake prospecting or mining operation in any land within the State

18. (1) The provisions of this section shall apply to land within the State.
- (2) Notwithstanding anything contained in this Act, the State Government may undertake prospecting or mining operations in any area not already held under any prospecting licence or mining lease, and where it proposes to do so, it shall, by notification,
 - (a) specify the boundaries of such areas;
 - (b) State whether prospecting or mining operations will be carried out in the areas; and
 - (c) specify the mineral or minerals in respect of which such operations will be carried out.
- (3) The State Government may, with a view to enabling it to exercise the powers conferred on it by Subsection (2), by notification, declare that no prospecting licence or mining lease shall be granted in respect of any land specified in the notification.

Power of State Government to make reservation to area for conservation etc.

19. (1) The State Government may, if it is of opinion that with a view to conserving any mineral it is necessary, in the public interest, so to do, reserve any area which is not already held under any prospecting licence or mining lease, for the purpose of such conservation.

Provided that before making any such reservation, the State Government shall specify by notification, the boundaries of such area and the mineral or minerals in respect of which such area is proposed to be reserved and shall take a decision after considering such objections with regard to the proposed action as may be received by it within thirty days from the date of publication of the notification aforesaid.

- (2) The State Government may, if it is of opinion that it is necessary in the public interest so to do, reserve any area, which is not already held under a prospecting licence or mining lease, for undertaking mining operations in that area through a Government company or corporation owned or controlled by the State Government.

Provided that before making any such reservation, the State Government shall specify by notification, the boundaries of such area and the mineral or minerals in respect of which such area is proposed to be reserved for a Government company or corporation owned or controlled by the State Government to undertake mining operations in that area and no such reservation shall be made except after considering such objections as may be received by the State Government within thirty days from the date of publication of the notification aforesaid.

CHAPTER VI

DEVELOPMENT OF MINERALS

Mineral development

20. (1) It shall be the duty of the of the State Government to take all such steps as may be necessary for the conservation and development of minerals in the State, and for the protection of environment by preventing or controlling any pollution which may be caused by prospecting or mining operations and, for the purpose, the State Government may, by notifications, make such rules it may think fit.
- (2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:
- (a) the opening of new mines and the regulation of mining operations in any area
 - (b) the regulation of the excavation or collection of minerals from any mine.
 - (c) the measures to be taken by leases of mines for the purpose of beneficiation of ores, including the provision of suitable contrivances for such purpose
 - (d) the development of mineral resources in any area.
 - (e) the notification of all new borings and shaft sinking and the preservation or bore-hole records, and specimens of cores of all new bore-holes.
 - (f) the regulation of the arrangements for the storage of minerals and the stocks thereof that may be kept by any person.
 - (g) the submission of samples of minerals from any mine by the lessees thereof and the manner in which, and the authority to which, such samples shall be submitted, and the taking of samples of any minerals from any mine by the State Government or any other authority specified by it in that behalf:
 - (h) the submission by lessees of mines of such special or periodical returns and reports as may be specified, and the form in which and the authority to which such returns and reports shall be submitted
 - (i) regulation of prospecting operations;
 - (j) the employment of qualified geologists or mining engineers to supervise prospecting or mining operations;
 - (k) the disposal or discharge of waste, slime or tailings arising from any mining or metallurgical operations carried out in the mine;
 - (l) the manner in which, and the authority by which, directions may be issued to the owners of any mine to do or refrain from doing such things as may be prescribed in the interests of conservation or systematic development of minerals or for the protection of environment by preventing or controlling pollution which may be caused by prospecting or mining operations;
 - (m) maintenance and submission of such plans, register or records as may be specified by the State Government;
 - (n) submission of records or reports by persons carrying on prospecting or mining operations regarding any research in mining or geology carried out by them;
 - (o) facilities to be afforded by persons carrying out prospecting or mining operations to persons authorized by the State Government for the purpose of undertaking research or training in matters relating to mining or

- geology;
- (p) procedure for, and manner of, imposition of fines for the contravention of any of the rules made under this section and the authority who may impose such fines ;
- (q) the authority to which the period within which, the form and manner in which, application for revision of any order passed by any authority under this section or any rule made thereunder may be made, the fee to be paid for, and the documents which should accompany such application.
- (r) All rules made under this section shall be binding on the State Government.

Power to authorize Geological Survey of India etc. to make investigation:

21. (1) Where the State Government is of opinion that for the conservation and development of any mineral in the State it is necessary to collect as precise information as possible with regard to any mineral available in or under any land in relation to which any prospecting licence or mining lease has been granted, the State Government may authorize the Geological Survey of India or such authority or agency as it may specify in this behalf to carry out such detailed investigations for the purpose of obtaining such information as may be necessary.
- (2) On the issue of an authorization under Sub-section (1), it shall be lawful for the Geological Survey of India or the specified authority or agency and its servants and workmen.
 - (a) to enter upon such land,
 - (b) to dig or bore into the sub-soil,
 - (c) to do all other Acts necessary to determine the extent of any mineral available in or under such land,
 - (d) to set out boundaries of the land in which any mineral is expected to be found,
 - (e) to mark such boundaries and line by placing marks.
 - (f) where otherwise the survey cannot be completed on the boundaries and line marked, to cut down and clear away any part of any standing crop, fence or jungle;

Provided that no such authority or agency shall enter into any building or upon any enclosed courtyard or garden attached to the dwelling house (except with the consent of the occupier thereof) without previously giving such occupier at least seven days' notice in writing of its intention to do so,

- (3) Whenever any action of the nature specified in Sub-section (2) is to be taken, the State Government shall, before or at the time when such action is taken, pay or tender payment for all necessary damage which is likely to be caused, and in case of dispute as to the sufficiency of the amount so paid or tendered or as to the person to whom it would be paid or tendered, the State Government shall refer the dispute to such authority as is empowered to exercise the functions or the principal civil court of original jurisdiction over the land in question.
- (4) The fact that there exists any such dispute as is referred to in Sub-sections (3) shall not be a bar to the taking of any action under Sub-section (2)
- (5) After the completion of the investigation, the Geological Survey of India or the specified authority or agency by which the investigation was made shall submit to the State Government a detailed report indicating therein the extent

and nature of any mineral which lies deposited in or under the land.

- (6) The costs of investigation made under this section shall be borne by the State Government.

Provided that where the State Government or other person in whom the minerals are vested or the holder of any prospecting licence or mining lease applies to the State Government to furnish to him a copy of the report submitted under Sub-section (5), the State Government or other person or the holder of a prospecting licence or mining lease, as the case may be, shall bear such reasonable part of the costs of investigation as the State Government may specify in this behalf and shall, on payment of such part of the costs of investigation, be entitled to receive from the State Government a true copy of the report submitted to it under Sub-section (5).

CHAPTER VII

OBLIGATIONS OF HOLDER OF PROSPECTING LICENCES AND MINING LEASES

Notice to be given of prospecting or mining operations

22. (1) The holder of a prospecting licence and the holder of a mining lease shall, before the commencement of any prospecting or, as the case may be, mining operations, given to such authority as the State Government may, by notification, specify, a notice in writing, in such form and containing such particulars as may be prescribed, of his intention to commence such prospecting or mining operations.
- (2) Any notice given under Sub-section (1) shall be so given as to reach the specified authority at least one month before the commencement of any such prospecting or mining operation.

Duties and responsibilities of holder of prospecting licences or mining lease

23. (1) The holder of every prospecting licence or mining lease shall be responsible for making financial and other provisions and for taking such other steps as may be necessary for compliance with the provisions of this Act and the rules made thereunder to ensure the safety of the mines and minerals that may be explored or exploited as a result of such prospecting or mining operations and for the safety and security of the persons employed for the purpose of carrying out such operations.
- (2) The holder of a prospecting licence or mining lease shall each be responsible for the compliance with the rules made under Sub-section (1) and it shall not be a defence that such holder of licence or lease had appointed a manager or other officials to carry out such prospecting or mining operations.
- (3) The holder of a prospecting licence or a mining lease shall also be responsible to make such provisions for the health and safety of the persons employed in connection with such prospecting or mining operations as may be prescribed.

Power of inspection of State Government

24. (1) If the State Government on any authority empowered by it in this behalf has any reason to believe that any mine or part thereof or any matter or thing or practice in, or connected with, the prospecting or mining operations, or control, supervision management or direction thereof, is dangerous to

human life or safety or defective so as to threaten, or tend to threaten the bodily injury to any person, that Government or as the case may be, that authority may give a notice in writing to the holder of the prospecting licence or mining lease, stating therein the particulars in respect of which that Government or authority consider the mine or part thereof or the matter thing or practice to be dangerous or defective and require the same to be remedied within such time and in such manner as may be specified in the notice.

- (2) Without prejudice to the provisions of Sub-section (1), the State Government or the authority empowered under Sub-section (1) may, by order in writing, addressed to the holder of, the prospecting licence or mining lease, prohibit the extraction or reduction of pillars or blocks of minerals in any land or mine or part thereof if, in the opinion of that Government or, as the case may be, that authority, such operation is likely to cause the crushing of pillars or blocks of minerals or the premature collapse of any part working or otherwise endanger the land or mine or the life or safety of persons employed therein or if adequate provisions against the outbreak of fire or flooding has not been made by providing for the sealing off and isolation of the part of the land or in which such operation has been undertaken or is contemplated and for restricting the area that might be affected by fire or flooding.
- (3) If the authority empowered in this behalf under Sub-section (1) is of opinion that there is urgent or immediate danger to the life or safety of any person employed in any land or mine or part thereof, it may, by an order in writing, containing a Statement of the grounds of his opinion prohibit until it is satisfied that the danger has been removed, the employment in or about the land or mine on the concerned part thereof any person, whose employment is not, in its opinion reasonably necessary for the purpose of removing the danger,
- (4) Every person whose employment is prohibited under Sub-section (3) shall be entitled to the payment of full wages for the period for which he would have been, but for the prohibition, in employment and the holder of the prospecting licence or, as the case may be, mining lease shall be liable for the payment of the full wages of the person so prohibited from being employed.

Provided that the holder of the prospecting licence or mining lease may, instead of paying such full wages, provide such person with the alternative employment at the same wages which such person was receiving in the employment which was prohibited.

- (5) Where a notice has been given under Sub-section (1) or an order has been made under Sub-section (4), the holder of the prospecting licence or, as the case may be, mining lease may, within ten days of the receipt of the notice or order, as the case may be, appeal against the same to the State Government and that Government may, after giving to the appellant a reasonable opportunity of being heard, confirm, modify or cancel the notice or order.
- (6) An appeal shall not operate as a stay of operation of any notice or order unless the operation of such notice or order has been stayed by the appellate authority and in the absence of any such stay order, such notice or order shall be complied with.

Steps which may be taken in the event of omission to take steps for providing safety

25. (1) Where any holder of a prospecting Licence or mining lease omits or fails to comply with the provision of this Act or any rule made thereunder relating to safety, the authority empowered under Section 23 may give notice in

writing requiring such holder of prospecting licence or mining lease to comply with the provisions relating to safety within such time as may be specified in the notice or within such extended time as that authority may, from time to time, allow.

- (2) Where the holder of the prospecting licence or mining lease fails to comply with the terms of the notice given under Sub-section (1) within the period specified in the notice or, as the case may be, within extended time allowed under that Subsection, the empowered authority may, by order in writing, prohibit the employment in or about the land or mine or any part thereof, of any person whose employment is not, in the opinion of that authority, reasonably necessary for securing compliance with the terms of the notice.
- (3) Every person whose employment is prohibited under Sub-section (2) shall be entitled to payment of full wages for the period for which he would have been, but for the prohibition, in employment, and the holder of the prospecting licence or mining lease, as the case may be, shall be liable for payment of such full wages of the person.

Provided that the holder of the prospecting licence or, as the case may be, mining lease may, instead of paying such full wages provide alternative employment at the same wages which such employee was receiving in the employment which he was prohibited under Sub-section (2).

Notice to be given of accidents

26. (1) Whenever there occurs in any land in which any prospecting operation is being carried on or in a mine :
 - (a) an accident causing loss life or serious bodily injury; or
 - (b) an explosion, ignition, spontaneous heating, outbreak of fire or eruption or inrush of water or other liquid matter; or
 - (c) an influx of inflammable or noxious gases; or
 - (d) a breakage of ropes, chains or other gear by which persons or materials are lowered, raised in a shaft or an incline; or
 - (e) an overwinding of cages or other means of conveyance in any shaft while persons or materials are being lowered or raised, or
 - (f) a premature collapse of any part of the workings, or
 - (g) Any other accident which may be prescribed, the holder of the prospecting licence or, as the case may be, mining lease shall give notice of such accident to such authority and within such time as may be prescribed and shall simultaneously post one copy of the notice on a special notice-board in the prescribed manner at place where it may be inspected by trade union officials, and shall ensure that the notice is kept on the notice-board for not less than fourteen days from the date of such posting.
- (2) Where an accident, of which notice has been given under Sub-section (1), causes loss of the life prescribed authority shall hold an inquiry into the occurrence within two months of the receipt of the notice.
- (3) Where any bodily injury to any person is caused, whether by reason of an accident of which notice has been given under Sub-section (1) or otherwise, resulting in the enforced absence from work of the person injured for a period exceeding twenty-four hours, the holder of the prospecting licence or, as the case may be, mining lease shall enter in a register in the prescribed form and copies of such entries shall be furnished to the prescribed authority.

- (4) Wherever there occurs in or about a land in which prospecting operations are being carried on, or in any mine, an accident causing loss of life or serious bodily injury to any person, the place of the accident shall not be disturbed or altered before the arrival, or without the consent, of the prescribed authority to whom the notice of the accident is required to be given under Sub-section (I), unless such disturbance or alteration is necessary to prevent any further accident, to remove bodies of the deceased or to rescue any person from danger or unless discontinuance of work at the place of accident would seriously impede the prospecting operation or of the mine;

Provided that where the prescribed authority fails to inspect the place of the accident within seventy-two hours of the time of the accident, work may be resumed at the place of the accident.

Power of State Government to appoint a Court of Inquiry in case of accidents

27. (1) Where any accident of the nature referred to in Sub-section (1) of section 26 occurs in or on, any land in which prospecting operations are being carried on, or, as the case may be, in or about a mine, the State Government may, if it is of opinion that a formal inquiry into the causes and circumstances attending the accident ought to be held, appoint a competent person to hold such inquiry and may also appoint one or more persons possessing legal or special knowledge to Act as assessor or assessors in holding the inquiry.
- (2) The person appointed to hold any such inquiry shall have all the powers of a civil court under the Code of Civil procedure, 1908, for the purpose of summoning and enforcing the attendance of witnesses and compelling the production of documents and material objects.
- Central Act 5 of 1908*
- (3) Any person holding an inquiry under this section may exercise such of the powers of the prescribed authority as he may think it necessary or expedient for the purpose of the inquiry.
- (4) The person holding an inquiry under this section shall make a report to the State Government stating the causes of the accident and its circumstances and adding any observations which he or any assessor may think fit to make.

Estt, of group gathering station

28. (1) There shall be established by every person making exploration in an oil field as many "group gathering station" as he may consider fit for the gathering and separation of solid, liquid and gas.
- (2) All mineral oils (including crude oil), petroleum, petroleum products and natural gas obtained from land within the State shall, before they are moved for refining or for distribution shall be brought to the "ground gathering station".
- (3) No movement, disposal or distribution of minerals referred to in sub-section (2) and natural gas shall be made from any place in the State other than through the concerned "group gathering station".

Obligation of lessee to sell Natural gas to State Government etc.

29. (1) If the State Government is satisfied that it is necessary in the public interest so to do, it may by a notice served on the lessee require him to sell to the State Government or such Corporation owned or controlled by the State Government as may be specified by that Government all the natural gas

- obtained by him from the “group gathering station” within the State.
- (2) The condition of the lease made to a person for exploration from oil fields in the State shall be deemed to include a condition to the effect that such lessee shall be under an obligation to sell all the natural gas obtained by him at the “group gathering station” in the State to the State Government or to such Corporation owned or controlled by the State Government as may be specified by that Government and to no one else at such price as may be agreed upon by and in between the lessee and the State Government or such Corporation as the case may be, and in default of such agreement, as may be determined by the competent authority appointed under this Act.

CHAPTER VIII

CONTROL OVER PETROLEUM

Import, Transport etc. of petroleum to be made under a licence

30. No one shall Import, export, transport store, reline or blend petroleum in the State save under, and in accordance with a licence granted or renewed under the rules made under section 39.

Power of State Government to make rules regulating import etc. of petroleum

31. The State Government may make rules
- (a) providing for the manner in which, an application for a licence under section 38 shall be made, and conditions under which such licence shall be granted, renewed or held;
 - (b) providing for the period for which a licence granted or renewed under this section shall be in force;
 - (c) providing the condition on the breach of non-observance of which a licence granted or renewed under section 38 may be cancelled or withdrawn.

Provided that no licence granted or renewed under section 38 shall be cancelled or the holder of the licence a reasonable opportunity of being heard,

- (d) providing for the places where petroleum may be imported, and prohibiting its import elsewhere,
- (e) regulating the import, export or transport of petroleum,
- (f) providing for the disposal, by confiscation or otherwise, of any petroleum in respect of which a licence has not been applied for within the prescribed period or has been refused, cancelled or withdrawn, and which has not been exported:
- (g) specifying the nature and condition of all receptacles and pipe-lines in which, or by which, petroleum may be transported;
- (h) regulating the places at which, and the conditions subject to which, petroleum may be stored;
- (i) specifying the nature and condition of all receptacles in which petroleum may be stored;
- (j) determining the cases or class of cases in which a licence for the transport of petroleum shall be obtained by the consignee, consignor or carrier,
- (k) specifying the proportion in which any specified poisonous substance may be added to petroleum and prohibiting the import, export, transport or storage of petroleum in which the proportion of each such poisonous substance exceeds the prescribed proportion;

- (1) generally providing for any matter which is in its opinion expedient for proper control over the import, export, transport or storage of petroleum.

Production, refining and blending of petroleum

32. (1) No one shall produce, refine or blend petroleum save under, and in accordance with the rules made under sub-section (2).
- (2) The State Government may make rules
 - (a) providing the conditions subject to which petroleum may be produced, refined or blended; and
 - (b) regulating the removal of petroleum from places where it is produced, refined or blended and preventing the storage therein and removal therefrom of any petroleum which has not satisfied the prescribed tests.

Receptacles of dangerous petroleum to show warning

33. All receptacles, containing petroleum shall have a stamped, embossed, painted or printed warning either on the receptacle itself or, when that is impracticable, displayed near the receptacle exhibiting in conspicuous character the words, "PETROL" or "MOTOR SPIRIT", or an equivalent warning of the dangerous nature of petroleum;
Provided that this section shall not apply to
 - (a) any securely stoppered glass, stone-ware or metal receptacle of less than ten litres capacity containing petroleum which is not for sale; or
 - (b) tank incorporated in a motor conveyance, or attached to an internal combustion engine, and containing petroleum intended to be used to generate motive power for the motor conveyance or engine, or
 - (c) a pipe-line for the transport of petroleum, or
 - (d) any tank which is wholly underground, or
 - (e) any class of receptacles which the State Government may, by notification, exempt from the operation of this section.

No licence needed for transport or storage of limited quantities of certain petroleum

34. Notwithstanding anything contained in this Chapter, a person need not obtain in licence for the transport or storage of;
 - (i) Petroleum having a flashpoint to twenty three degrees Celsius if the total quantity in his pm session at any one place does not exceed two thousand five hundred litres and none of it is contained in a receptacle exceeding one thousand litres in capacity, or
 - (ii) petroleum having a flashpoint of sixty-five degrees Celsius and above but below ninety-three celsius,

Explanation: In this Act "flashpoint" of any petroleum means the lowest temperature at which it yields a vapour which will give a momentary flash when ignited, determined in accordance with the provisions of Chapter VII and the rules made thereunder.

Exemption for motor conveyance and stationary engines:

35. (1) The owner of a motor conveyance who complies with the requirements of law for the time being in force relating to the registration and licensing of such conveyance and its driver or pilot and the owner of any stationary internal combustion engine, shall not require a licence.
 - (a) for the import or storage of any petroleum contained in any fuel tank incorporated in the conveyance or attached to the internal combustion

engine, or

- (b) for the transport or storage of petroleum having a flashpoint below twenty –three degrees Celsius, not exceeding one hundred litres in quantity, possessed under Cause (a) provided that the petroleum is intended to be used to generate motive power for the motor conveyance or engine;

Provided further that the total quantity of such petroleum which may be stored without a licence under Clause (b) shall not exceed one hundred litres, notwithstanding that such owner may possess other motor conveyance or engine.

- (2) Petroleum having flashpoint below twenty-three degree Celsius transported or stored without a licence under Clause(b) of sub-section(1) shall be kept a Provided in sub-section (2) of section 42 and if it exceeds thirty litres in quantity shall be stored in an isolated place which does not communicate with any room where any persons resides or works or in any room where persons assemble.

No licence needed by or any other carrier or by any other carier

- 36. Notwithstanding anything contained in this chapter, a railway administration as defined in the Indian Railway Act, 1890, or any other carrier need not obtain any licence for the import or transport if any petroleum in its capacity as a carrier.

Central Act 9 of 1890Exemption of heavy oils

- 37. Nothing in this chapter shall apply to any petroleum which has its flashpoint not below ninety-three degree Celsius.

General Power of Exemption

- 38. The State Government may, by notification exempt any petroleum specified in the notification from all or any of the provisions of this chapter.

Inspection of Places

- 39. (1) The Government may authorize any officer by name or by virtue of office to enter any place where petroleum is being imported , stored, produced, refined or blended or ids under transport and inspect all receptacles, plant and appliances used in connection with petroleum in order to ascertain if they are in accordance with the provisions of this chapter and the rules made thereunder.
- (2) The State Government may make rules regarding the procedure of authorizing officers under this section.

CHAPTER IX

TESTING OF PETROLEUM

Inspection and sampling of petroleum

40. (1) The State Government may by notification, authorize any officer by name or by virtue of office to enter any place where petroleum is being imported, transported, stored, produced, refined or blended and to inspect and take samples of any petroleum found therein.
- (2) The State Government may make rules
- (a) regulating the taking of samples of petroleum for testing;
 - (b) determining the cases in which payment shall be made for the value of samples taken, and mode of payment, and
 - (c) generally regulating the procedure of officers exercising powers under this section.

Standard test Apparatus

41. (1) A standard apparatus for determining the flash-point of petroleum shall be deposited with an officer to be appointed in this behalf by the State Government by notification,
- (2) Such apparatus shall be engraved with the words "Standard Test Apparatus" and shall be verified and corrected from time to time and replaced when necessary in accordance with the rules made under section 47.
- (3) The Standard Test Apparatus shall, on payment of the prescribed fees, be open to inspection at all reasonable times by any person wishing to inspect it.

Certification of other test apparatus

42. (1) The officer appointed under section 51 shall on payment of the prescribed fee, if any, compare with the Standard Test Apparatus any apparatus for determining the flash point of petroleum which may be submitted to him for this purpose.
- (2) If any apparatus is found by him to agree with the Standard Test Apparatus within the prescribed limits, the officers shall engrave such apparatus with a special number and with the date of comparison, and shall give a certificate in respect of it in the prescribed form, certifying that on the said date the apparatus was compared with the Standard Test Apparatus and was found to agree with it within prescribed limits, and specifying any corrections to be made in the results of tests carried out with the apparatus.
- (3) A certificate granted under this section shall be valid for such period as may be prescribed.
- (4) A certificate granted under this Section shall, during the period for which it is valid, be proof, until the contrary is proved, of any matter Stated therein.
- (5) The officer shall keep a register, in the prescribed form of all certificates granted by him under this section.

Testing Officers

43. The State Government may authorize any officer by name or by virtue of office to test petroleum of which samples have been taken under this Act or which may have been submitted to him for test by any person and to give certificates of the results of such tests.

Manner of testing

44. All tests of petroleum made under this Act shall be made with a test apparatus in respect of which there is valid certificate under section 42 and shall have, due regard to any correction specified in that certificate, and shall be carried out in accordance with rules made under section 47.

Certificate of Testing

45. (1) The testing officer shall, after testing samples of petroleum make out a certificate in the prescribed form, stating whether the petroleum is petroleum having a flashpoint of
- (i) below twenty- three degrees Celsius, or
 - (ii) twenty-three degrees Celsius and above but below sixty-five degrees Celsius or
 - (iii) sixty-five degrees Celsius and above but below ninety-three degrees Celsius,
- (2) The testing officer shall furnish the person concerned, at his request, with a certified copy of the certificate on payment of the prescribed fee and such certified copy may be produced in any court or before any authority in proof of the contents of the original certificate.
- (3) A certificate given under this section shall be admitted as evidence in any proceedings which may be taken under this Act in respect of the petroleum from which samples were taken, until the contrary is proved by conclusive proof that the petroleum has the flash-point
- (i) below twenty-three degree Celsius,
 - (ii) of twenty-three degree Celsius and above but below sixty-five degree Celsius, or
 - (iii) of sixty-five degree Celsius and above but below ninety-three degree Celsius,

Right to require Retest

46. (1) The owner of any receptacle or his agent, who is dissatisfied with the result of the test of petroleum may, within seven days from the date on which he received intimation of the result of the test, apply to the Officer empowered under Section 43 to have fresh samples of the petroleum taken and tested.
- (2) On such application and on payment of the prescribed fee, fresh samples of the petroleum shall be taken in the presence of such owner or agent or person deputed by him and shall be tested in the presence of such owner, agent or person deputed by him.
- (3) If on such retest it appears that the original test was erroneous, the testing officer shall cancel the original Certificate granted under Section 45, shall make out a fresh certificate, and shall furnish the owner of the petroleum or his agent, with a certified copy thereof, free of charge.

Power of State to make rules

47. The State Government may, by notification, make rules.
- (a) for the specification, verification, correction and replacement of the Standard Test Apparatus.
 - (b) prescribing fees for the inspection of the Standard Test Apparatus;
 - (c) regulating the procedure in comparing a test apparatus with a Standard Test Apparatus;

- (d) prescribing the form of certificate to be given in respect of a test apparatus so compared, and the period for which such certificate shall be valid;
- (e) prescribing the form of the register of such certificates;
- (f) prescribing fees for comparing a test apparatus with the Standard Test Apparatus;
- (g) regulating the procedure of testing officers in carrying out tests of petroleum, providing for the arranging of results where severed samples of the same petroleum are tested and prescribing the variation from standard temperatures which may be allowed;
- (h) prescribing the form of certificates of tests of petroleum and the fees which may be charged therefore
- (i) providing, where the results of the testing of sample raise a doubt as to the uniformity of the quality of the petroleum in any lot under test, for the division of the lot into sub-lots, and for the selection and testing of samples of each sub-lot and for the arranging of results in accordance with the results of tests of those samples;
- (j) prescribing fees for re-test under section 46 and providing for the refund where the original test was erroneous; and
- (k) generally regulating the procedure of all officers performing duties connected with the testing of petroleum, and providing for any matter incidental to such testing.

Power of State Government to make special rules for viscous or solid forms of petroleum

48. The State Government may also make rules proving specially for the testing of any form of petroleum which is viscous or solid or contains sediments nr thickening ingredients, and such rules may modify or supplement any of the provisions of this Chapter or of the rules made under Section 47 in order to adapt them to the special need of such tests.

CHAPTER-X

POWER TO ACQUIRE RIGHT OF USER IN LAND FOR LAYING PIPE LINES FOR THE TRANSPORT OF MINERAL OILS AND NATURAL GAS.

Interpretations

49. In this chapter, unless the context otherwise requires
- (a) “Competent Authority” means any person or authority appointed by the State Government by notification, to perform the functions of the competent authority under this Act, and different persons or authorities may be authorized to exercise all or any of the functions of the competent authority under this Act in the same area or different areas specified in the notification;
 - (b) “corporation” means any body corporate established under any Central or State Act, and includes —

Central Act I of 1956

- (i) a company termed and registered under the Companies Act, 1956, and
- (ii) a company formed and registered under any law relating to company formerly in force in any part of the State,
- (c) words and expressions used in this chapter and not defined in chapter 1 have the meanings, respectively assigned to them in that chapter.

Publication of notification for acquisition

50. (1) whenever it appears to the State Government that it is necessary in the public interest that, for the transport of mineral oils and natural gas from one locality in the State to another locality in the State, pipe lines may be laid by the State Government or a corporation, authorized by the State Government to do so and that for the purpose of laying such pipelines it is necessary to acquire the right of user in any land in the State under which such pipelines may be laid, it may, by notification declare its intention to acquire the right of user therein.
- (2) every notification under Sub-section (1) shall give a brief description of the land.
- (3) The competent authority shall cause the substance of the notification to be published at such places and in such manner as may be prescribed.

Power to enter, survey etc.

51. On the issue of a notification under Sub-section (1) of section 50 it shall be lawful for any person authorized by the State Government or the corporation which proposes to lay the pipelines for the transport of any mineral Oil or natural gas and its servants and workmen
- (a) to enter upon and survey and take levels of any land specified in the notifications;
 - (b) to dig or bore into the sub-soil;
 - (c) to set out the intended line of work;
 - (d) to mark such levels, boundaries and lines by piling marks and cutting trenches;
 - (e) where otherwise survey cannot be completed and levels taken and boundaries and lines marked, to cut down and clear away any part of any

- standing crop, fence or jungle, and
- (f) to do all other Acts necessary to ascertain whether pipelines can be laid under the land.

Provided that while exercising any power under this Section, such person or any servant or workman of such person shall cause as little damage or injury as possible to such land

Hearing of objections

52. (1) Any person interested in the land specified in the notification made under section 50 may, within twenty-one days from the date of publication of the notification under sub-section (1) of section 50 object to the laying of the pipeline under the land
- (2) Every objection under sub-section (1) shall be made to the competent Authority in writing and shall set out the grounds thereof and the Competent Authority shall give to the objector a reasonable opportunity of being heard either in person or by a legal practitioner and may, after hearing all such objections and after making such further inquiry, if any, as that Authority thinks necessary, by order, either allow or disallow the objections.
- (3) Any order made by the Competent Authority under Sub-section (2) shall be final.

Declaration of acquisition of right of user

53. (1) Where no objections under sub-section (1) of section 52 have been made to the competent authority within the period specified therein or where the Competent Authority has disallowed the objections under sub-section (2) of that Section, that Authority shall as soon as may be, either make a report in respect of the land described in the notification under sub-section (1) of section 50 or make different reports in respect of different parcels of such land, to the State Government containing his recommendations on the objections together with the records of the proceedings held by him, for the decision of that Government and upon receipt of such report the State Government shall, if satisfied that such and is required for laying any pipelines for the transport of any mineral oil or natural gas, declare, by notification, that right of user in the land for laying pipelines shall be acquired and different declarations may be made from time to time in respect of different parcels of the land described in the notification made under sub-section (1) of section 50 irrespective of whether one report or different reports have been made by the competent authority under this sub-section.
- (2) On the publication of the declaration under subsection (1), the right of user in the land specified therein shall vest absolutely in the State Government free from all encumbrances.
- (3) Where in respect of any land a notification has been made under sub-section (1) of section 50 but no declaration in respect of any parcel of land covered by that notification has been published under this section within a period of one year from the date of that notification, that notification shall cease to have effect on the expiration of that period.
- (4) Notwithstanding anything contained in sub-section (2), the State Government may, on such terms and conditions as it may think fit to impose, direct by order in writing, that the right of user in the land for laying the pipelines shall, instead of vesting in the State Government, vest, either on the date of publication of the declaration, or on such other date as may be specified in

the direction, in the corporation proposing to lay the pipelines and thereupon the right of such user in the land shall, subject to the terms and conditions so imposed, vest in the corporation free from all incumbrances.

State Government or corporation to lay pipelines.

54. (1) Where the right of user in any land has been vested in the State Government or a corporation under Section 53 —
- (i) it shall be lawful for any person authorized by the State Government or such corporation and its servants and workmen to enter upon the land and lay pipelines or to do any other act necessary for laying pipelines

Provided that no pipelines shall be laid under —

- (a) any land which, immediately before the date of the notification under Sub-section (1) of Section 50 was used for residential purposes;
 - (b) any land on which there stands any permanent structure which was in existence immediately before the said date;
 - (c) any land at a depth which is less than one metre from the surface;
- (ii) for laying pipelines for the transport of mineral oils or natural gas, it shall be lawful for any person authorised by the State Government or such corporation to use such land for laying pipelines for transporting any mineral oil or natural gas and where the right of user in any land has so vested for laying pipelines for transporting any mineral oil or natural gas, it shall be lawful for such person to use such land for laying pipelines for transporting such mineral oil or natural gas, and
- (iii) such land shall be used only for laying the pipelines and for maintaining, repairing, altering or removing any such pipelines or for doing any other act necessary for the aforesaid purposes or for the utilisation of such pipelines.

If any dispute arises with regard to any matter referred to in paragraph (b) or paragraph (c) of the proviso to Clause (i) of Sub-section (1) the dispute shall be referred to the competent authority whose decision shall be final.

Power to enter land for inspection etc

55. For maintaining, examining, repairing, altering or removing any pipeline or for doing any other act necessary for the utilisation of pipelines or for the making of any inspection or measurement for any of the aforesaid purposes, any person authorised in this behalf by the State Government or the corporation, as the case may be, may after giving a reasonable notice to the occupier of the land under which the pipelines have been laid, enter therein with such workmen and assistants as may be necessary.

Provided that, where such person is satisfied that an emergency exists, no such notice shall be necessary.

Provided further that while exercising any powers under this section, such person or any workman or assistant of such person shall cause as little damage or injury as possible to such land.

Restrictions regarding use of land

56. (1) The owner or occupier of the land with respect to which a declaration has been made under Sub-section (1) of section 53, shall be entitled to use the land for the purpose for which such land was put to use immediately before

the date of the notification under Sub-section (1) of section 50.

Provided that such owner or occupier shall not after the declaration made under the Sub-section (1) of section 53:-

- (i) construct any building or any other structure,
 - (ii) construct or excavate any tank, well reservoir or dam, or
 - (iii) plant any tree, on that land.
- (2) The owner or occupier of the land under which any pipeline has been laid shall not do any act or permit any act to be done which will or is likely to cause any damage in any manner whatsoever to the pipeline.
- (3) Where the owner or occupier of the land with respect to which a declaration has been made under Sub-section (1) of Section 53
- (a) constructs any building or any other Structure, or
 - (b) constructs or excavates any well, tank. Reservoir or dam, or
 - (c) plant any tree

on that land, the authority exercising the powers of the court of District Judge within the local limits of whose jurisdiction such land is situated may, on an application made to it by the Competent Authority and after holding of such inquiry as it may deem fit, cause the building, structure, reservoir, dam or tree to be removed or the well or tank to be filled up, and the cost of such removal or filling up shall be recoverable from such owner or occupier in the same manner as if the order for the recovery of such costs were a decree made by that Authority.

Compensation

57. (1) Where, in the exercise of the powers conferred by Section 50, Section 53 or Section 54 any person interested in the land under which the pipeline is proposed to be, or is being, or has been laid, the State Government or the corporation, as the case may be, shall be liable to pay compensation to such person for such damage, loss or injury, the amount of which be determined by the competent Authority in the first instance.
- (2) If the amount of compensation determined by the competent authority under sub-section (1) is not acceptable to either of the parties, the amount of compensation shall, on application by either of the parties to the Deputy Commissioner within the local limits of whose jurisdiction the land or any part thereof is situated, he determined by the Deputy Commissioner.
- (3) The competent authority or the Deputy Commissioner while determining the compensation under Sub-section (1) or Sub-section (2) as the case may be, shall have due regard to the damage, loss or injury sustained by any person interested in the land by reason of -
- (i) removal of trees or standing crops, if any, on the land while exercising the powers under Section 50, Section 53 or Section 54;
 - (ii) the temporary severance of the land under which the pipeline has been laid from other lands belonging to, or in the occupation of, such person, or
 - (iii) any injury to any other property, whether movable or immovable, or the earnings of such person in any other manner

Provided that in determining the compensation no account shall be taken of any structure or other improvement made in the land after the date of the notification made under Sub-section (1) of Section 50

- (4) Where the right of user of any land has vested in the State Government or the

- corporation, the State Government or the corporation, as the case may be, shall, in addition to the compensation, if any, payable under Sub-section (1), be liable to pay to the owner and to any other person whose right of enjoyment in that land has been affected in any manner whatsoever by reason of such vesting, compensation calculated at ten percent of the market value of the land on the date of notification made under Sub-section (1) of Section 50,
- (5) The market value of the land on the said date shall be determined by the Competent Authority and if the value so determined by that Authority is not acceptable to either of the parties, it shall, on an application by either of the parties, to the Deputy Commissioner referred to in Sub section (2), be determined by that Deputy Commissioner.
 - (6) The decision of the Deputy Commissioner under Sub-section (2) of Sub-section 50 shall be final.

Deposit and payment of compensation

58. (1) The amount of compensation determined under Section 37 shall be deposited by the State Government or the corporation, as the case may be, with the Competent Authority within such time and in such manner as may be prescribed.
- (2) If the amount of compensation is not deposited within the time prescribed under Sub-section (1), the State Government or the corporation, as the case may be, shall be liable to pay interest thereon at the rate of six percent per annum from the date on which the compensation had to be deposited till the date of the actual deposit.
 - (3) As soon as may be after the compensation has been deposited under Sub-section (1) the Competent authority shall on behalf of the State Government or the corporation, as the case may be, pay the compensation, to the persons entitled thereto.
 - (4) Where several persons claim to be interested in the amount of compensation deposited under Sub-section (1), the Competent Authority shall determine the person who in its opinion are entitled to receive the compensation and the amount payable to each of them.
 - (5) If any dispute arises as to the apportionment of the compensation or any part thereof or as to the persons to whom the same or any part thereof is payable, the Competent Authority shall refer the dispute to the decision of the Deputy Commissioner within the local limits of whose jurisdiction the land or any part thereof is situated and the decision of the Deputy Commissioner thereon shall be final.

Competent Authority to have certain powers of Civil Courts. Ceniral Act 5 of 1908

59. The Competent Authority shall have, for the purpose of this Act, all the powers of a civil court while trying a suit under the Code of Civil Procedure, 1908 in respect of the following matters, namely
- (a) summoning and enforcing the attendance of any person and examining him on oath;
 - (b) requiring the discovery and production of any document;
 - (c) reception of evidence on affidavit;
 - (d) requisitioning any public record from any court or office;
 - (e) issuing commission for examination of witnesses.

Penalties

60. (1) Whoever wilfully obstructs any person in doing any of the acts authorised by Section 51, Section 54 or Section 56 or wilfully fills up, destroys, damages or displaces any trench or mark made under Section 51 or wilfully does any act prohibited, under Section 56, shall be punished with imprisonment for a term which may extend to six months or with fine or with both.
- (2) Whoever wilfully removes, displaces, damages or destroys any pipeline laid under Section 34, shall be punished with imprisonment for a term which shall not be less than one year, but which may extend to three years and shall also be liable to fine.

Power to make rules.

61. (1) The State Government may, by notification, make rules for carrying out the provisions of this Chapter.
- (2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters namely:-
 - (a) the place at which and the manner in which the substance of the notification may be published under Sub-section (3) of Section 50;
 - (b) the time within which and the manner in which the amount of compensation may be deposited under Sub section (1) of Section 58;
 - (c) any other matter which is required to be, or may be prescribed.

Application of other laws

62. The provisions of this chapter shall be in addition to, and not in derogation of, any law for the time being in force in the State relating to the acquisition of land.

CHAPTER XI APPLICATION AND AMENDMENT OF THE NAGALAND (REQUISITION AND ACQUISITION) ACT, 1965

Power to undertake investigation for development of land and its resources

63. Whenever the State Government is of opinion that for the purpose of development of any land in the State for conservation, exploration of its resources it is necessary so to do, it may, by notification, authorise such authority as it may think fit to undertake a survey or other investigation to determine whether the whole of the State or any region or any part of the territory thereof contains or may hereafter contain any mineral resources, and on the issue of such notification, it shall be the duty of the authority so specified to make the determination aforesaid.

Acquisition of land for conservation etc. shall be deemed to be for a public purpose

64. (1) Whenever any land in the State is proposed to be acquired for the purpose of conservation, development, exploration or exploitation of any land and its resources or for the establishment or development of any industry or for any other purposes of this Act, such acquisition shall be deemed to be needed for a public purpose.

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- (2) The provisions of the Nagaland (Requisition and Acquisition) Act, 1965 shall apply to every acquisition of land for the purposes specified in Sub-section

(1), and in its application to any acquisition of land for any such purpose, the Act aforesaid shall apply subject to the following amendments, namely:-

- (i) in Section 2, in the Explanation to Clause (a), for the words “and easements”, the words “easements and minerals and minerals oils” shall be substituted;
- (ii) after Section 9, the following Section shall be inserted, namely:-

Speedy acquisition of land for mineral development etc.

- 9A. (1) Notwithstanding anything contained elsewhere in this Act, if in the opinion of the State Government, it is necessary or expedient to acquire speedily any land for public works including the development of such land for the purpose of exploration, exploitation or conservation of minerals or for the purpose of establishment or development of any industry, that Government may, by an order in writing, acquire the land and on such order being made, the provisions of Sub-section (2) of Section 9 with regard to the service of an order for the acquisition of land under Sub-section (1) of Section 9 shall also apply to the service of an order for acquisition of any land made under this Section and references therein to Sub-section (1) of Section 9 shall be construed as including references to an order made under this Section.
- (2) The provisions of Section 10 with regard to the vesting and taking possession of land acquired under Sub-section (1) of section 9 shall also apply to the vesting and taking possession of land acquired under Sub-section (1) of Section 9A and references in Section 10 to Section 9 shall be construed as including references to an order made under Sub-section (1) of the Section 9A,
- (3) The provisions of Sub-sections (1) and (2) of Section 11 with regard to the determination of compensation to be paid for the acquisition of any land under Sub-section (1) of Section 9 shall also-apply to the determination of compensation to be paid for the acquisition of any land under Sub-section (1) of this Section and references in the said Sub-sections of Section 11 to Section 9 shall be construed as including references to the determination of compensation to be paid for requisition of any land under this Section”

Compensation to be comprehensive

65. The compensation to be paid for acquisition of any land for the purpose of conservation, development, exploration or exploitation of any mineral resources under the Nagaland (Requisition and Acquisition) Act, 1965 shall be deemed to be a comprehensive one and shall be deemed to include compensation for whatever is on, in, over or under, the surface of the land so acquired.

Explanation : For the removal of doubts, it is hereby declared that no compensation shall be separately payable for the acquisition of any mineral, mineral oil that may be found in, or under, the land so acquired.

CHAPTER XII

LEVY AND COLLECTION OF TAX ON MINERAL RIGHTS

Power Of State Government To Levy And Collect Tax On Mineral Rights

66. (1) On and from such date as may be appointed by the State Government, by notification, there shall be levied and collected by that Government, in each financial year, a tax on the mineral rights every holder of a mining lease, and different dates, may be appointed for different minerals.
- (2) The amount of tax to be levied and collected under Sub-section (1) shall not exceed the amount of the royalty payable under this Act by the holder of the mining lease for the financial year immediately preceding the financial year in respect of which such tax has been levied, as may be specified by the State Government in the notification referred to in Sub-section (1) and different amounts may be specified for different minerals.
- (3) The tax referred to in Sub-section (1) shall be payable by the holder of the mining lease in addition to the royalty payable by him for the relevant financial year.

Determination of tax

67. (1) The amount of tax payable under section 66 shall be determined in accordance with the provisions of that section by such authority as may be specified by the State Government by notification.
- (2) Before levying any tax, the specified authority shall cause a notice of demand to be served, in such manner as may be prescribed, on the holder of the concerned mining lease specifying therein the amount of the tax which has been determined under Sub-section (1) as being payable by him.
- (3) The amount specified in the notice of demand served under Sub-section (2) shall be paid within thirty days from the date of service of the notice aforesaid.
- (4) If any omission or default is made in payment of the tax specified in the notice of demand within the period of thirty days aforesaid, the amount of such tax shall be recoverable as a public demand

Appeal

68. Any person aggrieved by the levy or determination of the tax under Section 66 or, as the case may be, Section 67 may, within thirty days from the date of service on him of the notice of demand under Section 67, prefer an appeal to such authority as the State Government may appoint by notification and such authority as the State Government may appoint by notification and such authority may, after giving to the appellant and the authority levying and determining the mineral tax a reasonable opportunity of being heard, pass such order on the appeal as it may think fit, and the order passed on such appeal shall, subject to the provisions of Section 69, be final.

Revision

69. The State Government may, either on its own motion or on an application made by the aggrieved person, call for and examine the records relating to the proceedings for the levy, determination or collection of mineral tax by any officer or authority under this Chapter, for the purpose of satisfying itself as to the

correctness, legality or propriety of the order made by such officer or authority or, as the case may be, and if in any case, it appears to the State Government that such order or proceeding should be modified annulled, reversed or remitted for reconsideration, it may pass orders accordingly.

Provided that no order adversely affecting any person shall be passed unless such person has been given a reasonable opportunity of making his representation in relation to the matter.

Rules to include certain matters

70. The rules made under this Act shall include the manner in which a notice of demand issued under this Chapter and notices of appeal shall be served.

**CHAPTER XIII
PENALTIES AND PROCEDURE FOR
THEIR IMPOSITION**

Penalties

71. (1) Whoever contravenes the provisions of Sub-section (1) of Section 3 shall be punished with imprisonment for a term which may extend to one year or with fine which may extend to five thousand rupees, or with both.
- (2) Whoever-
- (a) in contravention of any provisions of this Act or any of the Rules made thereunder other than Sub-section 1 of section 3 or Rules made thereunder prospects, mines and stores, produces any mineral oil or imports, exports, stores, refines or blends any petroleum or
 - (b) being for the time being in control or incharge of any place where an mineral is being prospected, stored or produced or is under transport imported, refined or blended contravenes any provision of this Act or any rule made thereunder or suffers any such provision to be contravened or refuses or neglects to show to any officer authorised under this Act or any rule made thereunder, any receptacle, plant or appliance used in such place in connection with any mineral or in way obstructs or fails to render reasonable assistance to such officer during inspection.
 - (c) being required to give information of an accident, fails to give such information shall be punished with simple imprisonment for a term which may extend to one month, or with fine which may extend to one thousand rupees, or with both.
- (3) in any case in which an offence under Sub-section (2) has been committed, the convicting Magistrate or other authority to which he is subordinate may direct that the mineral in respect of which the offence has been committed, shall, together with the receptacles in which is contained, shall be confiscated,
- (4) Any rule made under any provision of this Act may provide that any

contravention thereof shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees, or with both, and in the case of a continuing contravention, with an additional fine which may extend, to one thousand rupees for every day during which such contravention continued after conviction for the first such contravention,

Cognizance of offences

72. Notwithstanding anything contained in any rule or order relating to Criminal Procedure Code in force in the state, no court or other authority shall take cognizance of an offence punishable under this Act or any rule made thereunder except upon a complaint, in writing, made by a person authorised in this behalf by the State Government.

Bar of jurisdiction to try offences

73. No court or other tribunal or other authority inferior in status to that of a Magistrate of the first Class shall try any offence punishable under this Act or any rule made thereunder.

Offences to be cognizable and bailable

74. Every offence punishable under this Act shall be cognizable and bailable.

Offences by companies

75. (1) If the person committing an offence punishable under this Act or any rule made thereunder is a company, the company and every person who at the time the offence was committed was in charge of, and was responsible to the company for the conduct of business of the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this Sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

- (2) Notwithstanding anything contained in Sub-section (1), where an offence punishable under this Act or any rule made thereunder has been committed with the consent or connivance of any director, manager, secretary or other officer shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation: For the purpose of this Section.

- (a) “company” means any body corporate and includes a firm or other association of individuals;
- (b) “director” in relation to a firm means a partner in the firm.

Compounding of offence

76. (1) No offence under this Act shall be compounded except in accordance with the provisions of Sub-section (2).
- (2) Any offence punishable under this Act or any rule made thereunder may, either before or after the institution of the prosecution, be compounded by the person authorised under Section 72 to make ‘a complaint to the Court with respect to that, offence, on payment to that person, for credit to the State

Government of such sum as that person may specify.

Provided that in the case of an offence punishable with fine only, no such sum shall exceed the maximum amount of fine which may be imposed for that offence.

- (3) Where an offence is compounded under Sub-section (2), no proceeding or further proceeding, as the case may be, shall be taken against the offender in respect of the offence so compounded and the offender, if in custody, shall be released forthwith.

CHAPTER XIV MISCELLANEOUS

Provisions of the Act to over-ride other laws

77. Save as otherwise provided elsewhere in this Act, the provisions of this Act shall have effect notwithstanding anything to the contrary contained in any other law for the time being in force in the State or in any contract or instrument having effect by virtue of any enactment or in any usage having the force of law in the State and every such law, contract, instrument or usage, as the case may be, shall be, to the extent of the repugnance with this Act, be void and inoperative in the State.

Protection of action taken in good faith

78. (1) No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done in pursuance of the provisions of this Act or any rule or notification made thereunder.
- (2) No suit or other legal proceeding shall lie against the State Government, the competent authority or corporation for any damage, loss or injury caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of any provision of this Act or of any rule or notification made thereunder.

Bar of Jurisdiction of Civil Courts

79. Save as otherwise expressly provided in this Act, no civil court shall have jurisdiction in respect of any action taken or proposed to be taken by the authority in pursuance of any power conferred by or under, this Act.

Prospecting licence and mining leases to be void if in contravention of the Act

80. Any prospecting licence or mining lease granted, renewed or acquired in contravention of the provision of this Act or any rule or order made thereunder shall be void and of no effect

Explanation : Where a person has acquired more than one prospecting licence or mining lease in the State and the aggregate area covered by such licences or lessees as the case may be, exceeds the maximum area permissible under Section 7, only that Prospecting licence or mining lease, the acquisition of which has resulted in such maximum area being exceeded shall be deemed to be void.

Power to convict trespassers

81. Where any person trespasses into any land in contravention of the provisions of

Sub-section (1) of Section 3, such trespassers may be served with an order of eviction by the State Government, or any authority empowered in this behalf by that Government and the State Government or such authorised officer may, if necessary, obtain the help of police to evict the trespassers from the land.

Power of entry and search

82. (1) The State Government may, by notification, authorise any officer by name or by virtue of office to enter and search any place where he has reason to believe that any mineral oil is being prospected, transported, stored, produced otherwise than in accordance with the provisions of this Act and the rules made thereunder, and to seize, detain or remove any or all of the petroleum in respect of which, in his opinion, an offence under this Act has been committed.
- (2) The provisions of law for the time being in force in the State relating to Search and seizure shall, so far as they are applicable, apply to the searches and seizures by officers authorised under this Section.
- (3) The State Government may make rules regulating the procedure of authorised officers in the exercise of their powers under this Section subject, however, to the provisions of Sub-section (2)

Power of Magistrate to seize any mineral etc

83. (1) Whenever any person raises, without any authority, any mineral from any land and for that purpose brings on the land any tool, equipment, vehicle or other thing, such mineral tool, equipment, vehicle or other thing shall be liable to be seized by a Magistrate or other authority specially empowered by the State Government in this behalf,
- (2) Whenever any person raises, without any lawful authority, any mineral from any land, the State Government may recover from such person the mineral so raised or, where such mineral has already been disposed of, the price thereof, and may also recover from such person, rent, royalty, or tax as the case he, for the period during, which the land was occupied by such person without any lawful authority.

Power of entry and inspection of mine or abandoned mine

84. (1) For the purpose of ascertaining the position of the working, actual or prospective, of any mine or abandoned mine or for any other purpose connected with this Act or the rules made thereunder, any person authorised by the State Government in this behalf, by general or special order, may:-
- (a) enter and inspect any mine or abandoned mine;
- (b) survey and take measurements in mine;
- (c) weigh measure or take measurement of the stocks of minerals lying at any mine;
- (d) examine any document, book register or record in the possession or power of any person having the control, of, or connected with, any such mine and place marks of identification thereon, and take extracts from or make copies of such document, book, register or record;
- (e) order the production of any such document book, register or record as is referred to in clause (d, and f)
- (f) examine any person having the control of or connected with any such mine

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- (2) Every person authorised by the State Government under Sub- section (1) shall be deemed to be a public servant within the meaning of Section 21 of the Indian Penal Code, 1860, and every person to whom an order or summon issued by virtue of the powers conferred by Clause (e) or Clause (f) of that Sub-section shall be legally bound to comply with such order or summons, as the case may be.

Recovery of certain sums as arrears of land revenue

85. (1) Any rent, royalty, tax, fee, cess or other sum due to the State Government either under this Act or any rule made thereunder or under the terms and conditions of any prospecting licence or mining lease may, on a certificate of such officer as may be specified by the State Government in this behalf by general special order, be recovered in the same manner as if it were a public demand and every such sum, which becomes due to the Government after the appointed day, together with the interest due thereon, shall be a first charge on the assets of the holder of the prospecting licence or mining lease, as the case may be.

Delegation of powers

86. (1) The State Government may, by notification, direct that any power exercisable by it under this Act may, in relation to such matters and subjects to such conditions, if any, as may be specified in the notification, be exercisable also by such officer or authority subordinate to the State Government.
- (2) Any rule made under this Act may confer powers and impose duties or authorise the conferring of powers and imposition of duties upon any officer or authority subordinate to the State Government.

Rule and notifications to be laid before state Legislative Assembly

87. (1) Every rule and every notification made by the State Government under this Act shall be laid. as soon as may be after it is made before the Legislative Assembly of the State while it is in session for a total period of seven days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or successive sessions aforesaid, the Legislative Assembly makes any modification in the rule or notification or decides that the rule or notification should not be made, the rule or notification shall have effect thereafter only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification.

Existing rules to continue

88. All rules made or purporting to have been made under any enactment made by Parliament before the commencement of the Constitution (Thirteenth Amendment) Act, 1962, that is the first day of December, 1963, shall, in so far as they relate to matters for which provision is made in this Act and are not inconsistent therewith, be deemed to have been made under this Act as if this Act had been in force on the day on which such rules were made and shall continue in force unless and until they are superseded by any rule made under this Act:

Power of revision of State Government

89. The State Government may, of its own motion or on application made within the prescribed time by an aggrieved party, revise any order made by it or any authority subordinate to it in exercise of the power conferred on it by or under this Act

Relaxation of rules in special cases

90. The State Government may, if it is of opinion that in the interests of mineral development in the State it is necessary so to do, by an order, in writing, and for reasons to be recorded, authorize, in any case, the grant, renewal or transfer of any prospecting licence or mining lease or working of any mine for the purpose of searching for or winning any mineral on terms and conditions different from those laid down in the rules made under Section 15.

Validation of certain Acts

91. All acts of executive authority done, proceeding taken and sentences passed under any enactment made by Parliament on or before the first day of December, 1963, and in force immediately before the appointed day with respect to the regulation of mines and development of minerals in the State by Government or by any officer of the Government or by any other authority, in the belief or purported belief that the acts, proceedings or sentences were being done, taken or passed under the said enactment, shall be as valid and operative as if they had been done, taken or passed in accordance with law and no suit or other legal proceedings shall be maintained or continued against any person whatsoever on the ground that any such act, proceeding or sentence were not done, taken or passed in accordance with law.

Power to make rules with retrospective effect

92. Any rule made under this Act may provide that it shall have effect from such earlier or later date, not being a date earlier than the commencement of provisions under which the concerned rule is made.

Provided that no person shall be prosecuted or punished for anything done at any time prior to the date on which the rules so made were first published in the Official Gazette.

THE FIRST SCHEDULE

(See Section 10) RATES OF ROYALTY

1. Mineral oils, petroleum and petroleum products (including Liquid petroleum gas).
 - (i) Petroleum Rs. 192/— per metric tonne
 - (ii) Natural Gas 10% of the value of NG
 - (iii) Gasoline from gas at well read
 - (iv) Oil Shale Ditto
2. Agate Rs. 55/— per tonne
3. All precious and Semiprecious stones 20% of the sale price
(except agate and diamond) at pit's month
4. Apatite and Rock phosphate
 - (a) Ores with more than 27% P₂O₅ Rs. 43/— per tonne
 - (b) Ores with 20% F₂O₅ to: 27% P₂O₅ Rs. 25/— per tonne
 - (c) Ores with less than 20%: P₂O₅ Rs. 10/— per tonne
5. Asbestos
 - (a) Chrysotile Rs. 285/— per tonne
 - (b) Amphibole Rs. 15/— per tonne
6. Barytes
 - (a) White (including snow white and super snow white) Rs. 20/— per tonne
 - (b) Off-colour Rs. 10/— per tonne
7. Bauxite Rs. 10/— per tonne
8. Cadmium Rs. 16/— unit P_c of cadmium metal per tonne ore and on provata basis.
9. Calcite Rs. 15/— per tonne
10. China clay; also called Kaolin (including ball clay) and white shale
 - (a) Crude Rs. 8/— per tonne
 - (b) Processed (including washed) Rs. 35/— per tonne
11. Chromites (both lumpy non- friable ore and concentrates)
 - (a) Containing 48% Cr₂O₃ and above Rs. 60/— per tonne
 - (b) Containing less than 48% Cr₂O₃ and more than 40% Cr₂O₃ Rs. 25/— per tonne
 - (c) Containing 30% to 40% Cr₂O₃ Rs. 20/— per tonne
 - (d) Containing less than 30% Cr₂O₃ Rs. 5/— per tonne
12. Coals
 - (i) Group-I Coals.
 - (a) Coking coal steel grade-I, steel grade-II, washery grade-I Rs. 7/— per tonne
 - (b) Hand picked coal Rs. 7/— per tonne
 - (ii) Group-II, Coals

(a)	Coking coal washery grade-II, coking coal washery grade-III	Rs. 6/50 per tonne
(b)	Semi-coking coal grade-I Semi-coking coal grade-II	Rs. 6/50 per tonne
(c)	Non-coking grade-A Non -coking coal grade-B	Rs. 6/50 per tonne
(d)	Ungraded R.O.M. Coal	Rs. 6/50 per tonne
(iii)	Group-III coals.	
(a)	Coking coal washery grade-IV	Rs. 5/50 per tonne
(b)	Non-coking coal grade-C	Rs. 5/50 per tonne
(iv)	Group-IV coals; Non-coking, coal grade-D, Non-coking coal grade-E	Rs. 5/50 per tonne
(v)	Group-V coals; Non-coking coal grade-F, Non-coking coal grade-G	Rs. 2/50 per tonne
(vi)	Coal Group-VI coals produced in Andra Pradesh (Singareni collieries Ltd.)	Rs. 5/— per tonne

Explanation For the purpose of this item the specification of each such grade of coal shall be prescribed by the State Government.

13.	Copper ore	Rs. 5/— per unit Pc. metal per tonne of ore.
14.	Corrundum	Rs. 110/— per tonne
15.	Diamond	15% of sale price at pit's month
16.	Diaspore	Rs. 30/— per tonne
17.	Dolomite	Rs. 8/— per tonne
18.	Felspar	Rs. 6/— per tonne
19.	Fire clay including plastic pipe, lithographic and natural (pozzolanic) clay	Rs. 5/-per tonne
20.	Fluorspar (also called Fluorite)	
(a)	Containing 85% CaF ₂ or more	Rs. 110/- per tonne
(b)	Containing 70% CaF ₂ or more but less than 85% CaF ₂	Rs. 75/— per tonne
21.	Gold	Rs. 2/— one gram gold per tonne of ore
22.	Garnet (abrasive)	Rs. 15/— per tonne
23.	Graphite	
(a)	with 80% or more fixed carbon	Rs. 75/— per tonne
(b)	with 40% or more fixed carbon but less than 80% fixed carbon	Rs. 40/— per tonne
(c)	with 20% or more fixed carbon but less than 40% fixed carbon	Rs. 15/ — per tonne
(d)	with less than 20% fixed carbon	Rs. 10/— per tonne
24.	Gypsum	Rs. 8/— per tonne
25.	Ilmenite	Rs. 10/— per tonne
26.	Iron (i) Ore Lumps	
(a)	with 65% Fe or more	Rs. 6/— per tonne
(b)	with 62% Fe or more but less than 65% Fe.	Rs. 3/50 per tonne
(c)	with 60% Fe or more but less than 62% Fe	Rs. 2/50 per tonne
(d)	with less than 60% Fe	Rs. 21/— per tonne (ii) ore fines

(A) Fines (including natural fines produced incidental to mining and sizing of ore)		
(a)	with 65% Fe or more	Rs. 3/50 per tonne
(b)		with 62% Fe or more
		Rs. 2/— per tonne but less than 65% Fe
(c)	with less than 62% Fe	Rs. 1/50 per tonne
(B)	Concentrates prepared by beneficiation and/or concentration of low grade ore containing 40% Fe or less	Rs. 0.50 per tonne
27.	Kyanite Andalusite	Rs. 40/— per tonne
28.	Lead ore	Rs. 3/— per unit Pc of metal per tonne of ore
29.	Limeshell (including Calcareous)	Rs. 10/- per tonne
30.	Limestone (including lime Kankar)	Rs. 10/— per tonne
31.	Magnesite	Rs. 10/— per tonne
32.	Manganese dioxide	
(a)	(containing 78 percent or more of MnO ₂ and 4 percent or below Fe)	Rs. 45/ — per tonne
(b)	46% Mn and above	Rs. 15/— per tonne
(c)	35% Mn and above but below 46% Mn	Rs. 9/ — per tonne
(d)	Below 35% Mn but above 25% Mn	Rs. 6/— per tonne
(e)	25% Mn or below	Rs. 2/— per tonne
33.	Mica	
(a)	crude mica	Rs. 10/— per 100 kgs
(b)	Trimmed mica of qualities other than heavy stained, Dense stained or spotted second quality	Rs. 60/— per tonne
(c)	Trimmed mica of heavy stained, Dense-stained or spotted second quality	Rs. 30/— per tonne
(d)	Waste and scrap mica	Rs. 4/— per 100 kgs
(e)	Waste rounds	Rs. 5/— per 100 kgs
34.	Monazite	Rs. 40/— per unit Pc of nickel metal per tonne of ore.
35.	Nickel Ore	Rs. 2/— per unit Pc ore
36.	Ochre	Rs. 6/— per tonne
37.	Pyrites	Rs. 0.25 p per unit Pc Sulphure per tonne of ore.
38.	Pyrophyllite	Rs. 10/— per tonne
39.	Quartz and silica sand and moulding sand	Rs. 5/— per tonne
40.	Quartzite	Rs. 5/— per tonne
41.	Rutile	Rs. 100/— per tonne
42.	Sand for stowing	Rs. 0.40p per tonne
43.	Salenite	Rs. 25/— per tonne
44.	Silimanite	Rs. 50/— per tonne
45.	Silver	Rs. 150/— per kg of metal
46.	Slate	Rs. 18/— per kg of metal
47.	Talc, Steatite and Soapstone	
(a)	insecticide grade	Rs. 10/— per tonne

	(b) other than insecticide grade	Rs. 30/— per tonne
48.	Tungsten Ore	Rs. 12/— per unit Pc of WO ₃ per tonne of ore
49.	Vermiculite	Rs. 8/— per tonne
50.	Wollastonite	Rs. 30/— per tonne
51.	Zinc ore	Rs. 6/— per unit Pc of Zn metal per tonne of ore
52.	Zircon	Rs. 90/— per tonne
53.	All other minerals not here no-before specified	10% of the sale price at pit's mouth

THE SECOND SCHEDULE
(See Section .11)
DEAD RENT

- (1) The rates of dead rent applicable to the leases other than those obtained for supply of raw material to the industry owned by the concerned lessee:

(RATES OF DEAD RENT IN RUPEES PER HECTARE PER ANNUM)

Category of the Mining Lease	1 st year of the lease	2 nd to 5 th year of the lease	6 th to 10 th year of the lease	11 th year of the lease & onwards
1	2	3	4	5
1. Lease area upto 50 hectares	Nil	30	60	90
2. Lease area upto, 50 hectares, but not exceeding 100 hectares	Nil	40	80	120
3. Lease area above 100 hectares	Nil	60	100	150

- (2) In the case of lease obtained for the supply of raw material for the industry owned by the concerned lessee, the rates of dead rent would be applicable as given in respect of item No. 1 above irrespective of the lease area.